

**ANNUAL REPORT  
OF THE ADMINISTRATORS  
OF THE COMPANY CONPET S.A.**

**for the financial year ended  
at  
December 31<sup>st</sup>, 2023**

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## MESSAGE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

Esteemed shareholders,  
Esteemed investors,

Having over 120 years of experience in the transport of crude oil via pipelines in Romania, CONPET is a safe, experienced and established company in the oil and gas sector both nationally and internationally.

The continuity, stability and success that define today this company with tradition and of national strategic interest are due to values and principles that have been an unchanged legacy from one generation to another by oilmen. Starting with the professionalism, seriousness and responsibility for an activity with many implications, to the constant concern for development, continuous adaptation and evolution, all these skills led and created the modern and powerful company that CONPET is today.

CONPET performed also in 2023, in several directions: providing services to its customers at the highest quality and safety standards, making significant investments, continuing the professional training of specialists, increased involvement in the community, to which was added an evolution in identifying and carrying out new projects.

In 2023, we achieved the goals we set at the beginning of the year, fulfilling the development plans and strategies we built for operational efficiency, safety and sustainable development.

*CONPET registered, in 2023, a turnover of 485.1 mRON, higher by 2.7% YoY. At the same time, the operating revenues were 540.9 million RON, registering an increase of 3.6% compared to 2022.*

*The operating profit of 66.4 million RON achieved in 2023 was higher by 3.6 million RON as compared to 2022.*

*In 2023, the company registered a net profit of 61.6 million RON, over the budgeted level by 13.6 million RON.*

*In 2023, CONPET reached a capitalization of 708.2 million RON (81.80 RON/share on 31.12.2023) and the dividend yield was 8.40%.*

Achieving the **investments** scheduled for 2023 was a major objective that the company's management closely followed with the well-determined purpose of optimizing the activity, increasing the performance of the National Transport System and safety in operation.

In this context, we mention with priority one of the most important investments made in the last 10 years within CONPET, a large-scale strategic project that was completed in the first quarter of the year - "Replacement of connecting wires on the import crude oil transport pipelines, under crossing the Danube and Borcea arm". Due to the magnitude of the works, the investment effort involved (22 million EUR, excluding VAT), the impact on the environment and the national energy security, the project is a premiere within CONPET, being possible

through a very good collaboration with our contract partners, but also through the special involvement of our specialized personnel.

In a global economic climate marked by concerns for environmental safety, the construction of new pipelines at the under crossing of the Danube and the Borcea arm has led to secure transport and safe operation of crude oil transport pipelines in conditions of maximum safety, demonstrating once again our responsible commitment to protecting the environment.

In this chapter, we remind that CONPET has adopted an environmental policy integrated with the policy related to quality, health and safety at work and in accordance with the principles of sustainable development, being aware that the responsibility towards the environment is inextricably linked to the envisaged performances.

In addition to the environmental protection measures that accompany our core business, CONPET has adopted a strategy that promotes energy efficiency and sustainability. Electric and hybrid cars, photovoltaic panels, as well as electric locomotives have been introduced.

A constant concern of CONPET is represented by the welfare of its employees, as human resource is one of the main values of the company. Professional development and improvement, health maintenance, salary increase, ensuring an optimal balance between professional and personal life are priorities that are continually improving, and 2023 has been a year that has increased these benefits.

At the same time, an important development line for CONPET is represented by corporate social responsibility (CSR) actions. A successful and responsible company at the same time requires care and involvement for the community and its people. We are aware of the role we have and the influence we can exert, so we want to be an example and a positive force in the community.

In 2023, CONPET continued to actively participate in multiple projects, in rural and urban communities, covering various fields – sports, education, social and cultural. As a result of the pandemic, the attention paid to the medical sector has increased considerably, thus our company has played a significant role in supporting major projects to equip hospitals with modern equipment, necessary for the good activity thereof.

Also, at the heart of the concerns regarding the internal dimension of CSR is the training of employees in the spirit of the company's organizational culture, of the principles and values that it promotes and supports in the community. Thus, in 2023, CONPET organized, for the second consecutive year, a blood donation campaign, offering employees the chance to join a noble cause of helping patients in need, in a gesture of empathy and solidarity.

The action and development lines of CONPET are multiple. They include the efficiency and safety of our transport activity, business profitability, interest and trust of investors, environmental protection, welfare and evolution of our own human resource, community involvement, perseverance directed towards excellence and continuous adaptation. CONPET's commitments are always firm, and the actions speak for themselves every year about what it means to involve people, at all levels, in maintaining a business and taking it further with each step.

CONPET carries out, responsibly, that keeps the world moving, being at the same time a company oriented towards the future and ecological practices, which understands to maintain the right balance between past and future, tradition and progress.

Sincerely yours,  
Cristian - Florin GHEORGHE  
Chairman of the Board of Directors

## 1. COMPANY PRESENTATION

### 1.1 Report grounds

The Annual Report of the Board of Directors of CONPET SA for the year ended December 31<sup>st</sup>, 2023, was prepared in accordance with:

- Chapter 3 of the Minister of Public Finances' Order no. 2844/2016 for the approval of the accounting Regulations compliant with International Financial Reporting Standards;
- Article 65 of Law no. 24/2017, republished, regarding the issuers of financial instruments and market operations;
- Annex no.15 on the requirements of the Annual Report, from Regulation no. 5/2018 regarding the issuers of financial instruments and market operations issued by the Financial Supervisory Authority;
- Art. 56 of the Government Emergency Ordinance no.109/2011 *on the corporate governance of the public enterprises*, subsequent amendments and completions;
- Chapter VI Art. 7 regarding the Administrator's Obligations provided in the Mandate Contracts concluded between the administrators and CONPET S.A.;
- Art. 20 Para (1) letter (e) of CONPET S.A. Articles of Incorporation:

### 1.2 SUBSTANTIATION DATA

Date of the report	March 20 <sup>th</sup> , 2023
Issuer's Name	CONPET S.A.
Registered Offices	no. 1-3 Anul 1848 Street, Ploiesti, Prahova County, Zip Code 100559,
Telephone/facsimile number	0244 401360/0244 516451
E-mail/Internet	conpet@conpet.ro / www.conpet.ro
Trade Identification Number at the Trade Register Office	1350020
Trade Registry Number	J29/6/22.01.1991
The regulated market trading the issued securities	Bucharest Stock Exchange, Premium category
Subscribed and paid-up share capital	28,569,842.40 RON
Main features of the issued securities	8,657,528 shares with a nominal value of 3.3 RON/share.
Total market value	708,185,790 RON (81.80 RON/share at 31.12.2023)
Applied accounting standard	The International Financial Reporting Standards
Auditing	The Financial Statements concluded on December 31 <sup>st</sup> , 2023 have been audited

### **1.3 Main activities**

CONPET is a strategic company, part of the architecture of the national energy system, being the operator of the crude oil national transport system via pipelines.

Since 2002, CONPET is the concessionaire of the operation of the crude oil, rich gas, condensate and ethane National Transport System, based on the oil Concession Agreement concluded with the National Agency for Mineral Resources, approved pursuant to GD no. 793/25.07.2002.

The Crude Oil, Rich Gas, Condensate and Ethane National Transport System (NTS) is being defined and regulated by the Petroleum Law no. 238/07.06.2004 and the Methodological Norms for the enforcement of the Petroleum Law, approved under GD no. 2075/2004 and is part of the state's public property, being of strategic importance.

### **1.4 The company's mission, vision and values**

CONPET mission is the operation of the National Transport System via Pipelines under safety and efficient conditions, free access to the available capacity of the system to all solicitors, authorized legal persons, under equal conditions, in a non-discriminatory and transparent manner.

CONPET Vision mainly aims at:

- Operational effectiveness and safety;
- Performance optimization;
- Sustainable development of the company;
- Ongoing training, adaptability and qualitative increase;
- Social responsibility and respect for the environment.

Company's Values:

- Professionalism, effectiveness and performance;
- Ongoing training, adaptability and qualitative increase;
- Social responsibility and respect for the environment.

### **1.5 Shareholding Structure**

CONPET is a publicly owned company, listed at the Bucharest Stock Exchange, under COTE symbol.

The synthetic structure of the Shareholders, on reference date 31.12.2023, is as follows:

- 58.7162% - the Romanian State by the Ministry of Energy;
- 41.2838% - Other shareholders natural and legal persons.

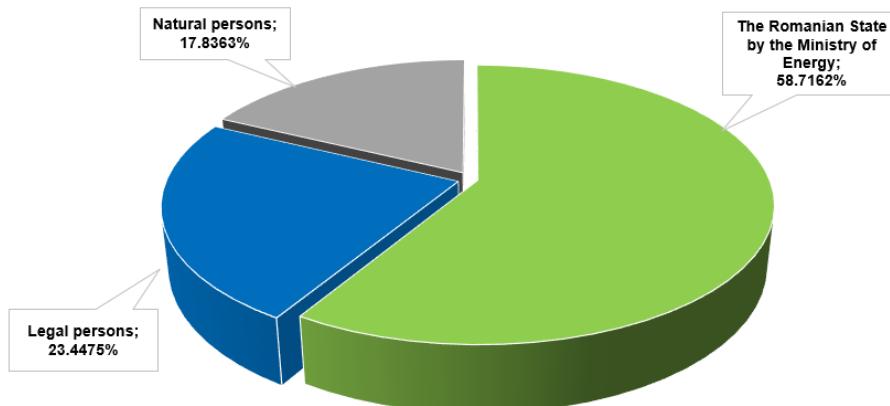


Chart 1 - CONPET S.A. Shareholding Structure on 31.12.2023

The number of CONPET Shareholders registered at Depozitarul Central S.A. at the end of 2023 is 16,248, 5.5% higher than the end of 2021 (15,408 shareholders).

The share capital of CONPET on 31.12.2023 is 28,569,842.40 RON and is divided into 8,657,528 nominative shares, each share with a nominal value of 3.3 RON/share.

CONPET did not perform transactions having as scope its own shares and, consequently, the company does not hold own shares.

## 1.6 Company Organization

The Company CONPET S.A. was established in 1990, based on the Government Decision no. 1213/1990 regarding the set-up of joint-stock companies in the industry, by taking-over the entire assets and liabilities of I.T.T.C. Ploiești, being the first company established in the oil industry in Romania.

Following the take-over of all assets and liabilities of I.T.T.C. Ploiești, CONPET has become the operator of the crude oil, rich gas, condensate and ethane National Transport System. The crude oil, rich gas, condensate and ethane National Transport System (NTS) is part of the State's public property and bears strategic importance. The NTS is being defined and regulated pursuant to the Oil Law no. 238/07.06.2004 and the Methodological Norms for the Application of the Oil Law, approved pursuant to G.D. no. 2075/2004.

CONPET supplies transport services for its clients via both the National Transport System, conceded under the Concession Agreement and by rail, from the loading ramps to the refineries, for the oil areas which are not connected to the major transport lines.

## 1.7 Strategic development objectives

The strategic objectives established and assumed by the administrators through the Administration Plan, for the period 2023-2027, were defined in close correlation with the strategic directions, vision and expectations of the tutelary authority.

The strategic objectives are:

- boost efficiency and improve the activity performance;
- develop new activities, related and non related to the core business;
- ensuring effective management in human resources management;
- selection of company directors based on criteria of professionalism and integrity;
- ensuring modern management by implementing and maintaining risk management, control, ethics, integrity and corporate governance processes;
- ensuring a balance between the dividend policy and the one regarding the provision of the necessary funds for the investment programs undertaken by the company for development and modernization.

## **2. RELEVANT CORPORATE EVENTS IN 2023 AND TO DATE**

### **February 17<sup>th</sup>, 2023**

The Ordinary General Meeting of Shareholders approved the Investment Program and the Revenues and Expenditure Budget for 2023.

In the same meeting, the OGMS appoints in the capacity of provisional administrators on a period of maximum 4 months, starting 22.02.2023 until 21.06.2023 (inclusive of) Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor - Marian, Ms. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Mrs. Barbu Irina - Mihaela.

### **April 27<sup>th</sup>, 2023**

The Ordinary General Meeting of Shareholders approved the Annual Financial Statements on the date and for the financial year ended on 31.12.2022. At the same meeting, the OGMS approved the distribution of the net profit for the financial year 2022 and of some amounts of the retained earnings.

### **June 21<sup>th</sup>, 2023**

The Ordinary General Meeting of Shareholders approved the extension of the mandate contracts of the provisional administrators by a period of 2 months, starting from 22.06.2023 until 21.08.2023 (inclusive of), for Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor - Marian, Ms. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Mrs. Barbu Irina - Mihaela.

### **August 18<sup>th</sup>, 2023**

The General Meeting of Shareholders appointed the administrators of the company with a mandate for a period of four years, starting with 22.08.2023 and until 21.08.2027 (inclusive of), as follows: Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor - Marian, Ms. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Mr. Dănilă Alin - Mihael.

### **December 19<sup>th</sup>, 2023**

The Ordinary General Meeting of Shareholders approved the financial and non-financial performance indicators, resulting from the company's Administration Plan.

**February 28<sup>th</sup>, 2024**

The Ordinary General Meeting of Shareholders approved the Investment Program and the Revenues and Expenditure Budget for 2024.

### 3. CONPET 2023 – EXECUTIVE SUMMARY

#### 3.1 Operating Activity Indicators

The comparative situation of the quantities of products, crude oil, rich gas and condensate, transported and the revenues obtained based on tariffs approved by order of N.A.M.R., as well as revenues from other types of operations related to transport via the NTS, during 2021-2023, is presented below:

Indicators	M.U.	2023	2022	2021	Variation%	
					2023/2022	2022/2021
Total transported quantities	Thousand tons	6,294	7,100	6,651	▼ 11.4%	▲ 6.8%
Total transport revenues	Million RON	482.9	469.9	410.5	▲ 2.8%	▲ 14.5%

Table 1- Evolution of the transported quantities and transport related revenues during 2021-2023

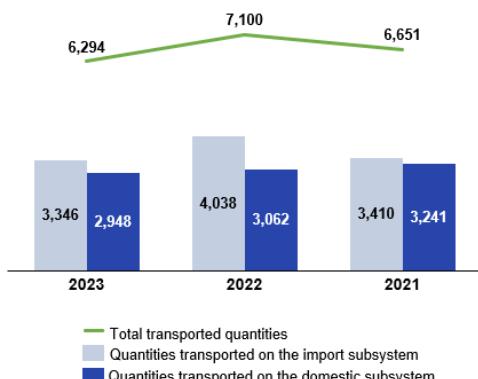


Chart 2 - Evolution of the quantities transported on the Domestic and Import subsystems during 2021 - 2023 (thousand tons)

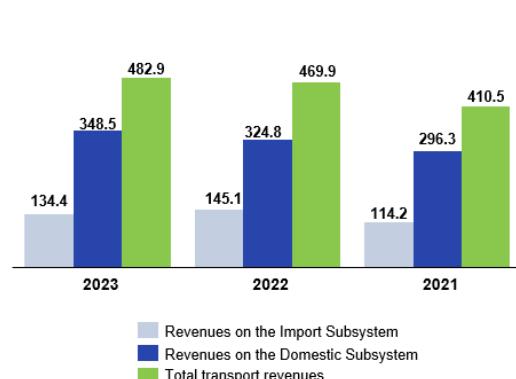


Chart 3 - Evolution of the revenues transported on the Domestic and Import subsystems during 2021-2023 (mRON)

#### 3.2. Financial Results Indicators

The economic and financial activity of CONPET SA in 2023 was performed based on the indicators included in the revenues and expenditure budget.

The comparative evolution of the main indicators of financial results in the period 2021-2023, as well as the change in the values recorded in 2023 compared to budget, is presented as follows:

2023		Variation (%) Achieved/Budget	Indicators (mRON)	2023	2022	2021	Variation%	
Achieved	Budget						2023/2022	2022/2021
485.1	492.8	▼ 1.6%	<b>TURNOVER</b>	485.1	472.2	412.8	▲ 2.7%	▲ 14.4%
540.9	547.0	▼ 1.1%	Operating revenues, out of which:	540.9	522.1	458.4	▲ 3.6%	▲ 13.9%
482.9	490.2	▼ 1.5%	Transport revenues	482.9	469.9	410.5	▲ 2.8%	▲ 14.5%
474.5	493.9	▼ 3.9%	Operating Expenses	474.5	459.3	400.7	▲ 3.3%	▲ 14.6%
<b>66.4</b>	<b>53.1</b>	<b>▲ 25.1%</b>	<b>EBIT (operating profit)</b>	<b>66.4</b>	<b>62.8</b>	<b>57.7</b>	<b>▲ 5.7%</b>	<b>▲ 8.8%</b>
61.5	66.1	▼ 7.0%	Value adjustments on fixed assets, less adjustments related to rights of use resulted from leasing contracts	61.5	53.1	51.9	▲ 15.8%	▲ 2.3%
<b>127.9</b>	<b>119.2</b>	<b>▲ 7.3%</b>	<b>EBITDA</b>	<b>127.9</b>	<b>115.9</b>	<b>109.6</b>	<b>▲ 10.4%</b>	<b>▲ 5.7%</b>
6.4	2.6	▲ 146.2%	Financial Result	6.4	9.3	3.1	▼ 31.2%	▲ 200.0%
<b>72.8</b>	<b>55.7</b>	<b>▲ 30.7%</b>	<b>EBT (gross profit)</b>	<b>72.8</b>	<b>72.1</b>	<b>60.8</b>	<b>▲ 1.0%</b>	<b>▲ 18.6%</b>
<b>61.6</b>	<b>47.9</b>	<b>▲ 28.6%</b>	<b>NET PROFIT</b>	<b>61.6</b>	<b>61.7</b>	<b>51.9</b>	<b>▼ 0.2%</b>	<b>▲ 18.9%</b>

Table 2 – Evolution of the results from the operating and financial activity 2021-2023 and 2023 vs Budget

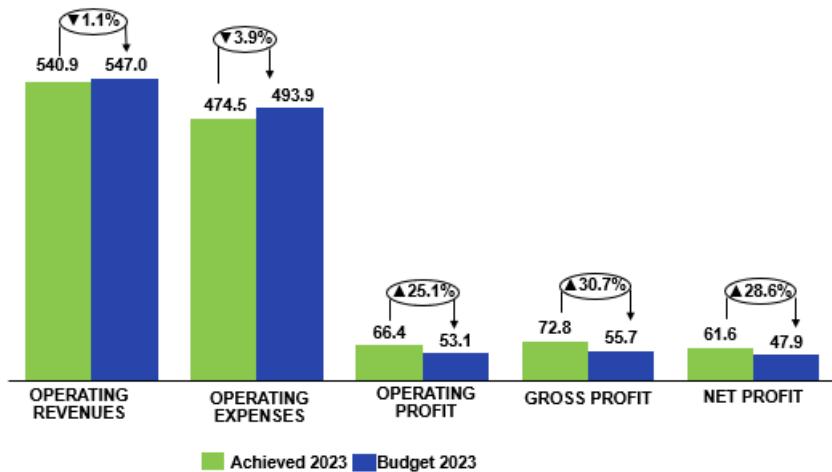


Chart 4 - Analysis of the indicators achieved in 2023 as compared to Budget (mRON)

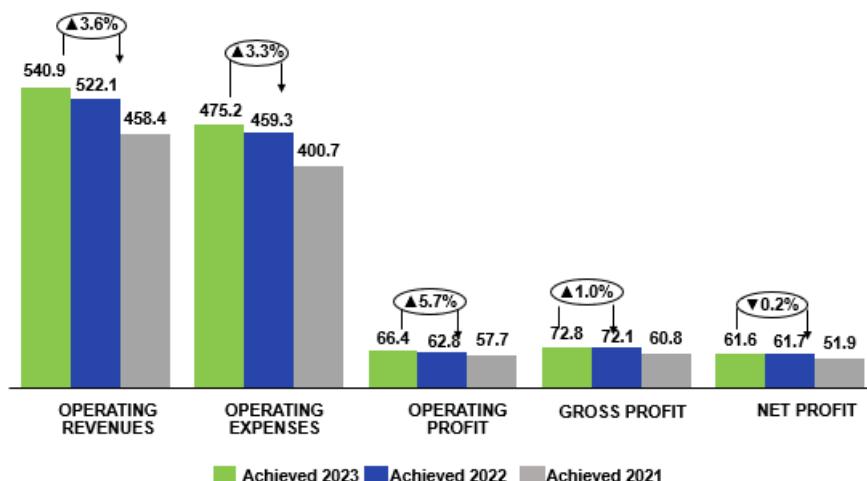


Chart 5 - Analysis of the indicators achieved during 2021-2023 (mRON)

In 2023 the turnover recorded an increase by 2.7% as compared to the level achieved in 2022. Compared to the budget, the turnover decreased by 1.6% (7.7 mRON).

The operating profit, amounting to 66.4 mRON, registered an increase of 5.7% (3.6 million RON), compared to 2022, in contrast, the net profit decreased by 0.2% (0.1 million RON).

As compared to the budget, the net profit is higher by 28.6%.

CONPET is a company paying substantial contributions to the consolidated State budget. The total amount paid in 2023, to the account of the state budget, was of 187 million RON, the most important of which are:

VAT	54 mRON
Tax on salaries and related contributions	76 mRON
Income tax	11 mRON
Oil royalty	38 mRON

### 3.3 Investment Activity Indicators

The investment program related to 2023 included rehabilitation works of major transport pipelines and modernization works for installations and related equipment to the Crude Oil National Transport System.

The investment projects within CONPET target, mainly, enhancing efficiency of the transport activity as well as the operation, under safe conditions, of the National Transport System.

CONPET investments provided in the rehabilitation, modernization and development programs, agreed with the National Agency for Mineral Resources, according to the "Petroleum concession agreement for the operation of the national transport system of crude oil, rich gas, condensate and ethane, including the main pipelines and the ancillary installations, endowments and facilities" are financed from the modernization quota included in the transport tariffs.

In 2023, have been achieved investments amounting **83,062** thousand RON, reaching 74.2% degree of achievement.

2023		Degree of achievement	Investments (thousand RON)	2023	2022	2021	Degree of achievement %	
Program	Achieved						2023/2022	2022/2021
<b>112,000</b>	<b>83,062</b>	<b>74.2%</b>	<b>Total investments, o/w:</b>	<b>83,062</b>	<b>148,712</b>	<b>63,536</b>	<b>55.9%</b>	<b>234.1%</b>
90,000	71,580	79.5%	Public domain	71,580	137,008	45,596	52.2%	300.5%
22,000	11,482	52.2%	Operating domain	11,482	11,704	17,940	98.1%	65.2%

Table 3 – Investments achieved 2023 vs. program and compared to the period 2021-2023

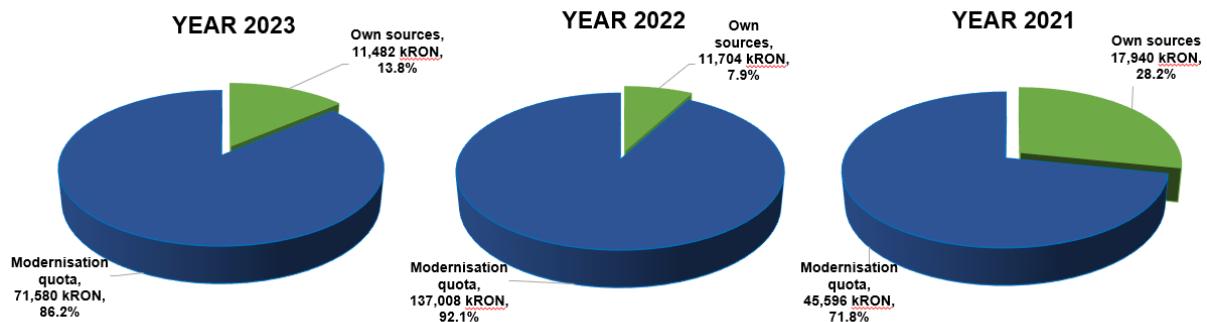


Chart 6 - Share of investments by financing sources in 2021 -2023

### 3.4 Company's Stock Market Indicators

The market capitalization amounted to 708.19 million RON (81.80 RON/share) on 31.12.2023, respectively 586.98 million RON (67.80 RON/share) on 31.12.2022.

The evolution of COTE share and market capitalization during 2021 - 2023 is as follows:

Indicators	MU	31.dec.2023	31.dec.2022	31.dec.2021
COTE closing price	RON/share	81.80	67.80	79.00
Market capitalization	Million RON	708.19	586.98	683.94
	million Euro	142.36	118.64	138.21

Table 4 - Evolution of COTE share and stock capitalization during 2021– 2023

On 31.12.2023, CONPET S.A. ranked 33 according to capitalization, with a value of 708.19 million RON, holding a share of 0.24% in total market capitalization.

The Company CONPET S.A. is being included in 7 indices out of 9 of the Bucharest Stock Exchange, namely BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG and BET Plus. At the same time, starting from March 21<sup>st</sup>, 2022, the shares of the company CONPET S.A. are part of the FTSE Global Micro Cap indices dedicated to emerging markets, and on 01.09.2023, following the quarterly revision of the indices, carried out by the global provider of MSCI indices, CONPET (COTE) is included in the MSCI Frontier IMI and MSCI Romania IMI Investable Market Indices) indices.

In 2023, 13,961 stock transactions have been recorded, with a traded volume of 509,910 shares, the total value of the transactions being 38.96 million RON. During 01.01.2023- 31.12.2023, the minimum trading price amounted to 68.8 RON/share and the maximum price to 82.2 RON/share. On average, 2,056 shares/day have been traded, the average value of a trading day amounting to 157,101 RON/day (248 days).

The net profit per share is of 7.12 RON/share in 2023.

## **4. ANALYSIS OF THE COMPANY'S BUSINESS**

### **4.1 Analysis of the operating activity**

#### **4.1.1 The regulatory Framework**

CONPET SA is the operator of crude oil, rich gas, condensate and ethane National Transport System (NTS). The transport service is being supplied under the natural monopoly regime based on the tariff set by NAMR.

The NTS is being defined and regulated pursuant to the Oil Law no. 238/7.06.2004 and the Methodological Norms for the Application of the Oil Law, approved pursuant to GD no. 2075/2004.

#### **4.1.2 The crude oil, condensate, rich gas and ethane transport activity**

CONPET S.A. supplies transport services for its clients both via NTS according to the Oil Concession Agreement of the National Transport System of crude oil, rich gas, condensate and ethane, as well as by rail, from the loading ramps to the refineries, for the oil areas not connected to the transport major pipelines.

The NTS was built taking into account the natural distribution of the oil fields, so as to ensure the transport of crude oil from all these fields to the refineries. The system operation is being made based on the local dispatch centers, coordinated from the Company's Central Dispatch. The pipeline network of the NTS is approximately 3,800 km long, currently being used a pipeline network of 3,161 km.

The Crude Oil, Rich Gas, Condensate and Ethane Transport System has in composition more transport subsystems, as follows:

- The domestic crude oil and condensate transport subsystem, consisting of pipelines through which crude oil and condensate are transported from extraction units throughout the country to refineries. The domestic crude oil and condensate production is transported both via pipelines and by rail or combined (rail and pipelines).
- The rich gas transport subsystem is meant for the rich gas transport from the rich gas separation units in Ardeal (Biled and Pecica) to Petrobrazi refinery.
- The ethane transport subsystem provides the ethane transport from Turburea ethane separation platform to Arpechim Pitești refinery. Currently, due to the inactivity of the Arpechim refinery, the subsystem is used only on the pipeline section linking Totea warehouse to Petrobrazi refinery, for the transport of condensate.
- The import crude oil transport subsystem ensures the transport of crude oil from the Oil Terminal Constanța to the refineries in Ploiești (Petrobrazi și Lukoil), Arpechim-Pitești and Midia.

The transport of the crude oil quantities is being performed from the sites of products delivery by the producers or importers, from the extraction areas, or from Oil Terminal to the processing units (refineries), using the facilities inside the pumping stations and the receiving sites.

These facilities shall consist of crude oil and condensate storage tanks, storage tanks for the storage of rich gas, technological pipes from the pumping/receipt warehouses, pumping

aggregates, major pipelines, crude oil and rich gas loading and unloading ramps, rail tank cars.

For the crude oil, rich gas and condensate transport service, CONPET has to develop, on an annual basis, a proper transport program so as to provide free access to the available capacity of the system to all applicants, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

The available throughput represents the difference between the total physical throughput of the system and the crude oil scheduled for transport in the given year.

The transport contracts signed with the beneficiaries of the services are compliant with the regulated frame-contract approved by NAMR and provides the legal framework for the supply of the transport services.

The transported volume by products - crude oil, rich gas and condensate, programmed and achieved in 2023 and the extent of usage of the transport capacity, are as follows:

Transport Subsystems	Indicators and products	2023	2022	2021	Variation (%) 2023/2022
DOMESTIC	Domestic crude oil, condensate and light condensate				
	- programmed quantities (thousand tons)	2,982	3,058	3,260	▼ 2.5%
	- achieved quantities (thousand tons)	2,930	3,045	3,222	▼ 3.8%
	- degree of achievement	98.3%	99.6%	98.8%	-1.3 p.p.
	- degree of use of the transport throughputs	47.4%	49.2%	52.1%	-1.8 p.p.
	Rich gas				
	- programmed quantities (thousand tons)	11	9	16	▲ 22.2%
	- achieved quantities (thousand tons)	18	17	19	▲ 5.9%
	- degree of achievement	163.6%	188.9%	118.8%	-25.3 p.p.
	- degree of use of the transport throughputs	24.0%	24.7%	26.6%	-0.7 p.p.
TOTAL	Total domestic subsystem				
	- programmed quantities (thousand tons)	2,993	3,067	3,276	▼ 2.4%
	- achieved quantities (thousand tons)	2,948	3,062	3,241	▼ 3.7%
	- degree of achievement	98.5%	99.8%	98.9%	-1.3 p.p.
	- degree of use of the transport throughputs	47.1%	49.0%	51.8%	-1.9 p.p.
IMPORT	crude oil				
	- programmed quantities (thousand tons)	3,358	4,039	3,244	▼ 16.9%
	- achieved quantities (thousand tons)	3,346	4,038	3,410	▼ 17.1%
	- degree of achievement	99.6%	99.9%	105.1%	-0.3 p.p.
TOTAL	- degree of use of the transport throughputs	27.7%	34.2%	28.9%	-6.5 p.p.
	- programmed quantities (thousand tons)	6,351	7,106	6,520	▼ 10.6%
	- achieved quantities (thousand tons)	6,294	7,100	6,651	▼ 11.4%
	- degree of achievement	99.1%	99.9%	102.0%	-0.8 p.p.
	- degree of use of the transport throughputs	34.3%	39.3%	36.8%	-5.0 p.p.

Table 5 - Transported quantities by types of products between 2021-2023

The degree of use of the transport system in 2023 was down by 5 p.p. as compared to 2022, due to the decrease, by 806 thousand tons, in the transported quantities.

In 2023, the refineries in Ploiești were under scheduled technical overhaul, the OMV Petrom refinery between 20.04.2023 – 12.06.2023, and the Lukoil refinery between 01.11.2023 – 30.11.2023.

Of the total quantity of crude oil, condensate and rich gas from indigenous production, transported and delivered to OMV Petrom refinery, approximately 32.8% (967 thousand tons) were transported by rail.

The evolution of the standardized technological consumption per products as recorded between 2021 - 2023, is as follows:

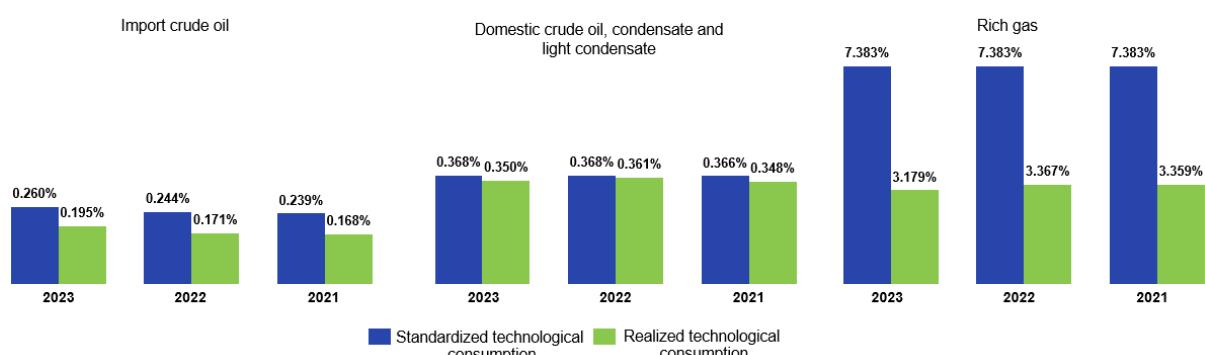
Products	2023			2022			2021		
	Standardized	Achieved	Variation	Standardized	Achieved	Variation	Standardized	Achieved	Variation
Import crude oil	0.260%	0.195%	-0.065 p.p.	0.244%	0.171%	-0.073 p.p.	0.239%	0.168%	-0.071 p.p.
Domestic crude oil, condensate and light condensate	0.368%	0.350%	-0.018 p.p.	0.368%	0.361%	-0.007 p.p.	0.366%	0.348%	-0.018 p.p.
Domestic rich gas	7.383%	3.179%	-4.204 p.p.	7.383%	3.367%	-4.016 p.p.	7.383%	3.359%	-4.024 p.p.

Table 6 - The evolution of technological standardized consumption as compared to achieved between 2021-2023

Chart 7 - The evolution of the technological standardized consumption as compared to the achieved during 2021-2023

The technological consumptions recorded during transport were admitted within the limits, provided in the transport contracts.

The tariffs for the supply of crude oil, rich gas and ethane are regulated and approved by the



NAMR and are distinguished for each transport subsystem.

The tariffs applied for the import transport subsystem vary according to the installment of transported quantity, being practiced the bracketing tariff model and the refinery- the hand-over site. Between 2022 and 2023, the following tariffs were applied:

- Tariffs from transport services on Domestic Subsystem

Period	M.U.	Transport Tariffs	Approved by NAMR Order no.
January 1 <sup>st</sup> , 2022 - December 31 <sup>st</sup> , 2022	RON/ton	105.50	229/2021
January 1 <sup>st</sup> , 2023 - December 31 <sup>st</sup> , 2023	RON/ton	117.95	364/2022

Tabel 7 - Transport tariffs Domestic - Subsystem

- Tariffs for transport services on the Import Subsystem

Period	Tranches	Arpechim Refinery	Ploiesti Basin *)	Petromidia Refinery	Approved by NAMR Order no.
	thousand tons/month	RON/ton	RON/ton	RON/ton	
January 1 <sup>st</sup> , 2022 - December 31 <sup>st</sup> , 2022	no more than 80	46.65	45.66	18.51	229/2021
	80 -120	37.32	36.53	14.81	
	120 -160	27.99	27.39	11.11	
	over 160	21.00	20.55	8.33	
January 1 <sup>st</sup> , 2023 - December 31 <sup>st</sup> , 2023	no more than 80	52.25	51.60	20.73	364/2022
	80 -120	41.80	41.28	16.59	
	120 -160	31.35	30.96	12.44	
	over 160	23.51	23.22	9.33	

\*) Petrobrazi Refinery and Lukoil Refinery

Tabel 8 - Transport tariffs import - subsystem

The transport tariffs include a modernization quota meant exclusively for the financing of the investments related to the National Transport System.

The company holds a monopoly position on the pipeline transport market, not having competitors in its main area.

The transport services are being contracted based on the agreements concluded with the clients, drafted according to the frame contract annually approved by the National Agency for Mineral Resources.

Revenues from the provision of transport services and invoiced to beneficiaries increased by 2.8% compared to 2022, reaching the value of 482.9 million RON.

The income statement for each client and their share in the total transport revenues are as follows:

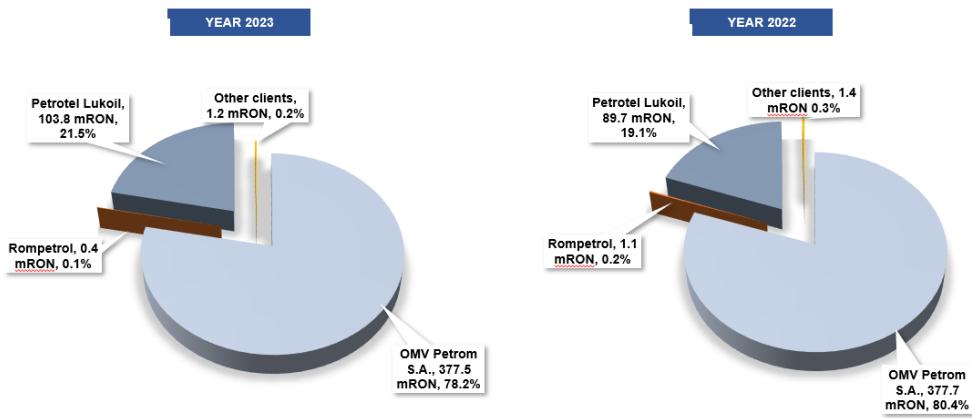


Chart 8 - The evolution of the transport revenues, per clients, achieved during 2022-2023

The transport services supplied by the company are addressed to a reduced number of clients, the volume thereof is closely related to the trade policy applied by the beneficiaries of the supplied services.

The revenues from the transport services supplied for OMV Petrom account for 78.2% in the total transport revenues of the company.

#### 4.1.3 Other activities

The revenues from other activities hold a share of 0.5% in turnover decreasing by 5.7% (135 thousand RON) compared to 2022, coming from leases of lands and telecommunication equipment, rail shunting, etc.

#### 4.1.4 Analysis of the operating activity

In the table below is presented the evolution of the transport services supply and other services, for the period 2021-2023:

Indicators	M.U.	2023	2022	2021	Variation%	
					2023/2022	2022/2021
Revenues from transport services Domestic Subsystem	Thousand ron	343,752	321,320	293,265	▲ 7.0%	▲ 9.6%
Revenues from transport services Import Subsystem	Thousand ron	130,096	144,044	113,541	▼ 9.7%	▲ 26.9%
<b>Total Operating Revenues<sup>*)</sup></b>	Thousand ron	<b>473,848</b>	<b>465,364</b>	<b>406,806</b>	<b>▲ 1.8%</b>	<b>▲ 14.4%</b>
Revenues from other operations related to transport by NTS	Thousand ron	9,025	4,493	3,671	▲ 100.9%	▲ 22.4%
<b>Total transport revenues</b>	Thousand ron	<b>482,873</b>	<b>469,857</b>	<b>410,477</b>	<b>▲ 2.8%</b>	<b>▲ 14.5%</b>
Revenues from rents	Thousand ron	2,078	1,966	1,633	▲ 5.7%	▲ 20.4%

Indicators	M.U.	2023	2022	2021	Variation%	
					2023/2022	2022/2021
Other revenues	Thousand ron	163	410	677	▼ 60.2%	▼ 39.4%
<b>Turnover</b>	Thousand ron	<b>485,114</b>	<b>472,233</b>	<b>412,787</b>	▲ 2.7%	▲ 14.4%

Table 9 - Evolution of turnover revenues during 2021-2023

\*) Revenues related to transported quantities for which tariffs regulated by NAMR are applied

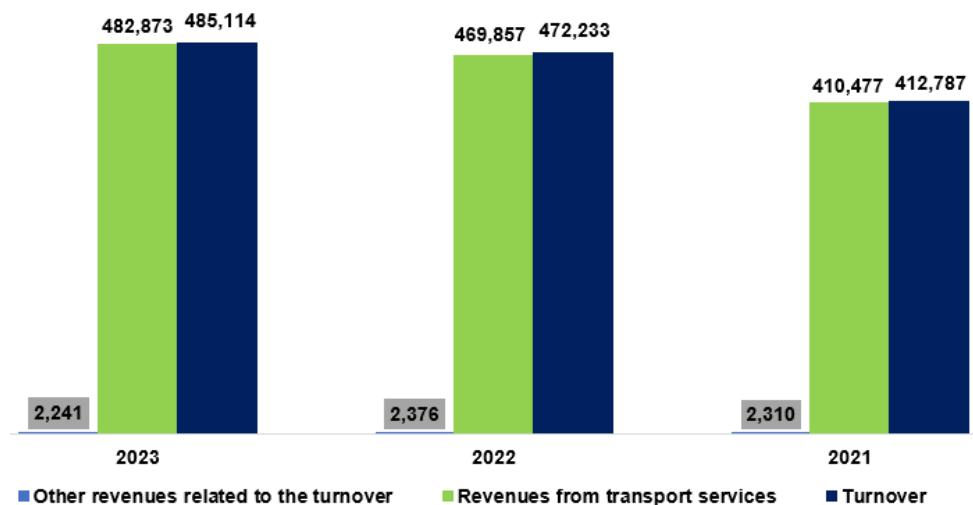


Chart 9 - Evolution in turnover during 2021 - 2023 (thousand RON)

In 2023 the turnover recorded an increase by 2.7% as compared to the level achieved in 2022.

Transport revenues hold a share of 99.5% in total turnover, the remaining 0.5% is revenues from renting land and telecommunications equipment and from shunting wagons.

#### 4.1.5 Analysis of the supply activity

##### The procurement activity

The procurement activity performed in compliance with the provisions of the Internal Procurement Norms of CONPET S.A. and other internal procedures.

During January-December 2023, have been initiated 99 procurement procedures and have been concluded 95 by contracts in total amount of 430,858 thousand RON and 1,118 thousand Euro.

The contracts for the procurement of products and works with a value higher than 500,000 Euro and the services procurement contracts with values higher than 100,000 Euro, concluded between 01.01.2023 and 31.12.2023, were presented in the form of annexes to the preliminary report drawn up for the year 2023, uploaded on the CONPET website on February 28<sup>th</sup>, 2024.

#### 4.1.6. Legal papers concluded according to Art. 52 para. (1) and (3) GEO no. 109/2011

According to the provisions of Article 52 para. (6) of GEO no. 109/2011 "In the half-yearly and annual reports of the Board of Directors [...] shall be mentioned, in a special chapter, the legal acts concluded under the conditions of para. (1) and (3), [...]".

The transactions concluded according to Article 52 of GEO no. 109/2011 in the second semester of 2023 can be found in **Annex no. 1**.

#### **4.1.7 Company mergers and reorganizations, procurements and disposals of assets**

There were no mergers and reorganization activities in the reported period, January – December 2023.

The company has no open subsidiaries in Romania or abroad.

Purchases of tangible and intangible assets in the period January - December 2023 were made in accordance with the investment program and the approved revenues and expenditure budget and are intended for deployment and modernization.

In the reported period there have not been made purchases of assets consisting of buildings and/or lands.

#### **4.1.8 Development of the internal control management system**

##### **The internal control management system**

The company CONPET S.A., defined as a public entity in accordance with the Order of the Secretary General of the Government no. 600/2018, applies the Code of the internal control management of public entities approved by the aforementioned legislation.

CONPET S.A. does annual self-assessments of the degree of implementation of the internal control management standards and reports in accordance with the legal requirements.

According to the provisions of OGSG no. 600/2018 for approving the Internal Control Management Code of public entities, the Monitoring committee of the internal control management system was appointed, by decision of the Director General.

The main attributions of the Committee for the monitoring of the internal control management system:

- Draws up the Development Program of the internal control management system covering the objectives of CONPET SA in internal control management, including, for each standard of internal control management, activities, officers in charge and deadlines, as well as other relevant elements in implementing and developing the internal control management system.
- Aims to achieve and provides upgrade of the development program of the internal control management system.
- Coordinates the process of updating the general and specific objectives, the procedure activities, the risk management process, the system performance monitoring, the

procedure situation and the monitoring reporting system, respectively information to the Director General.

- Analyzes and gives priority to significant risks, that might affect achieving the objectives of CONPET S.A., by establishing the risk profile and risk tolerance.
- Analyzes and endorses annually the risk profile and the risk tolerance limit proposed by the technical secretariat based on the Risk Registry within CONPET S.A. and submits to approval of the Director General.
- Analyzes the annual plan of implementation of the control measures for the significant risks within CONPET S.A., drafted by the technical secretariat and submits to the approval of the Director General.
- Analyzes the annual report on internal control management system and submits it for approval to the Director General.
- Analyzes and endorses the Report on the status of implementation of the actions included in the Internal Managerial Control System Development Program.

The Commission shall cooperate with all organizational entities so as to implement and develop the internal control management system. Each member of the Monitoring Committee is responsible for fulfilling the tasks from the development program of the internal control management system and for compliance with established deadlines.

The Internal Audit shall advise the Monitoring Commission and attends its meetings. The Internal Public Audit Bureau monitors the activities of the Monitoring Commission and regularly informs the Director General on the activity of the Monitoring Committee and the problems they are facing and which may affect the process of implementing and maintaining the internal control management system.

The Development Program of the internal control management system of CONPET is analyzed annually, on the self-evaluation of the implementation degree, according to OGSG no. 600/2018. The development program of the internal control management system of CONPET SA for 2023 has been approved by the Director General.

According to the provisions of the system procedure "Setting the objectives of CONPET S.A.", SMART objectives have been set for 2023, at the level of all organizational entities. During 2023, some of the specific objectives were revised as a result of changing the assumptions/premises underlying their formulation.

In 2023, meetings of all risk management teams (EGR) were held, in which each team reassessed the risks corresponding to the established objectives and analyzed the status of implementation of control measures. Control measures have been proposed to mitigate risks, as well as deadlines for their implementation, according to the provisions of the system procedure "Risk management". The significant risks and their control measures were the subject of debate within the meetings of the Commission for the monitoring of the internal control management system.

Following these sessions, the risk profile at CONPET S.A. level is as follows:

- 100 tolerable risks (with exposures from 1-4);
- 82 high tolerability risks (exposure between 5-8);

- 16 low tolerability risks (exposure between 9-12);
- 0 intolerable risks (exposure 15-25).

The risk profile at CONPET SA in 2023 as compared to 2022 and 2021, is as follows:

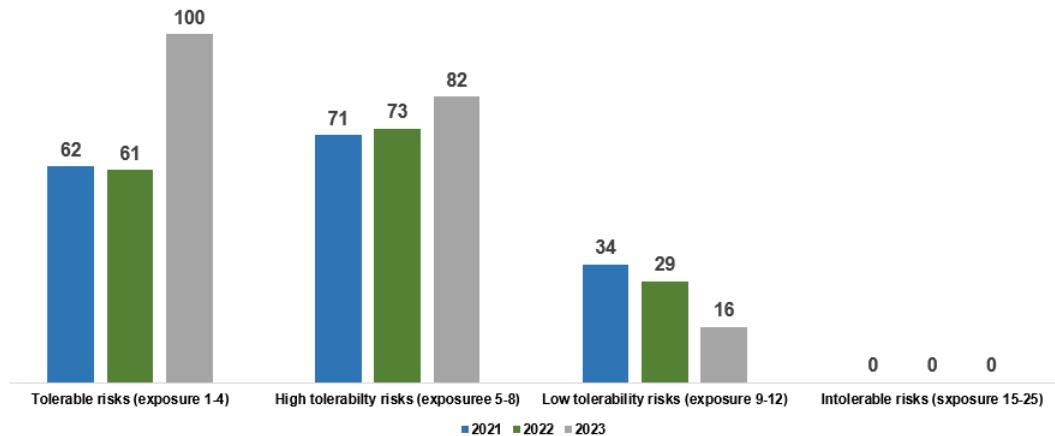


Chart 10 - Risk profile CONPET SA - comparative presentation 2021-2023

During the risk analysis meetings, carried out by the management in 2023, the risk management teams also took into account the risks identified during the external audit on information security. As a result, the number of risks identified in 2023 increased to 198 risks, compared to 163 risks identified in 2022.

The Technical Secretariat of the Monitoring Committee has established the Significant Risk Registry within CONPET S.A. (with a tolerance level higher than or equal to 9).

This document was revised three times during 2023, following the reformulation/reassessment of significant risks and the addition with additional control measures, as well as the risk reanalysis in EGR meetings, following the revision of the specific objectives for 2023.

The activities of treatment the significant risks were centralized and the Annual Plan for the implementation of control measures for significant risks has been developed, as required by OGSG no. 600/2018. Following the reformulation/reassessment of significant risks and completion with additional control measures, the Annual Plan for the implementation of control measures for significant risks at Conpet S.A. level for 2023 has been revised.

Based on the Risk Register at CONPET level and the methodology established by the system procedure "Risk Management", the risk tolerance limit at CONPET S.A. level for 2023 is exposure maximum 12, the risk appetite being at a medium level. The management of the company does not tolerate risks with exposure higher than 12. If the exposure of a risk increases above the tolerance limit, the Monitoring Commission shall meet for an analysis/proposal of urgent measures. Following the risk analyses carried out during 2023, no intolerable risks were identified.

In 2023, all the actions included in the development program of the internal control management system at CONPET S.A. have been made within the deadlines set in the program.

Following the self - assessment of the internal control management system in accordance with OGSG no. 600/2018, it has been declared compliant at 31.12.2023 with all 16 standards implemented. The results of the self-assessment and the details regarding the stage of implementation and development of the internal control system were included in the Report on the managerial internal control system (Annex no.4 to this report) and in the centralizing situation regarding the stage of implementation, on December 31<sup>st</sup>, 2023. These reports were also communicated to the Board of Directors and the Tutelary authority.

### **Integrated management system**

Certification of the Integrated management system quality - environment - occupational health and safety was held for the first time in September 2007 with recertification every three years. Later, in September 2016, the company also obtained certification for the energy management system, a system that was implemented and integrated into the previous management systems.

Following the external recertification audit, carried out by the BUREAU VERITAS body, in September 2022, the certificates for the management systems of quality, environment, health and safety at work and energy were issued:

- Certificate no. RO22. RO22.4340383Q, in accordance with the requirements ISO 9001:2015;
- Certificate no. RO22. RO22.4340383E, in accordance with the requirements ISO 14001:2015;
- Certificate no. RO22. RO22.4340383S, in accordance with the requirements ISO 45001:2018;
- Certificate no. CZE - 2200254, in accordance with ISO 50001:2018 requirements.

Between August 28<sup>th</sup> - September 1<sup>st</sup>, 2023, the external surveillance audit for quality, environmental, occupational health and safety, energy management systems took place, according to the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018, audit carried out by the certification body BUREAU VERITAS. Following the external surveillance audit for the management systems of quality, environment, occupational health and safety, energy, no non-conformities were identified.

The audit team of the BUREAU VERITAS body concluded that the organization CONPET S.A. has established and maintained an integrated management system in accordance with the requirements of the reference standards and has demonstrated its ability to meet the requirements according to the policy, objectives and scope of the organization. As a result, the certification body BUREAU VERITAS recommended maintaining the certificates for quality, environment, occupational health and safety and energy management systems, issued for the organization CONPET S.A.

Starting 2010, within CONPET SA the railway safety management system is implemented and maintained in accordance with the national legal requirements on railway safety and reference European Directives. The field of application of this system includes the railway ramps where CONPET carries out railway shunting, for which the company holds the "Licence for the performance of rail transport services (railway shunting)", granted by the Romanian Railway Authority (Ro. AFER).

Also, for railway ramps where CONPET S.A. performs only railway shunting in its own interest/for third parties/on industrial railway line that is not owned by the company, the Romanian Railway Safety Authority (Ro. A.S.F.R.) issued the Single Safety Certificate, in accordance with the provisions of the Order of the Minister of Transport, Infrastructure and Communications nr. 743/2020 for the issuance of the single safety certificate to operators performing only railway shunting on Romanian railways. The certificate is updated whenever CONPET S.A. requests the amendment of Annex B containing the list of powered railway vehicles with which the company performs the railway maneuver.

On 31.12.2023, the Single Safety Certificate no. O.M.F. 2023008, valid until 20.09.2025, subject to periodic endorsement at one year.

Starting January 2021, within CONPET has been deployed the anti-bribery management system implementation program, as required by SR ISO 37001:2017, program which finalized in June 2022.

In July 2022, following the external audit performed by the certification body SRAC CERT, the following certificates have been issued:

- SRAC nr.28/13.07.2022
- IQNet nr. RO-0028/13.07.2022

asserting compliance with the requirements of the anti-bribery management system implemented by CONPET S.A. in compliance with the requirements of ISO 37001 standard.

Following the external surveillance audit in June 2023, the SRAC CERT certification body did not identify any non-conformities of the anti-bribery management system and recommended maintaining the certificate of conformity no. 28/13.07.2022 for the anti-bribery management system implemented in the organization CONPET S.A.

In order to determine the effectiveness of the integrated quality - environment - health and safety - energy -- and railway safety management system, in May 2023 the Management Analysis no. 31 was carried out. Following the carried-out analysis, actions were established to increase the effectiveness of the management systems. All the actions included in the Action Plan of AEM 31 have been implemented up to December 31<sup>st</sup>, 2023.

Within the energy management system, the energy objectives and targets for the year 2023 were established as follows:

<b>Energy objective 2023</b>	<b>Energy target 2023</b>
O1: Maintaining energy efficiency for electricity use.	O1/T1: Maintaining the annual average of the specific technological consumption of electricity in the Transport Operations Unit at a maximum level of 3.3 KWh/ton produced O1/T2: Maintaining the electricity annual average consumption in Conpet administrative buildings as compared to the reference period 2019.
O2: Increasing energy efficiency for the uses of natural gas.	O2/T1: Reducing natural gas consumption at CONPET as compared to the reference period 2019.

<b>Energy objective 2023</b>	<b>Energy target 2023</b>
O3: Increasing energy efficiency for uses of diesel.	O3/T1: Reduction of specific diesel consumption for the rail shunting within CONPET as compared to the 2019 reference period
O4: Increasing energy efficiency for the uses of automotive fuels.	O4/T1: Maintaining the auto fuel consumption in CONPET compared to the reference period 2019.
O5: Increasing energy performance for the uses of water	O5/T1: Maintenance of the water consumption at CONPET level, for every location by the observance of the Water Management Rights Permit

Table 10 - Energy objectives and targets 2023

In order to meet these targets, was developed and approved the document: "Action plan for achieving energy objectives and targets 2023".

The internal audit of the integrated quality– environment– occupational health and safety management system and the railway safety management system shall provide information regarding the compliance with the requirements of the references and applicable legal requirements. Internal audits are also aimed at assessing the effectiveness and continuous improvement of the implemented management systems.

The internal audits were conducted in accordance with the approved program for the year 2023 and the audit criteria established in the audit plans. The results were communicated to the audited persons by distributing the audit reports, to which were attached reports of non-compliance and corrective action opened during audits. The company annually provides resources to develop adequate internal audit, mandatory requirement of the reference standards SR SR EN 9001:2015, SR EN ISO 14001:2015, SR ISO 45001:2018, SR EN SR 50001: 2019 and SR ISO 37001:2017, as well as the regulations on railway safety.

#### **4.1.9 Risk management**

Within CONPET S.A. the Internal Control Management System has been implemented and developed, containing the 16 standards included in the Internal control management code of the public entities.

Implementation of the requirements of standard no. 8 "Risk management" was a priority, by documenting and applying the provisions of the "Risk Management" process documents (process sheet, flow diagram and system procedure).

In 2023 have been identified, assessed/reassessed and centralized risks that may affect the achievement of objectives. At CONPET level, a Significant risk register (with exposure level equal to or higher than 9) and an Annual plan containing measures to control significant risks, responsible and time-frames for the measures were developed.

In paragraph 4.1.8 "The development of the internal management control system" includes detailed information on risk management in 2023 within SA.

As regards the risks which may affect the strategic objectives of CONPET S.A., the updated information for 2023 are the following:

- **Operational risk**

Operational risk comes from the Degradation of the National Pipeline Transport System (NTS) due to the low level of utilization (small quantities, reduced frequency) and the potential escalation of the criminal acts related to pipeline attacks bearing significant impact on the National Transport System via pipelines and the environment and the impossibility to carry out railway transport schedules for reasons exclusively related to the railway operator.

In order to control these risks, measures have been established such as: redefining the transport infrastructure according to the demand perspective, extending the implementation of the pipeline leak detection and location system, calculating penalties according to the contract or purchasing the C.F. transport service with another railway operator for routes on which the pipeline transport program is not carried out.

- **Market Risk**

The market risk stems from the fact that the company is not interconnected to other transport systems in the region, being strictly dependent on the level of crude oil processing in Romanian refineries.

With the support of the main shareholder, the Ministry of Energy and the Activity Regulatory Authority (National Agency for Mineral Resources – A.N.R.M.), CONPET is making efforts to identify new opportunities that will lead to increasing the use of the system, while getting involved in regional projects started in its industry, as well as in developing activities related to the core business (provision of crude oil storage services/petroleum products, provision of crude oil transport services with own tankers, etc.).

- **Credit Risk**

Credit risk is the risk that the company bears the financial loss due to the failure of contractual obligations by a customer or counterpart to a financial instrument, and this risk results mainly from trade receivables, cash and cash equivalents and short-term investments of the company.

The company is less exposed to this risk due to the specific nature of the services sold, which are aimed at large companies with a particular financial situation.

The company has implemented a series of policies that ensure that the sale of services are made to customers with a rapid collection. The value of net claims (without adjustments for depreciation) represents the maximum amount at risk of collection.

Credit risk related to trade receivables is low because of the regular collection of counter transport services and guarantees received from customers (letters of guarantee). Even

though there are significant concentrations, the customer base is extremely low, the management considers that the commercial credit risk is low.

- **The risk related to the regulatory framework and authorizations**

Is identified given that the company must obtain and periodically renew a series of approvals, authorizations, obtain certificates, attestations. The company is subject to a large volume of regulations in various fields, which can lead to additional expenses and delays in starting or completing works, with possible negative effects on achieving objectives.

The regulatory framework from the point of view of environmental protection applicable to CONPET S.A. is complex due to the activity of crude oil, condensate and transport gas via pipelines and railways and, for good compliance, all applicable legal requirements and how to implement them have been identified in separate registers, elaborated on environmental factors (water, soil-basement, air, protected areas), regulations (permits), S.E.V.E.S.O., waste.

Controlling the risk related to the regulatory framework is done by closely monitoring newly emerged legal requirements or changes in applicable regulations, as well as by implementing the necessary actions to comply with them. It is also considered to develop and submit proposals for amendments appropriate to the framework in which CONPET operates, when draft regulations are under public debate.

- **Liquidity risk**

The liquidity risk is the Company's risk of facing difficulties in the achievement of the liabilities associated with the financial debts that are being settled in cash or by the transfer of other financial asset.

The liquidity risk is managed by the Company's management by the application of a permanent insurance policy of liquidities meant to cover the settlement of the due financial liabilities.

- **Exchange Rate Risk**

The company may be exposed to fluctuations of the exchange rate of the currencies by means of cash and cash equivalents, short-term investments, long-term loans or trade liabilities expressed in foreign currencies.

The functional currency of the Company is the Romanian Leu (RON). Currently, the company is exposed to currency risk through purchases made in a currency other than the functional one. The currencies exposing the Company to such a risk are mainly EUR, USD and GBP. The debts in foreign currency are subsequently expressed in RON, at the exchange rate of the date of the balance sheet, communicated by the Romanian National Bank. The resulting differences are included in the profit and loss account, but do not affect the cash flow up to the moment of the liquidation of the liability.

The Company's exposure to the exchange rate risk expressed in RON was insignificant. The analyzed level of this risk was negligible; it is a tolerable risk for which no necessary special measures are needed to keep it under control.

- **Risk related to significant environmental aspects**

The risk related to significant environmental aspects comes from the production of technical/caused damages, which can lead to pollution with significant impact on the environment.

This risk shall be contained by developing, implementing and monitoring environmental management programs, which include appropriate actions to control significant aspects of the environment, including major-accident hazards involving dangerous substances.

- **Risk of disputes**

The risk related to litigation is one of the important risks to which the company is currently exposed, as concessionaire of the National Crude Oil, Rich gas, Ethane and Condensate Transport System, having as source the legal regime of the lands under/over crossed by the major transport pipelines established by the provisions of the Petroleum Law no. 238/2004. The number of private properties under/over crossed by pipelines is very high and there is a possibility that more and more owners bring proceedings in Court against the Company in order to obtain substantiated compensations based on the simple presence of the pipelines on their lands. Due to the defective way in which the legal regime of the lands under/over crossed by the major transport pipelines has been regulated, CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted, or moved to other sites (and the expense be borne by CONPET), or be granted annual compensations representing consisting amounts of money. Moreover, even some public authorities have laid pecuniary claim about the presence of components belonging to the NTS on the lands owned or managed by them.

Within the last years, the Company prepared various legislative proposals to amend Law no 238/2004 - Petroleum Law, hoping for a coherent and clear regulation of the legal regime of lands under/over crossed by the major transport pipelines. Essentially, these proposals are based on the following assumptions:

- public property (over the major pipelines) must coexist with private ownership of land, which leads to the conclusion that the state must be acknowledged the exercise, free of charge, of certain categories of real rights (servitudes etc.) for the presence of the pipes on the ground;
- CONPET must fully compensate the landowner for any action that would require temporary occupation of land for repair or damage suffered by owners due to damage.

- **The Risk Determined by the Correlation with the Global Market Evolution**

**Issues related to the risks caused by the Russia-Ukraine and Israel - Hamas conflicts Crude oil price. 2022 - 2023 Evolution. Evolving estimates for 2024.**

In the first half of 2022, the geopolitical tension with Russia, which culminated in Russia's full-scale invasion of Ukraine on February 24<sup>th</sup>, led to the boost in crude oil prices.

On March 8<sup>th</sup>, 2022, the combination of Russia's invasion of Ukraine and low global crude oil inventories pushed the crude oil prices in 2022 to their highest inflation-adjusted price since 2014, respectively 139 USD/bbl. On December 8<sup>th</sup>, the price of Brent crude oil reached its lowest price since 2022 of 75 USD/bbl and on 30.12.2022 the spot price of Brent crude oil closed at 85 USD per barrel (bbl), 7 USD higher than the price on January 3<sup>rd</sup>, 2022 (78 USD/bbl). The price rose significantly in the first half of 2022, but generally declined in the second half of the year. The Brent crude spot price averaged 100 USD/bbl in 2022 and the WTI spot price averaged 95 USD/bbl.

The war in Ukraine, as well as the war in Israel, have generated a global "enormous readjustment" in energy markets, and oil prices have continued to be high in 2023. Throughout 2023, crude oil price was at lows of 73 USD /bbl, up to highs of 95 USD /bbl.

The price of oil rose on October 9<sup>th</sup>, 2023, due to the war in Israel. Brent oil rose 4.4% and West Texas Intermediate oil rose 4.3% being traded at nearly 86 \$ a barrel.

The war in Israel has raised serious questions about international relations and future oil flows. At present, the tipping point would be Iran. In the scenario of an escalation of the conflict in the Middle East, we can expect a 2-digit percentage increase in international oil prices.

Historically, armed conflicts have led to sharp increases in oil prices, such as the war that led to the first major oil crisis since the mid-70s, when the price climbed by 250% in just six months, but 2023 showed a decreasing influence of geopolitical tensions and, instead, a greater impact of the economy.

A survey performed in December 2023 by Reuters, on 34 economists and analysts estimates that the price of Brent crude oil will average 82.56 USD in 2024, down from the consensus of 84.43 USD in November.

The analysis of the events shows that the Russia-Ukraine war and its subsequent events amplified the high-frequency fluctuation in crude oil prices, resulting in an increase of 37.14 USD or 52.33% (WTI) and 41.49 USD or 56.33% (Brent). The Russia-Ukraine war accounts for 70.72% of the fluctuation in WTI crude oil prices and 73.62% of the fluctuation in Brent crude oil prices during the window of the event, also causing a fundamental change in the long-term trend of crude oil prices.

### **The EU-27 dependency on the crude oil imports from Russia and the impact of the imposed economical sanctions**

In 2021, Russia was the main supplier of crude oil to the EU, with a share of 24.8%, lower by almost 1% as compared to 2020, the European Union importing 2.2 million barrels per day (bpd) of crude oil.

Although it was estimated in April 2022 that the application of the restrictions on Russian crude oil imports (transported by the sea and through pipelines) will induce a major risk of shortage in supply (approx. 1.1 mb/day would remain uncovered on the EU market), according to Eurostat data at the level of October 2022, Russia lost 10.4% of the quantities of oil delivered to the EU-27 in the first 3 quarters of 2022 and at the same time additional sources were

identified, the largest increases in the quantities supplied being recorded by Norway, United States and Saudi Arabia.

The Oxford Institute estimates indicate that in the short term, the US intervention by releasing state oil reserves will reduce pressure, but there will be a major risk of supply shortages, as around 1.1 mb/day remain uncovered. This risk is expressed in case of escalation of the conflict, starting with the first quarter of 2023.

Seasonally adjusted data show that Russia's share of EU imports fell from 9.6% in February 2022 to 1.7% in June 2023, while the share of EU exports decreased from 3.8% to 1.4% over the same period.

### **The capping imposed on the price of oil and oil products coming from Russia**

On December 3<sup>rd</sup>, 2022, the G7 members formally set the price capping for the crude oil at 60 USD per barrel. This price capping applies to crude oil, petroleum oils and mineral oils.

The price cap sets a framework for Russian seaborne crude oil and oil products to be exported to third countries at a capped price, and applies from December 5<sup>th</sup>, 2022 for the crude oil and February 5<sup>th</sup>, 2023 for the petroleum products.

The operation of the price cap mechanism will be reviewed every two months as to respond to market developments and will be set by at least 5% below the average market price for Russian oil and petroleum products, calculated on the basis of the data provided by the International Agency for Energy.

In conclusion, the G7's 60 USD/bbl price cap for the crude oil and its restriction on oil products as of February 2023 will further affect global seaborne oil trade as Russian volumes will have to find new buyers.

In October 2023, more than 99% of sea oil exports were sold with over 60 dollars/barrel.

### **The impact on the oil and gas industry at regional and national level**

Almost all the European refineries that are fueled with Ural oil through the Drujba pipeline system were built to refine this type of crude oil.

The most affected will be the downstream refining sector. According to the Bloomberg-Wood MacKenzie analysis dated May 2022, the worst scenario of the conflict in Ukraine with a severe impact on the EU economy is the total stoppage of gas and oil combined with the lack of close prospects for the substitution of Ural-type oil.

During 2023, more European countries have reoriented to new sources of crude oil. From a regional point of view, the possible alternative sources are: North Africa and the Middle East (Angola, Nigeria, Saudi Arabia, United Arab Emirates, Iraq); the rest of O.P.E.C. Countries +; the United States of America and Canada; Iran and other producers.

The war in Ukraine continues to have profound human, economic and business impacts, driving rising inflation, supply chain pressures and changes in the behavior of the global oil market. The impact of the embargo on Russian crude oil and end products will generate a significant structural disruption of the supply, ongoing price volatility, with an increased risk of recession and possible stagflation.

The global crude oil and products system has suddenly become more complicated, less efficient and more costly.

On the EU markets, effects are expected between moderate influences on the increase in external commercial lending rates and increases in energy prices combined with shortages in the supply of energy raw materials, respectively a high risk of economic recession.

The crude oil market in Europe and especially Central and Eastern Europe will be marked by the following defining lines:

- The crude oil supplies will continue towards Europe on the Drujba pipelines, especially on the southern branch towards Hungary, Slovakia and the Czech Republic;
- the northern branch of the Drujba pipeline, although exempt from sanctions, will cease operations as Germany and Poland prepare to end imports on this route;
- Hungary is preparing for an alternative route by building a joint pipeline with Serbia to allow the supply of the refineries in Pancevo (Serbia) and Szászhalombatta (Budapest) through the Drujba South system, once the supply of crude oil through the Omisalj sea terminal and the Adria pipeline from Croatia is stopped;
- Bulgaria replaced the crude oil imports coming from Russia with crude oil coming from Kazakhstan, Iran and Tunisia starting January 2024.

For the countries in South-Eastern and Southern Europe, respectively Bulgaria and Romania, the ban on the transport of crude oil through the Drujba pipelines has no impact, the crude oil supply to the refineries in Ploiești and Burgas being carried out exclusively through the Black Sea terminals in Constanța and Burgas.

Considering the recent sale of the refinery in Italy by the Lukoil group, the possible reconfiguration of the business model of the Lukoil group in the downstream segment - refining is worth watching.

### **Impact on the activity of CONPET S.A.**

CONPET S.A. watches carefully the evolution of the conflict in Ukraine and analyzes the possible consequences of sanctions and countersanctions associated with it. The potential impact on its operations is regularly examined. Continuous disruption and/or increased commodity flows from Russia to Europe could generate further price increases in the European region. It is a priority for CONPET S.A. to adapt and manage efficiently these changes efficiently in the current economic and geopolitical context.

On short term, the company's activity is not affected. As regards the medium and long-term impact of the conflict and the sanctions imposed on Russia, precise estimates cannot be made at present. Having regard to the partial dependence of our activity on the area affected by sanctions, in particular Russia, in terms of sales, we identify enough factors that suggest that the activity of the company will continue stably in the foreseeable future. Therefore, we anticipate that the impact on the company will be minimal, and it will manage to adapt to changes in the external environment.

- **The Capital Market Risk**

The Romanian capital market registered a positive evolution during the year 2023, continuing the positive upward trend started at the time of evolution to the emerging market status. The daily average liquidity for all types of financial instruments has recorded an upward trend during the analyzed period. Romania's representativity within the indexes of Emerging Markets has improved significantly from year to year. Given that the company CONPET S.A. is included in the composition of the FTSE Global Micro Cap index, the risk of reduced liquidity is diminished.

- **Legislative-related Risks**

The frequent amendment of the normative acts here included those that bear direct impact on CONPET business may trigger risks for the company.

The effort of the company CONPET to constantly adapt to changing legislative requirements may generate additional costs and possible future changes in the legislative framework could have negative effects on the activity and profitability of CONPET (increased taxes, introduction of new taxes and duties, reduction or suspension of tax concessions, etc.).

Specifically, the changes occurred at the end of 2023 in the fiscal legislation, consisting in increasing the level of the royalty paid for the use of the National Transport System, introduction of a new fee for the crossing of water courses and payment of an additional tax on the revenues achieved by oil companies, have led to the increase of the transport tariffs and, subsequently, the consequences can also be found on the pump price of finished products resulting from the processing of crude oil.

An important risk is being represented by the loss of the facility regarding the expenses borne by the Romanian State in order to provide the guard and protection of the pipelines by gendarmes, regulated by GD no. 1107 dated November 14<sup>th</sup>, 2012, which amends and complements GD no.1468/2005.

- **The Personnel Risk and the Waging System**

At December 31<sup>st</sup>, 2023, the structure according to age is not balanced, the age category with the highest rate ratio in the company is ranging between 51 - 60 years old (52.8%) and between 41-50 years old (26.2%).

The average age of the company CONPET personnel is high (49.7 years old) and the advantage it brings is the work experience accumulated by employees within the company, which indicates stability and professionalism. The average age of the personnel employed in the last two years is 41.3 years, with an average work experience of 15.9 years.

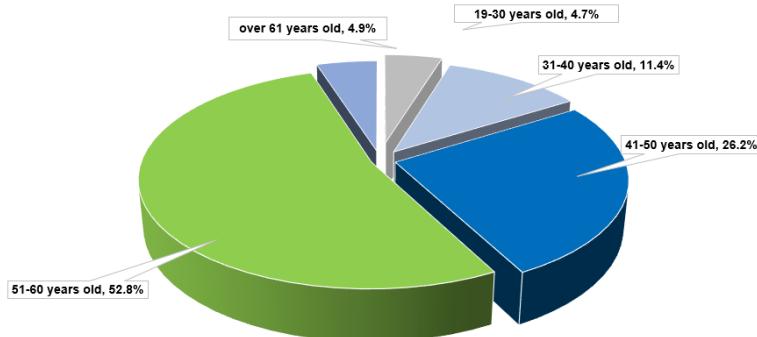


Chart 11 - Personnel structure by age groups 2023

However, the risk of personnel in the future is the company to deal with staff shortages due to departures of the employees reaching retirement age.

The level of this analyzed risk was low; being a high tolerability risk and for the control thereof have been set medium and long-term measures by way of the personnel policy and the monitoring of the personnel fluctuations (personnel input/output).

The main potential risks in the social and Salary field relate to:

- lack of qualified personnel in order to ensure the continuity of certain activities (e.g. staff with responsibilities in traffic safety) in the case of departures from the system;
- constraints and budget limitations that can restrict the initiation/development of projects in the field of human resources;
- high personnel fluctuation, decreased rate of retention of newly hired personnel or occupying key positions.

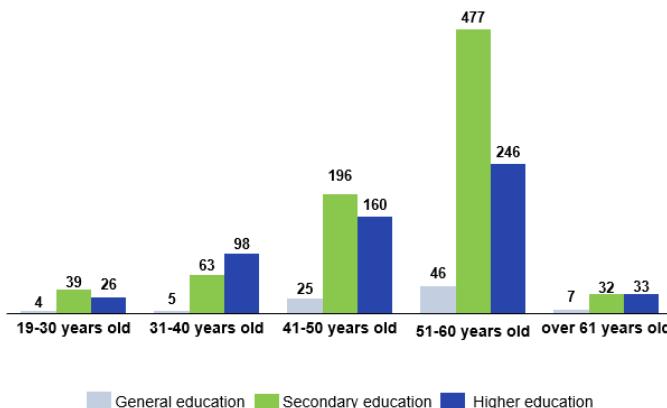


Chart 12 - Personnel structure by studies and age groups in 2023

In terms of level of education, the highest share is for the employees who have medium and higher education and ages ranging from 41 to 60 years old.

It should be noted that the age group of 41-50 years is relatively well represented by the scale of employees who will reach the standard retirement age in at least 12 years and a maximum of 25 years, and about 80 % of this echelon has a seniority in society of more than 10 years. In this regard, the urgent need of vacant posts occupancy is carefully monitored, according to the needs required by organizational entity, the complexity and diversity of activities, skills needed and the responsibility related posts.

#### **4.1.10 Internal and external audit**

##### **Internal audit**

Internal public audit activity within Conpet S.A. is organized at the level of the Internal Public Audit Office and is carried out in accordance with the provisions of the *Internal Audit Charter* at CONPET S.A., endorsed by the Audit Committee within the Board of Directors and the specialized department within the Ministry of Energy and approved by the Director General and of the *Methodological Norms regarding the exercise of the internal public audit at CONPET S.A.*, endorsed by the specialized department within the Ministry of Energy and approved by the Director General, harmonized with the provisions applicable to internal audit in the public and private system. At the level of CONPET S.A., according to the Organizational chart of CONPET S.A. the internal audit structure is established and is functional, the Internal Public Audit Bureau is functionally subordinated to the Audit Committee and administrative and functionally to the Director General.

The internal public audit activity in 2023 was performed based on the Internal Public Audit Plan, endorsed by the Audit Committee and approved by the Director General of CONPET SA.

The core component of the system for reporting the results of the internal audit activity is represented by the internal audit reports, which are compiled at the end of each completed mission and are endorsed by the Director General. The reports include the findings, conclusions and recommendations made by the auditors in order to improve the audited activities, as well as their opinion in relation to the level of functionality and efficiency of the internal control system attached to the areas assessed. The audit team made up of 4 (four) internal auditors annually produces the report on the internal public audit activity carried out at company level, report subject to the endorsement of the Audit Committee and the approval of the Director General.

In 2023, 6 (six) assurance audit missions were carried out including a system mission and 5 (five) compliance missions, framed on the areas „communication and corporate governance”, „acquisition of goods and services”, „prevention of corruption”, „financial - accounting”, „development and investments” and „maintenance” and 20 (twenty recommendations) were formulated.

The missions carried out in accordance with the Internal Public Audit Plan 2023 approached the following topics:

- Organization and coordination of activity within the Communication and Public Relations Department;
- Management of waste contracts within the Administrative – Supply Department;
- Evaluation of the corruption prevention system 2023;
- Organizing and carrying out the inventory of items of assets, liabilities and equity nature;
- Organization and coordination of activity within the Tracking, Performing Works Department;
- Organization of the auto transport activity within CONPET S.A.

The recommendations made during 2023 and in the preceding year by the internal auditors have been implemented or are being implemented by the audited structures in the established term; there have been no cases of depreciation of the recommendations made by the internal auditors and there have been no cases of unspoken recommendations. The Internal Public Audit Bureau shall continuously monitor the implementation of the recommendations and report on a half-yearly report to the Director General and the Audit Committee on the status of the recommendations not implemented and in the process of being implemented.

In October and November 2023, the Internal Public Audit Bureau has updated „The internal audit charter” and „The methodological norms regarding the exercise of the internal public audit activity at CONPET S.A. Ploiesti”, in accordance with the applicable legislation, has received the opinion of the Audit Committee for the Charter and has submitted for endorsement to the Internal Public Audit Compartiment of the Ministry of Energy.

#### **External audit**

The 2023 annual financial statements were audited by the independent financial auditor PKF Finconta S.R.L., appointed by Resolution of the OGMS no.6 dated 28.10.2022 for a period of 3 years.

#### **4.1.11 Assessment of human resources and social dialog activity**

##### **Personnel structure**

The effective number of employees on December 31<sup>st</sup>, 2023 was 1,457 persons.

Following the voluntary, or triggered to other causes personnel termination, the effective number of employees on December 31<sup>st</sup>, 2023 decreased by 6 persons as compared to December 31<sup>st</sup>, 2022.

The evolution of personnel structure by education categories reveals the interest of the company in covering the staff needs with high qualification specialists.

On 31.12.2023, the number of higher education employees maintained at 563 persons as at the end of 2022, while the number of employees with medium and general education decreased from 900 people to 894 people.

<b>Studies</b>	<b>Total</b>	<b>% in total employees</b>	<b>Women</b>	<b>% in total employees</b>	<b>Men</b>	<b>% in total employees</b>
General	87	6.0%	8	0.6%	79	5.4%
Secondary education	807	55.4%	72	4.9%	735	50.4%
Higher education	563	38.6%	211	14.5%	352	24.2%
<b>Total</b>	<b>1,457</b>	<b>100%</b>	<b>291</b>	<b>20.0%</b>	<b>1,166</b>	<b>80.0%</b>

Table 11 - Personnel structure by education level and gender at December 31<sup>st</sup>, 2023

The evolution of the personnel structure by education categories and gender reveals that the company promotes a non-discriminatory behavior by employing female specialists with higher education and professional skills that contributes to the growth of the company's activity results.

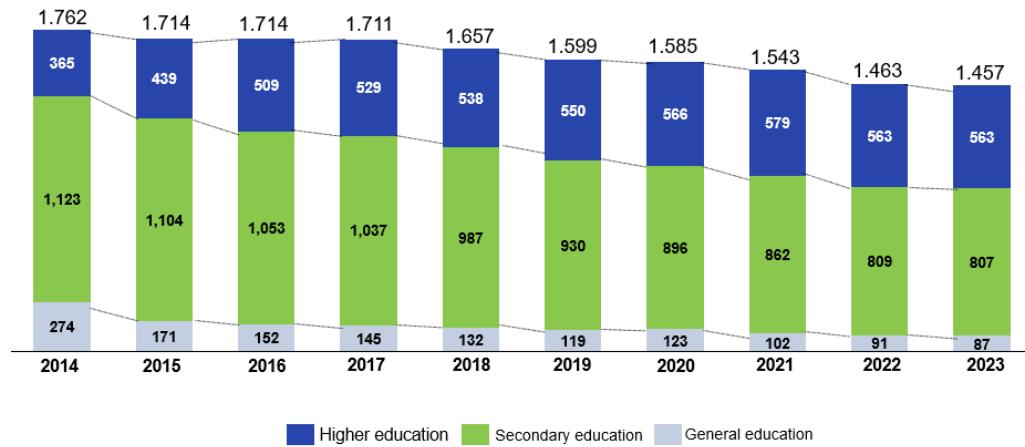


Chart 13 - Evolution of the personnel structure by level of studies between 2014 -2023

The personnel with managerial positions represent 5.3% of the total number of employees and the executive staff amounts to 94.7%. Of all employees with managerial positions 32.5% is represented by female persons.

In 2023 the structure of employees by categories was the following:

- Directly productive 538 employees;
- Technically productive 325 employees;
- Administrative 257 employees;
- Indirectly productive 210 employees;
- General service 127 employees.

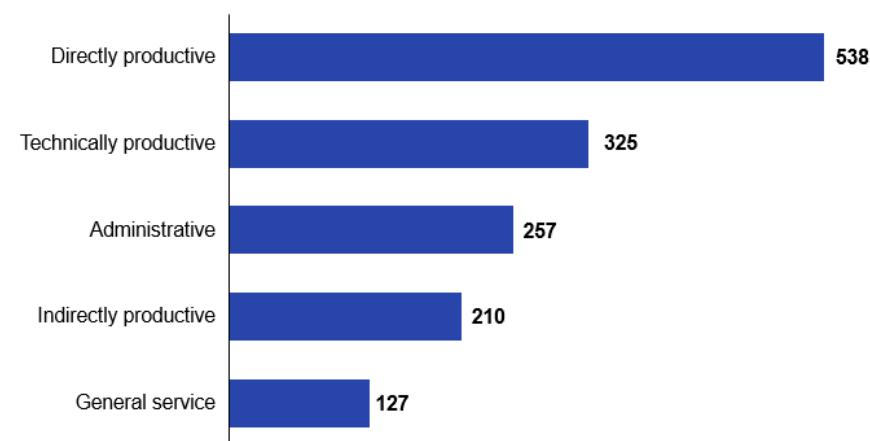


Chart 14 - The structure of employees by category in 2023

The degree of unionization of the workforce at the end of 2023 is 98.6%. During 2023, there have been no elements of a conflicting nature between employees and the management of the company.

## **Aspects regarding the Collective Labor Agreement**

The Collective Labor Agreement is approved by the Board of Directors and is registered with the Prahova Territorial Labor Inspectorate. It is concluded for a period of 2 years, starting with 07.06.2022.

In application of the approved Collective Labor Agreement, 12 protocols were concluded in 2023.

## **Professional Training and Authorization Activity**

In order to maintain and/or develop specific skills and basic abilities of the human capital, the training activities are carried out on an ongoing and planned basis, based on the professional training and authorization programs of the company, as a result of the conduct of a comprehensive process of identification and priorities setting of the CONPET SA staff training needs.

Training of company personnel is achieved mainly through participation in external courses, organized in collaboration with certified trainers for all fields of activity within the company. Also, training is conducted internally by trainers and/or experts of the company, with a good knowledge and experience relevant to the activity of the company. They support professional training sessions and training with the aim of updating job-specific knowledge and skills, as well as examining or checking the employees participating in the respective sessions.

Training of the employees has two components: training (technical, economic and other specialties) necessary to perform duties in the job description and a general one on training and/or professional licensing in various fields.

CONPET management assures annually by the Revenues and Expenditure Budget sources for the provision of training sources. Special attention is paid to the training of technical staff (maintenance and operations), mainly for new skills necessary to carry out the work safely on the National Transport System.

