

Approved by BoD Decision no. 27/26.03.2025 and submitted for information to the OGSM of 28(29).04.2025

No. 179/24.03.2025

ANNUAL REPORT of the APPOINTMENT AND REMUNERATION COMMITTEE

regarding the remuneration and other benefits granted to non-executive administrators and directors with mandate contract of OIL TERMINAL SA for the year 2024

The Nomination and Remuneration Committee of the Board of Directors shall prepare an annual report on the remuneration and other benefits granted to directors and officers with a term of office during the financial year 2024.

The report shall be submitted to the general meeting of shareholders which approves the annual financial statements, shall be made available to shareholders and shall include at least the information required by Article 55(3)(a) to (e) of GEO 109/2011, as amended:

- a) Remuneration structure, explaining the weighting of the variable and fixed components;
- b) The performance criteria on which the variable component of the remuneration is based, the ratio between the performance achieved and the remuneration;
- c) The considerations justifying any annual bonus scheme or non-wage benefits;
- d) Any supplementary or early retirement schemes;
- e) Information on the duration of the contract, negotiated notice period, amount of damages for unfair dismissal.

1. Legal framework on remuneration granted for 2024

Given that the procedure for the selection of directors was initiated in accordance with ROGSM no.13/16.06.2022 and completed in accordance with the provisions of ROGSM no.12/27.04.2023, the equal framework applicable to the elected non-executive directors is that provided for in GEO no.109/2011 as in force at the date of appointment.

Subsequent to 27.04.2023, GEO no.109/2011 was supplemented and amended by Law no. 187 of 28 June 2023 amending and supplementing Government Emergency Ordinance no. 109/2011 on the corporate governance of public companies, published in the Official Gazette no. 594 of 29 June 2023.

1.1 Legal framework for non-executive administrators

Appointment of administrators for a 4-year term of office

- By OGSM Resolution no.12/27.04.2023 :
 - approved the revocation of the membership of Mr. GHEORGHE Cristian Florin, Mrs. UNGUR Ramona, Mr. ANDREI Aurelian Ovidiu, Mr. TEȘELEANU George, Mr. NICOLAE Emilian, Mr. LAZARIU Dragoș Ciprian, Mr. MICU Ionuț Stelian as members of the Board of Directors of Oil Terminal SA, as of 27.04.2023, following the completion of the selection procedure in accordance with the provisions of GEO 109/2011 on corporate governance of public companies;
 - rejected the election as member of the Board of Directors of Oil Terminal SA, as of 28.04.2023, in accordance with the provisions of art.29 of GEO no.109/2011 of Mr. LAZARIU Dragoș Ciprian, Romanian citizen, economist, residing in Voluntari, jud. Ilfov;
 - approved the election as members of the Board of Directors of Oil Terminal SA, as from 28.04.2023,

in accordance with the provisions of art.29 of GEO no.109/2011 of the following:

- Mr. ANDREI Aurelian Ovidiu
- Mr GHEORGHE Cristian Florin
- Ms UNGUR Ramona
- Mr MIȘA George Silvian
- Mr MICU Ionuț Stelian
- Mr TEȘELEANU George
- Mr BODU Sebastian Valentin
- the term of office of the elected members of the Board of Directors was approved for a period of 4 (four) years, starting on 28.04.2023;
- approved the establishment of the monthly gross fixed indemnity of the elected members of the Board of Directors, as being equal to 2 times the average gross monthly salary for the last 12 months 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 prior to the appointment;
- approved the form of the mandate contract to be concluded with the elected members of the Board of Directors;
- approved the mandate of the State representative in the Ordinary General Meeting of Shareholders to sign the mandate contracts of the newly elected members of the Board of Directors.

Election of the Chairman of the Board of Directors and Advisory Committees:

- On 28.04.2023, the directors elected by the OGSM Resolution no.12/27.04.2023, in a meeting, elected, in accordance with the provisions of art.18 paragraph (5) of the articles of association, as Chairman of the Board of Directors, Mr. Gheorghe Cristian Florin and established the composition of the advisory committees that will function within the Board of Directors as follows:
 - ✓ Audit Committee:
UNGUR Ramona - Chairman
TEȘELEANU George - Member
GHEORGHE Cristian Florin - Member
 - ✓ Nomination and Remuneration Committee:
ANDREI Aurelian Ovidiu - Chairman
BODU Sebastian Valentin - Member
MICU Ionuț Stelian - Member
 - ✓ Development and Strategy Committee
MICU Ionuț Stelian - Chairman
UNGUR Ramona - Member
MIȘA George Silvian - Member
- On 28.07.2023, in accordance with the provisions of art.34 GEO no.109/2011 modified by Law no.187/2023, during the Board of Directors meeting held, the company's directors updated the composition of the advisory committees operating within the Board of Directors, as follows:
 - ✓ Audit Committee:
UNGUR Ramona - Chairman
TEȘELEANU George - Member
GHEORGHE Cristian Florin - Member
 - ✓ Nomination and Remuneration Committee:
ANDREI Aurelian Ovidiu - Chairman
BODU Sebastian Valentin - Member
MICU Ionuț Stelian - Member
 - ✓ Development and Strategy Committee
MICU Ionuț Stelian - Chairman

UNGUR Ramona - Member

MIȘA George Silvian - Member

✓ Risk Management Committee

BODU Sebastian Valentin - Chairman

ANDREI Aurelian Ovidiu - Member

TEȘELEANU George – Member

Legal framework in force at the date of appointment regarding the remuneration of non-executive administrators

