

**Government of Romania  
The Ministry of Energy**

**DRAFT**  
**Profile of Board of Directors of**  
**Societatea Națională de Gaze Naturale ROMGAZ S.A.**

**INTRODUCTION**

Resolution No. 2/14.04.2025 of the Ordinary General Meeting of Shareholders of Societatea Națională de Gaze Naturale ROMGAZ S.A. (hereinafter referred to as ROMGAZ), approved launch of the selection procedure for the vacant positions of members of the Board of Directors of ROMGAZ, in accordance with the provisions of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented (hereinafter referred to as GEO 109/2011).

The selection procedure shall be carried out by the Ministry of Energy as the Public Supervisory Authority.

Pursuant to the provisions of Article 12 of Annex 1 to Government Decision No. 639/2023 on approving the methodological norms for the application of GEO 109/2011 on the corporate governance of public enterprises (hereinafter referred to as GD 639/2023), the Profile of the Supervisory Board is developed by the Ministry of Energy, as Public Supervisory Authority (hereinafter referred to as the PSA), through the Corporate Governance Department. The Profile of the Board and the Profile of the candidate are part of the integral component of the Selection Plan and will be approved together with such by the General Meeting of Shareholders.

ROMGAZ is the largest natural gas producer and the main supplier in Romania. Since November 12, 2013, company's shares have been traded on the regulated market governed by Bucharest Stock Exchange ("BVB") under the symbol "SNG". Global Depository Receipts ("GDRs"), issued by The Bank of New York Mellon ("BNYM"), underlying Romgaz shares (1 GDR = 1 share) were traded on the main market for financial instruments on London Stock Exchange ("LSE") under the symbol "SNGR". Pursuant to corporate decisions, as of December 31, 2024, Romgaz was delisted from LSE and trading of GDRs ceased.

The majority shareholder is the Romanian State owning a 70% stake. The company has a vast experience in the field of gas exploration and production and a history that began in 1909 with the discovery of the first commercial gas reservoir in the Transylvanian Basin by drilling well Sarmasel.

ROMGAZ undertakes geological exploration in order to discover new gas reserves, produces methane by exploiting the reservoirs included in the company's portfolio, performs underground gas storage, well interventions, workover and special operations, and technological transportation.

ROMGAZ Objectives:

- Increasing the portfolio of gas resources and reserves by discovering new resources and developing and improving the recovery rate of resources already discovered;
- Consolidating the position on energy and gas supply markets by reconsidering the regional commercial policy, including residential sector;
- Optimizing, developing and diversifying the underground storage activity by reconsidering its importance in order to ensure security, continuity and flexibility of gas supply;
- Increasing the daily flow rate by investments to reduce the dependence from reservoir pressure;
- Exploring/identifying possibilities of converting salt caverns into underground gas storage facilities;
- Materialize growth and diversification opportunities of company's activities, both internally and regionally and to identify new opportunities;
- Increasing the company's performance.

### **About S.N.G.N. ROMGAZ S.A. BoD Profile**

The profile of the board of directors of ROMGAZ (hereinafter referred to as "the Profile") is an integral part of the Selection Plan Integral Component, and comprises a set of competencies, capacities, traits and skills the Board of Directors must have at a collective level, taking into account the organizational context, the mission, the requirements expressed in the letter of expectations, and the organizational strategy elements, in-place or to be developed.

The Profile shall be developed in compliance with the following normative acts:

- ✓ Government Emergency Ordinance No. 109/2011 on corporate governance of public enterprises;
- ✓ Government Decision No. 639/2023 for the approval of the methodological norms for the application of GEO 109/2011 on corporate governance of public enterprises;
- ✓ Companies Law No. 31/1990, republished, as subsequently amended and supplemented;
- ✓ Law No. 24/2017 on issuers of financial instruments and market operations;
- ✓ Law No. 11/2025 for the amendment and completion of Law No. 24/2017 on issuers of financial instruments and market operations;
- ✓ Law No. 287/2009 on the Civil Code, republished, as subsequently amended and supplemented.

In accordance with the provisions of Article 12 paragraph (1) of GD no. 639/2023, the profile is prepared by the Public Supervisory Authority, by the corporate governance department.

*In compliance with the provisions of Article 12 paragraph (2) "shareholders holding, individually or together, at least 5% of the share capital of the public enterprise have the right to formulate proposals regarding the profile of the board, as part of the integral component of the selection plan. For that purpose, the Public Supervisory Authority will publish the draft of the board profile on its own website, on the public enterprise's website and will transmit it to AMEPIP, within 5 days from the date of approval of the initial component of the selection plan, establishing the deadline for formulating proposals."*

In accordance with Article 13 paragraphs (1) and (2) of GD 639/2023

*"The Bod Profile is based on the following components:*

- *Analysis of contextual requirements;*
- *Letter of Expectations of the Public Supervisory Authority;*
- *Strategy of the public enterprise and the sector the company is part of.*

*The BoD profile shall comprise the following:*

- *Determination of mandatory and optional selection criteria,*
- *Determination of a common evaluation grid for the established criteria,*
- *Weight of each criterion, depending on its importance,*
- *Grouping the criteria for comparative analysis,*
- *Specification of a collective minimum threshold for each mandatory selection criterion, as appropriate."*

The profile is developed in a transparent, systematic and rigorous manner to ensure identification of the necessary capabilities of the company BoD members, and the best candidates for the position of BoD members, taking into account the following aspects:

- ✓ minimum knowledge, skills and experience necessary for the proper fulfillment of the BoD member mandate;
- ✓ job responsibilities for developing the medium and long-term vision;
- ✓ capability to assume responsibilities towards the entire board, integrity and independence;
- ✓ necessary knowledge, skills and experience in constructive criticism, teamwork, communication, financial culture, decision-making and pattern detection for contributing to the activity of the board as a whole.

### **BoD Composition and Structure**

ROMGAZ is managed by a Board of Directors consisting of seven (7) members, one of whom is designated Chairperson. The members of the Board of Directors are appointed for a four-year term.

Currently, five (5) BoD positions are occupied based on a selection procedure carried out under the provisions of GEO 109/2011 in a transparent manner, in compliance with the right to free competition, fairness and equal opportunities, non-discrimination, equal treatment and assumption of responsibility, for a 4-year mandate, i.e for the period March 16, 2023 - March 15, 2027.