Crt.no.	Type of professional training/ authorization	Nuber of participations		
		2023	2022	2021
1	Various fields authorizations (specific per activity)	106	119	73
2	Railway authorizations	376	251	245
3	Training	464	413	302
4	Internal authorizations	407	450	439
5	Qualifications/internal authorizations	1,345	1,167	15
6	<b>Total number of trainings/authorizations</b>	<b>2,698</b>	<b>2,400</b>	<b>1,074</b>

Table 12- Structure of training/professional authorization courses in 2021 -2023

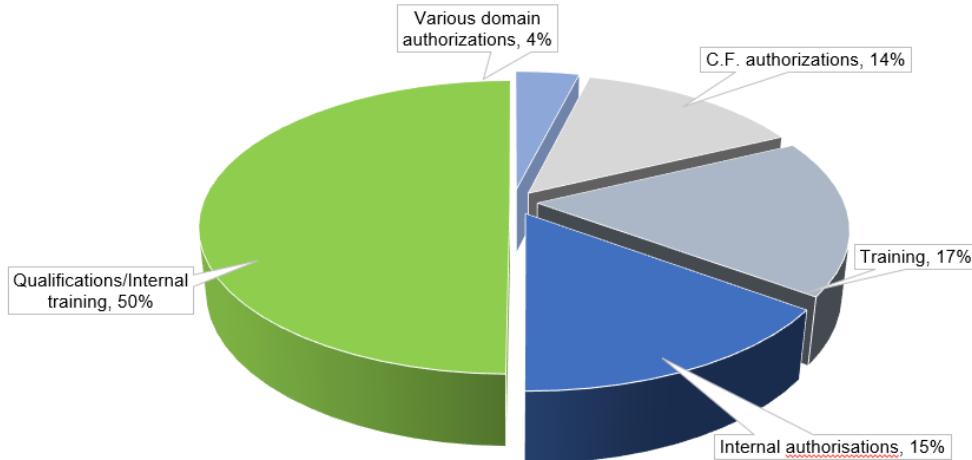


Chart 15 - Type of professional training and authorization in 2023

The situation of professional training expenses made during 2021-2023 is presented as follows:

Indicators (thousand RON)	2023	2022	2021
Authorization courses	228	188	128
Training courses	365	401	279
<b>Total personnel training expenses</b>	<b>593</b>	<b>589</b>	<b>407</b>

Table 13 Professional training - expenses 2021-2023

The training and professional authorization activities of the company's employees for 2021-2023 were carried out by framing within the approved revenues and expenditure budget.

#### **Regulation on the assessment of the professional performance of CONPET S.A. employees**

The professional performance evaluation of CONPET S.A. employees is carried out in accordance with the Regulation on the evaluation of individual professional performance of Conpet employees - Annex to the Internal Regulation.

The Regulation is in line with the provisions of the GSG Order no. 600/20.04.2018 approving the Code of Internal Control Management, Law no.53/2003 republished, - the Labor Code, as well as with the Board of Directors requests, that focus on the individual professional performance, a basic principle in labor relations.

The action for evaluating the professional performance of employees for the activity carried out in 2022 took place in 2023Q1, in accordance with a new Regulation for evaluating the performance of the employees.

After the centralization and processing of the information resulting from the evaluation of the professional performance of the employees for the activity carried out in 2022, the evaluation report of the performance of the employees was drawn up and submitted to the management. The evaluation report includes the results obtained by the employees following the

performance of their evaluation, inclusive of the degree of achievement of the SMART individual performance objectives of the employees occupying management positions.

The evaluation of the professional activity of employees for 2023 will be carried out in the first quarter of 2024.

At the end of 2023, addenda to the individual employment contracts were concluded for the employees with management positions, which contain, in the form analyzed and established at the level of each entity: individual objectives, performance indicators, target values and their associated weights for the activity from the year 2024.

#### **4.1.12 Analysis of the OHS activity**

##### **Identification of the environmental aspects and environmental impact assessment**

The environmental impact assessment activity is carried out in the production sectors whenever changes occur in the system involving environmental impact activities, the list of significant impact issues identified at company level being the basis for the development of the Environmental Management Program and the Action Plan for the achievement of the environmental objectives.

During 2023, environmental aspects were reviewed at the site level, focusing on identifying environmental aspects, including, how risks and opportunities related to environmental aspects are treated to prevent and limit their consequences on human health and the environment, using opportunities both for the benefit of the organization, and, as well as the environment. The following documents have been reviewed:

- The Environmental and Actions Management Program containing: the commitments associated to the environmental policy, general objectives and measurable environmental targets, the performance indicators on environmental protection, the positions responsible for the achievement of the environmental targets; as well as actions to achieve environmental objectives, which took into account the significant environmental aspects identified at the level of CONPET S.A., the measures in the inspection reports/ minutes-authorities on compliance with legal requirements and other applicable requirements;
- The list of significant environmental aspects and associated impacts generated at the level of CONPET S.A. company.

The stage of achievement of the objectives, targets set and the stage of the implementation of the actions set for the achievement of the environmental objectives are analyzed annually by the executive management, in the framework of the analysis carried out by the management.

##### **Regulation of activities in terms of environment and water management**

In terms of environmental protection and water management, CONPET S.A. activity is authorized in accordance with the provisions of GEO 195/2005 on environmental protection, as supplemented and amended and Water Law no.107/2005, with subsequent amendments and additions.

CONPET S.A. activity is authorized in all counties by the regulatory authorities (A.N.P.M./National Agency for Environmental Protection, county A.P.M./Agency for Environment Protection, A.N.A.R./National Administration „Romanian Waters”, A.B.A./Water Basin Administration, S.G.A./Water management Unit), holds 39 water management authorizations and 22 environmental authorizations.

For the operation in legality from the point of view of environmental protection, for the year 2023 the annual endorsements of the environmental authorizations were obtained. Furthermore, there have been revised:

- The Environmental Authorization for Țicleni – Ploiești crude oil, rich gas and ethane major transport pipelines and the related work sites on the administrative territory of Gorj, Vâlcea, Olt, Argeș, Dâmbovița, Prahova counties;
- The environmental Permit for the crude oil loading ramp Marghita, Bihor county;
- The Environmental Authorization for the Transport of hazardous waste, substances and dangerous goods across the country.

As regards the water management regulation, during 2023, 5 water management permits have been renewed for watercourses crossings by pipeline routes related to the N.T.S., namely:

- Water management authorization for Import crude oil transport pipelines Ø 14", 20", 28", Constanța county;
- Water management permit for import crude oil major transport pipelines and local pipelines, Ialomița county;
- Water management authorization for Rampa Imeci, Covasna County;
- Water management permit for import crude oil major transport pipelines and local pipelines, Dambovita county;
- Water management permit for crude oil, rich gas and ethane transport pipelines in Dolj County.

Having regard to the content of the Emergency Ordinance no. 52 of 31.05.2023 for amending and completing some water regulations establishing new tariffs, their implementation generating an impact on the company's profit, we specify the following aspects:

- The transport pipelines, active/inactive/conservative, managed by CONPET company, cross water courses - natural monopoly of strategic interest held by the National Administration "Romanian Waters";
- The administration of crude oil/rich gas/ethane/fiber optic pipelines is regulated in terms of water management, with a number of 39 water management authorizations at the company level, their content includes, among others, the crossing points of the watercourses, as well as the crossing lengths;
- According to the current legislative amendments - Art. 81, Paragraph 34 of the Water Law no.107/1996: „For the use of the public domain, in order to cross/under cross the goods managed by the National Administration "Romanian Waters", a charge of use is established”;
- The amount of the tariffs for the use of the public domain, in order to cross/over cross the goods administered by the National Administration "Romanian Waters" is regulated by the above-mentioned normative act and is found in Annex 5, item 7.3, this being of 5.2 RON/lm per crossing, VAT excluded/month;
- In order to estimate the financial impact generated by the application of the legal norm, all crossings and under crossings, as well as the crossing lengths found in the current water management authorizations have been identified and centralized. Following their

inventory, the costs with the new usage tariff for 37,845 l/m of pipes amounts to approx. 196.79 thousand lei, VAT excluded/month;

At the same time, in Art. 81 Par. 3<sup>1</sup> of the Water Law nr. 107/1996 a new letter (e) was inserted, with the following content: *"e) contribution related to general administrative, maintenance and development expenses, for the sustainable management of the infrastructure of the National Water Management System, at a fixed rate, applicable to all users of water resources by categories of resources and users".*

This fixed quota is paid annually and is additional to the subscriptions concluded with A.N.A.R. for the payment of water consumption.

Following the inventory of the existing drillings in CONPET S.A. working points, the total value for one-year amounts to 62.7 thousand RON.

### **Assessments of compliance with legal requirements and other environmental requirements**

The assessment of compliance with the legal requirements or other applicable environmental requirements is carried out by:

- inspections carried out by the environmental authorities (representatives of central and local environmental and water management authorities),
- inspections carried out by HSEQ supervisors and the staff of the Environmental Protection Department;
- external audits carried out by bodies certifying the environmental management system integrated in the company's integrated management system;
- internal audits performed by the internal auditors within the Management Systems and Internal Control Management Departments and the Internal Public Audit Department.

The environment and water management authorities are carrying out scheduled audits in CONPET S.A. sites, unscheduled and thematic, with regards to the observance of the legal requirements and other environmental regulations, not having been found major nonconformities.

To verify compliance with the legal requirements, in 2023, were recorded 46 external inspections of the environmental authorities in the counties where CONPET S.A. operates.

The personnel within the sectors, namely the HSEQ responsible perform scheduled inspections, as per the annual Chart of inspection with regards to the compliance of the legal requirements and other applicable requirements, but also unscheduled inspections as per the attributions of the job description.

During 2023, an external audit was carried out by the BUREAU VERITAS certification body, to verify compliance with the requirements of the ISO 14001:2015 standard that refers to the environmental management system. No non-conformities/ deviations were found regarding the compliance obligations in this area.

Following the internal audits established in the annual internal audit program, the non-conformities identified in the environmental management system were identified and corrected in time.

### **Pollutions bearing significant impact on the environment**

During the pumping of crude oil, accidental pollution can occur on the transport pipelines, from internal or external causes, generating pollution of the geological environment that can have a significant impact. Therefore, in 2023 there have been reported accidental pollutions in the areas: Lipănești, Paralela 45, Măgurele, Plaiul Corbului-Matița, Găgeni, Urlați (județul Prahova), Valea lui Traian, Cumpăna (Constanța county), fixed point Argeș (Giurgiu County), Valea Lupului-Colțești (Gorj county), Icoana, Oteștii de Jos (Olt county), Ghimpăti (Dâmbovița county).

The expenses made in 2023 for the decontamination of the affected areas reached 253 thousand RON.

For compliance with the regulations required by the national legislation in force on the environment, regarding management of dangerous waste, "paraffin - type" and "tank sludge", the company CONPET has the obligation to contract services for recovery/disposal thereof avoiding sanctions provided by GEO no. 195/2005 on environmental protection, Law 17/2023 on the approval of GEO no. 92/2021 on waste regime and GD no. 1061/2008 on the transport of hazardous waste in Romania.

Hazardous waste "tank sludge-type" is generated from the storage of the crude oil in tanks (in time, mechanical impurities from crude oil settles generating this sludge), it must be periodically evacuated, in order to ensure the necessary storage space for the crude oil, respectively repairs/calibration of tanks, as well as the need to eliminate the risk of fires or pollution from oil storage tanks, tanks leaks, decanters and sewage that is no longer present in the technological and sludge deposits.

The expenses for the execution of the slurry cleaning services carried out in 2023 were 456 thousand RON.

In the process flows performed by CONPET SA, periodically, based on maintenance programs, the major and/or local crude oil transport pipelines are subject to inside cleaning with special devices called "pigging". Following the execution of inside cleaning of these pipelines, of the related keyboards, of the filters from pumps or skids, paraffin is generated which is a hazardous waste according to environmental legislation in force. This waste was stored in metal dumps, located in the technological premises of the company, until its disposal by authorized operators, contracted by the company.

The expenses related to the paraffin cleaning services carried out in 2023 amounted to 7 thousand RON.

### **Monitoring of environmental factors**

Based on the requirements of the chapter "Environmental Monitoring" included in the environmental permits, "*The annual program for monitoring and measuring the characteristics*

*of the environmental factors 2023*" has been developed which has included the performance of the following parameters:

- concentration of pollutants in the exhaust emissions from the water surface into the water in the sewer network and the concentration of pollutants in the groundwater (existing monitoring wells) determining the level of pollution in the event of accidental pollution of rivers;
- the concentration of pollutants in atmospheric emissions of stationary sources and/or movable (thermal power stations, oil storage tanks), and the concentration of pollutants in the ambient air;
- concentration of specific pollutants from soil samples;
- noise level.

To determine the level of pollution for the environmental factors: water, air, soil and noise, analysis are being conducted by certified laboratories. The values recorded for each measured indicator were below the maximum limits provided for by the regulation, according to test reports issued. The physical and chemical analyzes to monitor environmental factors were taken through laboratories accredited according to SR EN 17025: 2005.

The results of monitoring the environmental factors are communicated to the environmental authorities as required by environmental permits. In 2023, the costs for environmental factors monitoring amounted to 26 thousand RON.

## 4.2 Analysis of the Development Activity

#### 4.2.1 Main components of the NTS infrastructure

Below is represented, on the map of the country, the Crude oil, Condensate, Rich gas and Ethane National Transport System.

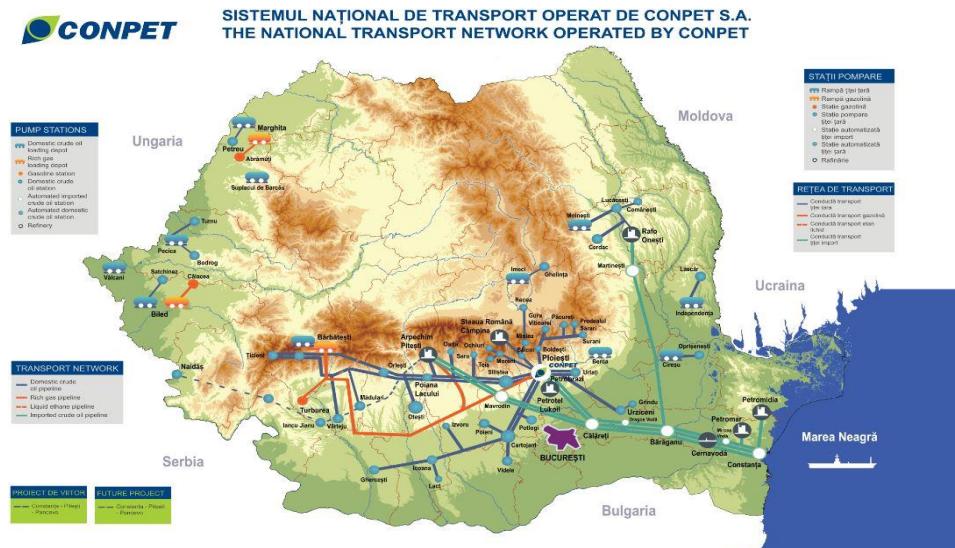


Chart 16 - The National Transport System operated by CONPTE

Given the natural distribution of the oil fields spread over the entire Romanian territory, the National Transport System was built so as to meet the transport needs from all those fields to

the refineries. The system operation is being made based on the local dispatch centers, coordinated from the Company's Central Dispatch.

The Crude Oil, Rich Gas, Condensate and Ethane National Transport System has in composition 4 transport subsystems, grouped according to the transported products as follows:

### **The domestic crude oil and condensate subsystem transport**

The subsystem contains pipelines covering approx. 1,700 km, for the transport of crude oil and condensate from the production units of OMV Petrom and third parties, operating areas throughout the country, to the refineries.

This subsystem has the following main components:

- **Ardeal component**, used to transport crude oil from the deposit to the railway loading ramps in rail tanks and by rail to the refineries in Ploiești or to Bărbătești unloading ramp.
- **Moldova component** used to transport crude oil from the production units related to Lucăcești, Comănești and Cerdac pumping stations to Rafo Onești and Dărmănești refineries. Currently, as the processing plants of crude oil from Rafo Onești and Dărmănești refineries do not operate anymore, the pumping of the crude oil taken over for transport is taken to the warehouse of Moinești loading ramp. From here the oil is transported by rail tanks to Petrobrazi, Petrotel- Lukoil refineries or other destination, depending on customer requests. During 2017, following the takeover of the concession by Mazarine of several oil fields in the region of Moldova, the Cerdac deposit was closed. The crude oil extracted from this area is being transported by the storage trucks to Ghelința/Comănești deposit.

Starting 2019, the crude oil from Ghelința storage warehouse is transported by tankers to the loading dock Imeci, loaded into railway tanks and transported to Petrobrazi/Lukoil refinery.

- **Ghercești - Ploiești** component includes takeover of the crude oil from the production units related to Ghercești, Lact, Izvoru, Videle, Poeni, Roata and Potlogi pumping stations and transport of crude oil by pipeline to Petrobrazi refinery in Ploiești.
- **Ticleni–Ploiești component** includes two main lines with a length of approx. 250 km, line I and line II.

The major pipeline line I ensures the transport of crude oil from Ticleni and from Bărbătești unloading ramp to the refineries in Ploiești (with the possibility of pumping to Arpechim Pitești terminal, as well).

The major pipeline line II collects the crude oil and condensate from the pumping and repumping stations Mădulari, Orlești, Otești, Poiana Lacului, Oarja, Saru, Siliște and Bucșani for supply to the refineries in Ploiești (or to the terminal in Arpechim Pitești).

- **Muntenia basin pipeline component** includes pipelines used to transport the crude oil from the stations and deposits close to the city of Ploiești.
- **The local pipeline component** used to transport crude oil from deposits to the loading ramps in railway tanks, and from here to the refineries in Ploiești.

### **The rich gas transport subsystem**

The subsystem is intended for the transport of rich gas from the recovery plants in Ardeal, Oltenia and Muntenia to the refineries in Pitești and Ploiești. The transport subsystem has the following composition:

- major pipeline, line I Țicleni-Ploiești (served the region from Oltenia and Muntenia and today is no longer used following the closure of production facilities by OMV Petrom);
- local piping in Ardeal.

Rich gas transport via pipeline in Arpechim refinery has been suspended since April 2011. In 2017, the dower of the rich gas pipeline 6½" line I Bărbătești – Ploiești has been discharged, in length of 289 km.

Currently, there are running two recovery plants (Abrămuț and Calacea). Produced rich gas is transported via pipeline from the ramp Abrămuț to Marghita ramp, and from the ramp Calacea to Biled ramp, and from here by railway to Petrobrazi.

### **The ethane transport subsystem**

This subsystem has been allocated for the transport of ethane from the deethanizer platform Turburea to Arpechim refinery Pitesti. At present, due to the inactivity of Arpechim refinery, the subsystem is not used. Ethane transport has been suspended since November 2008. We mention that a part of this pipeline (11 km) is used to transport condensate from Hurezani and Capreni deposits to Petrobrazi refinery, with the approval of NAMR.

### **Import crude oil transport subsystem**

The import crude oil transport subsystem ensures the transport of crude oil from the Oil Terminal Constanta to the refineries in Ploiești, Petromidia Refinery and Arpechim Pitesti. The import crude oil transport subsystem consists of the following pumping stations: Constanța South, Mircea Vodă, Bărăganu, Dragoș Vodă, Călăreți, Mavrodin și Mărtinești. Depending on the chosen pumping type, different pumping scenarios can be performed for each transport relationship.

In 2023, the new under crossings of pipelines 20" and 28" Constanta – Baraganu were put into operation, at the Danube under crossing points C1 – C2 and Borcea arm under crossing C3 – C4.

The crude oil, condensate and rich gas domestic production is transported only via pipeline, either by rail tanks, or combined (rail and pipeline).

During the transport process, CONPET uses approximately 90 tanks of various capacities. Starting 2019, CONPET runs a big process of rehabilitation of tanks and replacing those with high degree of wear and storage capacity over the necessary of transport stream with new ones to meet the needs of current production, environment and energy consumption. The modernization and development process will be completed in 2030.

On 31.12.2023, the company also owns a fleet of 246 vehicles, intended for the transport of personnel for work purposes, means of intervention vehicles, off-road vans and mixed transport of persons and goods and special vehicles (emptying, cranes, diggers, etc.).

#### **4.2.2 The wear degree of the company's properties**

In order to perform the transport of crude oil and rich gas, from and to all its business partners, in conditions of maximum operation, high efficiency and operating costs as low as possible, in compliance with the Legislation in force relating to environmental protection and labor protection and the other normative acts in the field, CONPET carries out a continuous activity on the improvement of the technical condition of the National Transport System.

In the period between 1995-2007, through the Modernization Project co-financed by the World Bank, works consisting of the rehabilitation and modernization/refurbishment of the Oil National Transport System have been conducted. This project has targeted:

- pipelines rehabilitation;
- rehabilitation of the pumping stations on the major pipelines and two crude oil and rich gas loading/unloading ramps;
- automation of the transport system and introduction of the SCADA system;
- introduction of crude oil tax measurement systems;
- development of a telecommunication system.

After 2007, the emphasis has been mainly placed on the further modernization of the pipeline system.

In order to correctly determine the parts of the pipes to be replaced, periodically the pipes of the transport lines are inspected with smart pigging for the determination of the parts of the spent pipe.

Furthermore, for safe operation, monitoring and maintenance of the National Transport System via pipelines, it was considered the performance of works intended to secure the infrastructure of the water crossings designed to enhance the degree of safety in operation of the pipelines in question, indirectly, and the protection of the waters crossed against pollution.

The pipelines that make up the Crude Oil National Transport System over cross/ under cross various watercourses.

Another important component in terms of safe operation and environmental protection in order to pay attention to the investment process was to secure the crossings. The works carried out were:

- low weirs;
- bank protections upstream and downstream of the low weir;
- wave crushers;
- piles foundation consolidation;
- bank protections on the route of the pipelines which are parallel with the river bed (damaged bank);
- other works related to pipeline consolidation.

In 2023, the new under crossings of pipelines 20" and 28" Constanta – Baraganu were put into operation, at the Danube under crossing points C1 – C2 and Borcea arm under crossing C3 – C4.

The modernization of the pipeline transport subsystems also included the investments made at the other technological components of the system, namely:

- pumping stations;
- technological installations;
- PSI facilities;
- technological and administrative buildings;
- energy, thermal and telecommunication installation;
- other auxiliary components.

The improvement of the technical status of the transport system, led to:

- reduced technological costs in the storage and transport process;
- minimized energy, fuel and lubricant consumptions;
- minimized operating costs and reduced operating difficulties;
- improved safety and flexibility of the system;
- reduced environmental impacts;
- improved quantitative and qualitative measurements of the crude oil transported.

Compared to the above, it can be appreciated that the technical condition of the Crude oil National Transport System via pipelines, operated by CONPET, is an appropriate one.

#### 4.2.3 Investments achieved in 2023

The achievement of the investments program approved for the year 2023 is the following:

Crt. No.	Name of the element – thousand RON	2023 Program	Achieved 2023	Degree of achievement %
	TOTAL GENERAL, out of which:	<b>112,000</b>	<b>83,062</b>	<b>74.2%</b>
<b>I</b>	<b>PUBLIC DOMAIN</b>	<b>90,000</b>	<b>71,580</b>	<b>79.5%</b>
1	Pipelines rehabilitation, o/w:	25,681	18,004	70.1%
1.1	Pipeline replacement	24,315	17,927	73.7%
1.2	Safe disposals	1,366	77	5.6%
2	Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm	28,782	28,782	100.0%
3	Modernization and monitoring of the cathodic protection system related to the NTS domestic and import	2,950	1,554	52.7%
4	Technical support and consultancy	25	0	0.0%
5	Tanks	3,603	2,972	82.5%
6	Energy works	3,497	2,581	73.8%
7	Telecommunication works	1,600	1,000	62.5%
8	Pumping systems modernization	7,531	5,762	76.5%
9	Stations/ramps modernization	10,672	6,973	65.3%
10	Buildings, stations fencing	1,155	248	21.5%
11	Automation and SCADA works	4,454	3,704	83.2%
12	Other expenses	50	0	0.0%
<b>II</b>	<b>OPERATING DOMAIN</b>	<b>22,000</b>	<b>11,482</b>	<b>52.2%</b>

Crt. No.	Name of the element – thousand RON	2023 Program	Achieved 2023	Degree of achievement %
	Investment objectives, o/w:	18,148	8,990	49.5%
1	Pipelines rehabilitation	2,600	1,003	38.6%
2	Buildings, stations fencing	2,443	458	18.8%
3	LDH and tank cars	7,020	4,506	64.2%
4	Other works	5,277	2,351	44.6%
5	Intangible investments	808	672	83.2%
	Independent facilities and equipment	3,852	2,492	64.7%

Table 14 - The achievement of the investment program 2023 as compared to Program 2023

### **Significant investment objectives completed in 2023**

- Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm;
- Replacement of crude oil transport pipeline L1 Ø 8 ½ " Ticleni Bărbătești, in the water access road site Bărbătești City Hall, approximately 200 m;
- Replacement of a crude oil section Ø 6 ½" Urziceni-Albești area, Parepa locality, 1500 linear meters in length;
- Replacement of a section of about 500 m length pipeline Ø 5 9/16 Copăceni - Vega Refinery and smart pigging;
- Replacement of Ø 20" C4 Bărăganu crude oil transport pipeline along 3 lines, C2-C3 along 6 lines, Ialomița county;
- Replacement of Ø 20" Bărăganu-Călărești crude oil transport pipeline along 6 lines, Călărași County;
- Condensation tank Barbatesti station;
- Moreni crude oil tanks;
- PSI tanks in Constanța and Pecica stations;
- Cathodic protection systems related to the domestic and import NTS;
- Tele-transmission and tele-management of the power consumptions in 8 work sites of CONPET;
- Modernization of Marghita ramp;
- Expanding Cyber + Telecom telecommunications locations for SCADA system and weighing system;
- Realization of an electricity production system (a photo voltaic power plant) with photo voltaic panels in the precinct of Administrative Headquarters 2;
- Conversion of two diesel-hydraulic locomotives into electric locomotives.

### **Significant investment objectives in progress on 31.12.2023**

#### **PUBLIC DOMAIN**

- Replacement of pipeline Ø 20" Constanța county - C1 - 8 sections;
- Cathodic protection systems related to the domestic and import NTS;
- Modernization of pumping station Ochiuri;
- Rehabilitation works at Cireșu loading ramp;

- Upgrade of Moreni station;
- Upgrade of Mislea station;
- Biled Fire Prevention and Security tank;
- Buffer tank Independenta;
- Tele-transmission and tele-management of the power consumptions in 7 work sites of CONPET;
- Extension of SCADA system - 4 ramps and 5 stations;
- Rehabilitation of pumps room and connection buildings in Calareti station;
- Smart pigging of Ø10 ¾" F1 Barbatesti – Ploiesti Vest and Ø 10¾" F2 Orlesti – Ploiesti (Petrobrazi) pipelines;
- Replacement of pipeline section Ø 6<sup>5</sup>/<sub>8</sub>" Paduret II - Buda over a distance of 7,600 m;
- Replacement of pipeline section Ø 8" Moreni - Mija approx. 7,200 m and pigging stations;
- Safe disposal of the Ø 12" and Ø 14" Cartojani-Ploiesti pipelines at the over crossing of Cricovul Dulce;
- Replacement of Ø 8 ½" Lucăcești-Vermești crude oil transport pipeline - the section from Deal Măgura to Vermesti in approx. 9 km in lenght.

#### **OPERATOR FIELD**

- Conversion of diesel locomotive in electric locomotive;
- Replacement of pipeline section Ø 6<sup>5</sup>/<sub>8</sub>" Warehouse Petrom Orzoaia de Sus – Urlați crude oil station, about 1,600 m in length.

Commissioning achieved in 2023 amounted to 183,684 thousand RON, out of which, per financing sources:

- 173,114 thousand RON out of the modernization quota;
- 10,570 thousand RON out of other own sources;

#### **4.2.4 Disputes and other aspects on the company's tangible assets**

During 2023 CONPET SA was involved in a total of 142 litigations. Among them, 45 litigations have been completed.

**The most important disputes in which the company is involved are presented below:**

***a) The disputes concerning the ownership of the tangible assets of the company***

CONPET S.A. is not involved in trials regarding the claim of ownership of certain real estate.

***b) Litigation in connection with the claims of the owners of the lands crossed by the Crude Oil National Transport System.***

On 31.12.2023, CONPET S.A. had a number of 14 files before the courts in different procedural stages, having as subject the claims of the landowners related to the lack of use of the owned lands transited by the major pipelines that are part of the Crude Oil National Transport System. Among these, we list a number of 10 cases that we consider to be important in terms of the amount of the applicants' claims and representative through the legal content of the applications (the rest of the cases outlining some of the types of legal proceedings listed below):

## **1. File no. 3451/108/2016\*\*\* – Timisoara Court – pending**

### **Trial stage: Appeal - retrial**

By Decision no. 761/23.11.2017 the Court of Appeal Timișoara admits the appeal of the applicant Territorial Administrative Unit of Pecica, Arad County, annuls the appealed judgment and sends the case for retrial to the Arad Tribunal. Decision no. 761/23.11.2017 was appealed by CONPET S.A. at the High Court of Cassation and Justice.

**Clarifications:** The Territorial Administrative Unit of the city of Pecica has filed a petition requesting the court to order the obligation of the defendant CONPET S.A. to divert the crude oil pipeline that crosses a number of 22 plots of building land, intended for housing construction, to pay the amount of 65,000 Euro representing the value of a building that could no longer be capitalized, to pay an annual rent, during the existence of the pipeline, as a result of the enclosing of the areas shown above by the right of legal servitude exercised by CONPET S.A. and to compel the defendant CONPET S.A. to pay compensation for the period 31.10.2014-31.05.2016 as a result of the limitation of the attributes of the ownership of the 22 plots of building land and the decrease of the fair market value of the land in the real estate market due to the restrictions imposed by Order no.196/2006 of NAMR regarding constructions. At the same time, he requested that the defendant CONPET S.A. be ordered, from 3 to 3 years, to adapt the amount of the damages to the value of circulation at that time of similar lands and of the provisions of the future orders of the N.A.M.R.

By the Report dated 07.06.2018 the High Court of Cassation and Justice declared Conpet's appeal as inadmissible, being promoted against a final judgment, which does not fit into the hypothesis regulated by Art. 483 Para.1 Code of Civil Procedure. The parties submitted their views on the report. By the Conclusion dated 10.10.2018, the High Court of Cassation and Justice basically admits the appeal declared by the claimant-defendant Conpet S.A. against the civil decision no. 761/A of November 23<sup>rd</sup>, 2017 issued by the Timișoara Court of Appeal – Second Civil Section.

By **Decision no. 615/22.03.2019** the High Court of Cassation and Justice admits the appeal filed by the appellant-defendant Conpet S.A., scrapps the decision under appeal and refers the case to a new trial to the same court of appeal – the Timișoara Court of Appeal.

By **Decision no. 306/07.06.2021** Timișoara Court of Appeal rejects the appeal declared by the appellant-claimant, the Territorial Administrative Unit of Pecica city.

The sentence was appealed by the Territorial Administrative Unit of Pecica city.

By **Decision no. 641/15.03.2023** the High Court of Cassation and Justice admits the appeal, scrapps the decision under appeal and refers the case to a new trial to the same court. Final judgement.

By **Decision no. 621/13.12.2023** the Court of Appeal of Timișoara admits the appeal of the applicant Territorial Administrative Unit. Pecica city. It partially changes the appellant's sentence in the sense that it admits in part the request for summons made by the claimant the Territorial Administrative Unit Pecica city in opposition to the defendant CONPET S.A. and obliges the defendant to pay the amount of 137,045.69 EUR as compensation in favor of the claimant. It upholds the rest of the appealing sentence. It obliges the respondent to pay in favor of the appellant the amount of 17,579 RON as legal expenses. The decision can be object to appeal after communication.

## **2. Case File no. 1372/212/2017\*\* - Constanta Court of Appeal – pending**

### **Trial stage: Appeal**

Cruceanu Alin Florinel filed a petition against CONPET S.A. requesting the court to rule the obligation of Conpet SA to pay damages equal to the market value of the real estate property with a surface of 460 sq.m located in Lazu commune, Luceafărului street, Constanța county and of the real estate property with a surface of 460 sq.m located in Lazu commune, 31 Luceafărului str., Constanța county, the equivalent value estimated at 30,000 EUR, the equivalent in 134,700 RON; the obligation of Conpet SA to pay the equivalent value of the lack of land use in the form of an annual rent for the last three years; the obligation of Conpet SA to pay the legal expenses of settling the present request. Subsequently, the claimant specified his action regarding the second head of claim, requesting the court to order Conpet SA to pay the amount representing the lack of use of the two real estate properties for the period between 10.12.2015 and the date of the final judgment through which the first head of claim was allowed.

Conpet formulated the reconventional petition requesting the court to rule the obligation on the claimant to allow CONPET S.A. the exercise of the right of legal servitude instituted by the provisions of art. 7 and et seq. of Law no. 238/2004 on the two plots of land owned by the claimant Cruceanu Alin Florinel, situated in Agigea commune, Lazu village, 29, Luceafărului street, respectively 31, Luceafărului street, Constanța county. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along the main crude oil transport pipeline Ø 20" Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and to perform the execution of any repair works and for the establishment of the amount of the annual rent provided by law owed by us to the claimant in exchange for exercising the right of legal easement.

Conpet also filed an impleader request with the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) that if Conpet S.A. Ploiești will fall into claims regarding the claimants' claims made in the summons to compensate us with the amounts we will be obliged to pay to the claimants.

**Clarifications:** By **Sentence no. 8561/14.07.2021** the Constanța Courthouse rejects, as unfounded, the exception of the lack of passive procedural quality invoked by the Romanian State through the Ministry of Public Finance, the NAMR and the Ministry of Energy. It rejects as unfounded the pleas of the lack of passive procedural quality regarding the impleaders the Ministry of Public Finance, National Agency for Mineral Resources. It admits the request formulated by the claimant Cruceanu Alin Florinel, against the defendants CONPET S.A., the Romanian State through the Ministry of Public Finance, the National Agency for Mineral Resources and the Ministry of Energy. It obliges the defendants, jointly and severally liable, to pay to the claimant the amount of 184,700 RON representing the market value of the land building in surface of 460 sq.m located in Lazu Commune no.b29 Luceafărul Street, Constanța County and the market value of the land building with an area of 460 sq.m located in Lazu Commune, no. 31 Luceafărul Street, Constanța county. It obliges the defendants, jointly and severally liable, to pay to the claimant the amount of 22,164 RON representing the equivalent value of the lack of land use between 10.12.2015 -10.12.2018. It rejects, as unfounded, the request for impleader formulated by CONPET SA against the Ministry of Public Finances. It rejects, as unfounded, the impleader formulated by CONPET SA against the National Agency for Mineral Resources. It rejects, as unfounded, the counterclaim formulated by CONPET SA against Cruceanu Alin Florinel. It obliges the defendants jointly and severally liable to pay to the claimant the legal expenses in the amount of 8,414.28 RON represented by the stamp duty and the expert's fee. The court order was attacked with appeal by CONPET S.A., N.A.M.R., the Romanian State through the Ministry of Public Finance and Cruceanu Alin Florinel.

By **Conclusion no. 1548/07.10.2021** it was admitted the exception for lack of jurisdiction of Civil Section 1 of Constanta Tribunal, and the jurisdiction to resolve the appeal has been declined in favor of Civil Section 2 of Constanta Tribunal.

By **Decision no. 1003/08.07.2022**, Constanța Tribunal rejects, as unfounded, the appeal filed by the applicant appellant Cruceanu Alin Florinel in opposition with the defendants CONPET S.A., the Romanian State through the Ministry of Public Finance, the National Agency for Mineral Resources and the Ministry of Energy. Admits the appellants' appeal: the National Agency for Mineral Resources, the Romanian State through the Ministry of Public Finance through the Regional Directorate of Public Finances Galati – County Administration of Public Finances Constanta County and CONPET S.A. It changes in part the Civil Sentence 8561/14.07.2021, pronounced by the Constanța Courthouse in the File no. 1372/212/2017, as follows: It admits the exception of the lack of passive procedural capacity of the defendants, the National Agency for Mineral Resources and the Romanian State through the Ministry of Public Finance - regarding the summons request. It rejects the summons request filed by the claimant Cruceanu Alin Florinel against the defendants the Romanian State through the Ministry of Public Finance and the National Agency for Mineral Resources, as being filed against persons without passive procedural standing. It rejects, as unfounded, the summons request filed by the claimant Cruceanu Alin Florinel against CONPET S.A. It rejects, as unfounded, the request for summons in the guarantee formulated by the defendant CONPET S.A. against the National Agency for Mineral Resources and the Romanian State through the Ministry of Public Finance. It admits the counterclaim filed by the defendant CONPET S.A. against the claimant Cruceanu Alin Florinel. Establishes in favor of CONPET S.A. an easement right with a total area of 81 sq.m over the applicant's lands consisting in the right of use over an area of 2.4 meters wide placed along the crude oil pipeline that under crosses the applicant's lands, as identified by the expert Datcu Dumitru by Annex to the Answer to objections (f. 229, vol. 2 from the file of Constanța Courthouse) - blue cross hatch. It establishes the annual rent owed by the defendant to the claimant in the amount of 693 Ron. It forces the claimant Cruceanu Alin Florinel to pay the defendant CONPET S.A. the amount of 3,853.75 Ron as legal expenses.

The judgment was attacked with recourse by Cruceanu Alin Florinel.

By **Conclusion no. 23/22.03.2023** Constanta Court of Appeal admits the exception of the lack of procedural (functional) material competence of the second civil section of insolvency and litigations with professionals and companies of Constanta Court of Appeal. Declines the jurisdiction to settle the case in favor of the Civil Section I of the Constanta Court of Appeal. Without possibility of appeal.

By **Conclusion no. 86/10.05.2023** the Civil Section I of the Constanta Court of Appeal admits the exception of lack of procedural jurisdiction in solving the appeal. Declines the jurisdiction to settle the Appeal in favor of the Civil Section II of the Constanta Court of Appeal. It notes the negative conflict of competence. Suspends ex officio the trial of the case and orders the submission of the file to the High Court of Cassation and Justice in order to resolve the negative conflict of jurisdiction arising.

By **Decision no. 1833 of 26.10.2023**, the HCCJ establishes the competence to settle the case in favor of the Constanța Court of Appeal, Civil Division II, for insolvency and litigation with professionals and companies. Final judgement.

### **3. File no. 18344/212/2017- Constanta Court - pending**

**Trial stage: Appeal**

Mitu Dumitru and Mitu Rodica initiated a law suit requesting the court to rule the obligation of Conpet to pay damages for the two plots of land located in Lazu village, Agigea commune, Constanța county affected by the route of some pipelines that transport oil products, as well as ordering the defendant to pay an annual rent for the lack of use of the land affected by the exercise of the right of legal servitude, starting with 20.06.2014 and of compensation in the form of an annual payment for affecting the use of the part of the land on which the pipeline is not located, with the obligation to pay the court costs.

Conpet formulated a reconventional petition requesting the court to rule the obligation of the claimants to allow the company CONPET S.A. the exercise of the right of legal servitude instituted by the provisions of Art. 7 et seq. of Law no. 238/2004 on the two plots of land owned by the claimants. The right of legal servitude shall be exercised on a 2.4-meter-wide corridor located along the F2 Ø 20" Constanța-Bărăganu crude oil major pipeline for the purpose of permanent access to the pipeline for the day-to-day inspection of the pipeline condition and for performing any repairs and to set the amount of the annual rent prescribed by the law owed by Conpet to the claimants in exchange for the exercise of the right to legal servitude. Conpet also formulated a petition of summoning in guarantee the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) so that if CONPET S.A. Ploiești falls in claims regarding the claims of the claimants formulated in the legal petition to compensate us with the amount that we shall be obligated to pay the claimants.

**Clarifications:** By **Sentence no. 3555/11.04.2023** the Constanța County Court rejects as unfounded the exception of the lack of passive procedural quality of the defendant CONPET S.A. invoked by way of defence. Rejects as unfounded the plea of lack of passive locus standi of the summoned under guarantee the Romanian State through the Ministry of Public Finance through the Regional Directorate of Public Finance Galati - County Administration of Public Finance Constanța, invoked by the statement of claim. Dismisses as unfounded the plea of lack of locus standi of the defendant, the National Agency for Mineral Resources. Dismisses as unfounded the plea of lack of locus standi of the defendant, the Ministry of Energy, invoked by way of defence. Dismisses the application for summons as unfounded. Rejects as devoid of purpose the claim for warranty. It admits the counterclaim filed by the defendant CONPET S.A. against the claimant Mitu Dumitru and Mitu Rodica. Orders the applicants Mitu Dumitru and Mitu Rodica to allow the company CONPET S.A. to exercise the legal easement right established by the provisions of Art. 7 et seq. of Law nr. 238/2004 on the two plots of land owned by the applicants Mitu Dumitru and Mitu Rodica, located in County Constanța county. The right of legal servitude shall be exercised on a 2.4 meter wide corridor located along the F2 Ø 20" Constanța-Bărăganu crude oil pipeline for the purpose of permanent access to the pipeline for the day-to-day inspection of the pipeline condition and for performing any repairs. Establishes the amount of the annual annuity owed to the applicants in exchange for exercising the right of legal easement at the amount of 81 RON, which will be updated annually with the inflation rate. Orders the applicants to pay to the defendant reconvenient CONPET S.A. the sum of 3,350 Ron, by way of costs.

The decision was appealed by the plaintiffs.

By **Decision no. 284 /11.03.2024** Constanța Tribunal rejects the appeal, as unfounded. With the right of appeal after communication.

**Court hearing:** --

#### **4. Case File no. 220/262/2017\*- Ploiești Court of Appeal – pending**

**Trial stage:** Appeal

Chivu Ion filed a petition requesting the court to rule the obligation of Conpet SA to divert the crude oil pipeline passing through his property in surface of 1,753 sq.m located in Ocnița commune T14, P114, the establishment of the access location with the obligation of Conpet SA to pay an annual rent related to both the access, road and the pipeline that damages the land and damages for the land affected by the pipeline.

**Clarifications:** By **Sentence no.1000/05.11.2019** the Moreni Courthouse partially accepts the main part of the petition. The court partially admits the counterclaim.

The judgment was attacked with appeal by Conpet SA and Chivu Ion.

By **Decision no. 223/02.06.2020** the Dâmbovița Tribunal accepts the appeals, annuls the judgment appealed and sends the case back to the first court.

By **Sentence no. 694/06.10.2022** Moreni Law Court admits the request in part. Rejects, as unfounded, the plea of lack of passive locus standi of the defendant applicant Conpet S.A. as regards the heads of claim for compensation and annuity, raised by him.

It accepts the plea of lack of passive locus standi of the defendant plaintiff Conpet S.A. as regards the head of claim relating to the diversion of the oil pipeline, and, consequently, dismisses this head of claim in contradictory with the defendant plaintiff Conpet S.A. as having been brought against a person without passive locus standi.

It admits the request to show the right holder made by the defendant-claimant CONPET S.A. with regard to claim no. 1 (concerning the diversion of the pipeline) regarding the Romanian State, through the Ministry of Public Finance, represented in the process by the Dâmbovița County Administration of Public Finance.

Rejects as unfounded the plea of lack of passive locus standi formulated by the Romanian State, through the Ministry of Public Finance, through the Dâmbovița County Administration of Public Finances.

Notes that by civil decision no. 432/30.05.2018, pronounced by the Dâmbovița Tribunal, the request for showing the right holder filed by the defendant-applicant CONPET S.A. also with regard to the National Agency for Mineral Resources (with reference to the head of claim aimed at diverting the pipeline) was granted.

It finds that the plea of inadmissibility raised by the defendant-applicant Conpet S.A. was qualified as a basic defence.

Admits in part the main application, as it was stated, brought by the applicants - the defendants Chivu Ion and Chivu Florica Daniela in contradiction with the defendant - applicant CONPET S.A., intervenor the Romanian State through the Ministry of Public Finance - Regional General Directorate of Public Finance Ploiești, and principal intervenor the National Agency for Mineral Resources (N.A.M.R.).

It admits in part the counterclaim, made by the defendant-applicant CONPET.

Orders the defendant plaintiffs to abolish the construction without a permit-cellar existing on the land belonging to them, located on the crude oil transport pipeline 6 5/8" Ochiuri Moreni, which under crosses the land located in Ocnița, T 14, P 1 14, cadastral number 159 Land Book no. 70441, Dambovita county identified according to the sketch drawn up in the expertise report in the topography specialty dated 19.02.2018 (f, 259 vol. II initial file).

Establishes the amount of the annual annuity owed by the defendant plaintiff CONPET S.A. to the defendant plaintiffs for the exercise of the easement right established by Art. 7 Para. I of Law nr. 238/2004 on the land owned by the defendant plaintiffs, on the corridor of 2.4 sq.m, located along the transport pipeline, at the amount of 21.14 Ron and obliges the applicant defendant to pay to the defendants' complaints from the date of the final stay of the present sentence.

Dismisses the remainder of the summons and the counterclaim.

It admits, in part, the parties' request on the award of court costs and orders the plaintiff defendant to pay to the defendant plaintiffs the sum of 2,239 Ron as costs, in proportion to the admitted claims.

Orders the defendant plaintiffs to pay the sum of 1,247 Ron as costs to the defendant plaintiff CONPET S.A., in proportion to the admitted claims.

It compensates the legal expenses, within the limit of the amount of 1,247 RON and it obliges the defendant claimants to pay to the claimant defendant the uncompensated difference of 992 RON in legal expenses.

The decision was appealed by Chivu Ion.

By **Decision no. 194 /23.03.2023** Dambovita Tribunal rejects the appeal as unfounded.

Chivu Florica – Daniela and Chivu Ion filed an appeal.

By **Decision no. 73/07.03.2024** Ploiești Court of Appeal admits the exception to the ineligibility, invoked ex officio. It rejects the appeal as inadmissible. Final judgement.

**Deadline:** --

## **5. Case File no. 5413/204/2017 \*- Prahova Tribunal – pending**

**Trial stage: Merits - retrial**

Dobrogeanu Dumitru and Dobrogeanu Păun loan filed a petition of trial asking the court to rule the obligation of CONPET SA to pay an annual rent for the land plots occupied by the two oil products pipelines (crude oil) starting 01.07.2014 and in the future, for the entire duration of the pipelines, to pay the compensation for the losses incurred by not reaching certain economic objectives on the remaining area between the two pipes after their restriction and the area along the national road DN1 (E60) and payment of court costs. The first part of the claim was estimated by the claimants at the amount of 48,000 Euro/year (220,000 RON), and the second part at the amount of 25,000 RON/year.

**Clarifications:** By **Sentence no. 2446/28.08.2018** the Prahova Tribunal admits the exception of the lack of passive capacity to stand trial, invoked by the defendant National Agency for Mineral Resources. It dismisses the action, in contradiction with that defendant, as being brought against a person without procedural capacity. It admits the exception of the res judicata. It dismisses the claim filed against the defendant SC Conpet SA, as there is res judicata. It finds that the defendants have not applied for legal expenses.

The decision was appealed by Dobrogeanu Dumitru.

By **Decision no. 2804/11.11.2019** the Ploiești Court of Appeal rejects the appeal filed by the appellant Dobrogeanu Dumitru as unfounded. It admits the plea of inadmissibility of the cross-appeal. It dismisses as unfounded the cross-appeal declared by the appellant Dobrogeanu Păun loan.

The decision was attacked with recourse by Dobrogeanu Dumitru and Dobrogeanu Păun loan.

By **Decision no. 206/04.02.2021**, the High Court of Cassation and Justice rejects the appeal filed by the claimant Dobrogeanu Păun loan against the civil decision no. 2804 of November 11<sup>th</sup>, 2019, pronounced by the Ploiești Court of Appeal, Civil Section I. Admits the appeal declared by the applicant Dobrogeanu Dumitru against the same decision. It scrappes the appealed decision and the civil sentence no. 2446 of August 28<sup>th</sup>, 2018 of the Prahova Court and sends the case for retrial to the Prahova Court.

**Deadline:** 21.03.2024

## **6. Case File no. 4395/270/2020 - Onești Court - pending**

**Trial stage: First court on merits**

**Object:** Onești Municipality and the Local Council of Onești Municipality, Bacău County, have sued Conpet S.A. asking the court:

“1. The obligation of the defendant at the conclusion of the agreement for the exercise of the right of legal easement over the lands with an area of 11,474.5 sq.m, crossed and affected by crude oil transport pipelines within the municipality of Onești, equivalent to the payment of an annual rent, during the existence of the pipelines, to the local budget of Onești municipality, determined according to the principle of the least violation of the property right and calculated taking into account the circulation value of the affected real estate, established under the law, at the time of the damage.

2. Obligation of the defendant to pay material damages, representing the consideration of the lack of use of land in the surface of 11,474.5 sq.m under crossed and affected by crude oil transport pipelines within the radius of the municipality of Onești, established according to the Market Study approved by the Decision of the City Council no. 199 of 29.11.2018, respectively according to the Updated Market Study approved by the City Council Decision no. 122 of 29.06.2020, calculated starting from 2017 until the date of conclusion of the Convention for the exercise of the right of legal servitude on such land, plus late increases, interest and late payment penalties in the amount provided for in the Code of Tax Procedures applicable during that period.

3. The obligation of the respondent to pay the trial costs incurred by this trial”.

**Deadline:** 26.09.2024

## **7. Case File no. 1657/91/2020 \*- Vrancea Tribunal – pending**

**Trial stage: First court on merits**

**Parties:** Vasile Maria Ilaria - at S.C.P.A. Buruian, Caracaș and Associates - Plaintiff

Dragu Georgeta - at S.C.P.A. Buruian, Caracaș and Associates - Plaintiff

The company Conpet SA Ploiești - defendant

The Romanian State - by the Ministry of Public Finance - defendant

The National Agency for Mineral Resources - defendant

**Object:** By their summons, the claimants Vasile Maria-Ilaria and Dragu Georgeta requested to the court to:

A. Mainly, to oblige the defendant to pay an annual rent of 496.64 Euro for the pipe protection area belonging to the defendant and passing through the private property of the undersigned, starting from the date of registration of this application for legal action;

B. In particular, to oblige the defendant to pay an overall compensation of 508,080 Euro for the assignment of the attribute of use of the good according to its intended purpose, i.e. that the undersigned cannot build construction on the private property;

C. In particular, to oblige the defendant to pay the legal interest for the annual annuity referred to in item A, starting from the date of registration of the application for this legal appeal;

D. Mainly, order the defendant to pay legal interest for the global indemnification provided for in item B, starting from the date of registration of the present summons.

E. In the alternative, we request you to order the other two defendants to pay the amounts indicated in the preceding paragraphs.”

Conpet filed a counterclaim in this case, requesting the court:

1. To oblige the complainants Vasile Maria – Ilaria, Dragu Georgeta and Dragu Maria to allow the company CONPET S.A. the exercise of the right of legal services established by the provisions of Art. 7 et seq. of Law no. 238/2004 on the land owned by them, situated in Focșani city, Vrancea County. The exercise of the right of legal easement is to be carried out in a passage of 2.4 meters wide located along the Ø 20" Bărăganu - Borzești/Rafo Onești crude

oil transport pipeline standing for purposes of permanent access to the pipeline in order to verify the day-to-day management of the status of the pipe and the execution of any repair works. The exercise of the right of easement is to be carried out throughout the existence of the pipeline located on the claimants' land but not later than the date of termination of the oil concession agreement concluded by us, signed by CONPET S.A., with the Romanian State.

2. To establish the amount of the annual rent provided by law due by us, the undersigned CONPET SA, to the claimants Vasile Maria- Ilaria, Dragu Georgeta and Dragu Maria in exchange for exercising the right of legal easement, rent consisting in the equivalent value of the annual land use affected by the exercise of the legal easement.

**Clarifications:** By Conclusion no. 71/09.03.2021 Vrancea Tribunal Civil Section I declines jurisdiction to hear the case in favour of the Second Civil Section of the Vrancea Tribunal.

**Deadline:** 19.03.2024

## **8. Case File no. 32294/299/2020 - Bucharest District 1 Courthouse - in the course of settlement**

### **Trial stage: First court on merits**

**Parties:** CONPET SA – defendant - counter claimant

Bob Mihăiță - claimant-defendant

NAMR - defendant

**Object:** Bob Mihăiță files a summons requesting the court to order:

1. The obligation of Conpet SA and NAMR to move the crude oil pipeline crossing the land owned by the claimant located in Cernavoda, plot 1, plot A6/2, Constanța county.
2. The establishment of the equivalent value of the lack of use, for a period of three years, prior to the formulation of the summons, amounting to 150,000 RON;
3. In the alternative, the obligation of Conpet SA to pay an annual rent for the use of the land owned by the claimant, from the date of filing the summons, in the amount of 5 Euro/sq.m/year for the area of 14,645 sq.m, land affected by the protection and safety area, during the existence of legal easement.
4. Payment of legal fees.

Conpet formulated the counterclaim/re conventional petition requesting the court:

1. To order the claimant to allow CONPET S.A. the exercise of the right of legal servitude established by the provisions of Art. 7 et seq. of Law no. 238/2004 on the land owned by the claimant Bob Mihăiță located in Cernavoda, plot 1, plot A6/2, Constanța County. The exercise of the right of legal servitude is to be carried out on a 2.4 meter wide corridor located along each of the main crude oil transport pipelines that under-cross the claimant's land, respectively the F1 main crude oil transport pipeline Ø 14¾", F2 main crude oil transport pipeline Ø 20", and Pipeline 28 Constanța - Bărăganu of crude oil transport Ø 28", for the purpose of permanent access to pipelines for daily verification of the condition of pipelines and execution of possible repair works. The exercise of the right of legal easement is to be carried out throughout the existence of the pipelines located on the land of the claimant, but no later than the date of termination of the oil concession agreement concluded by us, the undersigned Conpet SA, with the Romanian State.

2. To establish the amount of the annual rent provided by law due by us, the undersigned, to the claimant in exchange for exercising the right of legal easement.

Conpet S.A. filed a call for Romanian State Guarantee through the Ministry of Finance and NAMR.

Conpet S.A. formulated a request of identifying the holder of the right in rem.

**Clarifications:** By Conclusion dated 06.08.2021, the Bucharest District 1 Courthouse rejects the exception of the lateness of the request for impleader and of the request for showing the right holder, invoked by the National Agency for Mineral Resources, as unfounded. It rejects the exception of the lack of representative capacity of the National Agency for Mineral Resources, invoked ex officio, as unfounded. It rejects the request for an impleader from the Romanian State, by the Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. It rejects the request to show the right holder of the Romanian State, through the Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. The conclusion can be appealed with the merits.

**Deadline:** 09.04.2024

## 9. Case File no. 2323/120/2018- High Court of Cassation and Justice- pending

**Trial stage: Appeal- filtering**

**Parties:** CONPET SA- defendant - counter claimant

Buzatu Florin- claimant- respondent

**Object:** Buzatu Florin has filed a sue petition, asking the court:

1. Order the respondent Conpet SA to pay the claimant the amount of 150,000 EUR, payable at the BNR exchange rate on the day of the payment (amount to be reassessed upon completion of the expert real estate appraisal report to be carried out in probation, we shall resize and specify the value of the claims, corroborated with the appropriate adjustment of the stamp duty), representing the fair and equitable compensation for the damage suffered by restricting the possibility of exercising its right to property on the land area of 5,980 sqm located in the urban space of Slobozia Moară, Dâmbovița County, having the cadastral number 70618, registered with the land registry under 70618/UAT Slobozia Moară, Dâmbovița County, on which are found the underground gas pipelines and the overground devices of the respondent, land that cannot be used for the purpose of constructing a building;
2. Order the respondent Conpet SA to pay a 1,000 EUR monthly indemnity payable at the BNR exchange rate on the payment day, starting with the delivery of the Decision throughout the existence of the underground pipelines and overhead devices on the land owned by the respondent and to bear all the costs incurred by the claimant for the pre-authorization stages of the construction;
3. In alternative, it orders the respondent to erect all the constructions built on the claimant's property, namely the gas pipelines and the overhead devices, to bring the land to its original condition or to enable the claimant to perform the obligation to do so, at the exclusive expense of the respondent;
4. Order the defendant Conpet SA to pay the legal expenses incurred in the present legal proceedings.

Conpet has filed a counterclaim requesting that the plaintiffs be ordered to allow our company to exercise the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 and the determination of the amount of the annual annuity provided for by law due by Conpet to the applicants in exchange for the exercise of the right of legal easement.

**Clarifications:** By Sentence no. 602/10.03.2022 the Dâmbovița Court rejects plea of lack of passive locus standi of the defendant applicant Conpet S.A. as regards the heads of claim for compensation and annuity, raised by it. It admits the claimant Conpet S.A.'s lack of passive procedural capacity as regards the head of claim concerning the obligation to raise the above-ground pipes and devices and to restore the land to its original condition or to empower the applicant to do so, invoked by it and consequently rejects that head of claim in contradiction with the defendant-claimant Conpet S.A. as being formulated against a person without passive

procedural capacity. It admits in part the summons. The court partially admits the counterclaim. It obliges the defendant claimant to demolish the construction without authorization (foundation) existing on the land belonging to him, with cadastral no. 70618, registered in the land book no. 70618 of Slobozia Territorial Administrative Unit Slobozia Moara, Dambovita county identified according to the sketch drawn up in the expertise report in the topography specialty dated 04.11.2019 (f 300, vol. I). It establishes the amount of the annual rent due by the claimant defendant to the defendant claimant for exercising the right of legal easement on the land with an area of 890 sq.m related to crude oil pipelines Ø143/4 and Ø 123/4, identified according to the sketch prepared in the expertise report dated 02.11.2019 (f. 357, vol. I), to the amount of 284.8 Ron and obliges the plaintiff defendant to pay to the defendant plaintiff from the date of the final stay of the present sentence. Dismisses the remainder of the summons and the counterclaim. It rejects the request to show the right holder formulated by the claimant defendant in contradiction with the Romanian State, through the Ministry of Public Finance and the National Agency for Mineral Resources. Orders the restitution to the plaintiff defendant of the stamp duty paid and not due in the amount of 1,143.4 Ron. It compensates the costs within the limit of 1,172.7 Ron and orders the plaintiff to pay to the defendant the uncompensated difference of 836 Ron in court costs. Buzatu Florin filed an appeal.

By **Decision no. 482/09.03.2023** Ploiesti Court of Appeal rejected the appeal, as unfounded. The decision was appealed by the plaintiff.

**Deadline:** --

## **10. Case File no. 1541/262/2023- Moreni Court – pending**

### **Stage of trial - merits**

**Parties:** CONPET SA – defendant - counterclaimant

Mapi Imobiliare S.R.L. - plaintiff-defendant

**Object:** To oblige Conpet to pay an annual annuity according to art. 7 of Law nr. 238/2004 and compensation, including for the past as of 20.01.2023.

Conpet formulated the counterclaim/re conventional petition requesting the court:

1. The obligation of the claimant Mapi Imobiliare S.R.L. to allow the company CONPET S.A. the exercise of the right of legal servitude/easement established by the provisions of Art. 7 and et seq. of Law no. 238/2004 on the land owned by her, located in the Ocnita commune, Ochiuri village, Dâmbovița county. The exercise of the right of legal easement is to be carried out in a passage of 2.4 meters wide located along the pipe buses to transport crude oil Ø 6 5/8" Ochiuri - Moreni for purposes of access to the pipe in order to verify the day-to-day management of the status of the pipe and the execution of any repair works. The exercise of the easement right is to be carried out throughout the existence of the pipeline located on the claimant's land, but not later than the date of the termination of the concession oil contract concluded by us, the undersigned company CONPET S.A., with the Romanian State.

2. The establishment of the amount of the annual rent provided by the law due to us, the undersigned company CONPET S.A., to the claimant Mapi Imobiliare S.R.L. in exchange for exercising the right of legal servitude/easement starting from the date of the definitive decision given in the present case, rent consisting in the value of the annual use of the plot of land affected by the exercise of servitude/easement.

At the same time, Conpet filed a warranty claim against the Romanian State, represented by the Ministry of Public Finance and the National Agency for Mineral Resources, requesting the court to be compensated by the defendants in guarantee, who will be jointly and severally

liable for any amounts we will be obliged to pay to the applicant Mapi Imobiliare S.R.L., in case the request for summons filed by it will be admitted in whole or in part.

**Deadline:** 02.04.2024

**c) Litigations related to the structure of the share capital**

CONPET S.A. has pending before courts 1 litigation, respectively:

**Case File no. 5212/105/2018 – High Court of Cassation and Justice – pending**

**Trial stage: Appeal**

Fondul Proprietatea SA filed a petition for trial requesting the court to rule the following:

1. To request CONPET to pay the amount of 734,747.04 RON representing the net value of dividends related to a percentage of 6% of Conpet's share capital, respectively for a number of 524,366 shares held by the claimant by the registration date of the OGMS of CONPET at 25.04.2007 (i.e. 14.05.2007), related to the financial year 2006.
2. The obligation of Conpet to pay compensatory damages, namely the legal interest related to the dividends from maturity due date requested in item 1 and until the date of the introduction of the petition for trial (i.e. 09.11.2018) in the amount of 579,015.97 RON.
3. The obligation of CONPET to pay the legal interest related to the net value of the dividends, subsequently, from the date of the petition for trial and until the actual payment of the requested amounts.
4. Oblige Conpet to pay the legal expenses of the present litigation.

**Clarifications:** Conpet S.A. filed an impleader of the Romanian State through the Ministry of Finance and A.A.A.S.

By **Conclusion of 25.06.2019**, the Prahova Court rejected as unfounded the impleader of the Authority for the Administration of State Assets, formulated by the defendant Conpet S.A. Against this decision of the court, Conpet and the Romanian State through the Ministry of Public Finance filed an appeal. By the same Conclusion of 25.06.2019, the court admitted in principle the impleader of the Romanian State by the Ministry of Public Finance, formulated by the defendant Conpet S.A. and rejected as unfounded the plea of the lack of passive procedural quality of the Romanian State by the Ministry of Public Finance. The appeal was registered before the Court of Appeal Ploiești with no. 5212/105/2018/a2. By the decision no. 515/05.11.2019 Ploiești Court of Appeal admits the plea of the inadmissibility of the appeal declared by the Ministry of Public Finance. . The court rejects this appeal as inadmissible. The court rejects the exception of the lack of interest and the exception of the inadmissibility of the appeal declared by Conpet SA invoked by Fondul Proprietatea. Final judgement.

By **Conclusion of 20.09.2019**, the Prahova Tribunal suspended the trial of the case until the settlement of the appeals made against the decision pronounced on 25.06.2019. This conclusion remained final by non-recurrence.

By **Sentence no. 633/02.06.2021** Prahova Tribunal unfoundedly rejects the exception of the prescription of the right to action. It admits the action. It obliges the defendant CONPET to pay to the claimant the amounts of 734,747.04 RON representing the value of dividends, of 579,015.97 RON, representing dividends for the period 26.10.2007 - 09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 and until the actual payment of the main debit. It admits in part the warranty claim. It obliges the impleaded Romanian State to pay to the defendant CONPET SA, the amount of 734,747.04 RON, representing the value of dividends and the legal interest related to this amount starting with 17.12.2018 and until the date of restitution to the defendant of the amount of 734,747.04 RON. The decision was appealed by Conpet S.A. and the Romanian State through the Ministry of Public Finance.

By **Decision no. 109/29.03.2023**, the Ploiești Court of Appeal admits the appeal. It changes the entire sentence. It accepts the exception of the extinguitive limitation of the right of action and dismisses the claim as a result of the extinguitive limitation period. Rejects the warranty claim. It obliges the claimant to pay the defendant 16,943 RON in legal expenses incurred at the trial in the first instance. Orders the respondent-applicant to pay to the appellant-defendant 17,785 Ron in costs of the appeal proceedings. Fondul Proprietatea S.A. filed an appeal.

By **Decision no. 814/01.07.2021** Prahova Tribunal admits the request for correction of the material error made by the claimant. It corrects the material error went unnoticed into paragraph 3 of the operative part of sentence no. 633/02.06.2021 pronounced by the Prahova Tribunal, in the sense that it is written: "It obliges the defendant CONPET S.A. to pay to the claimant the amounts of 734,747.04 RON representing the main debit, of 579,015.97 RON, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends as of 09.11.2018 until the actual payment of the main debit." It admits the request for completion of the decision made by the claimant. It orders the completion of the civil sentence no. 633/02.06.2021 in the sense that it also provides: it reduces the fee of the claimant's lawyer to 70,000 RON. It obliges the defendant Conpet S.A. to pay the claimant the following legal expenses: 20,347.63 RON representing judicial stamp duty, 4,300 RON expert fee, 8,481.87 RON expert fee, 70 RON lawyer's fee and 1,125 RON other expenses. It obliges the summoned in guarantee the Romanian State to pay to the defendant Conpet S.A. legal expenses in the amount of 16,943 RON. The decision was appealed by Conpet S.A.

By **Decision no. 245/08.12.2022** Ploiești Court of Appeal upholds the plea of inadmissibility of the appeal raised of its own motion. Dismisses the appeal as inadmissible. Final judgement.

By **Decision no. 109/29.03.2023**, the Ploiești Court of Appeal admits the appeal. It changes the entire sentence. It accepts the exception of the extinguitive limitation of the right of action and dismisses the claim as a result of the extinguitive limitation period. Rejects the warranty claim. It obliges the claimant to pay the defendant 16,943 RON in legal expenses incurred at the trial in the first instance. Orders the respondent-applicant to pay to the appellant-defendant 17,785 Ron in costs of the appeal proceedings.

Fondul Proprietatea S.A. filed an appeal.

On 22.11.2023, the H.C.C.J. ordered the communication to the parties of the report on the admissibility in principle of the appeal, with the mention that the parties have the right to submit their point of view to the report within 10 days of service.

By the Conclusion dated 14.02.2024, the High Court of Cassation and Justice basically admits the appeal declared by the claimant- First court S.A. against the decision no. 109/ November 23<sup>rd</sup>, 2017 issued by the Timișoara Court of Appeal – Second Civil Section. It establishes a term for judging the appeal.

**Deadline:** 17.04.2024

***d) Litigations brought before the administrative court***

CONPET S.A. has 5 litigations pending before courts, respectively:

**1. Case File no. 5971/2/2022 – Bucuresti Court of Appeal – pending**

**Procedural status: First court on merits**

**Parties:** OMV Petrom SA - claimant

NAMR - defendant

CONPET S.A. – defendant

**Object:** The court is requested, by the judgment that will be pronounced, to order:

1. Having regard to Order No. 229/2021:

1.1. Cancellation in part of article 1 of Order 229/2021 regarding the tariffs set out in Annex 1 and Annex 3 and, accordingly, of Annexes 1 and 3 of Order 229/2021; and, as a consequence,

1.2. Ordering NAMR to issue a new order for the approval of the transport tariffs through the National Transport System of crude oil, rich gas, condensate and ethane for 2022, which would include tariffs modified accordingly in terms of domestic tariffs (Annex 1) and import tariffs for refineries in the Ploiești Basin (Annex 3), as a result of the recalculation of the tariffs included in Order No. 229/2021 in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of primary and secondary petroleum and competition law, as set out in the present application for summons;

2. With regard to Order No. 53/2008, the annulment in part of art. 3-8 of the Annex to Order no. 53/2008, as well as the obligation of NAMR. issue a new order which should properly supplement Order no. 53/2008, by reference to the following:

2.1. the method of determining in the Methodology the operating cost lacking transparency and clarity, with regard to (i) its components, the structure of each of these elements, not specifically foreseen, together with (ii) the algorithm for calculating the operating cost by reference to these elements and (iii) by taking into account only those elements which constitute, by their nature, operating costs, so that these secondary normative provisions are aligned with the requirements of Art. 20 of the Petroleum Law;

2.2. the algorithm for determining the modernization rate which does not provide in a specific, clear and transparent manner (i) the actual percentage of the modernization rate, (ii) the basis on which it applies, (iii) the concrete investments for which the modernization quota will be paid by the beneficiaries of the transport system, (iv) how to manage the surplus amounts received as a modernization quota and not used by the end of the financial year, which have been collected for the realization of investments, by taking these amounts into account in the calculation of the modernization quota to be paid by the beneficiaries in the following year, by reference to the investments envisaged therein and such amounts available for investments carried over from previous years, as well as (v) the management of bank interests received by the holder of the concession agreement as a result of the deposit of amounts received as a modernization quota and not used by the latter, for the purpose of using interest rates for the same purpose and taking into account these amounts in the calculation of the modernization quota that beneficiaries have to pay in the following year with this title, so that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.3. the algorithm not resulting in a specific, clear and transparent manner (i) how to determine the level of the profit rate considered to be reasonable, or (ii) a profitability range whose lower and upper limits are established on the basis of comparative studies, by reference to the practice of other comparable European transport operators in this field, as well as (iii) specific requirements for transparent justification by CONPET of studies substantiating any increases in profitability considered in the setting of transport tariffs such that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.4. the pricing schemes that are not currently focused on similar criteria and calculations for the two subsystems regulated thereby (i.e. domestic and import) to meet the requirements of ensuring equal treatment among the beneficiaries of the public transport service for the two types of subsystems, so that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.5. the procedural elements ensuring in a clear, transparent and efficient manner the right of CONPET clients to express their point of view on the proposed tariffs advanced for approval by CONPET, on the basis of specific documentation made available thereto, respectively to the requests for revision/update of the tariffs transmitted by CONPET to NAMR and the related documentation, as well as to receive a reasoned response from the NAMR on the points of view formulated whether they are not taken into account in whole or in part by the NAMR, in such a way that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law and the transparency requirements applicable to the adoption of normative acts in compliance with the general European and national principle of good administration.

3. Order the respondent to pay the court costs.

Following the notification of the summons, but before the first hearing (17.01.2023), OMV Petrom amended the summons request regarding the first petition of the application, requesting the court to order:

1. Having regard to Order No. 229/2021:

Partial annulment of Art. 1 of Order 229/2021 regarding the tariffs established in Annex 1 and Annex 3 and, correspondingly, of Annexes 1 and 3 of Order 229/2021 regarding the tariffs for the COUNTRY subsystem and the IMPORT subsystem, within the limit of the amount of the tariffs that will be established as legal as a result of their recalculation in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of the primary and secondary petroleum and competition legislation, as they are submitted through this summons.

2. Regarding Order no. 53/2008: partial cancellation of art. 3-8 of the Annex to Order no. 53/2008, as well as the obligation of N.A.M.R. upon issuing a new order to properly complete Order no. 53/2008, by reference to the following:

2.1. the method of determining in the Methodology the operating cost lacking transparency and clarity, with regard to (i) its components, the structure of each of these elements, not specifically foreseen, together with (ii) the algorithm for calculating the operating cost by reference to these elements and (iii) by taking into account only those elements which constitute, by their nature, operating costs, so that these secondary normative provisions are aligned with the requirements of Art. 20 of the Petroleum Law;

2.2. the algorithm for determining the modernization rate which does not provide in a specific, clear and transparent manner (i) the actual percentage of the modernization rate, (ii) the basis on which it applies, (iii) the concrete investments for which the modernization quota will be paid by the beneficiaries of the transport system, (iv) how to manage the surplus amounts received as a modernization quota and not used by the end of the financial year, which have been collected for the realization of investments, by taking these amounts into account in the calculation of the modernization quota to be paid by the beneficiaries in the following year, by reference to the investments envisaged therein and such amounts available for investments carried over from previous years, as well as (v) the management of bank interests received by the holder of the concession agreement as a result of the deposit of amounts received as a modernization quota and not used by the latter, for the purpose of using interest rates for the same purpose and taking into account these amounts in the calculation of the modernization quota that beneficiaries have to pay in the following year with this title, so that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.3. the algorithm not resulting in a specific, clear and transparent manner (i) how to determine the level of the profit rate considered to be reasonable, or (ii) a profitability range

whose lower and upper limits are established on the basis of comparative studies, by reference to the practice of other comparable European transport operators in this field, as well as (iii) specific requirements for transparent justification by CONPET of studies substantiating any increases in profitability considered in the setting of transport tariffs such that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.4. the pricing schemes that are not currently focused on similar criteria and calculations for the two subsystems regulated thereby (i.e. domestic and import) to meet the requirements of ensuring equal treatment among the beneficiaries of the public transport service for the two types of subsystems, so that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law;

2.5. the procedural elements ensuring in a clear, transparent and efficient manner the right of CONPET clients to express their point of view on the proposed tariffs advanced for approval by CONPET, on the basis of specific documentation made available thereto, respectively to the requests for revision/update of the tariffs transmitted by CONPET to NAMR and the related documentation, as well as to receive a reasoned response from the NAMR on the points of view formulated whether they are not taken into account in whole or in part by the NAMR, in such a way that these secondary normative provisions be aligned with the requirements of Article 20 of the Petroleum Law and the transparency requirements applicable to the adoption of normative acts in compliance with the general European and national principle of good administration.

3. Order the respondent to pay the court costs.

**Deadline:** 09.04.2024

## **2. Case File no. 7035/2/2022 – Bucuresti Court of Appeal – pending**

**Procedural status: Merits - suspended.**

**Parties:** OMV Petrom SA - claimant

NAMR - defendant

CONPET S.A. – defendant

**Object:** The court is requested, by the judgment that will be pronounced, to order:

1. Partial annulment of the art. 3 of Additional Act no. 2 regarding the tariffs on the COUNTRY subsystem and the IMPORT subsystem charged for the transport services provided by Conpet and established by the Order no. 229/2021, within the limit of the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R.;

2. Partial annulment of the art. 1 and 4 of Additional Act no. 2, 6 and 9, respectively of art. 1 and 3 of Additional Acts 3, 4, 5, 7 and 8 by which the duration of the Transport Contract was extended for the period 01.01.2022 - 31.08.2022 with the application of the new tariffs approved by the Order 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R. and, as a consequence,

3. The obligation of CONPET to pay to the Company, as compensation as a result of the partial cancellation of the Additional Acts, but also its illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no. 229/2021 and then upon their payment by the Company based on the Additional Acts, of the amounts representing:

(i) the difference between the amount of the tariffs provided for in the Additional Act no. 2 to the transport contract, concluded as a result of the new tariffs adopted by the Order

229/2021, paid by the Company in the period 01.01.2022 – 31.08.2022 as a result of the extension of the contractual period through the Additional Acts and the amount of the tariffs that will be established as legal in the result of the administrative litigation proceedings carried out by the Company regarding them with N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference;

(ii) the difference between the amount of tariffs paid by the Company for the transport of crude oil, through the domestic subsystem, from the Midia Terminal, and the amount of the tariffs set proportionally, by reference to the domestic and import tariffs depending on the subsystem actually used for the transport of marine crude oil, updated in depending on the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the domestic subsystem was illegally calculated and paid:

- 13,905 tons from Art. 2 letter a) from Addendum no. 4 for March 2022;
- 13,171 tons from Art. 2 letter a) from Addendum no. 5 for April 2022;
- 13,307 tons from Art. 2 letter a) from Addendum no. 6 for May 2022;
- 12,633 tons from Art. 2 letter a) from Addendum no. 7 for June 2022;
- 12,072 tons from Art. 2 letter a) from Addendum no. 8 for July 2022;
- 12,900 tons from Art. 2 letter a) from Addendum no. 9 for August 2022;

(iii) any other amounts representing civil fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

#### 4. Obligation to pay legal expenses.

The claimant OMV PETROM filed a request to change the heads of request no. 2 and 3 of the petition of the introductory action in the sense that, in addition to Addenda no. 2 – 9, the Company understands to challenge through this action the last 4 additional documents on the basis of which transport services were provided by Conpet between September and December 2022 for the benefit of the company, as follows:

- Addendum no. 10/23.08.2023;
- Addendum no. 11/22.09.2022;
- Addendum no. 12/31.10.2022;
- Addendum no. 13/22.11.2022.

Therefore, considering the request to modify the preliminary action, the claimant OMV Petrom requests the court to order, through the judgment that will be ruled:

1. Partial annulment of Art. 3 of Addendum no. 2 regarding the tariffs on the domestic subsystem and the import subsystem charged for the transport services provided by Conpet and established by Order no. 229/2021, within the limit of the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R.;

2. Partial annulment of Art. 1 and 4 of Addendum no. 2, 6, 9 and 12 respectively of Art. 1 and 3 of Additional Acts 3, 4, 5, 7, 8, 10, 11 and 13 by which the duration of the Transport contract was extended for the period 01.01.2022 - 31.12.2022 with the application of the new tariffs approved by Order no. 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R. and consequently;

3. The obligation of CONPET to pay the Company, in the form of compensation as a result of the partial cancellation of Addenda no. 2 -13, but also of her illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on

the Order no. 229/2021 and then upon their payment by the Company based on the Addenda, of the amounts representing:

(i) the difference between the amount of the tariffs provided for in Addendum no. 2 to the transport contract, concluded as a result of the new tariffs adopted by Order no. 229/2021, paid by the Company in the period 01.01.2022 - 31.12.2022 as a result of the extension of the contractual period through the Additional Acts and the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with the N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference;

(ii) the difference between the amount of the tariffs paid by the Company for the transport of crude oil, through the domestic subsystem, from the Midia Terminal, and the amount of the tariffs established proportionally, by reference to the tariffs of domestic and import according to the subsystem actually used for the transport of marine crude oil, updated in depending on the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid:

- 13,905 tons from Art. 2 letter a) from Addendum no. 4 for March 2022;
- 13,171 tons from Art. 2 letter a) from Addendum no. 5 for April 2022;
- 13,307 tons from Art. 2 letter a) from Addendum no. 6 for May 2022;
- 12,633 tons from Art. 2 letter a) from Addendum no. 7 for June 2022;
- 12,072 tons from Art. 2 letter a) from Addendum no. 8 for July 2022;
- 12,900 tons from Art. 2 letter a) from Addendum no. 9 for August 2022;
- 12,213 tons from Art. 2 letter a) from Addendum no. 10 for September 2022;
- 12,411 tons from Art. 2 letter a) from Addendum no. 11 for October 2022;
- 11,836 tons from Art. 2 letter a) from Addendum no. 12 for November 2022;
- 12,048 tons from Art. 2 letter a) from Addendum no. 13 for December 2022.

(iii) any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

#### 4. Obligation to pay legal expenses.

**Clarifications:** By **Conclusion dated 24.05.2023**, the Court of Appeal of Bucharest rejects the application for revocation of the claimant from submitting the request to amend the heads of claims 2 and 3 of the request for summons as ungrounded. Based on Art. 413 Para. 1 Item 1 of the Code of Civil Procedure, it orders the suspension of the trial of the case until the final resolution of the case that is the subject of file no. 5971/2/2022 of the Bucharest Court of Appeal, Section IX of Administrative and Fiscal Litigation. With the right of appeal for the duration of the suspension.

**Deadline:** --

### 3. Case File no. 4988/2/2023 – Bucuresti Court of Appeal – pending

**Procedural status:** Merits - suspended

**Parties:** OMV Petrom SA - claimant

NAMR - defendant

CONPET S.A. – defendant

**Object:** The court is requested, by the judgment that will be pronounced, to order:

1. 1. The partial annulment of art. 1 and art. 3 of the Addenda no. 10, no. 11 and no. 13, respectively of art. 1 and 4 of the Addendum no. 12, by which the duration of the transport contract was extended for the period 01.09.2022 - 31.12.2022 with the application of the new

tariffs approved by the Order 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding tariffs with N.A.M.R. and, as a consequence,

2. The obligation of CONPET to pay the Company, in the form of compensation as a result of the partial cancellation of Addenda no. 10 -13, but also of her illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no. 229/2021 and then upon their payment by the Company based on the Addenda, of the amounts representing:

(i) the difference between the amount of the tariffs provided for in Addendum no. 2 to the transport contract, concluded as a result of the new tariffs adopted by Order no. 229/2021, paid by the Company in the period 01.09.2022 - 31.12.2022 as a result of the extension of the contractual period through the Addenda and the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with the N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference;

(ii) the difference between the amount of the tariffs paid by the Company for the transport of crude oil, through the domestic subsystem, from the Midia Terminal, and the amount of the tariffs established proportionally, by reference to the tariffs of domestic and import according to the subsystem actually used for the transport of marine crude oil, updated in depending on the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid:

-12,213 tons from Art. 2 letter a) from Addendum no.10 for September 2022;

-12,411 tons from Art. 2 letter a) from Addendum no.11 for October 2022;

-11,836 tons from Art. 2 letter a) from Addendum no.12 for November 2022;

-12,048 tons from Art. 2 letter a) from Addendum no.13 for December 2022.

iii. any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

3. To rule the obligation of the defendant to pay the court costs.

**Clarifications:** At the deadline of 15.11.2023, the Bucharest Court of Appeal orders the suspension of the trial of the present case until the final settlement of the case that is the subject of file no. 7035/2/2022 of the Bucharest Court of Appeal. With the right of appeal for the duration of the suspension.

**Deadline:** --

#### **4. Case File no. 5559/2/2023 – Bucuresti Court of Appeal – pending**

**Procedural status:** First court on merits

**Parties:** OMV Petrom SA - claimant

NAMR - defendant

CONPET S.A. - defendant

**Object:** The court is requested, by the judgment that will be pronounced, to order:

1. Partial annulment of Art. 1 of Order 364/2022 regarding the tariffs established in Annex 1 and Annex 3 and, correspondingly, of Annexes 1 and 3 of Order 364/2022 regarding the tariffs for the COUNTRY subsystem and the IMPORT subsystem, within the limit of the amount of the tariffs that will be established as legal as a result of their recalculation in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of the primary and secondary petroleum and competition legislation, as they are submitted through this summons.

2. To rule the obligation of the defendant to pay the court costs.

**Deadline:** 18.04.2024

## **5. Case File no. 8213/2/2023 – Bucuresti Court of Appeal – pending**

**Procedural status: First court on merits**

**Parties:** CONPET S.A. – defendant

NAMR - defendant

OMV Petrom SA - claimant

**Object:** The court is requested, by the judgment that will be pronounced, to order:

1. The partial annulment of Art. 1 and Art. 3 of Addendum no. 14, of Art. 1 and 4 of the Addenda no. 15, no. 16, no. 17, respectively of Art. 1 and 5 of the Addendum no. 18 by which the duration of the Transport Contract was successively extended for the period 01.01.2023 - 31.12.2023, with the application of the new tariffs mentioned in the Notification no. 811/06, 01.2023 sent by Conpet regarding the change in transport tariffs through the National System for the Transport of Crude Oil, Rich Gas, Condensate and Ethane ("SNT") starting from January 1<sup>st</sup>, 2023, based on the Order 364/2022 (Annex 4), within the limit of the amount of the tariffs that will be established as legal as a result of the administration of evidence from this case;

2. The partial annulment of Art. 2 of the Addenda no. 14-18 in the sense of:

i. the elimination of the quantities of 5-417 tons mentioned in the content of Art. 2 letter a) from the Addendum no. 14 for the period January 1<sup>st</sup>-15<sup>th</sup>, 2023 that were transported from the Midia Terminal from the quantities transported through the domestic subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the import subsystem;

ii. the elimination of the quantities of 15,061 tons mentioned in the content of Art. 2 letter a) from the Addendum no. 15 for the period January 16<sup>th</sup> - February 28<sup>th</sup>, 2023 that were transported from the Midia Terminal from the quantities transported through the domestic subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the import subsystem;

iii. the elimination of the quantities of 40,859 tons mentioned in the content of Art. 2 letter a) from the Addendum no.16 for the period March 1<sup>st</sup>- June 30<sup>th</sup>, 2023 that were transported from the Midia Terminal from the quantities transported through the domestic subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the import subsystem;

iv. the elimination of the quantities of 28,811 tons mentioned in the content of Art. 2 letter a) from the Addendum no. 17 for the period July 1<sup>st</sup>- September 30<sup>th</sup>, 2023 that were transported from the Midia Terminal from the quantities transported through the domestic subsystem and inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the import subsystem;

v. the elimination of the quantities of 28,898 tons mentioned in the contents of Art. 2 letter a) from the Addendum no.18 for the period October 1<sup>st</sup> - December 31<sup>st</sup>, 2023 that were transported from the Midia Terminal from the quantities transported through the domestic subsystem and inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the import subsystem;

3. The obligation of CONPET to pay to the Company, as compensation as a result of the partial cancellation of the Additional Acts, but also its illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no.