- Art. 37 para. (1) of the Government Emergency Ordinance no.109/2011 on corporate governance of public companies, which states: ***"The remuneration of the members of the board of directors or, as the case may be, of the members of the supervisory board shall be determined by the general meeting of shareholders within the structure and limits set out in para. (2) and (4)."***
- Art. 37 para. (2) of the Government Emergency Ordinance no.109/2011 on corporate governance of public companies, which states: ***"The remuneration of the non-executive members of the board of directors or the supervisory board shall consist of a fixed monthly remuneration and a variable component. The fixed compensation may not exceed twice the average gross monthly salary over the previous 12 months for the activity carried out in accordance with the company's main activity, at class level according to the classification of activities in the national economy, as communicated by the National Institute of Statistics prior to the appointment.*** The variable component shall be determined on the basis of financial and non-financial performance indicators negotiated and approved by the general meeting of shareholders, different from those approved for executive directors, determined in accordance with the methodology set out in Article 31(1)(a) of the Company's by-laws. (5) and which are aimed at ensuring the long-term sustainability of the company and compliance with the principles of good governance. The amount of the variable component of the non-executive members may not exceed a maximum of 12 fixed monthly allowances."
- Art. 37 para. (3) of the Government Emergency Ordinance no.109/2011 on corporate governance of public enterprises, ***"The remuneration of the executive members of the board of directors or of the supervisory board shall consist of a fixed monthly compensation that may not exceed 6 times the average gross monthly salary over the last 12 months 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 prior to the appointment, and a variable component.*** The variable component will be based on financial and non-financial performance indicators, negotiated and approved by the general meeting of shareholders, different from those approved for non-executive directors, determined in accordance with the methodology set out in Article 31(1). (5)."
- Art. 37 para. (5) of the Government Emergency Ordinance no. 109/2011 on corporate governance of public companies, which states: ***"The general meeting of shareholders shall ensure, when determining the fixed monthly compensation of each member of the board of directors or, as the case may be, of each member of the supervisory board, determined in accordance with para. (2) and (4), that it is justified in relation to the specific duties, tasks in advisory committees, number of meetings, objectives and performance criteria set out in the mandate contract."***
- Art. 39 para. (1) of the Government Emergency Ordinance no.109/2011 on corporate governance of public companies, which states: ***"The remuneration and benefits offered by law or by the mandate contract to the directors and managers in the unitary system, respectively to the members of the supervisory board and the members of the management board in the case of the dual system, shall be recorded in the annual financial statements"***

and in the annual report of the nomination and remuneration committee, the management board or the supervisory board and shall include the remuneration and other benefits granted by the company and its subsidiaries."

- Art. 39 para. (3) of the Government Emergency Ordinance No. 109/2011 on corporate governance of public companies, which states, "*The remuneration policy and criteria for administrators and directors, in the case of the unitary system, and members of the supervisory board and members of the management board, in the case of the dual system, as well as the level of remuneration and other benefits offered to each administrator and director shall be disclosed on the website of the public company by the chairman of the board of directors or the supervisory board.*"
- OGSM Resolution No.12/27.04.2023 by which *7 members of the Board of Directors were elected by cumulative voting method.*
- OGSM Resolution no.12/27.04.2023, art.4, **approving the maximum level of the gross fixed monthly compensation set for non-executive administrators, i.e. 2 (two) times the fixed compensation** calculated according to art.37 para.(2) of GEO 109/2011, the amount provided for in art.3.2 of the approved mandate contract.
- OGSM Resolution No. 13/28.08.2023, art.1, **approving the financial and non-financial key performance indicators of the non-executive administrators**
- OGSM Resolution no. 13/28.08.2023, art.2, **approving the amount of the variable component of the non-executive administrators' remuneration at the level of 12 gross fixed monthly allowances for each year of mandate.**
- OGSM resolution no. 13/28.08.2023, art.3, **approving the form and content of the additional acts to be concluded with the company's administrators**

Approval of indemnity limits related to the insurance policy of civil liability for administrators

- OGSM no. 16/29.09.2023 was approved the amount of 1.000.000 euro representing the limit of indemnity related to the civil liability insurance policy for the directors of the company in office, with the sole beneficiary of the insurance indemnities Oil Terminal SA.

1.2 Legal framework, in force at the date of appointment, applicable to directors with a mandate contract

Triggering and selection of General Director and Financial Director

- Art. 142 para. (2) letter c) of the Law no. 31/1990 on companies, republished, with subsequent amendments and additions, which states: "The Board of Directors has the following basic powers, which may not be delegated to directors: c) appointment and dismissal of directors and determination of their remuneration;"
- Art. 143 para. (1) and par. (2) of Law no. 31/1990 on companies, republished, as subsequently amended and supplemented, which provides for the power of the Board of Directors to delegate the management of the company to one or more directors, appointing one of them as general director.
- On 02.05.2023, the Board of Directors meeting approved the initiation of the selection procedure for the General Director and the Chief Financial Officer, mandating the NRC to carry out the selection.
- On 04.05.2023 during the meeting of the Board of Directors held, the directors of the company approved the procedure and criteria for the selection of the General Director and the Financial Director, in accordance with the provisions of GEO no.109/2011.
- On 19.06.2023, following the completion of the selection procedure for the General Director and Financial Director of the Company, in accordance with the provisions of GEO no.109/2011 on corporate governance of public companies, as amended, the Board of