Given the vacancy of two (2) positions on the Board of Directors of ROMGAZ, the selection procedure for two (2) BoD members was launched, whose mandate will terminate simultaneously with the mandate of the current board, i.e. on March 15, 2027.

The structure of the Board of Directors is derived from contextual requirements and is established so that its members, in terms of their relationship with executive management, act independently and critically, and the BoD members complement each other.

The Board shall have a mixed and balanced composition in terms of professional experience, ensuring a diversity of expertise and experiences across the Board in relation to the contextual requirements and responsibilities of the Board members.

Each BoD member shall have the capability to evaluate the company's strategies, policies and operations. The Board shall be composed in such a way that there is Board experience in the areas that mirror ROMGAZ activity and anticipates the challenges in the next period.

A BoD member may have multiple areas of expertise/competence. It is not necessary for all BoD members to have professional experience in the industry Romgaz operates in, for the plurality of professional experiences may give substance to the work of the BoD members.

Thus, the future BoD members shall:

- have a good vision of the role of the company, its positioning in the market, and the constraints it faces;
- have the capability to quickly identify and operationalize optimal solutions that effectively respond to the economic reality the company operates in;
- have the capability to analyze, firstly, various situations, then to make correct decisions in a timely manner, where such decisions are adapted to the company context;
- have the capability to identify and operationalize optimal solutions that effectively respond to the technical, financial, economic and social constraints the company operates in;
- have the capability to establish an organizational culture based on understanding and satisfying customer needs, quality and performance.
- have at least that minimum level of knowledge, skills and experience which is necessary to successfully fulfill their mandate as BoD member;
- know the responsibilities of the position and be able to develop medium and long-term visions;
- have the capability to assume responsibility towards executive management and demonstrate independence;
- demonstrate integrity, honesty and transparency in relations with other BoD members and the company;
- have the necessary knowledge, skills and experience in constructive criticism, teamwork, communication, financial literacy, decision-making and pattern detection to contribute to the company's activity;
- establish a managerial culture focused on inspirational leadership, performance optimization of available human capital;
- have the capability to inspire the entire Company, through appropriate measures and actions, to make the necessary efforts to achieve strategic objectives;
- understand the importance of assessing and mediating organizational risks and be familiar with risk management methodologies and processes.

In addition to those requirements, skills, knowledge and experience mentioned above, BoD members shall also meet the following traits and conditions:

- have at least that minimum level of knowledge, skills and experience which is necessary to successfully fulfill their mandate as BoD member;
- know the responsibilities of the position and be able to develop medium and long-term visions;
- have the capability to assume responsibility towards management and demonstrate independence;
- demonstrate integrity, honesty and transparency in the relations with the other BoD members and with the Company;
- have the necessary knowledge, skills and experience in constructive criticism, teamwork, communication, financial literacy, decision-making and pattern detection to contribute to the company's work;
- establish a managerial culture focused on inspirational leadership, performance optimization of available human capital;
- understand the importance of assessing and mediating organizational risks and be familiar with risk management methodologies and processes.

BoD members shall have higher education and experience in the field of engineering, economics, social sciences, law or in the field of activity of the public enterprise of at least 7 years.

**In accordance with the provisions of GEO 109/2011 on corporate governance of public enterprises, as subsequently amended and supplemented, the following general rules shall be taken into account for the development of the BoD Profile:**

- The following persons may not be selected, nominated, designated and appointed as BoD members or directors/officers in public enterprises in accordance with this emergency ordinance:
  - a) senators;
  - b) deputies;
  - c) members of Government;
  - d) prefects and sub-prefects;
  - e) mayors and deputy mayors;
  - f) persons who have audited the financial statements of the company in question in any of the last three (3) financial years prior to the nomination;
  - g) persons who, according to the law, are incapable or who have been convicted of crimes against property through breach of trust, corruption crimes, embezzlement, crimes of forgery in documents, tax evasion, crimes provided for by Law 129/2019 on prevention and combating of money laundering and terrorist financing, and for amending and supplementing certain normative acts, as subsequently amended and supplemented;
  - h) persons who are prevented from holding a position of BoD member or director/officer under Law 31/1990, republished, as subsequently amended and supplemented;
  - i) persons who have been sanctioned by the National Bank of Romania, the Financial Supervisory Authority, the National Securities Commission or the Insurance Supervisory Commission and who are filed with the registers of those institutions - Article 4 of GEO 109/2011;
- The majority of BoD members comprises non-executive and independent BoD members within the meaning of Article 138<sup>2</sup> of Law 31/1990, republished, as amended. Civil servants, senior civil servants, as well as other categories of personnel within the Public Supervisory Authority or within other public authorities or institutions cannot be considered independent - Article 28 of GEO 109/2011;
- When nominating an independent BoD member the General Meeting of Shareholders shall consider the following criteria:
  - a) BoD member shall not to be a BoD member of the company or a company controlled by such and did not held such a position in the last 5 years;
  - b) BoD member was not an employee of the company or a company controlled by such, and did not have such an employment relationship in the last 5 years;