364/2022 and then upon their payment by the Company based on the Additional Acts, of the amounts representing:

(i) the difference between the amount of the tariffs provided for in Addendum no. 14 - 18 to the transport contract, concluded as a result of the new tariffs adopted by Order no. 364/2022, paid by the Company in the period 01.01.2023 - 31.12.2023 and the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with N.A.M.R., updated according to the inflation index, as and the related legal interest calculated from the date of payment of the tariff difference;

(ii) the difference between the amount of tariffs paid by the Company for the transport of crude oil, through the domestic subsystem, from the Midia Terminal, and the amount of the tariffs set proportionally, by reference to the domestic and import tariffs according to the subsystem actually used for the transport of marine crude oil, updated according to the index of inflation, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the domestic subsystem was illegally calculated and paid:

- 5417 tons from Art. 2 letter a) from Addendum no.13 for January 01 - 15, 2023;
- 15,061 tons from Art. 2 letter a) from Addendum no.15 for January16<sup>th</sup> - February 28<sup>th</sup>, 2023;
- 40,859 tons from Art. 2 letter a) from Addendum no.16 for March 01<sup>st</sup> - June 30<sup>th</sup>, 2023;
- 28,811 tons from Art. 2 letter a) from Addendum no.13 for July 01<sup>st</sup> - September 30<sup>th</sup>, 2023;
- 28,898 tons from Art. 2 letter a) from Addendum no.18 for October 1<sup>st</sup> - December 31<sup>st</sup>, 2023;

iii. any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

4. To rule the obligation of the defendant to pay the court costs.

**Deadline:** --

### **Other aspects on the company's tangible assets**

#### **State of the lands not included in the share capital**

Currently, all the lands owned by CONPET S.A. are registered in the Integrated Cadastre System and the Land Registry.

On 31.12.2023 Conpet has registered in the patrimony of the company lands in surface of 733,677 sq.m with a fair amount of 29,999,240 Ron, held based on Land Ownership Certificates and sale-purchase contracts.

The company augmented its share capital only by a part of the land held under land ownership certificates (Ro. CADP), not being included in the share capital lands in surface of 554,537.61 sq.m (554,181 sq.m according to the latest land register update documents), which are contained in 48 CADP. The Ownership certificates for these lands have been issued between 2001-2005 and the value evaluated at the time of issuing the certificates, established according to GD no. 834/1991 is of 26,708,233 RON. These lands have been recorded in the company's patrimony at the expense of equity. The fair value of these lands on 31.12.2023, according to the report prepared by an A.N.E.V.A.R. authorized appraiser, is 16,293,210 RON. The Board of Directors has undertaken all steps in view of augmentation of the share capital by the value of land held based on the land ownership certificates.

Thus, based on the land appraisal reports, in compliance with the provisions of Art. 6 Para (3) of GD no.834/1991 subsequent amendments and completions, drafted by expert appraisers, the Board of Directors has summoned the Extraordinary General Meeting of Shareholders, on 19.05.2016, in first call, namely 20.05.2016, in second call. At both EGMS meetings the quorum has not been met.

Although there have been convened two general meetings of shareholders, the Board of Directors has summoned a new EGMS for 05.07.2016, with the same Agenda. Following the cast vote by the shareholders present and represented, the proposal to augment the share capital has not been approved, due to the lack of necessary quorum for approval votes.

Subsequently, there have been undertaken all necessary steps for the augmentation of the share capital, and on 26.03.2019, the EGMS has approved the initiation of the procedure for the augmentation of the share capital and the appointment by the Trade Register Office Prahova of an expert authorized to assess the lands brought as contribution to the share capital.

Based on the new appraisal report has been convened the EGMS, on 04.07.2019 in first call and 05.07.2019 in second call, with the Agenda - Approval of the augmentation of the share capital by maximum value of 101,763,954.60 RON, representing contribution in kind (lands) in amount of 59,751,935.10 RON and cash amounting to maximum 42,012,019.50 RON, from the current value of 28,569,842.40 RON at the value of maximum 130,333,797 RON, by issuing a number of maximum 30,837,562 new, nominative, dematerialized shares, at a price of 3.3 RON/share, equal to the nominal value, without share premium.

In both EGMS meetings has not been met the attendance quorum provided by the law, needed for the augmentation of the share capital with contribution in kind.

On 24.09.2020, the EGMS issued Resolution no. 1, by which it approved the initiation of the operation to augment the share capital by the value of the lands held based on the 48 ownership certificates and the initiation of formalities to the N.R.C. with a view to appoint an authorized assessor for the valuation of the lands.

In order to comply with the EGMS Resolution, between September and December 2020, three requests were made to the Prahova Trade Register Office for the appointment of an assessor to draw up the land appraisal report in accordance with Art. 6, Para. 3 of GD no. 834/1991.

In March 2021, by Resolution no. 1 dated 10.03.2021 and Resolution no. 2 dated 11.03.2021, the EGMS did not approve the augmentation of the share capital by the value of the lands not included, as during the two meetings the attendance quorum provided by law (85%) was not met.

On 28.04.2022, the EGMS issued Resolution no.1, by which it approved the initiation of the operation to augment the share capital by the value of the lands held based on the 48 ownership certificates and the initiation of formalities to the O.R.C. Prahova in order to appoint an authorized evaluator for land valuation.

In May 2022, two requests were made to the O.R.C. Prahova for the appointment of an assessor to draw up the land evaluation report in accordance with Art. 6, Para. 3 of GD no. 834/1991.

Based on the evaluation report, prepared by the evaluator appointed by O.R.C. Prahova, Nitu Cornel, ANEVAR member with card no. 14579, by Resolution nr. 2 dated 20.09.2022 and Resolution no. 3 dated 21.09.2022, the EGMS of Conpet did not approve the augmentation of the share capital by the value of the unincluded land plots, as, at the two meetings, the quorum of attendance provided for by the law was not met (85%).

To date, the share capital has not been increased by the value of the not included land plots.

In 2023, has been adopted GEO no. 26/20 April 2023 for amending and supplementing Art. 12 of Law nr. 137/2002 on some measures to accelerate privatization, which brought a new provision regarding the value by which the share capital is increased with the lands for which CADP was obtained in the sense that "the increase of the share capital provided for in para. (4^1) with the contribution in kind of the state or of an administrative-territorial unit, as the case may be, representing the lands for which certificates attesting the ownership right have been obtained, shall be made at the fair value (subl.ns) determined no later than 90 days before the date of convening the extraordinary general meeting of shareholders for the approval of the share capital increase."

However, for the maintenance in force of the provisions of Article 6 Para. 3 of GD no. 834/1991, the issue of the value by which the share capital is augmented requires clarifications, which leads to delays in convening again the General Meeting of Shareholders in order to increase the share capital.

In order to clarify this issue, we addressed the Ministry of Energy, the guardianship authority, in order to indicate the criterion for determining the value of land, respectively the one regulated by Art. 6 of GD no. 834/1991 (by updating with the inflation index) or the one regulated by Art.12 of Law no. 137/2002 (by fair value measurement), as amended by GD no. 26/2023.

### **State of the Real Estate Registration of lands and buildings belonging to CONPET**

Currently, all the lands owned by CONPET S.A. are registered in the Integrated Cadastre System and the Land Registry.

Out of the total of 190 tabulable constructions, 178 were tabulated, the untabulated buildings are in the following situation:

- 10 buildings are under analysis to solve the issues in view of tabulation;
- for 2 buildings, steps have not yet been taken for tabulation, because one building is in litigation before the court, and the other cannot be tabulated because Conpet does not hold a lease/concession agreement for the land related to the construction, the land being in the private property of the City Hall of Ploiesti.

### **4.3 Analysis of the Financial Activity**

The financial information presented in this report is taken from financial statements for the

period ended December 31<sup>st</sup>, 2023, prepared in accordance with Order of the Minister of Public Finances no. 2844/2016, audited.

#### 4.3.1 Statement of the Financial Standing

Indicators (thousand RON)	2023	2022	2021	Variation%				
				2023/2022	2022/2021			
<b>ASSETS</b>								
<b>Intangible assets</b>								
Tangible assets	670,831	607,025	512,823	▲ 10.5%	▲ 18.4%			
Intangible assets	5,559	6,855	6,942	▼ 18.9%	▼ 1.3%			
Financial Assets	2,523	2,537	411	▼ 0.6%	▲ 517.3%			
Deferred corporate tax receivables	-	6,153	4,637	-	▲ 32.7%			
<b>Total non-current assets</b>	<b>678,913</b>	<b>622,570</b>	<b>524,813</b>	<b>▲ 9.1%</b>	<b>▲ 18.6%</b>			
<b>Current assets</b>								
Inventories	6,520	6,867	5,312	▼ 5.1%	▲ 29.3%			
Trade receivables and other receivables	52,981	49,187	48,922	▲ 7.7%	▲ 0.5%			
Cash and cash equivalents	107,742	127,673	191,751	▼ 15.6%	▼ 33.4%			
Prepaid expenses	698	1,252	624	▼ 44.3%	▲ 100.6%			
<b>Total current assets</b>	<b>167,941</b>	<b>184,979</b>	<b>246,609</b>	<b>▼ 9.2%</b>	<b>▼ 25.0%</b>			
<b>TOTAL ASSETS</b>	<b>846,854</b>	<b>807,549</b>	<b>771,422</b>	<b>▲4.9%</b>	<b>▲4.7%</b>			
<b>EQUITY AND LIABILITIES</b>								
<b>Equities</b>								
Subscribed and paid-up share capital	28,570	28,570	28,570	-	-			
Legal reserves	5,714	5,714	5,714	-	-			
Revaluation reserves	49,838	17,101	18,360	▲ 191.4%	▼ 6.9%			
Other reserves	547,585	533,898	517,047	▲ 2.6%	▲ 3.3%			
Retained Earnings	36,971	37,149	46,289	▼ 0.5%	▼ 19.8%			
Result of the year	61,617	61,664	51,929	▼ 0.1%	▲ 18.8%			
<b>Total equity</b>	<b>730,295</b>	<b>684,096</b>	<b>667,909</b>	<b>▲ 6.8%</b>	<b>▲ 2.4%</b>			
<b>Long-term liabilities</b>								
Long-term trade liabilities	-	-	1,288	-	-			
Liabilities to employees	25,765	23,069	16,629	▲ 11.7%	▲ 38.7%			
Other long-term liabilities	2,793	2,749	3,458	▲ 1.6%	▼ 20.5%			
Deferred tax liabilities	901	-	-	-	-			
<b>Total long-term liabilities</b>	<b>29,459</b>	<b>25,818</b>	<b>21,375</b>	<b>▲ 14.1%</b>	<b>▲ 20.8%</b>			
<b>Current liabilities</b>								
Trade liabilities	33,092	43,915	32,148	▼ 24.6%	▲ 36.6%			
Current Corporate Tax	1,808	1,997	2,049	▼ 9.5%	▼ 2.5%			
Other liabilities	28,764	27,569	27,106	▲ 4.3%	▲ 1.7%			
Debts to employees	14,143	14,364	12,066	▼ 1.5%	▲ 19.0%			
Short-term provisions	9,293	9,790	8,769	▼ 5.1%	▲ 11.6%			
<b>Total current liabilities</b>	<b>87,100</b>	<b>97,635</b>	<b>82,138</b>	<b>▼10.8%</b>	<b>▲ 18.9%</b>			
<b>Total liabilities</b>	<b>116,559</b>	<b>123,453</b>	<b>103,513</b>	<b>▼5.6%</b>	<b>▲ 19.3%</b>			
<b>TOTAL EQUITIES AND LIABILITIES</b>	<b>846,854</b>	<b>807,549</b>	<b>771,422</b>	<b>▲4.9%</b>	<b>▲4.7%</b>			

Table 15-Company's Statement of the financial standing during 2021-2023

**The total assets** of the company register 4.9% increase (39,305 thousand RON) compared to December 31<sup>st</sup>, 2022, mainly due to the increase in fixed assets.

**The fixed assets** registered an increase of 9.1% compared to December 31<sup>st</sup>, 2022, generated by inputs of fixed assets representing mainly investments in the N.T.S. whose value is higher than the value of depreciations (amortization) recorded in 2023, on the one hand, and on the other hand by increases resulting from the assessment of assets representing lands, buildings and special constructions, belonging to the company's patrimony (approximately 45,871 kRON).

**The current assets** decreased by 9.2% (17,038 thousand RON), from 184,979 thousand RON on 31.12.2022 to 167,941 thousand RON on 31.12.2023, due to the decrease in cash. In their structure, the evolution of the main elements is different, receivables registering an increase of 7.7% (3,794 thousand RON), while cash availabilities decrease by 15.6% (19,931 thousand RON) from 127,673 thousand RON to 107,742 thousand RON. The cash from the modernization quota existing in bank accounts on 31.12.2023 was 32,041 thousand RON, 16,543 thousand RON less than on 31.12.2022 (48,584 thousand RON). The cash representing the modernization quota has a special use regime, provided by GD no. 168/1998, which is intended exclusively to finance the modernization and development of public domain assets.

**The equities** registered an increase of 6.8% (46,199 thousand RON) compared to December 31<sup>st</sup>, 2022, reaching 730,295 thousand RON, mainly driven by the increase in reserves from the modernization quota and reserves from the revaluation of fixed assets.

**Total liabilities** decreased by 6,894 thousand RON as of December 31<sup>st</sup>, 2023, compared to December 31<sup>st</sup>, 2022, due to a decrease in current liabilities.

**Long-term liabilities** register an increase of 3,641 thousand RON, compared to December 31<sup>st</sup>, 2022, as a result of the increase in debts to employees.

**The current liabilities**, in amount of 87,100 thousand RON, are decreasing by 10,535 thousand RON as compared to December 31<sup>st</sup>, 2022, mainly due to the decrease in liabilities to suppliers of fixed assets.

### Trade liabilities and other liabilities

On December 31<sup>st</sup>, 2023 and December 31<sup>st</sup>, 2022, trade liabilities and other liabilities shall be disclosed as follows:

Liabilities	December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2023	Maturity deadline for the balance on December 31 <sup>st</sup> , 2023		
			Under 1 year	1-5 years	Over 5 years
Trade liabilities	43,915	33,092	33,092	-	-
Liabilities to the employees	37,433	39,908	14,143	2,879	22,886

Current profit tax	1,997	1,808	1,808	-	-
Other liabilities	30,318	31,557	28,764	2,008	785
Deferred tax liability	-	901	-	901	-
Short-term provisions	9,790	9,293	9,293	-	-
<b>Total</b>	<b>123,453</b>	<b>116,559</b>	<b>87,100</b>	<b>5,788</b>	<b>23,671</b>

Table 16 - Status of the trade liabilities and other liabilities on December 31<sup>st</sup>, 2023 (kRON)

On 31.03.2023, the company Conpet S.A. did not register outstanding payments.

The trade liabilities related to the purchases of goods and services intended for operating activities have a weight of 62.3% in total commercial debts, and those representing purchases of fixed assets have a weight of 37.7%

The debts to employees, in balance on 31.12.2023, also include the future debts for the benefits granted to employees upon retirement or death, for the employees share of profit, for the untaken leaves of the employees, debts that are recognized as provisions.

*The statement of payroll contributions and other fiscal debt by maturity dates, shall be as follows:*

Debts	Maturity deadline for the balance on December 31 <sup>st</sup> , 2023				
	December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2023	Under 1 year	1-5 years	Over 5 years
Salaries contributions	6,373	6,222	6,222	-	-
Royalty due to the State	9,371	10,271	10,271	-	-
Budget					
Payable VAT	2,688	4,111	4,111	-	-
Other interests and debts -	1,202	1,221	1,221	-	-
Budget					
Payable Dividends	5,234	5,444	5,444	-	-
Leasing related liabilities	4,458	3,347	1,179	1,669	499
Accrued revenues	833	696	82	328	286
Other liabilities	159	245	234	11	-
<b>Total</b>	<b>30,318</b>	<b>31,557</b>	<b>28,764</b>	<b>2,008</b>	<b>785</b>

Table 17 - Status of payroll contributions and other fiscal liabilities on December 31<sup>st</sup>, 2023 (kRON)

On 31.12.2023, lease liabilities comprise recognized rights of use for leases and concessions of land, buildings and wagons.

The liabilities related to the rights of use recognized for the lease and concession contracts of some lands, buildings and wagons have been assessed at the value of rent fees/royalties along the remaining contractual period, updated with the credit rate for real estate loans.

*The statement of debts to employees by maturity reveals the following:*

Debts	December 31 <sup>st</sup> ,	December	Maturity deadline for the balance
	2022	31 <sup>st</sup> , 2023	on December 31 <sup>st</sup> , 2023

		<b>Under 1 year</b>	<b>Over 1 year</b>	<b>Over 5 years</b>
Salaries and assimilated debts	6,976	7,140	7,140	-
Liabilities for benefits granted on retirement	19,779	22,090	476	2,729
Liabilities for the benefits granted in case of death	3,891	4,156	5	150
Liabilities for the employees share of profit	6,387	6,003	6,003	-
Liabilities for untaken leaves	360	519	519	-
Debts for other benefits granted to the employees	40	-	-	-
<b>Total</b>	<b>37,433</b>	<b>39,908</b>	<b>14,143</b>	<b>2,879</b>
				<b>22,886</b>

Table 18 - Statement of the liabilities to the employees on December 31<sup>st</sup>, 2023 (kRON)

On December 31<sup>st</sup>, 2023, the Company mainly comprises at this chapter the salaries and assimilated debts, as well as future debts for benefits granted upon retirement or death and for the employees share of profit, recognized as provisions.

#### 4.3.2. The global result statement

The evolution of the main financial indicators of the profit and loss account and of other global result elements, during 2021-2023, is presented below:

<b>Indicator (thousand RON)</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>Variation%</b>	
				<b>2023/2022</b>	<b>2022/2021</b>
Revenues from contracts	485,114	472,233	412,787	▲ 2.7%	▲ 14.4%
Earnings from disposal of assets	612	5,402	4,915	▼ 88.7%	▲ 9.9%
Other revenues	55,208	44,425	40,684	▲ 24.3%	▲ 9.2%
<b>Total Operating Revenues</b>	<b>540,934</b>	<b>522,060</b>	<b>458,386</b>	<b>▲ 3.6%</b>	<b>▲ 13.9%</b>
Inventories Expenses	6,543	6,934	5,448	▼ 5.6%	▲ 27.3%
Expenses with energy and water	18,597	33,739	16,553	▼ 44.9 %	▲ 103.8%
Personnel expenses	194,395	180,923	168,219	▲ 7.5%	▲ 7.6%
Value adjustments of fixed assets, less adjustments related to rights of use resulted from lease contracts	61,485	53,075	51,939	▲ 15.9%	▲ 2.2%
Value adjustments on rights of use resulted from leasing contracts	2,051	1,987	1,673	▲ 3.2%	▲ 18.8%
Value adjustments on current assets	(239)	(767)	278	-	-
Expenses related to external services	126,936	114,242	109,776	▲ 11.1%	▲ 4.1%
Provisions-related adjustments	2,446	6,753	(4,144)	▼ 63.8%	-
Other expenses	62,357	62,405	50,907	▼ 0.1 %	▲ 22.6%
<b>Total Operating Expenses</b>	<b>474,571</b>	<b>459,291</b>	<b>400,649</b>	<b>▲ 3.3%</b>	<b>▲ 14.6%</b>
<b>Operating Profit</b>	<b>66,363</b>	<b>62,769</b>	<b>57,737</b>	<b>▲ 5.7%</b>	<b>▲ 8.7%</b>
<b>Financial Revenues</b>	<b>6,690</b>	<b>9,839</b>	<b>3,428</b>	<b>▼ 32.0%</b>	<b>▲ 187.1%</b>
Interest expenses related to leasing contracts	175	236	202	▼ 25.9%	▲ 16.8%
Other financial expenses	84	233	128	▼ 64.0%	▲ 82.0%
<b>Financial Expenses</b>	<b>259</b>	<b>469</b>	<b>330</b>	<b>▼ 44.8%</b>	<b>▲ 42.1%</b>

Indicator (thousand RON)	2023	2022	2021	Variation%	
				2023/2022	2022/2021
<b>Financial profit</b>	<b>6,431</b>	<b>9,370</b>	<b>3,098</b>	▼ 31.4%	▲ 202.5%
<b>Profit before income tax</b>	<b>72,794</b>	<b>72,139</b>	<b>60,835</b>	▲ 0.9%	▲ 18.6%
Expenses with current income tax	10,587	11,686	9,155	▼ 9.4%	▲ 27.6%
Expenses with (revenues coming from) deferred corporate tax	590	(1,211)	(249)	-	-
<b>PROFIT OF THE PERIOD</b>	<b>61,617</b>	<b>61,664</b>	<b>51,929</b>	▼ 0.1%	▲ 18.8%
Actuarial earnings (loss) benefits granted upon retirement and death	531	(1,599)	3,383	-	-
Surplus from revaluation of the tangible assets	35,055	-	-	-	-
<b>Total other global result elements that will not be subsequently reclassified as profit or loss</b>	<b>35,586</b>	<b>(1,599)</b>	<b>3,383</b>	-	-
Net increase of the modernization quota reserve	6,870	17,409	9,811	▼ 60.5%	▲ 77.4%
<b>Total other global result elements that will be subsequently reclassified as profit or loss</b>	<b>6,870</b>	<b>17,409</b>	<b>9,811</b>	▼ 60.5%	▲ 77.4%
<b>TOTAL OTHER ELEMENTS OF THE GLOBAL RESULT</b>	<b>42,456</b>	<b>15,810</b>	<b>13,194</b>	▲ 168.5%	▲ 19.8%
<b>TOTAL GLOBAL RESULT</b>	<b>104,073</b>	<b>77,474</b>	<b>65,123</b>	▲ 34.3%	▲ 19.0%
<b>Result per share</b>	<b>7.12</b>	<b>7.12</b>	<b>6.00</b>	-	▲ 18.7%

Table 19 - Statement of the global result during 2021 - 2023

The synthesis of the financial results, in evolution 2021-2023, is as follows:

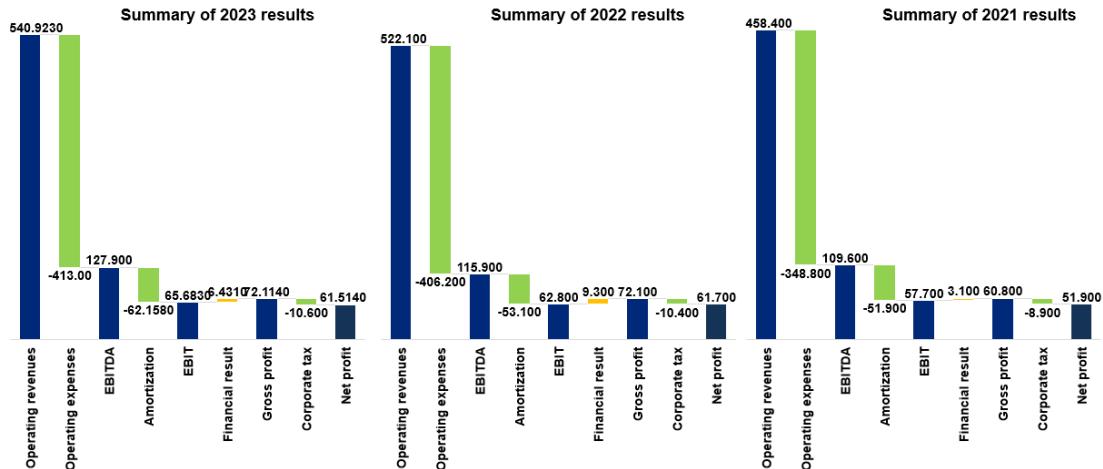


Chart 17 - Synthesis of the financial results during 2021-2023 (mRON)

### Operating Revenues

As compared to the approved budget and the previous period (2022 -2021), the total revenues of the operating activity and the transported volume in 2023 is as follows:

2023		Variation (%) Achieved/Budget 2023	Indicators	2023	2022	2021	Variation%	
Achieved	Budget						2023/2022	2022/2021
Transport services based on tariffs approved by NAMR order - Domestic Subsystem								
2,915	2,987	▼ 2.4%	thousand tons	2,915	3,046	3,234	▼ 4.3%	▼ 5.8%
343,752	352,318	▼ 2.4%	thousand ron	343,752	321,320	293,265	▲ 7.0%	▲ 9.6%
Transport services based on tariffs approved by NAMR order - Import Subsystem								
3,072	3,208	▼ 4.2%	thousand tons	3,072	3,944	3,351	▼ 22.1%	▲ 17.7%
130,096	133,811	▼ 2.8%	thousand ron	130,096	144,044	113,541	▼ 9.7%	▲ 26.9%
<b>Total quantities and revenues from transport services based on tariffs approved by NAMR order</b>								
<b>5,987</b>	<b>6,195</b>	<b>▼ 3.4%</b>	thousand tons	<b>5,987</b>	<b>6,990</b>	<b>6,585</b>	<b>▼ 14.4%</b>	<b>▲ 6.2%</b>
<b>473,848</b>	<b>486,129</b>	<b>▼ 2.5%</b>	thousand ron	<b>473,848</b>	<b>465,364</b>	<b>406,806</b>	<b>▲ 1.8%</b>	<b>▲ 14.4%</b>
Other types of operations related to the N.T.S.								
307	156	▲ 96.8%	thousand tons	307	110	66	▲ 179.1%	▲ 66.7%
9,025	4,044	▲ 123.2%	thousand ron	9,025	4,493	3,671	▲ 100.9%	▲ 22.4%
<b>Total general crude oil, rich gas and condensate transport activity</b>								
<b>6,294</b>	<b>6,351</b>	<b>▼ 0.9%</b>	thousand tons	<b>6,294</b>	<b>7,100</b>	<b>6,651</b>	<b>▼ 11.4%</b>	<b>▲ 6.8%</b>
<b>482,873</b>	<b>490,173</b>	<b>▼ 1.5%</b>	thousand ron	<b>482,873</b>	<b>469,857</b>	<b>410,477</b>	<b>▲ 2.8%</b>	<b>▲ 14.5%</b>
2,078	2,038	▲ 2.0%	Revenues from rents	2,078	1,966	1,633	▲ 5.7%	▲ 20.4%
163	573	▼ 71.6%	Other revenues	163	410	677	▼ 60.2%	▼ 39.4%
<b>485,114</b>	<b>492,784</b>	<b>▼ 1.6%</b>	<b>Turnover</b>	<b>485,114</b>	<b>472,233</b>	<b>412,787</b>	<b>▲ 2.7%</b>	<b>▲ 14.4%</b>
51,226	52,334	▼ 2.1%	Write-back to revenues of reserve established based on the expenses with the modernization quota	51,226	39,912	37,680	▲ 28.3%	▲ 5.9%
612	165	▲ 270.9%	Earnings from disposal of assets	612	5,402	4,915	▼ 88.7%	▲ 9.9%
3,982	1,702	▲ 134.0%	Other revenues	3,982	4,513	3,004	▼ 11.8%	▲ 50.2%
<b>55,820</b>	<b>54,201</b>	<b>▲ 3.0%</b>	<b>Other operating revenues</b>	<b>55,820</b>	<b>49,827</b>	<b>45,599</b>	<b>▲ 12.0%</b>	<b>▲ 9.3%</b>
<b>540,934</b>	<b>546,985</b>	<b>▼ 1.1%</b>	<b>Total operating revenues</b>	<b>540,934</b>	<b>522,060</b>	<b>458,386</b>	<b>▲ 3.6%</b>	<b>▲ 13.9%</b>

Table 20 - Operating income statement year 2023 compared to the Budget and compared to the period between 2021-2022

The revenues achieved from transport on subsystems in 2023, compared to the budget and the period 2021 - 2023, are as follows:

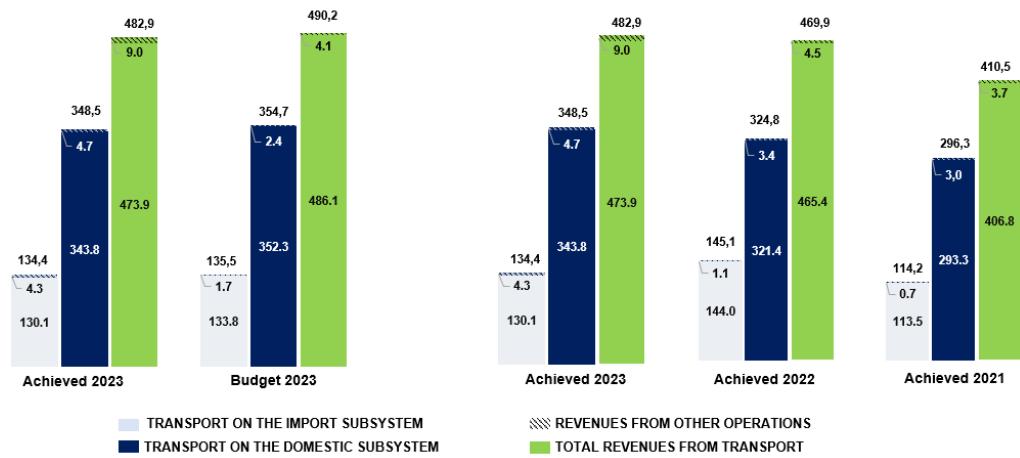


Chart 18 - The evolution of the revenues achieved from the transport on subsystems 2021 - 2023 vs. Budget 2023 (mRON)

The operating revenues recorded a decrease by 1.1% as compared to Budget. As compared to 2022 the increase in the operating revenues was 3.6% (18,874 thousand Ron).

The transport revenues hold a share of 99.5% in turnover, the difference of 2,241 thousand RON (0.5%) representing revenues from various activities such as: leases of lands and telecommunication equipment, rail shunting, etc.

Other operating revenues mainly include the revenues from the transfer of the reserve representing the modernization quota related to the depreciation of fixed assets financed from this quota recorded in expenditure in 2023. The revenues representing the modernization quota have registered an increase by 28.3% in 2023 as compared to the same period of 2022, due to depreciation related to commissioning in 2023.

## Operating Expenses

The operating expenses made in 2023, as compared to the last 2 years and the budget provisions, are as follows:

Achieved 2023	Budget 2023	Variation% Achieved/Budget 2022	Indicators (thousand RON)	2023	2022	2021	Variation%	
							2023/2022	2022/2021
6,543	7,407	▼ 11.7%	<b>Material expenses, out of which:</b>	6,543	6,934	5,448	▼ 5.6%	▲ 27.3%
3,489	3,937	▼ 11.4%	- expenses with consumables	3,489	3,629	2,981	▼ 3.9%	▲ 21.7%
2,102	2,400	▼ 12.4%	- fuel expenses	2,102	2,253	1,569	▼ 6.7%	▲ 43.6%
18,597	26,323	▼ 29.4%	<b>Other external expenses (with energy and water)</b>	18,597	33,739	16,553	▼ 44.9%	▲ 103.8%
194,395	194,952	▼ 0.3%	<b>Personnel expenses, out of which:</b>	194,395	180,923	168,219	▲ 7.5%	▲ 7.6%
155,825	155,993	▼ 0.1%	- salaries expenses	155,825	143,346	133,956	▲ 8.7%	▲ 7.1%
4,157	4,321	▼ 3.8%	- expenses related to insurances, social protection and other legal obligations	4,157	4,060	3,755	▲ 2.4%	▲ 8.1%

Achieved 2023	Budget 2023	Variation% Achieved/Budget 2022	Indicators (thousand RON)	2023	2022	2021	Variation%	
							2023/2022	2022/2021
34,413	34,638	▼ 0.6%	- other personnel expenses	34,413	33,517	30,508	▲ 2.7%	▲ 9.9%
<b>61,485</b>	<b>66,132</b>	<b>▼ 7.0 %</b>	Value adjustments of fixed assets, less adjustments related to rights of use resulted from lease contracts	<b>61,485</b>	<b>53,075</b>	<b>51,939</b>	<b>▲ 15.9%</b>	<b>▲ 2.2%</b>
<b>2,051</b>	<b>2,064</b>	<b>▼ 0.6%</b>	Value adjustments on rights of use resulted from leasing contracts	<b>2,051</b>	<b>1,987</b>	<b>1,673</b>	<b>▲ 3.2%</b>	<b>▲ 18.8%</b>
<b>126,936</b>	<b>133,324</b>	<b>▼ 4.8%</b>	<b>Expenses with external services, out of which:</b>	<b>126,936</b>	<b>114,242</b>	<b>109,776</b>	<b>▲ 11.1%</b>	<b>▲ 4.1%</b>
2,532	3,116	▼ 18.7%	- maintenance (maintenance, current repairs)	2,532	2,789	2,317	▼ 9.2%	▲ 20.4%
71,645	75,015	▼ 4.5%	- expenses with crude oil transport by rail	71,645	61,430	63,202	▲ 16.6%	▼ 2.8%
296	1,661	▼ 82.2%	- expenses with decontamination works	296	1,939	1,474	▼ 84.7%	▲ 31.5%
38,519	37,899	▲ 1.6%	- oil royalty	38,519	36,511	31,527	▲ 5.5%	▲ 15.8%
13,944	15,633	▼ 10.8%	- other services performed by third parties	13,944	11,573	11,256	▲ 20.5%	▲ 2.8%
(239)	(400)	-	<b>Value adjustments on the current assets</b>	(239)	(767)	<b>278</b>	-	-
<b>2,446</b>	<b>259</b>	<b>▲ 844.4%</b>	<b>Provisions adjustments</b>	<b>2,446</b>	<b>6,753</b>	<b>(4,144)</b>	<b>▼ 63.8 %</b>	-
<b>62,357</b>	<b>63,833</b>	<b>▼ 2.3%</b>	<b>Other operating expenses, out of which:</b>	<b>62,357</b>	<b>62,405</b>	<b>50,907</b>	<b>▼ 0.1%</b>	<b>▲ 22.6%</b>
58,084	59,214	▼ 1.9%	- modernization quota expenses	58,084	57,321	47,490	▲ 1.3%	▲ 20.7%
<b>474,571</b>	<b>493,894</b>	<b>▼ 3.9%</b>	<b>Total operating expenses</b>	<b>474,571</b>	<b>459,291</b>	<b>400,649</b>	<b>▲ 3.3%</b>	<b>▲ 14.6%</b>

Table 21 - Operating expenses statement year 2023 compared to the Budget and compared to the period between 2021-2022

The operating expenses achieved in 2023 increased by 3.3% as compared to 2022, from 459,291 thousand RON to 474,571 thousand RON. The increase in operating expenses was mainly driven by higher personnel expenses, expenses for crude oil transport by rail, value adjustments on fixed assets (depreciation), oil royalty and modernization quota expenses.

As compared to the approved budget, in 2023 were registered savings for the following types of expenses: electricity and gas (7,726 thousand Ron), value adjustments on assets (depreciation) 4,660 thousand Ron, decontamination works (1,365 thousand Ron), maintenance expenses (584 thousand Ron), material expenses (864 thousand Ron), personnel expenses (557 thousand Ron).

Statement of the personnel expenses achieved in 2021 - 2023, is as follows:

Indicators (thousand RON)		2023	2022	2021
<b>Total personnel expenses, out of which:</b>		<b>194,395</b>	<b>180,923</b>	<b>168,219</b>
a).	Salary expenses	155,825	143,346	133,956
b).	Bonuses awarded as per the CLA	25,284	21,171	20,495
c).	Expenditure on severance payments related to personnel layoffs	40	3,912	1,798
d).	Expenses related to the mandate contracts of the Board of Directors and the Directors with a mandate contract	5,251	4,848	4,892
e).	Labor insurance contribution expenses	3,838	3,585	3,322
f).	Company's contribution to voluntary pension schemes	2,774	2,872	2,259
g).	Company's contribution to voluntary health insurance premiums	1,383	1,189	1,497

Table 22 - Statement of personnel expenses in 2021 -2023

**The operating profit** achieved in 2023, of 66,363 thousand Ron increased by 25% (13,272 thousand Ron), as compared to the budgeted amount.

**The financial profit** achieved in 2023 is higher by 3,872 thousand RON compared to budget. Compared to 2022, the financial profit decreased by 2,939 thousand Ron as a result of lower interest income received from cash placements in deposits.

**The net profit** amounting to 61,617 thousand RON, is 13,678 thousand RON higher than budgeted and 47 thousand RON below the level recorded in 2022.

## Financial Result

Indicator (thousand RON)	2023	2022	2021	Variation%	
				2023/2022	2022/2021
Revenues from interests	6,653	9,737	3,402	▼ 31.7%	▲ 186.2%
Other financial revenues	37	102	26	▼ 63.7%	▲ 292.3%
<b>Total financial revenues</b>	<b>6,690</b>	<b>9,839</b>	<b>3,428</b>	<b>▼ 32.0%</b>	<b>▲ 187.1%</b>
<b>Total financial expenses</b>	<b>259</b>	<b>469</b>	<b>330</b>	<b>▼ 44.8%</b>	<b>▲ 42.1%</b>
<b>Financial Result</b>	<b>6,431</b>	<b>9,370</b>	<b>3,098</b>	<b>▼ 31.4%</b>	<b>▲ 202.5%</b>

Table 23 - Financial result during 2021-2023

The financial revenues decreased by 32% in 2023, compared to the same period of the previous year, due to a decrease in interest income received by the Company.

The financial expenses decreased by 210 thousand Ron in 2023 compared to 2022.

Based on this trend, **the financial result** lowered by 31.4% in 2023, as compared to 2022 (from 9,370 thousand RON to 6,431 thousand RON).

The company ended in 2023 with a **net profit** amounting to 61,617 thousand RON, 28.5% over the budgeted level, and as compared to 2022 records a 0.1% decrease.

### 4.3.3 Economic-Financial Indicators

Name of the indicator	Calculation formula	2023	2022	2021	Variation%	
		2023/2022	2022/2021			
<b>Profitability indicators</b>						
Gross sales margin	EBIT (operating profit)	13.7%	13.3%	14.0%	▲ 0.4 p.p.	▼ 0.7 p.p.
	Turnover					
Operating profit margin	EBIT (operating profit)	12.3%	12.0%	12.6%	▲ 0.3 p.p.	▼ 0.6 p.p.
	Operating Revenues					
EBITDA in total sales	EBITDA	26.4%	24.5%	26.6%	▲ 1.9 p.p.	▼ 2.1 p.p.
	Turnover					
EBITDA adjusted in total sales	Adjusted EBITDA	27.8%	28.2%	28.9%	▼ 0.4 p.p.	▼ 0.7 p.p.
	Turnover					
EBITDA in equity	EBITDA	17.5%	16.9%	16.4%	▲ 0.6 p.p.	▲ 0.5 p.p.
	Total Equities					
EBITDA adjusted in equity	Adjusted EBITDA	18.4%	19.5%	17.9%	▼ 1.1 p.p.	▲ 1.6 p.p.
	Total Equities					
Gross Profit Rate	Gross result	15.0%	15.3%	14.7%	▼ 0.3 p.p.	▲ 0.6 p.p.
	Turnover					
<b>Liquidity Indicators</b>						
Current liquidity indicator (times)	Current assets	1.9	1.9	3.0	-	▼ 36.7%
	Current liabilities					
The quick ratio indicator (acid test)	Current assets - Inventories	1.9	1.8	2.9	▲ 5.6%	▼ 37.9%
	Current liabilities					
<b>Profitability indicators</b>						
Return on Assets (ROA)	Net result	7.3%	7.6%	6.7%	▼ 0.3 p.p.	▲ 0.9 p.p.
	Total assets					
Return on Equity (ROE)	Net result	8.4%	9.0%	7.8%	▼ 0.6 p.p.	▲ 1.2 p.p.
	Total Equities					
Return on Sales (ROS)	Net result	12.7%	13.1%	12.6%	▼ 0.4 p.p.	▲ 0.5 p.p.
	Turnover					
Inventories turnover speed (days)	Medium inventory X360	367.1	316.0	370.7	▲ 16.2%	▼ 14.8%
	Sales costs					
Duration of inventory turnover (times)	Sales costs	1.0	1.1	1.0	▼ 9.1%	▲ 10.0%
	Average inventory					
Rotation speed of the clients debits (days)	Average stock clients X360	28	29	28	▼ 3.4%	▲ 3.6%
	Turnover					
Rotation duration of the clients debits (times)	Turnover	13.0	12.6	13.1	▲ 3.2%	▼ 3.8%
	Average stock clients					
Rotation speed of supplier credits (days)	Average stock suppliers X360	29	26	26	▲ 11.5%	-
	Procurement from suppliers of goods and services					

Name of the indicator	Calculation formula	2023	2022	2021	Variation%	
					2023/2022	2022/2021
Rotation duration of the suppliers credits (times)	Procurement from suppliers of goods and services	12.4	13.6	13.7	▼ 8.8%	▼ 0.7%
	Average supplier balance					
<b>Risk indicators</b>						
Leverage degree indicator	Borrowed capital	0.3%	0.3%	0.6%	-	▼ 0.3 p.p.
	Total equity					

Table 24 – Economic-Financial indicators during 2021-2023

#### 4.3.4 Execution of the revenues and expenditure budget

The Revenues and Expenditure Budget for the year 2023 has been approved by the OGMS in the meeting dated February 17<sup>th</sup>, 2023, as per the provisions of the Government Ordinance no. 26/2013.

During 2023, the Revenues and Expenditure Budget has been amended on several occasions in compliance with the legal provisions contained in:

- GO no.26/2013 *regarding the reinforcement of the financial discipline at the level of economic operators to which the State or the administrative - territorial divisions act as unique or majority shareholders or hold directly or indirectly a majority participation, subsequent amendments and additions;*
- Law no. 368 from December 28<sup>th</sup>, 2022 of the State budget for the year 2023, Art. 48;
- Order of the Ministry of Public Finance no. 3818/2019 for the approval of the *format and structure of the revenues and expenditure budget, as well as the substantiation annexes thereof;*

The implementation of the amended Revenues and Expenditure Budget for 2023 is presented as follows:

Crt. no.		Indicators (thousand RON)		Row no.	RECTIFIED BUDGET YEAR 2023	Achievements Year 2023	% 6= 5/4
1		2		3	4	5	6
I		<b>TOTAL REVENUES (Row1=Row2+Row5)</b>		1	<b>550,003</b>	<b>547,624</b>	<b>99.6%</b>
	1	<b>Total operating revenues, of which:</b>		2	<b>546,985</b>	<b>540,934</b>	<b>98.9%</b>
		a).	subsidies, as per the legal provisions in force	3	0	0	-
		b).	transfers, as per the legal provisions in force	4	0	0	-
	2	<b>Financial Revenues</b>		5	<b>3,018</b>	<b>6,690</b>	<b>221.7%</b>
II		<b>TOTAL EXPENSES (Row 6=Row 7+Row 19)</b>		6	<b>494,353</b>	<b>474,830</b>	<b>96.1%</b>
	1	<b>Operating Expenses, (Row 7=Row 8+Row9+Row10+Row18), o/w:</b>		7	<b>493,894</b>	<b>474,571</b>	<b>96.1%</b>
	A.	<b>goods and services expenses</b>		8	<b>129,955</b>	<b>114,346</b>	<b>88.0%</b>
	B.	<b>taxes, fees and similar levies related expenses</b>		9	<b>40,967</b>	<b>41,472</b>	<b>101.2%</b>

Crt. no.		Indicators (thousand RON)		Row no.	RECTIFIED BUDGET YEAR 2023	Achievements Year 2023	% 6= 5/4
1		2		3	4	5	6
C.	<b>personnel expenses (Rows 10=Row11+Row14+Row16+Row17), o/w:</b>		<b>10</b>	<b>194,952</b>	<b>194,395</b>	<b>99.7%</b>	
	C0	Salaries expenses (Rows 11=Row12+Row13)	11	181,292	181,109	99.9%	
	C1	Salary expenses	12	155,993	155,825	99.9%	
	C2	bonuses	13	25,299	25,284	100.0%	
	C3	Other personnel expenses, out of which:	14	40	40	100.0%	
		expenditure on severance payments relating to personnel redundancies	15	40	40	100.0%	
	C4	Expenses related to the Contract of Mandate and other management and control bodies, committees and commissions	16	5,431	5,251	96.7%	
	C5	Expenses with contributions due by the employer	17	8,189	7,995	97.6%	
	<b>D.</b>	<b>Other operating expenses</b>	<b>18</b>	<b>128,020</b>	<b>124,358</b>	<b>97.1%</b>	
<b>2</b>	<b>Financial Expenses</b>		<b>19</b>	<b>459</b>	<b>259</b>	<b>56.4%</b>	
<b>III</b>		<b>GROSS RESULT (profit/loss)(Rd.20= Rd.1-Rd.6)</b>	<b>20</b>	<b>55,650</b>	<b>72,794</b>	<b>130.8%</b>	
IV	1	CURRENT CORPORATE TAX	21	7,837	10,587	135.1%	
	2	DEFFERED CORPORATE TAX	22	2,736	3,003	109.8%	
	3	REVENUES FROM DEFFERED CORPORATE TAX	23	2,862	2,413	84.3%	
	4	TAX SPECIFIC TO CERTAIN ACTIVITIES	24	0	0	-	
	5	OTHER TAXES MISSING FROM THE ABOVE ITEMS	25	0	0	-	
<b>V</b>		<b>PROFIT/NET LOSS OF THE REPORTING PERIOD (Row 26=Rd.20-Rd.21-Rd.22+Rd.23-Rd.24-Rd.25), of which:</b>	<b>26</b>	<b>47,939</b>	<b>61,617</b>	<b>128.5%</b>	
	1	Legal reserves	27	0	0	-	
	2	Other reserves representing fiscal incentives provided by Law	28	3,626	3,726	102.8%	
	3	The coverage of accounting losses from previous years	29	0	0	-	
	4	Establishment of own financing sources for the projects co-financed through foreign loans, as well as for the establishment of the necessary sources to reimburse capital ratio, interests, commissions and other costs related to these loans	30	0	0	-	
	5	Other allocations stipulated by law	31	0	0	-	
	6	Accounting profit remaining after deducting the amounts from Rows 27, 28, 29, 30, 31 (Row 32=Row26-(Row27 to Row 31)>= 0)	32	44,313	57,891	130.6%	

Crt. no.		Indicators (thousand RON)		Row no.	RECTIFIED BUDGET YEAR 2023	Achievements Year 2023	% 6= 5/4
1		2		3	4	5	6
	7	Employees share of profit within the limit of 10% of the net profit, but no more than the level of an average monthly basic salary achieved at the level of the economic operator in the reference financial year		33	4,924	6,000	121.9%
	8	Minimum 50% transfers to the state or local budget in case of regies autonomes or dividends due to shareholders in case of the societies/national companies or state-owned or majority companies, out of which:		34	44,313	55,891	126.1%
	a)	- dividends payable to the state budget		35	26,019	32,817	126.1%
	b)	- dividends payable to the local budget		36	0	0	-
	c)	- dividends due to other shareholders		37	18,294	23,074	126.1%
	9	Undistributed profits on the destinations under Rows 33 - 34 is distributed to other reserves and represents its own source of funding		38	0	2,000	
VI		<b>REVENUES FROM EUROPEAN FUNDS</b>		39	<b>0</b>	<b>0</b>	-
VII		<b>ELIGIBLE EXPENSES FROM EUROPEAN FUNDS, out of which:</b>		40	<b>0</b>	<b>0</b>	-
	a)	material expenses		41	0	0	-
	b)	salaries expenses		42	0	0	-
	c)	expenses on provision of services		43	0	0	-
	d)	advertising and publicity expenses		44	0	0	-
	e)	other expenses		45	0	0	-
VIII		<b>INVESTMENT FINANCING SOURCES, o/w:</b>		46	<b>112,000</b>	<b>83,062</b>	<b>74.2%</b>
	1	Budget allocations		47	0	0	-
		budget allocations related to payments of commitments from previous years		48	0	0	-
IX		<b>EXPENSES FOR INVESTMENTS</b>		49	<b>112,000</b>	<b>83,062</b>	<b>74.2%</b>

Table 25 - Execution of the Revenues and Expenditure budget for the year 2023

#### 4.3.5 Cash-flow

Elements (thousand RON)	12 months 2023	12 months 2022	12 months 2021	Variation%	
				2023/2022	2022/2021
<b>Cash flows from operating activities:</b>					
+ Proceeds from services supply	520,121	509,861	441,809	▲ 2.0%	▲ 15.4%
+ Proceeds from interests related to banking investments	6,576	9,872	3,320	▼ 33.4%	▲ 197.4%
+ Other proceeds	4,251	13,518	15,675	▼ 68.6%	▼ 13.8%
- Payments to the suppliers of goods and services	140,226	140,569	121,740	▼ 0.2%	▲ 15.5%
- Payments to and on behalf of the employees	192,207	176,585	166,735	▲ 8.8%	▲ 5.9%
- VAT payments	54,309	42,222	51,158	▲ 28.6%	▼ 17.5%
- Expenses with corporate tax and specific tax	10,776	11,738	7,869	▼ 8.2%	▲ 49.2%

Elements (thousand RON)	12 months 2023	12 months 2022	12 months 2021	Variation%	
	2023/2022	2022/2021			
- Other payments regarding the operating activities	45,178	45,623	43,857	▼ 1.0%	▲ 4.0%
<b>A Net cash from operating activities</b>	<b>88,252</b>	<b>116,514</b>	<b>69,445</b>	<b>▼ 24.3%</b>	<b>▲ 67.8%</b>
<b>Cash flows from investment activities:</b>					
+ Proceeds from sale of tangible assets	621	303	302	▲ 105.0%	▲ 0.3%
+ Proceeds from modernization quota	58,084	57,321	47,490	▲ 1.3%	▲ 20.7%
- Payments for purchase of tangible/intangible assets	104,205	172,138	63,416	▼ 39.5%	▲ 171.4%
<b>B Net cash from investment activities</b>	<b>(45,500)</b>	<b>(114,514)</b>	<b>(15,624)</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities:</b>					
- Paid dividends	59,301	62,865	57,690	▼ 5.7%	▲ 9.0%
- Payments on the lease debt account	3,196	3,015	2,430	▲ 6.0%	▲ 24.1%
- Interest payments	185	199	207	▼ 7.0%	▼ 3.9%
<b>C Net cash from financing activities</b>	<b>(62,682)</b>	<b>(66,079)</b>	<b>(60,327)</b>	<b>-</b>	<b>-</b>
<b>Net increase of the cash and cash equivalents</b>	<b>(19,930)</b>	<b>(64,079)</b>	<b>(6,506)</b>	<b>-</b>	<b>-</b>
<b>=A+B+C=D2-D1</b>					
<b>D1 Cash and cash equivalents at the beginning of the period</b>	<b>127,672</b>	<b>191,751</b>	<b>198,257</b>	<b>▼ 33.4%</b>	<b>▼ 3.3%</b>
<b>D2 Cash and cash equivalents at the end of the period</b>	<b>107,742</b>	<b>127,673</b>	<b>191,751</b>	<b>▼ 15.6%</b>	<b>▼ 33.4%</b>

Table 26 - Statement of cash flows for the period 2021 -2023

Cash and cash equivalents on 31.12.2023 decreased by 15.6% as compared to December 31, 2022 (107,742 thousand Ron compared to 127,673 thousand Ron) due to payments of fixed assets (investments) and dividends, higher than the surplus of cash obtained from the operating activity and cash inflows from the investment activity (cash representing the modernization quota).

Out of the total of 107,742 thousand Ron availabilities in balance on 31.12.2023, the share of the modernization quota is 32,041 thousand Ron.

The effects of the three activity areas (operation, investment and financing) over the cash in the 12 months period of 2023 reveal the following:

- the operating activity triggered a cash-flow in amount of 88,252 thousand Ron (+);
- the investment activity ended with a negative cash-flow in amount of 45,500 thousand Ron (-);
- the financing activity decreased the total cash flow by 62,682 thousand Ron (-).

The value of net cash flows from the operating activity is lower than the one recorded in the similar period of the previous year with the amount of 28,262 thousand RON due to the increase in payments to employees and the state budget and the decrease in interest collections.

The net cash from the investment activity registers a negative value, lower by 69,013 thousand RON, due to the decrease of the cash outputs for the investment activity as compared to the level registered in the same period of 2022.

The net cash from the financing activity registers in both compared periods negative amounts determined by the payment of dividends to the shareholders and the amounts related to leasing.

#### **4.3.6. The internal control and the risks management systems in the financial reporting process**

The internal control and the risks management systems in the financial reporting process have the following main objectives:

- Compliance with the financial-accounting legislation in force and the reporting standards;
- The application of the accounting standards approved and of the instructions drafted by the management with regards to the financial information;
- Ensuring the reliability of the financial information. The objective aims to ensure that accounting, financial and management information communicated or published are complete and accurately reflect the activity and situation of the entity;
- Prevention and detection of frauds and accounting and financial irregularities.

The fulfillment of these objectives is being supported by:

- Personnel recruitment with an adequate level of competence, in compliance with the company's needs and the existence of a continuous professional development plan to enable the upgrade of knowledge related to the accounting and fiscal legislation;
- Clear definition of the responsibilities related to each person involved in the financial reporting process, respectively the separation of attributes, so that the approval, audit and registration attributions be, in a fair measure, awarded to different persons (as per the company's organization chart).
- Design and implementation of several internal procedures regarding the counting and control of the accounting-financial operations, settlement of the information circuits and the related audits thereof, to ensure the quick, fair and complete centralization of the financial information, as per the internal procedures manual;
- The financial preventive audit system;
- Identification of risks in relation to the financial reporting process, the assessment of the effectiveness and efficiency of the application of the internal procedures regarding the processes relevant to the financial reporting by the internal audit department and communication of the identified shortcomings to the Board of Directors;
- The accounting policies manual drafted as per the legislation in force, approved by the Board of Directors;
- The existence of a calendar and a well-defined process with regards to the elaboration of accounting and financial information compliant with the financial-accounting and capital market reporting requirements, as well as the checking and appropriate approval thereof by the Board of Directors, in view of publication thereof.

#### **4.3.7 Related Parties**

In 2023, the Company performed the following significant transactions with related parties:

##### **Procurement from affiliated parties**

Partner	Unsettled amounts on December 31, 2021	Procurements during 01.01.2022-31.12.2022	Settlements during 01.01.2022-31.12.2022	Unsettled amounts on December 31, 2022	Procurements during 01.01.2023-31.12.2023	Settlements during 01.01.2023-31.12.2023	Unsettled amounts on December 31, 2023
S.N.T.F.M. CFR MARFĂ S.A.	5,793	73,827	70,611	9,009	18,394	27,374	29
ELECTRICA FURNIZARE S.A.	-	17,314	13,917	3,397	542	3,939	-
SPEEH HIDROELECTRICA S.A.	-	12,593	12,593	-	20,377	13,844	6,533

\*The amounts include VAT as well

Table 27 - Purchases from affiliated parties (thousand RON)

Partner	31.12.2023	31.12.2022
<b>Guarantees granted to affiliated parties</b>		
SPEEH HIDROELECTRICA S.A.	1,989	1,989
ELECTRICA FURNIZARE S.A.	277	1,541
<b>Guarantees received from affiliated parties</b>		
SNTFM CFR Marfă S.A.	-	500

Table 28 - Guarantees granted/received with/from related parties (thousands of RON)

## 4.4 Analysis of the corporate activity

### 4.4.1 Capital market business

#### Evolution of “COTE” shares

The shares issued by CONPET S.A. are traded on the regulated market administered by the Bucharest Stock Exchange, on the Principal segment, at Equity sector - category Premium, under “COTE” symbol.

At the end of 2023, the trading price of CONPET shares recorded an increase by 20.7 % compared to the closing price of the last day of the previous year.

In summary, the transactions recorded with CONPET shares on Bucharest Stock Exchange in 2023 are as follows:

- 13,961 transactions have been performed, approx. 30% less than in 2022 (19,971 transactions);
- the total volume of traded shares amounted to 509,910 shares, 48.5% lower than the volume recorded in 2022 (990,838 shares);
- the total value of trades amounted to 38,961,152 Ron, 46.6% lower than the value recorded in 2022 (72,984,780 Ron);
- the average trading price was 75.50 RON/share, higher by 4.29 RON/share versus the average price of the shares registered during 2022 (71.21 RON/share);
- the trading price registered the maximum value, respectively 82.20 Ron/share at the end of December;
- the market capitalization at the end of December 2023 was 708,185,790 RON, increasing by 20.7% as compared to the value recorded at the end of 2022 (586,980,398 RON).

The main trading indices of 2023 for the shares issued by CONPET S.A. are presented in the following table:

Indices Month	Average price (RON/share)	No. of trades	No. of traded shares	Value of trades (RON)
January	73.15	1,546	46,898	3,415,075
February	74.59	1,020	22,465	1,672,838
March	74.87	1,167	33,964	2,534,892
April	77.51	752	31,225	2,427,954
May	77.76	1,978	88,967	6,942,303
June	72.36	1,347	27,536	1,979,267
July	74.32	1,243	43,126	3,181,849
August	73.37	1,102	31,181	2,276,681
September	74.34	947	28,468	2,117,957
October	76.30	913	26,406	2,011,821
November	76.76	864	21,823	1,672,586
December	80.67	1,082	107,851	8,727,929
<b>Cumulated</b>	<b>75.50</b>	<b>13,961</b>	<b>509,910</b>	<b>38,961,152</b>

Table 29 - Main trading indices

Currently, CONPET S.A. is included in 7 indices of the total of 9 of the Bucharest Stock Exchange, namely **BET**, **BET-TR**, **BET-XT**, **BET-XT-TR**, **BET-BK**, **BET-NG** and **BET Plus**.

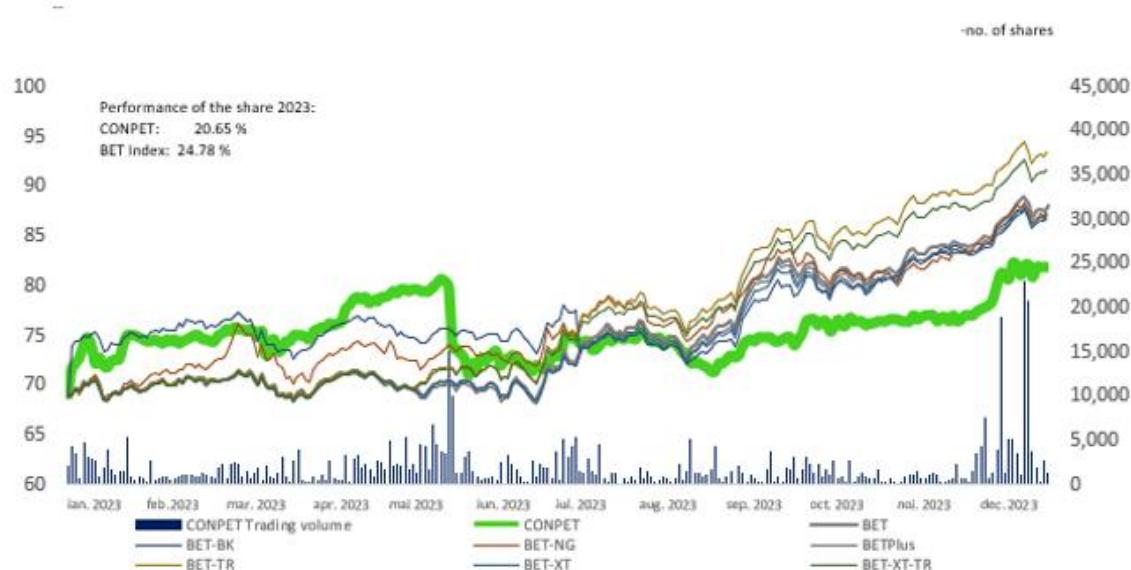


Chart 19 - Evolution of COTE shares vs. stock indices (rebased) where it is included in 2023 (RON)

Graphically, the evolution of the trading price of CONPET S.A. shares, along 2023 is the following:

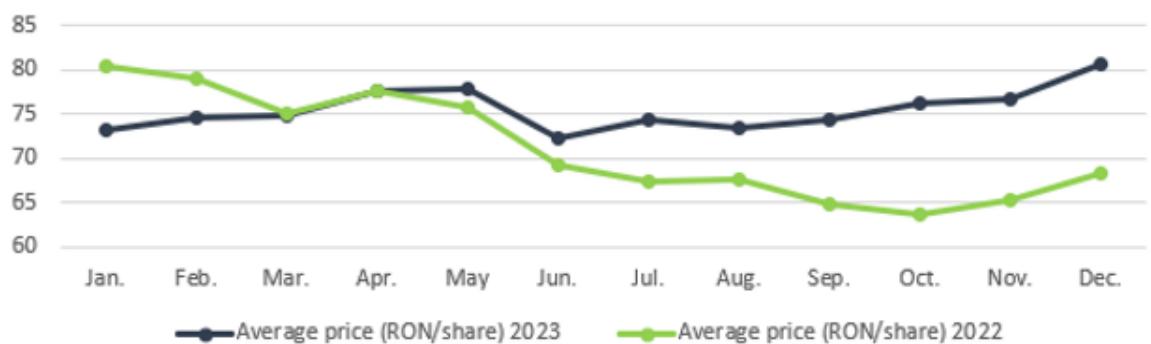


Chart 20 – Evolution of the share trading price

Stock Market indicators	Period					
		2019	2020	2021	2022	2023
PER		11.36	11.20	12.13	10.00	12.42
P/BV		1.04	1.01	1.09	0.91	1.07
EPS		7.01	6.80	6.51	6.78	6.59
DIVY (dividend yield)		9.38	9.26	8.73	10.74	8.40

Table 30 - Main stock performances indicators

On 31.12.2023, according to the TOP 30 Issuers by capitalization, CONPET ranked 33<sup>rd</sup>, with a market capitalization of 708,185,790 Ron (142.36 mEUR), which holds a share of 0.24% in the total market capitalization.

### The Dividend Policy

Within the last 5 years, CONPET has fulfilled its commitment to award a return on investment to its shareholders by means of a sustainable dividend policy and distributed dividends in a quota comprised between 94% and 98% of the net accounting profit.

The dividend policy of the company CONPET S.A. was approved by the Board of Directors in January 2021.

The net profit distribution decisions concern the company's options between partial or full reinvestment of the net profit and/or distribution in the form of dividends.

Depending on the situation prevailing at the time of the proposed profit allocation, deviations from the policy may occur as a result of certain specific legal requirements applicable at that date, changes in the tax framework, depending on capital requirements for investments, etc.

The rate of distribution of dividends, set out in the dividend policy, which the Board of Directors will consider in the formulation of the proposal to the General Meeting of Shareholders of CONPET S.A. will be between 85 % and 100 % of the net accounting profit.

The gross dividend per share is the share of the company's net profit that is calculated and paid to shareholders for each share held.

The evolution of the dividends distributed from the net profit for the period 2020 - 2022 is as follows:

Share of profit	GMS date	Registration Date	Total gross dividends due - RON-	% of net profit	Gross dividend/share - RON-	Paid gross dividends - RON-	Net dividends accumulated on 31.12.2023
2020-Dividend from the profit of the year, from reserves and retained earnings	28.04.2021	08.06.2021	59,707,439	97.48%	6.89	58,098,820.74	1,608,618.26
2021-Dividend from the profit of the year, from reserves and retained earnings	28.04.2022	25.05.2022	63,057,849	97.14%	7.28	61,315,778.24	1,742,070.76
2022-Dividend from the profit of the year, from reserves and retained earnings	27.04.2023	25.05.2023	59,510,161	94.89%	6.87	57,416,516.78	2,093,644.22

Table 31 - Evolution of dividends distributed in the period 2020-2022.

The return on investment and dividend yield in the period 2019-2023 are shown in the chart below:

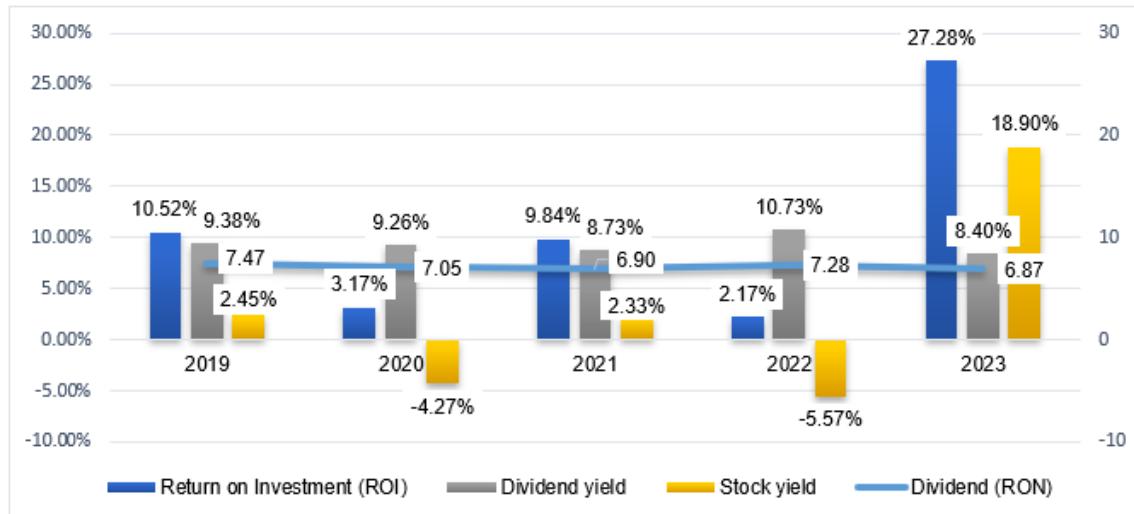


Chart 21 – Evolution of the return on investment and dividend yield

The total dividend per share was 6.87 RON, thus offering its shareholders a dividend yield of 8.4%, therefore ranking first in the top of dividends awarded by a company listed on the Bucharest Stock Exchange, Premium category.

#### Own shares, issuance of bonds or other debt instruments

CONPET did not perform transactions having as scope purchase of own shares and does not hold own shares at the end of 2023.

CONPET has no subsidiaries and there are no shares issued by the parent company and owned by the branches.

CONPET has not issued bonds or other debt instruments.

#### **4.4.2. Corporate Governance**

The Corporate governance continues to be in a process of adapting to the demands of a modern economy, to the obvious globalization of social life as well as to the information needs of investors and third parties interested in the activity of the companies.

The corporate governance at the level of CONPET company is organized and conducted in accordance with the Romanian legislative framework, namely the Companies Law no. 31/1990 and the Government Emergency Ordinance no. 109/2011 on corporate governance of the public enterprises.

CONPET shares are traded starting September 5<sup>th</sup>, 2013 on the regulated market managed by the Bucharest Stock Exchange (BVB), I<sup>st</sup> Tier, under the COTE symbol.

Starting January 5<sup>th</sup>, 2015, CONPET S.A. is included in the PREMIUM category of the regulated market managed by the Bucharest Stock Exchange.

The Corporate Governance system of CONPET is being constantly improved, so as to be compliant with the rules and recommendations applicable to a company listed at the BVB.

Among the measures already implemented, please note:

- the inclusion in the administrators' annual report of a chapter devoted to corporate governance with reference, *inter alia*, to the information related to the Board of Directors and the established consultative committees, namely: the Audit Committee, the Nomination and Remuneration Committee, the Development and Investors and Authorities Relation Committee and the Risks Management Committee;
- diversification of communication with shareholders and investors through the inclusion on the web page of the releases addressed to market participants, bi-year and quarter financial statements, annual reports, procedures to be followed in order to access and participate to the GMS;
- the establishment of a specialized entity dedicated to the relationship with investors and shareholders.

#### ***The Corporate Governance Rules***

As an issuer listed on the Bucharest Stock Exchange, CONPET has promoted the CONPET Corporate Governance Rules. This document represents the voluntary assumption by the Company of the corporate governance principles, taking into account the characteristics and its specific activity in accordance with the principles set out in the Corporate Governance Code of Bucharest Stock Exchange. The regulation is a public document and can be read on the company's website by accessing the following link:<https://www.conpet.ro/guvernanta-corporativa/regulament-de-guvernanta-corporativa/>.

#### ***Other applicable documents***

For the application of the general regulatory framework, CONPET has adopted documents by which corporate governance is transposed into practice:

- The Articles of Incorporation of CONPET, comprising provisions relating to the management bodies (General Meeting, Board of Directors, Executive Management) as, well as their powers and operating procedures thereof.
- The Rules on the organization and functioning of the Board of Directors, detailing and operationalizing how this body meets, how it analyzes, discusses and makes decisions, how it interacts with the executive management and with other parties.
- The Regulation for the organization and functioning of CONPET, the Code of Ethics, the Internal Regulations, which incorporate, detail and operationalize certain aspects incident to the governance framework of the company.

**Statement on the Conformity with the Provisions of the Corporate Governance Code  
issued by Bucharest Stock Exchange**

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
A.1. All the companies should have internal regulation of the Board which includes terms of reference/responsibilities of the Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES		Delimitation of BoD responsibilities of the ones of the Director General is provided in the Corporate Governance Regulation.
A.2. Provisions for the management of conflict of interests should be included in the Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	YES		Both the Rules of Organization and Operation of the Board of Directors of the company CONPET S.A and the Corporate Governance Rules approved by the Board of Directors contain provisions concerning the management of the conflict of interests. In practice, the members of the Board inform the Board, whenever needed, on any conflict of interests having arisen or that may arise and refrain from taking part to discussions and from the voting for the adoption of a Resolution regarding the issue giving rise to such conflict of interests.
A.3. The Board of Directors or the Supervisory Board should have at least five members.	YES		
A.4. The majority of the members of the Board of Directors should be non-executive. In case of the Premium Tier companies, at least two non-executive members of the Board of Directors should be independent. Each independent member of the Board of Directors should submit a declaration at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, indicating the elements based on which he/she is deemed independent in character and	YES		

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
<p>judgment in practice and according to the following criteria:</p> <p>A.4.1. is not Director General/executive officer of the company or of a company under his/her control and did not hold such position for the previous five (5) years;</p> <p>A.4.2. is not the employee of the company or of a company under his/her control and was not in such position for the previous five (5) years;</p> <p>A.4.3. does not receive and did not receive additional remuneration or other advantages from the company or from a company under his/her control, apart from those corresponding to the capacity of non-executive administrator;</p> <p>A.4.4. is not or was not the employee or does not have or did not have during the previous year a contractual relationship with a significant shareholder of the company, a shareholder controlling more than 10% of the voting rights, or with a company controlled by him;</p> <p>A.4.5. does not have and did not have, during the previous year, a business or professional relationship with the company or with a company under his/her control, either directly or as a customer, partner, shareholder, member of the Board/Administrator, Director General/executive director or employee of a company having such a relationship if, by its substantial character, this relationship could affect his/her objectivity;</p> <p>A.4.6. is not and was not, in the last three years, the external or internal auditor or a partner or associate employee of the current external financial auditor or internal auditor of the company or of a company under his/her control;</p> <p>A.4.7. is not Director General/executive officer in another company where another Director General/executive officer of the company is a non-executive administrator;</p>			

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
A.4.8. has not been a non-executive director of the company for more than twelve years; A.4.9. does not have family ties with a person in the situations mentioned in points A.4.1. and A.4.4			
A.5. Other relatively permanent professional commitments and obligations of a Board member, including executive and non-executive positions in the Board of non-profit companies and institutions, must be disclosed to shareholders and potential investors prior to nomination and during his term of office.	YES		Part of the professional commitments and obligations are communicated in the Statements of Assets and Liabilities of the Board members (in compliance with provisions of Law 176/2010 regarding integrity in the exercise of the positions and public dignities, for the amendment and complementation of Law no.144/2007 regarding the incorporation, organization and operation of ANI, as well as for the amendment of other normative acts).
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	YES		The existing provisions included in the independence statements, respectively in the Corporate Governance Rules regarding the conflict of interest provide compliance with the requirement.
A.7. The company should appoint a secretary of the Board responsible for supporting the work of the Board.	YES		
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the Chairman or the nomination committee and, if so, summarize the key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.		Partially compliant	In compliance with the provisions of the GEO 109/2011, the assessment of the administrators' activity is being performed annually by the general meeting of shareholders and is aiming at both the contract execution and the administration plan. The Nomination and Remuneration Committee drafts a report

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
			regarding the administrators' evaluation, also considering the assessment surveys filled in for every BoD member.
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by the administrators (in person and in absentia) and a report of the Board and committees on their activities.	YES		
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors or of the Supervisory Board.	YES		
A.11. The Board of Premium Tier companies should set up a nomination committee formed of non-executives, which will lead the process for new Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.	YES		The procedure for the appointment/nomination of the Board members is performed in compliance with the provisions of the GEO no.109/2011 on the corporate governance of the public enterprises.
B.1. The Board should set up an audit committee where at least one member should be an independent non-executive. The majority of the members, including the President, should have proven an adequate qualification relevant to the functions and responsibilities of the committee. At least one member of the audit committee should have proven an adequate auditing or accounting practice. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee members should be independent.	YES		
B.2. The President of the audit committee should be an independent non-executive member.	YES		
B.3. Among its responsibilities, the audit committee should undertake an annual	YES		

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
assessment of the system of internal audit.			
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal audit reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal audit failings or weaknesses and their submission of relevant reports to the Board.	YES		
B.5. The audit committee should review conflicts of interests in relation to the transactions of the company and its subsidiaries with related parties	YES		
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.	YES		
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	YES		
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by recurrent (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	YES		
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	YES		The company CONPET SA complies with the recommendation of the BVB Corporate Governance Code.
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies it has close relations with, that is equal to or bigger than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and	YES		The Company has adopted an affiliated party transaction policy, which aims to identify, approve, monitor and report these transactions in accordance with the applicable law in force.

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.			
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by hiring an independent third-party entity.	YES		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the Audit Committee. For administrative purposes and in the scope related to the liabilities of the management to monitor and mitigate risks, it should report directly to the Director General.	YES		
C.1. The company should publish a remuneration policy on its website and include in its annual report a statement on the implementation of the remuneration policy during the annual period subject to review.	YES		
D.1. The company should have an Investor Relations function - indicating, to the general public, the person/persons responsible for the organizational unit. In addition to the information required by legal provisions, the company should include on its website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	YES		
D.1.1. The main corporate regulations : the articles of incorporation, the procedures on general shareholders' meetings;	YES		On the company website is published relevant information for the investors (Articles of Incorporation, shareholders' rights etc.). The General Meetings of Shareholders are held by the observance of the legislation in force regarding the companies and the capital market, in compliance with the legal provisions regarding the

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
			call and performance of the general meetings.
D.1.2. Professional CV's of the members of the governing bodies of the company, other professional commitments of the Board members, including the executive and non-executive Board positions in companies or non-profit institutions;	YES		
D.1.3. Current and periodic reports (quarterly, semi-annual and annual reports) – at least the ones provided at item D.8 – including the current reports with detailed information related to the non-compliance with this Code;	YES		
D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials; the procedure for the election of Board members; the rationale for the proposal of candidates for the election to the Board, together with their professional CV's; shareholders' questions related to the agenda and the company's answers, including the decisions made;	YES		
D.1.5. Information on corporate events, such as payment of dividends and other distributions to the shareholders or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a time-frame that enables investors to make investment decisions;	YES		
D.1.6. The name and contact data of a person who should be able to provide, upon request, relevant information;	YES		
D.1.7. The Company's presentations (e.g. investors presentations, quarterly results presentations, etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.	YES		

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
D.2. The company should provide a policy related to the annual distribution of dividends or other benefits to the shareholders, proposed by the Director General or the Management Board and adopted by the Board of Directors, as a set of directions the company intends to follow regarding the distribution of net profit. The principles of the annual dividend distribution policy should be published on the company's website.	YES		
D.3. The company should adopt a policy in relation to forecasts, whether they are disclosed or not. The Forecasts refer to the quantified conclusions of some studies aimed at determining the global impact of a number of factors related to a future period (so called assumptions): by nature, such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The forecast related policy will establish the frequency, the considered period and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast related policy should be published on the corporate website.	YES		The forecasts have been presented in the summary of the Administration Plan approved in the GMS dated 19.12.2023, published on the company website.
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	YES		
D.5. The external auditors should attend the shareholders' general meetings when their reports are presented therein.	YES		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal audit and significant risk management systems, as well as opinions on issues subject to resolution at the general meeting.	YES		

<b>The Provisions of the Corporate Governance Code</b>	<b>Complies</b>	<b>Fails to comply or partially complies</b>	<b>Explanation regarding conformity/ Reason for Non-Compliance</b>
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the President of the Board decides otherwise.	YES		
D.8. The quarterly and semi-annual financial reports should include information, in both Romanian and English, regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on qoq and yoy terms.	YES		
D.9. A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the "Investors Relation" section of the company website at the time of the meetings/conference calls.	YES		
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company is part of its business mission and development strategy, it should publish the policy guiding its activity in this area.	YES		

Table 32 – Statement on the Conformity with the Provisions of the Corporate Governance Code issued by Bucharest Stock Exchange

#### ***Actions for further improvement of CONPET corporate governance***

With its listing at BVB, CONPET has undertaken the application of the Corporate Governance Code of Bucharest Stock Exchange and, therefore, of the highest corporate governance standards currently existing in Romania.

One of the goals of the company CONPET S.A. is to increase the transparency and visibility of the company on the stock market and to ensure greater openness to shareholders and investors in order to increase the credibility of the company.

### ***Transparency, information and communication***

As a company listed in the Premium category of Bucharest Stock Bucharest, CONPET fully complies with the obligations of reporting to the investors and the market in general, drafting and submitting the periodic and current reports required by the regulations of the Stock Exchange.

As a company that operates in a competitive environment of great significance for the economy in general, CONPET S.A. aims to achieve the appropriate balance between information of a confidential nature and those of public interest. Internal regulations have been adopted for the dissemination of information and compliance with confidentiality.

In accordance with the corporate governance principles, CONPET has announced the timetable for meetings with analysts and investors. In 2023, conference calls with financial analysts from the capital market have been organized, for the analysis of the periodic reports of the company. The presentation materials prepared on the events mentioned above have been published on the company's website.

Furthermore, particular importance has been given to the relationship with shareholders and investors, by showing increased transparency. The company's representatives answered positive to all the participants to the capital market.

In 2023, the company CONPET took part in numerous events organized within the capital market, showing openness towards both institutional and individual investors.

The company has also provided a contact number and an email address ([infoinvestitori@conpet.ro](mailto:infoinvestitori@conpet.ro)), through which investors can clarify certain aspects or ask various questions, thus getting in direct contact with the company's investors' relation team.

The evolution of CONPET S.A. share is monitored by the research departments of the major financial investment services companies from the Romanian capital market. Furthermore, the entity that manages the relationship with the investors maintains a permanent connection with all financial analysts in the capital market.

At CONPET level, the corporate governance structures are:

- The General Meeting of Shareholders;
- The Board of Directors and the Consultative Committees;
- The Director General/Directors with mandate contract.

### **General Meeting of Shareholders**

On the reference date 31.12.2023, the total number of shares issued by the company CONPET S.A was of 8,657,528, owned by 16,248 shareholders. The shareholding structure, in accordance with the consolidated synthetic structure on the shareholders on the same date is the following:

- The Romanian State by the Ministry of Energy (1 Shareholder)

Number of shares:	5,083,372
- Value of contribution to the share capital (RON)	16,775,127.6
- Share of participation on profit and loss (%):	58.7162

- Legal persons (107 shareholders)

Number of shares:	2,029,972
- Value of the contribution to the share capital (RON)	6,698,907.6
- Share of participation on profit and loss (%):	23.4475

- Natural persons (16,140 shareholders)

Number of shares:	1,544,184
- Value of the contribution to the share capital (RON)	5,095,807.2
- Share of participation on profit and loss (%):	17.8363

The shareholders exercise their rights at the General Meeting of Shareholders (“GMS”), which is the highest decision-making body of the company. The powers of approval of the General Meeting of Shareholders, the organization and validity conditions of these meetings are set out in the Articles of Incorporation of the company, in accordance with the applicable regulations, and are supplemented with the incidental legal provisions. Both the Articles of Incorporation of the company and shareholders' rights are posted on the company's website at the following addresses:

<https://www.conpet.ro/wp-content/uploads/2015/11/Act-Constitutiv-la-27.04.2023.pdf>

<https://www.conpet.ro/relatia-cu-investitorii/info-actionari/>

According to the law, each subscribed and paid share gives the holder the right to one vote in the General Meeting of Shareholders, the right to elect and to be elected to the governing bodies, the right to participate in the distribution of dividends according to the provisions of the Articles of Incorporation and of the legal dispositions, as well as other rights provided for by them.

Shareholders are entitled to fair and complete information in the General Meeting of Shareholders on the company's statement. In the case of issuance of new shares, the existing shareholders have preference right to subscription, under the law.

General Meetings are ordinary and extraordinary.

The General Meeting of Shareholders is convened by the Board of Directors, whenever necessary. The call to the General Meeting of Shareholders shall comply with the legal provisions regarding the companies, as well as the capital market regulations and the provisions of these

Articles of Incorporation. The meeting time limit cannot be shorter than 30 days after the publication of the convening notice in the Official Gazette of Romania, part IV.

In order to provide equal treatment and full and fair exercise of all shareholders' rights, CONPET makes available to them all relevant information regarding the GMS and adopted resolutions, according to the law, both by mass communication means and in the special section opened on the company's website.

CONPET pays all diligence, in compliance with the requirements of the relevant legislation, to ease the participation of the shareholders in the sessions of the General Meetings, as well as for the full exercise of the rights thereof. The shareholders may take part and vote, in person, in the General Meeting of Shareholders, but also have the possibility to exercise the vote by representation or by correspondence.

The General Meeting of Shareholders is opened and presided by the President of the Board of Directors or, in his absence, by another administrator appointed by the Chairman of the Board of Directors.

Each shareholder may address questions to the administrators regarding the company activity, according to the legal provisions.

The decisions made by the General Meetings of Shareholders within the limits of the law and of the Articles of Incorporation are mandatory even for the shareholders who did not take part in the meeting or voted against.

The decisions of the General Meeting of Shareholders which are contrary to the law, or the Articles of Incorporation can be challenged in court, according to the law.