Directors, based on the recommendation of the Nomination and Remuneration Committee, appointed the directors with a term of office for a period of 4 years (20.06.2023 - 20.06.2027) as follows:

- Mr Viorel Sorin CIUTUREANU as General Manager
- Ms Adriana FRANGU as Financial Director.
- Decision no.72/19.06.2023 by which the Administrative Board :
 - appointed the General Director of the Company
 - set the term of office of the Managing Director at 4 years, starting 20.06.2023 until 20.06.2027
 - set the gross monthly fixed indemnity within the limits provided for in Article 37 paragraph (3) of GEO no. 109/2011, i.e. in the amount of 51,000 lei
 - approved the form and content of mandate contract No 340/19.06.2023
- Decision no.73/19.06.2023 by which the Board of Directors :
 - appointed the Financial Director of the company
 - set the term of office of the Financial Director at 4 years, from 20.06.2023 to 20.06.2027
 - set the gross monthly fixed indemnity within the limits provided for in Article 37(3) of GEO no. 109/2011, i.e. in the amount of 50,000 lei
 - approved the form and content of mandate contract No 341/19.06.2023

Approval of performance indicators, remuneration limits for directors with a mandate contract and the amount of the variable component.

- By OGS Resolution no.13/28.08.2023:
 - it was approved to set the remuneration limits for directors with a mandate contract assimilated to executive directors as follows:
 1. the limits of the gross monthly fixed compensation: between 5 and 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.
 2. limits of the variable (gross) component: between 11 and 12 gross fixed monthly allowances for each year of office.

The legal framework, valid at the time of appointment, for the remuneration of directors with a mandate contract

- Art. 34 para. (2) of the Government Emergency Ordinance no.109/2011 on corporate governance of public companies, **which provides for the competence of the Nomination and Remuneration Committee to make proposals on the remuneration of directors with a mandate contract.**
- Art. 37 para. (3) of the Government Emergency Ordinance no.109/2011 on corporate governance of public enterprises, which states: *"the fixed monthly compensation of executive members may not exceed 6 times the average over the last 12 months of the average gross monthly salary for the activity carried out according to the main 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 prior to the appointment"*.
- Art. 38 of the Government Emergency Ordinance no.109/2011 on corporate governance of public enterprises, which states:
 - **paragraph (1) : The remuneration of directors shall be determined by the board of directors and may not exceed the level of remuneration established for executive members of the board of directors.** It is the only form of remuneration for directors who are also directors.
 - **paragraph (2) : Remuneration shall consist of a fixed monthly allowance set within the limits provided for in Article 37 paragraph (2). (3) and a variable component** consisting of a share in the net profit of the company, a grant of shares,

stock options or an equivalent scheme, a pension scheme or another form of remuneration based on performance indicators.

➤ **Paragraph (3) : The approved financial and non-financial performance indicators are elements against which the variable component of the remuneration for the company's directors is determined.**

- Decision no.91/05.07.2023 by which **the non-executive directors of the company approved the submission to the general meeting of shareholders of the proposal to establish the general limits of the gross monthly fixed compensation for directors with a mandate contract.**
- OGSM Resolution no. 13/28.08.2023 **approving the establishment of the general limits of the variable component of the remuneration for directors with a mandate contract between 6 and 12 gross fixed monthly allowances.**
- Decision No. 98/28.07.2023 by which the **Board of Directors approved the financial and non-financial key performance indicators and their weightings for the Chief Executive Officer and Chief Financial Officer, annexed to the mandate contract.**
- Decision No 117/01.09.2023 by which the **Board of Directors approved the amount of the variable component of the remuneration of the General Manager at the level of 12 gross fixed monthly allowances/year;**
- Decision no.118/01.09.2023 by which the Board of Directors approved the amount of the variable component of the remuneration of the Chief Financial Officer at the level of 12 gross fixed monthly allowances/year.
- Decision no.119/01.09.2023 by which the Board of Directors approved the form and content of the additional act no.1 to the mandate contract no.340/19.06.2023 of the General Manager
- Decision No 120/01.09.2023 by which the Management Board approved the form and content of the additional act No 1 to the mandate contract No 341/19.06.2023 of the Financial Director

2. Remuneration structure for non-executive administrators and directors with a mandate contract

2.1 Remuneration of non-executive administrators for 2024

Composition of the Board of Directors in 2024

In 2023, the Company was managed according to the unitary management system, with the management of the Company being ensured by a Board of Directors consisting of 7 non-executive administrators, respectively.

Structure of the Board of Directors in 2024 :

Executive Summary

During the period 01.01.2024 – 31.12.2024, the company was managed under the unitary system, the Board of Directors being made up of provisional non-executive directors, appointed in accordance with the provisions of Government Emergency Ordinance no.109/2011, following the termination of the contracts of office of the administrators appointed by OGSM Resolution no.5/04.04.2018.

Following the completion of the selection procedure in accordance with the provisions of GEO no.109/2011, carried out by the Ministry of Energy, in its capacity as Public Supervisory Authority, the OGSM Resolution no.12/27.04.2023 approved the election of 7 non-executive administrators as members of the Board of Directors of Oil Terminal SA, starting from 28.04.2023, in accordance with the provisions of art.29 of GEO no.109/2011, for a period of 4 (four) years, the company being managed under the unitary system.