- c) BoD member shall not receive or have received from the company or from a company controlled by such an additional remuneration or other advantages, other than those corresponding to his/her capacity as a non-executive BoD member;
  - d) BoD member shall not be a significant shareholder of the company;
  - e) in the last year, BoD member shall not have and did not have any business relations with the company or with a company controlled by such, either personally or as an associate partner, shareholder, BoD member, officer or employee of a company that has such relations with the company, if, by their substantial nature, such are likely to affect his/her objectivity;
  - f) in the last 3 years, BoD member shall not be and has not been a financial auditor or an employee associate of the current financial auditor of the company or of a company controlled by such;
  - g) BoD member shall be a BoD member in another company where a BoD member of the company is a non-executive BoD member;
  - h) BoD member was not a non-executive BoD member of the company for more than 3 terms;
  - i) BoD member shall not have family relations with a person in one of the situations provided by items a) and d) - Article 138<sup>2</sup> of Law 31/1990
- In the case of companies managed according to the unitary system, the administrators, natural or legal persons, have experience in managing companies or autonomous regies - Article 28 paragraph 1 of GEO 109/2011;
  - BoD members shall have a bachelor's degree (at least equivalent to ISCED 6) and experience in the field of engineering, economic, social, legal sciences or in the field of activity of the public enterprise of at least 7 years - Article 28 paragraph 3 of GEO 109/2011;
  - At most one BoD member may be a civil servant or a person from other categories of personnel within the Public Supervisory Authority or within other public authorities or institutions - Article 28 paragraph 4 of GEO 109/2011;
  - The number of BoD members is set in compliance with the principles provided by Law 202/2002, republished, as subsequently amended and supplemented, so that at least one third of all BoD members are women and at least one third of all BoD members are men; the board of directors cannot be formed exclusively of persons of the same gender - Article 28 paragraph 7 of GEO 109/2011;
  - A natural person may concurrently exercise at most two (2) mandates as BoD member and/or as a member of the supervisory board in public enterprises whose headquarters are located in Romania. This provision applies equally to the natural person representing a legal entity as BoD member or member of the supervisory board, as well as to the legal entity appointed as BoD member. The public supervisory authority may establish that during his/her mandate a BoD member of a public enterprise shall sit in only one Board of Directors and/or Supervisory Board.
  - At least one BoD member shall be qualified as a financial auditor in accordance with a document issued by the competent authority in Romania, or another Member State, the European Free Trade Association, Switzerland, or the United Kingdom of Great Britain and Northern Ireland, in accordance with the law. By way of exception to this provision, competent for the Audit Committee of a public enterprise is a person who has at least three (3) years of experience in statutory audit acquired by participating in statutory audit missions in Romania, or another EFTA member state, Switzerland, or the United Kingdom of Great Britain and Northern Ireland, or within the audit committees at the level of boards of directors/supervisory boards of public interest companies/entities, proven with documents - Article 34 para. (1), (4) and (4<sup>1</sup>) of GEO 109/2011;
  - A BoD member whose mandate has been revoked for reasons attributable to him/her shall be prevented from being appointed under the provisions of Article 30 paragraph (9) of GEO 109/2011, according to which "Revoked BoD members shall be prevented to stand as a candidate for other boards of directors for five (5) years from the date of final decision on revocation from other board of directors".
  - Pursuant to the provisions of Article 28 paragraph 6<sup>1</sup> of GEO 109/2011, in the case of limited liability companies, one of the BoD members may be a civil servant, i.e. "...in the case of public enterprises organized as limited liability companies, the number of administrators shall be at least three (3), of whom at most one will be a civil servant or a person from among other categories of personnel within the public supervisory authority or within other public authorities or institutions. The provisions of

paragraph (1) regarding the experience requirements of BoD members, set out in paragraphs (3) and (6)-(8) shall apply accordingly to the BoD members of such companies...”

**EACH AND EVERY CANDIDATE SHALL MEET THE FOLLOWING GENERAL CONDITIONS:**

- a) has Romanian citizenship or citizenship of another EU member state, provided that they have their domicile or residence in Romania.
- b) Has a very good command of the Romanian language (written and spoken);
- c) His/her membership in the Board of Directors of the company for which they have applied is not likely to entail a state of incompatibility or conflict of interest;
- d) is not in any of the situations provided by Article 30 para. (9), Article 33, Article 12 para. (3), Article 36 para. (7) of GEO 109/2011;
- e) is not in any of the situations provided by Article 4 of GEO 109/2011;
- f) has not been definitively convicted by a court decision for committing a crime against humanity, against the state or against authority, corruption and official offenses, offenses against the administration of justice, forgery, offenses against property, for offenses provided for by Law no. 129/2019 on prevention and combating of money laundering and the financing of terrorism, as well as for amending and supplementing certain normative acts, as subsequently amended and supplemented, or for offenses provided for by Law no. 85/2014 on insolvency prevention and insolvency procedures, as subsequently amended and supplemented, committed intentionally, which would make him/her incompatible with the exercise of the position;
- g) has full capacity to exercise;
- h) is medically fit;
- i) has university studies bachelor's degree (at least ISCED 6 equivalent), in the field of engineering, economic, social, legal sciences, or in the field of activity of the respective public enterprise of at least seven (7) years;
- j) has experience in managing companies or autonomous regies;
- k) does not have entries in the tax and criminal records;
- l) fulfills all conditions and criteria provided by GEO 109/2011, GD 639/2023, and Law 31/1990.

**BoD Member A (2 positions)**

- shall have university studies bachelor's degree (at least ISCED 6 equivalent), and experience in the field of engineering, economics, social sciences, law or in the field of activity of the company;
- shall have at least seven (7) years of experience in the field of completed studies, or in the field of activity of the company;
- have at least five (5) years experience in the management of companies or autonomous regies.

**SELECTION CRITERIA**

Selection criteria are candidates' skills and traits required to successfully perform the role they will be assigned. The selection criteria are listed below, and for purposes of comparative analysis such are grouped as follows:

**A. COMPETENCES**

**1. Company Business Scope Specific Competences**

- 1.1 Capability to understand and analyze technological and operational processes specific to the Company's business scope;
- 1.2 Capability to increase the Company's performance;
- 1.3 Capability to understand, integrate and comply with environmental requirements specific to the business;
- 1.4 Capability to integrate safety standards into his/her decisions and actions;

- 1.5 The capability to understand the need and facilitate the implementation of the investments necessary to achieve strategic objectives.

## **2. Professional Skills of Strategic Importance**

- 2.1 Capability to efficiently and sustainably manage the organization's physical, financial and informational resources;
- 2.2 Capability to define clear objectives, to assess the business environment and to implement strategies that ensure the sustainable development of the Company;
- 2.3 Capability to establish an organizational culture based on understanding and satisfying customer needs, on quality and performance;
- 2.4 Capability to adapt to new economic, technological and legislative contexts, as well as resilience in the face of challenges;
- 2.5 Ability to understand the basic principles of corporate finance, effective cost management and risk identification, assessment and management;
- 2.6 Capability to oversee the implementation and development of digitalization processes, the use of advanced technologies and their integration into the Company's operations.