The Ordinary General Meeting of Shareholders has the following main responsibilities:

- discusses, approves or modifies the annual financial statements, based on the administrators' report and the financial auditor's report;
- elects and revokes the administrators according to the law; at the appointment, the OGMS shall bear in mind that the majority of BoD members should be non-executive and independent;
- appoints or revokes the financial auditor and sets forth the minimum duration of the financial audit contract;
- sets the remuneration level and any other amounts and advantages due to the administrators for the financial year in progress, as well as the general limits of the remuneration of the directors;
- approves the Rules on the Organization and Functioning of the Board of Directors and sets out the competencies thereof;
- approves the Revenues and Expenditure Budget (R.E.B.) and the investment program for the next financial year;
- approves the profit distribution as per the provisions of the normative acts in force and the fixing of dividend per share;
- passes judgments over the administrators' management and the means to recover the losses they have caused to the company;
- decides upon the pledging, leasing or dissolution of one or several units of the company;

- fulfills any other duty, set under the law, as being borne by them.

The Extraordinary General Meeting of Shareholders has the following main responsibilities:

- changing the legal form of the company;
- changing the location of the company's headquarters;
- changing the company's line of business;
- establishment or disestablishment of subsidiaries;
- prolongation of the company's life;
- share capital augmentation;
- reduction of the share capital or replenishment thereof by issuing new shares;
- merger with other companies or division of the company;
- anticipated dissolution of the company;
- conversion of the shares from one category into another;
- conversion of a category of bonds into another category or into shares;
- bond issuance;
- change of nominal value and number of shares;
- decides upon the contracting of medium and long-term bank loans, including external ones; establishes the competencies and level for contracting the current bank loans, trade loans, as well as the level of the guarantees;
- decides upon the participation, according to the law, to the establishment of new legal persons or in the association with other legal or natural persons in the country or abroad, except for the non-profit organizations established under the law, for which the competence to approve the accession/withdrawal of companies from the capacity of member belongs to the Board of Directors.
- decides on what market the securities issued by the company are to be traded and chooses the authorized independent registrar that manages the registers of the shares issued by the company;
- any other amendment of the Articles of Incorporation or any other decision for which the approval of the Extraordinary General Meeting of Shareholders is asked.

### **The Board of Directors**

The company is administered in a unitary system by a Board of Directors made of 7 administrators, appointed by the Ordinary General Meeting of Shareholding for a period of 4 years, with the possibility of re-election for further periods of 4 years. The administrators can act as shareholders. For the appointment of an administrator to be legally valid, the person appointed must expressly accept it. The identification data of the administrators are being registered at the Trade Register Office as per the legal provisions.

The Board of Directors is ruled by a Chairman. The Chairman is elected by the Board of Directors, among its members. The removal from office of the chairman is also attribute of the Board of Directors. The decision regarding the appointment or revocation thereof is being made with the majority vote of the members of the Board of Directors.

The President of the BoD of the company cannot be the Director General of the same.

The Board of Directors usually meets at the company's headquarters or any place of business of the company or in any place disclosed in the convening notice. Operational meetings of the Board of Directors may be organized by means of remote communication meeting the technical conditions necessary for the identification of the participants, their effective participation to the meetings of the Board of Directors and the retransmission of the deliberations on a continuous basis (via e-mail, telephone, video call or other communication equipment), whenever necessary, but at least every 3 months, at the call of the President or at the reasoned request of 2 of its members or of the Director General/Directors. In this case, the Agenda is being established by the authors of the request. The Chairman must act on such a request.

The Board of Directors cannot decide upon certain issues that are not included in the Agenda, except for the emergencies. To decide on emergency, the absent members will be consulted upon, by various means of distance communication. The Chairman shall decide upon the urgency of the problems. The Board operates under its own rules and regulations in force.

For the validity of resolutions, the presence (directly or by proxy) of at least five council members is required and decisions are taken by majority vote of the members present. The chairman of the Board will have a casting vote in case of equal votes. The "Abstention" position adopted by an administrator regarding the items included on the agenda of the general meeting of shareholders is not deemed expressed vote.

The members of the Board of Directors can only be represented at meetings of the respective body by other members herein. A member present may represent one absent member.

For the decisions taken in meetings in which a board member did not attend, he remains liable if within 30 days, since he took notice of them, he did not make resistance in the forms specified by law.

The Agenda is set by the President. The call, the agenda and the meeting materials will be sent to the administrators in sufficient time before the date of the meeting; the deadline can be established by the own regulation of the Board of Directors. The minutes of the meeting shall be comprised in a Journal of the BoD Meetings and Deliberations, by courtesy of the Chairman of the Board.

The minutes of the meeting shall be drawn up by technical editing by the BoD Secretariat and shall comprise the name of the participants, the order of the deliberations, the decisions made, the number of votes cast and separate opinions. This will be signed by the Chairman of the Board of Directors, the BoD members. (only those who participate directly in the meeting; they may also have a mandate of representation given by another administrator) and by the BoD Secretariat and will be attached by gluing it to the Journal of the Meetings and BoD Deliberations of the Board of Directors. The decisions of the Board of Directors and the protocols of the meetings will be sent by email to the administrators.

The minutes contain the names of participants, policy deliberations, decisions, number of votes and dissenting opinions. It is signed by the Chairman of the Board and the other administrators as well as by the BoD secretariat, being entered in the registry of meetings and deliberations of the Board of directors. The BoD Secretariat is being provided from among the personnel within the BoD and GMS Secretariat.

The structure of the Board of Directors is diverse in both men and women of different professions (engineers, lawyers and economists) with professional experience in energy, banking, investment, capital market analysis, legal fields.

The company administration was performed in 2023, as follows:

By the OGMS Resolution no. 7/ 14.12.2022 the extension was approved, based on the provisions of art. 64<sup>1</sup> para. (5) from GEO no. 109/ 2011 regarding the corporate governance of public enterprises, the duration of the mandate contracts of the Company's provisional administrators, as follows: Mr. Gheorghe Cristian - Florin, Mr. Albulescu Mihai - Adrian, Mr. Buică Nicușor-Marian, Mrs. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai.

Pursuant to the OGMS Resolution no. 1/17.02.2023, were appointed as provisional administrators of the company CONPET S.A: Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor- Marian, Ms. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Ms. Barbu Irina – Mihaela, for the period 22.02.2023 - 21.06.2023 (inclusive of).

By the OGMS Resolution no. 3/ 21.06.2023 the extension was approved, based on the provisions of art. 64<sup>1</sup> para. (5) from GEO no. 109/ 2011 regarding the corporate governance of public enterprises, the duration of the mandate contracts of the Company's provisional administrators, appointed by the OGMS Resolution dated 17.02.2023 (Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor – Marian, Mrs. Kohalmi– Szabo Luminița– Doina, Mrs. Tănăsică Oana– Cristina, Mr. Gavrilă Florin – Daniel, Zaman Andrei – Mihai, Ms. Barbu Irina - Mihaela), with a period of 2 months, respectively starting with 22.06.2023 until 21.08.2023 (inclusive of), or until the completion of the selection procedure provided for in the GEO no. 109/2011.

By the OGMS Resolution no. 4/18.08.2023, following the pursuit of the selection procedure, have been approved the Company administrators, with a term of office of 4 years, as of 22.08.2023 until 21.08.2027 (inclusive of), in accordance with the provisions of GEO no. 109/2011, via the cumulative vote method, respectively the following persons: Mr. Gheorghe Cristian - Florin, Mr. Buică Nicușor- Marian, Ms. Kohalmi - Szabo Luminița - Doina, Ms. Tănăsică Oana - Cristina, Mr. Gavrilă Florin - Daniel, Mr. Zaman Andrei - Mihai, Mr. Dănilă Alin - Mihael.

The CV's of the members of the Board of Directors of CONPET SA are available on the company's website <https://www.conpet.ro/guvernanta-corporativa/consiliul-de-administratie/>.

During 2023, the members of the Board of Directors did not hold shares in CONPET SA.

## **Consultative Committees**

Within the Board of Directors there are constituted the following consultative committees:

- The Nomination and Remuneration Committee;
- The Audit Committee;
- The Risk Management Committee;
- *The Committee for Development and Relation with the Investors and Authorities.*

## **Composition of the Consultative Committee**

On December 31, 2023 the composition of the Consultative Committee is the following:

The Nomination and Remuneration Committee is made out of 5 independent, non-executive administrators: Zaman Andrei - Mihai - President: members: Gheorghe Cristian – Florin, Tănăsică Oana - Cristina, Dănilă Alin - Mihael, Kohalmi - Szabo Luminița - Doina.

The Audit Committee is made out of 3 non-executive, independent administrators: Gavrilă Florin - Daniel - President; members: Buică Nicușor - Marian, Gheorghe Cristian – Florin.

The Risk Management Committee is made out of 3 non-executive, independent administrators: Kohalmi - Szabo Luminița - Doina - President; members: Dănilă Alin - Mihael, Buică Nicușor– Marian.

The Committee for Development and Relation with the Investors and Authorities is made up of 3 non-executive independent administrators: Tănăsică Oana - Cristina - President; Members: Gavrilă Florin- Daniel, Zaman Andrei - Mihai.

The terms of reference and duties of the Board of Directors and of the Consultative Committees may be consulted at the web pages: <https://www.conpet.ro/wp-content/uploads/2015/10/Regulament-de-Organizare-si-Functionare-al-Consiliului-de-Administratie11.pdf> for the Board of Directors, respectively <https://www.conpet.ro/wp-content/uploads/2015/10/Regulament-de-Organizare-si-Functionare-Comitete-Consultative2.pdf> for the Consultative Committees established at the BoD level.

The Consultative Committees meet whenever necessary at the call of the President, and the proposals/recommendations made to the Board of Directors (to substantiate its decision-making) are adopted by a majority of the votes cast. The duties and responsibilities of the consultative committees are being established by the Board of Directors.

## **The Summary of the Activities performed in 2023**

In 2023, the Board of Directors held 42 meetings. The Consultative Committees also held 32 meetings, as follows: 20 Nomination and Remuneration Committee meetings, 8 Audit Committee meetings, 1 Risk Management Committee meeting and 3 meetings of the Committee for Development and Relation with the Investors and Authorities.

The meetings of the Board of Directors took place according to the agenda sent to the administrators, the main decisions made having as object the followings:

- endorsement of the Revenues and Expenditure Budget 2023 and the estimates for the period 2024 – 2025 and submission for approval by the OGMS;
- endorsement of 2023 Investments Program and estimates of the Investment Expenditures for 2024 and 2025 and submission for approval by the OGMS;
- approval of the revision of the Investment program for 2023 and estimates for the years 2024 and 2025, within the same values;
- approval of 2024 annual procurement program and of the amendments/modifications made thereto;
- analysis of the company's business presented by the executive management in the monthly reports;
- periodical analysis of the physical and value-related implementation of 2023 Investments Program;
- analysis and endorsement/approval of the Consultative Committees Reports, as appropriate;
- approval of the Convening Notices of the General Meeting of Shareholders and endorsement of the materials related to their Agenda;
- monitoring the means to carry-out/status of implementation of the measures ordered by the BoD Decisions;
- approval of the results of the annual inventory of the elements similar to assets, liabilities and equities, related to the company's patrimony;
- endorsement of the annual inventory results of the elements similar to assets related to public and private domain of the State;
- approval of the Internal Regulation of CONPET S.A.;
- approval of Current Repairs Program for 2023;
- approval of sponsorship requests and periodical monitoring of sponsorship contracts concluded by the company;
- approval of the Accounting Policies Manual of the company CONPET S.A., revised;
- approval of the preliminary report of the administrators for the period January - December 2022;
- endorsement of the financial statements at the date and for the financial year concluded on 31.12.2022;
- approval of the Annual Report of the company's administrators for the financial year ended 31.12.2022, report presented in the OGMS;
- endorsement by the OGMS of the proposal of the executive management on the allocation of the net profit related to 2022 financial year, reinstated with the provision for the employees share of profit and the distribution of certain amounts from retained earnings and other reserves, the settlement of the gross dividend per share, settlement of the registration date and determination of the date of payment of dividends to the shareholders;

- endorsement of the proposal to the OGMS regarding the discharge of administration of the administrators for the activity of 2022;
- approval of the Activity Report of the Directors with mandate contracts for the period ended 31.12.2022;
- approval of the Report of directors with mandate contract regarding the monitoring of the framing of their financial and non-financial key performance indicators (KPIs) for 2022 within the limits approved by the Board of Directors;
- Submission for the O.G.M.S. approval, of the Board of Directors' Report regarding the administration activity of 2022, drafted in accordance with the provisions of art. 55 of GEO no. 109/2011 *on the corporate governance of the public enterprises* and with the provisions of the mandate contract.
- approval of the report of the Nomination and Remuneration Committee on the evaluation of the company's administrators activity in 2022;
- Endorsement of the annual Report prepared by directors with mandate contract regarding the total degree of achievement of the financial and non-financial key performance indicators (KPIs) for 2022 for the company's administrators;
- endorsement of the Report of the Board of Directors for the monitoring of the framing of the key performance indicators (KPIs) of the administrators for 2022 within the limits approved by the OGMS;
- endorsement of the Annual Report of the Nomination and Remuneration Committee to the OGMS related to the remunerations and other benefits awarded to the administrators and the directors with mandate contract during 2022 financial year (Remuneration Report);
- approval of the Annual report of the Audit Committee regarding 2022 financial year;
- the request regarding the updating of the Company's Articles of incorporation and the presentation of proposals for its amendment;
- Endorsement of the Draft amendment to the Articles of incorporation of the CONPET S.A. Company, proposal to the EGMS;
- Approval of the anti-bribery policy of CONPET S.A. - updated March 2023;
- approval of the proposals regarding the opportunity to maintain CONPET S.A. capacity as a contributing member to the Non-governmental organizations where the company is operating;
- monitoring the activities and actions carried out monthly by the non - governmental organizations in which CONPET SA is a member;
- approval of the 2023 annual Procurement Program - periodic changes/revisions;
- Approval/endorsement of the decommissioning proposals, carried out on the occasion of the 2022 annual inventory and the methods of capitalizing them, proposed by the analysis and endorsement commission established at the company level;
- approval/endorsement of the ways of capitalizing on decommissioned assets belonging to the private domain of the state/the company's patrimony;
- approval of the criteria to distribute and award the amounts paid as employees share of profit related to 2022;
- approval of the rectified Revenues and Expenditure Budget for 2023 (Annexes 1, 2 and 5);

- approval of the Quarterly Report of Directors with mandate contract on the activity, in accordance with the provisions of GEO no.109/2011 *on the corporate governance of public enterprises* and the provisions of the contract of mandate;
- approval of the Quarterly report on the economic and financial activity of CONPET S.A. accompanied by the financial statements prepared in compliance with the Ministry of Public Finance Order no. 2844/2016 and the International Accountancy Standard 34“*Interim financial reporting*”.
- analysis of the Quarterly Reports on the Monitoring of Financial and Non-Financial Key Performance Indicators and their total degree of achievement in relation to the administrators and Directors with a mandate contract;
- setting the composition of the Consultative Committees set up at the level of the Board of Directors;
- approval of the Report regarding the status of the sponsorships granted by CONPET S.A. in the year 2022;
- approval of the update of the Organizational and Operational Rules and Regulation of the BoD and the Organizational and Operational Bylaws of the Consultative Committees, as a result of the appointment of the administrators and settlement of the composition of the Consultative Committees;
- endorsement of the proposal to the OGMS to extend the duration of the mandate contracts of the company's provisional administrators;
- endorsement of the mandate contract to the OGMS regarding provisional administrators;
- endorsement and submission for approval to the OGMS of the Addendum to the mandate contracts of the provisional administrators having as object the extension of their mandate duration;
- endorsement of the proposal to the OGMS regarding setting the monthly fixed gross allowance of the provisional administrators;
- appointing a provisional Deputy Director General, establishing his fixed allowance and approving the conclusion of the mandate contract;
- approving the extension of the mandate of the provisional Deputy Director General and approving the conclusion of an Addendum to the mandate contract;
- approving the extension of the mandate of the provisional Economic Director and approving the conclusion of an Addendum to the mandate contract;
- appointing a provisional Economic Director, establishing his fixed allowance and approving the conclusion of the mandate contract;
- appointment of one of the BoD's member in the capacity of Chairman of the Board of Directors of CONPET S.A., following the settlement of the composition of the BoD;
- approving the conclusion of the Addendum to the mandate contract of the Director General, having as its scope the modification of the duration of the mandate contract in the sense of its reduction;
- approving the initiation of the selection procedure for directors with a mandate contract (the Director General, the Deputy Director General and the Financial Director - also called the Economic Director);
- entrusting the Nomination and Remuneration Committee within the Board of Directors to run the selection procedure of the directors with mandate contract;

- approving the purchase of the services of an independent expert to provide specialized assistance to the Nomination and Remuneration Committee in the selection procedure of the Directors with a mandate contract;
- establishing the calendar of the selection procedure for the Directors with a mandate contract for a period of 4 years (Director General, Deputy General Director and Financial Director);
- approving the criteria and conditions for the evaluation and selection of Directors with a mandate contract, respectively Annex I;  
approving the Announcement of the selection of Directors with a mandate contract, respectively Annex II, with the necessary publicity provided by the applicable legislation;
- approving the Candidate Matrix/Evaluation Grid for the selection of Directors with a mandate contract and establishing the weights in the final grade;
- approval of the administration component of the Administration Plan for the period August 2023 - August 2027;
- appointment in the capacity of Director General of CONPET S.A., with a 4-year mandate;
- appointment as Deputy Director General of CONPET S.A., with a 4-year mandate;
- appointment in the capacity of Economic Director of CONPET S.A., with a 4-year mandate;
- Approval of the contracts of mandate of the Director General, Deputy Director General and Economic Director;
- approval of the modification of the organizational structure of CONPET S.A. (starting with 24.10.2023);
- approval to maintain the delegation of powers to the Director General on the approval of the new Staff Establishment in accordance with the new organizational chart, as well as the subsequent amendments thereof, framing within the number of existing job titles;
- approval of the Director General's participation to certain events/conferences and of the travel reports;
- analysis of the notification on the monitoring of the performance of the internal/management control system and risks management within CONPET in 2022;
- approval of the Code of Ethics and Integrity of CONPET S.A.- October 2023;
- Endorsement of the fulfillment of the statute of limitation of the shareholders to the dividends related to 2019 financial year and submission of the proposal for the OGMS approval;
- approval of the initiation of the procedure for recruitment and selection of the Deputy Director General 3 (DGA3), carried out in compliance with the provisions of GEO no. 109/2011 on corporate governance of the public enterprises, subsequent amendments and additions, and the transformation of the DGA3 position from Director with individual labor agreement into Director with mandate contract, from the date of completion of the procedure;
- Granting mandate to the Nomination and Remuneration Committee within the Board of Directors to carry out the recruitment and selection procedure of Deputy Director General 3 and the decision to acquire the services of an independent expert to provide specialized

assistance to the Nomination and Remuneration Committee in the selection procedure of the Deputy Director General 3;

- establishing the calendar of the selection procedure of the Deputy Director General 3, director with a mandate contract for a period of 4 years;
- approval of the selection conditions and criteria of the Deputy Director General 3;
- approving the Announcement of the selection of Deputy Director General 3, Annex II, with the necessary publicity provided by the applicable legislation;
- approving the candidate's matrix/ Evaluation Grid and setting the weights in the final grade for the selection of the Deputy Director General 3;
- approving the management component of the Administration Plan drawn up by the Directors with a mandate contract;
- endorsing the Note to the OGMS having as scope the approval of the financial and non-financial performance indicators of the company CONPET resulting from the Administration Plan;
- endorsing the general limits of the remuneration of Directors with a mandate contract, proposal to the OGMS.;
- approving the entire Administration Plan of the CONPET S.A. Company for the period 2023 – 2027, which includes the financial and non-financial performance indicators resulting from the completion of the negotiations with the tutelary public authority (Ministry of Energy);
- endorsing the Note to OGMS having as object the proposal to approve the financial and non-financial performance indicators, resulting from the Administration Plan, following the completion of their negotiation with the tutelary public Authority (Ministry of Energy);
- Endorsing the Addendum to the mandate contracts of the non-executive administrators, having as scope the financial and non-financial key performance indicators thereof and the gross annual variable component of the remuneration of the non-executive administrators;
- approving the conclusion of an Addendum to the Collective Labor Agreement applicable at the company level;
- approving the updated Organizational and Functioning Rules of the company CONPET S.A.;
- Approving 2024 draft annual Procurement Program;
- Approving the conclusion of a contract with a duration of 4 years, having as scope "Rail transport services of crude oil and rich gas from the loading ramps to the destinations established by CONPET S.A.", respectively with Grup Feroviar Român S.A. Bucureşti;
- approval of the starting price at the auction for recovered pipe approved for capitalization through a outcry auction;
- analysis of the anti-bribery compliance function and the the anti-bribery management system implemented in CONPET S.A.;
- approving the purchase of a land plot in a surface of 4,820 sq.m. and of the 383 m long industrial rail line, located in the area of the Crude Loading Ramp from Suplacu de Barcău and the conclusion of the sale-purchase agreement with OMV Petrom;

- the request to the executive management to present a detailed analysis regarding the implementation of a project for a photo voltaic park with a capacity of 15-40 MW (opportunity, costs, profitability, possibility of accessing European funds, technical requirements, etc.), in order to take a decision by the BoD ;
- Took note of the Information regarding the Development Program of the internal managerial control system for the year 2023;
- Took note of the Information regarding the Integrity Plan adopted at CONPET S.A. level in the application of the National Anti-Corruption Strategy 2021 - 2025;
- Took note of the Revenues and Expenditure Budget Projection for the year 2024 (preliminary version);
- approving the level of the variable component of the remuneration of Directors with a mandate contract, at the level of 12 fixed gross monthly allowances for the Director General, the Deputy Director General and the Economic Director, for each year of mandate, within its general limits, approved by the OGMS Resolution no. 6/19.12.2023;
- Approving the means of calculation and awarding of the variable component of the remuneration of the directors with mandate contract;
- approving the financial and non-financial key performance indicators set for the directors with contract of mandate
- approving the maintenance of the fixed monthly gross allowance of the directors at the level provided for in their mandate contract;
- approving the conclusion of an Addendum no. 1 to the mandate contract of Directors with mandate contract.

### **Directors with contracts of mandate (the Director General, Deputy Director General and Economic Director)**

#### **The Director General**

Mr. Dorin Tudora was appointed by the Decision of the BoD no. 8/ 20.04.2021, in the position of Director General, following the recruitment and selection procedure carried out according to the provisions of the GEO no. 109/ 2011, with a mandate of 4 years, respectively for the period 21.04.2021 – 20.04.2025. By Decision no. 23/ 22.08.2023, the Board of Directors approved the conclusion of Addendum no. 3 to the Mandate Contract no. 2/ 21.04.2021 of the Director General, having as scope the modification of the duration of the mandate contract in the sense of reducing it, the period of the mandate to be until 06.11.2023 (inclusive) or until the completion of the selection procedure of the Director General, if this takes place earlier than 06.11.2023 (the effective termination of the mandate took place on 20.10.2023, following the completion of the selection procedure for directors with a mandate contract).

Following the performance of the procedure for recruitment and selection of the Director General, Deputy Director General and Economic Director, in compliance with the provisions of GEO no. 109/2011 on the corporate governance of the public enterprises, the Board of Directors appointed Mr. Dorin Tudora in the capacity of Director General for a 4 years' mandate, starting 20.10.2023 until 19.10.2027, delegating to him the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the contract of mandate.

### **The Deputy Director General**

Ms. Mihaela - Anamaria Dumitrache was appointed, by the Decision of the BoD no. 5/18.02.2019, in the capacity of Deputy Director General (DGA), following the run of the procedure for the recruitment and selection of the Deputy Director General as per the provisions of the GEO no. 109/ 2011, with a mandate of 4 years, respectively for the period 18.02.2019 – 17.02.2023. Pursuant to the BoD decision no. 3/ 14.02.2023, the Board of Directors appointed Ms. Mihaela – Anamaria Dumitrache in the position of provisional Deputy Director General, with a mandate of 4 months, respectively the period 18.02.2023 – 18.06.2023 (inclusive), later extended by 2 months, respectively the period 19.06.2023 – 19.08.2023, according to the Decision of the BoD no. 16/ 14.06.2023.

Pursuant to the BoD decision no. 21/ 09.08.2023, the Board of Directors appointed Ms. Mihaela - Anamaria Dumitrache in the position of provisional Deputy Director General, with a mandate of 4 months, respectively the period 20.08.2023 - 20.12.2023 (the effective termination of the mandate took place on 20.10.2023, following the completion of the selection procedure of directors with mandate contract).

Following the performance of the procedure for recruitment and selection of the Director General, Deputy Director General and Economic Director, performed in compliance with the provisions of GEO no. 109/2011 on the corporate governance of the public enterprises, pursuant to the BoD Decision no. 31/ 19.10.2023, the Board of Directors appointed Ms. Mihaela - Anamaria Dumitrache in the capacity of Deputy Director General for a 4 years' mandate, starting 20.10.2023 until 19.10.2027, delegating to her the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the contract of mandate.

### **The Economic Director**

Ms. Sanda Toader was appointed, by the BoD Decision no. 23/ 28.10.2022, in the position of provisional Economic Director, with a mandate of 4 months, respectively the period 07.11.2022 – 07.03.2023, later extended by 2 months, respectively the period 08.03.2023 – 08.05.2023, according to the Decision of the BoD no. 8/ 07.03.2023. Pursuant to the BoD decision no. 13/ 05.05.2023, the BoD appointed as Ms. Sanda Toader in the capacity of provisional Economic Director, with a mandate of 4 months, respectively the period 09.05.2023 – 09.09.2023, later extended by 2 months, respectively the period 10.09.2023 – 10.11.2023, according to the Decision of the BoD no. 26/ 05.09.2023 (the effective termination of the mandate took place on 20.10.2023, following the completion of the selection procedure of directors with a mandate contract).

Following the performance of the procedure for recruitment and selection of the Director General, Deputy Director General and Economic Director, performed in compliance with the provisions of GEO no. 109/2011 on the corporate governance of the public enterprises, pursuant to the BoD Decision no. 31/ 19.10.2023, the Board of Directors appointed Ms. Sanda Toader in the capacity of Economic Director for a 4 years' mandate, starting 20.10.2023 until 19.10.2027, delegating to her the management of the company in accordance with the legal provisions in force, the Articles of Incorporation and the contract of mandate.

Directors with mandate contracts have the powers laid down in the Articles of Incorporation and in the contracts of mandate, supplemented by the applicable legal provisions.

The Director General of the company has the attributions specified in the contract of mandate, supplemented by provisions of the Articles of Incorporation, the Rules of Organization and Functioning, supplemented with the applicable legal provisions.

The Director General delivers to the Board of Directors, regularly and comprehensively, detailed information regarding all outstanding aspects of the company business. Additionally, any outstanding event is immediately communicated to the Board of Directors.

Moreover, any member of the Board of Directors may request the Director General for information regarding the operative company management.

The management bodies and the administration bodies are active, have the freedom to adopt the decisions they consider appropriate, acknowledge their role and are permanently capable of supporting their decisions against the administration structures or other interested parties that have the right to obtain such information.

The Deputy Director General and the Economic Director have the attributions specified in the contract of mandate, supplemented by the provisions of the Articles of Incorporation, the Rules of Organization and Functioning of the Company, in accordance with applicable legal provisions.

## **The Remuneration Policy**

The remuneration policy of the administrators and directors with contract of mandate, which also includes the remuneration criteria thereof, was approved by the OGMS Resolution no. 1/28.04.2021 and is posted on the company's web page.

After the completion of the selection procedure for the members of the BoD and Directors in 2023, the Board of Directors endorsed the Remuneration Policy for administrators and directors with a mandate contract, which will be submitted for approval to the General Meeting of Shareholders.

- The Board of Directors**

The Remuneration for the members of the Board of Directors, respectively the non-executive directors is determined by the General Meeting of Shareholders in the structure and limits set by the GEO no. 109./2011, consisting of a gross monthly fixed allowance and a variable component.

### **1. Monthly gross fixed allowance**

In 2023, the administrators of Conpet S.A. carried out their activity based on mandate contracts whose form and content were approved by the General Meeting of Shareholders.

#### *The remuneration of the provisionally appointed administrators*

According to the OGMS Resolution no.5 dated 20.09.2022 the members of the Board of Directors have monthly fixed gross allowance equal to 1.36 times the average for the last 12 months of the average gross salary per month for the work done according to the core business recorded by

the Company, at class level according to the classification of the national economy, announced by the National Institute of Statistics, prior to the appointment.

*The remuneration of the administrators appointed for a period of 4 years starting with 22.08.2023 and until 21.08.2027(inclusive).*

The remuneration of the administrators consists of a monthly fixed allowance and a variable component.

### **The Gross Fixed Allowance**

According to the OGMS Resolution no.4 dated 18.08.2023, the members of the Board of Directors have monthly fixed gross allowance equal to twice the average for the last 12 months of the average gross salary per month for work done according to the core business recorded by the Company, at class level according to the classification of the national economy, announced by the National Institute of Statistics, prior to the appointment.

The gross fixed allowance due to the members of the Board of Directors for the period 01.01.2023 – 31.12.2023 was 1,367,870 RON.

### **The variable component**

According to Article 37 Para 2 of GEO no. 109/2011 the variable component is determined based on financial and non-financial performance indicators negotiated and approved by the General Meeting of Shareholders.

The variable component due to the administrators is granted in conjunction with the annual total degree of fulfillment of financial and non-financial KPIs approved by the contract of mandate.

The administrators with mandate contracts for a period of 4 years (22.08.2018-21.08.2022), contracts concluded as a result of the selection procedure according to GEO no. 109/2011, received in 2023 a remuneration representing a variable component related to the mandate period 01.01-21.08.2022.

The total gross variable component related to the mandate period in 2022 was granted after approval by the OGMS of the total degree of fulfillment (103.4%) of the financial and non-financial key performance indicators for the year 2022, within the limits approved by the OGMS. The total gross amount of the variable component was 599,850 RON.

The contracts of the provisional administrators do not contain financial and non-financial key performance indicators and, as a result, the provisional administrators do not benefit from a variable component for the period in which they exercised their mandate.

The administrators appointed for a 4-year term, starting on August 22, 2023, as a result of the selection through the run of the selection procedure based on GEO. no. 109/2011 benefits from a variable component. The financial statements of 2023 include provisions representing variable component for the non-executive administrators, in the amount of 647,462 RON, due for the

period 22.08.2023-31.12.2023, which will be paid after the approval of the 2023 financial statements in relation to the total degree of fulfillment of the key performance indicators.

### **The Directors with mandate contracts**

#### **The Director General**

For the period 01.01.2023 – 19.10.2023, the Board of Directors has settled the monthly fixed gross allowance of the Director General, for the execution of the entrusted mandate for the period 21.04.2021 – 06.11.2023, in amount of 53,160 RON, respectively 6 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment. The mandate contract ended on 20.10.2023 according to the Decision of the Board of Directors.

For the period 20.10.2023 – 31.12.2023, the Board of Directors has settled the monthly fixed gross allowance of the Director General for the execution of the entrusted mandate for a period of 4 years (20.10.2023 – 19.10.2027), in amount of 66,636 RON, respectively 6 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

The gross fixed allowance granted to the Director General of CONPET SA between 01.01.2023 – 31.12.2023 was **669,772 RON**.

The gross variable component related to 2022 and paid in April 2023 to the Director General was in amount of **637,920 RON**.

#### **The Deputy Director General**

For the period 01.01.2023 – 17.02.2023, the Board of Directors has settled the monthly fixed gross allowance of the Deputy Director General for the execution of the entrusted mandate for a period of 4 years (18.02.2019 – 17.02.2023), in amount of 35,290 RON, respectively 5 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

For the period 18.02.2023 – 19.08.2023, the Board of Directors has settled the monthly fixed gross allowance of the provisional Deputy Director General for the execution of the entrusted mandate for a period of 4 months (18.02.2023 – 18.06.2023) and extended for a period of 2 months (19.06.2023 – 19.08.2023), in amount of 50,072.5 RON, namely 5 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the

activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

For the period 20.08.2023 – 19.10.2023, the Board of Directors has settled the monthly fixed gross allowance of the provisional Deputy Director General for the execution of the entrusted mandate for a period of 4 months (20.08.2023 – 20.12.2023), in amount of 53,495 RON, namely 5 times the average on the last twelve months of the gross monthly average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

For the period 20.10.2023 – 31.12.2023, the Board of Directors has settled the monthly fixed gross allowance of the Deputy Director General for the execution of the entrusted mandate for a period of 4 years (20.10.2023 – 19.10.2027), in amount of 55,530 RON, namely 5 times the average on the last twelve months of the monthly gross average earnings for the activity performed as per the core business registered by the company, at level of class as per the classification of the activities in the national economy, communicated by the National Institute of Statistics prior to the appointment.

The gross fixed allowance granted to the Deputy Director General of CONPET SA between 01.01.2023– 31.12.2023 was **596,376 RON**.

The gross variable component related to 2022 and paid in 2023 to the Deputy Director General was in amount of **423,480 RON**.

#### **The Economic Director**

For the period 01.01.2023 – 08.05.2023, the Board of Directors established the gross fixed monthly allowance of the provisional Economic Director for the execution of the entrusted mandate for a period of 4 months (07.11.2022 – 07.03.2023) and extended for a period of 2 months ( 08.03.2023 – 08.05.2023), respectively 48,649 RON, i.e. 5 times the average over the last 12 months of the average gross salary for the activity carried out according to the main object of activity fully 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.

For the period 09.05.2023 – 19.10.2023, the Board of Directors established the gross monthly fixed allowance of the provisional Economic Director for the execution of the entrusted mandate for a period of 4 months (09.05.2023 – 09.09.2023) and extended for a period of 2 months ( 10.09.2023 – 10.11.2023), respectively 51,005 RON, i.e. 5 times the average over the last 12 months of the average gross salary for the activity carried out according to the main object of activity fully 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.

For the period 20.10.2023 – 31.12.2023, the Board of Directors established the gross monthly fixed allowance of the Economic Director for the execution of the entrusted mandate for a period of 4 years (20.10.2023 – 19.10.2027), respectively 55,530 RON, i.e. 5 times the average on the last 12 months of the average gross salary for the activity carried out according to the main object of activity fully 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.

The gross fixed allowance granted to the Economic Director of CONPET SA between 01.01.2023– 31.12.2023 inclusive of was **612,797 RON**.

The gross variable component related to 2022 and paid in 2023 to the Economic Director was in amount of **343,215 RON**.

The total gross fixed remuneration due to directors with a mandate for the period 01.01.2023 – 31.12.2023 was **1,878,945 RON**.

In the meeting of 23.03.2023, the Board of Directors approved the total degree of fulfillment (106.3%) of the Directors' financial and non-financial key performance indicators (KPIs) for the year 2022 and the granting of the variable component due to the directors for the term of office exercised in 2022, in accordance with the provisions of the mandate contracts and within the limits approved by the GMS.

The payment of the variable component was made by the observance of the conditions mentioned in the contracts of mandate, respectively after the approval of the annual financial statements by the OGMS and the report of the nomination and remuneration committee, which included also the total degree of achievement of the mandate directors' KPI's.

The total gross variable component related to 2022, paid in April 2023 was in amount of 1,404,615 RON.

The variable component related to 2023 shall be paid following the approval of the financial statements, according to the degree of achievement of the key performance indicators.

The financial statements of 2023 include provisions representing variable allowances for mandate contracts for directors with mandate contracts, in the amount of 990,504 RON and will be paid after the approval of the financial statements in relation to the total degree of fulfillment of the key performance indicators.

### **Status of achieving the Key Performance Indicators for 2023**

The **Total Degree of achievement of the performance indicators (GT<sub>ICP</sub>)** is the amount of the degree of achievement of every KPI (G<sub>I</sub><sub>CP</sub>) weighted by the weighting coefficient (W<sub>I</sub><sub>CP</sub>) related to every KPI.

The calculation formula is the following:

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

where:

$GT_{ICP}$  = Total annual degree of achievement of the KPIs

$W_{ICP}$  = Weighting Coefficient (weight) for every KPIs

$GI_{ICP}$  = Degree of achievement of the individual KPIs

The degree of achievement of every KPI ( $GI_{ICP}$ ) is the degree of achievement of every KPI, considering the means of calculation provided at every KPI, subsequently weighted by the weighting coefficient ( $W_i$  ICP) related to each KPI.

**The variable component** of the remuneration due to the administrators will be directly proportional to the

$GT_{ICP}$  for the corresponding financial year or part of the corresponding financial year and is being awarded as follows:

In the event that:

a)  $GT_{ICP} \geq 100\%$ , the maximum variable remuneration component approved by the OGMS for each administrator is granted in the maximum amount approved by the OGMS.

b)  $80\% \leq GT_{ICP} < 100\%$ , the maximum variable component of remuneration approved by the OGMS" each administrator with contract of mandate is being awarded in proportion to the total degree of achievement of the performance indicators

c)  $GT_{ICP} < 80\%$ , the variable component shall not be awarded.

- **Financial and non-financial Key performance indicators for 2023 approved for the administrators of the company**

According to the OGMS Resolution no. 6/19.12.2023 the financial and non-financial performance indicators of the company's administrators were approved (KPIs), for the period 2023-2027, which will be used for determining and granting the variable remuneration component of administrators during the execution of the contract of mandate.

The structure of the financial and non-financial KPIs, the performance objectives of each KPI, their weight and the degree of achievement are shown in the table below:

Nr. crt.	Performance indicator	Performance Objective	MU	(Period 01.01-31.12.2023)		Degree of achievement KPI (%)	KPI weights for setting the remuneration	Degree of achievement weighed KPI
				Approved target values	Achieved values			
<b>A. FINANCIAL KEY PERFORMANCE INDICATORS: 20%</b>								
1.	Investment achievement	Achievement of at least 75% of the Annual Investment Plan financed from the modernization quota	%	≥75%	123.2%	100.0%	3.0%	3.0%
2.	Current liquidity	Ensuring the ability to pay current liabilities from current assets		≥1	1.9	100.0%	3.0%	3.0%
3.	Asset turnover rate	Ensuring the efficiency of asset management		≥0.5	0.6	100.0%	3.0%	3.0%
4.	Return on equity (ROE)	Maintaining a return on equity greater than 5%	%	≥5%	8.4%	168.7%	3.0%	5.1%
5.	Rate of dividend distribution from the net profit of the year	Maintaining a sustainable dividend policy	%	≥65%	90.7%	100.0%	5.0%	5.0%
6.	Total expenses per 1000 RON total income	Maintaining the level assumed through the annual Budget	lei	899	867	103.6%	3.0%	3.1%
<b>B. NON-FINANCIAL KEY PERFORMANCE INDICATORS: 80%</b>								
<b>B1. OPERATIONAL KEY PERFORMANCE INDICATORS: 20%</b>								
7.	Monitoring the annual average specific consumption of electricity for technological purposes	Maintaining the annual average of the specific technological consumption of electricity at a level of max. 3.2 KWh/ton	Kwh/ton	Max 3,2 Kwh/ton	3.2	2.3	100.0%	10.0%
8.	Ensuring NTS maintenance	Completion of at least 90% of the annual planned technical revisions program	%	≥ 90%	90.0%	100.0%	100.0%	10.0%
<b>B2. GOVERNANCE KEY PERFORMANCE INDICATORS: 50%</b>								
9.	Number of BoD meetings helds throughout the year	At least one meeting of the BoD per month (in correlation with the period of mandate)	no. of meetings	100%	5	20	100.0%	15.0%
10.	Duly reporting of the degree of achievement of the performance indicators of the company	Framing within the legal reporting deadlines	%	100%	100.0%	100.0%	20.0%	20.0%
11.	Carrying out the actions provided for in the development program of the internal managerial control system	The development of the internal managerial control system implemented in accordance with the legal requirements in force	%	≥ 90%	90.0%	100.0%	100.0%	15.0%
<b>B3. KEY PERFORMANCE INDICATORS ORIENTED TOWARDS PUBLIC SERVICES: 10%</b>								
12.	Crude oil and derivatives transport related customer satisfaction score (number of responses rated with 4 and 5 in total number of customer responses)	Crude oil and derivatives transport related customer satisfaction score (number of responses rated with 4 and 5 in total number of customer responses at least 90%)	%	≥ 90%	90.0%	100.0%	100.0%	10.0%
<b>Total degree of achievement of the key performance indicators</b>								<b>102.2%</b>

Table 33 - 2023 Key performance indicators

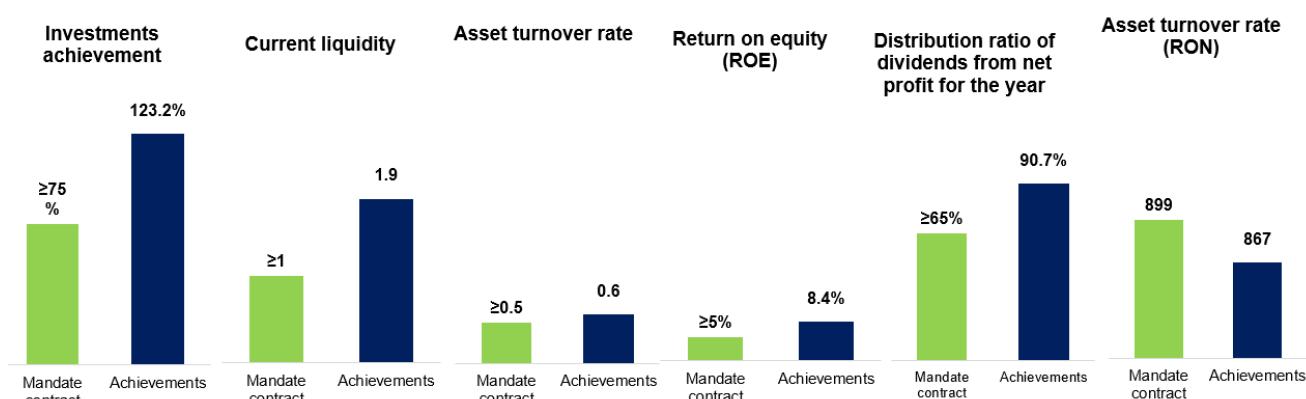


Chart 22 - Key financial performance indicators

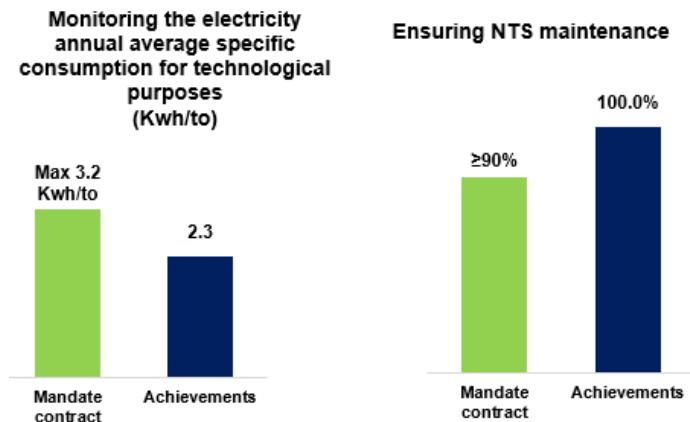


Chart 23- Operational non-financial Key Performance Indicators

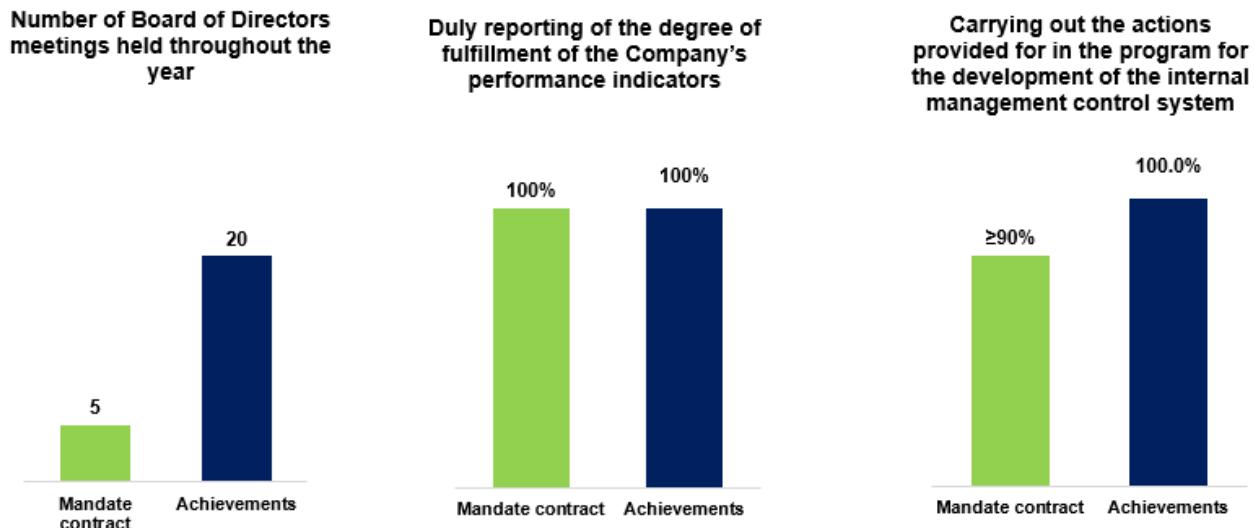


Chart 24 - Key non-financial governance performance indicators

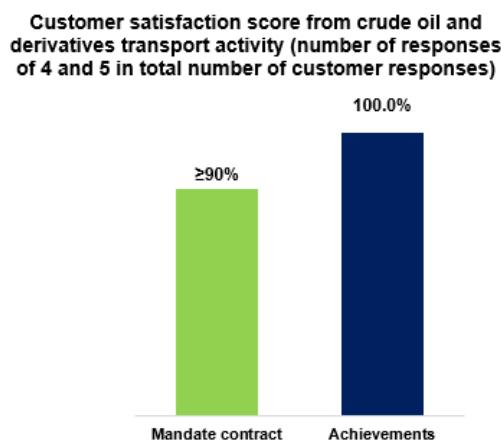


Chart 25- Non-financial key performance indicators oriented towards public services

For the year 2023, the total degree of achievement of the financial and non-financial key performance indicators for the administrators is **102.2 %**.

- **The Financial and non-financial key performance indicators for 2023 set for the directors with contract of mandate**

#### **Key performance indicators - mandate period 01.01.2023 – 19.10.2023**

The total degree of fulfillment of the key performance indicators underlying the variable component granting, for the period 01.01-19.10.2023, included in the mandate contracts of the directors is 105.4%.

In structure, the degree of achievement of the performance indicators reveals the following:

Key Performance Indicators	Degree of achievement of key performance indicators 2023		
	Mandate Contract	Achieved	Variation
<b>A. Financial key performance indicators</b>	<b>50.0%</b>	<b>54.7%</b>	<b>+4.7 p.p.</b>
<b>B. Non-financial key performance indicators</b>	<b>50.0%</b>	<b>50.7%</b>	<b>+0.7 p.p.</b>
B1. Operational	30.0%	30.7%	+0.7 p.p.
B2 of Corporate Governance	20.0%	20.0%	+0.0 p.p.
<b>Total degree of fulfillment of the performance indicators</b>	<b>100.0%</b>	<b>105.4%</b>	<b>+5.4 p.p.</b>

Table 34 - Pursuit of the performance indicators for the administrators during 01.01.2023-19.10.2023

The total degree of fulfillment of the key performance indicators was exceeded by 5.4 p.p., being favorably influenced by the financial key performance indicators by 4.7 p.p. and by non-financial key performance indicators with 0.7 p.p.

#### **Key performance indicators - mandate period 20.10.2023 – 31.12.2023**

The total degree of fulfillment of the key performance indicators that are the basis for granting the variable component, approved by the decision of the BoD no. 42/19.12.2023 for the year 2023, also provided for in the directors' mandate contracts is 106%.

In structure, the degree of achievement of the performance indicators reveals the following:

Key Performance Indicators	Degree of achievement of key performance indicators 2023		
	Mandate Contract	Achieved	Variation
<b>A. Financial key performance indicators</b>	<b>50.0%</b>	<b>56%</b>	<b>+6 p.p.</b>

Key Performance Indicators	Degree of achievement of key performance indicators 2023		
	Mandate Contract	Achieved	Variation
<b>B. Non - financial key performance indicators</b>	<b>50.0%</b>	<b>50.0%</b>	<b>+6.0 p.p.</b>
B1. Operational	20.0%	20.0%	+0.0 p.p.
B2. of Corporate Governance	25.0%	25.0%	+0.0 p.p.
B3. Oriented towards public services	5.0%	5.0%	+0.0 p.p.
<b>Total degree of fulfillment of the performance indicators</b>	<b>100.0%</b>	<b>106%</b>	<b>+6.0 p.p.</b>

Table 35 - The degree of fulfillment of the performance indicators for the mandate period 20.10.2023 – 31.12.2023

The total degree of fulfillment of the key performance indicators was exceeded by 6.0 p.p., being favorably influenced by the financial key performance indicators by 6.0 p.p..

In Annexes 2 and 3 of the Report of the Administrators is presented the calculation of the total degree of fulfillment of the financial and non-financial key performance indicators of directors with contract of mandate.

The remuneration and fulfillment degree of the key performance indicators of the administrators and directors with contract of mandate are presented in the annual Report of the Nomination and Remuneration Committee.

#### **The situation of salary rights for each position and other rights / benefits offered by CONPET S.A.**

The basic salaries within CONPET SA are divided by job groups, respectively by job classes. The job classes are ranked within the company in relation to the level of professional training, the importance of work, the complexity and diversity of activities, the responsibility and impact of decisions, the exposure to risk factors, the difficulty of specific activities, the sphere of relationships.

Nr. crt.	Job Classes	Gross basic salary minimum level - maximum level (RON)
1	Class 1	3.300 – 5.000
2	Class 2	3.430 – 5.250
3	Class 3	3.690 – 5.510
4	Class 4	3.950 – 5.770
5	Class 5	4.220 – 6.030
6	Class 6	4.560 – 6.360
7	Class 7	4.640 – 6.720

8	Class 8	4.560 – 6.360
9	Class 9	4.730 – 7.750
10	Class 10	4.890 – 7.940
11	Class 11	5.150 – 8.190
12	Class 12	5.510 – 10.370
13	Class 13	10.370 – 15.210
14	Class 14	11.050 – 15.900
15	Class 15	18.580 – 25.520
16	Class 16	22.900 – 28.100

Table 36 - Job classes and gross basic salary level

The above classes include the following jobs:

Class 1 – cleaning lady, goods handler, pipeline route operator, security guard;

Class 2 – operator for steam and hot water boilers, fire department aide, telephone operator;

Class 3 – handler, head of Fire Prevention and Extinguishing formation, universal carpenter, tractor operator;

Class 4 – warehouse keeper, pumper, railway shunting chief, forklift operator;

Class 5 – car electrician, maintenance electrician, cathodic protection electrician, central heating plumber, technical and sanitary plumber, energy and transport aggregates locksmith, mechanical locksmith, boiler mechanic locksmith, car mechanic, locomotive mechanic, operator, truck driver, car driver, lorry driver, bricklayer;

Class 6 – electrical equipment electrician, power plant and power station operation electrician, laboratory technician, LDH mechanical locksmith, machinist for earthmoving machines, verifying metrologist, PPPF station manager, fluid products transit operator, crane operator, heavy tonnage truck driver, special vehicle driver, universal metalworker, welder;

Class 7 – dispatcher, RSC/LFI locomotive engineer, head of PSI-RSC/LFI unit, shift leader (modernized station), unit car driver, directorate car driver;

Class 8 – administrative staff (archivist, cashier, administrative clerk, handyman, car operator, classified document inspector, data entry operator, data validation and processing operator, recipient - distributor of materials and tools);

Class 9 – secondary education staff (technicians, foremen, administrative secretary, technical reviewer, maintenance manager, production manager, assistant programmer, accountant, assistant manager, nurse, commercial and administrative activities clerk, ITP inspector);

Class 10 – staff with short-term higher education (engineer, junior engineer, management expert, economist, network administrator, assistant director, assistant manager, communication and image specialist, process improvement specialist, human resources specialist);

Class 11 – squad leader, station manager, warehouse manager, ramp manager, HSEQ officer, dispatcher;

Class 12 – staff with long-term higher education (engineer, economist, internal auditor, network administrator, IT system administrator, assistant manager, chemist, legal advisor, management systems consultant, legal expert, procurement expert, anti-corruption expert, general practitioner, programmer, psychologist, management specialist, automation manager, energy manager, HSEQ manager, investment manager, mechanic manager, maintenance manager, production manager, human resources specialist, communication and image specialist, communication and

media relations, process improvement specialist, public relations specialist, events logistics specialist, OSH specialist, translator);

Class 13 – activity coordinator, director general advisor, site supervisor;

Clasa 14 – department head, specialized squad head, sector head, bureau head;

Clasa 15 – head engineer, regional head, unit head;

Clasa 16 – director.

In the company, benefits of a permanent and temporary nature are granted.

The permanent benefits:

- seniority increase which is determined according to the total accumulated service; the seniority bonus is applied to the gross basic salary and can be 5%, 10%, 15%, 20%, 25% and 30%;
- disability allowance, for employees with a degree of disability, a percentage of 9.5% is applied to the basic gross salary.

The following are temporary benefits:

- the benefit for night shift, is granted in percentage of 30% of the basic gross salary, for the time actually worked;
- the benefit for working on Saturdays and Sundays, a percentage of 25% is given to the basic gross salary, for the time actually worked;
- the increase for working on public holidays is granted at a percentage of 100% of the basic gross salary, for the actual time worked.

Based on the Collective Labor Agreement and within the limits of the provisions of the annually approved Revenue and Expenditure Budget, the company can grant the following rights:

- meal vouchers with a nominal value of 35 RON for each working day;
- birth allowance and/or child adoption allowance (at the level of an average gross profit per company);
- employee death aid (in the amount of five average gross earnings per company); spouse death aid, child death aid, parental death aid (in the amount of an average gross profit per company); in-laws death aid (in the amount of 1,200 RON);
- gifts in money or in kind for the employees' children on Children's Day and the Christmas Holidays, gifts in money or in kind for female employees on the 8<sup>th</sup> of March, gifts in money or in kind, including gift vouchers, for the company's employees for Easter and Christmas, as well as for other events (limits established annually according to the provisions of the Fiscal Code);
- aids for serious or incurable diseases and prostheses;
- the value of the tourist services for treatment and rest carried out in the country and abroad, as well as the transport carried out on leaves of absence (75% of the invoice, but no more than 2,500 RON);
- retirement aid (in the amount of one wage, two wages, three wages or five average gross wages per company, depending on the accumulated service / seniority in the company);
- marriage aid (in the amount of an average gross profit per company);
- contribution to the voluntary pension fund (pillar III), within the limit of 400 euros annually;

- voluntary health insurance, within the limit of 400 euros annually;
- transport travel expense claim from home to the workplace and back based on the regulation, annex to CCM (Collective Labor Agreement) and in the amount of 75%;
- per diem for domestic travel, for work, in the amount of 135 RON/day;
- expenses with nurseries/kindergartens/"after school" program, no more than 300 RON;
- other advantages: employees can rent vehicles and equipment, at the same rate as the one applied by the company in relation to third parties, and the employee bears 50% of the invoice value; employees receive for seniority in the company (30 years accumulated service for women, 35 for men) a gift consisting of material objects (watches or other personalized objects);
- if the company has positive financial results, benefits can be awarded within the limit of a specific fund of up to 10% of the monthly and cumulative salary fund;
- the employees' share of profit is approved by the GMS and is granted based on criteria approved by the Board of Directors.

### **The management of conflicts of interest**

To avoid the occurrence of the conflict of interest, the company has set-out a series of deontological rules that need to be observed both by the members of the Board of Directors as well as by the directors of the company, in correlation with the applicable legal provisions.

The members of the Board of Directors keep the confidentiality of any facts, data or information they have acquired in the course of exercising their responsibilities and understand that they have no right to use or disclose them during or after termination of the activity. Both in the Rules of Organization and Operation of the Board of Directors, the Corporate Governance Rules and in the Code of Ethics of the company CONPET SA there are dispositions with regards to the management of the conflicts of interests and settlements with involved persons. In practice, the members of the Board of Directors shall inform the Board of any conflicts of interest that have arisen or may arise and shall refrain from attending the discussion and voting for the adoption of a ruling on the matter giving rise to the conflict of interest concerned.

The Administrator or Director General who has interests in a particular operation, directly or indirectly, contrary to the interests of the company must notify the other administrators and the internal auditor thereof and must not take part in any deliberations concerning this operation. The same is the duty of the administrator or the Director General if, in a particular operation, knows that the spouse, relatives or affiliates up to the fourth degree inclusively are interested.

The situations in which CONPET S.A. employees may be in conflict of interest, the way of preventing, communicating and solving them are established through an operational procedure, which has been approved and disseminated in 2022, in accordance with the internal regulations. In practice, the employees have the obligation to refrain from resolving the request, making the decision or participating in making a decision and to immediately inform the hierarchical head directly by submitting a statement regarding the potential/real conflict of interest to the designated person within the competent organizational entity within the company. Also, if an employee of

CONPET S.A. or another person has become aware of the commission of violations of the law in the field of conflicts of interest, he can notify it in good faith, by accessing the button "Avertizor în interes public Conpet" and/or by clicking the button "Sesizează Ministerul Energiei", available on the company's website.

The company was not notified about integrity incidents related to the conflict-of-interest regime/incompatibilities whose resolution was made as a result of the final remaining of an act of finding issued by A.N.I.

## **Social and Corporate Responsibility (CSR)**

The Social responsibility of Conpet S.A.(CSR) is integral part of the CONPET's vision and strategy and the respect towards people, responsibility towards the environment and involvement in the community's life are essential values and major priorities for the company.

The actions that CONPET undertook in 2023 in the field of CSR were manifested both internally, with the aim of aligning employees with the company's values and mission, and externally, in the company's relationship with third parties, through involvement in the life of the community and supporting its development.

Regarding the internal dimension of CSR, which includes strengthening the organizational culture and common values, as well as creating solid bonds between CONPET employees, in 2023 actions were organized to promote people and the image of the company, among which the traditional award of the senior employees (30 years for women, 35 years for men), congratulating employees who have retired or who participated in external activities, representing the company (e.g. S.P.S.U. county competitions).

At the same time, in order to inform the employees about the relevant and up-to-date events in the life of the company, periodic internal communications were carried out, on which occasion the important actions that took place at the headquarters in Ploiești were presented (e.g. the visit of the delegation of Turkmenistan during the Reunion of the Working Group on the Cooperation in the field of Energy between Turkmenistan and Romania 2023) and in CONPET work sites in the country (e.g. the reception upon the completion of the large-scale project "Replacement of connecting wires crossing the Danube C1-C2 and the Borcea Arm C3-C4" ).

The participation of company representatives in national and international events dedicated to the energy sector was also promoted (e.g. The Business Forum of the Three Seas Initiative, Romanian International Gas Conference -RIGC 2023) so that employees are aware of the context and evolution of the field in which CONPET operates.

The internal newspaper "Informația CONPET" was another communication channel through which employees received information about the company's main actions and activities in 2023, sponsorships and social responsibility actions.

A relevant action that combines organizational culture and social responsibility is represented by internal communications and posts on the official facebook page, which aim to promote culture, national and international historical milestones and, in general, all the principles we consider valuable to the civilized world we live in.

If, in the context of the COVID-19 epidemic, an information, awareness and responsibility campaign was initiated regarding all aspects related to the pandemic, using internal communication channels and social media, in 2023, the health campaign continued by broadcasting articles about health and promoting a healthy lifestyle through the daily Press Magazine.

Regarding the company's involvement in the life of the community, CONPET has chosen, over time, voluntary actions, projects and various causes to cover as wide an area as possible of the community's needs.

In 2023, CONPET organized, for the second consecutive year, a blood donation campaign among the company's employees. Carried out in collaboration with the Ploiești Blood Transfusion Center, the action took place on November 21, at the headquarters of the Ploiești Central Dispatch and it was a real success. 63 employees joined a noble cause of helping the sick in need, in a humanitarian gesture, of empathy and solidarity, in the context where blood donation is a critical problem in Romania.

It has also become a tradition for CONPET to take part every year in the **#EarthHour/Ora Pământului**, the largest voluntary environmental action in history. Therefore, on March 25, CONPET turned off the lights for an hour (8:30 p.m. – 9:30 p.m.) at its headquarters in Ploiești, joining this year the event which, now in its 17<sup>th</sup> edition, aims to draw attention to the climate issues affecting our planet, while initiating actions that aim to transform into habits with a positive and significant impact on it.

Every year, CONPET aims for the social responsibility actions it undertakes to have both a positive impact on the community in which it operates, as well as for increasing employee alignment with its values and mission, connecting the company and employees with society.

## **Sponsorship**

The sponsorship activity was performed in compliance with the annual Revenues and Expenditure Budget, falling within the sponsorship expenses broken down by areas of interest.

The sponsorship policy of the company supports both traditional projects, those that have an important and lasting impact on the community, as well as requests for smaller scale, which promote, through ideas and actions, individual performance.

In 2023, CONPET S.A. continued to support the modernization of the health units in Prahova County for the realization of major projects in the medical and health field. Thus, sponsorships were granted for:

- Ploiești Pediatric Hospital - purchase of a portable ultrasound for the pediatric cardiology office.
- Ploiești Municipal Hospital - provision of medical equipment, medical equipment and furniture;
- C.F. General Hospital Ploiești - equipping the Cardiology office within the Internal Medicine I section with specialized medical equipment.
- Pulmonary Hospital Florești - Prahova - Equipping the new department of physical medicine and respiratory rehabilitation in the hospital with medical equipment;
- Bușteni Children's Balneoclimatic Sanatorium - purchase of medical equipment
- Pulmonary Hospital Drajna - Prahova - equipping the newly established palliative care and day hospitalization unit with furniture and medical equipment.

The company has also maintained in 2023 projects that have become traditional, such as supporting performance school activities (participation in the World Robotics Championship), cultural and educational competitions (National contest of stories with historical theme) and sports activities, for the benefit of children and young people from Prahova County and the sponsorship of one of the most famous cultural institutions in Prahova - Ploiești Philharmonics.

At the same time, we have also supported the organization of scientific events, such as the first edition of ISER - "International Social, Science, Engineering and Education Romanian Competition".

For the year 2023, in the Revenues and Expenditure Budget of CONPET S.A., there were provided sponsorship expenses amounting to **800 thousand RON**.

Between 01.01.2023 - 31.12.2023, within the Board of Directors meetings of CONPET S.A. were approved and concluded sponsorship contracts amounting to **789 thousand RON**, as follows:

- 314 thousand Ron - "Education, schooling and sports";
- 345 thousand Ron - "Medical care and health"
- 130 thousand Ron - "Other actions and activities".

The detailed presentation of the projects from each category of sponsorship provided for in the GEO no. 2/2015 can be found in the Report on the situation of sponsorships granted by Conpet S.A. in 2023 published on the web address:

<https://www.conpet.ro/wp-content/uploads/2024/01/Raport-sponsorizari-2023-pentru-site.pdf>

#### 4.4.3. The Company Management

By Resolution no. 6 of 19.12.2023, the General Meeting of Shareholders approved the Performance Indicators for monitoring the performance of Conpet S.A., resulting from the 2023-2027 Administration Plan.

In structure, the degree of achievement of the performance indicators in 2023 reveals the following:

No.	Performance Indicator	Performance Objective	MU	(Period 01.01.- 31.12.2023)		KPI achievement rate (%)
				Approved target	Achieved numbers	
1.	Capital expenditure rate	Increasing the efficiency of the National Transportation	%	≥6.5%	9.8%	150.8%
2.	General solvency (leverage)	Ensuring the ability to pay total debts		max. 0.25	0.14	100%
3.	Asset turnover rate	Ensuring the efficiency of asset management		min. 0.5	0.6	100%
4.	Return on assets (ROA)	Achieving a return on assets above the 4% level	%	>4%	7.3%	100%
5.	Dividend distribution rate from the net profit of the financial year	Maintaining a sustainable dividend policy	%	≥60%	90.7%	100%
6.	Achieving the goals set out in the development program of the internal management control system	Development of the internal management control system implemented in accordance with the legal requirements in force	%	≥90%	100%	100%
7.	Timely reporting of the degree of fulfillment of the company's performance indicators	Compliance with legal reporting deadlines	%	100%	100%	100%

Table 37 - Objectives and performance indicators for monitoring the performance of the company Conpet achieved in the period 01.01.2023 - 31.12.2023

### Strategic objectives regarding the management of the company CONPET

#### Actions carried out in view of achieving the strategic objectives contained in the Administration Plan

The strategic objectives contained in the company's Management Plan for the period 2023-2027 are derived from the Letter of Expectations of the majority shareholder, the Romanian State, through the Ministry of Energy and aim to identify and implement solutions for:

- Optimizing the activity taking into account the future prospects from the point of view of customers and transport capacities of the NTS;
- Increasing the performance of the NTS by continuing the investment/modernization/re-engineering works:
  - Modernization of non-modernized active pumping stations;
  - Maintaining smart pigging programs;
  - Replacement of pipeline sections that are unsafe in operation, to avoid technical breakdowns;
  - Extending the implementation of the pipeline leak detection and location system;
  - Continue to upgrade the pipeline network and storage capacities;
  - Completing the implementation of the cathodic protection system;
  - Modernization of the integrated IT system and the SCADA system;
  - Electricity production from renewable resources.
- Ensuring effective administration in the management of human resources
  - The optimization of the organizational structure and the permanent adaptation of human resources in correlation with the requirements and the technical-economic realities of society, the optimal dimensioning of the need for human resources in relation to the real activity and development needs of society;
  - The development of the specific competencies and basic skills of the human capital.
- Labor productivity growth;
- Continuing efforts to identify new opportunities for growth and diversification:

- Development of activities related to the core activity (providing storage services of crude oil and petroleum products, etc.) and non-related activities;
- Continuation of steps to access European funds and other forms of non-reimbursable financing.
- Development and improvement of the internal managerial control system;
- Continuous improvement of the integrated management system (quality-environment-health and safety at work-energy-anti-bribery) and the railway safety management system, implemented and certified in CONPET S.A.;
- Maintaining and improving risk management (identifying risks that may affect the achievement of objectives, establishing and implementing risk control measures);
- Improving the monitoring and operational control of transport processes, to increase energy performance (measurement, monitoring and control through remote management) in order to improve energy efficiency to reduce specific consumption per ton of transported crude oil;
- Compliance with the requirements of environmental authorizations and establishing appropriate measures for significant environmental aspects, limiting environmental impact;
- Maintaining and observing the principles of corporate governance and the values and principles of integrity defined in the Code of Ethics and Integrity of CONPET S.A.;
- Responsible and active involvement in corporate social responsibility actions.

**The strategic objectives for the period 2023-2027 are:**

- Boost efficiency and improve the activity performance;
- Development of new activities, related and non related to the core business;
- Ensuring effective management in the management of human resources;
- Selection of company directors based on criteria of professionalism and integrity;
- Ensuring modern management by implementing and maintaining risk management, control, ethics, integrity and corporate governance processes;
- Ensuring a balance between the dividend policy and that regarding the provision of the necessary funds for the investment programs undertaken by the company for development and modernization.

To the strategic objectives mentioned above, the general objectives of the organization established according to the requirements of the Order of the Secretary General of the Government no. 600/ 2018 regarding the approval of the Code of Internal Managerial Control of Public Entities and the National Anti-Corruption Strategy 2021 - 2025, as well as according to the requirements of the reference standards for the quality-environment-OHS-energy-anti-bribery integrated management system and the regulations applicable to the management system of railway safety.

**Strategic objectives- Boosting efficiency and improvement of the activity performance**

### **Measure - Optimization of the operation and administrative costs**

Cost optimization is one of the basic management directions for increasing activity efficiency. A first action in this regard is the control of operating and administrative costs. This control was carried out in the two determining stages, respectively at the time of establishing the budget and at the time of its execution. In the stage of planning the activities for the following year, the resources consumed in the current year for the realization of each activity were analyzed and the types of expenses that can be reduced by optimizing the processes were determined. The result of this analysis in the planning stage was to cover the material price increases by decreasing consumption. Through the budgeting managers, the execution of expenses on each cost center is monitored monthly, they are responsible for taking measures to ensure that the costs fall within the planned limits. Also, through the monthly presentation of the table of expenses, those responsible for budgeting have the opportunity to carry out periodic analyses and to discuss within the Steering Committee the proposals for cost efficiency measures.

Another direction of action in order to optimize costs was the efficiency of the pumping scenarios on the two transport subsystems, Domestic and Import, with the aim of establishing, as far as possible, for each transport a pumping scenario with the lowest consumption electric power.

### **Measure - Making investments aimed at reducing technological consumption in the transport process, reducing energy consumption**

Another approach to encourage cost efficiency was to support and stimulate the implementation of investment objectives based on new technologies, with longer life, with lower electricity consumption and reduced maintenance costs.

An important investment project that meets the above requirements is the implementation of a Tele management System for tracking energy consumption.

By carrying out this project several benefits are obtained, among which we list the following:

- ensures the operation and maintenance of the pipeline network in conditions of increased efficiency, with the reduction of operation and maintenance costs;
- making subsequent optimizations in the configuration of own installations, based on the analysis of the information provided by the system.

The Tele Management System will be installed in 15 CONPET workplaces, with the completion date being in May 2024.

During 2023, the installation works of the remote management system were finalized in 8 locations.

Other projects with operational efficiency and cost optimization impact are: the modernization of the pipeline network, a project aimed at reducing technological consumption, but also reducing energy consumption and modernizing pumping systems, with a positive effect on energy consumption.

In 2023, works were executed for the realization of these projects in the amount of approximately 25 million RON.

#### **Measure - Increasing the performance of the NTS by continuing the investment/modernization/revamping works**

In 2023, the investment/modernization/revamping works were continued, primarily aimed at increasing the performance of the National Transport System, with the aim of achieving the commitments assumed through the minimum development/revamping programs, annex to the Concession Agreement concluded with NAMR.

The 2023 investments program included investments aimed at improving the performance of the national transport network.

The investment program related to 2023 included rehabilitation works of major transport pipelines and investment works for installations and related equipment to the Crude Oil National Transport System.

The investment projects within CONPET target, mainly, enhancing efficiency of the transport activity as well as the operation, under safe conditions, of the National Transport System.

From the modernization quota, CONPET finances investments provided in the rehabilitation, modernization and development programs, agreed with the National Agency for Mineral Resources, according to the "Oil concession agreement for the operation of the national transport system of crude oil, rich gas, condensate and ethane, including the main pipelines and the ancillary installations, endowments and facilities".

In 2023, have been achieved investments amounting **83,062** thousand RON, as compared to a program of **112,000** thousand RON, reaching 74.2% degree of achievement.

Investments (thousand RON)	2023		Degree of achievement
	Program	Achieved	
<b>Total investments, o/w:</b>	<b>112,000</b>	<b>83,062</b>	<b>74.2%</b>
Public domain	90,000	71,580	79.5%
Operating domain	22,000	11,482	52.2%

Table 38 – Investments achieved in 2023 vs. program

#### **Significant investment objectives completed in 2023**

- Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm;
- Replacement of crude oil transport pipeline F1 Ø 8 ½ " Țicleni Bărbătești, in the water access road site Primăria Bărbătești, approximately 200 m;
- Replacement of a crude oil section Ø 6 ½ " Urziceni-Albești area, Parepa locality, 1500 linear meters;

- Replacement of a section of about 500 m length pipeline Ø 5 9/16 Copăceni - Vega Refinery and smart pigging;
- Replacement of Ø C4- C4 Bărăganu crude oil transport pipeline along 3 lines, C2-C3 along 6 lines, Ialomița county;
- Replacement of Ø 20" Bărăganu-Călăreți crude oil transport pipeline along 6 lines, Călărași County;
- Condensation tank Barbatesti station;
- Moreni crude oil tanks;
- Constanța Fire Prevention and Security tank;
- Pecica Fire Prevention and Security tank;
- Modernization and monitoring of the cathodic protection system related to the NTS domestic and import;
- System related to the tele-transmission and tele-management of the power consumptions in CONPET S.A. locations;
- Modernization of Marghita ramp;
- Expanding Cyber + Telecom telecommunications locations for SCADA system and weighing system;
- Realization of an electricity production system (a photovoltaic power plant) with photovoltaic panels in the precinct of CONPET Administrative Headquarters 2;
- Transformation in LDE 700 CA- LDH CP 92 53 0850 168-1.

### **Significant investment objectives in progress on 31.12.2023**

#### **PUBLIC DOMAIN**

- Replacement of pipeline 20" Constanța county - C1 - 8 sections
- Modernization and monitoring of the cathodic protection system related to the domestic and import NTS;
- Modernization of pumping station Ochiuri;
- Rehabilitation works at Cireșu loading ramp;
- Upgrade of Moreni station;
- Upgrade of Mislea station;
- Biled Fire Prevention and Security tank;
- Independenta buffer tank;
- Tele-transmission and tele-management of the power consumptions in CONPET locations;
- Installation and initial metrological verification of four measuring skids in Petrobrazi P3, Poiana Lacului, Videle and Otesti locations;
- Extension of SCADA system - 4 ramps and 5 stations;
- Rehabilitation of the pump hall C+D+E Călăreți station and Rehabilitation of the building related to connections 6 kV, electrical distributors 6/ 0.4 kV A+B Local Dispatch, electrical distributors CDE, Călăreți station;
- Smart pigging, detection of pipeline status Ø10 ¾" L1 Bărbăti - Ploiești West and Ø 10¾" L2 Orlești - Ploiești (Petrobrazi);

- Replacement of pipeline section Ø 6 5/8" Forest II - Buda over a distance of 7,600 m, from the pig launcher Forest II to the pig receiver Buda and modernization of the smart pig launcher Forest II and receiver Buda;
- Section of the pipeline connection Ø 8" Moreni – Mija (Valea Neagră) in L1, L2 Siliște – Ploiești, about 7,200 m and pig launcher/receiver stations;
- Safe disposal of the Ø 12" and Ø 14" Cartojani-Ploiești pipelines at the overcrossing of Cricovul Dulce;
- Replacement of Ø 8 5/8" Lucăcești-Vermești crude oil transport pipeline - the section from Deal Măgura (Crucea Roșie) to Vermești (Vermești mine road), approx. 9 km in length;
- Upgrading the current crude oil heating system with a heating system using alternative energy sources in the Biled ramp;
- The safe disposal of the crude oil pipelines L1 and L2 Ø 10 3/4" Siliște-Ploiești, at the undercrossing of Ialomita river;

## **OPERATOR DOMAIN**

- Transformation of the LDH 92 53 0850 130 -1;
- Replacement of pipeline section Ø 6 5/8" Warehouse Petrom Orzoaia de Sus – Urlați crude oil station, about 1,600 m in length.

The Commissionings achieved in 2023 amounted to 183,684 thousand RON, out of which, per financing sources:

- 173,114 thousand RON out of the modernization quota;
- 10,570 thousand RON out of other own sources;

The main investment projects started in the previous years whose execution continued in 2023 are the followings:

## **Modernization of non-modernized active pumping stations**

Modernization of pumping stations is a significant investment project that can take place over a longer period of time. The first stage of pumping station modernization started in 1997 and ended in 2007, when 16 stations were modernized. The second stage included the partial modernization of 5 stations.

The advantages obtained from the modernization of the pumping stations are the following:

- reduced technological costs in the storage and transport process;
- minimized energy, fuel and lubricant consumptions;
- minimized operating costs and reduced operating difficulties;
- improved safety and flexibility of the system;
- reduced environmental impacts.

In 2023, work was carried out to modernize the pumping systems in 3 stations (Ochiuri, Potlogi and Mislea) in the amount of 6.2 million RON and modernization work in the Moreni station in a total amount of 4.5 million RON. At the same time, work was started on the pumping systems at the Sat Chinez, Constanța Sud and Berca work points.

The performed works aim to automate the installations in order to be included in the SCADA system. These works include the replacement of existing piston pumps with new pumps and pipe connections in pumping stations, as well as energy and automation works at existing installations.

### **Maintaining smart pigging programs**

The purpose of the smart pigging operation is to determine the degree of wear and tear and to estimate when the pipes should be replaced, so that they be safe in transport.

In order to keep the operational risk and the risks related to environmental aspects under control, the policy of reducing these risks will be continued through the multi-year programming of internal inspections with intelligent pig in order to diagnose all the pipelines.

In the year 2023, the smart pigging operation of the crude oil transport pipelines L1 (Bărbătești-Ploiești, Orlești - Poiana Lacului, Poiana Lacului Siliște, Siliște - Ploiești Vest) was carried out over a length of 238 km and L2 (Orlești - Poiana Lacului, Poiana Lacului -Siliște, Siliște -Ploiești) over a length of 175 km with a value of approximately one million RON.

### **Replacement of pipeline sections which do not present safety in operation**

Annually, during the development of the Investment Program, investment objectives are analyzed and prioritized for pipe rehabilitation works, respectively for the replacement of sections that are no longer safe to operate.

The prioritization is mainly based on the results obtained from smart pigging operations.

The analysis of pipeline replacement works also takes into account the information regarding the consents and consents of the landowners to determine if there could be difficulties in obtaining them.

Historical data shows that there is a significant risk related to obtaining building permits in a reasonable time, which is generated by the difficulties encountered in obtaining the consent of the landowners to allow access to the land for the execution of the works. In order to mitigate the impact of this risk, it is necessary that, based on the results obtained from the smart pigging and the level of operational risk established, a medium-term action plan regarding pipeline replacements should be drawn up, which would include: taking into account the potential risks, as well as the risks involved, the measures and actions necessary to mitigate or eliminate the risks and a multi-year planning of these investments.

In 2023, the works to rehabilitate the main crude oil transport pipelines were continued and 10.24 km of pipelines were replaced, for a total amount of 19 million RON.

The objectives finalized and put into operation in 2023 are:

- Replacement of connection lines Danube crossing C1-C2 and C3-C4 Borcea arm. In April 2023 were performed the reception and commissioning, with a total value of 110.7 million RON;
- Replacement of a section of about 500 m length pipeline Ø 5 9/16 Copăceni - Vega Refinery and smart pigging stations. In June 2023 was performed the reception and commissioning, total value of 0.8 mRON;
- Replacement of the crude oil transport pipeline L1 Ø 8 5/8 " Țicleni Bărbătești, at the Bărbătești Town Hall water tank access road point, approx. 200 m. In February 2023, the reception and commissioning were completed, with a total value of 0.8 million RON;
- Replacement of Ø C4- C4 Bărăganu crude oil transport pipeline along 3 lines, C2-C3 along 6 lines, Ialomița county; In July 2023 were performed the reception and commissioning, with a total value of 14.1 million RON;
- Replacement of Ø 20" Bărăganu-Călărești crude oil transport pipeline along 6 lines, Călărași County; In November 2023 were performed the reception and commissioning, with a value of 21.5 million RON;
- Replacement of a crude oil section Ø 6 5/8" Urziceni-Albești area, Parepa locality, 1500 linear meters in length; In December 2023 were performed the reception and commissioning, with a value of 0.9 million RON;

Also in 2023, the execution of the works for the replacement of the Ø 20" pipeline Constanța - C1 - 8 sections were started, with works worth 7.5 million RON being carried out.

### **Extending the implementation of the pipeline leak detection and location system**

The benefits of implementing a system to detect and locate crude oil leaks from pipelines consist of reducing losses in the event of breakdowns, greening costs and reducing the compensation that the company has to pay to the owners of the lands affected by these breakdowns.

The leak detection system is currently being implemented on the Poiana Lacului-Siliște-Ploiești pipeline subsystem (pilot project) and the benefits obtained post-implementation are being monitored to be compared with those initially estimated by the study, after which a decision will be made on when installing the system on the remaining operational pipelines of the NTS

In order to make the decision to continue implementing the system on the rest of the pipelines, the results obtained will be compared with the expected ones and the cost-benefit analysis will be updated based on the evaluation results. In order to make the decision to continue the implementation of the system, it is important to take into account the results obtained in the process of intelligent pigging.

In this sense, in March 2023, the contract was signed for "Internal inspection services (expertise) of main crude oil transport pipelines:

L1 Bărbătești - Ploiești West and L2 Orlești-Ploiești (Petrobrazi)". L1 Bărbătești - Ploiești Vest and L2 Orlești-Ploiești (Petrobrazi)".

At the end of 2023, the internal inspection of the following sections was completed: Line I Orlesti-Poiana Lacului stage I and II, Line I Poiana Lacului-Siliște stage I and II, Line II Orlesti-Poiana Lacului stage I and II, Line II Poiana Lacului-Siliște stage I and II, Line II Siliște-Ploiesti stage I and the following sections are in progress: Line I Bărbătești-Orlesti stage I, Line I Siliște-Ploiesti stage I, Line II Siliște-Ploiesti stage II.

### **Continue to upgrade the pipeline network and storage capacities**

In recent years, several crude oil tanks, of different capacities, as well as P.S.I. tanks have been built and rehabilitated. located at different work points.

At the level of the transport operations and development-maintenance departments, an analysis was carried out in order to establish the work points where it is appropriate to build tanks of smaller capacity, adapted to the quantities of crude oil transited through those work sites. On the occasion of the analysis, it was established that the type of reservoir built in the Moreni station should also be built in other working points of the company (Indipendenza Buffer Tank, Poiana Lacului Pumping Station).

In 2023, the following objectives were completed and put into operation:

- Moreni crude oil tanks. In May 2023 was performed the reception and the commissioning, with a total value of 10.88 million RON;
- Constanța Fire Prevention and Security tank. In July 2023 were performed the reception and commissioning, with a total value of 1.03 million RON;
- Pecica Fire Prevention and Security tank. In July 2023 were performed the reception and commissioning, with a total value of 1.15 million RON;
- Condensation tank Barbatesti station. In February 2023 was performed the reception and the commissioning, with a total value of 1.76 million RON;

Also in 2023, execution works were started at PSI Biled Tank, carrying out works worth 2.5 million RON.

### **Completion of the implementation of the cathodic protection system**

Modernization and monitoring of the cathodic protection system for the crude oil transport system via pipeline aims at slowing down or even stop the corrosion process occurring at the surface of metal pipes underground with effect in:

- reducing the maintenance costs associated with both the metal losses and decommissioning of installations;
- increasing safety in the operation of the pipelines;
- avoiding environmental contamination with corrosion/transported product
- reducing the consumption of electricity.

CONPET is running an extensive program to modernize the cathodic protection system of pipelines and tanks, which started in 2017 and continues, being expected to be completed in 2024.

In the first stage, a number of 53 SPCs were created and put into operation by the end of 2019. In the second stage, a number of 16 SPCs were created and put into operation by the end of 2020.

In the ongoing third stage, out of a total of 31 SPCs (the contract with 2 SPCs was added and one SPC was abandoned) a number of 24 SPCs were made and put into operation.

Out of the other 7 SPCs, 2 SPCs are being executed and in 5 locations construction permits are being obtained.

Completion of the third stage is scheduled for the first semester of 2024.