Composition of the Board of Directors according to OGSM Resolution no. 12/27.04.2023

No.	Name and Surname	Term of office	Remuneration gross	Status
1.	GHEORGHE Cristian – Florin	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
2.	UNGUR Ramona	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
3.	ANDREI Ovidiu – Aurelian	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
4.	MIȘA George Silvian	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
5.	TEȘLEANU George	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
6.	MICU Ionuț Stelian	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate
7.	BODU Sebastian Valentin	28.04.2023-28.04.2027	fixed allowance: 16.533 lei/month according to DOGSM no.12/27.04.2023 Variable = 12 gross fixed monthly allowances	Administrator elected according to GEO 109/2011 with a 4-year mandate

The remuneration of non-executive administrators comprises a fixed gross monthly remuneration and a variable component determined in accordance with the legal provisions applicable at the date of appointment.

a) Gross fixed monthly allowance

The gross fixed monthly non-executive administrators' fee is paid monthly without a link to the results achieved for the stipulated key performance indicators (*hereinafter referred to as ICP*) in the mandate contract.

The payment of the monthly gross fixed compensation is in a lump sum and is paid once a month, regardless of the number of meetings held in that calendar period.

During 2024 the level of the gross fixed monthly indemnity has been established in accordance with the provisions of Article 37 paragraph (2) of GEO no. 109/2011, as follows :

In 2024 in accordance with OGSM Resolution no.12/27.04.2023 fixed gross monthly allowance in the amount of 16.533 lei/person/month.

In 2024, the composition of the Board of Directors was as follows: Cristian Florin GHEORGHE (Chairman of the Board of Directors), Ramona UNGUR, Ovidiu Aurelian ANDREI, George TEȘELEANU, George MISA, Sebastian BODU, Ionuț Stelian MICU, and the gross fixed monthly indemnity was 16,533 lei/month/person.

The level of the gross fixed monthly allowance may not exceed twice the average gross monthly average earnings over the previous 12 months = 8,266.5 lei/month x 2 times = 16,533 lei/month/person.

b) Variable component

For the Budget of revenues and expenses of 2024, an annual variable component was taken into account at the level of 12 gross monthly fixed allowances, as follows:

- non-executive directors = 16,533 lei/person/month x 7 persons x 12 gross monthly fixed allowances = 1,388,772 lei/year

- The variable component related to 2024 in the amount of 1,420,019 lei (1,388,772 lei variable component + 31,247 lei labor insurance contribution 2.25%) is reflected in the Budget of revenues and expenses of 2024, Annex no. 2, in row 124 "Provisions related to the mandate contract".

The granting of the variable component related to 2024 will be made after approval in the OGSM scheduled for 28(29).04.2025, according to the Financial Communication Calendar for 2025 communicated to the FSA and Bucharest Stock Exchange, of the Audited Annual Financial Statements of 2024, provided that the established performance indicators are met.

Other benefits

During 2024, non-executive directors did not benefit from bonuses and other benefits.

According to the provisions of art. 4.1, letter d) of the mandate contract concluded with the company, non-executive directors were reimbursed for expenses related to the execution of the mandate, within the approved Budget of revenues and expenses for 2024.

By OGSM Resolution no. 13/21.10.2024, the value of 1 million euros was approved, representing the indemnity limit related to the civil liability insurance policy for the company's directors in office, with the Company Oil Terminal SA as the sole beneficiary of the insurance indemnities.

2.2 Remuneration of Directors with a fixed-term contract for 2024

According to art.38 paragraph (1) of GEO no.109/2011 the remuneration of the directors is set by the Board of Directors and cannot exceed the level of the remuneration set for the executive members of the Board of Directors.

Remuneration consists of a fixed gross monthly remuneration set within the limits provided for in Article 37(2) and a variable component.

By Decision of the Board of Directors no.72/19.06.2023, in accordance with the provisions of art.35 of GEO no.109/2011, the management of the company was delegated and Mr. Viorel Sorin CIUTUREANU was appointed as general manager of the company, and the term of office of the general manager was set at 4 years, starting from 20.06.2023 until 20.06.2027.

By Decision of the Board of Directors no.73/19.06.2023, Mrs Adriana FRANGU was appointed, in accordance with the provisions of GEO no.109/2011, as financial director of the company, and the term of office of the financial director was set at 4 years, starting from 20.06.2023 until 20.06.2027.

By OGSM Resolution no.13/28.08.2023 were adopted:

- it was approved to set the remuneration limits for directors with a mandate contract assimilated to executive directors as follows:

1. limits of the gross monthly fixed compensation: between 5 and 6 times the average over the last 12 months of the average gross monthly salary 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 prior to the appointment.

2. limits of the variable (gross) component: between 11 and 12 gross fixed monthly allowances for each year of office.

Gross remuneration of directors with a contract of office

Gross fixed monthly allowance paid to the Director-General year 2024

By Decision no.72/19.06.2023 the Board of Directors established the gross fixed monthly indemnity for the General Manager in the amount of 51,000 lei gross (for the period 20.06.2023-31.12.2023), which does not exceed 6 times the average over the last 12 months of the average gross monthly salary 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 prior to the appointment (51,095 lei gross).