## **3. Corporate Governance Skills**

- 3.1 Capability to establish and maintain constructive and transparent relationships with social partners, including employees, unions, authorities and other relevant stakeholders;
- 3.2 Capability to apply corporate governance principles, in accordance with the provisions of GEO 109/2011.

## **4. Social and Personal Skills**

- 4.1 Interpersonal communication skills at the level of job requirements;
- 4.2 Institutional communication skills at the level of job requirements;
- 4.3 Capability to represent the company.

## **5. Local and International Experience**

- 5.1 Experience in dealing with public authorities, regulatory and supervisory authorities within the Company's business scope;
- 5.2 Experience in dealing with European institutions.

## **6. Specific competences and restrictions for civil servants or other categories of personnel within the Public Supervisory Authority or within other public authorities or institutions**

- 6.1 Capacity to implement and monitor public policies in the energy field.

## **7. Alignment with Letter of Expectations**

- 7.1 shall clearly present the objectives to be achieved in the upcoming term;
- 7.2 shall present the personal profile in direct correlation with those objectives;
- 7.3 shall formulate assessments regarding the specific challenges the company is facing, in correlation with the context of such;
- 7.4 shall formulate SMART objectives that meet the expectations regarding operational performance;
- 7.5 shall formulate SMART objectives that meet the expectations regarding financial performance;
- 7.6 shall formulate SMART objectives that meet the expectations regarding service quality and management of power infrastructure;
- 7.7 shall formulate SMART objectives that meet the expectations regarding the Company's investment policy;
- 7.8 shall formulate SMART objectives that meet the expectations on reducing receivables;

- 7.9 shall formulate SMART objectives that meet expectations on dividend policy/payments from net profit applicable to public enterprises;
- 7.10 shall formulate SMART objectives that meet the expectations in the field of ethics, integrity and corporate governance;
- 7.11 shall propose indicators that he/she consider appropriate for monitoring the performance of the public enterprise during the term of office, correlated with the formulated objectives;
- 7.12 shall present the picture of the constraints, risks and limitations that may be encountered in achieving the proposed objectives and the action plan to reduce/eliminate such.

#### **B. TREATS**

1. Personal and professional reputation;
2. Integrity;
3. Independence;
4. Political Exposure;
5. Interpersonal Communication Skills;
6. Vision.

#### **C. OTHER CRITERIA**

1. Economic and financial results of the companies in which the candidate has exercised his/her mandate as BoD member or officer;
2. Entries in the Tax Offence and Criminal Records;
3. Gender Diversity

#### **BoD Profile Matrix**

According to Article 1, para. (1), item 15 of Annex 1 to GD 639/2023, the BoD profile "*comprises a set of competencies, capacities, traits and skills the board must have at a collective level, taking into account the organizational context, the mission, the requirements expressed in the letter of expectations and the existing or to be developed organizational strategy elements*".

According to Annex 1b "The board profile is drawn up on the basis of a table that includes measurable competencies, traits and collective minimum threshold, as well as the conditions that should ideally be met by board members, individually and collectively, together with the skills, knowledge, experience and other attributes of the members in office, as well as of potential candidates"

The BoD Profile differentiates between mandatory selection criteria and optional selection criteria, based on competencies that were identified following the analysis of contextual requirements, according to the provisions of Article 15 para. (1) of Annex 1 to GD 639/2023.

At the same time, in accordance with the provisions of Annex 1a of the aforementioned methodological norms, the BoD profile is drawn up based on a table that includes measurable competencies, traits and the collective minimum threshold that should be ideally met by the BoD members, individually and collectively, together with the skills, knowledge, experience and other attributes of the members in office, as well as of potential candidates.

The evaluation of candidates is performed through documentary analysis of the documents in the application file, analysis of information additional to that in the application file requested in writing by the selection and nomination committee to review, improve and validate the accuracy of the score, analysis of the statement of intent, verification of references provided by the candidates, verification of the previous work carried out by the candidates, behavioral observation of the candidates during the interview organized by the Selection Committee, by reference to the Profile of the Board of Directors, the Profile of the Members of the Board of Directors and by reference to the indicators describing the competencies that are criteria for selecting candidates according to the previously mentioned documents, integration of the results of the analysis of the statements of intent formulated based on the Letter of Expectations by the candidates and the interview organized taking into account the application file, candidate's profile, BoD profile, and candidate's statement of intent.

#### **COMMON EVALUATION GRID FOR SELECTION CRITERIA**

The grid is a tool used to measure a person's capability to demonstrate competence in relation to the board, by classifying skill levels into five categories, from "basic level" to "expert".



Score	Competence Level	Description
N/A	Not applicable	
1	Base level	Good understanding of base knowledge
2	Intermediate level	<p>Has a level of experience acquired through fundamental training and/or several similar experiences. Such level of competence requires the support of people with expertise.</p> <ul style="list-style-type: none"> <li>• Understands and is able to correctly use terms, concepts, principles and issues related to this competence.</li> <li>• Knows and applies applicable normative acts, regulations and guidelines.</li> </ul>
3	Competent	<p>Is able to perform the functions associated with this competency. May occasionally require support from individuals with expertise, but typically demonstrates this ability independently.</p> <ul style="list-style-type: none"> <li>• Has applied this competency in the past with minimal external support.</li> <li>• Understands and is able to analyze the implications of changes in industry processes, policies, and procedures.</li> </ul>
4	Advanced	<p>Performs the tasks associated with this competency without external support.</p> <p>Is recognized within the organization as an expert in this competency, is able to provide support, and has advanced experience in this competency.</p> <ul style="list-style-type: none"> <li>• Has provided practical/relevant ideas, resources, and perspectives on the process or practice development at the board and senior executive governance levels.</li> <li>• Is able to interact and have constructive discussions with executive management, as well as coach others in the application of this competency.</li> </ul>
5	Expert	<p>Is recognized as an expert in this sector to provide support and identify solutions to complex issues related to this area of expertise.</p> <ul style="list-style-type: none"> <li>• Has demonstrated excellence in applying this competency across multiple boards and/or organizations.</li> <li>• Is perceived as an expert, leader, and innovator in this competency by the board, organization, and/or other organizations.</li> </ul>