### **Modernization of the integrated IT system and the SCADA system**

The Investments objective **Modernization of SCADA System** includes:

- Expansion of SCADA monitoring in 4 rail ramps and hard and soft upgrade of the data transmission and automation system in 5 locations of the SCADA system.

After the implementation of this project, the real-time monitoring through the SCADA system of the process data (pressure, flow, level and pigging crossing sensors) will be expanded in four railway ramps, and by replacing the equipment and updating software in four work points eliminates hardware and software bottlenecks and delays caused by incompatibility between old and new equipment. The benefits obtained by extending the monitoring through SCADA consist in: reducing the time and costs for interventions caused by failures; reducing maintenance costs; increased cyber security in accordance with European Directives; "remote" diagnosis and intervention.

In 2023, the design and execution contract were concluded and the design was completed.

- Design, execution, installation and initial metrological verification of four measuring skids in Petrobrazi P3, Poiana Lacului, Videle and Otești locations.

After the implementation of this project, the fiscal and unitary metering of the crude oil pumped to the Petrobrazi refinery will be allowed; increasing the accuracy of fiscal measurement of skids in Poiana Lacului, Videle and Otești; significant reduction of maintenance costs and times; increasing the quality of the sampling process for laboratory determinations; online tracking of pumped quantities.

The project is under construction, with the design and construction contract ending at the end of February 2023. During 2023, the technical project was carried out, with the deadline for the completion of the project being in December 2025.

- Update of hardware and software related to SCADA work stations inside Central Dispatch and Local Dispatch Centers

From the point of view of cyber security, reliability of existing equipment, as well as compatibility between the operating systems and different software used for the safe operation of the crude oil transportation network through pipelines, it is necessary that these systems be replaced with tested systems of the latest generation. The project on upgrading hardware and software in SCADA workstations in the central dispatch center and in local dispatch centers is proposed in the investment program in the period 2025-2027.

In order to implement the **Modernization of the integrated IT system** project, at the end of 2019, the interdisciplinary analysis regarding the determination of the new business requirements of CONPET S.A. was completed.

In the course of 2021, the tender for the analysis and reconfiguration of business processes and the ERP system took place and ended, the contract being signed, and in November 2022 the requirements analysis stage was completed.

In January 2023, the scope of work was finalized.

In 2023 H1 was approved in the Steering Committee. The Substantiation Note for the modernization of the E.R.P. system and in June, the Scope of Work was approved for the modernization of the E.R.P. System.

Later, the project was analyzed in detail in the Board of Directors meeting, which requested additional clarifications, which were presented in the October 2023 meeting.

The procurement procedure is to be started in the first quarter of 2024.

### **Strategic objective- Development of new activities, related and non related to the core business**

#### **Measure - Electricity production from renewable resources**

In 2022 Q3 for the objective ““Realization of an electricity production system (a photovoltaic plant) with photovoltaic panels in the premises of the Administrative Headquarters 2 CONPET S.A.” the contract for design and execution services was signed.

At the level of the first quarter of 2023, the first three contractual stages were completed, and the installation works of the photovoltaic panels (stage IV) began.

In the third quarter of 2023, the reception of the works was carried out for the objective of creating an electricity production system (a photovoltaic plant) with photovoltaic panels in the premises of the Administrative Headquarters 2 CONPET S.A.

#### **Measure - Monitoring of the Operational Programs and Priority Axis in view of accessing European Funds and other non-refundable financing forms**

CONPET continued its efforts to identify funding opportunities from European funds, monitoring operational programs and priority axes that may target possible access to structural funds.

In the first quarter of 2023, the opportunity to implement with non-refundable financing the objective "Development of high-power Photovoltaic Park: 20-40MW.

Within the same field, in the third quarter of 2023, another objective was analyzed: "Electricity production from renewable sources - photovoltaic plants - in CONPET S.A. stations. with a minimum self-consumption of 70%" from the European Programs Office.

Also, in 2023 the financing programs through different mechanisms have been monitored and analyzed, which could concern the modernization/revamping/development of the National Transport System.

At the CONPET level, a working group was set up in the third quarter of 2023 to identify new activities that can be financed from European funds.

### **Strategic Objective - Ensuring effective management in the management of human resources**

**The measure: The optimization of the organizational structure and the permanent adaptation of human resources in correlation with the requirements and the technical-economic realities of society, the optimal dimensioning of the need for human resources in relation to the real activity and development needs of the company in view of enhancing work productivity;**

In order to fulfill its role as a management tool subordinate to the achievement of the organization's general objectives, the organizational structure is designed in such a way as to respond to the specific objectives aimed at:

- Optimizing the use of resources and obtaining the organization's specific performances;
- Monitoring the activities carried out throughout the organization;
- Coordinating the various components to achieve both specific and general objectives;
- Flexibility, by components and as a whole, so that it does not remain at the level of past achievements, but corresponds to the current and future requirements of the environment and the development of the organization.

The human resources policy had in mind:

- Permanently ensuring a balance between the need for human resources and the technical-economic and administrative needs of the company;
- Anticipation of possible fluctuations in staff deficit or surplus;
- Identifying and removing the possible restrictive limits of the available human resources which, by their nature, could affect the performance of the activity;
- Optimizing employee costs through efficient use of working time;
- Establishing staff tasks and responsibilities so that management has all the necessary levers to achieve the assumed objectives and performance indicators;
- The allocation of appropriate human resources for the execution of the operations and the provision of the necessary technical skills in the various stages of these operations;

- The distribution of tasks so that each structure has specific responsibilities and does not perform any of the tasks corresponding to another structure.

Particular attention was paid to the process of continuous dimensioning of the resources necessary to achieve the established objectives, by applying managerial measures in order to reduce expenses, which achieves, in addition to the economic effects, the optimization and adaptation of the functional structures in accordance with the current needs of the company, by permanently ensuring a balance between the number of personnel and the real technical-economic and administrative needs of the company.

Continuous monitoring and analysis are carried out for:

- Identifying the positions that can be consolidated or eliminated, for the purpose of their design or redesign, by clearly understanding the responsibilities and expectations for each position, the role, position, duties and functional links between them.
- The continuous sizing of the human resources requirement according to the real needs of the activity and development of the company, considering investment/modernization/re-engineering projects, the development of activities related to the basic activity and non-related or other factors such as: the frequency of pumping, the volume of transported quantities, the change in legislation, the seasonality of some activities, etc.
- Optimizing the organizational structure to facilitate work flows, improve communication and maximize productivity, in accordance with the real activity needs and development projects of the company, as well as updating the Organization and Operation Regulation in accordance with the organizational structure.
- The redistribution of the positions/employees - to ensure the continuity of the work process or to cover a real new need arising as a result of the increase/decrease in the volume of activity, as well as the most efficient use of staff.

#### **The measure: The ongoing development of the specific competencies and basic skills of the human capital**

In order to maintain and/or develop the specific skills and basic skills of human capital, professional training activities are carried out continuously and planned, based on the company's annual professional training and authorization programs, developed following the identification and prioritization of training needs of the staff of CONPET S.A.

Training of company personnel is achieved mainly through participation in external courses, organized in collaboration with certified trainers for all fields of activity within the company. Also, training is conducted internally by trainers and/or experts of the company, with a good knowledge and experience relevant to the activity of the company. They support professional training sessions and training with the aim of updating job-specific knowledge and skills, as well as examining or checking the employees participating in the respective sessions.

Through the trainers within the company, both receivers teaching fluid products, as well as employees with operating duties in the field of micro-SCADA can be trained/retrained/qualified internally.

The training of the employees has two components: professional (technical, economic and other specialties) necessary to perform duties in the job description and a general one on training and/or professional licensing in various fields.

CONPET S.A. management assures annually, by the Revenues and Expenditure Budget, sources for the provision of training. Special attention is paid to the training of technical staff (maintenance and operations), mainly for acquiring new skills necessary to carry out the safe operation of the National Transport System.

In 2023, 2,698 participations in the following types of training/professional authorization were registered:

- 106 Various fields authorizations (specific per activity);
- 376 rail permits;
- 464 professional training courses;
- 407 internal authorizations;
- 1,345 Qualifications/internal authorizations.

#### **Strategic Objective- Selection of the company directors based on criteria of professionalism and integrity**

The selection procedure of the directors with a mandate contract was carried out in accordance with the provisions of the GEO no. 109/2011 on the corporate governance of public enterprises based on criteria regarding training and professional experience and those of integrity.

On 19.10.2023, the company CONPET S.A. sent to the Bucharest Stock Exchange and to the Financial Supervisory Authority current report no. 41/2023 regarding the appointment of directors with a mandate contract. At the same time, it was also posted on the Conpet website at <https://www.conpet.ro/relatia-cu-investitorii/raportari/rapoarte-curente->

#### **Strategic objective - Ensuring modern management by implementing and maintaining risk management, control, ethics, integrity and corporate governance processes**

**The measure: Maintaining and observing the principles of corporate governance and the values and principles of integrity defined in the Code of Ethics and Integrity of CONPET S.A.;**

Through the way of carrying out its processes, CONPET S.A. complies with all applicable legal requirements and responds to all requirements of relevant stakeholders, and through the projects and social responsibility actions carried out ensures financial support for the community, constantly involving itself in humanitarian actions, education, art and culture, sports and environmental protection.

Taking into account the fact that the company Conpet S.A. has important duties in a field of national, regional and local interest, being declared of strategic interest, and maintaining the

company's reputation is a priority for the administrators and management of Conpet S.A., so that they preserve the company's reputation as a reliable partner in all relationships and with all the relevant stakeholders they come into contact with.

The management of privileged information was carried out ensuring equal treatment for all the company's shareholders.

Transactions with related parties represent another important aspect related to ethics, and within CONPET S.A., internal regulations have been adopted regarding both these and the management of conflicts of interest and the granting of sponsorships.

The elements of corporate governance that have been permanently monitored are:

- 1) The way in which, at the level of Conpet S.A. the principles and recommendations of the Corporate Governance Code are implemented and respected;
- 2) Compliance with financial and corporate reporting deadlines to authorities and institutions with an impact on the company's activity;
- 3) Efficiency of the risk management system and internal managerial control;
- 4) List of Persons with Access to Inside Information;
- 5) Respecting the principle of equal treatment towards all stakeholders.

The list of persons who have access to privileged information is drawn up in accordance with the legal provisions in force regarding issuers of financial instruments and market operations. This list is updated whenever changes occur in relation to the inside information and the people who have access to it.

Priority is also given to respecting the rights and fair treatment of shareholders, as well as the rights and interests of stakeholders (interest holders).

At the same time, they take into account:

- compliance with the allocation of powers and responsibilities established by the Rules on the organization and functioning
- permanent, real collaboration between the executive management and the Board of Directors;
- the efficiency of the risk management system and internal managerial control;
- avoidance of Conflicts of Interest;
- Responsible and active involvement in corporate social responsibility actions;
- compliance with the principles of ethics and integrity mentioned in the legislation applicable to commercial companies, in general, and public enterprises, in particular;
- maintaining the company's reputation as a priority, the management of CONPET S.A. must maintain the company's reputation as a reliable partner in all relationships and with all relevant stakeholders with whom it comes into contact.

### **The measure: Development and improvement of the internal managerial control system**

The continuous improvement of the integrated management system involves a number of actions, starting with the periodic evaluation of its performance through internal and external audits, management reviews and feedback from stakeholders.

Following these evaluations, opportunities for improvement were identified and steps were taken to improve the efficiency and effectiveness of the system.

The company CONPET S.A., defined as a public entity in accordance with the provisions of the Order of the Secretary General of the Government no. 600/ 2018, applies the Code of Internal Managerial Control of Public Entities, approved by the aforementioned regulation.

CONPET S.A. does annual self-assessments of the degree of implementation of the internal control management standards and reports in accordance with the legal requirements.

The continuous development of the internal managerial control system is a priority of the management team, through the efficient and effective implementation of all actions in the Development Program of the internal managerial control system, elaborated and updated annually by the Monitoring Commission.

**The measure: Maintaining and improving risk management (identifying risks that may affect the achievement of objectives, establishing and implementing risk control measures)**

Effective risk management is very important to ensure the long-term viability and success of the company.

During 2023, a rigorous risk identification and assessment process was maintained, a process manifested by rigorous documentation and consistent application of the provisions of the specific documents of the "Risk Management" process.

During each year, the risks that have the potential to affect the achievement of the established objectives were identified, evaluated and prioritized. This process is documented in the Risk Register, thus ensuring a clear and accessible record of all potential threats.

Risk management is maintained as an essential component of each project in prioritizing actions and investments. Also, the management of risks and vulnerabilities to corruption ensures the avoidance of integrity incidents, the management of the company being concerned with maintaining and improving the anti-bribery management system.

**The measure: Continuous improvement of the integrated management system (quality-environment-health and safety at work-energy-anti-bribery) and the railway safety management system, implemented and certified in CONPET S.A.**

Certification of the Integrated Management System quality - environment - occupational health and safety was held for the first time in September 2007 with recertification every three years.

Between August 28 and September 1, 2023, the external surveillance audit took place for the management systems of quality, environment, health and safety at work, energy, according to the requirements of ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018, audit performed by the BUREAU VERITAS certification body. Following the external surveillance audit for the management systems of quality, environment, health and safety at work, energy, no non-conformities were identified.

The audit team of the BUREAU VERITAS body concluded that the organization CONPET S.A. established and maintained an integrated management system in accordance with the requirements of the reference standards and demonstrated its ability to meet the requirements according to the organization's policy, objectives and scope. As a result, the BUREAU VERITAS certification body recommended maintaining the certificates for the management systems of quality, environment, health and safety at work and energy, issued for the organization CONPET S.A.

Starting from 2010, within the organization CONPET S.A. the Railway Safety Management System is implemented and maintained, in accordance with the national legal requirements on railway safety and the reference European Directives. The field of application of this system includes railway ramps where CONPET carries out railway shunting, for which the company holds the "License for the performance of rail transport services (railway shunting)", granted by the Romanian Railway Authority (AFER)

Also, for the railway ramps where CONPET S.A. only performs railway shunting in its own interest/ for third parties/ on an industrial railway line that is not the property of the company, the Romanian Railway Safety Authority (A.S.F.R.) issued the Single Safety Certificate, in accordance with the provisions of the Order of the Minister of Transport, Infrastructure and Communications no. 743/ 2020 for the issuance of the single safety certificate to operators who only carry out railway shunting on Romanian railways. The certificate is updated whenever CONPET S.A. requests the amendment of Annex B containing the list of motor railway vehicles with which the company carries out the railway shunting.

On 31.12.2023, the Single Safety Certificate no. O.M.F. 2023008, valid until 20.09.2025, subject to periodic one-year visas.

Starting from January 2021, in the organization CONPET S.A. the anti-bribery management system implementation program was carried out according to SR ISO 37001:2017 requirements, program completed in June 2022.

In July 2022, following the external audit carried out by the SRAC CERT certification body, the following certificates have been issued:

- SRAC nr.28/13.07.2022;
- IQNet nr. RO-0028/13.07.2022,

asserting compliance with the requirements of the anti-bribery management system implemented by CONPET S.A. in compliance with the requirements of ISO 37001 standard.

Following the external surveillance audit of June 2023, the SRAC CERT certification body recommended maintaining the compliance certificate no. 28/13.07.2022 for the anti-bribery management system implemented in the CONPET S.A. organization

In order to determine the effectiveness of the integrated quality - environment - health and safety - energy -- and railway safety management system, in May 2023, the Conducted Management Analysis no. 31. Following the carried-out analysis, actions were established to increase the effectiveness of the management systems.

The actions agreed following such analysis refers mainly to the following:

- Meeting of the energy management team to update the list of locations with significant primary energy consumption, which determines approx. 80% of the organization's registered consumption;
- Revision of the system procedure "Operational control, monitoring, measurement and evaluation of energy performance" and of the work instruction "Calculation of significant deviations and their analysis", in order to establish the way of analyzing the deviations of the energy performance indicators achieved against the planned ones, monthly only for locations with significant primary energy consumption and semi-annually for other locations;
- The re-analysis and re-evaluation by the Monitoring Commission of the internal managerial control system, of the significant risks at CONPET S.A. level. and related control measures, considering the damage caused on 17.04.2023 whose environmental impact was the pollution of the Lopatna stream;
- Review of Measurement and Monitoring Plans and Operational Control Plans for water consuming locations to include actions related to energy target O5/T1 from the List of Energy Objectives and Targets 2023;
- Revision of the operational procedure "Identification and control of sensitive functions at the level of CONPET S.A.", for completion with responsibilities regarding the development/updating of the list of personnel (name and surname) occupying sensitive functions and ensuring the availability of the updated list for the anti-bribery compliance function.

All the actions included in the Action Plan of AEM 31 have been implemented.

Within the energy management system, the energy objectives and targets for the year 2023 were established as follows:

<b>Energy objective 2023</b>	<b>Energy target 2023</b>
O1: Maintaining energy efficiency for electricity use.	O1/T1: Maintaining the electricity annual average specific technological consumption at a level of maximum 3.3 Kwh/product ton O1/T2: Maintaining the electricity annual average consumption in Conpet administrative buildings as compared to the reference period 2019.

Energy objective 2023	Energy target 2023
O2: Increasing energy efficiency for uses of natural gas.	O2/T1: Reducing natural gas consumption at CONPET compared to the reference period 2019.
O3: Increasing energy efficiency for uses of diesel.	O3/T1: Reduction of specific diesel consumption for the rail shunting within CONPET as compared to the 2019 reference period
O4: Increasing energy efficiency for the uses of automotive fuels.	O4/T1: Maintaining the auto fuel consumption in CONPET compared to the reference period 2019.
O5: Increasing energy performance for the uses of water	O5/T1: Maintenance of the water consumption at CONPET level, for every location by the observance of the Water Management Rights Permit

Table 39 – 2023 Energy objectives and targets

In order to meet these targets, was developed and approved document: “Action plan for achieving 2023 energy objectives and targets”.

The internal audit of the integrated quality– environment– occupational health and safety management system and the railway safety management system shall provide information regarding the compliance with the requirements of the references and applicable legal requirements. Internal audits are also aimed at assessing the effectiveness and continuous improvement of the implemented management systems.

The internal audits were conducted in accordance with the approved program for the year 2023 and the audit criteria established in the audit plans. The results were communicated to the audited persons by distributing the audit reports, to which were attached reports of non-compliance and corrective action opened during audits. The company annually provides resources to develop adequate internal audit, mandatory requirement of the reference standards SR SR EN 9001:2015, SR EN ISO 14001:2015, SR ISO 45001:2018, SR EN SR 50001: 2019 EN ISO 37001:2017, as well as the regulations on railway safety.

**The measure: Compliance with the requirements of environmental authorizations and establishing appropriate measures for significant environmental aspects, limiting environmental impact;**

CONPET activity is regulated according to the provisions of GEO. no. 195/2005 on environmental protection and according to the provisions of the Water Law no. 107/2005, both with subsequent additions and amendments. They establish the legal framework for the prevention of damage to the geological environment, through accidental pollution, and for the management of natural resources

Compliance with the requirements of environmental authorizations and establishing appropriate measures for significant environmental aspects, are key components for the company's strategy regarding the limitation of environmental impact. As part of the company's commitment to sustainable development, compliance with environmental legislation is not only a legal obligation, but also an ethical responsibility.

Fulfilling the requirements of environmental authorizations implies, first of all, the implementation of technical measures to prevent damage to the geological environment.

To further strengthen the company's commitment to protecting the environment, action was taken to:

- Improve compliance with best practices for sustainability;
- Strengthen internal pollution prevention policy, including through an employee training program;
- Continuing investments in clean and energy efficient technologies;
- Periodic monitoring and evaluation of environmental performance to identify opportunities for continuous improvement.

#### **The measure: Elements of ethics and integrity**

**The Code of Ethics and Integrity** of Conpet S.A. was developed in 2012 and last revised in 2022, in accordance with the provisions of the National Anti-corruption Strategy (S.N.A.), with the requirements of the ISO 37001 Standard (implemented and certified within the organization in the summer of 2022) and the provisions of other legislative regulations specific to integrity. The management of Conpet S.A. ensured that the measures below are still maintained or implemented as follows:

- the values, principles and norms of behavior established by the Code should be periodically reminded to the organization so that it is continuously promoted among the employees;
- ensuring the necessary levers regarding compliance with the Code that do not allow violations of the principles of ethics and integrity, at any level in the company, with reference to management, employees, legality, abuses: campaign to promote the ethics and integrity advisor, with the aim of strengthening the status and mandate to him; campaign to promote the communication channel regarding the whistleblower in the public interest;
- the presentation in the organization of confirmed cases of violations of ethical behavior to emphasize the importance of respecting ethical behavior;
- periodic monitoring of the application of the provisions of the Code;
- revising and disseminating the Code, with the approval of the internal auditor and within the term stipulated in the specific legislation.

**Through the Integrity Plan** of Conpet S.A. and the Declaration regarding the assumption of the organizational integrity agenda in the coordinates of the National Anticorruption Strategy

(Ro.SNA) 2021 - 2025 - adopted in 2022, which include objectives and measures to act as remedies for the risks and vulnerabilities to corruption identified within the company, the management of Conpet S.A. ensured all material, financial and human resources so that all anti-corruption measures are implemented.

The Integrity Plan contains a varied set of measures aimed at achieving the following specific objectives:

- implementation of integrity measures in the organization in the coordinates of S.N.A. 2021-2025;
- streamlining preventive anti-corruption measures by remedying legislative gaps and inconsistencies, as well as ensuring their effective implementation;
- improving the ability to manage management failure by correlating the tools that have an impact on the early identification of institutional risks and vulnerabilities by strengthening the own integrity plan, as a managerial tool for promoting integrity in the organization;
- increasing integrity, reducing vulnerabilities and corruption risks by: respecting and applying integrity standards; avoiding the conflict of interests and incompatibilities, as well as for the consideration of the public interest, in accordance with the observance of the principle of transparency of the decision-making process unrestricted to information of public interest; publication in open format of economic indicators, as well as other information of public interest.

In this context and taking into account the efficiency achieved by implementing the measures up to this point in the Integrity Plan, the quarterly and annual evaluation of the implementation of the measures provided for in the approved Integrity Plan and its adaptation to newly emerging risks and vulnerabilities was a priority management in order to achieve the objectives in the field of anti-corruption.

**The registry of corruption risks** was developed in 2018 and revised for the last time in 2022. The identification, evaluation and periodic monitoring of corruption risks, as well as the establishment and implementation of prevention and/or control measures are carried out in accordance with the methodology reflected internally by operational procedure and must be maintained, be a priority in prevention and combat corruption.

In order to strengthen this risk identification system, as well as to promote institutional integrity, Conpet S.A. obtained the ISO 37001 certificate in 2022, which certifies compliance with the anti-bribery management system. At corporate level, reasonable measures have been undertaken in what concerns the identification of the risk of bribery and for the control/prevention of their occurrence. The risk of corruption assessment is being communicated and documented and any change occurred at organizational level triggers a revaluation. The anti-bribery compliance function (as per ISO ISO37001:2017) has accountability and authority to report to the management body Board of Directors and management at the highest level, in respect of the performance of the anti-bribery management system.

Increasing the level of education and awareness of employees achieved through training and professional training actions at the company level is the most accessible way for employees to

determine behavioral change, thus limiting deviations from anti-corruption norms, internal conflicts, the use of company resources in purposes other than the interests of society. The management of the company has created a functional and transparent organizational framework of integrity, which contributes to the employees' sense of security, to their identification with the company's values.

### **The measure: The communication with shareholders and other stakeholders**

The management ensured full compliance with the reporting obligations related to the capital market, drawing up and transmitting the periodic, current and communicated reports in accordance with the legislative provisions in force. The company also published and complied with the annual financial reporting calendar.

For good communication and transparent information to all interested parties, the public information provided by the legislation was published on the website of CONPET S.A.

#### **Strategic Objective - Ensuring a balance between the dividend policy and that regarding the provision of the necessary funds for the investment programs undertaken by the company for development and modernization**

The dividend policy of the company CONPET S.A. was approved by the Board of Directors in January 2021.

The net profit distribution decisions concern the company's options between partial or full reinvestment of the net profit and/or distribution in the form of dividends.

**The rate of distribution of dividends**, set out in the dividend policy, which the Board of Directors will consider in the formulation of the proposal to the General Meeting of Shareholders of CONPET S.A. will be between **85 % and 100 % of the net accounting profit**.

The gross dividend per share is the share of the company's net profit that is calculated and paid to shareholders for each share held.

Along 2023, there have not been distributed dividends based on the interim financial statements. The proposal to distribute the net accounting profit to the legal destinations, in the amount of 61,616,539 RON, includes the distribution in the form of dividends of the amount of 55,891,137 RON, which represents 90.7% of the net accounting profit.

### **The Executive Management**

Between 01.01.2023– 31.12.2023, the executive management had the following composition:

**Directors:**

<b>Position:</b>	<b>Name and Surname</b>	<b>Observations</b>
Director General	Eng. TUDORA Dorin	<p>As per the BoD Decision dated 20.04.2021, following the carrying out of the procedure for the recruitment and selection of the Director General, as per the provisions of GEO no. 109/2011 on corporate governance of public enterprises, appointment based on contract of mandate with a duration of 4 years, respectively as of 21.04.2021, until 20.04.2025 (inclusive of).</p> <p>For the correlation of the mandate contract of the General Director with the duration of the mandate contracts of the new administrators appointed for a period of 4 years by the OGMS Resolution no. 4/18.08.2023, following the proposals and discussions from the BoD meeting dated 22.08.2023, with the agreement of the Director General the duration of his mandate contract was reduced until 06.11.2023 (inclusive) or until the completion of the selection procedure of the Director General, if this will take place earlier dated 06.11.2023.</p> <p>Following the completion of the selection procedure for the Director General, Deputy Director General and Economic Director, the mandate ended on 19.10.2023.</p> <p>According to the Decision of the BoD from 19.10.2023, following the selection procedure, a new mandate contract was concluded for a period of 4 years, starting from 20.10.2023 until 19.10.2027 (inclusive).</p>
Deputy Director General	Jurist DUMITRACHE Mihaela – Anamaria	<p>Mandate contract for 4 years between 18.02.2019 – 17.02.2023 (inclusive), according to the BoD Decision dated 18.02.2019.</p> <p>Provisional appointment mandate contract, 4 months, for the period 18.02.2023 – 18.06.2023 (inclusive), extended starting from 19.06.2023 until 19.08.2023 (inclusive).</p> <p>Provisional appointment mandate contract, 4 months, for the period 20.08.2023 – 20.12.2023 (inclusive), according to the BoD Decision dated 09.08.2023.</p> <p>Following the completion of the selection procedure of the Deputy Director General, the mandate ended on 20.10.2023 according to the BoD Decision dated 19.10.2023.</p> <p>4-year mandate contract, starting from 20.10.2023 until 19.10.2027 (inclusive), according to the BoD Decision dated 19.10.2023.</p>

**Directors:**

<b>Position:</b>	<b>Name and Surname</b>	<b>Observations</b>
Economic Director	Econ. TOADER Sanda	<p>Provisional appointment mandate contract 07.11.2022 – 07.03.2023 (inclusive) according to the Decision of the BoD from 28.10.2022.</p> <p>Provisional appointment mandate contract, 2 months, 08.03.2023 – 08.05.2023 (inclusive) according to the BoD Decision dated 07.03.2023.</p> <p>Provisional appointment mandate contract, 4 months, for the period 09.05.2023 – 09.09.2023 (inclusive) according to the BoD Decision dated 05.05.2023.</p> <p>According to the Decision of the BoD dated 05.09.2023, the mandate contract was extended for a period of 2 months, starting from 10.09.2023 until 10.11.2023 (inclusive).</p> <p>Following the completion of the selection procedure for the Economic Director, the mandate ended on 20.10.2023.</p> <p>4-year mandate contract, starting from 20.10.2023 until 19.10.2027 (inclusive), according to the BoD Decision dated 19.10.2023.</p>
Deputy Director General 2	Jurist LUPEA Ioana Mădălină	<p>According to the decision of the director general dated 4.06.2021, appointed as Deputy General Director 2, starting from 15.06.2021 until the termination of the mandate contract of the Director General no. 2/21.04.2021, but no later than 17.02.2024 (inclusive).</p> <p>On 07.11.2023 the individual labor agreement ended as per art. 56 paragraph 1) letter i. of the Labor Code, and, starting from the same date, she was appointed as Deputy General Director 2 until the termination of the mandate contract of the Director General concluded on 19.10.2023, but no later than 06.11.2026 (inclusive).</p>
Deputy Director General 3	Eng. NECŞULESCU Radu Florentin	As per Decision of the Director General no. 271/13.05.2022, indefinite period.

**Heads of Units and Chief Engineers:**

<b>Position:</b>	<b>Name and Surname</b>
Head of Transport Operations Unit	Eng. STOICA Narcis Florin
Head of Maintenance Development Unit	Eng. BUZATU Dan
Head of Commercial Unit	Jurist MANOLACHE Dan
Head of the H.S.E. Unit	Eng. MARUSSI Mădălină Mihaela
Head of Communication and Corporate Governance Unit	PATRICHİ Bianca Maria

On 31.12.2023, Mr Buzatu holds a number of 40 Conpet shares.

### **Disputes or administrative proceedings**

In the last 5 years there have been no disputes or administrative proceedings involving the management of CONPET.

## **5. THE NON-FINANCIAL STATEMENT FOR THE YEAR 2023**

The non-financial statement presents information through which the company's management wishes to communicate transparently to the business partners, employees, investors, the community in general and any other interested parties the actions taken and the progress achieved by CONPET SA in terms of assurance and continuous improvement of quality of the services provided, environmental protection, occupational health and safety, aspects related to staff and social field, prevention of abuses in human rights matters, ethics and integrity in business and corruption prevention and combating.

### **Company's profile**

CONPET SA is the operator of the crude oil, rich gas, condensate and ethane National Transport System (NTS). As presented at large in the Report of the Administrators, CONPET SA provides transport services to its customers through both the National Transport System, leased based on the Oil Concession Agreement and by rail, from the loading ramps to refineries.

The operation of the system is being performed by the local dispatchers coordinated by the central dispatcher of the company. The National Transport System consists of the following components:

- Import Crude Oil Transport System;
- Domestic Transport System, which in turn includes:
  - The crude oil and condensate transport subsystem;
  - The rich gas transport subsystem;
  - The ethane transport subsystem.

The powers of each entity within the organizational structure are established by the Rules of Organization and Operation of the company.

### **Quality, Environment, Occupational Health and Safety Policy**

In accordance with the strategic development direction of COPET SA, the Quality, Environment, Occupational Health and Safety Policy aims at satisfying the requirements of the customers and of other relevant stakeholders, complying with the legal requirements concerning the transport of crude oil, rich gas, ethane and condensate and ensuring a healthy and safe work environment for the entire staff, targeting the following lines of action:

- Ensuring the availability and timeliness of the crude oil, rich gas and condensate transport services;
- Solving operative interventions to transport facilities without affecting the interests of customers and other stakeholders;
- Optimizing technological consumption of transported product;
- Compliance with legal and other requirements relating to occupational safety and health;
- Continuous improvement of performance in environmental protection activities in particular by adopting measures to prevent pollution, technological risks and accidents that can have a negative impact on the environment;
- Awareness of the company's personnel and the one working on behalf of the organization and improvement of communication in order to ensure active participation in achieving the goals;
- Eliminating hazards and reducing risks related to health and safety;
- Consultation and involvement of workers on any issue related to health and safety at work;
- Ensuring appropriate organizational framework for setting the objectives of the integrated management system quality - environment - health and safety;
- Permanent assessment of the risks/opportunities arising from the current organization evolution and the risks/opportunities related to processes and establishment of actions to process them, correlated with the actions established at local/national level.

The company's management pursues consistently the performance concerning quality, environment, occupational health and safety, by maintaining and continuously improving the Management Systems in accordance with the reference standards for these areas.

The certification body BUREAU VERITAS issued certificates for management systems implemented in CONPET S.A. according to the requirements of ISO 9001, ISO 14001 and ISO 45001 standards, following the external re-certification audit in September 2022. The certificates are valid 3 years, with annual surveillance. Following the surveillance audit of August 2023, the BUREAU VERITAS certification body recommended maintaining the certificates for the management systems of quality, environment, health and safety at work, issued for the organization CONPET S.A.

### **The quality of transport services**

CONPET aims at fully satisfying customers' requirements and expectations, fulfilling the obligations undertaken under the Oil Concession Agreement and complying with the regulations and legal provisions at all times.

The main goals pursued by the company in order to ensure an adequate level of quality of the transport services are:

- Ongoing strengthening and development of the National Transport System by implementing the best technologies for the rehabilitation and modernization of the oil transport infrastructure,

- so as to ensure the present and future conditions of continuity and quality of the transport services;
- Increased safety in operation and reduced technological consumptions;
- Continuous improvement of the operational processes to ensure the high level of customer satisfaction through prompt, timely and cost-effective execution of the transport services;
- Maintenance of the Integrated Management System certifications according to the reference standards.

The main lines of action relating to service quality are the following:

- Ensuring the availability and timeliness of the transport services;
- Efficient solving of interventions on the transport installations without affecting customers and other stakeholders' interests;
- Optimization of technological consumptions of transported product.

The potential risks identified in this regard are as follows:

- The degradation of the National Transport System, reduced transport capacity, delays in delivery, decreased customer satisfaction, complaints;
- identification of major non-conformities following the certification or surveillance audits and suspension/cancellation of certificates, which could have a negative impact on the image of the organization.

As a result of the measures taken by the company, the risks mentioned have been maintained at a low impact level. The efficient control of the risks was materialized by:

- documentation, implementation and procedure compliance measures;
- reviews and internal audits of the integrated management system;
- planning and execution of investment and repair works to the National Transport System;
- ensuring human resources with appropriate skills for conducting the main processes.

No major non-conformities have been identified as a result of the external audits for the surveillance of the integrated management system.

The indicators corresponding to the general quality goals, which refer to the increase of customer satisfaction and responsiveness in providing the transport service are:

- The achievement of the transport program by framing within the contracted technological consumptions;
- The number of complaints received from customers in a year with regards to the conformity of the transport service, with zero target value.
- Carrying out the transport of crude oil with the specific electricity consumption of max. 3,3 kwh/transported ton;
- The number of railway events during the railway maneuver carried out with CONPET's own staff, in the railway ramps, with a target value of zero.

In 2023 the indicators have reached the target values laid down as follows:

- the transport program was made without exceeding the contractual limits of technological consumption;
- there were no complaints from customers;
- the specific consumption of electricity for crude oil transportation fell within the margin of max. 3,3 kwh/transported ton;
- no railway events were recorded during the railway maneuver carried out with CONPET's own personnel.

## **Environment**

In the field of environmental protection, CONPET management has adopted an environmental policy integrated with the policy on quality and health and safety at work, specific to the company's activity, size and impact on the environment, which would provide the framework for establishing and analyzing general objectives and specific environmental objectives.

Special emphasis was placed on issues related to the needs and expectations of stakeholders (including the demands of the authority) and local environmental conditions or regional that can affect or be affected by the organization, the way the risks and opportunities are treated related to environmental issues for prevention and limitation of their consequences on human health and the environment.

Being aware that the responsibilities towards the environment and the community in which it operates are inextricably linked to the performance it wants to achieve in its own activity and in accordance with the principles of sustainable development, CONPET has committed, through its environmental policy, to:

- ensuring compliance with legal and other requirements relating to environmental matters.
- the continuous improvement of the performance in environmental protection activity, in particular by adopting prevention measures for pollution, technological risks and accidents which can have negative repercussions on the environment.
- Permanent assessment of the risks/opportunities generated by the context in which the organization evolves and of the risks/opportunities related to the internal processes and the establishment of actions for their treatment.
- Awareness of the company's personnel and of the personnel working on behalf of the organization and improvement of communication in order to ensure active participation in the achievement of the goals and the environmental management program.

In terms of environmental protection and water management, CONPET S.A. activity is authorized in accordance with the provisions of GEO 195/2005 on environmental protection, as supplemented and amended and Water Law no.107/2005, with subsequent amendments and additions.

According to the Ministry of Environment and Sustainable Development Order 1798/2007 approving the procedure for issuance of the environmental permit, the activity carried out by CONPET is an activity with significant environmental impact. The environment permits issued by

CONPET remain valid all through the period the company has been issued annual visa permit - amendment brought by Order 1150/2020.

The identification of environmental aspects and the assessment of their associated impact within the company is carried out for:

- all the activities performed, included in the area of application of the environment management system;
- materials, goods and services that can generate environmental impacts that are supplied/manufactured by suppliers/providers;
- new projects and developments/upgrades;
- facilities/equipment from a workstation whose operation has been partially or permanently stopped as a result of preservation, respectively of dissolution of work site and that generated or generate impacts on the environment.

Following the identification of environmental aspects for activities, products and services of the company significant environmental aspects have been retained, which are input for the environmental management program.

The update of the lists of environmental aspects and the associated impacts thereof, as well as their centralization is made whenever changes occur, such as:

- technology changes;
- upgrading or introducing new plant, equipment, use of other raw materials;
- occurrence of new requirements, environmental regulations or amendment of the existing ones;
- decommissioning of installations and equipment;
- preservation/restarting, dismantling of workstations after completion of actions to deal with significant environmental aspects.

During 2023 were reviewed environmental issues at the sites, significant environmental aspects being included in the "List of significant environmental aspects and associated impacts".

Given the significant environmental aspects identified at company level, the measures of inspection reports/minutes - authorities, concerning compliance with legal and other requirements, etc., during 2023 have been reviewed:

- Environmental Management Program and actions to achieve environmental objectives;
- Register of environmental opportunities.

The status of achievement of the objectives and targets set and the stage of the implementation of the actions set for the achievement of the environmental objectives are analyzed annually by the executive management, in the framework of the analysis carried out by the management.

## **Occupational Health and Safety**

For the organization of the prevention and protection activity within the company, according to art. 14, letter. c and in conjunction with art. 19 para. 1, from GD no. 1425/2006 with subsequent amendments and additions, the internal prevention and protection service is established. In each sector, there are persons responsible for health and safety at work, appointed by the Director General's decision.

Safety and health at work are today the joint concerns of technical and engineering disciplines, interested in finding the most appropriate ways and means of optimizing the human integration into the professional applications system.

The ultimate goal of work safety and health at work is:

- protecting the life, integrity and health of workers against the risks of accidents and professional diseases that can occur in the workplace;
- creating working conditions to provide them stable physically, mentally and socially comfort;

Specific training programs are run to address specific issues, such as those related to safety risks. Permanently, through medical checks, a healthy, active lifestyle, first aid courses, body immunization programs are promoted, especially for employees who work in conditions of isolation, work at height and night shift.

The main action lines of the top management concerning health and safety are as follows:

- Prevention and reduction of occupational diseases and accidents at work;
- Consultation and participation of the employees on any aspect of health and safety at work.

During the checks carried out by the representatives of the service, the "Conpet S.A. employee satisfaction evaluation questionnaire" was filled in by the employees regarding the safety and health at work" and reports were drawn up with reported problems and their remediation.

- Ensuring appropriate organizational framework for setting the objectives of the integrated management system quality- environment- health and safety;
- Permanent assessment of the risks/opportunities posed in the context the organization evolves in and of the risks/opportunities related to the processes and determining the actions for their treatment.

According to the occupational health and safety law and regulations (S.S.M.), every employer with at least 50 employees in an establishment is obliged to establish an occupational health and safety committee, in order to consult and ensure employee participation in the development of all labor protection rules. The occupational health and safety committee is a mixed group, made up of both employer representatives and worker and medical staff representatives.

Beyond our duty to ensure that our people will be fully satisfied with their careers and excellent opportunities for growth and personal development, our priority is to provide them with a safe place to work.

Health and safety matters are discussed in Occupational Health and Safety Committee meetings held quarterly or whenever necessary.

From the perspective of the obligations and responsibilities arising from the Law no. 319/2006 on safety and health at work and GD 1425/2006 approving the Methodological norms for the application of the provisions of the Law on safety and health at work no. 319/2006, the conditions for health and safety at work and occupational accident and diseases prevention are ensured:

- prevention and protection activities are organized internally through the Prevention and Protection Department;
- the duties and responsibilities for safety and health at work are set out incumbent upon the workers, corresponding to the functions exercised, which are specified in the job description;
- the areas that require Occupational Safety and Health signage and the type of signage required according to H.G. no. 971/2006 regarding the minimum requirements for safety and/or health signage at the workplace;
- occupational health and safety clauses are established upon the conclusion of the service contracts with other employers, including those concluded with foreign employers;
- authorization is organized for the exercise of trades and professions provided for by the specific legislation;
- the health of the workers is monitored through in-house medical practices and by contracting occupational medicine services;

In 2023, external controls were carried out by the labor inspectors of Giurgiu and Brăila counties, without any irregularities being identified at the level of the checked work points, an improvement measure being ordered, drawing up an own instruction for travel to and from the place for work. In the framework of the scheduled internal controls, all the locations established by the approved control schedule were checked, no serious deviations were found, possibly causing injury and/or occupational illness of workers; the non-conformities found were remedied by carrying out the corrective measures ordered at no additional cost.

The starting point for optimization of efforts to prevent accidents and occupational disease at work is "Risk Assessment".

In 2023, the committee set up within the company for this purpose analyzed and reassessed the risks for each workplace/work station.

By implementing the technical measures, organizational and sanitary from the Prevention and Protection Plan, the level of risk within the company is 2.87, value below the maximum allowed limit of 3.50.

Within the organization CONPET S.A. an occupational health and safety management system is implemented and certified in accordance with the requirements of the ISO 45001 standard.

During 2023, the occupational health and safety management system, part of the Quality - Environment - OSH Integrated Management System, was maintained and improved, a fact confirmed following the external surveillance audit of August 2023.

The employer permanently allocates resources to maintain and improve the working conditions and health of the employees, the results of these obligations being reflected in the results presented and in the medical reports presented by the contracted occupational medicine doctor.

In the light of the obligations and responsibilities arising from fire defense and civil protection legislation, with implications for the safety and health at work of workers, prevention and intervention measures shall be ensured by meeting/complying with the applicable legal requirements and fire defense activity shall be organized at company level, therefore:

- is established the Emergency Situations Office - structure with responsibilities in emergencies, specialized in risk prevention of occurrence of emergencies through guidance and control activities;
- is organized defense against fire for all work places;
- is organized the intervention of firefighting for all work places;
- is ensured the organization of rescue and evacuation of employees and material goods;
- Private service for Emergency Situations is set, in accordance with the law;
- are identified, monitored and evaluated specific risk factors, generators of hazardous events; are identified types of risks generating natural and technological disasters; is provided assessment and analysis of potential risks on the possibility of their occurrence and consequences on people's lives, the environment and property;
- is established the Cell for Emergency Situations.
- are provided information and training activities on the means of knowledge, compliance and enforcement of the norms, of the technical regulations and provisions concerning fire safety and civil protection for all company personnel;
- is ensured the organization of training of employees and emergency teams within SPSU in emergency situations; participation in exercises and applications alarm, evacuation, intervention, limitation and elimination of consequences of fires or other disasters.

From the point of view of the obligations and responsibilities arising from Law no. 59/2016 on the control of major accident hazards involving dangerous substances are provided prevention/action measures by performance/compliance with the applicable legal requirements:

- are established and provided measures to prevent major accidents involving dangerous substances and limit their consequences on human health and the environment;
- "Security Reports" and "Internal Emergency Plans" are developed for each location of the company classified as a "higher level site", respectively "Major Accident Prevention Policy" for the locations classified as a "lower level site";
- the staff employed in these locations is periodically trained on the relevant parts of that documentation;
- at the site level a responsible in charge with security management was appointed, by decision of the Director General.

In order to maintain and continuously improve the safety and health of workers in every aspect related to work, CONPET SA has developed and established the following plan on short, medium and long term:

1. Achievement of all necessary lines regarding Safety and Health at Work contained in the Plan for Prevention and Protection and in the Programs of measures resulting from checks/internal and external audits.
2. Permanent compliance with OHS legislation and other requirements/regulations to which the company subscribes, by implementing innovations in the field.
3. Creating an OHS culture through training and raising awareness of employees about the need to respect the rules of safety and health at work by:
  - using interactive teaching methods, accompanied by practical demonstrations;
  - empowering all staff in identifying, reporting and eliminating/reducing the dangers of accidents and professional diseases;
  - support and promote preventive thinking and behavior;
  - involving all personnel in adopting measures to continuously improve the working environment.
4. Continuous improvement of occupational health and safety by:
  - eliminating/reducing ongoing risks of accidents and occupational diseases;
  - conclusion of an occupational medicine contract with a specialized clinic;
  - integrating new employees in all the prevention and protection actions specific to the workplace;
  - developing programs to educate employees on occupational health, by adopting a healthy lifestyle;
  - improving internal communication and consultation on issues of safety and health at work;
  - implementation of thematic programs of information on health and safety risks, use of modern methods, efficient and effective training.

In 2023, no work-related accident/incident was registered within CONPET S.A.

During 2023, sanitary materials and personal protective equipment were provided for all employees.

Informative materials were developed and displayed, including the rules and measures that must be followed, regarding wearing the protective mask, washing/disinfecting hands, ventilating and disinfecting the workspaces.

## **Energy Policy**

The Energy policy of CONPET SA promotes the objectives of continuous improvement of energy performance by maintaining and improving the energy management system, by ensuring compliance with the legal provisions and other applicable requirements in terms of energy consumption and energy efficiency, minimizing the loss of electricity and fuel for the production of heat energy, motor vehicles and rail maneuvering on CF ramps, energy cost reduction, purchase and use of energy-efficient products and services.

The company carries out actions to raise personnel awareness and improve communication in order to ensure active participation in the achievement of the energy goals and targets. In order to achieve the goals of this policy, the management and personnel of the company are fully

committed to maintaining and improving the energy management system in accordance with the provisions of the ISO 50001 standard.

The certification body BUREAU VERITAS issued the certificate for the management system implemented in CONPET S.A. according to the requirements of ISO 50001 standards, following the external re-certification audit in September 2022. The certificates are valid 3 years, with annual surveillance. Following the surveillance audit of August 2023, the BUREAU VERITAS certification body recommended maintaining the certificates for the management systems of quality, environment, health and safety at work, issued for the organization CONPET S.A.

## **Railway Safety Policy**

Starting 2010, within CONPET S.A. the Railway safety management system is implemented and maintained. The application area of this system includes ramps where CONPET performs railway shunting operations.

Through the railway safety policy of CONPET S.A. the company declares its will and firm commitment to maintain and improve a railway safety management system according to the requirements established by the national and European Union regulations. The main lines of action are:

- Compliance with existing legal requirements and other relevant stakeholder requirements relating to the development of railway shunting operations;
- Ensuring the appropriate organizational framework for setting objectives and assessing the performance of the safety management system;
- Identification of hazards, assessment and evaluation of risks associated with railway operations, including those arising from external factors;
- Establishing appropriate safety measures to be implemented to mitigate these risks, with a view to preventing accidents/incidents by rail and cooperate with relevant stakeholders on the implementation of appropriate safety measures in case of common risk identification;
- Assuming the coordination of the safety management system activities at the level of the management and delegation of responsibilities within the organization;
- Provision of programs to train the personnel and maintain their competence in performing tasks both for personnel in charge of management, training and control tasks and for personnel performing railway safety-related activities.

The Romanian Railway Authority (A.F.E.R.) granted the company the License for the performance of railway transport services (railway shunting), and the A.S.F.R. (Romanian Railway Safety Authority) issued the Single Safety Certificate for the railway safety management system implemented in CONPET S.A..

## **The Social and Personnel Policy**

The company's management develops and implements internal regulations used to establish the organization of the activity within the company by which the necessary resources are allocated

effectively. The risks associated to the social and personnel field are identified and their potential adverse effects are kept to an acceptable level through appropriate measures for cancellation or mitigation.

The legal requirements in the HR and OHS areas at the level of the company are also complied with by the implementation and certification of the integrated management system. In addition, certain requirements are included in the Internal Regulations and the Code of Ethics.

Competent, motivated and honest employees represent the essential element for the successful completion of the company's goals, being the most important resource for the proper conduct of the business.

The main actions taken with respect to these issues are materialized by:

- the provision of optimal work conditions;
- transparent processes for recruitment based on professional competence and experience;
- promotion of employees that behave ethically and have proved integrity;
- assessment of professional performance based on professional and personal skills criteria;
- allocation of sufficient resources for the training and continuous improvement of the personnel;
- health care (regular medical checks and assessments, monitoring the health status of the employees, insurance contracts for medical services for the benefit of the employees);
- providing additional wage benefits in the form of voluntary health insurance, as regulated in art. 221 alin.9 of the Collective Labor Agreement, the ultimate goal being to prevent loss of working capacity of employees;
- social facilities provided for in the Collective Labor Agreement (meal vouchers, covering part of the cost of tickets for rest and treatment, financial support to the employees and, in exceptional circumstances, to the members of their families (husband, wife, children supported by them), who have special medical problems, as well as to the employees who suffered significant damage from earthquakes, landslides or floods or other natural phenomena, fires,,);
- supporting trade union activity, communication and ongoing consultation with the trade union organization.

The main potential risks in the social and personnel field relate to:

- high personnel fluctuation, decreased rate of retention of newly hired personnel or occupying key positions;
- insufficient financial resources allocated for maintaining and improving working conditions or for preventive medical actions and measures;
- constraints and budget limitations that can restrict the initiation/development of projects in the field of human resources;
- improperly managed communication;
- lack of qualified personnel in order to ensure the continuity of certain activities (e.g. personnel with responsibilities in traffic safety) in the case of departures from the system.

The effects of these potential risks may consist in the increase of the medical leave expenses incurred by the company, increased absenteeism, decreased quality of the transport services, decreased efficiency, increased recruitment costs, adverse incentive of the employees or trade union conflicts. The company has managed, through the measures taken, to maintain the social and staff risks at a low level.

To manage the risks in this field, the company has taken the necessary measures to ensure the security and protection of the employees' health, to prevent occupational risks, to inform and train the employees and to ensure the organizational framework and the necessary means for occupational health and safety, including for specific risk-sensitive groups.

Therefore, in-house instructions have been developed for the application of the regulations concerning safety and health at work, taking account of the particularities of the activities and of the jobs in the company. Furthermore, labor protection measures have been taken, specific for certain occupations or activities.

In drawing up measures for safety and health at work, the company's management shall consult with the Trade Union or, as appropriate, with the representatives of the employees and with the Occupational Health and Safety Committee.

The personnel is informed and trained about the risks to the safety and health of the employees and to the protection and prevention measures specific to the workplace.

In terms of gender equality, each employee of the company is free to develop their own skills and to express their choices without being influenced by the peculiarities of their gender.

The different behaviors, aspirations and needs of women and men enjoy equal appreciation and promotion within CONPET S.A.

The Internal Regulations of the company include provision for the prohibition of all forms of discrimination.

From the total number of personnel with higher education, 14.5% is represented by women. At the same time, women account for a percentage of 32.5% in total personnel with management positions and a percentage of 34.5% in total personnel with management and coordination positions in the company. Achieving this weight ensures women's participation in decision-making and management at all levels and in key areas of activity of the company.

Thus, according to the organization chart in force at 31.12.2023, the entities Deputy Director General, Deputy Director General 2, Economic Directorate and Maintenance Development Chief Engineer are led by women. Promoting equality at work is synonymous with significant economic benefits.

By eliminating all forms of discrimination within the company, women are free in the choice of their occupation upon their employment on any vacant job and at all levels of the professional hierarchy. This creates non-discriminatory conditions for career advancement, for work remuneration in relation to the professional skills and the quality of the work carried out and for

the participation in professional qualification/re-qualification, improvement and specialization programs.

The company guarantees for all employees, regardless of sex, the application of the principle of equal pay and the right to other benefits paid by the employer to employees, directly or indirectly, in cash or in kind, according to their place of employment.

The Conventions of the International Labor Organization (considered as fundamental labor principles and rights, relate to trade union freedom and trade union right protection, the effective recognition of the right of collective organization and bargaining, the elimination of all forms of forced or compulsory labor, the abolition of child labor and the elimination of discrimination in respect of employment and occupation, and represent guidelines and useful tools for the preparation of the internal policies of the company concerning employment, work, social dialogue, , etc.

The company informs employees consistently and permanently on the provisions of the Collective Labor Agreement, the Code of Ethics and Integrity and the Internal Regulations, a document containing special chapters on the rights they have in connection with the compliance with the equality of opportunities and treatment between men and women in labor relations.

Trade union freedom and collective negotiations ensure good cooperation and consultation between the workers and the employer, leading to a decrease in the number of labor conflicts and a higher social stability.

The employees of CONPET SA receive adequate protection against any discriminatory acts that might infringe trade union freedom.

The practice of collective bargaining in CONPET SA guarantees that the worker and the employer have an equal share in the negotiations and that the decisions made will be fair and equitable. Starting from the premise that social dialog is an important factor for socio-economic progress, considered as one of the pillars of the European social model, essential for: the promotion of decent working conditions, transparent regulations regarding working rules, respect for employees and performance, productivity and profit for employers, collective bargaining has allowed the social partners to negotiate a fair employment relationship and to prevent labor disputes.

The activities and actions for entertainment and networking for employees have been conducted between the trade union and employees, between the employees and family members, activities in partnership with public educational institutions, culture, various events at which personalities have been invited, etc.

CONPET SA promotes a transparent business climate, communication and cooperation with all the parties involved in the conduct of its business, with respect for the community and the environment. CONPET S.A. supported, through sponsorship actions, projects of tradition or with significant impact on the community, but also request of less amplitude targeting ideas, actions or individual performance.

## **Ethics and Integrity in business, fighting corruption**

CONPET SA promotes fair business relationships and pursues legal compliance in all commercial transactions and activities carried out, acting for the deterrence, prevention and combating of corruption deeds.

By the Code of Ethics and Integrity the company has established the rules of conduct and integrity, which regulate the values and principles of anti-corruption strategy, corporate values, responsibilities, obligations and business conduct, mandatory rules, applicable to all employees, from all organizational structures of CONPET S.A., directors and administrators with mandate contract.

The Code of Ethics and Integrity defines honest conduct and behavior, prohibits participation of employees in decision-making process in situations where there is a conflict of interest, Incompatibilities, imposes restrictions in terms of offering/accepting gifts, favors or services, establishes the obligations of the employees with regard to the protection of the company's assets and resources, specifies how to relate with the authorities based on the principles of fairness, transparency and good collaboration and mentions the rules of conduct during national and international trips. There are also clear rules for dealing with shareholders regarding equal treatment and inside information, as well as the use of honest and legal practices in relations with business partners.

In view of implementation of the National Anti-Corruption Strategy 2021-2025(SNA), to which CONPET S.A. has adhered, in 2017 has been approved the Integrity Plan, document upgraded in 2022 by decision of the Director General of CONPET S.A. - which details, in a personalized manner, the measures applicable to CONPET S.A., subsumed to the general and specific objectives provided in NAS for the identification of risks, vulnerabilities and specific intervention needs. All measures to prevent corruption, with a deadline of 2023, have been implemented.

The measures related to the development of programs/professional training, internal training and awareness in the field of anti-corruption education were fully implemented in 2023. Organization of the training program assumes that, if a company provides the efficient functioning of promoting an ethical and upright behavior, causing a change in attitudes among its personnel, then this system may limit internal conflicts, theft of company assets and fraud, use of the company resources in purposes other than those for which they are provided, using its image in the personal benefit of employees or sabotaging the interests of the company by misconduct of employees in relation to customers or business partners or corruption etc. The functioning of such a system contributes to the strengthening of the internal integrity system and the employee's sense of security, to his identification with the company's values, and therefore to a higher performance of the company.

The recurrent staff awareness activity had an amplitude at the level of the entire company in the field of integrity, through the actions undertaken during 2023. Thus, a significant number of employees, with relevant functions within the company, participated in the external training course "Audit of the corruption prevention system". Internally, the staff was trained on the provisions of

the Code of Ethics and Integrity, the Criminal Code regarding acts of corruption related to gifts/goods received or offered free of charge as part of protocol actions, as well as the provisions related to asset declarations and interests, conflicts of interest and incompatibilities.

At the same time, throughout the year various informative materials related to the integrity standards promoted by S.N.A. were disseminated and published, both within the organization and on the Conpet S.A. website. with the aim of preventing corruption and promoting organizational integrity.

Following the training on conflict-of-interest rules and incompatibilities, in 2023, there was also an assessment/verification of the knowledge acquired by the management staff and TESA. Consequently, the awareness and anti - corruption education program in what concerns the internal norms in terms of conflict of interests and the incompatibilities, which took place during 09.10.2023 - 20.12.2023 materialized in higher results from our employees, respectively:

- 98.2% of the total TESA staff were trained and tested, 1.8% of them to be evaluated in order to know the rules, at the start of the activity (after the end of the suspension periods) during the year 2024;
- the degree of knowledge of the norms regarding the conflicts of interest and incompatibilities is 100% (no. of employees who obtained qualifier very good and good/no. of tested employees\*100).

As per GEO no. 109 dated November 30, 2011 on the corporate governance of public enterprises, further amendments and additions and within the Program for the development of the internal control management system, elaborated in compliance with the O.S.G.G. no. 600/2018, considering the necessity of building an integrity culture inside CONPET S.A., has been revised and approved by the Board of Directors (in the meeting dated 23.10.2023), the Code of Ethics and Integrity.

The entire personnel of CONPET S.A. has been trained with regards to the company's institutional strategy, related to the expectations in conduct matters as per the Code of Ethics and Integrity, as well as related to the rights and obligations of the personnel in ethics and compliance matters. The Ethics Advisor monitored the compliance, by the organization's staff with the principles and rules of conduct and provided advice and assistance in the field of ethics in accordance with *CONPET S.A. Ethics Advisor's Work Regulation*, in force.

### **The Anti-Bribery Policy**

For CONPET S.A., doing business and process deployment by the observance of the highest standards of ethics and integrity stands for a constant preoccupation.

Acting as an operator of the crude oil, rich gas, condensate and ethane National Transport System, CONPET S.A. acceded to the anti-bribery national strategy and implemented proper integrity plans.

By the anti-bribery policy, CONPET S.A. commits not to tolerate any bribery act, not to manifest any type of sanction or retaliation against any relevant employee or third party for the refuse to be part of a bribery act and to observe the anti-bribery legislation applicable to the organization.

Following the external audit carried out in July 2022, the SRAC CERT certification body certified the anti-bribery management system implemented in CONPET S.A. organization in accordance with the requirements of ISO 37001. The certificate is valid for 3 years, with annual surveillance. Following the external surveillance audit of June 2023, the SRAC CERT certification body recommended maintaining the compliance certificate no. 28/13.07.2022 for the anti-bribery management system implemented in the CONPET S.A. organization.

### **Issues related to the Diversity Policy in terms of Administrative and Managerial Bodies**

CONPET SA is a company listed on the Bucharest Stock Exchange and, according to the capital market legislation, the decision for the appointment of the members of the Board of Directors belongs to the shareholders. For this reason, the company is not in a position where it can influence issues of diversity and could not adopt a policy on diversity in terms of administrative and management bodies.

However, the proposals for candidates and the result of the vote in elections have provided each time an appropriate degree of diversity in terms of profile of administrators, coverage of professional expertise areas or age thereof.

The current Board of Directors includes 2 women and five men with professional experience in economics, engineering and law.

## **Report as per Article 8 of EU Regulation 2020/852 of the European Parliament and of the Council**

### **1. Introduction**

In addition to respecting human rights and social rights, sustainable development involves activities and projects that ensure both the limitation of climate change and the conservation of natural resources. The member states of the European Union have committed themselves to gradually reduce greenhouse gas emissions. The European Green Deal sets the goal of net zero emissions by 2050.

The European Union is the initiator of an ambitious action plan to ensure sustainable economic growth, a plan for which it formulated three precise objectives: directing capital flows to environmentally friendly investments, integrating sustainability into risk management and promoting transparency and long-term planning in financial and economic activities.

One of the measures taken as part of this plan was the implementation of the Taxonomy Regulation (EU Regulation 2020/852), a homogenous, credible, science-based legislative framework for determining activities that can be considered sustainable. The development of this classification system, a priority at the level of the European Union, was based on the extensive input of large teams of experts and included an extensive consultation process with interested parties.

The European taxonomy defines the activities considered to be durable (or "sustainable", or "green"), establishes the reporting requirements and provides, through the delegated regulations, the methodology for calculating the extent to which a company proves to be sustainable from a turnover, capital expenditure and operating expenditure perspective.

The taxonomy provides clarity and helps relevant financial market actors and government entities to identify sustainable companies and facilitate access to private sector finance for the transition to climate neutrality. At the same time, taxonomy contributes to the prevention of the "green washing" phenomenon, by easier identification of phony projects, which are "green" only in name.

By stating the environmental objectives that determine the classification of an activity as sustainable, the EU Taxonomy contributes to the decarbonization of sectors with high emissions and the growth of sectors with low carbon emissions, thus contributing to the achievement of the objectives assumed by the EU Green Deal.

The six environmental goals set out in the Taxonomy are: mitigation of climate change, adaptation to climate change, sustainable use and protection of water and marine resources, transition to a circular economy, prevention and control of pollution, and protection and restoration of biodiversity and ecosystems.

The regulation establishes the following four criteria that must be met to determine whether an economic activity is environmentally sustainable:

- i) The activity substantially contributes to one or more of the six environmental objectives;
- ii) The activity does not significantly harm any of the environmental objectives;
- iii) The activity is carried out in accordance with the minimum guarantees\* established in the regulation;
- iv) The activity complies with the technical examination criteria established by delegated regulations.

(\*) Note: *Minimum guarantees are procedures applied by an enterprise carrying out an economic activity to ensure alignment with the OCDE guidelines on multinational enterprises and with the UN Guiding Principles regarding business and human rights, including the principles and rights enshrined in the eight fundamental conventions identified in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and those established in the International Charter of Human Rights - Art. 18 of Regulation 2020/852*

Activities that meet the four conditions above are considered environmentally (ecologically) sustainable. If one of the four conditions is not met, the activity subject to evaluation can be considered *eligible*, but not *aligned*.

Economic activity *aligned to the taxonomy* is an activity that meets the four conditions that allow it to be classified as environmentally sustainable according to the EU taxonomy.

The *eligible* economic activity from the point of view of the taxonomy is defined as being an economic activity described in the adopted delegated acts, regardless of whether or not the said economic activity fulfills all the technical examination criteria provided in the delegated acts.

The ineligible economic activity from the point of view of the taxonomy represents, according to the definition in the Delegated Regulation, an economic activity that is not described in the adopted delegated acts.

The concrete requirements that must be taken into account in the evaluation of the substantial contribution, namely the absence of significant damages, are established by the so-called "technical selection criteria". The technical screening criteria define the specific requirements and thresholds that each activity must meet in order to be considered as significantly contributing to one environmental objective and not significantly harming others. The technical examination criteria are elaborated in the secondary legislation (delegated acts).

Starting from 2022, non-financial enterprises have the obligation to calculate the degree of alignment with the taxonomy of their performance indicators and to make available to interested parties' information related to the degree of alignment with the taxonomy.

In 2021, the European Commission adopted the EU Delegated Regulation 2021/2139 (*Climate Delegated Act*) which defined the lists of eligible economic activities and the technical examination criteria for economic activities that substantially contribute to the objectives of mitigating climate change and adaptation to climate change respectively (applies from 01 January 2022).

The EU Delegated Regulation 2021/2178 (*Delegated Act on the provision of information*) complements Article 8 of Regulation 2020/852 (*Taxonomy*) and specifies the content, calculation methodology and presentation of information regarding the key performance indicators with respect to which non-financial enterprises must provide information (applies from 01 January 2022).

Starting from 01 January 2023, the provisions of the EU Delegated Regulation 2022/1214 (*Complementary Climate Delegated Act*) will also apply, which amend the EU Delegated Regulations 2021/2139 and EU 2021/2178, by including, under strict conditions, the specific activities regarding nuclear energy and gas-based in the list of economic activities approved by the EU Taxonomy.

## **2. Article 8 of EU Regulation 2020/852 (Taxonomy Regulation)**

This report is drawn up in accordance with Article 8 of EU Regulation 2020/852 ("*Taxonomy Regulation*") and contains the information that must be included in the Non-Financial Statement of the company CONPET SA for the financial year 2023.

This report also ensures compliance with the provisions of the OMFP no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, modified by OMFP no. 1239/2021 for the amendment and completion of the accounting regulations applicable to economic operators and OMFP no. 85/2024 for the regulation of sustainability reporting issues.

The information complies with the reporting requirements established by EU Regulation 2020/825, supplemented by EU Commission Delegated Regulation 2021/2178 and respectively by subsequent amending acts: EU Delegated Regulation 2021/2139 and EU Delegated Regulation 2022/1214.

Article 8 of the Taxonomy Regulation requires non-financial enterprises to provide the following information:

- (a) the proportion of turnover obtained from products or services associated with economic activities that qualify as environmentally sustainable, and
- (b) the proportion of capital expenditure (CAPEX) and the proportion of operating expenditure (OPEX) related to assets or processes associated with economic activities that qualify as environmentally sustainable.

For the 2023 financial year, the three performance indicators associated with *the eligible economic activities and aligned to the taxonomy* are presented in the following sections, in correspondence with the six environmental objectives defined by the taxonomy.

### 3. Key Performance Indicators

Key performance indicators are calculated and presented in accordance with EU Delegated Regulation 2021/2178 - Annex I and II.

#### 3.1 Key performance indicators regarding turnover

The key performance indicator regarding turnover represents the share of revenues generated from eligible/taxonomy-aligned activities in total turnover.

In order to analyze the degree of alignment of the turnover with the EU Taxonomy, the company proceeded to identify the economic activities that generate income and to their comparative analysis with the activities described in the annexes to the delegated regulations.

The main activity of the company CONPET is the transportation of crude oil, rich gas, condensate and ethane through pipelines, NACE code 4950. This activity generates 99.5% of the income included in the turnover.

*The transport of crude oil by pipeline is not explicitly mentioned in the lists of taxonomically eligible activities detailed in the delegated regulations.*

In the EU Delegated Regulation 2021/2139, in the list of taxonomically eligible activities, the activity called "*Transport and distribution networks for gases from renewable sources and with low carbon dioxide emissions*" is mentioned, in position 4.14 of the annexes. When describing this activity, the regulation specifies that economic activities in this category could be associated with several NACE codes, including *H49.50 – Pipeline transport* (equivalent to NACE code 4950).

For this reason, for the analysis of eligibility from a taxonomical standpoint, the possibility of assimilating the activity of transporting crude oil through pipelines with that described in point 4.14 of the annexes of the regulation was taken into account.

The products transported through CONPET's pipelines are part of the category of fossil fuels (non-renewable) and, for this reason, cannot be assimilated with the activity specified in the taxonomy under the name "*Transport and distribution networks for gases from renewable sources and with low carbon dioxide emissions*", which refers exclusively to gases from renewable sources (biogas, hydrogen).

Thus, following the analysis of the economic activities carried out by CONPET in 2023, by comparison with the list of activities described in the delegated regulations, no eligible activities were identified from a taxonomical standpoint. The company's core business, which generates almost all of CONPET's turnover, namely the transportation of crude oil, rich gas, condensate and ethane, is not among the activities listed in the taxonomy, therefore does not fulfill the eligibility condition.

In conclusion, the turnover generated from taxonomy-aligned activities is zero, and the proportion of taxonomy-aligned turnover is consequently zero.

According to EU Delegated Regulation 2021/2178, non-financial enterprises provide contextual information on the key performance indicator on turnover.

Thus, in the table below, a breakdown of the turnover for the years 2022 and 2023 is presented, highlighting the income obtained from various economic activities.

	2022		2023	
	thousand RON		thousand RON	
<b>Revenues – crude oil transport</b>	<b>469,857</b>	<b>99.50%</b>	<b>482,873</b>	<b>99.54%</b>
Revenues from rent	1,966	0.42%	2,078	0.43%
Other revenues	410	0.09%	163	0.03%
<b>Turnover</b>	<b>472,233</b>	<b>100.00%</b>	<b>485,114</b>	<b>100.00%</b>

Table 41 - Breakdown of turnover for the period 2022-2023

#### PROPORTION OF TURNOVER GENERATED BY ECONOMIC ACTIVITIES ALIGNED TO THE TAXONOMY

Table 42 – The proportion of turnover generated by economic activities aligned to the taxonomy

### **3.2 Key performance indicators regarding capital expenditures (CAPEX)**

This indicator is defined as ratio between the value of the eligible investment (aligned to the taxonomy) works and the total value of the investments made in 2023.

The investment activity mainly refers to the execution of the modernization and securing of the national crude oil, rich gas, condensate and ethane transport network, the operation of which is considered, according to the analysis above, as representing an ineligible activity, therefore not aligned to taxonomy.

Thus, when calculating the performance indicator regarding capital expenditures, no expenditures related to assets or processes associated with economic activities aligned to the taxonomy were identified.

In the analysis of the degree of CAPEX alignment with the EU Taxonomy, the company also proceeded to identify those investment projects that are not directly related to the transport infrastructure, but which are found in the lists of activities defined in the delegated regulations as eligible, and which could meet the technical examination criteria imposed.

Thus, projects similar to the activities described in points "7.2. Renovation of existing buildings", "7.3 Installation, maintenance and repair of energy efficiency equipment" and respectively "7.6. Installation, maintenance and repair of renewable energy technologies", taxonomically eligible activities.

The projects that meet the taxonomy alignment conditions represent photovoltaic system installation works, which are considered to have a substantial contribution to the environmental objective "climate change mitigation" and fall into the category of facilitation activities.

For investment works that refer to the installation, maintenance and repair of energy efficiency equipment or renovation works of existing buildings, the technical examination criteria regarding the substantial contribution to an environmental objective or "to not bring significant damage", so alignment to the taxonomy could not be confirmed.

The results of the analysis related to the CAPEX key performance indicators are showcased in the following table.

PROPORTION OF CAPEX GENERATED BY ECONOMIC ACTIVITIES TAXONOMICALLY ALIGNED

Economic Activities		Substantial contribution criterion										Criteria - "To not cause significant damage"																													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21																			
		thousan d EUR		%		%		%		%		%		%		%		%		%																					
<b>A. ELIGIBLE ACTIVITIES FROM A TAXONOMICAL STANDPOINT</b>																																									
<b>A.1. Environmentally Sustainable Activities (Taxonomically Aligned)</b>																																									
Installation/maintenance/repair of renewable energy technologies		240	0.29%	0.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	YES	N/A	N/A	N/A	N/A	YES	0.29%	0.29%	E																					
<b>CAPEX related to environmentally sustainable activities (aligned to taxonomy) (A.1)</b>		240	<b>0.29%</b>	<b>0.29%</b>	<b>0.00%</b>								0.29%	0.00%	0.29%	0.00%																									
<b>A.2 Taxonomically-eligible activities but not environmentally sustainable (non-taxonomy-aligned activities)</b>																																									
Renovation of existing buildings		212	0.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																														
Installation/maintenance/repair of energy efficiency equipment		943	1.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																														
<b>CAPEX related to taxonomically-eligible but environmentally non-aligned activities (taxonomy-non-aligned activities) (A.2)</b>		1,155	<b>1.39%</b>																																						
<b>Total (A.1+A.2)</b>		1,395	<b>1.68%</b>																																						
<b>B. TAXONOMICALLY INELIGIBLE ACTIVITIES</b>																																									
<b>CAPEX related to taxonomically ineligible activities</b>		81,453	<b>98.32%</b>																																						
<b>Total (A+B)</b>		82,848	<b>100.00%</b>																																						

Table 43 – The proportion of turnover generated by economic activities aligned to the taxonomy

### **3.3 Key performance indicators regarding capital expenditures (OPEX)**

This indicator is calculated as a ratio between eligible/taxonomy aligned OPEX and total OPEX, as defined in the Regulation.

According to the definition in point 1.1.3.1 of Annex I to EU Delegated Regulation 2021/2139, the operating expenses considered for the taxonomy alignment analysis are limited to research and development activities, building renovation, short-term leasing contracts, maintenance and repair work, as well as any other direct expenses related to the current maintenance of tangible assets necessary to ensure the continuous and efficient operation of these assets.

For the calculation of the performance indicator regarding operating expenses, the part of the above operating expenses that is related to economic activities aligned to the taxonomy is taken into account.

As previously mentioned, the core activity of CONPET is represented by the transportation of crude oil, rich gas, condensate and ethane. This activity is considered ineligible from a taxonomical standpoint, since, as shown above, it is not included as such in any of the lists of activities annexed to the delegated regulations, nor is it assimilated to any other activity in those lists, which is why it is not covered by any of the six environmental objectives.

The expenses mentioned above, considered for the calculation of the denominator of the performance indicator regarding operating expenses, represent less than 1% of the total operating expenses recorded by the company in 2023.

Due to CONPET's specific business model, operating expenses are practically entirely associated with crude oil transportation, which is an ineligible activity.

Consequently, the expenses specified in point 1.1.3.2 of Annex I to the EU Delegated Regulation 2021/2139 for the calculation of the numerator, which could be associated with taxonomically eligible activities other than pipeline transport, are considered insignificant in relation with the total operating expenses, as can be seen in the table below

	2022		2023	
	thousand RON		thousand RON	
Maintenance repairs	2,627	0.57%	2,077	0.44%
Rent expenses	169	0.04%	1,317	0.28%
Greening/ Monitoring/ Environmental documentation	2,115	0.46%	768	0.16%
<b>OPEX - (denominator definition-Reg. 2021-2178)</b>	<b>4,911</b>	<b>1.07%</b>	<b>4,162</b>	<b>0.88%</b>
Staff	180,923	39.39%	194,395	40.96%
Railway transport	61,430	13.37%	71,645	15.10%
Establishment of the modernization quota	57,321	12.48%	58,084	12.24%
Value adjustments regarding fixed assets	55,061	11.99%	63,536	13.39%
Crude oil royalty	36,511	7.95%	38,519	8.12%
Utilities	33,739	7.35%	18,597	3.92%
Other operating expenses	29,394	6.40%	25,634	5.40%
<b>Total operating expenses</b>	<b>459,291</b>	<b>100.00%</b>	<b>474,571</b>	<b>100.00%</b>

Table 44 – OPEX proportion in the total operating expenses

Considering the provisions of the same point 1.1.3.2, the company can report the zero value for the OPEX indicator, having only the obligation to present the total operating expenses, which for the year 2023, calculated according to the definition in point 1.1.3.1., had the value of approximately 4.2 million RON.

## 6. PROPOSAL OF THE BOARD OF DIRECTORS

### 6.1 Approval of the financial statements concluded on 31.12.2023

### 6.2 Approval of the allocation of net profit related to the financial year 2023

*The distribution proposal of the remaining accounting profit after deduction of the corporate tax on December 31, 2023:*

Throughout 2023, no dividends were distributed based on the interim financial statements.

The remaining accounting profit after the deduction of the corporate tax, on December 31, 2023 amounted to 61,616,539 RON.

The proposal for distribution of the remaining accounting profit after deducting the corporate tax to be distributed, to which was added the provision for the employees' share of profit in the amount of 6,000,000 RON resulting in a total distributable amount of 67,616,539 RON, is as follows:

No.	Element	GO Provision no. 64/2001	Amount - RON-
1	<b>The net profit of the financial year 2023, reported based on the annual audited financial statements</b>	-	<b>61,616,539</b>
2	The employees' share of profit within the limit of 10% of the net profit but not more than the monthly average base salary achieved at the level of the company in the financial year 2023, recognized in the provisions account	-	6,000,000
3	<b>The net profit, reinstated with the provision for the employees' share of profit (1+2):</b>	-	<b>67, 616,539</b>
a	Other distributions provided by law - exemption from paying tax on reinvested profit (account 1068), art. 22 of Law no. 227/2015 on the Fiscal Code	art. 1 para. (1) letter b)	3,725,402
b	The employees' share of profit within the limit of 10% of the net profit, but no more than the level of a monthly average basic salary achieved at the level of the company in the reference financial year	art. 1, para. (1), letter e)	6,000,000
c	Dividends due to shareholders	art. 1, para. (1), letter f)	55,891,137
d	Other reserves - own financing sources	art. 1, para. (1), letter g)	2,000,000

Table 45 Proposal for the allocation of net profit for the year 2023

The retained earnings which can be allocated, in amount of 862,397 RON, is proposed to be allocated for distribution as dividends. The statement of distributable retained earnings and its distribution shall be as follows:

No.	Destination	Amount (RON)
1.1	The retained earnings representing surplus achieved out of revaluation reserves	862,397
<b>1</b>	<b>Total retained earnings, distributed for:</b>	<b>862,397</b>
a	Dividends due to shareholders	862,397

Tabel 46 – Proposal for the allocation of the retained earnings

**Chairman of the Board of Directors**

**GHEORGHE Cristian - Florin**

**Director General**  
**Eng. TUDORA Dorin**

**Deputy Director General**  
**Jr. DUMITRACHE Mihaela Anamaria**

**Economic Director  
Econ. TOADER Sanda**

## **ANNEXES**

- 1) Transactions concluded as per Article 52 of GEO no. 109/2011, in the second semester of 2023
- 2) Financial and non-financial key performance indicators for 2023 of the directors with contract of mandate for the period 01.01.2023-19.10.2023
- 3) Financial and non-financial key performance indicators for 2023 of the directors with contract of mandate for the period 20.10.2023-31.12.2023
- 4) Report on the internal/management control system on 31.12.2023
- 5) List of the important contracts concluded by the company in 2023
- 6) List of litigations on 15.03.2024.
- 7) The Articles of Incorporation in force, updated on the date of 27.04.2023
- 8) C.V.s of the current administrators

									Annex no. 1
Transactions concluded under Art.52 of GEO no.109/2011 in the second semester of 2023									
Crt . No.	Contract no.	Date	Partner	Scope of the contract	Value -RON-	Established guarantee -RON-	Type of payment Payment term	Penalties	
1	2023/EN 119	07 July 2023	S.N.G.N. ROMGAZ S.A.	Electricity supply ROMGAZ IERNUT -	37,500.00	N/A	bank transfer 15 days from the date of issue	0.02% /day	
2	2023/RPS 124	17 July 2023	OIL AND GAS UNIVERSITY	Sponsorship of the event of 75 years of performance in education and research	15,000.00	N/A	bank transfer up to 12.08.2023	N/A	
3	2023/RPS 125	17 July 2023	MAICA PRECISTA PARISH	Sponsorship of works consisting in restoration of iconostasis and construction of chapel	20,000.00	N/A	bank transfer up to 12.08.2023	N/A	
4	2023/RPS 126	17 July 2023	"ION POPESCU" SECONDARY SCHOOL BĂRBĂEȘTI	Sponsorship of color printer purchase	7,000.00	N/A	bank transfer up to 12.08.2023	N/A	
5	2023/CCA 136	01 August 2023	MUSEUM OF NATIONAL HISTORY AND ARCHEOLOGY CONSTANTA	Intrusive archaeological diagnostic services 3,22 HA	4,836.00	N/A	cash or transfer 25 days from the issue of the invoice	N/A	
6	2023/CCA 137	01 August 2023	MUSEUM OF NATIONAL HISTORY AND ARCHEOLOGY CONSTANTA	Preventive archaeological research services 8868 sqm	216,700.00	N/A	cash or transfer 25 days from the issue of the invoice	N/A	
7	2023/CCA 138	01 August 2023	MUSEUM OF NATIONAL HISTORY AND ARCHEOLOGY CONSTANTA	Preventive archeological research services 32.110 sqm	128,000.00	N/A	cash or transfer 25 days from the issue of the invoice	N/A	
8	2023/S-CA 140	07 August 2023	OIL AND GAS UNIVERSITY	Design and elaboration of technical and economic efficiency calculation for replacing the current crude oil heating system in CONPET tanks - Biled ramp, Timis county	298,500.00	29,850.00	invoice 30 days from the invoice registration	0.1% /day	
9	2023/RPS 143	16 August 2023	TURNU MONASTERY	Sponsorship contract	5,000.00	N/A	bank transfer up to 08.09.2023	N/A	
10	2023/RPS 155	26 September 2023	FLOREȘTI PNEUMOPHTHISIOLOGY HOSPITAL	Sponsorship Pulmonology Hospital Florești	50,000.00	N/A	bank transfer up to 24.10.2023	N/A	
11	2023/RPS 163	18 October 2023	CHAMBER OF COMMERCE AND INDUSTRY	Participation in the event top of Prahova companies 2023	5,752.10	N/A	bank transfer up to 20.10.2023	N/A	
12	2023/RPS 165	24 October 2023	"SFINTII TREI IERARHI" CHURCH	Sponsorship "Sfintii Trei Ierarhi" church	10,000.00	N/A	bank transfer up to 22.11.2023	N/A	
13	2023/RPS 166	24 October 2023	CHILDREN'S BALNEARY SANATORIUM	Sponsorship of the Balneoclimatic Sanatorium for Children Busteni	15,000.00	N/A	bank transfer up to 22.11.2023	N/A	

	14	2023/RPS 168	24 October 2023	PLOIEȘTI MUNICIPAL HOSPITAL	Sponsorship of Ploiești Municipal Hospital	50,000.00	N/A	bank transfer up to 22.11.2023	N/A
	15	2023/S-CA-CD 181	31 October 2023	NATIONAL INSTITUTE FOR RESEARCH & DEVELOPMENT IN INFORMATICS - ICI Bucharest	IT infrastructure security and monitoring services	107,520.00	10,752.00	invoice 30 days from the invoice registration	0.3%/day
	16	2023/EN 185	02 November 2023	BILED CITY HALL	Water supply Biled station	12,500.00	N/A	invoice 30days from the invoice registration	the level of interest due under budgetary obligations
	17	2023/CCA 188	08 November 2023	POARTA ALBĂ AGRICULTURAL HIGH SCHOOL	Temporary lease of land 8,854 sq.m.	15,052.00	N/A	bank transfer 30 days from the signing of the contract	N/A
	18	2023/RPS 192	14 November 2023	"SFÂNTUL VASILE" SECONDARY SCHOOL	Sponsorship contract	20,000.00	N/A	bank transfer up to 10.12.2023	N/A
	19	2023/RPS 193	14 November 2023	PLOIEȘTI PEDIATRIC HOSPITAL	Sponsorship contract	50,000.00	N/A	bank transfer up to 10.12.2023	N/A
	20	2023/BSP 200	22 November 2023	ȚĂNDĂREI CITY HALL	Rental of a part of the city building Țăndărei	23,715.00	474.30	bank trasfer 30 days from the invoice registration	0.1%/day
	21	2023/BCF 213	12 December 2023	C.N.C.F. CFR S.A.-REGIONALA DE CĂI FERATE TIMIȘOARA	Operation of industrial lines Biled station	19,851.28	N/A	invoice 30 days from the invoice registration	0.03% /day
	22	2023/CCA 224	15 December 2023	BUCȘANI CITY HALL	Temporary lease of land 3,118 sq.m.	9,354.00	N/A	acc. To Art. 9, letter. b of Law no. 238/ 2004 - Petroleum Law	N/A
	23	2023/RPS 228	19 December 2023	"SFÂNTUL VASILE" SECONDARY SCHOOL	Sponsorship contract "Sfântul Vasile" school Ploiești	25,000.00	N/A	bank transfer up to 31.12.2023	N/A
	24	2023/RPS 229	19 December 2023	DRAJNA PNEUMOPHTHSIOLOGY HOSPITAL	Sponsorship contract DRAJNA Hospital	25,000.00	N/A	bank transfer up to 31.12.2023	N/A
	25	2023/RPS 230	19 December 2023	PLOIEȘTI RAIL GENERAL HOSPITAL	Sponsorship contract C.F. hospital Ploiești	20,000.00	N/A	bank transfer up to 31.12.2023	N/A

**OBJECTIVES AND FINANCIAL AND NON-FINANCIAL KEY PERFORMANCE INDICATORS FOR DIRECTORS WITH MANDATE CONTRACTS (mandate duration 01.01.2023-19.10.2023) for 2023**

**Annex no. 2**

Crt.no.	Performance indicators	Performance objective	MU	YEAR 2023		Degree of achievement KPI (%)	KPIs weights for the settlement of the remuneration	Degree of achievement KPIs (%)
				Approved target values	Achieved values			
<b>A. FINANCIAL KEY PERFORMANCE INDICATORS: 50%</b>								
1	Outstanding payments	Level zero	thousand RON	0	0	100.0%	5.0%	5.0%
2	The decrease of the operating expenses = (Operating expenses – Value adjustments of assets and provision adjustments)/Turnover	The maintenance of the share of expenses in the turnover at the level assumed by the Administration Plan	%	85.7%	84.7%	101.2%	20.0%	20.2%
3	Adjusted EBITDA = Operating profit - write-back of the reserve out of the modernization quota + Expenses regarding the settlement of the modernization quota + Impairments of tangible and intangible assets, here included the revaluation differences).	The realization of adjusted EBITDA target assumed by the Administration Plan	thousand RON	110,216	134,706	122.2%	20.0%	24.4%
4	Labor Productivity	Achievement of the labor productivity level provided in the annual approved Budget	thousand RON/person	379	383	101.1%	5.0%	5.1%
<b>B. NON-FINANCIAL KEY PERFORMANCE INDICATORS: 50%</b>								
<b>B1. OPERATIONAL: 30%</b>								
5.	Framing within the specific consumptions for the crude oil transport (does not include the crude oil quantity lost during provoked breakdowns or in case of breakage resulting in contamination, where the owners do not ease access for remedy) .	The target value lower than the value of the maximal technological consumption, for crude oil	%	Tîieți tară ≤ 0.361% Realizat = 0.344%	0.306 %	0.261%	114.5%	5.0% 5.7%
				Tîieți import Lukoil ≤ 0.290% Realizat 0.194%				



OBJECTIVES AND FINANCIAL AND NON-FINANCIAL KEY PERFORMANCE INDICATORS FOR DIRECTORS WITH MANDATE CONTRCATS (mandate duration 20.10.2023- 31.12.2023) for 2023							Annex no. 3	
Crt.no.	Performance indicators	Performance objective	MU	YEAR 2023		Degree of achievement KPI (%)	KPIs weights for the settlement of the remuneration	Degree of achievement KPIs (%)
				Target values	Achieved values			
<b>A. FINANCIAL KEY PERFORMANCE INDICATORS: 50%</b>								
1.	Achievements of the investments	Achievement of at least 70% of the annual investment plan	%	≥70%	74.2%	106.0%	10.0%	10.6%
2.	The quick ratio indicator/acid test	Ensuring the ability to pay current liabilities from current assets adjusted with the value of the inventories		≥1	1.9	100.0%	5.0%	5.0%
3.	Inventories turnover speed	Maintaining the collection of receivables from customers within a maximum of 30 days	days	≤30	28.0	100.0%	5.0%	5.0%
4.	Operating profit margin	Maintaining the profitability of operating activities at a minimum of 7.5%	%	≥7.5%	13.7%	182.4%	5.0%	9.1%
5.	Outstanding payments	Level zero	thousand RON	0	0	100.0%	5.0%	5.0%
6.	Adjusted EBITDA = Operating profit – Write-back to revenues of the reserve out of the modernization quota + Expenses regarding the modernization quota +Impairments of tangible and intangible assets, here included the revaluation differences	Achieving planned adjusted EBITDA minimum 95%	%	≥95%	106.8%	112.3%	10.0%	11.2%
7.	Labor Productivity	Achievement of the labor productivity level provided in the annual approved Budget	thousand RON/person	379	383	101.1%	10.0%	10.1%
<b>B. NON- FINANCIAL KEY PERFORMANCE INDICATORS: 50%</b>								
<b>B1. OPERATIONAL KEY PERFORMANCE INDICATORS: 20%</b>								
8.	Monitoring of the annual electricity average specific consumption for technological purposes	Maintenance of the annual electricity average specific technological consumption at a level of max 3.2 Kwh/to	Kwh/to	Max 3.3 Kwh/to	3.2	2.3	100.0%	5.0%
9.	Framing within the specific consumptions for the crude oil transport (does not include the crude oil quantity lost during provoked breakdowns or in case of breakage resulting in contamination, where the owners do not ease access for remedy).	The target value lower than the value of the maximal technological consumption, for crude oil	%	Țări $\leq$ 0.361% Realizat = 0.344 %  Țări import	0.306 %	0.261%	100.0%	5.0%



Anexa 4

**REPORT**  
on the internal control management system on 31.12.2023

Pursuant to Art. 4 Para. (3) of Government Ordinance no.119/1999 concerning the internal control management and the preventive financial audit, republished, further amendments and supplementations, the undersigned *Tudora Dorin*, in the capacity of DIRECTOR GENERAL, hereby declare that the company CONPET S.A. Ploiești has an internal control management system whose design and implementation allow the Board of Directors and the executive management provide reasonable assurance that the funds managed in order to achieve the general objectives and targets have been used in conditions of legality, regularity, effectiveness, efficiency and economy.

