
Report on the establishment of the compensation of directors with mandate contract appointed in accordance with the provisions of GEO 109/2011 in force

Having in view the appointment of directors with a mandate contract for a period of 4 years starting 20.06.2023,

Under the provisions:

G.E.O. 109/2011

art 37 para. 3 *The remuneration of the executive members of the board of directors or of the supervisory board shall consist of a fixed allowance and a variable allowance. The fixed allowance may not exceed 6 times the average for the last 12 months of the average gross monthly earnings for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics before appointment. The variable component will be based on financial and non-financial performance indicators, negotiated and approved by the public guardianship authority, different from those approved for non-executive directors, determined in compliance with the methodology approved by joint order by the Ministry of Finance and the General Secretary of the Government.*

art 37 para. 4 *The variable component of the remuneration of the members of the board of directors or of the supervisory board shall be reviewed annually, depending on the level of achievement of the objectives contained in the management plan and the degree of fulfillment of the key performance indicators approved by the general meeting of shareholders, annex to the mandate contract.*

art. 38. para. 1 *The remuneration of directors shall be determined by the Board of Directors and may not exceed the level of remuneration set for the executive members of the Board of Directors. It is the only form of remuneration for directors who are also fulfill the quality of administrators.*

art. 38. para. 2 *Directors' remuneration consists of a fixed monthly allowance and a variable allowance. The fixed compensation may not exceed 6 times the average gross monthly salary over the last 12 months for the activity carried out according to the company's main object of activity, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment. The variable component will be based on financial and non-financial performance indicators, negotiated and approved by the public supervisory authority, different from those approved for non-executive directors, determined in accordance with the methodology approved by joint order of the Ministry of Finance and the General Secretariat of the Government.*

art. 38. para. 3 Approved key performance indicators are elements against which the variable remuneration component is determined for company directors.

Law 31/1990

- **art. 153¹⁸. ..(2)** The additional remuneration of the members of the administrative board or of the supervisory board entrusted with specific functions within that body and the remuneration of the directors in the unitary system or of the members of the management board in the dualistic system shall be determined by the administrative board or the supervisory board respectively. *The additional act or the general meeting of shareholders shall fix the general limits of all remuneration granted in this way.*

The company's Additional Act

- art.18 (h) *the board of directors appoints and removes directors who have a mandate contract, **determines their remuneration;***

- 1. setting the limits of the fixed monthly allowance for the directors of the company with mandate contract, between 5 and 6 times the average for the last 12 months of the average gross monthly earnings for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics before appointment.**
- 2. setting the limits of the annual variable component for the directors of the company with mandate contract, between 11 and 12 times the average for the last 12 months of the average gross monthly earnings for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics before appointment.**

The approved financial and non-financial performance indicators are elements against which the variable remuneration component is determined for the directors of the Company.

The remuneration and benefits of the directors offered under the mandate contract will be recorded in the annual financial statements, in the Annual Report of the Nomination and Remuneration Committee, the Remuneration Report and the Report of the Board of Directors.

The payment of professional liability insurance is not part of the remuneration.

The policy and criteria for remuneration of directors, remuneration and other benefits offered to each director are public information on the Company's website through the care of the chairman of the board.

NRC Chairman

Ovidiu Aurelian Andrei