## SELECTION CRITERIA MATRIX

Selection Criteria			Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
A. COMPETENCES	1. Company Business Scope Specific Competences	1.1 Capability to understand and analyze technological and operational processes specific to the Company's business scope;	Oblig.	1								60%	
		1.2 Capability to increase the Company's performance	Oblig.	1								60%	
		1.3 Capability to understand, integrate and comply with environmental requirements specific to the business	Oblig.	1								80%	
		1.4 Capability to integrate safety standards into his/her decisions and actions	Oblig.	1								80%	
		1.5 The capability to understand the need and facilitate the implementation of the investments necessary to achieve strategic objectives	Oblig.	1								60%	
	2. Professional Skills of Strategic Importance	2.1 Capability to efficiently and sustainably manage the organization's physical, financial and informational resources	Oblig.	1								60%	
		2.2 Capability to define clear objectives, to assess the business environment and to implement strategies that ensure the sustainable development of the Company	Oblig.	1								60%	
		2.3 Capability to establish an organizational culture based on understanding and satisfying customer needs, on quality and performance	Oblig.	1								60%	

Selection Criteria			Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
		2.4 Capability to adapt to new economic, technological and legislative contexts, as well as resilience in the face of challenges	Oblig.	1								60%	
		2.5 Ability to understand the basic principles of corporate finance, effective cost management and risk identification, assessment and management	Oblig.	1								60%	
		2.6 Capability to oversee the implementation and development of digitalization processes, the use of advanced technologies and their integration into the Company's operations	Oblig.	1								60%	
	3. Corporate Governance Skills	3.1 Capability to establish and maintain constructive and transparent relationships with social partners, including employees, unions, authorities and other relevant stakeholders	Oblig.	1								60%	
		3.2 Capability to apply corporate governance principles, in accordance with applicable legal provisions in the field	Oblig.	0.8								60%	
	4. Social and Personal Skills	4.1 Interpersonal communication skills at the level of job requirements	Oblig.	0.7								60%	
		4.2 Institutional communication skills at the level of job requirements	Oblig.	1								60%	
		4.3 Capability to represent the company	Oblig.	0.8								60%	

Selection Criteria			Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
	5. Local and International Experience	5.1 Experience in dealing with public authorities, regulatory and supervisory authorities within the Company's business scope	Oblig.	1								60%	
		5.2 Experience in dealing with European institutions	Oblig.	1								60%	
	6. Specific competences and restrictions for civil servants or other categories of personnel within the Public Supervisory Authority or within other public authorities or institutions	6.1 Capacity to implement and monitor public policies in the energy field	Oblig.	0.5								60%	
	7. Alignment with Letter of Expectations	7.1 clearly present the objectives to be achieved in the upcoming term	Oblig.	1								60%	
		7.2 present the personal profile in direct correlation with those objectives	Oblig.	1								60%	

Selection Criteria			Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
		7.3 formulate assessments regarding the specific challenges the company is facing, in correlation with the context of such	Oblig.	1								60%	
		7.4 formulate SMART objectives that meet the expectations regarding operational performance	Oblig.	1								60%	
		7.5 formulate SMART objectives that meet the expectations regarding financial performance	Oblig.	1								60%	
		7.6 formulate SMART objectives that meet the expectations regarding service quality and management of power infrastructure	Oblig.	1								60%	
		formulate SMART objectives that meet the expectations regarding the Company's investment policy	Oblig.	1								60%	
		7.8 formulate SMART objectives that meet the expectations on reducing receivables	Oblig.	1								60%	
		7.9 formulate SMART objectives that meet expectations on dividend policy/payments from net profit applicable to public enterprises	Oblig.	1								60%	
		7.10 formulate SMART objectives that meet the expectations in the field of ethics, integrity and corporate governance	Oblig.	1								60%	

Selection Criteria			Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
		7.11 propose indicators that he/she consider appropriate for monitoring the performance of the public enterprise during the term of office, correlated with the formulated objectives	Oblig.	1								60%	
		7.12 present the picture of the constraints, risks and limitations that may be encountered in achieving the proposed objectives and the action plan to reduce/eliminate such	Oblig.	1								60%	
B. TREATS		1. Personal and professional reputation	Oblig.	1								60%	
		2. Integrity	Oblig.	1								60%	
		3. Independence	Oblig.	1								60%	
		4. Political Exposure	Oblig.	0.5								20%	
		5. Interpersonal Communication Skills;	Oblig.	0.5								60%	
		6. Vision	Oblig.	0.5								60%	

Selection Criteria		Oblig./Opt	Weight	BoD member 1	BoD member 2	BoD member 3	BoD member 4	BoD member 5	Total	Total Weighted	Minimum Collective Threshold	Current Collective Threshold
C. OTHER CRITERIA	1. Economic and financial results of the companies in which the candidate has exercised his/her mandate as BoD member or officer	Oblig.	1								100%	
	2. Entries in the tax and criminal records	Oblig.	1								100%	
	3. Gender Diversity	Oblig.	1								100%	

Mandatory 3-point criteria shall have a minimum accepted individual score, except for the following: for the mandatory criteria 1.3 and 1.4 a minimum accepted individual score of 4 points is established, for the mandatory criteria 1, 2 and 3 in Section C- Other Criteria a minimum accepted individual score of 5 points is established, and for criterion B 4 a minimum accepted individual score of 1 point is established, under a scoring grid from 1 to 5.

## **SELECTION CRITERIA DEFINITION**

### **A. COMPETENCES**

#### **A 1. Company Business Scope Specific Competences**

##### *1.1 Capability to understand and analyze technological and operational processes specific to the Company's field of activity*

Description: the capability to understand the structure, functioning and interdependencies of technological and operational processes, as well as to evaluate their efficiency in relation to the strategic and operational objectives of the organization.

Indicators:

- familiar with the strategies and business models appropriate for the company business scope;
- knows who the key players in the industry are and how they relate to each other;
- understands the competitive landscape and how it influences the organization and the sector as a whole;
- familiar with the principles and technologies used in the organization's specific field;
- familiar with the standards, norms and good practices applicable in the industry.

##### *1.2 Capability to increase the Company's performance*

Description: the capability to identify specific challenges to the enterprise from an operational, technical and financial point of view, and to contribute to the integration of effective solutions and overcome these constraints, ensuring the continuity and success of operational activities.