Gross monthly fixed allowance paid to the Financial Director year 2024

By Decision no.73/19.06.2023 the Board of Directors established the gross fixed monthly allowance for the Financial Director in the amount of 50,000 lei gross (for the period 20.06.2023-31.12.2023), which does not exceed 6 times the average over the last 12 months of the average gross monthly salary 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 prior to the appointment (51,095 lei gross).

Gross fixed compensation for 2 directors with mandate in 2024: 1.212.000 lei.

-total approved gross fixed indemnity = 1.212.000 lei

-Total gross fixed compensation realised = 1.212.000 lei

Variable component for directors with mandate:

For the 2024 Budget of Revenues and Expenses, an annual variable component was calculated at the level of 12 monthly fixed gross allowances, as follows:

- General Director = 51,000 lei/person/month x 12 monthly fixed gross allowances = 612,000 lei/year

- Financial Director = 50,000 lei/person/month x 12 monthly fixed gross allowances = 600,000 lei/year

The variable component for 2024, amounting to 1,239,270 lei (1,212,000 lei variable component + 27,270 lei labor insurance contribution 2.25%), is reflected in the 2024 Budget of Revenues and Expenses, Annex No. 2, in line 124 "Provisions related to the mandate contract".

The granting of the variable component for 2024 will be made after approval in the OGSM of 28(29).04.2025, according to the Financial Communication Calendar for 2025 communicated to the Financial Supervisory Authority and the Bucharest Stock Exchange, of the 2024 annual audited financial statements, provided that the established performance indicators are met.

Other benefits

During 2024, the directors under mandate contracts did not receive bonuses or other benefits. According to the provisions of Art. 6.A of the mandate contracts, both the General Director of the company and the Financial Director were reimbursed for expenses related to the execution of the mandate, within the limits of the Budget of Revenues and Expenses approved for 2024. By Decision No. 93/23.10.2024, the Board of Directors approved the purchase of a civil liability insurance policy for the company's managers (7 persons) and for the current general director, with a compensation limit of 1 million Euro, valid for 12 months, starting from 26.10.2024, with the Company Oil Terminal SA as the sole beneficiary of the insurance indemnities.

3. Performance criteria underpinning the variable component of remuneration; the relationship between performance achieved and remuneration

3.1 Method of calculating the amount of the variable component of remuneration

Annual variable component due = Amount of the variable component set by the additional act to the mandate contract x Total degree of achievement of key performance indicators (ICP).

Calculation formula :

$$GT_{ICP} = \sum_{i=1}^n GI_{iICP} \times W_{iICP}$$

where:

- GT_{ICP} - Total annual degree of ICP achievement
- W_{ICP} – Weighting coefficient (weighting) for each ICP
- GI_{ICP} – Individual ICP Achievement Rate
- I_i – Indicator individual (Grad de îndeplinire %)

Degree of achievement of each ICP (GI_{ICP}) is the degree of fulfilment of each ICP, taking into account the calculation mode provided for each ICP, subsequently weighted by the weighting coefficient (W_{iICP}) for each ICP.

In the calculation of the Total Degree of Compliance with the ICP (GT_{ICP}), the degree of compliance of each ICP shall be taken into account as follows :

- GI_{ICP} > 100% means GI_{ICP} = 100%
- GI_{ICP} < 0% means GI_{ICP} = 0%

Total achievement of key performance indicators (GT_{ICP}) is the sum of the degree of fulfilment of each ICP (GI_{ICP}) weighted by the weighting coefficient (W_{ICP}) for each ICP.

The variable component of the remuneration payable to non-executive directors and directors with a mandate will be directly proportional to the GT_{ICP} for the corresponding financial year.

In addition, where :

- GT_{ICP} ≥ 80%, the variable component of the remuneration shall be paid according to the following calculation
- GT_{ICP} < 80%, the variable component of remuneration is not paid

3.2 Status of achievement of Financial Indicators for 2024

Financial and non-financial performance indicators achieved at 31.12.2024

Key performance indicators for the mandate period 2023-2027

EXECUTIVE ADMINISTRATORS/DIRECTORS WITH MANDATE CONTRACT

#	Performance indicators				Achieved value	Performance Indicator Target Values			
	Indicator name	Legal basis / Category	Percentage %	Verification instrument	Trim. IV 2024 (cumulative)	2023	2024	2025	2026
FINANCIAL PERFORMANCE INDICATORS					50%				
1	Value achievement rate of the annual investment plan <u>Measures:</u> the degree of value achievement of the investment plan compared to the approved value level <u>Formula:</u> (Value of investments achieved / Value of investments approved) * 100	GD 722/2016 Category: Investments	10%	Annual program of investments, endowments and financing sources, Annex no.4 to the Budget of Revenues and Expenses approved by the GSM, according to MPF Order no.3818/2019	$\frac{76,972,635}{76,972,632} * 100 = 100\%$	100 %	100 %	100 %	100 %
2	Quick Ratio (Acid-Test Ratio) <u>Measures:</u> the company's ability to pay short-term debts up to 1 year, after deducting the value of inventories from current assets. It shows that there is sufficient cash flow to pay off debts <u>Formula:</u> [(Current Assets - Inventories) / Current Liabilities]*100	GEO 109/2011 Art.4 ⁷ para. (2) letter b) Category: Financing	10%	Annual audited financial statements – Statement of financial position	$\frac{(102,024,671 - 2,892,086)}{85,039,235} * 100 = 116.57\%$	≥75 %	≥75 %	≥75 %	≥75 %
3	Equity Ratio (Solvency Ratio) <u>Measures:</u> the company's ability to carry out its operations and to pay its medium and long-term debts generated by previous contracts, the conduct of the	GD 722/2016 Category: Liability	10%	Annual audited financial statements – Statement of financial position	$\frac{576,088,003}{883,705,038} * 100 = 65.19\%$	≥65 %	≥65 %	≥65 %	≥65 %