This declaration is based on a realistic, accurate, complete and reliable assessment on the internal control management system of the entity, formulated based on the self-evaluation thereof.

The internal control management system includes self-control mechanisms and the application of the measures meant to improve its effectiveness is based on risk assessment.

In this case, I mention the following:

- The monitoring commission is functional;
- The development program of the internal control management system is annually implemented and updated;
- The risk management process is organized and monitored;
- The documented procedures are prepared 100% of the total procedural activities regularly inventoried, as per the List of the effective activities of CONPET S.A.
- The performance monitoring system is established and evaluated for the objectives and activities of the entity, by performance indicators.

Based on the results of the self-assessment, I reckon that, on December 31<sup>st</sup>, 2023 the internal control management system of CONPET SA Ploiești complies with the standards contained in the Code of the internal control management.

I hereby mention that the statements contained in this report are formulated by assuming managerial responsibility and are based on data, information and findings recorded in the documentation related to the internal control system management self-assessment.

Analyzed and endorsed by the Monitoring committee of the internal control management system on 30.01.2024.

						Annex no. 5
<b><u>List of important contracts concluded by the company in 2023)</u></b>						
1	<b>List of procurement contracts concluded by the company in 2023 (with value higher than 100.000 RON)</b>					
Crt. no.	Number of the contract	Date of the contract	Partner	Scope of the contract	Value of the contract (RON, VAT excluded)	
1	2023/S-CA 26	23-FEB-23	GRUP FEROVIAR ROMAN SA	Transport services by rail of the crude oil and rich gas from the loading ramps to the destinations set by CONPET	298,616,366.00	
2	2023/L-CA 27	28-FEB-23	EIFFAGE ENERGIE SYSTEMES MECI	Design, execution, installation and initial metrological verification of four measuring skids in Petrobrazi P3, Poiana Lacului, Videle and Otești locations	98,982,299.47	
3	2023/L-CA 156	28-SEP-23	TALPAC SRL	Execution of works to replace the 20 inch Constanța C1 pipeline along 8 sections	39,526,916.81	
4	2023/P-CA 197	15-Nov-23	TINMAR ENERGY SA	Electricity procurement - 15 months	24,610,988.99	
5	2023/P-CA 235	20-DEC-23	EYE MALL SRL	Electricity supply to CONPET consumption locations	17,680,579.21	
6	2023/S-CA 73	4-May-23	RELOC SA	Planned repair type RR and converting into LDE 700 HP with CA-CA electric transmission of the locomotive LDH 700 HP with circulation number 92530850130-1	5,000,000.00	
7	2023/L-CA 206	28-Nov-23	STRAL BIG SRL	Relocatable PSI tank execution with R1 tank cooling ring Independence buffer storage	4,930,392.38	
8	2023/L-CA 174	24-OCT-23	STRAL BIG SRL	Rehabilitation works for CONPET buildings related to Calareti Pumping Station	4,439,630.54	
9	2023/S-CA 152	06-SEP-23	ENVIROTECH SRL	Framework agreement for services for the restoration of the geological environment and water courses polluted as a result of damages produced on the route of the crude oil, rich gas and ethane transport pipelines or in the technological premises of CONPET S.A. Ploiești, taking over land contaminated with crude oil (waste code 191301*), as well as taking over land and stones containing dangerous substances (waste code 170503*)	4,097,754.00	
10	2023/L-CA 144	18-AUG-23	PRODREP STAR SRL	Execution of pumping group replacement Satchinez warehouse	4,033,779.48	
11	2023/L-CA 210	07-DEC-23	SITAN GRUP SRL	Additional design and execution with 2 pumping units Constanta South Station - rel.	3,610,000.00	
12	2023/L-CA 54	21-APR-23	STRAL BIG SRL	Execution of PSI water tank - Biled crude oil loading ramp, Timiș County	2,965,000.01	
13	2023/L-CA 223	15-DEC-23	RUXO SERVICE CONSTRUCT	Execution of replacement works for the section of crude oil transport pipeline 6/5/8 Petrom Warehouse Orzoaia de Sus - Urlați crude oil station CONPET, on a distance of approximately 1,600 m	2,500,152.86	
14	2023/S-CA 150	01-SEP-23	DIRECTOR SPECIAL TROOPS - D.S.T. SRL	Security, protection and intervention services at five objectives of the company Conpet S.A. (Central Dispatch Headquarters, Administrative Headquarters 2, Voința Sports Base, Ipoștești Materials Warehouse and Headquarters located on Bulevardul Independenței, No. 7, Ploiești)	2,398,880.00	
15	2023/S-CA 29	08-MAR-23	LIN SCAN ADVANCED PIPELINES & TANKS SERVICES	In-line inspection (expertise) of the major crude oil transport pipeline: 10 3_4 in L1 Bărbătești - Ploiești Vest and 10 3_4 in L2 Orlești - Ploiești (Petrobrazi)	2,114,497.92	
16	2023/S-CA 153	06-SEP-23	ENVIROTECH SRL	Subsequent contract 1 to the Framework Agreement for services for the restoration of the geological environment and water courses polluted as a result of damages produced on the route of crude oil, rich gas and ethane transport pipelines or in the technological premises of CONPET S.A. Ploiești, taking over land contaminated with crude oil (waste code 191301*), as well as taking over earth and stones containing dangerous substances (waste code 170503*)	2,048,877.00	
17	2023/L-CA 97	07-JUN-23	ROCONSULT TECH SRL	Extension of SCADA monitoring in 4 ramps and 5 stations and hard and soft upgrade of the data transmission system in 5 locations of the SCADA system	1,943,078.76	
18	2023/S-CA 30	10-MAR-23	ASITO KAPITAL SA	Voluntary health insurance services for CONPET SA employees	1,403,895.30	
19	2023/L-CA 195	14-NOV-23	PRODREP STAR SRL	Relocation of CONPET objectives following the modernization of OMV Petrom's Satuc crude oil treatment deposit (PS3)	1,347,129.61	

20	2023/P-CA 48	10-APR-23	MOL ROMANIA PETROLEUM PRODUCTS SRL	Supply of 174,600 liters Euro Diesel 5 diesel for locomotives	1,103,005.82	
21	2023/L-CA 100	08-JUN-23	ICS NET ADVANCED TECHNOLOGY SRL	Extension of Telecom+Cyber locations for SCADA system and centralized weighing monitoring system Resumed in 2023	999,645.00	
22	2023/S-CA 175	25-OCT-23	CON METAL CF SRL	Overhaul, current maintenance and repair of industrial rail lines - CONPET SA	995,930.02	
Crt. no.	Number of the contract	Date of the contract	Partner	Object of the contract	Value of the contract (RON, VAT excluded)	
23	2023/L-CA 145	28-AUG-23	TALPAC SRL	Replacement works of a section of the crude oil transport pipeline 6 5/8 Urziceni-Albesti, on a length of 1500 lm, Parepa locality area, Prahova county	897,965.36	
24	2023/S-CA 74	09-MAI-23	IAT ENGINEERING & DESIGN SRL	Design services to achieve the objective: Solution study and design of the new oil pipeline route around/inside Ploiești	845,000.00	
25	2023/L-CA-CD 101	09-JUN-23	ROENGG CONSULTING SRL	Design and execution of leak collection tank equipped with liquid drain pump in Constanta South Automated Station	700,000.00	
26	2023/L-CA 84	17-MAY-23	PRAGMA COMPUTERS SRL	Works for implementing printing and copying solution	698,220.00	
27	2023/S-CA 158	03-OCT-23	ROMFLEX SISTEM SRL	Maintenance and technical support services for the Integrated Information System (Ro. S.I.I.)	679,500.00	
28	2023/P-CA 131	25-JUL-23	KIT METAL SRL	Supply of godeviles (pistons) for cleaning and tracking and locating godeville in crude oil pipelines	647,941.65	
29	2023/P-CA 159	05-OCT-23	MAGUAY COMPUTERS SRL	Equipment for wireless solution	525,000.00	
30	2023/P-CA 242	21-DEC-23	ESTICO SRL	Consumables framework agreement for printers and MFPs	523,700.00	
31	2023/P-CA 242	21-DEC-23	MEDA CONSULT SRL	Consumables framework agreement for printers and MFPs	523,700.00	
32	2023/P-CA 242	21-DEC-23	JUNIOR DIVISION SOCIETY SRL	Consumables framework agreement for printers and MFPs	523,700.00	
33	2023/P-CA 242	21-DEC-23	MIDA SOFT BUSINESS SRL	Consumables framework agreement for printers and MFPs	523,700.00	
34	2023/S-CA 243	22-DEC-23	SERVICE IMPLEMENTARE PRODUCTIE SA	Ex 39 attestation services CONPET locations 2024	359,970.00	
35	2023/123	31-OCT-23	INTERGRAPH COMPUTER SERVICES SRL	GIS software upgrade and maintenance services and technical support, training and development services CANCELLED by Procedure Report 84/22.12.2023	326,810.00	
36	2023/L-CA 199	21-NOV-23	POWER NET CONSULTING SRL	Data Loss Protection softwareresolution implementation	320,165.26	
37	2023/S-CA 140	07-AUG-23	OIL AND GAS UNIVERSITY	Design and elaboration of technical and economic efficiency calculation for replacing the current crude oil heating system in CONPET tanks - Biled Ramp, Timis County	298,500.00	
38	2023/S-CA 78	15-MAY-23	OIL DEPOL SERVICE SRL CONSTANTA	Sludge cleaning services of the R1 crude oil storage tank within Orlești Crude Oil Pumping Station, Valcea County, with all cleaning operations, transport of the resulting sludge, and environmentally safe recovery/disposal Unit price 499.25 lei/1 cubic meter slurry	297,263.43	
39	2023/EN 105	20-JUN-23	DISTRIBUTIE ENERGIE ROMANIA SA	connection installation - Ochiuri pumping station -Dambovita to be paid to the contractor SWISO according to L-CA 323_2022 260,000.00 EN 105_20.06.2023 12,000.00 Assoc	272,160.00	
40	2023/S-CA 204	28-NOV-23	OMNIASIG VIENNA INSURANCE GROUP SA	Compulsory insurance of civil auto liability (R.C.A.) for damages caused to third parties by accidents, for vehicles belonging to CONPET S.A. Ploiești	269,869.47	
41	2023/L-CA 212	11-DEC-23	ROMFLEX SISTEM SRL	ERP Application Server Replacement	242,500.00	
42	2023/L-CA-CD 216	13-DEC-23	DEMO TECH INVEST SRL	Elaboration of the necessary documentation in order to obtain the dismantling permit (DTAD) and the execution of demolition/decommissioning works with tank recovery (building C3) - inventory no.121001 and pumps room (building C5) - inv.no.110461 from Mircea Voda crude oil pumping station, Constanta county	237,829.17	

43	2023/EN 75	10-MAY-23	DISTRIBUTIE ENERGIE ELECTRICA ROMANIA S.A.(F.D.E.E. ELECTR DISTRIB TRANSILVANIA NORD SA)	Potlogi Station electricity connection	227,057.41	
44	2023/CCA 137	01-AUG-23	MUSEUM OF NATIONAL HISTORY AND ARCHEOLOGY CONSTANTA	preventive archaeological research services 8868 sqm	216,700.00	
45	2023/P-CA 120	12-JUL-23	FLEXON-ALL SRL	Supply of helical pump TIP GPEO-100X24-R for Moreni pumping station	211,420.50	
Crt. no.	Number of the contract	Date of the contract	Partner	Scope of the contract	Value of the contract (RON, VAT excluded)	
46	2023/P-CA 103	12-JUN-23	FLEXON-ALL SRL	Supply of spare parts screw pumps TYPE GPEO- 60X36-R for Moreni, Madulari, Oprisenesti: stator FLX-GPEO-60X36-R-20.02.0 4 pcs, impeller FLX-GPEO-60x36-R-20.01.0 2 pcs, drive shaft pump FLX-GPEO-60X36-R-11.00.0 2 pcs	203,958.60	
47	2023/S-CA 128	21-JUL-23	REVAG SRL	Maintenance and remediation of accidental defects in tank containers and loading-unloading equipment of wagons of 60 cubic meters, 80 cubic meters owned by CONPET S.A.	198,213.00	
48	2023/S-CA 112	29-JUN-23	EOS CORPORATION SRL	Services for maintenance and repair of ventilation and air conditioning system equipment and accessories within Central Dispatch Conpet S.A., Ploiesti , no. 1-3 Anul 1848 street.	195,000.00	
49	2023/S-CA 139	02-AUG-23	OIL DEPOL SERVICE SRL CONSTANTA	Sludge cleaning services of R5 tank Barbatesti pumping station,Gorj county, with all cleaning operations, transport of the resulting sludge, and environmentally safe recovery/disposal	194,362.56	
50	2023/S-CA-CD 201	28-SEP-23	KEEP IT MOBILE DEVELOPMENT	Support and development services for the maintenance management system of CONPET S.A	194,009.40	
51	2023/75	10-AUG-23	UNATRAC GEOSYSTEMS SRL	GPS RTK GNSS receivers package supply	186,547.50	
52	2023/S-CA 241	21-DEC-23	ROMANIAN INSURANCE-ASIROM SA	CASCO Insurance services	186,361.00	
53	2023/BSP 68	02-MAY-23	ADJUD MUNICIPALITY	space rental Adjud 146 sqm	180,000.00	
54	2023/SPP 52	11-APR-23	ADJUD MUNICIPALITY	rental of 146 sqm Stadionului str -Adjud municipality for a period of 5 years (3000 RON/MONTH*60 months)	180,000.00	
55	2023/S-CA-CD 218	14-DEC-23	ROMANIAN INSURANCE-ASIROM SA	Professional liability insurance services for members of the Board of Directors and for Directors with mandate contract (Director General, Deputy Director General and Economic Director) within the Company Conpet	169,136.40	
56	2023/124	01-NOV-23	GEFIL	Services for checking, maintenance, charging and repairing fire extinguishers existing in the working sites belonging to CONPET S.A. PLOIESTI	165,938.00	
57	2023/P-CA 96	06-JUN-23	DARIUS MOTORS SRL	Supply of 2 full electric cars	161,400.00	
58	2023/S-CA 130	24-JUL-23	CARMENSIMI GRUP	Accidental defect repairs to the crude oil (60 cubic meters) and rich gas (80 cubic meters) transport rail tanks - traffic safety features	159,653.40	
59	2023/S-CA 209	29-NOV-23	MULTIMODAL SERVICE SRL	Carrying out planned revisions type RT, R1, R2, 2R2 and managing maintenance on diesel hydraulic locomotives of 450, 700, 1250 - H.P. and fixing accidental defects LOT 2 - locomotives from ramps: Ciresu- Braila county, Imeci, Covasna county, Berca, Buzau county	150,750.20	
60	2023/RPS 38	24-MAR-23	SPORT CLUB CONPET	Conpet Sports Club Sponsorship	150,000.00	
61	2023/CCA 138	01-AUG-23	MUSEUM OF NATIONAL HISTORY AND ARCHEOLOGY CONSTANTA	Preventive archeological research services 32.110 sqm	128,000.00	
62	2023/S-CA-CD 161	06-OCT-23	SERVICE IMPLEMENTARE PRODUCTIE SA	Services for Ex certification for 6 Conpet locations (Ciresu, Marghita, Potlogi, Mislea, Moreni and Ochiuri) and 3 mobile provers	125,700.00	

63	2023/S-CA 80	15-MAY-23	OIL DEPOL SERVICE SRL CONSTANTA	BATCH 2 - provision of sludge cleaning services of R1 and R4 crude oil storage tanks within Baicoi crude oil Pumping Station, Prahova County, with all operations related to cleaning, transport of the resulting sludge, and environmentally safe recovery/disposal. Unit price 493,47 RON VAT excluded/1 cubic meter sludge	121,990.72	
64	2023/P-CA 69	03-MAY-23	ROFAROM S.R.L.	Supply of portable digital densimeter 9 pcs - BATCH 1	120,582.00	
65	2023/S-CA 87	22-MAY-23	RELOC SA	Performing RT, R1, R2, 2R2 type revisions and fixing accidental defects at LDE 700 AC-AC vehicle number 98530700001-0	119,243.00	
66	2023/L-CA-CD 240	21-DEC-23	WMC GUARD SECURITY S.R.L. Buzau	Design, supply, installation, commissioning of technical/electronic security systems Salonta warehouse and ramp	108,713.50	
Crt.no.	Number of the contract	Date of the contract	Partner	Object of the contract	Value of the contract (RON, VAT excluded)	
67	2023/S-CA-CD 181	31-OCT-23	NATIONAL INSTITUTE FOR RESEARCH & DEVELOPMENT IN INFORMATICS - ICI Bucharest	IT infrastructure security and monitoring services	107,520.00	
68	2023/P-CA-CD 37	23-MAR-23	RIK SRL	Stationery, school supplies and office supplies	107,010.47	

**Important revenue contracts concluded in 2023 (over 100,000 RON)**

Crt. No.	Number of the contract	Date of the contract	Partner	Object of the contract	Value of the contract (RON, VAT excluded)	
1	2020/BC OMV 108	23-MAR-20	OMV PETROM	Crude oil, rich gas and condensate transport services - Addenda nr. 14 to 18	385,369,753.00	
2	2023/BC LUK 231	20-DEC-23	PETROTEL LUKOIL SA	transport of import crude oil to Lukoil	101,579,571.00	
3	2023/BC LKT 47	06-APR-23	PETROTEL LUKOIL SA	transport of domestic crude oil to Lukoil	1,769,250.00	
4	2023/BC 232	20-DEC-23	ROMPETROL RAFINARE CONSTANTA SA	transport of import crude oil to Rompetrol	1,060,000.00	
5	2023/BC SERBIA 53	12-APR-23	NIS PETROL SRL	transport of rail crude oil on the route Biled - Stamora Moravita - Serbia	984,970.80	
6	2023/CD-V 118	07-JUL-23	GRUP FEROVIAR ROMAN SA	RAIL TANKS SALE	584,822.00	
7	2023/CD-D 49	11-APR-23	RMI GAS OIL SRL	Buried pipe sale	477,615.86	
8	2023/CD-D 50	11-APR-23	RMI GAS OIL SRL	Buried pipe sale	460,244.40	
9	2023/BC NIS 46	05-APR-23	NIS PETROL SRL	crude oil transport Biled 01.04.2023 - 31.12.2024	313,415.00	
10	2023/CD-D 51	11-APR-23	RMI GAS OIL SRL	Buried pipe sale	117,740.84	

DIRECTOR GENERAL  
eng. Dorin Tudora

Economic Director  
econ. Sanda Toader

Head of Commercial Unit  
jr. Dan Manolache

Head of Contracts Tracking Department  
eng. Radu Albu

Contract Tracking Department  
eng. Ciprian Sava

### **List of litigations on 15.03.2024**

**Were present here below the statement of the litigations pending before the law courts on 31.12.2023:**

**a) The list of litigations pending before Courts on 15.03.2024 in which the company CONPET S.A. has the status of claimant**

#### **1. File no. 19024/281/2009 - Ploiești Courthouse**

**Parties:** Conpet S.A. - claimant

Compania de Transport Feroviar S.A. - Defendant

**Subject matter:** Conpet filed a lawsuit requesting the defendant to pay the amount of RON 50,511.6 representing the difference in payment from the value of the repair of the engine of the LDH 70-675 locomotive in the amount of RON 60,381.60, as well as the legal expenses.

**Clarifications:** By the Conclusion of 02.09.2011, the court suspended the case pursuant to art. 36 of Law 85/2006.

**Procedural status of the case:** Merits - Suspended

The file no. 31627/3/2011 is pending before the Bucharest Court, having as its subject matter the insolvency procedure of the debtor Compania de Transport Feroviar S.A. through Judicial Administrator Pro Management Insolv I.P.U.R.L. Bucharest. As a creditor, Conpet is listed on the final list of creditors with the requested unsecured debt in the amount of RON 52,769.02 which, broken down, consists of: RON 50,511.6 in compensation and RON 2,257.42 representing the judicial stamp duty paid by Conpet in the claim file no. 19024/281/2009 of the Ploiești Courthouse. The case has a trial date of 02.02.2024.

**Deadline:** --

#### **2. File no. 3033/105/2012 - Prahova Court**

**Parties:** Conpet SA - creditor

Vasrep Petro Construct SRL - debtor

**Subject matter: Bankruptcy.** By the Sentence no. 238/03.03.2014 the Prahova Court ordered the entry in the bankruptcy procedure of the debtor Vasrep Petro Construct SRL, the sealing of the assets from the debtor's fortune and the fulfillment of the other liquidation operations.

Conpet SA formulates a request for admission of the claim requesting the registration on the list of creditors Vasrep Petro Construct SRL with the amount of RON 126,877, including VAT, representing the value of material costs, costs for workmanship and equipment necessary for bringing the pipeline to the state before the unlawful act was committed by the debtor, deed consisting in the unlawful destruction and theft of two sections of 4,120 ml in length from the pipeline Ø 10¾" Iancu Jianu - Gherceşti. Conpet appeals against the measure of non-registration of Conpet SA on the Preliminary List with this claim, which is the subject matter of file no. 3033/105/2012/a1. By the Sentence no. 1958/19.11.2012, the Prahova Court dismissed Conpet's appeal. Conpet appealed again. Ploieşti Court of Appeal allowed the appeal, quashed the sentence on the merits and sent it for retrial.

By the **sentence no. 1008/17.09.2014** (file no. 3033/105/2012/a1\*) the Prahova Court admits the appeal to the preliminary title. It orders the registration of the appellant creditor Conpet S.A. in the consolidated list of creditors of the debtor with the amount of RON 1,473,628 the value of materials, workmanship and equipment as well as RON 120 judicial stamp duty appeal and RON 2500 expert fee. Vasrep appealed.

By **decision no. 141 / 15.01.2015** The Ploieşti Court of Appeal rejects the appeal as unfounded. Conpet is registered in the consolidated list of creditors of the debtor Vasrep Petro Construct S.R.L. with an unsecured debt in the amount of RON 1,476,308.

**Procedural status of the case:** Merits

**Deadline:** --

### **3. File no. 2803/120/2013/a42 - Ploieşti Court of Appeal**

**Parties:** Conpet S.A. - creditor

Ecpod S.R.L. - debtor

**Subject matter: Insolvency. General procedure**

**Request for credit admission.** Conpet S.A. filed a request for admission of claim on the assets of the Ecpod debtor in the amount of RON 25,728.89. Conpet is registered on the List of Creditors with the amount of RON 25,728.89. The percentage of the Conpet claim is 0.16% of the total claims entered on the table.

**Clarifications:** The court suspended the trial until the resolution of the case in file 2803/120/2013/a49, with appeal for the entire duration of the suspension.

**Procedural status of the case:** Merits - Suspended

**Deadline:** --

#### 4. File no. 7932/118/2013 \* - Constanța Court of Appeal

**Parties:** Conpet SA - civil party

Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Luca Viorel, Meridicos Romeo Ovidiu, Dimofte Petronel, Matei Marius Ionut, Ahălanei Ioan - defendants

Romeo International Service Company SRL Năvodari - defendant

Romeo International Service Company SRL Năvodari represented by Nicolaidis Constantin - defendant

Ministry of Public Finance - ANAF - civil party

DGFP - civil party

**Subject matter: Tax evasion offenses (Law 87/1994, Law 241/2005), art. 323 of the Criminal Code, Grand larceny (art. 208-209 of the Criminal Code).** Conpet SA became a civil party for the amount of RON 928,785.94 representing the value of the amount of stolen crude oil (277 tons), pipeline remediation works and laboratory analyzes.

**Clarifications:** By the **sentence no. 472/17.12.2015** the Constanța Court admits the civil action filed by the civil party Conpet SA. Ploiești. It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 90,814.50 (the equivalent of 30 tons of crude oil stolen on 27.05.2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 93,841.65 (the equivalent of 31 tons of crude oil stolen on 31.05.2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 111,027.27 (the equivalent of 36 tons of crude oil stolen on 03.06.2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 585,977.25 (the equivalent of 190 tons of crude oil stolen on 04.06.2013 and 05.06.2013). It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to

pay to the civil party Conpet SA. the amount of RON 17,289.32 representing the value of the decommissioning works of the artisanal installation and for bringing the pipeline to its initial state. It obliges jointly and severally the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Ahalana Ioan, Arhire Adrian, Poenaru Marius Ciprian, Boamfa Paul, Merdicos Romeo Ovidiu, Dimofte Petronel, Luca Viorel and Matei Marius Ionut to pay to the civil party Conpet SA. the amount of RON 9,576.84 representing the equivalent of laboratory analyzes, for 17 samples of petroleum product. It notes that the civil party Conpet SA. waived the civil claims in the amount of RON 20,268.11 for the deed of 03.08.2013 because the damage was fully recovered. The decision was appealed by the defendants.

By **decision no. 675/10.06.2016** the Constanța Court of Appeal admits the appeals made by the Prosecutor's Office attached to the Constanta Court and by the defendants Bivolaru Gabriel, Chihaiia Marin, Mangalea Gheorghe, Arhire Adrian, Poenaru Marius Ciprian, Boamfă Paul, Luca Viorel, Meridicos Romeo Ovidiu, Dimofte Petronel, Matei Marius Ionut, Ahălanei Ioan and SC Romeo International Service Company SRL Năvodari. It abolishes in full the criminal sentence no. 472/17.12.2015 pronounced by the Constanța Court in file no. 7932/118/2013 and orders the case to be sent for retrial to the Constanța Court. Here it receives \* and orders the case to be sent to the judge of the preliminary chamber (7932/118/2013\*/a1).

By the **Conclusion no. 93/28.02.2017** the Constanța Court rejects as unfounded the requests and exceptions formulated by the defendants Bivolaru Gabriel, Chihaiia Marin, Merdicos Romeo Ovidiu, Arhire Adrian and Mangalea Gheorghe. It finds the legality of notifying the court with Indictment no. 569/P/2013 of 30.08.2013 issued by the Prosecutor's Office attached to the Constanța Court of Appeal, which ordered the prosecution of the defendants. It ascertains the legality of the administration of the evidence and of the execution of the criminal investigation acts. It orders the commencement of the trial of the case. The conclusion was contested, rejected by C.A. Constanța.

Also, by the **Conclusion of 28.02.2017**, the Constanța Court finds the plea of non-compliance with the constitution admissible. It notifies the Constitutional Court with the settlement of the plea of non-compliance with the constitution invoked by the defendant Bivolaru Gabriel, in the file no. 7932/118/2013\* of the Constanța Court, regarding the constitutional challenge of art. 280 para.1, art. 281 paragraph 1 and art. 282 paragraphs 1 and 2 of the Code of Criminal Procedure - file no. 812D/2017. The plea was rejected as unfounded.

By the **Conclusion of 25.05.2022**, the Constanța Court rejects as unfounded the requests made by: - the defendant Bivolaru Gabriel, to change the legal classification of the facts from the crime of complicity in grand larceny with particularly serious consequences, in continued form, provided

for and punished by the article 26 of the Criminal Code, referred to in the art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a and para. 4 of the Criminal Code with the application of the art. 41 paragraph 2 of the Criminal Code, in the crime of concealment, provided for in the art. 221 of the previous Criminal Code or art. 270 of the new Criminal Code with application of the art. 5 of the Criminal Code, and from the crime apprehended under the form of authorization, of continued tax evasion, provided for and punished by the art. 9 letter b from Law no. 241/2005 republished Art. 41 paragraph 2 of the Criminal Code, in complicity in the tax evasion offense in continued form, provided for in the art. 48 of the Criminal Code referred to in the art. 9 letter b from Law no. 241/2005 republished Art. 41 paragraph 2 of the Criminal Code carried out by S.C. Romeco International Service Company S.R.L. Navodari - the defendant Poenaru Marius Ciprian, from the crime of complicity in grand larceny, provided for in the art. 26 of the Criminal Code referred to in the art. 208 para. 1 - 209 para. 1 letters a, e, g and para. 3 letter of the Criminal Code, in the crime of concealment, provided for in the art. 221 para. 1 of the Criminal Code. - defendants Arhire Adrian from the crime of grand larceny in the continued form, provided for and punished by the art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a with the application of Art. 41 para. 2 of the Criminal Code, Boamfă Paul from the crime of grand larceny in the continued form, provided for and punished by the art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a of the Criminal Code with application of the Art. 41 para. 2 of the Criminal Code, Luca Viorel from the crime of complicity in grand larceny in the continued form, provided for and punished by the art. 26 of the Criminal Code, referred to in the art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a of the Criminal Code with application of the Art. 41 para. 2 of the Criminal Code, and Matei Marius Ionuț from the crime of complicity in grand larceny in the continued form, provided for and punished by the art. 26 of the Criminal Code, referred to in the art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a of the Criminal Code with application of the Art. 41 para. 2 of the Criminal Code, detained in their charge, in the crime of concealment, provided for in the art. 221 of the Criminal Code. With appeal together with the merits of the case.

By the **Conclusion of 20.01.2023**, the Constanța Court rejects as unfounded the requests to change the legal classification, requested on 11.05.2022 and reiterated on 18.01.2023, formulated by: - the defendant Bivolaru Gabriel, to change the legal classification of the facts from the crime of complicity in grand larceny with particularly serious consequences, in continuous form, established and punished by the art. 26 of the Criminal Code, related to art. 208 paragraph 1 - 209 paragraph 1 letter a, e, g, paragraph 3 letter a and para. 4 of the Criminal Code with application of the Art. 41 paragraph 2 of the Criminal Code, in the crime of concealment,

established by the art. 221 of the previous Criminal Code or art. 270 of the new Criminal Code with application of the Art. 5 of the Criminal Code, and from the crime apprehended under the form of authorization, of continued tax evasion, established and punished by the provisions of Art. 9 letter b from Law no. 241/2005 rep. Art. 41 paragraph 2 of the Criminal Code, in complicity in the crime of tax evasion in continued form, established by art. 48 of the Criminal Code related to art. 9 letter b from Law no. 241/2005 rep. Art. 41 paragraph 2 of the Criminal Code, carried out by S.C. Romeco International Service Company S.R.L., Năvodari. - the defendant Poenaru Marius Ciprian, from the crime of complicity in grand larceny, established by art. 26 Criminal Code related to art. 208 para. 1 - 209 para. 1 letters a, e, g and para. 3 letter a of the Criminal Code in the crime of concealment, established by art. 221 para. 1 Criminal Code. Based on art. 281-art. 282/ Code of Criminal Procedure, the court rejects as unfounded the request of the defendant Bivolaru Gabriel to establish the nullity of the accounting expert report and the expert report belonging to I.C.P.T. Campina. It rejects as unfounded the request regarding the issuance of an address to the Public Ministry, to communicate the status of the investigations in the disjoint case by point III of the indictment, regarding the said Enciu Claudiu. It rejects as unfounded the requests regarding the finding of nullity of the entire criminal investigation due to the incompatibility case concerning the case prosecutor as well as the illegal takeover of the criminal investigation file by the Prosecutor's Office attached to the Constanța Court, formulated by the defendant Bivolaru Gabriel, through the chosen defender. With appeal together with the merits.

By the **Sentence no. 192/09.05.2023** the Constanța Court admits, in part, the civil action filed by CONPET S.A. Ploiești in opposition to the defendants BIVOLARU GABRIEL, CHIHAIA MARIN, MANGALEA GHEORGHE and AHALANEI IOAN, for the material documents dated 27.05.2013-30 tons, 31.05.2013-30 tons, 3.06.2013-30 tons, 4.06.2013 -30 tons and 05.06.2013-30 tons. It obliges the defendants BIVOLARU GABRIEL, CHIHAIA MARIN, MANGALEA GHEORGHE and AHALANEI IOAN, jointly and severally, to pay to SC CONPET S.A., Ploiești, 454,072.5 lei, to which is added the legal interest calculated from the date of the committing the acts until the date of effective payment of this amounts, the amount of 17,289 lei, for decommissioning works and pipeline repairs to bring it back to its original form, and the amount of 9,567.84 lei expenses incurred with the analysis of evidence from the criminal investigation phase. The civil action filed by the civil party CONPET S.A., Ploiești for civil damages for the amount of 20,268.11 lei is dismissed, as the damage related to the act of 03.08.2013 was covered by the defendants. It finds that the quantity of 21,934 liters of stolen crude oil, worth 70,379.15 lei (related to the act of 03.08.2013), was handed over to the civil party SC CONPET S.A., Ploiești. It rejects the rest of the civil claims made by the civil party CONPET S.A., Ploiești. Bivolaru Gabriel filed an appeal.

SC ROMECO INTERNATIONAL SERVICE COMPANY S.R.L., NĂVODARI THROUGH INSOLVENCY PRACTITIONER, TOMIS IPURL appealed.

Conpet appealed.

**Procedural stage:** Appeal-retrial

**Deadline:** 18.04.2024

## 5. File no. 1862/114/2014 - Buzău Court

**Parties:** Conpet SA - creditor

Geluval Stor SRL - debtor

**Subject matter:** By the Sentence no. 621/26.10.2016, the Buzău Court orders the entry into the general bankruptcy procedure of the debtor, the sealing of all the assets from the debtor's property, their inventory and the fulfillment of the other liquidation operations. Conpet SA formulates a request for admission of the claim requesting the registration on the list of creditors of Geluval Stor SRL with the amount of RON 1,440.90, representing delay penalties due for payment over the term provided in the contract for a value of 7 invoices issued by Conpet for services provided in under Contract no. STA 101/20.03.2012 concluded with the defendant, amount to which the debtor was obliged by the sentence no. 8867 / 16.06.2014 given by the Ploiești Courthouse in the file no. 109/281/21014, remained final by non-appeal.

Conpet is registered in the consolidated list of creditors in the bankruptcy procedure for the debtor Geluval Stor S.R.L. with an unsecured debt in the amount of RON 1,440.90.

**Procedural status of the case:** Merits

**Deadline:** 09.04.2024

## 6. File no. 1510/262/2014 - Moreni Courthouse

**Parties:** Conpet SA - claimant

Pîrvu Gheorghe - defendant

Pîrvu Nicolae - defendant

Grigorescu Gabriel - defendant

Zlăteanu Dragoș Marian - defendant

Dărmănești Commune, legally represented by the Mayor of Dărmănești Commune - defendant

SC Nimb Dâmbovița SA - defendant

**Subject matter:** Conpet filed a lawsuit requesting the court to order the defendants, jointly and severally, to pay to Conpet the amount of RON 34,944.18 as civil damages - representing the

equivalent of remedial works of the Link 14 fiber optic pipeline and cable, destroyed on 03.06.2011, within the commune of Dărmănești, Dâmbovița county, works necessary to bring them to the initial state before committing the deed, i.e. in working order, amount to which is added the interest from the date on which the sentence in the present case becomes final and until the date of actual payment; payment of the legal expenses.

**Clarifications:** By the **Conclusion of 08.01.2015**, the Moreni Courthouse suspends the trial of the case in relation to the defendant SC Nimb Dambovita SA. It dismisses the case regarding the other defendants and the formation of a new file (184/262/2015 - finalized by obliging the defendants Pârvu Gheorghe, Pârvu Nicolae, Grigorescu Gabriel and Zlăteanu Dragoș Marian to pay to Conpet the amount of RON 34,944.18 and the related interests of this amount, starting with the date of finality of the Sentence no. 97 / 04.02.2016 and until the date of actual payment. The decision was executed and is the subject of the file No. 30/2018 – Bailiff's Office Petrov Sergiu Alexandru).

**Note:** By the Conclusion of 14.12.2012 - file no. 9446/120/2012 - the Dâmbovița Court ordered the opening of the general insolvency procedure against the debtor Nimb Dâmbovița SA. By the Sentence no. 611 / 09.10.2014 The Dâmbovița Court orders the opening of the general procedure of judicial reorganization and the confirmation of the reorganization plan. The reorganization procedure is ongoing.

By the **Conclusion of 22.06.2017** pronounced in the file no. 1510/262/2014 the Moreni Courthouse, finding that the law applicable to the insolvency proceedings of the defendant SC Nimb Dambovita SA is Law no. 85/2006 and that the suspension will last until the closing of the insolvency procedure pronounced by the syndic judge based on art. 11 para. 1 letter n of Law no. 85/2006, maintains the suspension of the trial of the case ordered by the Conclusion of 08.01.2015.

**Procedural status of the case:** Merits - Suspended

**Deadline:** --

## **7. File no. 6819/118/2013 - Constanța Court**

**Parties:** Conpet SA - creditor

Tobias SRL - debtor

**Subject matter: Bankruptcy.** Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 663 representing the equivalent value of 230 kg of aluminum (RON 575) and 110 kg of scrap metal (RON 88), handed over to Tobias SRL on 04.06.2013,

based on the contract of sale - purchase of waste no. 2013 / ADM / 15.02.2013 concluded between Conpet and Tobias.

The request formulated by Conpet was admitted in part by the judicial administrator, in the sense that our company was registered on the list of creditors with the amount of RON 643.11, the difference of RON 19.89 representing the 3% environmental fund and due to the Environmental Fund Administration. The percentage of the Conpet receivable is 0.014% of the total of receivables entered in the list.

**Procedural status of the case:** Merits

**Deadline:** 05.06.2024

## **8. File no. 717/105/2015 - Prahova Court**

**Parties:** Conpet SA - creditor

Footbal Club Petrolul Ploieşti SA - debtor

**Subject matter:** **Bankruptcy.** Conpet filed a request for admission of the claim by which it requested the registration on the list of creditors of the debtor Fotbal Club Petrolul Ploieşti SA with a claim in the amount of RON 14,465.33. Conpet was registered on the list of receivables of the debtor's creditors with the requested amount.

**Clarifications:** By the Sentence no. 821 / 22.06.2016 The Prahova Court admits the request of the judicial administrator. It approves the conclusions of the judicial administrator's report. It orders the beginning of the general procedure of the debtor's bankruptcy. It orders the dissolution of the debtor company and the lifting of the debtor's right of administration. It orders the sealing of the debtor's assets and the fulfillment of the other liquidation operations.

**Procedural status of the case:** Merits

**Deadline:** Ruling postponed to 20.03.2024

## **9. File no. 13386/3/2015 - Bucharest Court**

**Parties:** Conpet SA - creditor

Perfect Metal SRL - debtor

**Subject matter:** Bankruptcy. Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 221,189.85 representing penalties for delay, compensations, interest and legal expenses.

The request was accepted but Conpet was entered on the list in the category of unsecured creditors and not in the category of secured creditors as would have been the case considering the content of our request for registration in the preliminary list of creditors. Conpet filed an appeal

against the preliminary list of creditors, which was the subject matter of the file no. 13386/3/201/a1 with a deadline on 18.09.2015. By the **Decision no. 7106 / 18.09.2015** The Bucharest Court rejects the appeal as unfounded. The percentage of the Conpet receivable is 0.42625 of the total receivables entered on the list.

**Procedural status of the case:** Merits

**Deadline:** 12.04.2024

#### **10. File no. 19602/3/2015 - Bucharest Court**

**Parties:** Conpet SA - creditor

Top Birotica SRL - debtor

**Subject matter: Bankruptcy.** Conpet S.A. requested the registration on the list of creditors of the debtor with the amount of RON 2,258.72 representing delay penalties due for the delayed delivery of the equipment that was the object of the contract P-CA 438 / 17.11.2014.

Conpet was registered at the debtor's list of creditors with the amount of RON 2,258.72.

The percentage of the Conpet receivable is 0.010% of the total receivables entered on the list.

**Clarifications:** By the **Decision of 14.12.2022**, the Bucharest Court rejects the request of the judicial liquidator for the sale of the assets remaining in the debtor TOP BIROTIKA SRL's patrimony, by public auction, according to the Code of Civil Procedure.

**Procedural status of the case:** Merits

**Deadline:** 12.06.2024

#### **11. File no. 2899/62/2015 - Brașov Court**

**Parties:** Conpet SA - creditor

Condmag SA - debtor

**Subject matter: Bankruptcy.** Request for admission of the Conpet claim against the property of the debtor Condmag SA – RON 42,950.85 representing penalties.

Conpet was registered on the list of creditors with the amount of RON 42,2950.85 representing an unsecured debt. The percentage of the Conpet receivable is 0.02% of the total receivables entered on the list.

**Procedural status of the case:** Merits

**Deadline:** 11.06.2024

#### **12. File no. 8156/281/2014 \* - Ploiești Court of Appeal**

**On appeal:** file no. 447/42/2020

**Parties:** Conpet SA - civil party

Matei Marinel - claimant for judicial review

**Subject matter:** Grand larceny. Revision. Matei Marinel formulates a request for revision of the criminal decision no. 1383 / 14.10.2013 pronounced by the Ploiești Court of Appeal in the file no. 19230/281/2011.

**Note:** By the Criminal Decision no. 1383 / 14.10.2013 Ioniță Ion, Marin Matei Georgian and Matei Marinel were obliged to pay to Conpet an amount of RON 13,259.79. The decision was enforced and is the subject of file no. 200/2016 located at the Bailiff's Office Petrov Sergiu Alexandru.

**Clarifications:** By **Sentence no. 1162 / 03.08.2020** The Ploiești Courthouse admits the request for revision formulated by the claimant for judicial review Matei Marinel, against the criminal sentence no. 1286 / 07.06.2013 of the Ploiești Courthouse, abolished and finalized by the criminal decision no. 1383 / 14.10.2013 of the Ploiești Court of Appeal. It cancels the Criminal Sentence no. 1286 / 07.06.2013 of the Ploiești Courthouse, as well as M.E.P.I. no. 1538/2013 of 10/15/2013 issued by the Ploiești Courthouse. It orders the acquittal of the defendant Matei Marinel, under the aspect of committing the crime of grand larceny, provided by art. 208 para. (1) - art. 209 para. (1) letters a) and g) para. (3) letter a) Previous Criminal Code, with the application of art. 41 para. (2) of the Criminal Code. It finds that the defendant Matei Marinel was detained from 22.11.2013 to 12.11.2014, inclusive. The decision was appealed by the Prosecutor's Office attached to the Ploiești Courthouse.

By **Decision no. 954 / 26.10.2020** The Ploiești Court of Appeal admits the appeal declared by the Prosecutor's Office attached to the Ploiești Courthouse against the criminal sentence no. 1162 of August 3, 2020 pronounced by the Ploiești Courthouse, which it annuls in its entirety and sends the case for retrial to the first instance according to the considerations of the present decision. Final.

By the **Sentence no. 799/13.05.2022** the Ploiești Courthouse admits the revision request. It annuls the Criminal Sentence no. 1286/07.06.2013 of the Ploiești Courthouse, final by the Criminal Decision no. 1383/14.10.2013 of the Ploiești Court of Appeal. It orders the acquittal of the defendant Matei Marinel, under the aspect of committing the crime of grand larceny. The decision was appealed.

**Procedural status of the case:** Appeal

**Deadline:** 09.04.2024

### **13. File no. 8262/281/2016 - Ploiești Courthouse**

**Parties:** Conpet SA - creditor

Conpet Club Football Association - debtor

**Subject matter: Dissolution of a legal entity.** Request for admission of the claim. Conpet SA formulates a request for admission of the claim on the property of the debtor Conpet Club Football Association, against which the dissolution was ordered by the Civil Sentence no. 8683 / 04.10.2016 pronounced by the Ploiești Courthouse in the file no. 8262/281/2016, by which it requests the court to admit the application for registration on the list of creditors of the debtor Conpet Club Football Association with the amount of RON 424.94, as a certain, liquid and due receivable, born before the admission of the dissolution application, representing the penalties payment rest, according to the invoice no. 1653 / 31.05.2015, calculated for the late payment of the obligations arising from the Lease Agreement no. ADM 366 / 23.10.2012, concluded by Conpet SA with the Conpet Club Football Association. By the address 39101 / 28.09.2017 Conpet requested the completion of the value of the debt registered by the Conpet Club Football Association and with the amount of RON 1,358.84 representing delay penalties born prior to the dissolution request (total RON 1,783.78). By the addresses no. 14907/20.04.2018, no. 43508/09.11.2018 and no. 6473/17.02.2020 Conpet requested the liquidator to communicate the steps taken to recover the amount of RON 1,783.78. In 2021, by the addresses no. 14399/27.04.2021 and no. 31732/15.09.2021 Conpet requested the Liquidator to inform us if there are assets in the association's patrimony and what are the prospects for the recovery of the debt or the completion of the dissolution and liquidation procedure of the Conpet Football Club Association.

**Procedural status of the case:** Merits

#### **14. File no. 789/105/2017 - Prahova Court**

**Parties:** I.C.I.M. S.A. by C.I.T.R. Bucharest administrator - debtor

Conpet S.A.- creditor

**Subject matter:** Insolvency proceedings. Conpet requests the registration on the list of creditors of the company ICIM SA represented by judicial administrator C.I.T.R. BUCHAREST SUBSIDIARY S.P.R.L., with the total receivable in the amount of RON 393,934.37 representing delay penalties, legal expenses, execution costs.

A) RON 50,094, 8 representing the equivalent value of the works for repairing the damage to the pipeline Ø 6 RA Moreni-Ploiești and the lost crude oil, legal interest, legal expenses and execution costs established by the enforceable title - Civil Sentence no. 1014 / 28.01.2015 pronounced in the file no. 113/281/2014 remained final and corrected by the Conclusion of correction of the

material error on 06.06.2016, by which the Ploiești Courthouse admitted the request for summons filed by the claimant Conpet S.A.

B) RON 343,839.57 composed of the amount of RON 331,271.57 representing penalties for delay in accordance with the provisions of art. 8.1. from the contract 0135/1995 (modified by art. 5 of the additional act 9/2005 and the additional act no. 10/2006), as well as the amount of RON 12,568 representing judicial stamp duty, judicial stamp and expertise fee.

Conpet was entered on the list with the requested amount.

The percentage of the Conpet receivable is 0.75 & of the total receivables entered on the list.

I.C.I.M. filed an appeal which is the subject of the file no. 789/105/2017 / a1 and requested:

- mainly a partial amendment of the preliminary list of creditors in connection with the rejection of the application for entry of the claim in the amount made by Conpet
- in the alternative, a partial amendment of the preliminary list of creditors for the purpose of entering the conditional Conpet claim.

The appeal of I.C.I.M. was the subject matter of the file 789/105/2017 / a1. By the Decision 776/2018, the Prahova Court rejects the appeal regarding the preliminary list formulated by the debtor INTREPRINDEREA CONSTRUCȚII INSTALAȚII MONTAJE SA regarding the claim of the creditor CONPET SA

By the Conclusion of 11.09.2020, the Prahova Court ordered the entry into the bankruptcy procedure of the debtor.

**Procedural status of the case:** Merits

**Deadline:** 11.09.2024

## **15. File no. 8727/105/2017 - Prahova Court**

**Parties:** Conpet SA - claimant

PAULUS S.R.L. - Defendant

Subject: Bankruptcy - general procedure

**Subject matter:** On 14.10.2019, Conpet filed a payment request with the judicial administrator CITR BUCHAREST SUBSIDIARY SPRL (art. 75 \* paragraph 3 of Law no. 85/2014) for the payment of the amount of RON 32,493.44, amount due on 04.07.2019 by PAULUS SRL (CF 4000500), for not fulfilling the obligations established by the contract no. S-CA 1191 / 05.07.2017 (air conditioning maintenance). The request was granted.

**Clarifications:** Paulus filed an appeal against the measure of the judicial administrator file 8727/105/2017 / a13 - Appeal term 09.09.2020 (Ploiești Court of Appeal). By Decision 213/2020, the appeal was rejected.

Conpet addressed the insolvency practitioner for the recovery of the amount of RON 2,891.95 from the performance guarantee, and to pay the difference of RON 29,601.49 with priority according to the law. On 09.06.2021, the amount of 2,891.95 was recovered from the performance guarantee (OP 06/09/2021/2021060992857782)

By the **Interim Decision 163/24.03.2022**, the Prahova Court orders the entry into bankruptcy of the debtor in the general procedure. It appoints a provisional judicial liquidator to the initially appointed insolvency practitioner, EUROSMART PRAHOVA SUBSIDIARY, with a remuneration of RON 2500, who will fulfill the duties provided by art. 64 of the law. It orders the dissolution of the debtor company and the lifting of the debtor's right of administration. CONPET requested the registration on the additional table of creditors with the amount of RON 29,601.49 representing late penalties owed by PAULUS S.R.L. for non-fulfillment of the obligations resulting from contract no. S-CA 1191(489)/07/05/2017 having as its subject matter "*maintenance services for air conditioners in all workplaces belonging to CONPET S.A.*". The claim was accepted, the amount of **RON 29,601.49** being entered in the definitive consolidated list of creditors at item 13, table published in BPI no. 11975/14.07.2022. The bankruptcy procedure is currently ongoing.

**Procedural status of the case:** Merits

**Deadline:** 12.06.2024

#### **16. File no. 2036/83/2019 - Satu Mare Court**

**Parties:** Conpet SA - claimant

PRODREP MG S.R.L. - Defendant

**Subject:** bankruptcy

**Subject matter:** On 18.11.2019, Conpet filed an application for registration on the list of creditors of the debtor PRODREP MG S.R.L. with the amount of RON 284,496.11 representing:

- damages in the amount of RON 148,926.49 provided in art. 18.2 of the works contract L-CA 699 of 28.09.2017 (20% of the contract value provided in art. 3 of the contract);
- penalties of 0.5% / day of delay provided by art. 17.1 of the works contract L-CA 699 of 28.09.2017 applied to the value of the unexecuted works in the amount of RON 46,575 for a number of 162 days of delay calculated from 10.04.2019 to 19.09.2019 the date of termination of the contract;
- equivalent value for electricity supply in the amount of RON 16.54 for the period 01.08.2019-31.08.2019, resulting from the execution of the works contract L-CA 699 of 28.09.2017;
- penalties of 0.5% / day of delay in the amount of RON 78,644.16 provided by art. 17.1 of the works contract L-CA 537 of 27.07.2017 applied to the value of unexecuted works for a number of

168 days of delay calculated from 01.05.2019 to 15.10.2019 the date of opening the insolvency procedure;

- penalties of 0.5% / day of delay in the amount of RON 10,333.92 provided by art. 17.1 of the works contract L-CA 380 of 05.10.2016 applied to the value of the unexecuted works for a number of 114 days of delay calculated from the date set for the completion of the works until their actual completion. The claim has been accepted.

Conpet filed an application for registration on the supplementary list and for the amount of RON 18,724.8, representing the current receivable born after the date of opening the insolvency procedure. Since the opening of the bankruptcy procedure and registration with the list of creditors with the previously shown amounts, CONPET has also recorded debits from the non-execution by PRODREP MG S.R.L. of ongoing works in the amount of **RON 79,403.37**.

Currently, **CONPET is listed on the final consolidated list** with the following amounts: **RON 284,496.11** and **RON 98,138.68** (7<sup>th</sup> rank on the list – published in BPI no. 16899/19.10.2022).

**Clarifications:** At the deadline on 20.10.2020, the court admitted the request of the judicial administrator and pursuant to art. 145 paragraph 1 point A letter c and point B of Law no. 85/2014 ordered the beginning of the bankruptcy procedure in the general form of the debtor PRODREP MG S.R.L. - SC 339 / F / 20.10.2020 BPI 18101 / 28.10.2020.

**Procedural status of the case:** Merits

**Deadline:** 23.04.2024

## **17. File no. 1186/223/2020 - Drăgășani Courthouse**

**Parties:** Conpet SA - petitioner

ITM Vâlcea - respondent

**Subject matter:** Appeal against contravention minutes no. 009540 / 07.05.2020 prepared by ITM Vâlcea by which Conpet S.A. was sanctioned with a fine of RON 8,000 for the documents in the periodic training files of Mr. Hotei Stefan.

**Clarifications:** By **Sentence** 582/25.05.2021 the court admitted in part the misdemeanor complaint filed by the petitioner CONPET S.A., against the misdemeanor report series VL ITM no.009540 concluded on May 7, 2020 by I.T.M. Vâlcea, in contradiction with the respondent Vâlcea Territorial Labor Inspectorate. It amends the misdemeanor report series VL ITM no.009540 concluded on May 7, 2020 by I.T.M. Vâlcea and consequently, replaces the sanction of the contravention fine in the amount of RON 8,000 applied based on art. 39 paragraph 4 of Law no. 319/2006 with the sanction “Warning”. It draws the petitioner's attention to the provisions

of Article 7 of G.D. no.2 / 2001 amended. With the right to appeal within 30 days from the communication

**Procedural status of the case:** Merits

**Deadline:** --

#### **18. File no. 16445/281/2020 - Ploiești Courthouse**

**Parties:** Conpet SA - civil party

Drăghici Adrian Marian - defendant

Tocu Petrică - defendant

Constantin Dan - defendant

Atanasiu Ion - defendant

**Subject matter:** Grand larceny. Conpet was a civil party for the amount of RON 87,184.57, representing the equivalent value of 40 liters of stolen and unrecovered gasoline (84.26 RON), the equivalent value of 17,615 kg of gasoline lost after the discharge of the pipeline (in order to intervene to remedy the pipeline at the point where it was damaged) (53,930.69 RON) and the equivalent value of the remediation works for the pipeline Ø 6<sup>5/8</sup>" Țicleni - Ploiești, consisting in the decommissioning of the artisanal installation, works necessary to restore the pipeline in working order (RON 28,956.81) .

**Clarifications:** By the Conclusion no. 690 / 09.12.2020 pronounced in the file no. 16445/281/2020 / a1 it rejects the requests and pleas invoked by the defendants DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ, CONSTANTIN DAN and ATANASIU ION, finds the material and territorial competence of the court, the legality of the referral with the indictment no. 3569 / P / 2014 of 30.06.2020 of the Prosecutor's Office attached to the Ploiești Courthouse, of the legality of the administration of evidence and of the execution of criminal investigation acts. It orders the beginning of the trial in the case registered in the Ploiești Courthouse under number 16445/281/2020. The Conclusion was contested by the defendants, tried at the Prahova Court. By Conclusion no. 138 / 26.03.2021 The Prahova Court admits the appeals of the defendants: DRĂGHICI ADRIAN MARIAN; TONCU PETRICĂ; CONSTANTIN DAN; ATANASIU ION. It annuls the contested decision and sends the case for retrial to the same court, the Ploiești Courthouse, according to the provisions of the present decision. By **Conclusion no. 379/12.07.2021** pronounced in the file no. 16445/281/2020 / a1 \* The Ploiești Courthouse rejects as unfounded the requests and pleas invoked by the defendants DRĂGHICI ADRIAN MARIAN; TONCU PETRICĂ; CONSTANTIN DAN; ATANASIU ION, it finds the material and territorial competence of the court, the legality of the notification with the indictment no. 3569/P/2014 of 30.06.2020 of

the Prosecutor's Office attached to the Ploiești Courthouse, the legality of the administration of evidence and of the execution of criminal prosecution acts, regarding the defendants: DRĂGHICI ADRIAN MARIAN; TONCU PETRICĂ; CONSTANTIN DAN. It orders the beginning of the trial in the case pending before the Ploiești Courthouse under number 16445/281/2020 regarding the defendants DRĂGHICI ADRIAN MARIAN; TONCU PETRICĂ; CONSTANTIN DAN and ATANASIU ION. The conclusion was appealed by the defendants. By the **Conclusion no. 418 / 07.10.2021** The Prahova Court rejects as unfounded the appeals filed by the appellants-defendants DRĂGHICI ADRIAN MARIAN, TONCU PETRICĂ, CONSTANTIN DAN. By the Conclusion of 15.06.2022, the Ploiești Courthouse rejects as unfounded the request, made by the chosen defender of the defendants Constantin Dan, Drăghici Adrian Marian and Toncu Petrică, to refer the case to the preliminary chamber procedure/resumption of the preliminary chamber procedure.

By the **Conclusion no. 69/20.01.2023** (16445/281/2020/a4) the Ploiești Courthouse ordered maintaining the foreclosure measure on the reference assets until a new verification.

By the **Sentence no. 1788/28.09.2023** the Ploiești Courthouse admits the civil action and obliges the defendants jointly and severally to pay the amount of RON 82,887.5 as material damages. The decision can be appealed after communication.

**Procedural status of the case:** Merits

**Deadline:** --

#### **19. File no. 6143/2/2020 - Bucharest Court of Appeal**

**Parties:** Conpet SA - claimant

The Insured Guarantee Fund – defendant

**Subject matter:** Conpet appealed against Decision no. 24238 / 25.09.2020 issued by the Insured Guarantee Fund by which the payment requests no. 79167, 79166, 79163, 81691, 81687, 81698, 82691, 82690, 88271, 88728 and 89684 were rejected.

**Clarifications:** CONPET S.A. formulated payment requests for the refund of amounts related to policies concluded with the Insurance-Reinsurance Company ASTRA S.A. during the years 2009-2015, but by decision no. 24238 / 25.09.2020 which is the subject matter of the appeal, the Insured Guarantee Fund did not refer to the requests made by CONPET S.A. for the refund of the amounts due. The payment requests no. 79167, 79166, 79163, 81691, 81687, 81698, 82691, 82690, 88271, 88728 and 89684 specified in the decision are not related to any documents issued by our company.

By **Sentence no. 1051/30.06.2021** The Bucharest Court of Appeal admits the request. It annuls the decision no. 24238/25.09.2020 issued by the Insured Guarantee Fund. It obliges the defendant to issue an administrative act admitting the request for payment made by the claimant for the amount of RON 36,430.13. The Insured Guarantee Fund appealed.

By Decision no. 523/31.01.2024 The High Court of Cassation and Justice admits the appeal declared by the Insurance Guarantee Fund. It dismisses the contested sentence and sends the case for retrial to the same court. Final.

**Procedural status of the case:** Appeal - retrial

**Deadline:** --

## **20. File no. 25520/212/2020 - Constanța Courthouse**

**Parties:** Conpet SA - claimant

Safir Gabriela - defendant

**Subject matter:** Conpet formulates a request for summons of the defendant SAFIR GABRIELA domiciled in Ovidiu locality, 101 Poporului street (or 82 A), Constanța county so that by the decision you will pronounce to order the establishment of the share due to each co-owner on the building located in Ovidiu locality, Poporului street no. 82 A, Constanța county, building located in the joint property (joint ownership) of our debtor SAFIR MARIUS (execution file 51 / 2019- Bailiff's Office Menaef Cristian) and of the defendant SAFIR GABRIELA.

**Clarifications:** By the **Conclusion of 13.01.2021**, the Constanța Courthouse annuls the request for summons citing that it did not submit the land book extract regarding the building within 10 days.

Against the conclusion, Conpet filed a request for re-examination through which we demonstrated that the building construction jointly owned by the defendant Safir Gabriela and our debtor Safir Marius is not registered, the joint ownership right not being registered in the land book. Conpet, having knowledge of the existence of the property right in the patrimony of the defendant and the debtor from the primacy relations from the Ovidiu City Hall. At the same time, we demonstrated the court of justice that only the exclusive ownership right of the debtor over the land is registered in the land book and we have attached an extract from the land book for the land, as well as all the steps taken by Conpet and the Bailiff's Office Menaef Cristian.

By Decision no. 5783/21.04.2021 disposed in file 25520/212/2020/a1, the Constanța Courthouse admitted the request for re-examination made by Conpet and orders the re-sending of the file to panel C31 for the continuation of the procedure.

By the **Conclusion of 11.01.2022**, the Constanța Courthouse, based on art. 413 para. (1) pt. 1 of the Code of Civil Procedure, suspends the trial of the present action until the final settlement of the file no. 27269/212/2021, pending before the Constanța Courthouse. With a separate right of appeal, during the suspension of the trial.

**Procedural status of the case:** Merits - suspended

**Deadline:** --

## **21. File no. 238/42/2021\* - Prahova Court**

**Parties:** Conpet SA - claimant

Ministry of Agriculture and Rural Development defendant

Ialomița County Directorate for Agriculture defendant

National Agency for Land Registry and Real Estate Advertising defendant

**Subject matter:** Obligation of the defendants to pay CONPET S.A. of the amount of RON 238,300 representing the amount paid by CONPET S.A. and undue. The amount was paid in April 2017 for the removal from the agricultural circuit of a land area of 74,712 sq m, which was subsequently reduced by the restoration of the documentation to an area of 56,462 sq m. The investment objective was "Oil pipeline replacement Ø 14 " C2 - C3 on 8 sections in Balta Ialomiței area, Ialomița County on a length of approx. 4,037 m"- Project no. 160/4993/2016 PETROSTAR.

**Clarifications:** By the **Conclusion no. 130 / 08.09.2021** The Ploiești Court of Appeal admits the motion to dismiss for lack of jurisdiction of the Ploiești Court of Appeal. It declines jurisdiction to settle the case in favor of the Prahova Court. At the deadline of 04.04.2022, the court rejected the plea of the lack of procedural passive quality, invoked by the defendant, as unfounded, and admitted the request and obliged the defendants to pay to CONPET the amount of RON 238,300 representing the amount paid and undue. With the right of appeal within 15 days from the communication.

By the **Decision 317/ 04.04.2022, the Prahova Court** rejects the plea of the lack of procedural passive quality, invoked by the defendant, as unfounded. It admits the request with claims as its subject matter, and obliges the defendants to pay the claimant the amount of RON 238,300, representing the amount paid and undue. CONPET appealed. Ialomița County Directorate for Agriculture, MADR and ANCPI appealed. CONPET filed an appeal against the grounds of the decision.

By the **Decision no. 955/27.10.2023** The Ploiești Court of Appeal admitted the appeals filed by the National Agency for Land Registry and Real Estate Advertising, the Ministry of Agriculture

and Rural Development and the Ialomița County Directorate for Agriculture, dismissed the appealed sentence and sent the case for retrial to the same court of merits. It rejected the appeal filed by Conpet SA as unfounded.

**Procedural status of the case:** Appeal

**Deadline:** --

## **22. File no. 1270/229/2021 - Fetești Courthouse**

**Parties:** Conpet SA- Claimant

Zacon Trandafir - Defendant

**Subject matter:** Claims

**Clarifications:** File disjointed from file no. **2782/229/2018**.

By the **Conclusion of 22.04.2021**, the Fetești Courthouse ordered the suspension of the trial until the resolution of the merits case, from which the second head of the claim was disjointed.

**Procedural status of the case:** Merits- Suspended

## **23. File no. 3011/105/2021 - Ploiești Court of Appeal**

**Parties:** Conpet S.A. - claimant

Tiab S.A. - Defendant

**Subject matter:** Conpet is suing TIAB S.A. Bucharest requesting:

1. Finding the unilateral termination of the Supply Contract no. P-CA 559 / 08.08.2017 in accordance with the provisions of art. 19.4 letter b) of the contract;
2. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of the amount of RON 109,841.24 representing damages in the amount of 20% due by the defendant according to art. 19.5 paragraph (1) of the supply contract no. P-CA 559 / 08.08.2017, as a result of the unilateral termination of the contract in accordance with the provisions of art. 19.4 letter b) of the contract;
3. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of penalties in the amount of RON 1,081,936.25, due by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 559 / 08.08.2017, for non-execution in time of the obligations of supply, installation and commissioning of a technical system of Security at Marghita Platform, penalties calculated until the date of the unilateral termination of the contract (24.06.2021);
4. Obligation of the defendant to pay the legal expenses.

Subsidiarily, in so far as the court dismisses the main heads of claim, Conpet requested:

1. Termination of the Supply Contract no. P-CA 559/08.08.2017 through the fault of the defendant TIAB S.A. in accordance with Art. 19.1 of the contract, for the non-execution of the obligations

consisting in the supply, installation and commissioning of a technical safety system at Marghita Platform.

2. Obligation of the defendant TIAB S.A. upon payment to CONPET S.A. of penalties in the amount of RON 917,174.39, due by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 559/08.08.2017, for non-execution in time of the obligations of supply, installation and commissioning of a Technical Security System at Marghita Platform, penalties calculated until the date of the unilateral termination of the contract (24.06.2021) as well as in continued until the date of the final decision of the court.

3. Obligation of the defendant to pay the legal expenses.

**Clarifications:** By the **Decision no. 212/23.09.2022** The Prahova Court admits in part the request. It acknowledges the termination of the supply contract no. P-CA 559 from 08.08.2017 starting from 24.06.2021. It obliges the defendant to the claimant to pay the amount of RON 109,841.24 representing damages. It rejects the rest of the request as unfounded. It rejects the counterclaim as unfounded. It obliges the defendant to pay legal expenses in the amount of RON 3500 legal expenses corresponding to the admitted claims. Conpet filed an appeal.

By the Decision no. 34/31.01.2024 The Ploiești Court of Appeal rejects the appeal as unfounded. The decision can be appealed after communication.

**Procedural status of the case:** Appeal

**Deadline:** --

#### **24. File no. 17936/281/2021 – Prahova Court**

**Parties:** Conpet SA - claimant

SYSTEMS OF ECOLOGICAL SOLUTIONS SRL Ilfov - defendant

RECOP RECYCLING (former CĂTĂOIL PRODUCTIONS SRL) - defendant

**Subject matter:** Conpet is filing a summons, requesting the court:

1. Obligation, jointly and severally, of the defendants to pay CONPET S.A. of the amount of RON 29,927.68 representing delay penalties calculated for the period 12.09.2019 – 25.05.2020 inclusive, due by the defendants in accordance with the provisions of art. 16.1 (1) of the contract no. S-CA 806 / 06.12.2017, for the non-execution of the sludge cleaning services, the performance of the operations related to the cleaning of the tank as well as the transport of the resulting sludge, including the activity of recovery / disposal in safe environment, related to the R9 Crude Oil Tank within the Siliște Automated Crude Oil Pumping Station, Poiana Lacului-Siliște Sector, Division 2 South, Dâmbovița County;

2. Obligation, jointly and severally, of the defendants to pay CONPET S.A. of the amount of RON 155,792.97, representing 20% of the estimated value of the contract, due according to art. 17 of the service contract no. S-CA 806 / 06.12.2017, following the unilateral termination of the contract due to the fault of the defendant;
3. Orders the defendants jointly and severally to pay the legal expenses of the proceedings in question.

**Clarifications:** By the **Sentence no. 3882 of 20.05.2022** the Ploiești Courthouse admits the action in part. It obliges the defendants to pay the claimant late penalties in the amount of 0.5%/day starting from 10.12.2019 and until 20.05.2020, in the amount of RON 19,523.13. It rejects the rest of the action as unfounded. It obliges the defendants to pay the claimant the sum of RON 1,081.15 as legal expenses consisting of judicial stamp duty, in proportion to the admitted claims. It forces the claimant to pay the defendant Systems of Ecological Solutions S.R.L. the amount of RON 3,000 as legal expenses consisting of lawyer's fees, in proportion to the admitted claims. The decision was appealed by Conpet SA and SYSTEMS OF ECOLOGYCAL SOLUTIONS SRL.

Conpet SA filed a request to correct a material error in the Sentence no. 3882 of 20.05.2022 pronounced by the Ploiești Courthouse. By the **Conclusion of 14.10.2022**, the Ploiești Courthouse accepts the request to correct the material errors. It directs the minutes, considerations and disposition of Civil Sentence no. 3882 dated 20.05.2022 pronounced by the Ploiești Courthouse in the file no. 17936/281/2021 in the sense that it will be read correctly: " It obliges the defendants, jointly and severally, to pay the claimant late payment penalties in the amount of 0.5%/day starting from 10.12.2019 and until 25.05.2020, in the amount of RON 19,523.13". "It obliges the defendants, jointly and severally, to pay the claimant the amount of RON 1,081.15 as legal expenses, consisting of judicial stamp duty, in proportion to the admitted claims".

By the **Decision no. 933/01.09.2023** The Prahova Court admits the appeal declared by Conpet SA. It partially changes the appealed sentence in the sense that: It accepts the request in part. It obliges the defendants, jointly and severally, to pay to the claimant the late payment penalties in the amount of 0.5%/day, starting from 12.09.2019 and ending on 25.05.2020. It obliges the defendants to pay to the claimant Conpet SA the legal expenses related to the appeal in the amount of RON 751 representing the judicial stamp duty. It rejects the appeal declared by the appellant SYSTEMS OF ECOLOGYCAL SOLUTIONS SRL, as unfounded. With the right of appeal within 30 days of communication.

**Procedural status of the case:** Appeal

**Deadline:** --

**25. File no. 19121/281/2021 - Ploiești Court**

**Parties:** Conpet SA - petitioner

Dobrogeanu Dumitru

**Subject matter:** Invalidation of enforcement. Conpet requested the court to order the invalidation of foreclosure carried out on the basis of the enforceable title represented by decision no. 669 of 20.12.2011 of the Prahova Court in the execution file no. 458/2015 to the Divoiu Maria Bailiff's Office, by restoring the situation prior to the enforcement, in the sense of obliging the defendant Dobrogeanu Dumitru (pursuant to art. 723 of the Code of Civil Procedure) to pay the following amounts to the undersigned:

- RON 11067.41 representing the amount enforced by the Divoiu Maria Bailiff's Office illegally
- RON 800.40 as legal expenses (out of which RON 600 represent the fee of the accounting expertise and RON 200.40 represent the equivalent value of photocopies of the execution file 458/2015), amount to which the defendant was obliged by the sentence 8369 / 19.10.2017 pronounced in the file 983/281/2016 remained final by Decision no. 1239 / 26.09.2018
- RON 200.40 represents the equivalent value of the photocopies of the execution file 458/2015 (for the file 8115/281/2016) amount to which the defendant was obliged by the sentence 2448 / 26.03.2018 pronounced in the file 983/281/2016 (which ordered the completion of the operative part of the civil sentence 8369 / 19.10.2017 pronounced in the file with the same number) remained final by Decision no. 1239 / 26.09.2018 of the Prahova Court

Also, we request the updating with the penalizing legal interest of the amount of RON 11,067.41 starting with the date of 01.04.2016 and up to the date of the effective payment.

**Clarifications:** By the **Sentence no. 1051 of 06.06.2023** the Ploiești Courthouse rejects the exception of lack of interest regarding the amount of RON 800.4, representing legal expenses and to which the defendant was obliged by the civil sentence no. 8369/19.10.2017 pronounced in file no. 983/281/2016, final by the civil decision no. 1239/26.09.2018 and the amount of RON 200.4, representing the counter value of photocopying the enforcement file no. 458/2015, amount to which the defendant was obliged by the civil sentence no. 2448/26.03.2018, pronounced in the file no. 983/281/2016, by which it was ordered to supplement the provisions of the civil sentence no. 8369/19.10.2017), final by the civil decision no. 1239/26.09.2018 of the Prahova Court, as unfounded.

It admits the summons request filed by the claimant CONPET S.A. against the defendant DOBROGEANU DUMITRU. It obliges the defendant to pay the claimant the amount of RON

1,000.4, representing legal expenses incurred by the claimant in the file no. 983/281/2016, consisting of the amount of RON 400.4, representing the cost of photocopying the execution file no. 468/2015 and from the amount of RON 600, representing the accountant's fee.

It orders the return of the foreclosure by the defendant returning to the claimant the amount of RON 11,067.41, enforced in the file no. 458/2015 of the Divoiu Maria Bailiff's Office.

It obliges the defendant to pay to the claimant the legal penalty interest calculated, according to art. 3 paragraph (2) from G.D. no. 13/2011, on the main debit, in the amount of RON 11,067.41, from 01.04.2016 until the actual payment date. It obliges the defendant to pay to the claimant the amount of RON 300, as legal expenses, representing judicial stamp duty. It orders the defendant to pay the Divoiu Maria Bailiff's Office of the amount of RON 343.91 representing photocopying expenses of the enforcement file no. 468/2015 of the Divoiu Maria Bailiff's Office. Dobrogeanu Dumitru filed an appeal.

**Procedural status of the case:** Appeal

**Deadline:** 12.06.2024

## **26. File no. 5081/105/2013 / a13 - Prahova Court**

**Parties:** Energopetrol SA through Judicial Administrator Andrei Ioan Ipurl - respondent  
Conpet SA - appellant

**Subject matter:** Appeal against the measures of the judicial administrator / liquidator

**Clarifications:** By the **Decision 11 of 19.04.2022**, the Prahova Court admits the appeal. It cancels the measure of the judicial administrator regarding the prescription of the right to request the payment of the amount of RON 7556.34. It finds that the amount of RON 7556.34 is included in the debtor's current debt statement in BPI no. 4717/16.03.2022.

**Deadline:** 08.05.2024

## **27. File no. 11372/94/2022-Buftea Courthouse**

**Parties:** Conpet -claimant

Peştişor Marius Sever-defendant

Peştişor Elena Loredana-defendant

Dobre Maria-defendant

**Subject matter:** Conpet formulates a request to summon the defendants and for the opposition of the defendant Dobre Maria, requesting the court to order the determination of the share due to each co-owner of the building composed of a construction intended for "residential house" with a built area of 16.87 sq.m. and intra-village construction land with an area of 50.72 sq.m.

**Clarifications: --**

**Procedural status of the case:** Merits

**Deadline:** 12.09.2024

**28. File no. 11783/281/2022 – Prahova Court**

**Parties:** Conpet – claimant

Trafotech S.R.L. – defendant

**Subject matter:** Claims. Conpet formulates a summons requesting the court, through the decision it will pronounce, to order the obligation of the defendant TRAFOTECH S.R.L. upon payment to Conpet S.A. of the amount of RON 55,257, consisting of:

- RON 35,697 representing late penalties calculated for the period 14.02.2021 – 27.04.2021 inclusive, owed by the defendant in accordance with the provisions of art. 18.1 of the contract no. P-CA 391/15.12.2020,
- RON 19,560, representing 20% of the contract value, due according to the art. 19.2 of the supply contract no. P-CA 391/15.12.2020, following the unilateral termination of the contract due to the fault of the defendant.

Also, Conpet requests the obligation of the defendant TRAFOTECH S.R.L. to pay the legal expenses that it will incur in this case.

**Clarifications:** By the **Civil Sentence of 27.10.2022**, the Ploiești Courthouse admitted the action in part. It obliges Trafotech SRL to pay to Conpet SA the amount of RON 25,917, representing late payment penalties calculated for the period 14.02.2021 – 27.04.2021 inclusive according to the art. 18.1 of the supply contract no. P-CA 391 of 15.12.2020. It obliges Trafotech SRL to pay to Conpet SA the amount of RON 19,560 representing compensatory damages according to the art. 19.2 of the supply contract no. P-CA 391 of 15.12.2020. It rejects the rest of the action, as unfounded. It obliges Trafotech SRL to pay to Conpet SA the amount of RON 1,969 as legal expenses, representing the stamp duty. The decision was appealed by Trafotech SRL.

**Procedural status of the case:** Appeal

**Deadline:** 21.05.2024

**29. File no. 2854/105/2022 – Prahova Court**

**Parties:** Conpet SA – claimant

Eurosting AAW Industry S.R.L. defendant

**Subject matter:** Obligation of the defendant EUROSTING AAW INDUSTRY SRL. upon payment to CONPET S.A. of the total amount of RON 747,937.80 consisting of the amount of RON 83,640

representing damages in the amount of 20% due according to the art. 19.2 of the works contract no. L-CA 252/06.08.2019 and the amount of RON 664,297.80 representing late payment penalties calculated until 29.04.2021, owed by the defendant in accordance with the provisions of the art. 18.1 of the works contract no. L-CA 252/06.08.2019, for the non-execution of the obligations assumed by the contract. Obligation to pay legal expenses.

**Clarifications:** By the **Conclusion of 26.01.2023** the Prahova Court admits the request for suspension of the trial of the case made by the defendant and it disposed the suspension of the case until the final settlement of File no. 4372/105/2022 pending before the Prahova Court. With the right of appeal throughout the suspension.

**Procedural status of the case:** Merits - suspended

**Deadline:** --

### **30. File no. 17365/281/2022 – Ploiești Courthouse**

**Parties:** Conpet SA – claimant

Eurosting AAW Industry S.R.L. defendant

**Subject matter:** Obligation of the defendant EUROSTING AAW INDUSTRY S.R.L. upon payment to CONPET S.A. of the total amount of RON 69,141.30 consisting of the amount of RON 24,949.98 representing damages in the amount of 20% due according to the art. 18.2 of works contract no. L-CA 366 of 16.11.2020 and the amount of RON 44,191.32 representing late payment penalties calculated until 06.08.2021, owed by the defendant in accordance with the provisions of the art. 17.1 of the works contract no. L-CA 366 of 16.11.2020, for the non-execution of the obligations assumed by the contract. Obligation to pay legal expenses.

**Clarifications:** By the **Decision no. 2083/30.03.2023** the Ploiești Courthouse admits the motion to dismiss for lack of jurisdiction of the Ploiești Courthouse, invoked ex officio. It declines the jurisdiction to resolve the request in favor of the Prahova Court.

By the Decision no. **177/02.11.2023** The Prahova Court admitted the exception of lack of jurisdiction and declined the jurisdiction to resolve the case with the subject matter of claims in favor of the Ploiești Courthouse. The negative conflict of jurisdiction between the Prahova Court and the Ploiești Courthouse is evident. It suspends ex officio the judgment of the case and immediately sends the file to the Ploiești Court of Appeal, in order to resolve the negative conflict of jurisdiction.

By the **Sentence no. 45 CC of 06.12.2023**, pronounced in the file 1221/42/2023, the Ploiești Court of Appeal establishes the jurisdiction to solve the action in favor of Ploiești Courthouse.