Indicators:

- deeply understands the interdependence between technical, operational and financial constraints, and can integrate solutions to optimize these aspects at a strategic level;
- develops strategies for operational efficiency enhancement;
- quickly adapts to legislative changes and ensures their correct implementation in the organization;
- identifies and interprets relevant legislative changes, and implement such;
- assumes responsibility for ensuring a work environment that emphasizes compliance with legislation and prevention of safety incidents.

##### *1.3 Capability to understand, integrate and comply with environmental requirements specific to the business*

Description: capability to reduce the negative impact of the company activities on the environment, and propose the adoption by the company of optimal environmental protection measures.

Indicators:

- identifies sources of financing to support environmental protection measures;
- knows the legal provisions in the field of environmental protection;
- implements and complies with complex environmental protection standards in the Company activity.

##### *1.4 Capability to integrate safety standards into his/her decisions and actions*



Description: capability to understand, interpret and apply international and national requirements, regulations and practices regarding the Company's business scope, ensuring compliance with such in all decision-making and operational processes of the organization.

Indicators:

- demonstrates a clear understanding of relevant national and international regulations and standards or national regulatory authorities;
- develops plans, procedures or policies that include clear operational safety components;
- encourages proactive safety attitudes among the team and partners;
- clear and open communication with regulatory authorities and other stakeholders on safety measures adopted.

*1.5 Capability to understand the need and facilitate the implementation of the investments necessary to achieve strategic objectives*

Description: capability to actively contribute to achieve the forecasted level of adequacy of the Company's infrastructure.

Indicators:

- prepares/requests and correctly interprets investment need analyses;
- prioritizes the Company's investment effort in accordance with the national and/or international context;
- takes the necessary steps to analyze the feasibility of forecasted investments;
- represents the Company internally and internationally to facilitate the approval of vital investments.

**A 2. Professional Skills of Strategic Importance**

*2.1 Capability to efficiently and sustainably manage the organization's physical, financial and informational resources*

Description: the ability to manage and allocate the organization's resources in a way that optimizes long-term performance by complying with the principles of sustainability.

Indicators:

- plans and manages, in an efficient manner, the Company's physical infrastructure, including equipment and facilities, ensuring that such are used at maximum capacity and are maintained in optimal operating condition;
- implements preventive maintenance and equipment renewal strategies to prevent operational risks and minimize repair costs;
- coordinates the implementation of information management systems and databases that support decision-making processes and allow rapid and secure access to the necessary information;
- develops and uses key performance indicators (KPIs) to assess the efficiency of the use of financial, physical and informational resources;
- periodically analyzes performance and identifies areas for improvement in resource management to ensure their optimal and sustainable use;
- integrates sustainability principles into resource management, considering the impact on the environment and the need to reduce waste and costs in the long term;
- adopts preventive measures to protect the organization's resources against loss, theft or major breakdowns;
- coordinates teams for the efficient use of human resources in the organization's activities, ensuring that employee skills and abilities are aligned with operational needs;
- monitors and controls financial flows, making strategic allocations and taking into account financial risks and external economic trends;

- prioritizes investments based on long-term benefits for the organization and ensures efficient use of available capital.

## 2.2 *Capability to define clear objectives, to assess the business environment and to implement strategies that ensure the sustainable development of the Company*

Description: capability to formulate strategic objectives that lead to achieving the organization's mission and vision, as well as to develop action plans that allow the achievement of these strategic objectives.

### Indicators:

- understands the competitive forces that drive strategic choices;
- formulates short, medium and long-term strategic objectives;
- forecasts the resources needed to achieve these objectives;
- forecasts the expected results.

## 2.3 *Capability to establish an organizational culture based on understanding and satisfying customer needs, on quality and performance*

Description: capability to persuade the members of the organization he/she leads to follow him/her unconditionally, to achieve the predicted results through the motivation and ability of collaborators to overcome their performance limits, to transform an operational objective into a cause the achievement of which all collaborators should contribute to with great involvement.

### Indicators:

- evaluates the performance of its collaborators and uses the evaluation result both to reward them appropriately, to make promotion decisions, and to incite them to surpass themselves;
- often uses personal example;
- has good persuasive skills;
- inspires his collaborators in their professional development;
- prints directions of action, being a driving element of the organization;
- protects his team and collaborators in cases of organizational conflict;
- is a promoter of change;
- is an example of integrating the values of the organization.

## 2.4 *Capability to adapt to new economic, technological and legislative contexts, as well as resilience in the face of challenges*

Description: capability to transform a strategic plan into a budget, to consolidate and cascade budgets, to ensure compliant budget execution

### Indicators:

- analyzes strategic objectives and correlates such with the financial and operational priorities of the organization;
- integrates individual department budgets into a centralized budget, ensuring consistency with the strategic plan;
- coordinates the resource allocation process between organizational levels to ensure budgetary coherence and transparency;
- defines clear mechanisms for tracking budget execution, using periodic reports and relevant financial indicators;
- collaborates with teams to optimize processes and avoid waste or inefficient use of resources.

## 2.5 *Capability to understand the basic principles of corporate finance, effective cost management and risk identification, assessment and management*

**Description:** capability to perform the necessary due diligence for the organization to implement a reliable system for the permanent identification of potential risks, avoidance and impact mitigation of such.

**Indicators:**

- has a systemic approach;
- correctly understands the potential risk assessment matrix;
- enables the organization to map risks;
- enables the organization to create an effective system to reduce occurrence and mitigate impact of identified risks;
- enables the organization to certify its risk management system.

**2.6** *Capability to oversee the implementation and development of digitalization processes, the use of advanced technologies and their integration into the Company's operations*

**Description:** capability to develop and implement relevant digital strategies and initiatives to improve the organization's performance and competitiveness.

**Indicators:**

- evaluates and adopts the appropriate technological solutions for the organization's needs;
- manages changes and overcomes resistance to change within the organization, creating an environment that promotes adaptability and innovation;
- coordinates strategic digitalization initiatives at the organizational level, ensuring that technologies are consistent with business objectives;
- constantly evaluates the impact of digital technologies on the organization's efficiency and performance, adjusting strategies based on feedback and results;
- identifies and uses relevant digital tools to support operational activities.