	business, or taxes, fees, and fiscal contributions. <u>Formula:</u> (Equity / Total Liabilities)*100								
4	EBITDA <u>Measures:</u> profit before deducting depreciation, interest, and profit tax expenses, serving as a financial management indicator. <u>Formula:</u> (EBITDA achieved / EBITDA planned) x 100, where EBITDA = (Operating Profit + Depreciation of fixed assets + Adjustments with provisions)	GD 722/2016 Category: Revenues	10%	Annual budget execution - Annex no.2	$\frac{65,707}{58,746} * 100 = 111.8\%$	≥95 %	≥95 %	≥95 %	≥95 %
5	Outstanding payments <u>Measures:</u> amounts owed and unpaid by the company that have exceeded the payment deadline provided by normative acts, contract/invoice , or other grounds <u>Formula:</u> Outstanding payments approved / Outstanding payments achieved	GD 722/2016 Category: Cash flow	10%	Annual budget execution - Annex no.1; Reporting S1001 provided by MPF Order no.2873/2016	Zero lei	Zero lei	Zero lei	Zero lei	Zero lei
NON-FINANCIAL and NON-COMMERCIAL PERFORMANCE INDICATORS									
50%									
Operational indicators					25%				
6	Customer satisfaction score <u>Measures:</u> how customers perceive the quality of services		10%	Annual customer satisfaction evaluation report	$\frac{2,017}{28 * 75} * 100 = 96.05 \%$	≥80 %	≥80 %	≥85 %	≥85 %

	provided by the company <u>Formula:</u> (Sum of customer satisfaction ratings / Number of customers)*100								
7	Service request analysis index <u>Measures:</u> how the company analyzes service requests received from potential customers <u>Formula:</u> (Number of analyzed customer requests / Total number of requests received monthly) * 100 where Total number of requests = new customer requests + requests from customers with contract who require additional services (requests for which Additional Acts will be drawn up)		5%	Monthly analysis report prepared by the Commercial Marketing Dept./ Customer request record/ Specific customer request analysis form	$\frac{130}{132} * 100 = 98.48\%$	≥95 %	≥95 %	≥95 %	≥95 %
8	Service quality index <u>Measures:</u> the quality of the service provided in relation to the operational plans drawn up based on customer orders <u>Formula:</u> (Number of operations executed / Number of operations planned)*100		5%	Analysis report prepared by the Quality Management Dept.	$\frac{8,904}{8,904} * 100 = 100\%$	≥98 %	≥98 %	≥98 %	≥98 %
9	Annual operational staff training level <u>Measures:</u> the annual training level of		5%	Semiannual Activity Report of the Human Resources Department	$\frac{60}{60} * 100 = 100\%$	>90 %	>90 %	>90 %	>90 %

	operational staff. <u>Formula:</u> (Number of trained operational staff / Number of operational staff)*100								
Governance indicators				25%					
1 1	Risk Management <u>Measures:</u> identification and management of the company's risk profile <u>Formula:</u> (Number of risks at a tolerable level / Number of risks identified according to the company's Risk Register) *100		5%	Annual report on risk management prepared according to OSSG	$\frac{102}{119} * 100 = 85.71\%$	≥80 %	≥80 %	≥80 %	≥80 %
1 2	Transparency level in financial reporting and corporate governance <u>Measures:</u> the level of institutional transparency <u>Formula:</u> (Number of reported requirements / (Number of reporting requirements according to the financial calendar + Number of reporting requirements according to Art. 51 of GEO 109/2011)) *100		20%	Current Reports and Notices to the Bucharest Stock Exchange and the Financial Supervisory Authority and the company's website	$\frac{44}{6 + 38} * 100 = 100\%$	100 %	100 %	100 %	100 %