**Deadline:** 09.04.2024

### **31. File no. 23320/281/2022 – Prahova Court**

**Parties:** Conpet SA – claimant

Ministry of Agriculture and Rural Development defendant

Ialomița County Directorate for Agriculture defendant

National Agency for Land Registry and Real Estate Advertising defendant

**Subject matter:** Jointly and severally obliging the defendants to pay to CONPET S.A. of the amount of RON 81,176.8 representing the amount paid as a guarantee.

The total amount of 81,176.8 was paid as a guarantee in October 2016 and August 2017 in order to temporarily remove the 22,586 square meter land area from agricultural use (category of arable use). Investment objective "*Replacement of crude oil pipeline Ø 10¾" Ghercești - Icoana - Cartojani on the sections: SPC Bârla, Bârla commune, Argeș County approx. 850 m, agricultural lands Bârla – Mirosi, Arges County, approx. 2,400 m and agricultural land in Negreni – Clanița village, Teleorman County, approx. 1,500 m, total 4,750 m*"

**Clarifications:** By the **Sentence 4650/08.09.2023** the Ploiești Courthouse admits the plea of the lack of passive procedural status against the defendant A.N.C.P.I. It rejects the request made by the claimant CONPET S.A. against the defendant A.N.C.P.I as being brought against a person lacking passive procedural status. It rejects the summons filed by the claimant CONPET S.A. against the defendants, the Ministry of Agriculture and Rural Development, the Teleorman County Directorate for Agriculture, as unfounded. Conpet filed an appeal.

**Procedural status of the case:** Appeal

**Deadline:** --

### **32. File no. 331/90/2016 – Vâlcea Court**

**Parties:** Conpet SA – creditor

REMAT Vâlcea SA - debtor

**Subject matter:** Conpet submitted a request for admission of the claim and registration in the additional list of the creditor Remat Vâlcea SA with the amount of RON 4,538.61 (4,331.61 late payment penalties CON FA 6291/16.10.2017 + 200 RON legal expenses)

**Clarifications:** --

**Deadline:** 23.04.2024

### **33. File no. 2466/118/2023 – Constanța Courthouse**

**Parties:** CONPET S.A. – petitioner

The Prosecutor's Office attached to the Constanța Court - respondent

**Subject matter:** CONPET S.A. formulates a complaint against the classification Ordinance ordered on 29.12.2022 by the first prosecutor of the Prosecutor's Office attached to the Constanța Court in the file no. 832/P/2014, regarding committing of the crime of grand larceny requesting the abolition of the classification Ordinance ordered on 29.12.2022 by the first prosecutor of the Prosecutor's Office attached to the Constanța Court in the file no. 832/P/2014, the continuation of the criminal prosecution and investigations with a view to bringing to criminal responsibility the defendants Mitiş Dănuț, Nicolae Vasile and Cozmescu Viorel – Marcel for the embezzlement of petroleum products with the help of an artisanal installation mounted on the Ø 24" import crude oil transport pipeline Constanța - Midia, DN 2C area, in the appropriation of the Gheorghe Hagi Academy in the city of Ovidiu, Constanța county, a deed committed between June and the beginning of July 2014, as well as in order to recover the damage caused to our company [RON 4,688.50 (RON 1,897.37 representing the value of the remedial works of the damaged pipeline and RON 2,791.13 representing the value of the quantity of 1,000 liters of REBCO type crude oil) plus the value of the quantity of 62,674 kg of crude oil].

**Clarifications:** By the **Conclusion no. 652/07.12.2023** The Court of Constanța admits the motion to dismiss for lack of jurisdiction of the Court of Constanța. It declines the competence to settle the complaint formulated by the petitioner CONPET S.A. in favor of the Constanța Courthouse. Final.

**Deadline:** 19.03.2024

#### **34. File no. 6722/281/2023 – Ploiești Courthouse**

**Parties:** CONPET S.A. - claimant

Thermoficare Prahova S.A. and the Popescu Silviu Andrei Bailiff's Office - defendant

**Subject matter:** CONPET filed an appeal against the enforcement documents drawn up by the Popescu Silviu Andrei Bailiff's Office in the enforcement file no. 263/2022, as follows: the conclusion pronounced on 08.12.2022 by the Ploiești Courthouse in the file no. 25160/281/2022 by which the foreclosure was approved; the summons issued on 09.03.2023 for the payment of the amount of **RON 7,003.40**, the conclusion no. 1 issued on 09.03.2023 establishing the enforcement expenses in the amount of **RON 1,259.51**; the decision issued on 20.03.2023 ordering the termination of foreclosure.

The appeal requested the annulment of the decision pronounced on 08.12.2022 by the Ploiești Courthouse in the file no. 25160/281/2022 by which the foreclosure of all the documents issued by the Popescu Silviu Andrei Bailiff's Office in the enforcement file no. 263/2022, respectively of

the Security Summons issued on 09.03.2022 for the payment of the amount of **RON 7,003.40**, of the conclusion no. 1 issued on 09.03.2023 establishing the enforcement expenses in the amount of **RON 1,259.51** and the conclusion issued on 20.03.2023 ordering the termination of enforcement and the return of enforcement for the amount of **RON 3,856.65** representing amounts additionally paid by CONPET S.A. following the transmission of the summons by the Popescu Silviu Andrei Bailiff's Office in the enforcement file no. 263/2022, composed of **RON 3,446.52** representing amounts invoiced in addition and not owed through the invoices put into execution as enforceable titles and **RON 410.13** representing the difference in unpaid bailiff's fees.

**Clarifications:** By the Decision of 20.10.2023, the Ploiești Courthouse suspends the trial of the challenge to foreclosure formulated by the appellant CONPET S.A. contrary to the respondent TERMOFICARE PRAHOVA S.A. With the right of appeal for the duration of the suspension

**Procedural status of the case:** Merits - Suspended

**Deadline:** --

### **35. File no. 1310/116/2021 – Calarasi Court**

**Parties:** CONPET S.A. - creditor

Agroland Future S.R.L. - debtor

**Subject matter:** Conpet filed a request for admission of the claim and registration in the list of creditors of Agroland Future S.R.L. with the amount of RON 8,831.15, as the debtor was obliged by the enforceable Civil Sentence no. 1058/20.12.2019 pronounced by the Lehliu-Gara Courthouse in the file no. 2149/249/2019, to which are added the legal expenses related to Law no. 85/2014 [RON 8,631.15 (RON 8,120.14 + RON 511.01) + RON 200= RON 8,831.15].

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 26.03.2024

### **36. File no. 671/1285/2022 – Cluj Specialised Court**

**Parties:** CONPET S.A. - creditor

Tirrena Scavi SpA - debtor

**Subject matter: Secondary insolvency proceedings in the form of bankruptcy**

Conpet filed a claim admission request asking the court to register the company CONPET S.A. on the list of creditors of TIRRENA SCAVI SpA with the amount of RON 54,601.02 composed of:

- the amount of RON 48,402.43 representing the counter value of the damage suffered by CONPET S.A. as a result of the damage caused by the debtor TIRRENA SCAVI SpA – Cluj Branch on 04.04.2022 to the crude oil transport pipeline Ø 10¾" Gherceşti – Icoana, Gârleşti village area, Gherceşti commune, Dolj county;
- the amount of RON 5,998.59 representing the update of the counter value of the damage with the legal interest from the date of the act (04.04.2022) until the date of the opening of the procedure (03.07.2023);
- RON 200 representing the judicial stamp duty related to this application for admission of the claim on the assets of the debtor TIRRENA SCAVI SpA.

**Clarifications:** Conpet was entered in the preliminary List of creditors of the debtor Tirrena Scavi SpA (published in BPI no. 7475/03.05.2023) with the amount requested – RON 54,601.02 (unsecured debt, art. 161 point 8 of the Insolvency Law, 0 .0735% of the category, 0.0027% of the total receivables, 0.0175% of the total with voting rights).

**Procedural status of the case:** Merits

**Deadline:** 21.05.2024

### 37. File no. 8089/281/2023 - Ploieşti Courthouse

**Parties:** CONPET S.A. - claimant

Brent Oil CO SRL - defendant

**Subject matter:** Conpet filed a request for admission to court requesting the defendant to be obliged to pay the amount of RON 19,536.52, composed of RON 9,802.93 representing equipment rental consideration and RON 9,733.59 representing penalties calculated according to the provisions of art. 11.1 of the service contract no. STA 363/17.10.2019.

**Clarifications:** --

**Deadline:** Ruling postponed to 22.03.2024

### 38. File no. 3904/204/2023 - Câmpina Courthouse

**Parties:** CONPET S.A. – civil part

Irimia I. Mihai - defendant

Dinu G. Nicolae - defendant

**Subject matter:** Grand larceny consisting in the embezzlement of the quantity of 1.960 liters of crude oil from the Mislea Pumping Station Crude Oil Storage between March and July 2019 (separate case from the File No. 838/P/2019, registered under No. 2230/P/2022).

**Clarifications:** By the **Sentence no. 411/29.11.2023** The Câmpina Courthouse ordered the restitution to the civil party Conpet of the amount of 1,960 liters of crude oil that forms the material subject of the criminal offence brought to trial and which is in the custody of the civil party, according to the minutes of 10.05.2023. It states that the damage in the amount of 3,751.92 lei was covered by the restitution of the amount of 1,960 liters of crude oil to the civil party Conpet S.A. The decision can be appealed after communication.

**Procedural status of the case:** Merits

**Deadline:** --

#### **39. File no. 13298/215/2023 – Craiova Courthouse**

**Parties:** Conpet SA – claimant

Florescu Eugen - defendant

Florescu Silvia - defendant

Bodic Constantin - defendant

**Subject matter:** Conpet SA filed a request to summon the defendants Florescu Eugen, Florescu Silvia and Bodic Constantin to determine the share due to each co-owner of the building consisting of a construction with the destination "*house with 2 rooms*" and a land with an area of 1038 sq. m, identified with Cadastral no. 23, building located in Robanestii de Jos, Dolj County- landlords Florescu Silvia and Florescu Eugen, share 1/2, no. land register 33312 Robănești.

**Clarifications:** By the **Conclusion no. 142/20.02.2024** Craiova Courthouse admits the motion to dismiss for lack of specialized jurisdiction of the First Civil Division of Craiova Courthouse, invoked ex officio. It declines the jurisdiction to resolve the case regarding the plaintiff Conpet S.A. in opposition to the defendants Florescu Eugen, Florescu Silvia and Bodic Constantin, in favor of the Second Civil Division of the Craiova Courthouse.

**Procedural status of the case:** Merits

**Deadline:** --

#### **40. File no. 2365/105/2023 – Prahova Court**

**Parties:** Conpet – claimant

Ministry of Agriculture and Rural Development - defendant

Argeș County Directorate for Agriculture - defendant

National Agency for Land Registry and Real Estate Advertising - defendant

**Subject matter:** CONPET S.A. filed a summons requesting the joint and several obligation of the defendants to pay to CONPET S.A. of the amount of RON 204,386.72 representing the amount paid as a guarantee.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 08.05.2024

#### **41. File no. 8479/315/2023 - Târgoviște Courthouse**

**Parties:** Conpet - petitioner

The prosecutor's office attached to the Târgoviște Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the dismissal ordinance ordered on 21.06.2023 by the Prosecutor's Office attached to the Târgoviște Courthouse in the file no. 2057/P/2014 regarding the criminal offence of grand larceny, requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and hold them criminally liable for the theft, between 2011 and 07.02.2013, of some sections of pipeline with a total length of 1,490 m, from the area of the Târgoviște-București road - sectional valve, forest Iuda/Iloveni village, Nucet commune, Dâmbovița county and the theft, between 2011 and 16.04.2013, of some pipeline sections with a total length of 136 m, from the Cazaci Forest area - Târgoviște-București road - sectional valve Cazaci village, Nucet commune, Dâmbovița county, as well as in order to recover the damage caused to our company (RON 81,043.05).

**Clarifications:** --

**Deadline:** Ruling postponed to 20.03.2024

#### **42. File no. 17532/281/2023 – Prahova Court**

**Parties:** Conpet SA – claimant

Eurosting AAW Industry S.R.L. defendant

**Subject matter:** Obliging the defendant EUROSTING AAW INDUSTRY SRL to pay CONPET S.A. of the total amount of 56,444.93 representing late penalties calculated until 04.11.2022 owed by the defendant in accordance with the provisions of art. 17.1(1) of works contract no. L-CA 27/13.02.2020 for not executing the works on time.

**Clarifications:** --.

**Deadline:** 11.04.2024

#### **43. File no. 6573/202/2023 – Calarasi Courthouse**

**Parties:** Conpet – petitioner

The prosecutor's office attached to the Călărași Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 29.06.2023 by the Prosecutor's Office attached to the Călărași Courthouse in the file no. 645/P/2015, regarding the criminal offence of grand larceny requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and hold them criminally liable for the theft, between 27.02.2015 and 02.03.2015, of the cables that served the cathodic protection terminals on the import crude oil transport pipelines from the area of Jegălia neighborhood, Perisoru locality, Călărași county, as well as in order to recover the damage caused to our company (RON 10,355.51).

**Clarifications:** --

**Deadline:** 11.06.2024

#### **44. File no. 3460/317/2023 – Tg. Cărbunești Courthouse**

**Parties:** Conpet – petitioner

The prosecutor's office attached to the Târgu Carbunești Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Ordinance rejecting the complaint no. 75/II/2/2023 ordered by the Prosecutor's Office attached to the Târgu Carbunești Courthouse, in the file no. 1951/P/2014, regarding the criminal offence of grand larceny requesting the admission of the complaint, the abolition of Ordinance no. 75/II/2/2023 ordered on 16.08.2023 by the first prosecutor of the Prosecutor's Office attached to the Târgu Cărbunești Courthouse, of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and bring them to criminal responsibility.

**Clarifications:** --

**Deadline:** Ruling postponed to 25.03.2024

#### **45. File no. 1653/105/2023 – Prahova Court**

**Parties:** Conpet SA – claimant

Termoficare Prahova - defendant

**Subject matter:** Bankruptcy. Application for admission of the claim in the amount of RON 4,206.6 and its entry on the list of creditors of the debtor TERMOFICARE PRAHOVA S.R.L. The claim in the amount of RON 4,206.6 is composed of: RON 3,446.52 amounts invoiced in addition by TERMOFICARE PRAHOVA S.R.L. and not owed by CONPET through the invoices executed as enforceable titles in the enforcement file no. 263/2022 pending before the Bailiff's Office Popescu Silviu Andrei; RON 410.13 representing the unpaid bailiff's fee difference; RON 324.96 - stamp duty paid in the file 6722/281/2023; RON 24.99 - counter value for photocopying the enforcement file for the court (file no. 6722/281/2023). File 1653/105/2023/a2 - Appeal against the decision of the legal administrator.

**Clarifications:** --

**Deadline:** 09.05.2024

#### **46. File no. 3988/317/2023 – Târgu-Cărbunești Courthouse**

**Parties:** Conpet SA – petitioner

The prosecutor's office attached to the Târgu Carbunești Courthouse

**Subject matter:** Conpet filed a complaint against the Ordinance rejecting the complaint no. 88/II/2/2023 ordered on 28.09.2023 by the first prosecutor of the Prosecutor's Office attached to the Târgu Carbunești Courthouse, in the file no. 151/P/2015, regarding the criminal offences of "grand larceny attempt" and "destruction" requesting the abolition of Ordinance no. 88/II/2/2023 ordered on 28.09.2023 by the first prosecutor of the Public Prosecutor's Office attached to the Târgu Cărbunești Courthouse, of the Dismissal Ordinance, the continuation of the criminal prosecution and the investigations in order to identify the criminals and bring them to criminal responsibility for the commission of the criminal deed abovementioned.

**Clarifications:** --

**Deadline:** 25.06.2024

#### **47. File no. 5711/330/2023 – Urziceni Courthouse**

**Parties:** Conpet SA – creditor

Bailiff's Office Răduță Nicoleta - petitioner

Nițu Nicolae – debtor

Revolut Bank UAB Vilnius – third party seized

**Subject matter:** Validation of garnishment. The Bailiff's Office Răduță Nicoleta filed a request to validate the attachment on the accounts of Revolut Bank UAB Vilnius belonging to the debtor Nițu Nicolae up to the sum of RON 9,771.24 representing principal debt, interest as well as enforcement expenses based on an enforceable title represented by the Criminal Sentence no. 69 of the Călărași Court from the file no. 1032/116/2016.

**Clarifications:** --

**Deadline:** 11.04.2024

#### **48. File no. 19770/281/2023 – Ploiești Courthouse**

**Parties:** Conpet SA – claimant

INTERNATIONAL DANCOR IMOBILIARE 888 SRL – defendant

**Subject matter:** Action for contractual liability. Conpet filed a summons request asking the court: - to oblige the defendant INTERNATIONAL DANCOR IMOBILIARE 888 SRL to pay the amount of RON 4,064.98 representing late penalties calculated according to art. 8.1. from the rental agreement no. STA 147/20.05.2022.

- to oblige the defendant INTERNATIONAL DANCOR IMOBILIARE 888 SRL to pay legal expenses consisting of the judicial stamp duty and other costs caused by this litigation.

**Clarifications:** By the Sentence no. 1137/05.02.2024 the Ploiești Courthouse admits, in part, the summons request. It obliges the defendant to pay to the claimant the contractual late payment penalties due in the amount of 0.1% per day for each day of delay calculated as follows: for invoice series: PH CON FD no. 5287/ 23.06.2022 in the amount of 4534.99 lei, starting from 26.07.2022 and ending on 24.01.2023; for invoice series: PH CON FD no. 5212/31.05.2022 on the total debit of RON 13746.56, from 06.07.2022 to 24.01.2023 inclusive, from 25.01.2023 to 01.03.2023 inclusive on the debit of RON 10,000 and from 02.03.2023 to 21.03.2023 on the debit amounting to RON 4,000. It obliges the defendant to pay to the claimant the amount of RON 285, as legal expenses consisting of judicial stamp duty proportional to the extent of the admission of the claims. It rejects the rest of the request as unfounded. The decision can be appealed after communication.

**Procedural status of the case:** Merits

**Deadline:** --

#### **49. File no. 27248/281/2023 – Ploiești Courthouse**

**Parties:** Conpet SA – claimant

Brilliant Technologies SA - defendant

**Subject matter:** Conpet formulates a summons requesting the obliging of the defendant BRILIANT TECHNOLOGIES S.A. upon payment to CONPET S.A. of penalties in the amount of RON 2,759.05, owed by the defendant in accordance with the provisions of art. 16.1(1) from the service contract no. S-CA 82/03.05.2022, representing the difference between the delay penalties in the amount of RON 2,898 calculated and requested by Conpet through the Termination Notice no. 28092/26.07.2022 and the amount of RON 138.94 paid by the defendant as late payment penalties. Obliging the defendant to pay legal expenses.

**Clarifications:** --

**Deadline:** --

#### **50. File no. 13183/311/2023 – Slatina Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Slatina Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the classification Ordinance ordered on 12.10.2023 by the Prosecutor's Office attached to the Slatina Courthouse in the file no. 1522/P/2009, regarding the criminal offences of destruction and grand larceny requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to prosecute the criminals for the theft of petroleum products with the help of an artisanal installation mounted on the crude oil transport pipeline Ø 10" F2 Orlești – Poiana Lacului, within the radius of Leleasca commune, Mircești village, Olt county, deed ascertained on 23.03.2009, as well as in order to recover the damage caused to our company (RON 5,967.13).

**Clarifications:** By the **Conclusion no. 163/19.02.2024** the Slatina Courthouse rejects the complaint and obliges Conpet SA to pay the amount of RON 70, legal expenses advanced by the state. Final.

Procedural status of the case: Finalized

**Deadline:** --

#### **51. File no. 13049/311/2023 – Slatina Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Slatina Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 18.10.2023 by the Prosecutor's Office attached to the Slatina Courthouse in the file no. 1729/P/2012,

regarding two criminal offences of attempted grand larceny requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations with a view to holding the criminals criminally responsible for the damage, on 17.03.2012, for the purpose of stealing petroleum products, of the Ø 10¾" crude oil transport pipeline Gherceşti – Icoana, in the area of Schitu Greci commune, Lisa village, Olt county, respectively for the damage, on 17.11.2012, for the purpose of stealing petroleum products, of the crude oil transport pipeline Ø 10¾" Gherceşti – Icoana, in the area of the place called Brănişoara near the Schitu Greci commune, Lisa village, Olt county, as well as in order to recover the damage caused to our company (RON 10,971.60, respectively RON 6,917.85).

**Clarifications:** By the **Conclusion no. 136/15.02.2024** The court rejects the complaint and compels the petitioner Conpet S.A. upon payment of the amount of RON 50, legal expenses advanced by the state. Final.

Procedural status of the case: Finalized

**Deadline:** --

## **52. File no. 23408/280/2023 – Piteşti Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Piteşti Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 24.03.2023 by the Prosecutor's Office attached to the Piteşti Courthouse in the file no. 7249/P/2008, regarding the criminal offence of attempted grand larceny, requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations with a view to bringing the criminals to criminal liability for the damage, by installing an artisanal installation, for the purpose of extracting crude oil, of the pipeline passing through the commune of Vedeşti, the "Spata Cepturi" point, Argeş county, deed ascertained on 01/02.12.2008, as well as in order to recover the damage caused to our company.

**Deadline:** 27.03.2024

## **53. File no. 4933/259/2023 – Mizil Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Ploieşti Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 02.11.2023 by the Prosecutor's Office attached to the Mizil Courthouse in the file no. 752/P/2015, regarding

the criminal offence of attempted grand larceny requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and hold them criminally liable for the damage by installing an artisanal installation, for the purpose of stealing petroleum products, of the crude oil transport pipeline Ø 6" Urziceni – Ploiești, Ciorani locality area, Prahova county, deed ascertained on 05.08.2015, as well as in order to recover the damage caused to our company (RON 3,009.79).

**Clarifications:** --

**Deadline:** 20.03.2024

#### **54. File no. 12048/94/2019/a1 – Ilfov Court**

**Parties:** Conpet SA – petitioner

**Subject matter:** Conpet filed a request for re-examination against the Conclusion pronounced in the public hearing of 13.09.2023, by which we ask the court to rectify the fine applied and order the exoneration of Conpet S.A. from its payment. We specify that we, the undersigned company Conpet S.A., are not a party to the file no. 12048/94/2019.

**Clarifications:** By the Conclusion no. 76/27.02.2024 The Ilfov Court rejects, as unfounded, the request for re-examination. Final.

Procedural status of the case: Finalized

**Deadline:** --

#### **55. File no. 12048/94/2019/a2 – Ilfov Court**

**Parties:** Conpet SA – petitioner

**Subject matter:** Conpet filed a request for re-examination against the Decision pronounced in public hearing of 13.09.2023, by which we ask the court to rectify the fine applied and order the exoneration of Conpet S.A. from its payment. We specify that we, the undersigned company Conpet S.A., are not a party to the file no. 12048/94/2019.

**Clarifications:** --

**Deadline:** 07.10.2024

#### **56. File no. 585/281/2024 – Ploiești Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Ploiești Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 28.09.2023 by the Prosecutor's Office attached to the Ploiești Courthouse in the file no. 7911/P/2015, regarding the criminal offence of grand larceny requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and hold them criminally liable for the damage, through the installation of an artisanal installation, for the purpose of extracting crude oil, of the pipeline Ø 12" F1 Călăreți – Ploiești, Puchenii Mari locality area, Prahova county, deed ascertained on 23.06.2015, as well as in order to recover the damage caused to our company.

**Clarifications:** By the **Conclusion no. 104/01.02.2024** the Ploiești Courthouse rejects the complaint and obliges Conpet SA to pay the amount of RON 200 to the state, as legal expenses. Final.

Procedural status of the case: Finalized

**Deadline:** --

#### **57. File no. 586/281/2024 – Ploiești Court**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Ploiești Court - respondent

**Subject matter:** Conpet filed a complaint against the Dismissal Ordinance ordered on 31.08.2023 by the Prosecutor's Office attached to the Ploiești Courthouse in the file no. 8515/P/2013, regarding the criminal offence of theft requesting the abolition of the Dismissal Ordinance, the continuation of the criminal prosecution and investigations in order to identify the criminals and hold them criminally liable for the theft of a cathodic protection terminal from the Ø 8" Boldesti import crude oil transport pipeline, East Ring zone – Lukoil SA Ploiești, Prahova county, deed found on 18.07.2013, as well as in order to recover the damage caused to our company (RON 1,748.14).

**Clarifications:** By the **Conclusion no. 153/19.02.2024** the Ploiești Courthouse rejects the complaint and obliges Conpet SA to pay the amount of RON 500, with the title of legal expenses advanced by the state. Final.

Procedural status of the case: Finalized

**Deadline:** --

#### **58. File no. 129/315/2024 – Târgoviște Courthouse**

**Parties:** Conpet SA - petitioner

The prosecutor's office attached to the Târgoviște Courthouse - respondent

**Subject matter:** Conpet filed a complaint against the dismissal provisions of the Indictment issued on 20.11.2023 by the Prosecutor's Office attached to the Târgoviște Courthouse in the file no. 5597/P/2017 regarding the criminal offence of grand larceny requesting the abolition of the dismissal provisions and the referral to court of the persons against whom the dismissal of the case was ordered regarding their participation in the criminal offence of grand larceny, the act provided for and punished by art. 228 para. 1 – 229 para. 3 letter a of the Criminal Code, held in charge of the defendant Peștișor Marius Sever, consisting in the embezzlement with the help of an artisanal installation, on 21/22.12.2017, of the amount of 7000 liters of crude oil from the Ø 14" pipeline Cartojani - Ploiești, within the radius of Butimanu locality, Bărbuceanu village, Dâmbovița county.

**Clarifications:** --

**Deadline:** 07.05.2024

#### **59. File no. 321/223/2024 – Dragășani Courthouse**

**Parties:** Conpet SA – appellant

Filotie Adrian - respondent

**Subject matter:** Conpet filed an appeal against the Decision dated 09.01.2024 drawn up by the Bailiff's Office Bălan Ovidiu, communicated to our company on 15.01.2024, requesting the annulment of the Decision dated 01.09.2024 by which the Bailiff's Office Bălan Ovidiu ordered the termination of execution towards the debtor Filotie Adrian and the continuation of execution towards our debtor Filotie Adrian until the full recovery of the debt according to the enforcement title represented by the criminal sentence no. 9 pronounced on 28.11.2003 by the Pitesti Court of Appeal, which remained final on 26.06.2004.

**Clarifications:** --

**Deadline:** --

#### **b) The list of litigations pending before Courts on 15.03.2024 in which the company CONPET S.A. has the status of defendant**

##### **1. File no. 8296/281/2007 - Ploiești Courthouse**

**Parties:** Cornea Rodica Aurora

Conpet S.A., Petrotrans S.A., Regionala Transgaz Bucharest, Ministry of Finance - defendants

**Subject matter:** Cornea Rodica Aurora claims jointly and severally that the defendants are required to pay civil damages in the amount of EUR 74,000 representing the damage caused by the presence of pipes belonging to the defendants in the basement, the property of the claimant and the payment of civil damages provisionally assessed at RON 10,000 for the period of February 2004 - February 2006 as a result of the use of pipes that crossed the property of the claimant.

**Clarifications:** The case is suspended based on art. 36 of Law no. 85/2006.

**Procedural status of the case:** Merits

## 2. File no. 8297/281/2007 - Ploiești Courthouse

**Parties:** Rusu Mihaela - claimant

Conpet S.A., Petrotrans S.A., Regionala Transgaz Bucharest, Ministry of Finance - defendants

**Subject matter:** Rusu Mihaela claims that the defendants should be jointly and severally liable for civil damages in the amount of EUR 74,000, representing the damage caused by the presence of pipes belonging to the defendants in the basement, the property of the claimant.

**Clarifications:** The case is suspended based on art. 36 of Law no. 85/2006.

**Procedural status of the case:** Merits

## 3. File no. 3451/108/2016 \*\* - Timisoara Court of Appeal

**Parties:** Conpet SA - defendant

ATU Pecica Town - claimant

**Subject matter:** ATU of Pecica town filed a request for a summons requesting:

Mainly:

- the obligation of the defendant Conpet S.A. to divert the crude oil pipeline that crosses a number of 22 plots of urban land, intended for the construction of houses, located in our property, in a total area of 20,287 sq. m.

- order the defendant Conpet S.A. to pay the amount of EUR 65,000 representing the equivalent value of the house located in plot no. A141.7760 / 5/174, entered in L.B. no. 306869 because it can no longer be capitalized by the subscriber.

In subsidiary:

- order the defendant Conpet S.A. upon payment of an annual rent, during the existence of the pipeline, as a result of the encumbrance of the areas shown above by the right of legal easement exercised by Conpet SA; **NOTE:** The annual rent has not been quantified.

- order the defendant Conpet S.A. to the granting of compensations for the period 31.10.2014 – 31.05.2016 as a result of the limitation of the attributes of the property right of the 22 urban land plots and of the decrease of the circulation value of the land on the real estate market due to the restrictions imposed by Order 196/2006 of NAMR on construction;
- order the defendant Conpet S.A. that every 3 years to adapt the amount of compensation to the value of circulation at that time of similar lands and the provisions of future orders of the N.A.M.R.;
- the setting by the court of the due date on which the compensations will be paid annually, following the non-payment at the due term to attract the payment of the legal interest related to the amount received as compensation for the delay period;
- award the legal expenses incurred in the event of opposition.

**Clarifications:** By the Conclusion of 07.12.2016, the Arad Court finds the functional incompetence of the I Civil Division of the Arad Court and declines in favor of the Civil Division II of the Arad Court, the judgment of the action filed by the claimant Territorial Administrative Unit of Pecica Town.

By the Conclusion no. 40 / 26.01.2017 The Arad Court rejects the request to show the right holder formulated by the defendant Conpet SA in contradiction with the claimant ATU of Pecica Town and with the respondents the Romanian State through the Ministry of Public Finance and the National Agency for Mineral Resources. The decision was appealed by Conpet (File no. 3451/108/2016 \* / a1 - Timisoara Court of Appeal, deadline: 14.03.2017). By the Decision no. 211 / 20.03.2017 The Timișoara Court of Appeal rejects the appeal.

By the **sentence no. 336 / 18.05.2017**, the Arad Court rejects the civil action filed by the claimant ATU of Pecica Town in contradiction with the defendant SC Conpet SA having as subject the obligation to act and claims. No legal expenses. The decision was appealed by the ATU Pecica Town.

By the **Decision no. 761 / 23.11.2017** The Timișoara Court of Appeal admits the appeal. It annuls the appealed sentence and sends the case for retrial to the Arad Court. Conpet filed an appeal. Through the Report of 07.06.2018, the High Court of Cassation and Justice found the inadmissibility of the Conpet appeal, it being promoted against a final decision, which does not fall within the hypothesis regulated by art. 483 para. 1 Code of Civil Procedure. The parties submitted a written opinion on the report. By the Conclusion of 10.10.2018, the HCCJ admits in principle the appeal declared by the appellant-defendant Conpet S.A.

By the **Decision no. 615 / 22.03.2019** The HCCJ admits the appeal declared by the appellant-defendant Conpet S.A., it quashes the appealed decision and sends the case to a new court of the same court of appeal.

By the **Decision no. 306 / 07.06.2021** The Timisoara Court of Appeal rejects the appeal declared by the appellant-claimant, the Administrative Territorial Unit of the City of Pecica.

The claimant, the Territorial Administrative Unit of the City of Pecica, filed an appeal.

By the **Decision 614 of 15.03.2023** the HCCJ admits the appeal. It dismisses the appealed decision and sends the case for a new trial to the same court.

By the **Decision no. 621/13.12.2023** The Timișoara Court of Appeal admits the appeal filed by the claimant-appellant the ADMINISTRATIVE TERRITORIAL UNIT OF THE CITY OF PECICA. It partially changes the appellant's sentence in the sense that it admits in part the request for summons made by the claimant the ADMINISTRATIVE TERRITORIAL UNIT OF THE CITY OF PECICA in opposition to the defendant CONPET S.A., and obliges the defendant to pay the amount of EUR 137,045.69 as compensation in favor of the claimant. It upholds the rest of the appealed sentence. It obliges the respondent to pay in favor of the appellant the amount of RON 17,579 as legal expenses. With retrial within 30 days of communication.

**Procedural status of the case:** Appeal

**Deadline:** --

#### **4. File no. 5413/204/2017\* - Prahova Court**

**Parties:** Conpet SA - defendant

N.A.M.R. - defendant

Dobrogeanu Dumitru - claimant

Dobrogeanu Păun Ioan - claimant

**Subject matter:** Claims. Dobrogeanu Dumitru and Dobrogeanu Păun Ioan filed a summons requesting the court that by the decision it will pronounce to order the obligation of the defendants to:

1. Payment of an annual rent for the land areas occupied by the two pipelines transporting petroleum products (crude oil) starting with 01.07.2014 and in the future, throughout the existence of the pipelines;
2. Obligation of the defendants to pay the losses suffered by not achieving economic objectives on the area left between the two pipelines after their restriction and the area along DN1 (E60);
3. Payment of legal expenses.

The first head of the claim was estimated by the claimants at the amount of EUR 48,000 / year (RON 220,000), and the second head at the amount of RON 25,000 / year.

**Clarifications:** By the Decision no. 594 / 28.02.2018 the Câmpina Courthouse admits the motion to dismiss for lack of jurisdiction of solving the case of the Câmpina Courthouse, invoked by the

court ex officio. It declines jurisdiction to settle the request in favor of the Prahova Court. No appeal.

By the **sentence no. 2446 / 28.08.2018** the Prahova Court admits the exception of the lack of passive procedural quality, invoked by the defendant National Agency for Mineral Resources Bucharest. It dismisses the action, in contradiction with that defendant, as being brought against a person without procedural capacity. It admits the exception of the res judicata. It dismisses the claim filed against the defendant SC CONPET SA, as there is res judicata. It finds that the defendants have not applied for legal expenses. The decision was appealed by Dobrogeanu Dumitru.

By the **decision no. 2804 / 11.11.2019** the Ploiești Court of Appeal rejects the appeal filed by the appellant Dobrogeanu Dumitru as unfounded. It admits the plea of inadmissibility of the cross-appeal. It dismisses as unfounded the cross-appeal declared by the appellant Dobrogeanu Păun Ioan. The decision was appealed by Dobrogeanu Dumitru and Dobrogeanu Păun Ioan.

By **Decision no. 206 / 04.02.2021**, the High Court of Cassation and Justice rejects the appeal filed by the claimant Dobrogeanu Păun Ioan against the civil decision no. 2804 of November 11, 2019, pronounced by the Ploiești Court of Appeal, Civil Division I. It admits the appeal filed by the claimant Dobrogeanu Dumitru against the same decision. It quashes the appealed decision and the civil sentence no. 2446 of August 28, 2018 of the Prahova Court and sends the case for retrial to the Prahova Court. Final.

**Procedural status of the case:** Merits - retrial

**Deadline:** 21.03.2024

## **5. File no. 5212/105/2018 – the High Court of Cassation and Justice**

**Parties:** Conpet SA - defendant

Fondul Proprietatea SA - claimant

**Subject matter:** Fondul Proprietatea SA files an appeal requesting the court to:

1. Oblige Conpet to pay the amount of RON 734,747.04, representing the net value of the dividends related to a share of 6% of the share capital of Conpet, respectively for a number of 524,366 shares held by the claimant on the registration date of AGOA Conpet of 25.04.2007 (i.e. 14/05/2007), for the financial year of 2006,
2. Oblige Conpet to pay damages, respectively the legal interest related to the dividends from the due date of the amount requested in point 1 and until the date of filing the summons (i.e. 09.11.2018), in the amount of RON 579,015.97.

3. Oblige Conpet to pay thereafter the legal interest related to the net value of the dividends, from the date of filing the summons and until the actual payment of the requested amounts,
4. Oblige Conpet to pay the legal expenses of the present litigation. Conpet S.A. filed an impleader of the Romanian State through the Ministry of Finance and A.A.A.S.

**Clarifications:** By the **Conclusion of 25.06.2019**, the Prahova Court rejected as unfounded the impleader of the Authority for the Administration of State Assets, formulated by the defendant Conpet S.A. Conpet and the Romanian State through the Ministry of Public Finance filed an appeal against this decision of the court. By the same Conclusion of 25.06.2019, the court admitted in principle the impleader of the Romanian State through the Ministry of Public Finance, formulated by the defendant Conpet S.A. and rejected as unfounded the plea of the lack of passive procedural quality of the Romanian State through the Ministry of Public Finance. The appeal was registered with the Ploiești Court of Appeal with no. 5212/105/2018 / a2. By the **decision no. 515 / 05.11.2019** the Ploiești Court of Appeal admits the plea of the inadmissibility of the appeal declared by the Ministry of Public Finance. It dismisses this appeal as inadmissible. It rejects the plea of lack of interest and the exception of inadmissibility of the appeal declared by Conpet SA. It dismisses this appeal as unfounded. Final.

By the **Conclusion of 20.09.2019**, Ploiești Tribunal suspended the trial of the case until the settlement of the appeals made against the decision pronounced on 25.06.2019. This conclusion remained final by non-appeal.

By **Sentence no. 633/02.06.2021** Prahova Tribunal unfoundedly rejects the exception of the prescription of the right to action. It admits the action. It obliges the defendant Conpet SA to pay to the claimant the amounts of RON 734,747.04 representing the value of dividends, of RON 579,015.97, representing dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 and until the actual payment of the main debit. It admits in part the impleader. It obliges the summoned in guarantee The Romanian State to pay to the defendant CONPET SA, the amount of RON 734,747.04, representing the value of dividends, and the legal interest related to this amount starting with 17.12.2018 and until the date of restitution to the defendant of the amount of RON 734,747.04. The decision can be appealed within 30 days from communication.

By **Decision no. 814 / 01.07.2021** Prahova Tribunal admits the request for correction of the material error made by the claimant. It corrects the material error crept into the content of paragraph 3 of the operative part of sentence no. 633 / 02.06.2021 pronounced by the Prahova Court, in the sense that it is written: "It obliges the defendant Conpet S.A. to pay to the claimant the amounts of RON 734,747.04 representing the main debit, of RON 579,015.97, representing

dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 until the actual payment of the main debit.”. It admits the request for completion of the decision made by the claimant. It orders the completion of the civil sentence no. 633 / 02.06.2021 in the sense that it also provides: It reduces to RON 70,000 the fee of the claimant's lawyer. It obliges the defendant Conpet S.A. to pay the claimant the following legal expenses: RON 20,347.63 representing judicial stamp duty, RON 4,300 expert fee, RON 8,481.87 expert fee, RON 70 lawyer's fee and RON 1,125 other expenses. It obliges the summoned in guarantee The Romanian State to pay to the defendant Conpet S.A. legal expenses in the amount of RON 16,943. With the right of appeal within 15 days from communication.

Conpet and the Romanian State through the Ministry of Public Finance filed an **appeal** against the substantive decision no. 633 / 02.06.2021.

Conpet filed an appeal against the material error correction decision no. 814/01.07.2021.

Conpet SA also filed a request to correct the material errors in the contents of sentence no. 633 of 02.06.2021 pronounced by the Prahova Court in the file no. 5212/105/2018, device that was the object of correcting the material error pronounced by the court by sentence no. 81 of 01.07.2021. Through the Conclusion of Correction of Material Civil Error, dated 12.09.2022, the Prahova Court admitted the request to correct the material errors of the disposition of the civil sentence no. 633/02.06.2021 and no. 814/01.07.2021, pronounced by the Prahova Court, in the file no. 5212/105/2018, formulated by CONPET SA, against the claimant, FONDUL PROPRIETATEA SA, against the defendant CONPET SA, called as guarantee by the ROMANIAN STATE, through the MINISTRY OF PUBLIC FINANCES. It corrects the material errors in the content of sentences no. 633/02.06.2021 and no. 814/01.07.2021 pronounced by the Prahova Court, in the sense that it is changed: It obliges the defendant Conpet S.A. to pay the claimant the amount of RON 734,747.04 representing the net value of the dividends and RON 579,015.97, representing the legal interest related to the net value of the dividends for the period 26.10.2007-09.11.2018, and the legal interest related to the net value of the dividends from 09.11.2018 and until the actual payment of the main debit.

By the **Decision no. 245/08.12.2022** the Ploiești Court of Appeal admits the exception of the ineligibility of the appeal invoked ex officio. It rejects the appeal as unfounded. Final.

By the **Decision no. 109 of 29.03.2023**, Ploiești Court of Appeal admits the appeals. It changes the entire sentence. It admits the statute of limitations exception and dismisses the claim as statute of limitations. It rejects the warranty claim. It obliges the claimant to pay the defendant RON 16,943 in legal expenses incurred at the trial in the first instance. It obliges the respondent-

claimant to pay the appellant-defendant RON 17,785 in legal expenses in the appeal. Fondul Proprietatea S.A. filed an appeal.

On 14.02.2024 the HCCJ admits in principle the appeal declared by the appellant-claimant FONDUL PROPRIETATEA S.A. against the decision no. 109/29.03.2023, pronounced by the Ploiești Court of Appeal - Civil Division II. It establishes a term for judging the appeal.

**Procedural status of the case:** Appeal – procedure of filtering

**Deadline:** 17.02.2024

## **6. File no. 4395/270/2020 - Onești Courthouse**

**Parties:** Municipality of Onești - claimant

Local Council of Onești Municipality - claimant

Conpet SA - defendant

**Subject matter:** 1657

"1. The obligation of the defendant at the conclusion of the agreement for the exercise of the right of legal easement over the lands with an area of 11,474.5 sq. m., crossed and affected by crude oil transport pipelines within the municipality of Onești, equivalent to the payment of an annual rent, during the existence of the pipelines, to the local budget of Onești municipality, determined according to the principle of the least violation of the property right and calculated taking into account the circulation value of the affected real estate, established under the law, at the time of the damage.

2. The obligation of the defendant to pay material damages, representing the equivalent value of the lack of use for the land in the area of 11,474.5 sq. m. crossed and affected by the crude oil pipelines within the municipality of Onești, established according to the Market Study approved by the Decision of the Local Council no. 199 of 29.11.2018, respectively according to the Updated Market Study approved by the Decision of the Local Council no. 122 of 29.06.2020, calculated starting with 2017 and until the date of concluding the agreement for exercising the right of legal easement over these lands, to which are added late fees, interest and late payment penalties in the amount provided by the Fiscal Procedures Code applicable in this period.

3. The obligation of the defendant to pay the legal expenses of the present proceedings."

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 24.09.2024

## 7. File no. 13053/303/2021 - Bucharest Court

**Parties:** Conpet SA - respondent

Dobrogeanu Păun loan - appellant

**Subject matter:** Dobrogeanu Păun loan files an enforcement appeal against the foreclosure which is the subject of the enforcement file no. 16/2017 – the Bailiff's Office Răduță Nicoleta respectively the conclusion of 23.06.2021 and 25.06.2021 regarding the establishment of additional expenses, garnishment notice of 25.06.2021, address of seizure from 25.06.2021, garnishment notice of 25.06.2021.

**Clarifications:** At the deadline of 25.11.2021, the court decided to suspend the trial of the case until the final settlement of the file no. 17433/303/2020. Resolution of file no. 17433/303/2020 was made on 08.11.2022 by the civil decision no. 2688. At the request of CONPET S.A., the case is pending before the Court again.

By **Sentence no. 3719/25.05.2023** Bucharest District 6 Courthouse admits in part the exception of the lack of passive procedural capacity of the respondent the Bailiff's Office Răduță Nicoleta, respectively only with regard to the appeal filed against the garnishment notices and to the notification of the garnishment notices. It rejects the rest of the exception of the lack of passive procedural quality invoked by the BAILIFF'S OFFICE RĂDUȚĂ NICOLETA, as unfounded. It admits the request in part. It cancels the decisions establishing the enforcement expenses issued on 23.06.2021 and 25.06.2021 in the enforcement file no. 16/2017 instrumented by the BAILIFF'S OFFICE RĂDUȚĂ NICOLETA. It rejects the appeal filed against the garnishment notices and the notification of the garnishment notices formulated in opposition to the BAILIFF'S OFFICE RĂDUȚĂ NICOLETA, as being brought against a person without capacity to pursue the proceedings. It rejects the rest of the request as unfounded and obliges the appellant to pay the BAILIFF'S OFFICE RĂDUȚĂ NICOLETA of the amount of RON 2,784.60 representing expenses caused by the communication of the foreclosure file. Dobrogeanu Păun loan filed an Appeal.

**Procedural status of the case:** Appeal

**Deadline:** 14.03.2024

## 8. File no. 666/317/2022- Târgu Carbunești Courthouse

**Parties:** Baltoi Mariana - claimant

Conpet S.A. -defendant

**Subject matter:** Obliging Conpet to pay the claimant the amount of RON 5,000, established only for the purpose of stamping and which may be increased depending on the conclusions of the expert report, as compensation representing the value of the lack of use related to the land with

an area of 268 square meters for the years 2018 -2022 and further until the file is completed, amount that will be updated on the actual payment date.

**Clarifications:** By the **Closing of the hearing on 25.01.2023**, the court of first instance admitted in principle the request to summon the National Agency for Mineral Resources (N.A.M.R.) made by the defendant CONPET S.A. It orders the design and citation in question of the National Agency for Mineral Resources (N.A.M.R.) as a guarantor. It rejects in principle the request to call in the guarantee of the Romanian State through the Ministry of Public Finances formulated by the defendant CONPET S.A.. With the right to appeal together with the merits.

**Procedural status of the case:** Merits

**Deadline:** 10.03.2024

## **9. File no. 5971/2/2022 - Bucharest Court of Appeal**

**Parties:** OMV Petrom SA-claimant

N.A.M.R. -defendant

CONPET - defendant

**Subject matter:** The court is requested that, through the judgment that will be pronounced, to order:

1. Regarding the Order 229/2021:

1.1. Partial annulment of art. 1 of Order 229/2021 regarding the tariffs established in the Annex 1 and Annex 3 and, accordingly, the Annexes 1 and 3 of Order 229/2021; and by way of consequence

1.2. Obliging NAMR to issue a new order for the approval of transport tariffs through the National System for the transportation of crude oil, gasoline, condensate and ethane for the year 2022, which includes tariffs modified accordingly with regard to tariffs in the COUNTRY (Annex 1) and tariffs in import for refineries in the Ploiești Basin (Annex 3), as a result of the recalculation of the tariffs included in the Order 229/2021 in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of the primary and secondary petroleum and competition legislation, as they are exposed by means of this summons;

2. Regarding Order 53/2008, the partial cancellation of art. 3-8 of the Annex to Order no. 53/2008, as well as obliging NAMR to issue a new order to properly complete the Order no. 53/2008, by reference to the following:

2.1. the method of determining in the Methodology the operating cost lacking transparency and clarity, with regard to (i) its component elements, the structure of each of these elements, not specifically provided for, along with (ii) the cost calculation algorithm of operation by referring to

these elements and (iii) by taking into account only those elements that constitute, by their nature, operating costs, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

**2.2.** the algorithm for determining the modernization quota that does not provide in a specific, clear and transparent manner (i) the effective percentage of the modernization quota, (ii) the basis on which it is applied, (iii) the concrete investments in order to carry out which pay the modernization quota by the beneficiaries of the transport system, (iv) the method of managing the surplus of amounts received as modernization quota and unused until the end of the financial year that were charged for the realization of investments, by taking into account these amounts in the calculation of the modernization quota that the beneficiaries must pay in the following year, by referring to the investments considered within it and such amounts available for investments carried over from previous years, as well as (v) the method of managing the bank interest collected by the holder of the concession agreement as a result of depositing the amounts received as a modernization fee and used by him, in the sense of using interest according to the same destination and taking into account these amounts in the calculation of the modernization quota that the beneficiaries must pay in the following year with this title, so that these secondary normative provisions are aligned with the requirements of art. . 20 of the Petroleum Law;

**2.3.** the algorithm from which does not result in a specific, clear and transparent manner (i) the method of determining the level of the rate of profit considered to be reasonable or (ii) of a profitability interval whose lower and upper limits should be established on the basis of comparative studies, by referring to the practice in the field of other comparable European transport operators, as well as (iii) specific requirements for transparent justification by CONPET of the studies to substantiate any increases in the profitability rates considered in the establishment of transport tariffs, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

**2.4.** the tariff systems that are not currently focused on similar criteria and calculations for the two subsystems they regulate (i.e. the COUNTRY and the IMPORT) that meet the requirements of ensuring equal treatment between the beneficiaries of the public transport service for the two types of subsystems, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

**2.5.** the procedural elements to ensure in a clear, transparent and efficient manner the right of CONPET customers to express their point of view regarding the advanced tariff proposals for approval by CONPET, based on specific documentation made available to them respectively to the revision/update requests of the rates sent by CONPET to N.A.M.R. and related

documentation, as well as to receive a reasoned response from N.A.M.R. regarding the views expressed if they are not taken into account in full or in part by N.A.M.R., so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law and the transparency requirements applicable to the adoption of normative acts in compliance with the general European and national principle of good administration.

**3. Ordering the defendant to pay legal expenses.**

After the communication of the summons request, but before the first court term (17.01.2023) OMV PETROM amended the summons request regarding the first petition of the request asking the court to order:

**1. Regarding Order no. 229/2021:**

Partial annulment of art. 1 of Order 229/2021 regarding the tariffs established in Annex 1 and Annex 3 and, correspondingly, of Annexes 1 and 3 of Order 229/2021 regarding the tariffs for the COUNTRY subsystem and the IMPORT subsystem, within the limit of the amount of the tariffs that will be established as legal as a result of their recalculation in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of the primary and secondary petroleum and competition legislation, as they are submitted through this summons.

2. Regarding Order no. 53/2008: partial cancellation of art. 3-8 of the Annex to Order no. 53/2008, as well as the obligation of N.A.M.R. upon issuing a new order to properly complete Order no. 53/2008, by reference to the following:

2.1. the method of determining in the Methodology the operating cost lacking transparency and clarity, with regard to (i) its component elements, the structure of each of these elements, not specifically provided for, along with (ii) the cost calculation algorithm of operation by referring to these elements and (iii) by taking into account only those elements that constitute, by their nature, operating costs, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

2.2. The algorithm for determining the modernization quota that does not provide in a specific, clear and transparent manner (i) the effective percentage of the modernization quota, (ii) the basis on which it is applied, (iii) the concrete investments in order to carry out pay the modernization quota by the beneficiaries of the transport system, (iv) the method of managing the surplus of amounts collected as modernization quota and unused until the end of the financial year that were charged for the realization of investments, by taking into account these amounts in the calculation of the modernization quota that the beneficiaries must pay in the following year, by referring to the investments considered within it and such amounts available for investments carried over

from previous years, as well as (v) the method of managing the bank interest collected by the holder of the concession agreement as a result of depositing the sums received as a modernization quota and not used by him, in the sense of using the interests according to the same destination and taking into account these sums in the calculation of the modernization quota that the beneficiaries must pay in the following year with this title, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

2.3. The algorithm does not result in a specific, clear and transparent manner (i) the way to determine the level of the rate of profit considered to be reasonable or (ii) of a profitability interval whose lower and upper limits should be established based on comparative studies, by reference to the practice in the field of other comparable European transport operators, as well as (iii) specific requirements for transparent justification by CONPET of studies to substantiate any increases in profitability rates considered in the establishment of transport tariffs, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

2.4. Tariff systems that are not currently focused on similar criteria and calculations for the two subsystems they regulate (i.e. the COUNTRY and the IMPORT) that meet the requirements of ensuring equal treatment between the beneficiaries of the public transport service for the two types of subsystems, so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law;

2.5. Procedural elements to ensure in a clear, transparent and efficient manner the right of CONPET customers to express their point of view regarding advanced tariff proposals for approval by CONPET, based on specific documentation made available to them respectively to requests for revision/update of tariffs sent by CONPET to N.A.M.R. and related documentation, as well as to receive a reasoned response from N.A.M.R. regarding the points of view formulated if they are not taken into account in whole or in part by N.A.M.R. so that these secondary normative provisions are aligned with the requirements of art. 20 of the Petroleum Law and the transparency requirements applicable to the adoption of normative acts in compliance with the general European and national principle of good administration.

3. Ordering the defendant to pay legal expenses.

**Procedural status of the case:** merits

**Deadline:** 09.04.2024

## **10. File no. 1132/241/2022 – Horezu Courthouse**

**Parties:** Podureanu Iordachi – claimant

Conpet SA - defendant

**Subject matter:** Podureanu Iordachi filed a summons request requesting the court that, through the judgment it will pronounce, order the increase of the periodic benefit to which Conpet SA was obliged by the civil sentence no. 337/14.03.2019, in the file no. 2646/241/2017 the decision remained final through manipulation, so that Conpet SA is obliged to pay the amount of RON 2200 as periodic compensation.

**Clarifications:** By the **Sentence no. 20/11.01.2024** the Horezu Courthouse admits the summons request filed by the claimant PODUREANU IORDACHI. It orders the increase of the periodic benefit established in favor of the claimant by the Civil Sentence no. 337/14.03.2019 pronounced by the Horezu Courthouse, which remained final through non-appeal, from the amount of RON 600 per month to the amount of RON 2200 per month, starting from the date of the introduction of the action, namely 27.04.2022, until the end of the state of need. It obliges the defendant company to pay the amount of RON 2,200 /month in favor of the claimant starting from the date of the filing of the action, i.e. 27.04.2022, until the end of the state of need. It obliges the defendant company to pay the claimant legal expenses in the amount of RON 1,000, representing the attorney's fee. With appeal within 30 days of communication.

**Procedural status of the case:** Merits

**Deadline:** --

#### **11. File no. 727/42/2022 – Ploiești Court of Appeal**

**Parties:** Gruia Gheorghe, Vasile Valentin, Dudaș Pavel, Tudorache Marius, Pârvu Valentin, Georgescu Anda, Manda Marin, OMV Petrom SA, SC Conpet SA, Transgaz SA National Gas Transport Company, Amuza Daniel – respondents

Ciobanu Viorel – convicted appellant

**Subject matter:** Appeal in annulment

**Clarifications:** By the **Conclusion of 06.10.2022**, the Ploiești Court of Appeal orders the reunification of the case that forms the subject of the file no. 727/42/2022, to the file no. 2339/120/2022.

**Procedural status of the case:** Appeal in annulment - Appeal

**Deadline:** 03.06.2024

#### **12. File no. 2276/110/2020 – Bacău Court**

**Parties:** Radu Marian – claimant

Radu Elena - claimant

SC E ON Romania S.A., Delgaz Grid S.A., SC Trans gas S.A. Mediaş, SC Bacău Regional Water Company S.A., SC Conpet S.A., The General Secretariat of the Government of Romania - Victoria Palace, The Romanian State - Through the Minister of Public Finance - defendants

**Subject matter:** action in tort liability

**Clarifications:** By the **Conclusion of 13.07.2022**, the Bacău Court ordered the splitting of the request with the subject matter of obliging the defendants to jointly pay a monthly royalty of 5000 euros and the related tax and orders the creation of a separate file in which the claimants will be considered to prove the joint payment of a judicial stamp duty in the amount of RON 6,527.3, established according to the art. 31 paragraph (4) of GEO no. 80/2013, under the penalty of canceling the request as unstamped and pursuant to the art. 200. para. (3) of the Code of Civil Procedure, canceled the action for the remaining claims. With the right of re-examination within 15 days of communication for the cancellation solution.

**Procedural status of the case:** Merits

**Deadline:**--

#### **13. File no. 2072/110/2022 – Bacău Court**

**Parties:** Radu Marian – claimant

Radu Elena - claimant

SC E ON Romania S.A., Delgaz Grid S.A., SC Trans gas S.A. Mediaş, SC Bacău Regional Water Company S.A., SC Conpet S.A., The General Secretariat of the Government of Romania - Victoria Palace, The Romanian State - Through the Minister of Public Finance - defendants

**Subject matter:** Claims. Disjointed file from the file no. 2276/110/2020

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 24.04.2024

#### **14. File no. 11934/212/2022 – Constanţa Courthouse**

**Parties:** Conpet SA – defendant

Top Vision SRL – claimant

Matei Nicolae – claimant

**Subject matter:** Top Vision SRL and Matei Nicolae request the obligation of Conpet SA in the form of compensation for the amount of 13,000 euros, the equivalent in RON from the date of payment, representing damage caused by their own act, respectively for the act caused by the

thing under the defendant's custody, with the obligation the defendant to pay the legal expenses caused by this litigation.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 19.04.2024

#### **15. File no. 4372/105/2022 – Prahova Court**

**Parties:** Conpet SA – defendant

Eurosting AAW Industry S.R.L. claimant

**Subject matter:** Eurosting AAW Industry S.R.L. requests the cancellation of notification no. 14658/29.04.2021 regarding the unilateral termination of the contract for works and design services no. L-CA 252/06.08.2019, the obligation of CONPET to pay Eurosting AAW Industry S.R.L. of the amount of RON 24,395 representing the counter value of the design services related to stage I of the works contract no. L-CA 252 of 06.08.2019. Obliging CONPET to pay legal expenses.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 10.09.2024

#### **16. File no. 7035/2/2022 - Bucharest Court of Appeal**

**Parties:** OMV Petrom SA- claimant

N.A.M.R. -defendant

CONPET - defendant

**Subject matter:** The court is requested that, through the decision that will be pronounced, to order:

1. Partial annulment of the art. 3 of Additional Act no. 2 regarding the tariffs on the COUNTRY subsystem and the IMPORT subsystem charged for the transport services provided by Conpet and established by the Order no. 229/2021, within the limit of the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R.; 2. Partial annulment of the art. 1 and 4 of Additional Act no. 2, 6 and 9, respectively of art. 1 and 3 of Additional Acts 3, 4, 5, 7 and 8 by which the duration of the Transport Contract was extended for the period 01.01.2022 - 31.08.2022 with the application of the new tariffs approved by the Order 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the

Company regarding the tariffs with N.A.M.R. and, as a consequence, 3. The obligation of CONPET to pay to the Company, as compensation as a result of the partial cancellation of the Additional Acts, but also its illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no. 229/2021 and then upon their payment by the Company based on the Additional Acts, of the amounts representing: (i) the difference between the amount of the tariffs provided for in the Additional Act no. 2 to the transport contract, concluded as a result of the new tariffs adopted by the Order 229/2021, paid by the Company in the period 01.01.2022 – 31.08.2022 as a result of the extension of the contractual period through the Additional Acts and the amount of the tariffs that will be established as legal in the result of the administrative litigation proceedings carried out by the Company regarding them with N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference; (ii) the difference between the amount of tariffs paid by the Company for the transport of crude oil, through the COUNTRY subsystem, from the Midia Terminal, and the amount of the tariffs set proportionally, by reference to the COUNTRY and IMPORT tariffs depending on the subsystem actually used for the transport of marine crude oil, updated in depending on the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid: -13,905 tons from the art. 2 letter a) from Additional Act no. 4 for March 2022; -13,171 tons from the art. 2 letter a) from Additional Act no. 5 for April 2022; 13,307 tons from the art. 2 letter a) from Additional Act no. 6 for May 2022; 12,633 tons from the art. 2 letter a) from Additional Act no. 7 for June 2022; -12,072 tons from the art. 2 letter a) from Additional Act no. 8 for July 2022; -12,900 tons from the art. 2 letter a) from Additional Act no. 9 for August 2022; (iii) any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs; 4. Obligation to pay legal expenses.

The claimant OMV PETROM filed a request to change the heads of request no. 2 and 3 of the petition of the introductory action in the sense that, in addition to Additional Acts no. 2 – 9, the Company understands to challenge through this action the last 4 additional documents on the basis of which transport services were provided by Conpet between September and December 2022 for the benefit of the company, as follows:

- Additional act no. 10/23/08/2022
- Additional act no. 11/22/09/2022
- Additional act no. 12/31.10.2022

- Additional act no. 13/22.11.2022

Therefore, considering the request to modify the preliminary action, the claimant OMV PETROM requests the court to order, through the judgment that will be ruled:

1. Partial annulment of art. 3 of Additional Act no. 2 regarding the tariffs on the COUNTRY subsystem and the IMPORT subsystem charged for the transport services provided by Conpet and established by Order no. 229/2021, within the limit of the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R.;
2. Partial annulment of art. 1 and 4 of Additional Act no. 2, 6, 9 and 12 respectively of art. 1 and 3 of Additional Acts 3, 4, 5, 7, 8, 10, 11 and 13 by which the duration of the Transport Contract was extended for the period 01.01.2022 - 31.12.2022 with the application of the new tariffs approved by Order no. 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding the tariffs with N.A.M.R. and consequently,
3. Obliging CONPET to pay the Company, in the form of compensation as a result of the partial cancellation of Additional Acts no. 2 -13, but also of her illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no. 229/2021 and then upon their payment by the Company based on the Additional Acts, of the amounts representing:
  - (i) the difference between the amount of the tariffs provided for in Additional Act no. 2 to the transport contract, concluded as a result of the new tariffs adopted by Order no. 229/2021, paid by the Company in the period 01.01.2022 - 31.12.2022 as a result of the extension of the contractual period through the Additional Acts and the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with the N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference;
  - (ii) the difference between the amount of the tariffs paid by the Company for the transport of crude oil, through the COUNTRY subsystem, from the Midia Terminal, and the amount of the tariffs established proportionally, by reference to the tariffs of COUNTRY and IMPORT according to the subsystem actually used for the transport of marine crude oil, updated in depending on the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid:

-13,905 tons from art. 2 letter a) from Additional Act no. 4 for March 2022;

-13,171 tons from art. 2 letter a) from Additional Act no. 5 for April 2022;  
13,307 tons from art. 2 letter a) from Additional Act no. 6 for May 2022;  
-12,633 tons from art. 2 letter a) from Additional Act no. 7 for June 2022;  
-12,072 tons from art. 2 letter a) from Additional Act no. 8 for July 2022;  
-12,900 tons from art. 2 letter a) from Additional Act no. 9 for August 2022;  
-12,213 tons from art. 2 letter a) from Additional Act no. 10 for September 2022;  
- 12,411 tons from art. 2 letter a) from Additional Act no. 11 for October 2022;  
- 11,836 tons from art. 2 letter a) from Additional Act no. 12 for November 2022;  
- 12,048 tons from art. 2 letter a) from Additional Act no. 13 for December 2022.

(iii) any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

4. Obligation to pay legal expenses.

**Clarifications:** By the **Decision dated 24.05.2023**, the Bucharest Court of Appeal rejects the claimant's request for forfeiture to submit the request to amend claims 2 and 3 of the summons as unfounded. Based on art. 413 paragraph 1 point 1 of the Code of Civil Procedure, it orders the suspension of the trial of the case until the final resolution of the case that is the subject of file no. 5971/2/2022 of the Bucharest Court of Appeal, Section IX of Administrative and Fiscal Litigation. With the right of appeal for the duration of the suspension.

**Procedural status of the case:** Merits - Suspended

**Deadline:** --

## **17. File no. 5262/105/2022 - Ploiești Court of Appeal**

**Parties:** CONPET SA – defendant

SC Petrotel Lukoil SA - defendant

Bulgarian Marius Viorel – claimant

**Subject matter:** Declaratory action. Bulgaru Marius Viorel requests that the court finds that during the period of work at Conpet, the activity carried out by the claimant falls under the 1<sup>st</sup> work group.

**Clarifications:** By the **Sentence no. 1249/14.11.2023** The Prahova Court rejects the action as unfounded. Bulgarian Marius Viorel filed an Appeal.

**Clarifications:**

**Procedural status of the case:** Appeal

**Deadline:** --

## **18. File no. 5074/105/2022 - Prahova Court**

**Parties:** CONPET SA - defendant

Ionescu Aurel - claimant

**Subject matter:** Declaratory action. Ionescu Aurel filed a summons request in which he requested the following from the court:

- To state that in the period 01.04.1992 - 01.04.2001 the claimant was employed and that he actually worked 100% of the work schedule within the sections included in the I work group, IN ACCORDANCE with the Order 50/1990, the Order 100/1990 and of the Order 125/1990;
- Subsidiarily, in the situation where the first head of the claim will be accepted, he requested the court to establish the placement in the I work group and in the period 01.04.2001 - 15.06.2021, the claimant remaining in the same position and under the same working conditions;
- Obliging CONPET to draw up and issue a certificate attesting that the activity provided by the claimant falls under the I work group and the percentage in which he carried out his activity.
- Obliging CONPET to pay the legal expenses caused by this claim.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 11.06.2024

## 19. File no. 3845/204/2023 – Câmpina Courthouse

**Parties:** CONPET S.A. - respondent

Dobrogeanu Dumitru - appellant

**Subject matter:** Appeal against enforcement. Dobrogeanu Dumitru filed a foreclosure appeal against the foreclosure started at the request of the creditor CONPET S.A. and the Petcu Alexandru Bailiff's Office based on the Conclusion no. 509/2022 issued today on 19.04.2023, given without citing the parties and requests:

- Cancellation of the Conclusion no. 509/2022 issued today 19.04.2023 by the Petcu Alexandru Bailiff's Office for payment of a debit in the amount of RON 1,022.70, representing the calculation of the related inflation rate for the period 19.01.2022 - 09.12.2022 for the main debit of RON 6,966.65.
- The cancellation of all expenses that the bailiff established.
- The cancellation of the garnishment notice issued on 19.04.2023 and received at my residence in Băicoi on 24.04.2023.
- Return of enforcement for the amount of RON 576.
- Legal expenses.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 10.04.2023

## **20. File no. 590/42/2022 – Ploiești Court of Appeal**

**Parties:** CONPET S.A. - respondent

Vasile Valentin – convicted appellant

Gruia Gheorghe, Ciobanu Viorel, Dudaș Pavel, Tudorache Marius, Pârvu Valentin, Georgescu Anda, Manda Marin, OMV Petrom S.A., Amuza Daniel, National Gas Transport Society Transgaz S.A. - respondent

**Subject matter:** Formation of an organized criminal group (art. 367 NCP)

**Procedural status of the case:** Appeal

**Clarifications:** By the **Conclusion of 04.05.2023**, the Ploiești Court of Appeal puts the file back on pending for the Romanian Constitutional Court to rule on the constitutional challenge of the provisions of art. 426 letter b) of the Code of Civil Procedure, in the interpretation given by the High Court of Cassation and Justice-Complete for resolving some legal issues, by the Decision no. 67/25.10.2022, in the sense that "the court that resolves the annulment appeal, based on the effects of the decisions of the Constitutional Court no. 297 of April 26, 2018 and no. 358 of May 26, 2022, cannot reanalyze the prescription of criminal liability, if the appeals court debated and analyzed the incidence of this cause of termination of the criminal process during the process prior to this last decision".

**Deadline:** 29.04.2024

## **21. File no. 4829/121/2022 – Galati Court**

**Parties:** CONPET S.A. - respondent

Diaconu Sorin Daniel – appellant

**Subject matter:** Appeal against the Sanctioning Decision no. 785/06.12.2022 – disciplinary termination of the individual employment contract no. 74/24.05.1993

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 03.04.2024

## **22. File no. 4988/2/2023 - Bucharest Court of Appeal**

**Parties:** CONPET – defendant

N.A.M.R. -defendant

OMV Petrom SA- claimant

**Subject matter:** The court is requested that, through the decision that will be pronounced, it orders:

1. The partial annulment of art. 1 and art. 3 of the Additional Acts no. 10, no. 11 and no. 13, respectively of art. 1 and 4 of the Additional Act no. 12, by which the duration of the transport contract was extended for the period 01.09.2022 - 31.12.2022 with the application of the new tariffs approved by the Order 229/2021, within the limit of the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding tariffs with N.A.M.R. M and, as a consequence,
2. Obliging CONPET to pay the Company, by way of compensation as a result of the partial cancellation of the Additional Acts no. 10-13, but also of its illegal act of providing erroneous data that formed the basis of the tariff development process by N.A.M.R. based on the Order no. 229/2021 and then upon their payment by the Company based on the Additional Acts, of the amounts representing:
  - i. the difference between the amount of the tariffs provided for in the Additional Act no. 2 to the transport contract, concluded as a result of the new tariffs adopted by the Order 229/2021, paid by the Company in the period 01.09.2022 - 31.12.2022, as a result of the extension of the contractual period by the Additional Acts no. 10-13 and the amount of the tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with N.A.M.R., updated according to the inflation index, as well as the related legal interest calculated from the date of payment of the tariff difference;
  - ii. the difference between the amount of tariffs paid by the Company for the transport of crude oil, through the COUNTRY subsystem, from the Midia Terminal, and the amount of the tariffs established proportionally, by reference to the COUNTRY and IMPORT tariffs according to the subsystem actually used for the transport of marine crude oil, updated according to the index of inflation, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid:
    - 12,213 tons from art. 2 letter a) from the Additional Act no. 10 for September 2022;
    - 12,411 tons from art. 2 letter a) from the Additional Act no. 11 for October 2022;
    - 11,836 tons from art. 2 letter a) from the Additional Act no. 12 for November 2022;
    - 12,048 tons from art. 2 letter a) from the Additional Act no. 13 for December 2022.

iii. any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

3. Ordering the defendants to pay legal expenses.

**Clarifications:** By the **Conclusion of 15.11.2023**, the Bucharest Court of Appeal ordered the suspension of the trial of this case until the final resolution of the case which is the subject matter of the file no. 7035/2/2022 of the Bucharest Court of Appeal. With the right of appeal for the entire duration of the suspension, which is submitted to the Bucharest Court of Appeal.

**Procedural status of the case:** Merits - Suspended

**Deadline:** --

### **23. File no. 5559/2/2023 - Bucharest Court of Appeal**

**Parties:** CONPET - defendant

N.A.M.R. -defendant

OMV Petrom SA-claimant

**Subject matter:** The court is requested that, by the judgment that will be pronounced, it orders:

1. The partial annulment of art. 1 of the Order no. 364/2022 regarding the tariffs established in Annex 1 and Annex 3 and, accordingly, Annexes 1 and 3 of the Order no. 364/2022, regarding the tariffs for the COUNTRY subsystem and the IMPORT subsystem, within the limit of the amount of tariffs that will be established as legal as a result of their recalculation in a transparent and non-discriminatory manner, in accordance with the constitutional provisions and those of the legislation primary and secondary oil and competition, as they are exposed through the present summons;

2. Ordering the defendants to pay legal expenses.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 18.04.2024

### **24. File no. 7685/315/2023 – Târgoviște Courthouse**

**Parties:** Conpet SA – respondent

Georgescu Anda - appellant

**Subject matter:** Appeal against enforcement. Georgescu Anda filed an appeal against the foreclosure against the Summons dated July 19, 2023 issued in the execution file no. 65/2022 of the Bailiff's Office Petrov Sergiu Alexandru and requests:

- Cancellation of the Summons dated July 19, 2023 and the bailiff's fee in the amount of RON 2,590, issued in the execution file no. 65/2022
- Legal expenses.

**Procedural status of the case:** Merits

**Clarifications:** --

**Deadline:** 02.04.2024

## **25. File no. 19571/233/2023 – Galati Courthouse**

**Parties:** Conpet SA – respondent

Drăgan Gheorghe – appellant

**Subject matter:** Appeal against enforcement. Drăgan Gheorghe filed an appeal requesting the court:

1. To find that the right to request foreclosure based on the enforceable title has been prescribed – the Criminal sentence no. 212/29.11.2013 pronounced in the file no. 2037/116/2013 of the Calarasi Court approved by the Decision no. 480/1/03.12.2015, based on art. 706 of 1 of the Code of Civil Procedure and by way of consequence, to order the cancellation of the foreclosure and of all the execution acts carried out in the execution file no. 480/VVI/2015 registered on behalf of BEJA Tudorie Stefan&Vicentiu Vasiliu, pursuant to art. 703 of the Code of Civil Procedure.
2. To find that the foreclosure started in the execution file no. 480/VVI/2015 registered on behalf of BEJA Tudorie Stefan&Vicentiu Vasiliu is obsolete.
3. Obligation of the creditor CONPET S.A. to the payment of the legal expenses caused by this litigation

**Procedural status of the case:** Merits

**Clarifications:** --

**Deadline:** 14.05.2024

## **26. File no. 22795/281/2023 – Ploiesti Courthouse**

**Parties:** Conpet SA – defendant

Andex Import Export – claimant

**Subject matter:** The claimant Andex Import Export SRL filed an application for damages with the defendant CONPET SA, requesting the court that, by the judgment it will pronounce, order the defendant to pay the claimant the amount of RON 22,704.89 with legal expenses occurred in this file.

**Clarifications:** By the **Conclusion of 27.11.2023**, the Ploiești Courthouse cancels the summons request. Andex Import Export filed a request for re-examination, which was the subject matter of the file no. 22795/281/2023/a1 pending before the Ploiești Courthouse.

By the **Conclusion no. 118/18.01.2024** pronounced in the file no. 22795/281/2023/a1 the Ploiești Courthouse admits the request made by the claimant Andex Import Export S.R.L.. It rectifies the decision of cancellation of the request ordered by the Conclusion of 27.11.2023, pronounced in the file no. 22795/281/2023 and orders the submission of the file to the initially invested panel with the resolution of the application. Final.

**Procedural status of the case:** Merits

**Deadline:** --

## **27. File no. 8213/2/2023 - Bucharest Court of Appeal**

**Parties:** CONPET - defendant

N.A.M.R. -defendant

OMV Petrom SA-claimant

**Subject matter:** The court is requested that, by the judgment that will be pronounced, it orders:

1. The partial annulment of art. 1 and art. 3 of the Additional Act no. 14, of art. 1 and 4 of the Additional Acts no. 15, no. 16, no. 17, respectively of art. 1 and 5 of the Additional Act no. 18 by which the duration of the Transport Contract was successively extended for the period 01.01.2023 - 31.12.2023, with the application of the new tariffs mentioned in the Notification no. 811/06, 01.2023 sent by Conpet regarding the change in transport tariffs through the National System for the Transport of Crude Oil, Gasoline, Condensate and Ethane ("SNT") starting from January 1, 2023, based on the Order 364/2022 (Annex 4), within the limit of the amount of the tariffs that will be established as legal as a result of the administration of evidence from this case;

2. The partial annulment of art. 2 of the Additional Acts no. 14-18 in the sense of:

i. the elimination of the quantities of 5-417 tons mentioned in the content of art. 2 letter a) from the Additional Act no. 14 for the period January 1-15, 2023 that were transported from the Midia Terminal from the quantities transported through the COUNTRY subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the IMPORT subsystem;

ii. the elimination of the quantities of 15,061 tons from art. 2 letter a) from the Additional Act no. 15 for the period January 16 - February 28, 2023 transported from the Midia Terminal from the quantities transported through the COUNTRY subsystem and the inclusion of the first quantities

in those in point b) of the same article regarding the quantities transported through the IMPORT subsystem;

iii. the elimination of the quantities of 40,859 tons from art. 2 letter a) from the Additional Act no. 16 for the period March 1 - June 30, 2023 transported from the Midia Terminal from the quantities transported through the COUNTRY subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the IMPORT subsystem;

iv. the elimination of the quantities of 28,811 tons mentioned in the content of art. 2 letter a) from the Additional Act no. 17 for the period July 1 - September 30, 2023 transported from the Midia Terminal from the quantities transported through the COUNTRY subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the IMPORT subsystem;

v. the elimination of the quantities of 28,898 tons mentioned in the content of art. 2 letter a) from the Additional Act no. 18 for the period October 1 - December 31, 2023 transported from the Midia Terminal from the quantities transported through the COUNTRY subsystem and the inclusion of the first quantities in those in point b) of the same article regarding the quantities transported through the IMPORT subsystem;

3. Obliging Conpet to pay the Company, in the form of compensation - as a result of the partial cancellation of the Additional Acts, but also of its illegal act of providing erroneous data that was the basis of the tariff development process by N.A.M.R. based on the Order no. 364/2022 and then upon their payment by the Company based on the Additional Acts, of the amounts representing:

i. the difference between the amount of the tariffs provided for in the Additional Acts no. 14 -18 to the Transport Contract concluded as a result of the new tariffs adopted by the Order no. 364/2022, paid by the Company in the period 01.01.2023 - 31.12.2023 and the amount of tariffs that will be established as legal following the administrative litigation proceedings carried out by the Company regarding them with N.A.M.R., updated according to the inflation index, as and the related legal interest calculated from the date of payment of the tariff difference;

ii. the difference between the amount of tariffs paid by the Company for the transport of crude oil, through the COUNTRY subsystem, from the Midia Terminal, and the amount of the tariffs set proportionally, by reference to the COUNTRY and IMPORT tariffs according to the subsystem actually used for the transport of marine crude oil, updated according to the index of inflation, as well as the related legal interest calculated from the date of payment of the tariff difference, for the following quantities transported from the Midia Terminal and for which the tariff for the COUNTRY subsystem was illegally calculated and paid:

- 5417 tons from art. 2 letter a) from the Additional Act no. 14 for the period January 1 - 15, 2023;
- 15,061 tons from art. 2 letter a) from the Additional Act no. 15 for the period January 16- February 28, 2023;
- 40,859 tons from art. 2 letter a) from the Additional Act no. 16 for the period March 1 - June 30, 2023;
- 28,811 tons from art. 2 letter a) from the Additional Act no. 17 for the period July 1 - September 30, 2023;
- 28,898 tons from art. 2 letter a) from the Additional Act no. 18 for the period October 1- December 31, 2023;

iii. any other amounts representing natural fruits that Conpet acquired or could have acquired in connection with the amounts illegally charged from the Company based on the tariffs;

4. Ordering the defendants to pay legal expenses.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** --

**c) The list of files pending before Courts on 13.03.2024 in which the company CONPET S.A. has double status**

**1. File no. 378/105/2007 - Prahova Court**

**Parties:** Conpet S.A. - claimant-defendant

Petroconduct S.A. – defendant - counterclaimant

**Subject matter:** Conpet S.A. requests the obligation of the defendant Petroconduct S.A. Ploiesti at:

- payment of the amount of RON 80,548.49 representing penalties for non-execution on time of the obligations assumed by the contract no. L 45/18.03.2004 and the contract no. M 59/9.06.2004
- delivery of the tubular material composed of China steel pipe in the quantity of 504 in the amount of EUR 21,344.4 and China steel pipe in the quantity of 96 m in the amount of EUR 4,366.08 or upon payment to our company of its equivalent value, i.e. the amount of RON 89,291.50.
- payment of the amount of RON 20,626 representing transport, loading, unloading expenses for the tubular material
- payment of the legal expenses in the amount of RON 5,062.24, of which RON 5,057.24 judicial stamp duty and RON 5.00 judicial stamp as well as other legal expenses that we will incur in this proceedings.

Petroconduct S.A. filed a counterclaim requesting the obligation of Conpet SA to pay the amount of RON 46,214.01, representing the equivalent value of the works executed by it based on the works execution contracts no. L 45/18.03.2004 and no. MST 09/09.06.2004, in favor of the beneficiary Conpet SA.

**Clarifications:** On 22.02.2010, based on the art. 36 of Law no. 85/2006, the court ordered the suspension of the case.

By the **Decision no. 111/09.05.2023** The Prahova Court admits the exception to the obsolescence of the request, invoked ex officio. The claim is found to be obsolete.

Conpet S.A. filed an appeal.

By the **Decision no. 114/14.09.2023** The Ploiesti Court of Appeal admits the appeal. It quashes the sentence and sends the case to continue the trial at the substantive court. Irrevocable.

By the **Decision no. 74/07.02.2024** The Prahova Court admits the exception of the defendant-claimant's lack of procedural capacity, invoked by the claimant-defendant. It cancels the summons request for the lack of procedural capacity of the defendant-claimant. It accepts the exception of the defendant-claimant's lack of procedural capacity in formulating the counterclaim, invoked ex officio. It cancels the counterclaim for the lack of procedural capacity of the defendant-claimant. It rejects the impleader as having become devoid of purpose. With appeal after communication.

**Procedural status of the case:** Appeal – retrial - obsolescence

**Deadline:** --

## **2. File no. 1372/212/2017\* - Constanța Court of Appeal**

**Parties:** Conpet SA – defendant - counterclaimant

Cruceanu Alin Florinel - claimant-defendant

**Subject matter:** Cruceanu Alin Florinel filed a request for a summons requesting the court to order:

- the obligation of Conpet SA to pay compensations equal to the market value of the land building with an area of 460 sq. m. located in Lazu commune, Luceafărului street no. 29, Constanța county and of the land building with an area of 460 sq. m. located in Lazu commune, Luceafărului street no. 31, Constanța county, the equivalent value estimated at EUR 30,000, the equivalent in RON 134,700;
- the obligation of Conpet SA to pay the equivalent value of the lack of land use in the form of an annual rent for the last three years;
- the obligation of Conpet SA to pay the legal expenses of settling the present request.

The claimant subsequently set out his action on the second head of claim, claiming that the court should:

- order Conpet SA to pay the amount representing the non-use of the two land buildings for the period between 10.12.2015 and the date of finality of the decision by which the first head of the claim was admitted.

The lack of use was provisionally assessed for stamping in the amount of RON 5,000.

Conpet filed a counterclaim requesting:

- The obligation on the claimant to allow Conpet S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the two lands owned by the claimant Cruceanu Alin Florinel, located in Agigea commune, Lazu village, Luceafărului street no. 29 and 31, respectively, Constanța County. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along the main crude oil transport pipeline Ø 20 " Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and execution of any repair works.

- Establishing the amount of the annual rent provided by law owed by us to the claimant in exchange for exercising the right of legal easement.

Conpet also filed an impleader request with the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) that if Conpet S.A. Ploiești will fall into claims regarding the claimants' claims made in the summons to compensate us with the amounts we will be obliged to pay to the claimants.

**Clarifications:** By the Civil Sentence no. 8561 / 14.07.2021 the Constanța Courthouse rejects, as unfounded, the pleas of the lack of passive procedural quality regarding the defendants CONPET SA, the ROMANIAN STATE THROUGH THE MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES AND THE MINISTRY OF ENERGY. It rejects as unfounded the pleas of the lack of passive procedural quality regarding the impleaders the MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES. It admits the request formulated by the claimant CRUCEANU ALIN FLORINEL, against the defendants CONPET SA, THE ROMANIAN STATE THROUGH THE MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES AND THE MINISTRY OF ENERGY. It obliges the defendants, jointly and severally, to pay to the claimant the amount of RON 184,700 representing the market value of the land building with an area of 460 sq m located in Lazu Commune, 29 Luceafărul Street, Constanța County and the market value of the land building with an area of 460 sq m located in Lazu Commune, 31 Luceafărul Street, Constanța county. It obliges the defendants, jointly and severally, to pay to the claimant the amount of RON

22,164 representing the equivalent value of the lack of land use between 10.12.2015 -10.12.2018. It rejects, as unfounded, the request for impleader formulated by CONPET SA against THE MINISTRY OF PUBLIC FINANCE. It rejects, as unfounded, the request for impleader made by CONPET SA against the NATIONAL AGENCY FOR MINERAL RESOURCES. It rejects, as unfounded, the counterclaim formulated by CONPET SA against CRUCEANU ALIN FLORINEL. It obliges the defendants jointly and severally to pay to the claimant the legal expenses in the amount of RON 8414.28 represented by the stamp duty and the expert's fee.