**A 3 Corporate Governance Skills**

**3.1** *Capability to establish and maintain constructive and transparent relationships with social partners, including employees, unions, authorities and other relevant stakeholders*

**Description:** capability to act coherently to satisfy the social interest of the company.

**Indicators:**

- constantly highlights and communicates about the social interest that is the common ground between the Company's business interests and the interests of employees;
- takes an active part in social dialogue actions - information, consultation, social negotiation;
- carefully monitors social alert indicators and suggests coherent measures to defuse potential social conflicts;
- contributes to the argumentation of decisions with a social impact;
- militates in favor of empowering the Company's managers to conduct a positive and fluent social dialogue.

**3.2** *Capability to apply corporate governance principles, in accordance with the provisions of OUG 109/2011*

**Description:** capability to understand the board's responsibilities for monitoring management performance and monitoring the organization's compliance with its legal, ethical or social responsibilities.

**Indicators:**

- contributes to the board's monitoring of management performance in relation to key business outcomes;

- understands the organization's legal, ethical and social responsibilities and monitors compliance with such;
- monitors the management structure relationship with key external stakeholders;
- assists the board in determining, being accountable for, and reporting on critical economic, legal, ethical, social, and environmental concerns affecting stakeholders.

#### **A 4 Social and Personal Skills**

##### **4.1 Institutional communication skills at the level of job requirements**

**Description:** preparation and transmission through the appropriate channels of information and official documents prepared with clarity and accuracy, within the Company or externally, in relation to various other entities.

**Indicators:**

- develops clear and compliant documents;
- has the capability to synthesize and present information of any nature in a correct, balanced manner;
- is able to choose and correctly use various institutional media channels.

##### **4.2 Capability to represent the Company**

**Description:** capability to represent the Company in various environments with which it is in contact, to make known the achievements and good practices developed within the Company, contributing to transmitting a good image of it and increasing its notoriety.

**Indicators:**

- shall make positive remarks when speaking about the Company;
- takes advantage of all opportunities to share the achievements and good practices of the Company;
- takes a stand when he/she notices defamatory information about the Company;
- contributes with his/her personal brand to the consolidation of the Company's brand, both outside the Company, in various professional circles, and within the Company, in relations with various social dialogue partners.

#### **A 5 Local and International Experience**

##### **5.1 Experience in dealing with public authorities, regulatory and supervisory authorities within the Company's business scope**

**Description:** in his/her previous roles, he/she gained experience with European institutions.

**Indicators:** experience with public authorities, regulatory and supervisory authorities in the Company's field of activity, presented in the CV or other documents attached to the application file.

1	2	3	4	5
At least 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years

##### **5.2 Experience with European Institutions**

**Description:** in his/her previous roles, he/she gained experience with European Institutions.

**Indicators:** experience with European institutions, presented in the CV or other documents attached to the application file.

1	2	3	4	5
At least 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	More than 4 years

#### **A. 6 Specific competences and restrictions for civil servants or other categories of personnel within the Public Supervisory Authority or within other public authorities or institutions**

### 6.1 *Capacity to implement and monitor public policies in the energy field*

**Description:** capability to translate national and international strategic objectives into concrete actions, ensuring compliance with regulations, efficient use of resources and achievement of planned results.

**Indicators:**

- analyzes public policies and identifies strategic priorities relevant to the energy field;
- coordinates and maintains communication with other public authorities, international organizations and the private sector to align efforts;
- facilitates collaboration between stakeholders;
- reassesses policies and programs in the context of economic, technological or regulatory changes;
- integrates innovative technologies and sustainable practices to optimize processes.

## **A 7 Alignment with Letter of Expectations**

### 7.1 *Shall clearly present the objectives to be achieved in the upcoming term*

**Description:** addresses the strategic objectives in the Letter of Expectations, implements such, by complying with the drafting rules for developing SMART objectives.

**Indicators:** addresses the strategic objectives under the Letter of Expectations, implement such, by complying with the drafting rules for developing SMART objectives.

### 7.2 *Shall present the personal profile in direct correlation with these objectives*

**Description:** He/she presents, in a synthetical manner while still comprehensive, the qualities acquired during the professional career, correlated with the objectives specified in writing and with the contextual requirements.

**Indicators:** He/she presents, in a synthetical manner while still comprehensive, the qualities acquired during the professional career, correlated with the objectives specified in writing and with the contextual requirements.

### 7.3 *Shall formulate assessments regarding the specific challenges the company is facing, in correlation with the context of such*

**Description:** describes, in a coherent manner, the market, legislative, economic, social and financial context of the company, by making a fair correlation between that context and the previous course of the company, and showing what specific challenges the company is likely to face during his/her next mandate and how he/she is going to address such.

**Indicators:** describes, in a coherent manner, the market, legislative, economic, social and financial context of the company, by making a fair correlation between that context and the previous course of the company, and showing what specific challenges the company is likely to face during his/her next mandate and how he/she is going to address such.

### 7.4 *Shall formulate objectives that meet the expectations regarding operational performance*

**Description:** perceives the company's operational context in relation to the market, competition and several operational practices in the field, and formulates SMART objectives.

**Indicators:** perceives the company's operational context in relation to the market, competition and several operational practices in the field, and formulates SMART objectives.

### 7.5 *Shall formulate objectives that meet the expectations regarding financial performance*

**Description:** perceives the company's financial context in relation to the market, competition and several financial practices in the field and formulates SMART financial objectives.

**Indicators:** perceives the company's financial context in relation to the market, competition and several financial practices in the field and formulates SMART financial objectives.

*7.6 Capability to formulate objectives that meet the expectations regarding service quality and/or infrastructure management*

Description: perceives the situation of the public enterprise regarding the quality of its products/services, the management of the company's infrastructure in relation to the market, competition and several practices in the field, and formulate SMART objectives regarding the cost of quality, the number of quality incidents and asset management.

Indicators: perceives the situation of the public enterprise regarding the quality of its products/services, the management of the company's infrastructure in relation to the market, competition and several practices in the field, and formulate SMART objectives regarding the cost of quality, the number of quality incidents and asset management.

*7.7 Shall formulate objectives that meet the expectations regarding the Company's investment policy*

Description: takes note of the company's investment needs and PSA's expectations regarding the investments to be made in the future mandate, and define SMART objectives for each stage of the company's investment plan for the future mandate.