**Key Performance Indicators for the 2023-2027 Mandate Period
NON-EXECUTIVE DIRECTORS
Table no.1**

#	Performance indicators	Achieved value	Performance Indicator Target Values
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	Indicator name	Legal basis / Category	Percentage %	Verification instrument	Trim. IV 2024 (cumulative)	2023	2024	2025	2026
FINANCIAL PERFORMANCE INDICATORS					20%				
1	Capital Expenses Rate <u>Measures:</u> how much the company invests in fixed assets to support or develop its business <u>Formula:</u> (Capital Expenses / Total Assets)*100	GEO 109/2011 Art.4 ⁷ para.(2) letter a) Category: Investment Policy	4%	Annual investment, equipment, and financing sources Program, Annex no. 4 to the Budget of Revenues and Expenses approved by the GSM, according to MPF Order no. 3818/2019	$\frac{67,716,754}{883,705,038} * 100 = 7.66\%$	≥2%	≥2%	≥2%	≥2%
2	Current ratio <u>Measures:</u> the company's ability to pay short-term debts within 1 year <u>Formula:</u> (Current Assets / Current Liabilities)*100	GEO 109/2011 Art.4 ⁷ para.(2) letter b) Category: Financing	4%	Annual audited financial statements - Statement of financial position	$\frac{102,024,671}{85,039,235} * 100 = 119.97\%$	≥85%	≥85%	≥85%	≥85%
3	Asset Turnover Ratio (Days) <u>Measures:</u> the volume of assets required to generate revenues and how efficiently a company uses its assets to generate revenues <u>Formula:</u> (Total Assets / Net Turnover)*365	GEO 109/2011 Art.4 ⁷ para.(2) letter c) Category: Operations	4%	Annual audited financial Statements - Statement of financial position; Annual budget execution - Annex no.1	$\frac{883,705,038}{473,989,928} * 365 = 681 \text{ zile}$	≤ 1,350 days	≤ 1,350 days	≤ 1,350 days	≤ 1,350 days
4	Return on Equity (ROE) <u>Measures :</u> the amount of net profit a company generates in relation to the value of its equity <u>Formula :</u> (Net Profit / Equity Value)*100	GEO 109/2011 Art.4 ⁷ para.(2) letter d) Category: Profitability	4%	Annual audited financial Statements - Statement of financial position; Annual budget execution - Annex no.1	$\frac{19,203,979}{576,088,003} * 100 = 3.33\%$	≥1.2%	≥1.2%	≥1.2%	≥1.2%
5	Dividend Payout Ratio <u>Measures:</u> Dividends paid to shareholders in relation to the company's net profit	GEO 109/2011 Art.4 ⁷ para.(2) letter e) Category: Dividend Profit	4%	Annual audited financial Statements – Notes to financial statements	$\frac{9,601,748}{14,292,764} * 100 = 67.18\%$	≥40%	≥40%	≥40%	≥40%

	<u>Formula:</u> (Dividends Paid / Net Profit)*100	Distribution Rate		Annual budget execution - Annex no.1					
NON-FINANCIAL and NON-COMMERCIAL PERFORMANCE INDICATORS									
80%									
Operational indicators					20%				
6	Specific Technological Diesel Consumption <u>Measures:</u> the amount of diesel fuel related to technological losses caused by handling, storage, and conditioning operations in/from the oil terminal's facilities, losses justified by specific calculation formulas legally regulated, taking into account the physico-chemical characteristics of diesel fuel. <u>Formula:</u> (Actual Consumption / Diesel Fuel Delivered Quantity)*100		10%	Annual Activity Report of the Commercial Director	$\frac{2,610,616}{4,425,737,771} * 100 = 0.06\%$	≤0.36%	≤0.36%	≤0.36%	≤0.36%
7	Rate of Female Senior Executives <u>Measures:</u> the number of women occupying senior management positions <u>Formula:</u> (Number of Female Senior Executives / Total Number of Senior Executives)*100		10%	Quarterly Activity Report of the Human Resources Department	$\frac{19}{37} * 100 = 51.35\%$	≥30%	≥30%	≥30%	≥30%
GOVERNANCE INDICATORS									
					60%				
8	Implementation and Development of the Managerial Internal Control System <u>Measures:</u> the degree of implementation of the provisions		15%	MICS Development Program; Annual Report on MICS Self-Assessment elaborated according to	$\frac{110}{113} * 100 = 97.35\%$	≥80%	≥80%	≥80%	≥80%

	of GSSO no. 600/2018 regarding the approval of the company's Managerial Internal Control Code <u>Formula:</u> (Measures Implemented on Time / Proposed Measures)* 100			GSSO provisions					
9	Degree of Transparency in Financial Reporting and Corporate Governance <u>Measures:</u> the level of institutional transparency <u>Formula:</u> (Number of Requirements Reported / (Number of Requirements to be Reported according to the Financial Calendar + Number of Requirements to be Reported according to Art. 51 of GEO 109/2011))*100		20%	Current Reports and Notices to the Bucharest Stock Exchange and the Financial Supervisory Authority and the company's website	$\frac{44}{6 + 38} * 100 = 100\%$	100%	100%	100%	100%
10	Attendance Rate at Board of Directors Meetings <u>Measures:</u> the attendance of non-executive directors at all board of directors meetings for its proper functioning. <u>Formula:</u> $(\sum N_t)$ N_t Number of Attendees at Board Meetings)/ Total Number of Board Members* N_t where N_t = Number of Board Meetings		15%	Minutes of the Board of Directors Meetings	$\frac{31 * 7}{31 * 7} * 100 = 100\%$	≥90%	≥ 90%	≥ 90%	≥ 90%
11	Monitoring the Performance of Executive Management		10%	Quarterly Activity Report of the General	$\frac{4}{4} * 100 = 100\%$	100%	100%	100%	100%

<p><u>Measures:</u> the manner of fulfilling the obligations from the mandate contracts and the Management Plan</p> <p><u>Formula:</u> (Reports Prepared / Reports to be Prepared)*100</p>			<p>Director and the Financial Director.</p>					
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4. Considerations justifying any annual bonus scheme or non-wage benefits

The non-executive members of the Board of Directors do not benefit from bonuses or non-monetary advantages.

Directors with a mandate contract do not benefit from bonuses or non-monetary advantages.

5. Any supplementary or early retirement schemes

During 2026 - was not the case

6. Information regarding the contract duration, negotiated notice period, amount of damages - interests for revocation without just cause.

Term of office for administrators

During 2024 the composition of the Board of Directors was as follows :

- in accordance with the OGSM Resolution no.12/27.04.2023, the composition of the Board of Directors was as follows: Cristian Florin GHEORGHE (Chairman of the Board of Directors), Ramona UNGUR, Ovidiu Aurelian ANDREI, George TEȘELEANU, George MISA, Sebastian BODU, Ionuț Stelian MICU.

According to the 2024 Rectified Budget of Revenues and Expenses approved by OGSM Resolution no. 12/21.10.2024:

-total approved gross fixed compensation = 1.388.772 lei

-total gross fixed compensation = 1.388.772 lei

Term of office duration for directors

- Art. 142 para. (2) letter c) of the Law no. 31/1990 on companies, republished, with subsequent amendments and additions, which states: "The Board of Directors has the following basic powers, which may not be delegated to directors: c) appointing and dismissing directors and determining their remuneration;"
- Art. 143 para. (1) and par. (2) of Law no. 31/1990 on companies, republished, as subsequently amended and supplemented, which provides for the power of the Board of Directors to delegate the management of the company to one or more directors, appointing one of them as General Director.

On 19.06.2023, in accordance with the provisions of art.35 of GEO no.109/2011, the management of the company was delegated and appointed as Mr. Viorel Sorin CIUTUREANU, and the duration of the mandate was set as follows of the General Director to 4 years, starting from 20.06.2023 until 20.06.2027 (contract 340/19.06.2023)

By Decision of the Board of Directors no.73/19.06.2023 was appointed, in accordance with the provisions of GEO no.109/2011, as the company's Chief Financial Officer, Ms Adriana FRANGU, and the term of office of the Financial Director was set at 4 years, starting from 20.06.2023 until 20.06.2027 (mandate contract no.341/19.06.2023).

Notice periods and amount of damages for unfair dismissal

According to the provisions of the mandate contracts the termination clauses and the amount of damages are:

For non-executive administrators :

In the event of the untimely or unjustified revocation of a administrator, it shall be entitled to receive compensation from the Company for the unexpired term of the Administration Agreement, irrespective of the date of revocation, but not more than 12 fixed monthly indemnities so determined:

(a) if the revocation occurs at any time prior to the commencement of the last year of the term of office, the administrator shall receive compensation representing 12 fixed monthly allowances;

(b) if the removal occurs in the final year of the contract, a compensation corresponding to the number of months remaining until the end of the term of office, but not exceeding 6 fixed monthly allowances, shall be paid.

This compensation shall be paid within 30 working days of the date of termination of this Administration Contract.

This form of compensation is the sole remedy for the administrator in the event of the unjustified dismissal of the administrators.

In the event of the removal of the administrator for justified/justified reasons, the Company shall not owe the administrator any compensation for the unfulfilled period of the mandate;

If situations arise that may significantly change the results and sustainability in the medium or long term or if the payment of the variable component of the remuneration jeopardises the capitalisation of the public company, the company is entitled not to pay the part calculated for previous years;

If the whole or part of the variable component is granted on the basis of data that are subsequently found to be incorrect, the company is obliged to request that part of the variable component be reinstated.

During 2024 for non-executive administrators these clauses were not activated.

For directors with a mandate contract

In the event of the unjustified dismissal of the General Director or the Financial Director, it shall be entitled to receive from the Company a net compensation equal to the amount of the net fixed remuneration of the last month preceding the dismissal, multiplied by the number of months remaining in the term of the mandate contract, but not more than 12 months. This net compensation will be paid within a maximum of 30 days after termination of the contract.

In the event of dismissal for justified/justified reasons, the Company shall have the right to dismiss the General Director or the Financial Director on the basis of a decision of the Board of Directors, with 60 (sixty) working days' written notice communicated to them.

During 2024 for directors with a mandate contract these clauses were not activated.

Other information on the mandate contract:

For non-executive administrators and the General Director :

In accordance with the provisions of the approved mandate contracts, non-executive administrators and directors with a mandate contract benefit from the settlement of expenses related to the execution of the mandate concerning representation in the interests of the company, such as but not limited to: transport, per diem, accommodation expenses, both in the country and abroad, business telephone, laptop, office computer, as well as any other equipment/dowries that are necessary for the performance of duties in connection with the approved mandate contract, protocol fund within the

approved Income and Expenditure Budget, professional training courses both in the country and abroad on the basis of supporting documents and in accordance with the provisions of the law.

The non-executive administrators and the General Director are holders of a Directors&Officers Liability insurance policy with an indemnity limit of 1 million euros with the sole beneficiary of the insurance indemnities being OIL TERMINAL.

By OGSM Resolution no. 13/21.10.2024 the amount of 1 million euro was approved as the limit of indemnity for the Directors' and Officers' Liability insurance policy with the sole beneficiary of the insurance indemnities being Oil Terminal SA.

By Decision no. 93/23.10.2025 the Board of Directors approved the purchase of a civil liability insurance policy for the directors of the company and the acting General Director, with an indemnity limit of 1 million Euro, with a validity of 12 months, starting from 26.10.2024, with the sole beneficiary of the insurance indemnities being Oil Terminal SA.

Pursuant to the provisions of Article 55 (2) of GEO 109/2011 on corporate governance of public companies, as amended and supplemented, the Nomination and Remuneration Committee of the Board of Directors presents this report at the 28(29).04.2025 meeting of the General Meeting of Shareholders approving the 2024 audited financial statements.

Nomination and Remuneration Committee :

Ovidiu Aurelian ANDREI – Chairman _____

Sebastian Valentin BODU - member _____

Ionuț Stelian MICU – member _____