Indicators: takes note of the company's investment needs and PSA's expectations regarding the investments to be made in the future mandate, and defines SMART objectives for each stage of the company's investment plan for the future mandate.

*7.8 Shall formulate objectives that meet the expectations on reducing receivables*

Description: takes note of the level of receivables at the beginning of the mandate and presents concrete, realistic, and feasible actions to reduce such, by formulating SMART objectives in that direction, for each mandate year.

Indicators: takes note of the level of receivables at the beginning of the mandate and presents concrete, realistic, and feasible actions to reduce such, by formulating SMART objectives in that direction, for each mandate year.

*7.9 Shall formulate objectives that meet expectations on dividend policy/payments from net profit applicable to public enterprises*

Description: formulates SMART objectives regarding dividends and payments to the state budget owed by the company during the future term.

Indicators: formulates SMART objectives regarding dividends and payments to the state budget owed by the company during the future term.

*7.10 Shall formulate objectives that meet the expectations in the field of ethics, integrity and corporate governance*

Description: contributes with his/her own convictions in establishing the principles of ethics, integrity and morality, and in formulating the principles of good corporate governance of the company, by defining SMART objectives in that regard, for each mandate year.

Indicators: contributes with his/her own convictions in establishing the principles of ethics, integrity and morality, and in formulating the principles of good corporate governance of the company, by defining SMART objectives in that regard, for each mandate year.

*7.11 Shall propose indicators that they consider appropriate for monitoring the performance of the public enterprise during the term of office, correlated with the formulated objectives*

Description: correlates objectives that meet shareholder expectations with performance indicators, indicating realistic targets for such.

Indicators: correlates objectives that meet shareholder expectations with performance indicators, and indicates realistic targets for such.

*7.12 Shall present, in a realistic and comprehensive manner, the picture of the constraints, risks and limitations that may be encountered in achieving the proposed objectives and the action plan to reduce/eliminate such*

Description: reviews the constraints generated by the company's context, the risks deriving therefrom, evaluates such in terms of likelihood of occurrence, and impact, and indicates realistic countermeasures.

Indicators: reviews the constraints generated by the company's context, the risks deriving therefrom, evaluates such in terms of likelihood of occurrence, and impact, and indicates realistic countermeasures.

## **B. TREATS**

### **B 1. *Personal and professional reputation***

Description: capability to behave appropriately for the job.

Indicators:

- the candidate has not been convicted of committing an intentional crime;
- a preventive measure of deprivation or restriction of liberty has not been taken against the candidate in a criminal trial, in case investigations are carried out in relation to the commission of an intentional crime;
- the candidate has not been imposed the complementary punishment and/or the accessory punishment of prohibition from exercising professional activity;
- the candidate has not been imposed the security measure by which he was prohibited from exercising his profession;
- the candidate has not been subject to disciplinary or administrative sanctions by other Romanian or foreign authorities, institutions or bodies in the Company's field of activity, for professional matters;
- the candidate has not been subject to restrictions on carrying out activities in the Company's field of activity by Romanian or foreign authorities, institutions or bodies in the Company's field of activity.

### **B 2. *Integrity***

Description: capability to behave with integrity, honesty and transparency in relation to others, and the authority.

Indicators:

- understands and fulfills Board duties, and maintains knowledge in that regard through professional training;
- prioritize the interests of the organization before other interests;
- treats sensitive and confidential information with due discretion and in accordance with the provisions of the mandate contract.

### **B 3 *Independence***

Description: capability to have a certain independence in relation with authority.

Indicators:

- designs action plans for implementing strategies;
- supports points of view with arguments when confronted with divergent opinions;
- requests clarifications and additional information to clarify divergences.

### **B 4 *Political Exposure***

Description: the candidate is involved in political activities.

Indicators: the degree to which the candidate is involved in political activities.

1	2	3	4	5
candidate holds a leadership position within a political party		candidate is a member of a political party		candidate does not hold membership in any political party

## **B 5 Interpersonal Communication Skills at Job Description Level**

**Description:** capability to use verbal, nonverbal and paraverbal communication in a correct, fluent and coherent manner, to relate, to argue and persuade.

**Indicators:**

- is able to express his/her ideas fluently and coherently;
- has an appropriate attitude to the messages transmitted;
- shows that he/she actively listens to his interlocutors;
- uses wording wisely;
- uses the questioning technique in a correct manner;
- is able to initiate, maintain and develop relationships based on trust;
- uses the persuasion process in a correct manner.

## **B 6 Vision**

**Description:** capability to formulate a personal purpose, and present a distinct professional identity and personal capabilities.

**Indicators:**

- presents a personal goal from a professional point of view;
- shows a distinct professional identity;
- shows personal capabilities that contribute to goal achievement.

## **C. OTHER CRITERIA**

### **C 1. Economic and financial results of the companies in which the candidate has exercised his/her mandate as BoD member or officer**

**Description:** documents included in the application file, replies to requests for clarification, if any, and the Declaration of Intent show the economic and financial results of the companies in which the candidate has exercised his/her mandate as BoD member or officer.

**Indicators:** documents included in the application file, replies to requests for clarification, if any, and the Declaration of Intent show the economic and financial results of the companies in which the candidate has exercised his/her mandate as BoD member or officer.

Score	Description
1	the company went bankrupt/insolvent during the term of office
5	the company did not go bankrupt/insolvent during the term of office

### **C 2. Entries in the Tax and Criminal Records**

**Description:** entries in the tax and criminal records result from documents included in the application file, and replies to requests for clarification, if any.

**Indicators:** entries in the tax and criminal records result from documents included in the application file, and replies to requests for clarification, if any.

1	2	3	4	5
Has entries preventing him/her from holding such position, in accordance with the law.				Does not have entries preventing him/her from holding such position, in accordance with the law.



**C 3.      *Gender Diversity***

Description: all persons who meet the participation conditions, regardless of gender, may participate in the selection process, and upon completion of the selection procedure, members of the underrepresented gender shall hold at least 40% of the non-executive BoD member positions.

The Bord of Directors cannot be composed exclusively of persons of the same gender.

Indicators: male/female gender criteria

1	2	3	4	5
				M/F