Conpet, N.A.M.R., the Romanian State through the Ministry of Public Finance and Cruceanu Alin filed an appeal.

By the **Conclusion no. 1548 / 07.10.2021**, the Constanta Court admits the motion to dismiss for lack of jurisdiction of the Civil Section I of the Constanta Court. It declines the jurisdiction to settle the appeal in favor of the Second Civil Section of the Constanța Court. No appeal.

By the **Decision no. 1003 of 08.07.2022**, the Court rejects, as unfounded, the appeal filed by the appellant CRUCEANU ALIN-FLORINEL in opposition to the defendants CONPET S.A., the ROMANIAN STATE through the MINISTRY OF PUBLIC FINANCE, THE NATIONAL AGENCY FOR MINERAL RESOURCES and the MINISTRY OF ENERGY, against the Civil Sentence no. 8561/14.07.2021, pronounced by the Constanța Court in the File no. 1372/212/2017. It admits the appeal filed by the appellants: the NATIONAL AGENCY FOR MINERAL RESOURCES, the ROMANIAN STATE through the MINISTRY OF PUBLIC FINANCES through the REGIONAL DIRECTORATE OF PUBLIC FINANCES GALAȚI – the COUNTY ADMINISTRATION OF PUBLIC FINANCES CONSTANȚA and CONPET S.A. It changes in part the Civil Sentence 8561/14.07.2021, pronounced by the Constanța Courthouse in the File no. 1372/212/2017, as follows: It admits the exception of the lack of passive procedural capacity of the defendants, the NATIONAL AGENCY FOR MINERAL RESOURCES and the ROMANIAN STATE through the MINISTRY OF PUBLIC FINANCE - regarding the summons request. It rejects the summons request filed by the claimant CRUCEANU ALIN-FLORINEL in contradiction with the defendants THE ROMANIAN STATE through the MINISTRY OF PUBLIC FINANCES and the NATIONAL AGENCY FOR MINERAL RESOURCES, as being filed against persons without passive procedural status. It rejects, as unfounded, the summons request filed by the claimant CRUCEANU ALIN-FLORINEL in opposition to CONPET S.A. It rejects, as having become devoid of purpose, the impleader formulated by the defendant CONPET S.A. in contradiction with the NATIONAL AGENCY FOR MINERAL RESOURCES and the ROMANIAN STATE through the MINISTRY OF PUBLIC FINANCE. It admits the counterclaim filed by the defendant CONPET S.A. contrary to the claimant CRUCEANU ALIN-FLORINEL. It establishes in favor of CONPET

S.A. an easement right in a total area of 81 square meters on the claimant's lands located in Lazu Commune, Luceafărului street no. 29 and in Lazu Commune, Luceafărului street no. 31, consisting of the right of use over an area of 2.4 meters wide placed along the crude oil pipeline that undercuts the claimant's land, as identified by the expert Datcu Dumitru through the Annex to the Response to objections (f.229 vol. 2 from the file of the Constanța Courthouse) - blue hatch. It establishes the annual rent owed by the defendant to the claimant in the amount of RON 693. It forces the claimant Cruceanu Alin Florinel to pay the defendant CONPET S.A. the amount of RON 3853.75 as legal expenses, representing: RON 1704 judicial stamp duty paid to the merits, RON 649.75 judicial fee for the appeal, RON 500 topographic expert's fee and RON 1000 lei agricultural expert's fee.

The claimant Cruceanu Alin Florinel filed an appeal.

By the Conclusion no. 23/22.03.2023 The Constanța Court of Appeal admits the exception of material procedural (functional) incompetence of the II civil division for insolvency and litigation with professionals and companies of the Constanța Court of Appeal. It declines the jurisdiction to resolve the case in favor of the civil division I of the Constanța Court of Appeal.

By the Conclusion no. 86/10.05.2023 the Constanța Court of Appeal admits the motion to dismiss for lack of jurisdiction of the Civil Division I of the Constanța Court of Appeal in resolving the appeal. It declines the jurisdiction to resolve the appeal in favor of the Civil Division II of the Constanța Court of Appeal. It finds that there is a negative conflict of jurisdiction.

It suspends the judgment of the case ex officio and orders the submission of the file to the High Court of Cassation and Justice in order to resolve the negative conflict of jurisdiction.

By the Decision no. 1833 of 26.10.2023, the HCCJ establishes the competence to settle the case in favor of the Constanța Court of Appeal, Civil Division II, for insolvency and litigation with professionals and companies. Final.

**Procedural status of the case:** Appeal

**Deadline:** --

### **3. File no. 18344/212/2017 - Constanța Court**

**Parties:** Conpet SA – defendant - counterclaimant

Mitu Dumitru – claimant - defendant

Mitu Rodica – claimant - defendant

**Subject matter:** Obligation to do. Mitu Dumitru and Mitu Rodica file a summons requesting Conpet's obligation to pay compensations for the two plots of land with an area of 4,972 sq. m. and 4,977 sq. m. respectively located in Lazu village, Agigea commune, Constanța county

affected by the route of some pipelines transporting petroleum products, as well as obliging the defendant to pay an annual rent for the lack of use on the land affected by the exercise of the right of legal easement , starting with 20.06.2014 and compensations in the form of an annual payment for affecting the use of part of the land on which the pipeline is not located, with the obligation to pay the legal expenses.

The claimants assessed the claims brought before the court in the amount of RON 10,000 in order to stamp the request, showing that after establishing the values by the expertise that they will administer in the case, to pay the difference of judicial fee.

Conpet filed a counterclaim requesting the court:

1. To order the claimants to allow Conpet S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the two plots of land owned by the claimants. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along the main crude oil transport pipeline F2 Ø 20 " Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and execution of possible repair works.
2. To establish the amount of the annual rent provided by law due by Conpet to the claimants in exchange for exercising the right of legal easement.

Conpet also filed an impleader request with the Ministry of Public Finance and the National Agency for Mineral Resources (N.A.M.R.) that if Conpet S.A. Ploiești will fall into claims regarding the claimants' claims made in the summons to compensate us with the amounts we will be obliged to pay to the claimants.

**Clarifications:** By the **Civil Sentence no. 3555/11.04.2023**, the Constanța Courthouse rejects as unfounded the exception of the lack of passive procedural capacity of the defendant CONPET S.A. invoked by response. It rejects as unfounded the exception of the lack of passive procedural capacity of the impleader THE ROMANIAN STATE THROUGH THE MINISTRY OF PUBLIC FINANCES THROUGH THE GALATI REGIONAL DIRECTORATE OF PUBLIC FINANCES - CONSTANȚA COUNTY ADMINISTRATION OF PUBLIC FINANCES, invoked by the response submitted to the impleader. It rejects as unfounded the exception of the defendant's lack of passive procedural capacity, THE NATIONAL AGENCY FOR MINERAL RESOURCES. It rejects as unfounded the exception of the lack of passive procedural capacity of the defendant MINISTRY OF ENERGY, invoked in the response. **It rejects the summons request as unfounded. It rejects the impleader as having become devoid of purpose. It admits the counterclaim filed by the counterclaim defendant CONPET S.A.** It compels the claimants Mitu Dumitru and Mitu Rodica to allow the company CONPET S.A. the exercise of the right of legal easement established

by the provisions of art. 7 et seq. from Law no. 238/2004 on the two plots of land owned by the claimants MITU DUMITRU and MITU RODICA, located in the village of Lazu, Agigea commune, Constanța County - plot A504/6/42 from the soil and plot A504/6/43. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along the main crude oil transport pipeline F2 0 20 " Constanța-Bărăganu for the purpose of permanent access to the pipeline in order to check the condition of the pipeline daily and the execution of any repair works. It establishes the amount of the annual rent owed to the claimants in exchange for the exercise of the right of legal easement in the amount of RON 81, which will be updated annually with the inflation rate. It obliges the claimants to pay to the counter-defendant CONPET S.A. the sum of RON 3,350, with title of legal expenses.

Mitu Cosmin, Mitu Ionuț and Mitu Rodica filed an appeal.

By the **Decision no. 284/11.03.2024** The Constanța Court rejects the appeal as unfounded. With the right of appeal after communication.

**Procedural status of the case:** Appeal

**Deadline:** --

#### **4. File no. 2323/120/2018 – High Court of Cassation and Justice**

**Parties:** Conpet SA - defendant - counterclaimant

Buzatu Florin - claimant - defendant

**Subject matter:** Buzatu Florin files a request for a summons requesting the court:

1. To oblige the defendant Conpet SA to pay the claimant the amount of EUR 150,000, payable at the NBR exchange rate on the day of payment (amount to be revalued on completion of the real estate assessment expertise report to be carried out in the probation case, to be resized and specified the value of the claims, corroborated with the appropriate adjustment of stamp duties), representing fair and equitable compensation for the damage suffered by restricting the possibility of exercising its property right over the land area of 5980 sq. m. located in the built-up area of Slobozia Moară locality, Dâmbovița county, with cadastral number 70618, registered in the land book 70618 / ATU Slobozia Moară Dâmbovița county, on which are the underground gas pipelines and above-ground devices owned by the defendant, a land which cannot be used for building;
2. To oblige the defendant Conpet SA to pay a monthly indemnity of EUR 1,000 payable at the NBR exchange rate on the day of payment, starting with the date of the sentence, throughout the existence of underground pipelines and above-ground devices, buildings on the land owned by

the claimant and to bear all the costs incurred by the claimant for the stages prior to the construction permit;

3. In the alternative, claims that the defendant should erect all the buildings built on the claimant's property, namely the gas pipelines and the above-ground devices, to restore the land to its original condition or to enable the claimant to carry out the obligation to do so, at the defendant's sole expense;
4. To order the defendant Conpet SA to pay the legal expenses incurred in the present legal proceedings.

Conpet filed a counterclaim requesting the obligation of the claimants to allow our company to exercise the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 and the establishment of the amount of the annual rent provided by law due by Conpet to the claimants in exchange for exercising the right of legal easement.

**Clarifications:** By the **Decision 602 / 10.03.2022** the Dâmbovița Court rejects the exception of the lack of passive procedural capacity of the defendant-claimant Conpet S.A. as regards the claims for compensation and indemnity raised by it. It admits the claimant Conpet S.A.'s lack of passive procedural capacity as regards the head of claim concerning the obligation to raise the above-ground pipes and devices and to restore the land to its original condition or to empower the applicant to do so, invoked by it and consequently rejects that head of claim in contradiction with the defendant-claimant Conpet S.A. as being formulated against a person without passive procedural capacity. It admits in part the summons. It admits in part the counterclaim. It obliges the defendant claimant to demolish the construction without authorization (foundation) existing on the land belonging to him, with no. cadastral 70618, registered in the land book no. 70618 of the Slobozia Moară ATU, Dâmbovița county, identified according to the sketch drawn up in the expertise report in the topography specialty dated 04.11.2019 (f. 300 vol. I). It establishes the amount of the annual rent due by the claimant defendant to the defendant claimant for exercising the right of legal easement on the land with an area of 890 sq m related to crude oil pipelines O 143/4 and O 123/4, identified according to the sketch prepared in the expertise report of 02.11.2019 (f. 357 vol. I), at the amount of RON 284.8 and obliges the claimant defendant to pay it to the defendant claimant starting with the date of the finality of the present sentence. It dismisses the remainder of the action and the counterclaim. It rejects the request to show the right holder formulated by the claimant defendant in contradiction with the Romanian State, through the Ministry of Public Finance and the National Agency for Mineral Resources. It orders the refund to the claimant defendant of the stamp duty paid and not owed in the amount of RON 1,143.4. It compensates the expenses up to the amount of RON 1,172.7 and obliges the

defendant claimant to pay to the claimant defendant the uncompensated difference of RON 836 legal expenses.

Buzatu Florin filed an appeal.

By the **Decision no. 482/09.03.2023** The Ploiesti Court of Appeal rejects the appeal as unfounded.

Buzatu Florin filed an appeal.

**Procedural status of the case:** Appeal – procedure of filtering

**Deadline:** --

## 5. File no. 1657/91/2020\* - Vrancea Court

**Parties:** Vasile Maria Ilaria - at S.C.P.A. Buruian, Caracaş and Associates - Claimant

Dragu Georgeta - the S.C.P.A. Buruian, Caracaş and Associates - Claimant

Conpet SA Ploieşti - Defendant

Romanian State - through the Ministry of Public Finance - Defendant

National Agency for Mineral Resources - Defendant

**Subject matter:** By their summons, the claimants Vasile Maria-Ilaria and Dragu Georgeta requested to the court (we copy the petition for the summons) to:

*A. In particular, order the defendant to pay an annual rent of EUR 496.64 for the protection area of the pipeline belonging to the defendant and which crosses the building privately owned by the undersigned, as of the date of registration of this summons;*

*B. In particular, order the defendant to pay a lump sum of EUR 508,080 in respect of the attribution of the use of the property according to its intended purpose, namely that the undersigned may not build buildings on the privately owned building;*

*C. In particular, order the defendant to pay legal interest on the annual rent provided for in point A, from the date of registration of the present summons;*

*D. In particular, order the defendant to pay legal interest for the lump sum compensation provided for in point B, from the date of registration of the present summons;*

*E. In the alternative, we request you to order the other two defendants to pay the amounts indicated in the preceding paragraphs."*

Conpet filed a counterclaim in this case, requesting the court:

*1. To order the claimants Vasile Maria - Ilaria, Dragu Georgeta and Dragu Maria to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by them, located in Focşani city, Vrancea County. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along*

*the crude oil transport pipeline Ø 20" Bărăganu - Borzești / Rafo Onești, for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and the execution of accidental and planned repair works. The exercise of the right of easement is to be carried out throughout the existence of the pipeline located on the claimants' land but not later than the date of termination of the oil concession agreement concluded by us, the undersigned CONPET S.A., with the Romanian State.*

*2. To establish the amount of the annual rent provided by law due by us, the undersigned CONPET SA, to the claimants Vasile Maria - Ilaria, Dragu Georgeta and Dragu Maria in exchange for exercising the right of legal easement, rent consisting in the equivalent value of the annual land use affected by the exercise of the legal easement.*

**Clarifications:** By the **Conclusion no. 71 / 09.03.2021** the competence to settle the case is declined in favor of the Civil Division II of Administrative and Fiscal of the Vrancea Court. No appeal. Thus, the file no. 1657/91/2020\* has been created.

**Procedural status of the case:** Merits

**Deadline:** 19.03.2024

## **6. File no. 220/262/2017 \* - Ploiești Court of Appeal**

**Parties:** Conpet SA - defendant

Chivu Ion - claimant

**Subject matter:** Chivu Ion filed a request for a summons requesting the court to order:

- obliging Conpet SA to move the oil pipeline that crosses the land owned by him, with an area of 1,753 sq. m. located in the commune of Ocnița T14, P114;
- establishing the access location with the obligation of Conpet SA to pay an afferent annual rent both for the access road and for the pipeline that causes damage to the land;
- compensations for the land affected by the pipeline.

The claimant assessed his claims provisionally at the amount of RON 45,540 / year x 3 years (RON 136,620).

Conpet filed a counterclaim requesting the court to:

- Order the claimant CHIVU ION to completely dismantle the existing construction (concrete foundation) located on the crude oil pipeline Ø 6 5/8 "Ochiuri - Moreni, which under-crosses the land owned by him, located in Ocnița, T 14, p114, cadastral no. 159 Land book no. 70441 Dâmbovița county. This construction was carried out without authorization, and Ocnița City Hall ordered the works to be stopped.

- To oblige the claimant to allow the company CONPET SA to exercise the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by the claimant Chivu Ion located in Ocnița commune, T 14, p114, cadastral no. 159 Land book no. 70441 Dâmbovița county. The exercise of the right of legal easement is to be carried out on a 2.4 meter wide corridor located along the crude oil transport pipeline Ø 6 5/8 "Ochiuri - Moreni that under-crosses the claimant's land, in order to have permanent access to the pipeline in order to daily check the condition of the pipe and perform any repair works.

- To establish the amount of the annual rent provided by law due by us to the claimant in exchange for exercising the right of legal easement, starting with the date of finality of the decision by which the claimant is obliged to allow the company CONPET SA to exercise the right of legal easement. Conpet filed a request to show the owner of the property right over the transport pipeline that under-crosses the land owned by the claimant Chivu, introducing the Romanian state in question through the Ministry of Finance and N.A.M.R.

Conpet filed a request to increase the amount, requesting the court to oblige the claimants to demolish the constructions (concrete platforms) built in the protection and safety area of the pipeline.

**Clarifications:** By the **sentence no. 1000/05.11.2019** the Moreni Courthouse partially admits the main request. It admits in part the counterclaim. The decision was appealed by Conpet SA and Chivu Ion.

By the **Decision no. 223/02.06.2020**, the Dâmbovița Court rejects the appeal filed by the Romanian State through the Ministry of Public Finance-General Regional Directorate of Public Finance Ploiești against the Conclusion of 5.04.2019. It admits the appeals exercised against the civil sentence no. 1000/5.11.2019 pronounced by the Moreni Courthouse in the file no. 1220/262/2017. It annuls the sentence under appeal and remits the case for retrial to the first instance.

By the **Decision 694 / 06.10.2022**, the Moreni Courthouse:

It rejects, as unfounded, the exception of the lack of passive procedural capacity of the defendant, the claimant, CONPET S.A. as regards the heads of claim for compensation and rent, invoked by it,

It admits the exception of the lack of passive procedural capacity of the defendant claimant CONPET S.A. regarding the claim regarding the diversion of the oil pipeline, and, consequently, rejects this claim contrary to the defendant claimant Conpet S.A. as having been formulated against a person without passive procedural standing,

It admits the request to show the right holder made by the defendant-claimant CONPET S.A. with regard to claim no. 1 (concerning the diversion of the pipeline) regarding the Romanian State, through the Ministry of Public Finance, represented in the process by the Dâmbovița County Administration of Public Finance.

It rejects as unfounded the exception of the lack of passive procedural capacity formulated by the Romanian State, through the Ministry of Public Finances, through the County Administration of Public Finances Dâmbovița.

It states that by Civil Decision no. 432/30.052018, pronounced by the Dâmbovița Court, the request to show the right holder made by the defendant claimant CONPET S.A. was admitted and in relation to the National Agency for Mineral Resources (with reference to the end of the claim aimed at diverting the pipeline).

It finds that the exception of ineligibility, invoked by the defendant-claimant CONPET S.A. was qualified as substantive defense.

It admits in part the main claim, as stated, formulated by the claimants - the defendants CHIVU ION and CHIVU FLORICA DANIELA in opposition to the defendant - claimant SC CONPET S.A., intervener the Romanian State through the Ministry of Public Finances - Ploiești Regional General Directorate of Public Finances, and main intervener the NATIONAL AGENCY FOR MINERAL RESOURCES (N.A.M.R.).

It admits in part the counterclaim, formulated by the defendant-claimant CONPET.

It obliges the claimants, the defendants, to dismantle the construction without authorization-basement existing on the land belonging to them, located on the crude oil transport pipeline 6 5/8" Ochiuri Moreni, which undercuts the land located in Ocnița, T 14, P 1 14, cadastral no. 159 Land registry no. 70441, Dâmbovița county, identified according to the sketch drawn up in the expert report in the topography specialty dated 19 January 2018 (f, 259 vol. II initial file).

It determines the amount of the annual rent owed by the defendant claimant CONPET S.A. to the defendant claimants for the exercise of the easement right established by art, 7 para. I from Law no. 238/2004 on the land owned by the claimants, the defendants, on the corridor of 2.4 m.p., located along the transport pipeline, **in the amount of RON 21.14**, and it obliges the defendant-claimant to pay it to the claimants-defendants starting from the date of the definitive ruling of this sentence.

It rejects the rest of the summons and the counterclaim.

It admits, in part, the request of the parties regarding the granting of legal expenses and obliges the defendant claimant to pay to the defendant claimants the amount of RON 2,239 as legal expenses, in proportion to the admitted claims.

It obliges the defendant claimants to pay the amount of RON 1247 as legal expenses to the claimant defendant CONPET S.A., in proportion to the admitted claims.

It compensates the legal expenses, within the limit of the amount of RON 1,247 and it obliges the defendant claimants to pay to the claimant defendant the uncompensated difference of RON 992 in legal expenses.

Chivu Florica – Daniela and Chivu Ion filed an appeal.

By the **Decision no. 194/23.03.2023** The Dambovita Court rejects the Appeal as without merit.

Chivu Florica – Daniela and Chivu Ion filed an appeal.

By the **Decision no. 73/07.03.2024** Ploiești Court of Appeal admits the exception to the ineligibility, invoked ex officio. It rejects the appeal as inadmissible. Final.

**Procedural status of the case: Finalized**

**Deadline:** --

## **7. File no. 32294/299/2020 - Bucharest District 1 Courthouse**

**Parties:** Conpet SA - defendant - counterclaimant

Bob Mihăiță - claimant-defendant

NAMR - defendant

**Subject matter:** Bob Mihăiță files a summons requesting the court to order:

1. The obligation of Conpet SA and NAMR to move the crude oil pipeline crossing the land owned by the claimant located in Cernavoda, plot 1, plot A6 / 2, Constanța county;
2. The establishing the equivalent value of the lack of use, for a period of three years, prior to the formulation of the summons, amounting to RON 150,000;
3. In the alternative, the obligation of Conpet SA to pay an annual rent for the use of the land owned by the claimant, from the date of filing the summons, in the amount of EUR 5/sq. m./year for the area of 14,645 sq. m., land affected by the protection and safety area, during the existence of legal easement;
4. The payment of legal expenses.

By the request for clarification of the summons, the claimant stated the following:

.....

*3. For the method of calculating the amount of RON 150,000, I indicated the value of a rent, estimated at RON 4,166 /month, for a period of three years prior to the formulation of the summons, which the defendants in the present case should pay as compensation for the damage suffered as a result of the impossibility of capitalizing the land crossed by their pipelines*

4. *We request, in the alternative, that the defendant SC Conpet SA be obliged to pay an annual rent for the use of the land personally owned by the undersigned, from the date of filing the summons, during the existence of the legal easement, until the lifting of the pipelines on the land of the undersigned.*

5. *The value of the 3rd head of the claim is RON 10,000, estimated value, following that, after performing the report of forensic technical expertise, the real estate assessment specialty, performed in question to stamp according to the value of the land related to the protection and safety area of the construction.*

6. *I request that the court oblige the defendant Conpet SA to pay all the compensations requested in the summons, and the defendant the National Agency for Mineral Resources to be obliged to move / decommission the oil pipelines on the land owned by the undersigned.*

..... “  
Conpet filed a counterclaim seeking the following from the court:

1. To order the claimant to allow CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. of Law no. 238/2004 on the land owned by the claimant Bob Mihăiță located in Cernavoda, plot 1, plot A6 / 2, Constanța County. The exercise of the right of legal easement is to be carried out on a 2.4 meter wide corridor located along each of the main crude oil transport pipelines that under-cross the claimant's land, respectively the F1 main crude oil transport pipeline Ø 14¾ ", F2 main crude oil transport pipeline Ø 20 ", and Pipeline 28 Constanța - Bărăganu of crude oil transport Ø 28", for the purpose of permanent access to pipelines for daily verification of the condition of pipelines and execution of possible repair works. The exercise of the right of legal easement is to be carried out throughout the existence of the pipelines located on the land of the claimant, but no later than the date of termination of the oil concession agreement concluded by us, the undersigned Conpet SA, with the Romanian State;

2. To establish the amount of the annual rent provided by law due by us, the undersigned, to the claimant in exchange for exercising the right of legal easement.

**Clarifications:** By the **Conclusion of 06.08.2021**, the Bucharest District 1 Courthouse rejects the exception of the belatedly of the request for impleader and of the request for showing the right holder, invoked by the National Agency for Mineral Resources, as unfounded. It rejects the exception of the lack of representative capacity of the National Agency for Mineral Resources, invoked ex officio, as unfounded. It rejects the request for an impleader from the Romanian State, through the Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. It rejects the request to show the right holder of the Romanian State, through the

Ministry of Finance and the National Agency for Mineral Resources, as inadmissible in principle. The conclusion can be appealed with the merits.

**Procedural status of the case:** Merits

**Deadline:** 09.04.2024

#### **8. File no. 3370/105/2022 – Ploiești Court of Appeal / Prahova Court**

CONPET S.A. – claimant-defendant

Lambru Dragomir – defendant-respondent

**Subject matter:** obliging the defendant to pay the amount of RON 524,752.23 representing the counter value of the quantity of 5,989.72 meters of pipe missing in management and 15,532.00 meters of electric cables missing in management, amount to be updated with the inflation rate until the date of effective payment .With legal expenses.

Lambru Dragomir filed a counterclaim asking the court to oblige the company Conpet SA to compensate the minuses found by the court in my management from the Inotești Warehouse until the competition of the pluses from the same management found following the annual inventory of material stocks for the year 2013.

**Clarifications:** At the deadline of 08.12.2022, the Prahova Court split the counterclaim filed by Lambru Dragomir and the **file no. 5132/105/2022** was created.

By the **Decision no. 2566/15.12.2022** The Prahova Court admits the exception of ineligibility invoked by the defendant, by response. It rejects the action having as its subject matter a tort liability action, filed by the claimant SC CONPET SA against the defendant LAMBRU DRAGOMIR, as inadmissible.

Conpet filed an Appeal – the File no. 3370/105/2022

By the **Conclusion of 24.05.2023**, the Prahova Court ordered the suspension of the case until the final resolution of file no. 3370/105/2022, which is pending before the Ploiești Court of Appeal. With right of appeal throughout the suspension.

By the **Decision no. 1650/28.09.2023**, the Ploiești Court of Appeal rejects the appeal as unfounded. It maintains the appealed sentence. Final.

By the **Decision no. 23/31.01.2024** (the file no. 5132/105/2022) The Prahova Court notes that the claimant Lambru Dragomir waives the judgment of the action. With the right of appeal within 30 days of communication.

**Procedural status of the case:** Merits - File no. 3370/105/2022

Merits - file no. 5132/105/2022.

**Deadline:** --

## **9. File no. 1541/262/2023 - Moreni Courthouse**

**Parties:** CONPET S.A. – defendant- respondent

Mapi Imobiliare S.R.L. – claimant-defendant

**Subject matter:** obliging Conpet to pay an annual rent according to art. 7 of Law no. 238/2004 and compensations, including for the past starting from 20.01.2023

Conpet filed a counterclaim in which it requested the following from the court:

1. the obligation of the claimant Mapi Imobiliare S.R.L. to allow the company CONPET S.A. the exercise of the right of legal easement established by the provisions of art. 7 et seq. from Law no. 238/2004 on the land owned by it, located in Ocnița commune, Ochiuri village, T91, P2/1, Dâmbovița county. The exercise of the right of legal easement is to be done on a 2.4 meter wide corridor located along the main Ø 6 5/8" Ochiuri-Moreni crude oil transport pipeline for the purpose of permanent access to the pipeline in order to daily check the condition of the pipeline and the execution of any repair works. The exercise of the right of easement is to be carried out for the entire duration of the existence of the pipeline located on the claimant's land, but no later than the date of termination of the oil concession agreement concluded by us, the undersigned CONPET S.A., with the Romanian State.

2. establishing the amount of the annual rent provided by law owed by us, the undersigned CONPET S.A., to the claimant Mapi Imobiliare S.R.L. in exchange for the exercise of the right of legal easement starting from the date of finality of the judgment pronounced in this case, rent consisting of the value of the annual use of the land affected by the exercise of the easement.

At the same time, Conpet filed an impleader for the Romanian State, represented by the Ministry of Public Finance and the National Agency for Mineral Resources, through which we requested the court to be compensated for the impleaders, which will answer jointly and severally for any amounts we will be obliged to pay the claimant Mapi Imobiliare S.R.L. in the situation where the summons filed by it will be admitted in whole or in part.

**Clarifications:** --

**Procedural status of the case:** Merits

**Deadline:** 02.04.2024

**HEAD OF THE LEGAL DEPARTMENT**

**Legal advisor, CORNEL BĂNICĂ**

## **ARTICLES OF INCORPORATION**

**of the Company “CONPET” S.A.**

### **CHAPTER I**

#### **NAME, LEGAL FORM, HEADQUARTERS, DURATION**

##### **Art. 1 Name of the Company**

- (1) The company name is „CONPET” S.A. (herein-after called also the „company”).
- (2) In all documents, invoices, notices, publications and generally, in the company correspondence, the name thereof will be preceded or followed by the words „societate pe actiuni”(Eng. joint-stock company”) or by the initials „S.A.”, stating the headquarters, subscribed and paid-up share capital, tax registration number and Trade Registry number.

##### **Art. 2 Legal Form of the Company**

- (1) „CONPET” S.A. is Romanian legal person, incorporated as a joint-stock company.
- (2) „CONPET” S.A. is a publicly held company.
- (3) The Company is operating in compliance with the provisions of this Articles of Incorporation, of Law no. 31/1990 regarding the companies, of GEO no. 109/2011 regarding the corporate governance of the public enterprises, of the Civil Code and of all other laws and regulations applicable to the companies.
- (4) The emblem (logo) of the company is made up by the joining of two elements: in the left side, the symbol and in the right side, the company name (logotype). The symbol represents a set made of two drops: a green one and a blue one; the green drop is pointing top right (1 o’clock), while the blue drop is pointing down left (7 o’clock). The company name - „CONPET” S.A. - is placed right of the symbol, has a proportional dimension in relation hereto, is written in block letters, Italic, and in the same color with the blue drop.

##### **Art. 3. The Company Headquarters**

- (1) The company headquarters is in Romania, no. 1-3 Anul 1848 Street, Ploiesti city, Prahova county. The company headquarters may be changed to other locality from Romania, based on the Resolution of the Extraordinary General Meeting of Shareholders, as per the law.
- (2) The company may also incorporate and disincorporate other sub-units (secondary establishments, work sites, branches, agencies, representative agencies, or other types of sub-units with no legal personality), to be found in the same locality and/or in other localities, in the country or abroad, under the law and as per this Articles of Incorporation, by the approval of the Board of Directors. The secondary establishments (work sites) of the company are comprised in Annex 2 to the Articles of Incorporation.

#### **Art. 4 Company Duration**

The lifetime of the company is unlimited, starting the date of registration at the Trade Registry under no. J29/6/22.01.1991.

### **CHAPTER II SCOPE, OPERATING AREA AND CORE BUSINESS OF THE COMPANY**

#### **Art. 5 Company Scope**

The company is the concessionaire of the National Crude Oil, Rich Gas and Liquid Ethane Transport activity, inclusive of the major pipelines and equipment, installation and facilities related to the System, quality acquired by the conclusion with NAMR, in 2002, of the Oil Concession Agreement approved pursuant to GD no. 793/2002.

#### **Art. 6 Main Business Area and Core Business of the Company**

- (1) The main business area is „Transport through pipelines”- NACE Code 495.
- (2) The core business of the company is „Transport through pipelines” - NACE Code 4950.

#### **Art. 7 Secondary Lines of Business**

0150 Activities in mixed farming (crop and animal production) 0910 Support activities for petroleum and natural gas extraction

1011 Processing and preserving of meat

1012 Processing and preserving of poultry meat

1013 Production of meat, including poultry meat products

1020 Processing and preserving of fish, crustaceans and mollusks’

1031 Processing and preserving of meat

1032 Manufacture of fruit and vegetable juice

1039 Processing and preserving of fruits and vegetables

2529 Manufacture of tanks, cisterns and containers of metal

2593 Manufacture of wire products, chains and springs

3313 Repair of electronic and optical equipment

3314 Repair of electrical equipment

3319 Repair of other equipment

3320 Installation of industrial machinery and equipment

3511 Electricity production

3513 Distribution of electricity

3530 Steam and air conditioning supply  
3600 Water collection, treatment and supply  
3700 Wastewater collection and treatment  
3811 Collection of non-hazardous waste  
3821 Treatment and disposal of non-hazardous waste  
3900 Remediation activities and other waste management services  
4321 Electrical installations  
4322 Sanitary installations, heating and air conditioning works  
4329 Other construction installation  
4511 Sale of cars and light motor vehicles (< 3.5 tons)  
4519 Sale of other motor vehicles  
4520 Maintenance and repair of motor vehicles  
4671 Wholesale of solid, liquid and gaseous fuels and related products  
4676 Wholesale of other intermediate products  
4677 Wholesale of waste and scrap  
4690 non-specialized wholesale trade  
4711 Retail sale in non-specialized stores, with predominant sale of food, beverages or tobacco  
4719 Retail sale in non-specialized stores with predominant sale of non-alimentary products  
4721 Retail sale of fresh fruits and vegetables in specialized stores  
4722 Retail sale of meat and meat products in specialized stores  
4723 Retail sale of fish, crustaceans and mollusks in specialized stores  
4724 Retail sale of bread, cakes, flour and sugar confectionery in specialized stores  
4730 Retail sale of automotive fuel in specialized stores  
4920 Freight rail transport  
4939 Other passenger land transport n.e.c.  
4941 Freight transport by road  
5210 Warehousing and storage  
5221 Service activities incidental to land transportation  
5224 Cargo handling  
5229 Other transportation support activities  
5510 Hotels and similar accommodation  
5520 Short-stays and vacation accommodation facilities  
5590 Other accommodation services  
5610 Restaurants

5629 Other food services n.e.c.  
5829 Editing activities of other software products  
6110 Wired telecommunications activities  
6120 Wireless telecommunications activities  
6203 Computer facilities management activities (administration and operation)  
6209 Other information technology and computer service activities  
6311 Data processing, web hosting and related activities  
6810 Buying and selling of own real estate  
6820 Renting and operating of own or leased real estate  
7112 Engineering activities and related technical consultancy  
7120 Technical testing and analysis  
7219 Research - Development on natural sciences and engineering  
7711 Renting and leasing of cars and light motor vehicles  
7712 Renting and leasing of cars and heavy motor vehicles  
7721 Renting and leasing of recreational and sports goods  
7732 Renting and leasing of construction and civil engineering machinery and equipment  
7733 Renting and leasing of office machinery and equipment (including computers)  
7739 Renting and leasing of other machinery, equipment and tangible goods n.e.c.  
8299 Other business support service activities n.e.c.  
8559 Other forms of education n.e.c.  
8610 Hospital assistance activities  
8690 Other human health activities  
9311 Operation of sports facilities  
9329 Other leisure and fun activities n.e.c..

### **CHAPTER III SHARE CAPITAL, STOCKS**

#### **Art. 8 The Share Capital**

- (1) The total share capital of “CONPET” S.A. amounting 28,569,842.40 Lei is subscribed and entirely paid-up.
- (2) The share capital of the company is divided into 8,657,528 nominative shares issued in dematerialized form, 3.3 Lei nominal value each.
- (3) The shareholding structure, corresponding to the consolidated synthetic structure of the shareholders on reference date 31.12.2021, is the following:

The ROMANIAN STATE, represented by the Ministry of Energy (the line ministry or its successors, according to the law)

Number of shares: 5,083,372

Value of contribution to the share capital: 16,775,127.60 RON

Share on profit and loss: 58.7162 %

#### SHAREHOLDERS LEGAL PERSONS

Number of shares: 2,292,221

Value of contribution to the share capital: 7,564,329.3 RON

Share on profit and loss: 26.4766 %

#### SHAREHOLDERS NATURAL PERSONS

Number of shares: 1,281,935

Value of contribution to the share capital: 4,230,385.5 RON

Share on profit and loss: 14.8072%

### **Art. 9 Increase or Decrease of Share capital**

- (1) The share capital may be decreased or increased based on the Resolution of the Extraordinary General Meeting of Shareholders, under and in compliance with the procedure stipulated by law.
- (2) The Extraordinary General Meeting of Shareholders shall decide upon the augmentation of the share capital, in compliance with the legal provisions in force at the date of the augmentation thereof.
- (3) The share capital could be augmented by:
  - a) The issue of new shares;
  - b) Augmentation of the nominal value of the existing shares;
  - c) Incorporation of reserves, except for the legal reserves, as well as of the benefits and share premiums;
  - d) Compensation of certain liquid debts exigible to the company, by shares thereof;
  - e) Other sources, set by the General Meeting of Shareholders or Board of Directors, as the case may be, as per the law;
- (4) The Resolution of the Extraordinary General Meeting of Shareholders for the augmentation of the share capital shall be published in the Official Gazette of Romania, Part. IV, being granted, for the exercise of the right of first refusal, at least one-month deadline, starting the publishing date.
- (5) The reduction of the share capital is being made under the law.
- (6) The share capital could be reduced by:
  - (a) The diminution of the number of shares;
  - (b) Reduction of the nominal value of shares;
  - (c) Acquisition of own shares, followed by the cancellation thereof;
  - (d) Other processes stipulated by law;
- (7) The reduction of the share capital can be done only following two months as of the date of publishing in the Official Gazette of Romania Part IV, of the Resolution of the Extraordinary General Meeting of Shareholders, as per the legal provisions.
- (8) If the Board of Directors establishes that, following certain losses established based on the annual financial statements approved as per the law, the net asset of the company, determined as a difference between total assets and total liabilities thereof, lowered to less than half the value of the subscribed share capital, then the Board will convene immediately the Extraordinary Meeting of Shareholders, to decide upon the dissolution of the company.
- (9) The Board of Directors will present to the Extraordinary Meeting of Shareholders convened as per the here-above paragraph, a report regarding the patrimonial situation of the company, accompanied by observations of the internal auditors. This report must be submitted to the company headquarters by at least one week prior to the General Meeting, as to be consulted by any interested shareholder.
- (10) If the General Meeting does not decide upon the company dissolution, then the company is bound, up to the end of the financial year previous to the one the losses have been ascertained in relation hereto, to proceed to the reduction of the share capital by an amount at least equal to the amount of the losses

that could not be covered from reserves, if all this time, the company net asset was not restored up to a value level that equals at least half the share capital.

## **Art. 10 The Shares**

- (1) The rights and liabilities related to the shares held by the shareholders stipulated at Art. 8, Para. (3), are being exercised by the respective owners.
- (2) The company shares are nominative and comprise all the elements stipulated by law. The nominal value of one share is 3.3 Lei. The shares are being issued in dematerialized form and are being registered in the Shareholders' Registry, the record thereof being held by Depozitarul Central S.A. Bucharest, "CONPET" S.A. has concluded a contract with.
- (3) The shares are being recorded in the Shareholders' Registry in book-entry form. The certification of the property right over shares is being made by way of a statement of account.
- (4) The shares issued by the company may be subject to usufruct or may be pledged, under the law.
- (5) The trading of shares is being performed on the securities regulated market, as per the legislation in force regarding the capital market.
- (6) The company may acquire own shares under the law.
- (7) The "CONPET" S.A. employees have the right to purchase company shares from the State, up to the limit of the share capital set by the general meeting of shareholders and at the same selling price of the shares in case of privatization.

## **Art. 11 Bonds**

- (1) The company can issue bearer or nominative bonds, for an amount that is to be approved in the Extraordinary General Meeting of Shareholders.
- (2) The amount for which can be issued bonds should not exceed three quarters (3/4) of the paid-up share capital existing as per the latest approved financial statements.
- (3) The nominal value of one bond cannot be smaller than 2.5 Lei and the nominal value convertible in shares should equal the nominal value of the share.
- (4) The bonds, part of the same issue must be equal in value and grant equal rights to their holders.
- (5) The shares may be issued in a material form, on paper form or in dematerialized form.
- (6) The issue and trading of the bonds that are subject to a public tender shall be subject to the law regarding the securities and stock exchange.
- (7) The bond holders may be represented by authorized agents, other than the company administrators, directors or employees.
- (8) The company is authorized to issue bonds, under the law.

## **Art. 12 The Rights and Liabilities incurred by the Shares**

- (1) All shares have equal value and guarantee equal rights and liabilities to their holders.
- (2) Every subscribed and paid-up share, as per the law, guarantees the right to vote in the General meeting of Shareholders, the right to elect and be elected within the governing bodies, the right to take part to the distribution of dividends as per the provisions of this Articles of Incorporation and legal provisions, as well as other rights stipulated by law and the Articles of Incorporation.
- (3) The holding of shares involves the as of right acceptance of the Articles of Incorporation.
- (4) The rights and liabilities corresponding to the capacity of share holder observes the legal regime of the shares at their passing to other persons' property.
- (5) The company liabilities are guaranteed with the company's assets, representing the general pledge of the company creditors, and the shareholders are liable in connection therewith, limited to the subscribed share capital.

- (6) The company's Asset cannot be subject to debts or other personal liabilities of the shareholders. Any shareholder's creditor may issue claims against the party out of the receivable benefits of the shareholder, following the approval of the annual balance sheet or any stake due to him upon the company liquidation, made under the law and this Articles of Incorporation. The creditors may, though, garnish, during the company life, the stakes that would be due to the associates upon liquidation or may sequestrate and sell the shares to their debtor.
- (7) The shareholders have the right to be given correct and complete information regarding the company status in the General Meeting of Shareholders. In case of the issue of new shares, the existing shareholders benefit from the right of first refusal upon subscription, under the law.

### **Art. 13 Disposal of Shares**

- (1) The company shares are indivisible.
- (2) In any relationship with the company, this one acknowledges one or more owners for every share. Whenever a nominative share becomes property of more persons, the conveyance shall not be recorded unless these persons nominate one representative to exercise the rights resulting from the share.
- (3) The ownership right over the shares issued in dematerialized form and traded on the regulated securities market shall be submitted in compliance with the legislation regarding the capital market.
- (4) The direct transactions will be operated by Depozitarul Central S.A. Bucharest.
- (5) The Company shares related transactions shall be made as per the legislation in force applicable to the organized securities markets.

## **CHAPTER IV** **THE GENERAL MEETING OF SHAREHOLDERS**

### **Art. 14 The Representation**

- (1) The majority shareholder of "CONPET" S.A. is the Romanian State. The rights and duties of the Romanian State, acting as majority shareholder, shall be exercised, within the General Meetings of Shareholders, by the line ministry coordinating the company business, by way of specific normative acts, by specially designated representatives, as per the legal provisions.
- (2) The Romanian State representatives in the General Meeting of Shareholders are being nominated and revoked by order of the line ministry. The voting right of the State representative in the General Meeting of Shareholders "CONPET" S.A. will be exercised based on the special power of attorney submitted to the company in compliance with the legal provisions regarding the capital market and the other applicable regulations, the special empowerment being likely to be accompanied by an Order of the line minister/instruction for the General Meeting.

### **Art. 15. Duties**

- (1) The General Meeting of Shareholders is "CONPET" S.A. management body, who decides upon the company business and trade and economic policy, as per the option of the shareholders present or represented during the meeting;
- (2) The General Meetings of Shareholders are ordinary and extraordinary.
- (3) The Ordinary General Meeting of Shareholders meets at least once a year, in no more than 4 months as of the conclusion of the financial year and has the following competencies, duties and functions:
  - a) Discuss, approve or modify the annual financial statements, based on the administrators' or the financial auditor's report;
  - b) Elects and revokes the administrators as per the law;
  - c) Approves the administration plan issued and presented by the Board of Directors, as well as the revision thereof;

- d) Appoints or revokes the financial auditor and sets the minimum duration of the financial auditing contract;
- e) Sets the remuneration level and any other amounts and advantages due to the administrators for the current financial year, as well as the general limits of the remuneration of the Director General;
- f) Approves the Organizational and Operational Rules and Regulations governing the Board of Directors and sets-out the competencies thereof;
- g) Approves the income and expenditure budget (Rom. BVC) and the investment program for the next financial year, as well as the BVC rectification;
- (h) Approves the profit distribution as per the provisions of the normative acts in force and the fixing of dividends;
- (i) Passes judgments over the administrators management and the means to recover the losses they have caused to the company;
- (j) Decides upon pledging, leasing or dissolution of one or several company units;
- (k) Fulfils any other duty, set under the law, as being borne by them.

(4) The Extraordinary General Meeting reunites whenever necessary in order to decide upon:

- a) Changing the legal form of the company;
- b) Changing the location of the company headquarters;
- c) Changing the scope of activity of the company;
- d) Establishment or disestablishment of subsidiaries;
- e) Extending the company's life;
- f) Augmentation of the share capital;
- g) Reduction of the share capital or replenishment thereof by issue of new shares;
- h) Merger with other companies or division thereof;
- i) Anticipated dissolution of the company;
- j) Conversion of the shares from one category into another;
- k) Conversion of a category of bonds into another or into shares;
- l) Bonds issuance;
- m) Amendment of the nominal value and number of shares;
- n) Decides upon the contracting of average and long term bank loans, here-included the external ones; establishes the competencies and level for contracting the current bank loans, of the trade loans, as well as the level of the guarantees;
- o) Decides upon the participation, as per the law, at the establishment of new legal persons or at the association with other legal or natural persons from the country or abroad;
- p) May delegate to the Board of Directors the execution of the attributions mentioned at Art. 15, paragraph (4), letters b), c) and f). The delegation of the task stipulated at Art. 15, paragraph (4) letter c) cannot concern the main business area and core business of the company.
- q) Decides on what market are to be traded the securities issued by the company and chooses the authorized independent registrar that keeps record of the shares issued by the company;
- r) Any other amendment of the Articles of Incorporation, or any other Resolution for which is being asked the approval of the Extraordinary General Meeting of Shareholders.

#### **Art.16 Call of the General Meeting of Shareholders**

- (1) The General Meeting of Shareholders is being convened by the Board of Directors, whenever necessary.
- (2) The call of the General Meeting of Shareholders shall comply with the legal provisions regarding the companies, as well as the regulations regarding the capital market and provisions of this Articles of

Incorporation. The meeting deadline cannot be less than 30 days as of the publishing of the Convening Notice in the Official Gazette of Romania, part IV.

(3) The convening notice shall comprise the venue, date and time of the meeting, as well as the Agenda, with the explicit mention of all the issues that shall make the object of the meeting debates.

Equally, the convening notice shall comprise the reference date, the proposal of the Board of Directors regarding the registration date, ex-date and the due date for dividends payment. Where on the Agenda is being entered the election of the administrators, the Convening Notice will mention also the due date up to which may be submitted the candidacies, as well as the fact that the list comprising information regarding the name, place of domicile and professional qualification of the persons proposed for the administrator capacity is made available to the shareholders who can consult and complement it.

The convening notice will mention the means to distribute the information regarding the issues included on the Agenda of the General Meeting of Shareholders, as well as the date as of which they will be available, the means of obtaining the special empowerment form for representation in the general meeting, the limit date and place where will be submitted the special empowerments. When on the Agenda are included proposals for the amendment of the Articles of Incorporation, the Convening Notice should comprise the full text of the proposals.

(4) By way of the Convening Notice for the first general meeting could be set the date and time for the second meeting, for the situation when the first one could not be held. If the day of the second general meeting is not mentioned in the convening notice, the meeting could be convened in 8 days as of the publishing of the second call in the Official Gazette of Romania, part IV.

(5) The Board of Directors calls urgently the general meeting of shareholders, at the request of the shareholders representing, individually or together, at least 5% of the share capital and if the request comprises provisions that fall under the attributions of the general meeting. The meeting will be convened in no more than 30 days and shall take place in no more than 60 days as of the date of the receipt of the request.

(6) One or more shareholders representing, individually or collectively, at least 5% of the share capital have the right to ask the inclusion of new items on the Agenda. The requests are being filed to the Board of Directors, in no more than 15 days as of the convening notice publishing date, for publishing thereof and bringing to the attention of the other shareholders. In case the Agenda comprises the appointment of the administrators and the shareholders are willing to formulate application for candidacies proposals, the requests shall include information regarding the name, place of domicile and professional qualification of the persons proposed for the said positions. The Agenda completed with the items advanced by the shareholders, subsequent to call, must be published by the observation of the same requirements stipulated for the call of the general meeting, by at least 10 days prior to the general meeting, at the date mentioned in the initial convening notice.

(7) The annual financial statements, the annual report of the Board of Directors, as well as the proposal regarding the distribution of dividends shall be made available to the shareholders at the company headquarters, as of the call date of the general meeting. The company shall make available to the interested shareholders, all along the period starting at least 30 days prior to the date of the general meeting, no later than and inclusive of the meeting date, the documentation and informative materials that are to be exposed to the general meeting of shareholders, corresponding to every item on the Agenda, as well as other information stipulated by Law. Upon request, the shareholders will be issued copies of these documents. The amounts levied for the issue of copies cannot exceed the administrative expenses triggered by the supply thereof.

(8) Every shareholder may address to the Board of Directors, in writing, questions regarding the company business, prior to the date of the general meeting, within the time frame stipulated in the convening notice of the general meeting; an answer is to be given during the meeting.

#### **Art. 17. Organization of the General Meeting of Shareholders**

(1) For the validity of the deliberations of the ordinary general meeting of shareholders, are necessary:

- (a) In first call, the presence of the shareholders (here-included the votes by correspondence) representing at least half (1/2) of the total number of voting rights and the resolutions be taken with the majority of expressed votes.
- (b) In second call, notwithstanding the number of the shareholders present or represented and the value of the represented share capital and resolutions be taken with majority of expressed votes.

(2) For the validity of the deliberations of the extraordinary general meeting of shareholders, are necessary:

- a) In first call, the presence of the shareholders (inclusive of the correspondence votes) representing at least half (1/2) of the total number of voting rights;
- b) In second call, the presence of the shareholders representing at least one third (1/3) of the total number of voting rights;
- c) The resolutions are made with the majority of the votes held by the present or represented shareholders, both in first call and second call;
- d) The resolution to amend the company's core business, to reduce the share capital, augment in cash the share capital, change the legal form, merge, divide or dissolve the company are being made by a majority of at least two thirds (2/3) of the voting rights held by the present or represented shareholders.

(3) By way of derogation from the above provisions, the following resolutions of the extraordinary general meeting of shareholders shall be made by the vote of the shareholders representing at least three quarters (3/4) out of the share capital of the company, in first call or any other subsequent call, as follows:

- a) The resolutions regarding the bond issue;
- b) Waiving the right of first refusal of the shareholders upon the subscription of new shares in case of the share capital augmentation in cash;
- c) The share capital augmentation in kind.

(4) The general meeting of shareholders is opened and presided by the chairman of the Board of Directors or in absence thereof, by the person substituting him. The general meeting shall elect, from the shareholders present, up to three secretaries that will check the attendance list for the shareholders, pointing out the share capital every person represents, the protocol prepared by the internal auditor and the technical secretariat of the meeting to ascertain the fulfilment of all formalities required by law and the Articles of Incorporation for holding the session.

(5) A protocol, signed by the President and the Secretary, is to ascertain the fulfilment of the summoning formalities, the date and venue of the general meeting, the present shareholders, the number of shares, the summaries of the argumentation, the resolutions made, and upon the request of the shareholders, the statements they took during the meeting. The protocol will be attached the documents regarding the first call as well as the shareholders' attendance lists.

The protocol shall be consigned in the registry of the general meeting, which is sealed and stamped.

(6) The Chairman of the Board of Directors may nominate, out of the company employees, one or more technical secretaries, to take part to the execution of the above mentioned operations and also to the drafting and signing of the minutes of the meeting.

(7) At the ordinary and extraordinary general meetings of shareholders, where are being discussed issues regarding the work relations with the company personnel, shall also be invited the President of the Union.

#### **Art. 18 Exercising the Right to Vote during the General Meeting of Shareholders**

(1) The resolutions of the general meetings are taken in open vote.

- (2) At the proposal of the person presiding the general meeting, or of a group of present or represented shareholders, holding at least (1/3) of the total number of votes, could be decided that the vote be secret in other cases as well, other than those stipulated by law.
- (3) The secret vote is compulsory for the election of the members of the Board of Directors and financial auditor, for the revocation thereof and for making the resolutions regarding the responsibility of the members of the company administration, management and control bodies.
- (4) The voting right cannot be transferred. Any convention otherwise specified is null.
- (5) At the meeting may take part and vote exclusively the shareholders registered at the Reference Date, in person or by representatives, based on a special or general empowerment, as per the legal provisions. The shareholders may also vote by correspondence, in compliance with the procedure mentioned in the convening notice of the general meeting and the applicable legal provisions.
- (6) The shareholders lacking exercise capacity, as well as the shareholders legal persons may be represented by their legal representatives who, in their turn, may empower other persons for that general meeting.
- (7) In case of the vote by representation, the special/general empowerments and the accompanying documents shall be submitted to the company, at least 24 hours prior to the general meeting, under the sanction of losing the right to exercise one's voting right during that meeting. The special/general empowerments can also be submitted electronically, with the electronic signature included/attached. The Protocol shall include a mention regarding the received empowerments.
- (8) The members of the Board of Directors, the Director General or the company employees can not represent the shareholders, under the sanction of nullity of the Resolution if, in absence of the vote thereof, would not have been obtained the requested majority.
- (9) The Director General and the members of the Board of Directors are bound to take part to the general meetings of shareholders.
- (10) In order to be opposable to third parties, the resolutions of the general meetings shall be submitted in 15 days to the Trade Register Office in order to be recorded in the log-book and published in the Official Gazette of Romania, Part. IV.
- (11) Following every amendment of the Articles of Incorporation, the administrators shall file, at the Trade Registry, in no more than 15 days, the amendment and the full text of the Articles of Incorporation, updated with all amendments, which will be recorded pursuant to the resolution of the delegated judge.
- (12) The resolutions made by the general meetings of shareholders within the Law and this Articles of Incorporation are binding even for the shareholders that did not attend the meeting or voted against.
- (13) The resolutions of the general meeting of shareholders which are not compliant with the law or the Articles of Incorporation may be filed to Court, under the conditions and in compliance with the procedure stipulated by Law.
- (14) The shareholders that did not vote in favor of a resolution of the general meeting regarding the amendment of the core business, the merger or division of the company, the relocation of the company headquarters overseas or changing the company form, have the right to withdraw from the company under the law.

- (15) The members of the Board of Directors cannot challenge the resolution of the general meeting regarding the revocation thereof from the respective positions.
- (16) The petition will be dealt with in contradiction with the company represented by the Board of Directors.
- (17) If the resolution is challenged by all members of the Board of Directors, the company will be represented in justice by a person appointed by the President of the Court from among its shareholders, a person that is to fulfil the mandate vested in him, until the general meeting, called for this purpose, nominates a representative.
- (18) The resolutions of the ordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of expressed votes.
- (19) The resolutions of the extraordinary general meeting of shareholders shall be signed by the president of the meeting, the technical Secretariate and by the shareholder or shareholder's representative holding the majority of votes held by the presented or represented shareholders.

## **CHAPTER V** **ABOUT THE COMPANY ADMINISTRATION**

### **Art. 19 Organization**

- (1) The company is administered by a Board of Directors made of 7 administrators, elected by the ordinary general meeting of shareholders for a period of 4 years, with possibility to be re-elected for new periods of 4 years. The administrators may be acting as shareholders. So that the nomination of an administrator be legally valid, the person nominated must expressly accept it.
- (2) The surname, forename, place and date of birth, domicile and citizenship of the administrators are included in Annex 1 to this Articles of Incorporation.
- (3) The Board of Directors is presided by a Chairman. The Chairman is elected by the Board of Directors, from among its members. The revocation from the capacity of Chairman of the Board of Directors is still the attribute of the Board of Directors. The resolution regarding the nomination or revocation thereof is being made by the vote of the majority of the Board of Directors' members.
- (4) In case of vacancy of one or several administrator positions, the Board of Directors proceeds to the nomination of some provisional administrators, up to the reunion of the ordinary general meeting of shareholders.
- (5) At the Board of Directors level is being constituted the Audit Committee and the Nomination and Remuneration Committee, binding, as per the legal provisions in force. The Board of Directors may also constitute, based on resolution, other consultative committees, in various activity areas, as per the needs and management strategy of the company. The Consultative Committees are made of at least two members, one of them being charged with the Presidency thereof. The consultative committees meet whenever necessary, at the Chairman's call, and the proposals/recommendations formulated by the Board of Directors (for the substantiation of the decision-making thereof) are being adopted by the majority of expressed votes. The duties and responsibilities of the consultative committees are being set by the Board of Directors.
- (6) Cannot be administrators the persons who, as per the law, are incapable or have been convicted for fraudulent management, breach of trust, forgery, use of forgery, fraud, peculation, false testimony, bribery, for the delinquencies provided by the Law no. 656/2002 for the prevention and penalization of money laundering, as well as for the settlement of several prevention and refutation measures related

to the terrorist acts, subsequent amendments and completions, for the delinquencies provided at art. 143 - 145 from the Law no.85/2014 regarding the insolvency prevention and insolvency procedures.

(7) The Chairman of the Board of Directors of the company may not also be Director General thereof.

(8) The Board of Directors usually meets at the company headquarters, any other company work site or at any other place communicated by way of call. May be organized operational meetings of the Board of Directors by means of remote communication that meet the technical conditions necessary to identify the participants, the effective participation thereof to the Board of Directors meetings and forwarding of the deliberations on ongoing basis (via e-mail, telephone, video-call or any other communication equipment), whenever necessary, but at least once at 3 months, at the Chairman's call or at the substantiated request of 2 of the members of the Board or of the Director General. The Board is being presided by the Chairman. In case the Chairman is temporarily incapable of exercising his duties, all along that period, the Board of Directors can charge another administrator with the fulfillment of the Chairman capacity. The Board is also convened, at the substantiated request of at least two administrators or the Director General. In this case, the Agenda is being set by the authors of the request. The Chairman is bound to respond to such a request.

(9) The Board of Directors cannot decide upon certain issues that are not included in the Agenda, except for the emergencies. In order to decide upon the emergencies, the absent members will also be consulted, by various remote communication devices.

(10) The Chairman will decide on the emergency nature of the issues.

(11) The Board of Directors performs its activity based on its own regulation and the legal regulations in force.

(12) For the validity of the resolutions is necessary the presence (directly or by representation) of at least five members of the Board and the resolutions are made with the majority vote of the present members. The Chairman of the Board of Directors will have the casting vote in case of parity of votes.

(13) The Members of the Board of Directors can be represented at the meetings of the respective body exclusively by other members thereof. A present member can only represent a single absent member.

(14) In case of resolutions made during the meetings where a member of the board did not participate, the latter remains liable, if, within 30 days of acknowledgment thereof he did not challenge it in the forms provided by the law.

(15) The Agenda is set by the Chairman. The call, the meeting Agenda and documentation shall be submitted to the administrators in due time prior to the meeting, the deadline is to be set by way of the own regulation of the Board of Directors. The minutes of the meeting shall be comprised in a Journal of the Meetings and BoD Deliberations, by courtesy of the Chairman of the Board. The Protocol shall comprise the name of the participants, the order of the deliberations, the resolutions made, the number of votes cast and separate opinions. This will be signed by the Chairman of the Board of Directors and by the BoD Secretariate, and the one recorded in the Journal of the Meetings and BoD Deliberations shall be signed by the other administrators too. The BoD Secretariate is off the Board of Directors, the activity thereof being performed by the personnel within the BoD and GMS Secretariat Bureau.

(16) In exceptional circumstances, motivated by the emergency of the situation and the company's interest, the resolutions of the Board of Directors can be made by the unanimous written vote of the members, the reunion thereof not being necessary. This procedure cannot be followed in case of the resolutions regarding the annual financial statements or authorized capital.

(17) At the meetings will participate the Chairman and the members of the Board of Directors. As the case may be, when he considers necessary, for additional information, the Chairman of the Board of Directors may invite to the meetings executive directors, internal auditors, as well as other employees of the company or specialists on various domains of activity outside the company. The Union's President can be also invited, for debating professional, economic and social issues. In view of defending the professional, economic and social rights and interests of the members, the latter will receive from the

company's management the necessary information for the negotiation of the collective labour agreements. The articles contained in the Resolution of the Board of Directors regarding the professional, economic and social issues will be communicated in writing to the Union's President within two working days as of the meeting date.

- (18) The Board of Directors shall delegate the management of „CONPET” S.A. to the Director General. The Director General of „CONPET” S.A. is acting as company representative in third party relations.
- (19) The Board of Directors is charged with the fulfillment of all the papers necessary and useful for the achievement of the company's core business, except for those set apart by the law for the general meeting of shareholders.
- (20) The Administrators are jointly liable against the company for:
  - a) the reality of payments made by the associates;
  - b) the real existence of the paid dividends;
  - c) the existence of the registries required by the law and the proper holding thereof;
  - d) the exact fulfillment of the general meetings resolutions;
  - e) the strict performance of the duties that the law and the Articles of Incorporation impose.
- (21) The administrators' liability is being regulated by the legal provisions regarding the mandate as well as by the special provisions stipulated by the Companies Law no. 31/1990.
- (22) The administrators and their immediate successors are jointly liable if, being aware of the irregularities committed, fail to inform the internal auditors and the financial auditors in relation thereof.
- (23) The liability for the deeds or the omissions performed does not extend over the administrators who have caused to consign, in the BoD Protocols Journal, their objection and have informed in writing the internal auditor and the financial auditor thereupon;
- (24) If the administrators ascertain that, following various losses, the net asset, determined as a difference between the company's total assets and liabilities, represents less than half of the value of the share capital, they convene the extraordinary general meeting of shareholders, in order to decide upon the replenishment of the share capital, the decrease thereof to the remaining value or the company dissolution.
- (25) The members of the Board of Directors may be revoked by the resolution of the general meeting of shareholders and the Director General based on the Board of Directors Resolution.
- (26) The Board of Directors members shall conclude professional liability insurance, the exchange value thereof being borne by „CONPET” S.A., under the Law.
- (27) The administrators would not disclose the data and information they have access to, related to the company and the activity thereof. This liability is being accounted for also after the termination of the mandate, for a period of 5 years. Moreover, they must also comply with the information regime of the inside information stipulated in Law no. 297/2004 regarding the capital market and the contingent regulations.

## **Article 20 Powers of the Board of Directors**

- (1) The Board of Directors' powers are being set pursuant to the Articles of Incorporation of the company, the Romanian law, as well as pursuant to other attributions set by the general meetings of shareholders as falling under the responsibility thereof, respectively, in particular, the followings:
  - (a) Calls the general meetings of the company and sets the agenda, while endorsing the meeting documentation;
  - (b) Prepares the annual report that is to be presented to the general meeting of shareholders, together with the annual financial statements and the report of the financial auditor, as well as other reports imposed by the applicable legislation, by way of observing the reporting requests set pursuant to CNVM/ASF regulations regarding the capital market and other contingent regulations;

- (c) Concludes legal deeds in the name and on behalf of the company, based on which to acquire goods for the company or dispose, lease, change or enter a lien over the goods to be found in the Company's Assets, where the value thereof exceeds half the book value of the company assets at the conclusion of the juristic act, exclusively by way of approval of the Extraordinary General Meeting of Shareholders.
- (d) Submits to the internal auditors and the financial auditor, by at least 30 days prior to the day of the general meeting, the annual financial statements for the preceding financial year, accompanied by the administrators' report and the supporting documents;
- (e) Recommends for approval to the ordinary general meeting of shareholders, subsequent to the end of the financial year, on an annual basis, the financial statements for the preceding year accompanied by the administrators' report regarding the company activity and the financial auditor report;
- (f) Recommends for approval to the ordinary general meeting of shareholders the company's Income and Expenditure Budget (Rom. BVC) and the investment program for the following financial year, as well as the BVC rectification; approves the revision of the investment program within the same values; approves the current repairs program and revision thereof;
- (g) Approves the Collective Labour Agreement at company level;
- (h) Approves the organizational structure and the related personnel structure, the Organizational and Operational Rules and Regulations and the Internal Rules of the company;
- (i) Drafts the administration plan and recommends it for approval in the ordinary general meeting of shareholders, within 90 days as of the appointment of the administrators under the conditions set out in the GEO no. 109/2011.
- (j) Delegates to the Director General the company's management powers and, under the contract of mandate and based on the Board of Directors' Resolutions, sets the rights, liabilities, competencies, duties, responsibilities of the Director General; if the Director General is in the impossibility to exercise his duties (annual leave, sick leave, other situations), the Board of Directors will delegate the company management to one of their executive directors.
- (k) Oversees the activity of the Director General in what concerns the company management, here-included the carry-out of the company business;
- (l) Appoints and revokes the Director General of the company and sets the remuneration thereof; the general limits of the remuneration are set by the ordinary general meeting of shareholders. Sets the objectives and performance criteria for the Director General and notes, recurrently, the progress of the fulfilment thereof; approves the global degree of fulfilment of the objectives and performance criteria of the Director General for the previous year, correlated with the financial statements of that financial year;
- (m) Sets the main business directions and approves the strategies and development policies of the company;
- (n) Sets the accounting policies and the financial control system and approves the financial planning;
- (o) Approves the annual procurement program; approves/endorses the protocols regarding the results of the goods inventory out of the company's Assets/the State's public property; approves/endorses the proposals to decommission the fixed assets, end life of the materials such as inventory objects in use, downgrade and discard of certain material goods, other than the fixed assets to be found in the assets of the company/the State's public property, whose maintenance no longer justifies; approves /endorses the means to capitalize these goods and upset prices for the goods proposed to be capitalized by auction; may delegate the Director General with signing the protocols to decommission the fixed assets/end life of the inventory objects in use, downgrade the material goods; approve the requests for sponsorship and inclusion, in the company expenses, of certain amounts representing penalties, delay penalties, fines etc.;
- (p) Proposes the shareholders on what market are to be traded the securities issued by the company and chooses the authorized independent registrar holding evidence of the shares issued by the company;
- (q) Requests and receives reports from the internal audit of the company;
- (r) Files the request for the opening of the insolvency procedure as per Law no. 85/2014 regarding the insolvency prevention and insolvency procedures;

- (s) Is charged with the fulfillment of all the papers necessary and relevant for the achievement of the company's core business, except for those set apart by the law for the general meeting of shareholders.
- (t) Engages current bank loans and trade credits, in compliance with the competencies and level of contracting set by the general extraordinary meeting of shareholders and approves the issue of the guarantees;
- (u) Approves the proposals regarding the global strategy for development, revamping, modernization, economic-financial restructuring of the company;
- (v) Provides the enforcement of the resolutions adopted by the shareholders within the sessions of the general meetings of shareholders, aiming that the enforcement of the resolutions be taken by the compliance of the lawfulness of the company business; Secures and is liable for the carry-on of any task or duty set by the general meeting of shareholders or that is being stipulated by the legislation in force, here-included the regulations in force regarding the capital market, as well as by the performance of the company's business, in terms of both direct duties, as well as for those assigned to the Director General.
- (w) Approves the management plan drafted and carried forth by the Director General, in 90 days as of the nomination thereof under the provisions of GEO no. 109/2011 regarding the corporate governance of the public enterprises.
- (x) Submits biyearly, within the ordinary general meeting of shareholders, a report on the administration activity, also including information regarding the execution of the contract of mandate of the Director General, details regarding the operational activities, to the company's financial performance and the biyearly accounting reports of the company.
- (y) Presents to the ordinary general meeting of shareholders approving the annual financial statements, an annual report prepared by the Nomination and Remuneration Committee within the Board of Directors, regarding the remunerations and other advantages granted to the administrators and Director General during the previous financial year, a report structured according to the provisions of GEO no. 109/2011 regarding the corporate governance of the public enterprises.
- (z) Approves the establishment or disestablishment of sub-units (secondary establishments, work sites, branches, agencies, representatives or other sub-unit types bearing no legal personality), located in the same locality and/or in other localities, in the country and abroad;

(2) Under the sanction of nullity, the administrators or the Director General may, on their own behalf, alienate, namely acquire goods to or from the company with a value exceeding 10% of the value of the company net assets, only after having obtained the approval of the extraordinary meeting of shareholders, under the conditions stipulated by the Companies Law no. 31/1990.

(3) Cannot be delegated to the Director General duties received by the Board of Directors from the general meeting of shareholders, in compliance with Art. 15 paragraph. (4) letter (p) to this Articles of Incorporation.

(4) The Board of Directors keeps the company representation capacity in the relations with the Director General.

## **CHAPTER VI** **THE DIRECTOR GENERAL**

## **Art. 21 Duties and Rights of the Director General**

- (1) The Director General of “CONPET” S.A. is appointed by the Board of Directors, from among the members of the Board or off the Board of Directors;
- (2) The Director General of the company has the following main duties:
  - (a) Provides the management and running of the company business and is liable for the execution thereof in relation to both direct duties, as well as the ones instructed to the executive management;
  - (b) Prepares the annual draft report, the draft income and expenditure budget and the planned works programme and submits them to the Board of Directors;
  - (c) Observes the reporting liabilities set by the regulations in force regarding the capital market and the provisions of GEO no. 109/2011 regarding the corporate governance of the public enterprises, as well as all the other applicable legal provisions;
  - (d) Drafts the company development and marketing strategies and policies and submits them for approval to the Board of Directors; applies the strategy, the company development and marketing strategies and policies set by the Board of Directors;
  - (e) Prepares projects and business plans and submits them to the Board of Directors for approval;
  - (f) Prepares the Organizational and Operational Rules and Regulations governing the company, the draft organizational structure and personnel structure and submits them to the Board of Directors for approval;
  - (g) Organizes, coordinates and makes all necessary diligence to enforce the strategies and policies approved by the Board of Directors; approves the documents of normative nature and the Rules regulating the activity of the company;
  - (h) Hires/nominates/removes/promotes/suspends/dismisses, as the case may be, under the law, the company personnel and sets the rights and obligations thereof;
  - (i) Negotiates the individual labor agreement of the employees;
  - (j) Sets the attributions, competencies and responsibilities incurred by way of the job description, for the organizational positions that fall under his direct subordination;
  - (k) Provides the fall within the wage fund figure contained in the approved income and expenditure budget, by the achievement of the productivity indicators.
  - (l) Oversees the fulfilment of the company income and expenditure budget provisions;
  - (m) Sets the performance criteria and objectives for the executive directors, monitors the degree of achievement thereof and assesses the activity of the executive directors in terms of fulfilment of the duties contained in the job description;
  - (n) Is bound not to disclose data and information he has access to regarding the company and activity thereof. This liability is bound to him also following the termination of his mandate, for a period of 5 years. Moreover, they must also comply with the regime of the side information stipulated in Law no. 297/2004 regarding the capital market and in the contingent regulations.
  - (o) Asks the executive directors, to provide to him, on a monthly basis or whenever necessary, activity reports that are to be presented to the Board of Directors;
  - (p) Has right of signature and specimen signature in bank (signature I) and decides upon the company expenditure and revenues; these duties may be delegated, in case of impossibility to exercise them, to other persons within the company, by the resolution of the Board of Directors, this one nominating the persons with signature powers type I and II and substitutes thereof;
  - (q) Notifies the Board of Directors on all irregularities found during the fulfilment of his duties;
  - (r) Negotiates and concludes the Collective Labour Agreement, in the name and on behalf of the company, in the form approved by the Board of Directors;
  - (s) Acts as representative of the company in relation to third parties;

- (t) Concludes juristic acts, in the name and on behalf of “CONPET” S.A., under the law and in compliance with the provisions of the contract of mandate and of the empowerments granted based on the resolution of the Board of Directors;
- (u) Concludes sales and procurement of goods contracts, under the law and in compliance with the provisions of the contract of mandate and of the empowerments granted based on the resolution of the Board of Directors;
- (v) May empower the executive directors or any other employee, to exercise any kind of duties falling within his competence, in terms of both company activity, as well as regarding his representation in relation to other authorities, public institutions, natural or legal persons, in justice, etc. as the case may be;
- (w) Signs the reports for the shutdown of the fixed assets/ end of life of the inventory objects, downgrade of the material goods, where this competence is being delegated to him by the Board of Directors;
- (x) Endorses the materials on the Agenda of the Board of Directors meetings;
- (y) Organizes and leads a Steering Committee formed of the executive directors. The Director General may call at the meetings employees holding management positions or operating personnel within the company and, as the case may be, when being debated professional, economic, social issues, may also invite the President of the Union.
- (z) Any of the administrators may require to the Director General information regarding the operative management of the company. The Director General is bound to inform the Board of Directors, regularly and in a comprehensive manner, on the operations made and the envisaged ones.

(3) The Director General of the company has the following rights:

- (a) To settle, based on the substantiation documents, the accommodation expenses, the per diem payments, the transport and other expenses, for the travel assignments in the country and overseas, within the limits set by the income and expenditure budget for these expenses;
- (b) To be granted the transport by company vehicle (with driver or personal drive) to fulfil his duties.
- (c) To hold professional liability insurance, the exchange value thereof being borne by CONPET S.A., under the law;
- (d) To take the annual leave corresponding to every calendar year;
- (e) To be provided a work place in compliance with his qualification, as well as other rights as per the legal provisions, at the end of the mandate;
- (f) To benefit from all the health and social insurance rights, as well as other rights of the employees, stipulated in the contract of mandate, granted by similarity with those contained in the collective labor agreement concluded at company level.

4) The rights of the Director General are the ones stipulated in the contract of mandate concluded between the company represented by the Board of Directors by way of a member thereof and the Director General. Through the Contract of mandate concluded with the company, the Director General may be also granted other additional rights besides those stipulated in paragraph (3).

## **Art. 22 Duties of the Executive Directors**

- (1) The executive directors are hired/nominated/dismissed/promoted/suspended/fired by the Director General. The Executive Directors are under the subordination of the Director General, are company employees, are exercising the attributions set by the Director General and, as the case may be, by the Board of Directors, as well as by the Organizational and Operational Rules and Regulations governing “CONPET” S.A. and the job description.
- (2) The executive directors are liable against the company in case they fail to fulfil their duties and in case of non-compliance with the applicable legislation.

## **CHAPTER VII** **COMPANY MANAGEMENT**

### **Art. 23 The Audit**

#### **A. The Financial Auditor**

- (1) The financial statements of the company shall be audited by the financial auditors, natural or legal persons, under the law.
- (2) The financial auditors are elected by the general meeting of shareholders and they carry on their activity based on the contract concluded with the company. The identification data of the auditors are being revealed in Annex 1 to this Articles of Incorporation.
- (3) The general meeting may approve the annual financial statements only if they are accompanied by the report of the financial auditor.
- (4) The annual financial statements, together with the administrators' report and the financial auditor's report shall remain filed to the company premises during the 30 days preceding the general meeting, in order to be consulted by the shareholders.
- (5) The shareholders may ask the Board of Directors, on their expense, copies of the annual financial statements and the other reports stipulated at paragraph (4).
- (6) In order to exercise the right to control, the significant shareholders may be presented, upon request, data regarding the company activity, the statement of assets and liabilities, of profit and loss.
- (7) Approval of the annual financial statements by the general meeting does not impede the exercise of the liability proceeding against the administrators, directors or financial auditors;
- (8) The financial auditors are bound to survey the company management, to check whether the financial statements are legally prepared and in accordance with the book records, if the latters are regularly kept and the evaluation of the assets elements was made as per the rules set for the preparation and presentation of the financial statements.
- (9) The duties and functioning of the financial auditors of the company, as well as the rights and obligations thereof are being complemented with the legal provisions in the area.

#### **B. The internal audit**

- (1) The Company shall organize the internal audit as per the general legislation regarding the internal audit and methodological norms drafted by the Romanian Financial Audit Chamber in this purpose.
- (2) The general objective of the internal public audit in the public entities is represented by the improvement of the management thereof and can be reached, mainly by:
  - a) Insurance activities, representing objective examinations of the evidence, made in view of providing the public entities and independent assessment of the risk management, control and governance related-processes;
  - b) Counselling activities meant to bring plus value and improve the governing processes in the public entities, the internal auditor not undertaking management responsibilities;
- (3) The internal auditors shall inform the Board of Directors members on the irregularities found during the performance of the company business, as well as the breach of the legal provisions and Articles of Incorporation.
- (4) The entity performing the Internal Public Audit is distinctly constituted under the direct subordination of the Director General. The internal audit activity is being recurrently reported to the Board of Directors, which analyzes and sets the necessary measures for a good organization and functioning of the company. The head of the Internal Public Audit Service is appointed/dismissed by the Director General, only by the opinion of the ministry under whose authority is "CONPET" S.A.. The Director General approves the annual internal public audit plan and the annual report of the internal public audit activity.

(5) The competence of the internal public audit covers all the activities performed within the company for the fulfilment of the objectives thereof, here included the assessment of the management control system.

## **CHAPTER VIII** **COMPANY BUSINESS**

### **Art. 24 The Financial Year**

- (1) The financial year represents the period for which must be concluded the annual financial statements and coincides to the calendar year.
- (2) As per the provisions of the Accounting Law no. 82/1991, republished, the Board of Directors is bound to submit to the territorial units of the Ministry of Public Finances, in electronic form, being attached an extended electronic signature, the annual financial statements, the administrators' report and the financial auditors' report.
- (3) The company is bound to publish, in the Official Gazette of Romania, part. IV, a notice to confirm the filing of the documents stipulated in paragraph (2).

### **Art. 25 Company Personnel**

- (1) The management and operating personnel is hired/nominated/dismissed/promoted/fired by the Director General;
- (2) The payment of wages and related taxes, of the social insurance rates, as well as of the other obligations to State and local budget shall be made as per the law.
- (3) The rights and obligations of the company personnel are being set by way of the Collective Labour Agreement, the Organizational and Operational Rules and Regulations and by own regulations.
- (4) The payment shall be made as per the legal legislation in force and provisions of the collective labor agreement.
- (5) Considering the business specificity, the company personnel concludes a non-disclosure agreement regarding the failure to submit/the non-disclosure of data and information they have become aware of during the labor contract execution, under the internal regulation, individual or collective labor agreement. The personnel must also comply with regime of the inside information stipulated in Law no. 297/2004 regarding the capital market and contingent regulations.

### **Art. 26 Depreciation of Fixed Assets**

The Board of Directors approves, under the Law, the method to depreciate the tangible and intangible assets of the company's Asset.

### **Art. 27 Book-keeping and Financial Statements**

The Company holds the book-keeping, in national currency, observing the conditions stipulated by the Romanian legislation in force.

The annual financial statements are prepared in compliance with the applicable accounting regulations and the accounting policies of the company.

### **Art. 28 Calculation and Distribution of Profit**

- (1) The company profit is being set under the law based on the annual financial statements approved by the ordinary general meeting of shareholders.

- (2) Out of the company profit shall be taken-over, every year, within a 5% limit, an amount for the formation of the reserve fund, as per the legislation in the area, until it reaches at least the fifth part of the share capital.
- (3) The remaining profit following the payment of the income tax shall be distributed as per the resolution of the general meeting of shareholders.
- (4) Out of the company profit can be constituted funds for the modernization, research and development of new products, investments, repairs as well as other destinations set by the general meeting of shareholders.
- (5) The payments of dividends due to shareholders are being made by the company under the law following the approval of the financial statements by the general meeting and fixing the payment date, as per the legal provisions in force.
- (6) In case of loss registration, the general meeting of shareholders shall analyze the causes and decide accordingly, under the law.
- (7) Bearing the costs by the shareholders shall be made in proportion to the share capital contribution.

### **Art. 29. Company Registries**

- (1) The Company will keep up-to-date, beyond the records stipulated by law the following registries:
  - (a) A Shareholders' Registry. The company contracts an Independent Registrar to keep the electronic record of the Shareholders Registry and log the registration and perform other relevant operations;
  - (b) A Journal of the meetings and general meetings deliberations;
  - (c) A Journal of the meetings and BoD deliberations;
  - (d) A registry of bonds, to show the total bonds issued and disbursed, as well as the bearers' first name, surname, place of domicile or headquarters, when the bonds are nominative. The evidence of the bonds issued in dematerialized form and which are being transacted on an organized market shall be held as per the law.
  - (e) A registry of the deliberations and findings made by the internal auditors, during the mandate execution thereof.
- 2) The administrators or, as the case may be, the Independent Registrars, are bound to make available to the shareholders the registry stipulated at letter a) and issue, upon request, a statement of account. Moreover, they are bound to make available for the shareholders and bonds bearers, under the same conditions, the registries stipulated at letters b) and d).

## **CHAPTER IX**

### **AMENDMENT OF THE LEGAL FORM, DISSOLUTION, LIQUIDATION, LITIGATIONS**

### **Art. 30 Amendment of the Legal Form**

- 1) Amendment of the legal form of the company shall be made only based on the resolution of the extraordinary general meeting of shareholders and by the fulfilment of all formalities stipulated by law and this Articles of Incorporation.
- 2) The new company will fulfil all legal registration and advertising formalities requested at the companies' set-up.

### **Art. 31 The Company Dissolution**

- 1) The company dissolution shall take place in the following situations:
  - a) Impossibility to achieve the company business scope;
  - b) Opening of the company bankruptcy procedure;
  - c) Declaration of the company nullity by way of a final and irrevocable Court judgment;
  - d) Losses due to which the net asset, determined as difference between total assets and company liabilities, represents less than half the share capital, after having consumed the reserves fund due to reasons that trigger no responsibility of any kind, unless the general meeting of shareholders agrees upon the restitution of the share capital or reduction thereof to the remaining amount;
  - e) Court Judgment, upon the request of any shareholder, for ground reasons, as well as the misunderstandings
  - f) between the shareholders, that impede the company operation;
  - g) Decrease of the number of shareholders below the minimum legal threshold;
  - h) Share capital reduction below the minimum imposed by the law;
  - i) Other causes stipulated by law or the Articles of Incorporation of the company.
- (2) The resolution to dissolve the company must be inscribed in the Trade Registry and published in the Official Gazette of Romania, part IV.

### **Art. 32 Company Liquidation**

- (1) The company dissolution has as effect the opening of the liquidation procedure as per the legal norms, except for the merger or total division thereof.
- (2) The company liquidation and distribution of assets are made under and by observance of the procedure stipulated by law.

### **Art. 33. Merger and Division**

The company's merger, respectively division take place based on the resolution of the extraordinary general meeting of shareholders, as per the applicable legal provisions.

### **Art. 34 Litigations**

- (1) The company litigations with Romanian natural or legal persons are the jurisdiction of the Instance Courts in Romania, as per the Law.
- (2) The litigations arising from the contractual relations between the company and Romanian legal persons may be also settled through arbitration, as per the law.

## **CHAPTER X** **FINAL PROVISIONS**

### **Art. 35 Final Provisions**

(1) The provisions of this Articles of Incorporation are being complemented by the provisions of the GEO no. 109/2011 regarding the corporate governance of the public enterprises, of Law no. 31/1990 regarding the companies, of the Civil Code, Trade Code and of the legislation in force regarding the capital market.

(2) This Articles of Incorporation was updated on 28.04.2022 following the amendments approved pursuant to the EGMS no. 1 / 28.04.2022, grounded on the Articles of Incorporation updated at 18.12.2018 and was concluded and signed in 3 (three) original counterparts.

**Chairman of the Extraordinary General Meeting of Shareholders' session  
MIHAI - ADRIAN ALBULESCU**

Legal Department  
Cornel BĂNICĂ

GMS Secretariat  
Adina Modoran  
Andreea Rusu



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<b>Personal information</b>	
	<b>Cristian – Florin Gheorghe</b>
<b>Date of birth</b>	
<b>Nationality</b>	
<b>Gender</b>	<b>Male</b>
<b>Professional experience</b>	
<b>2021 – to date</b>	<b>Director General</b> <b>Directorate General of Electricity and Natural Gas Markets, Efficiency and Risks</b>
<b>2020 –2021</b>	<b>Director General</b> <b>Department of Energy</b> <b>Ministry of Economy, Energy and Business Environment</b>
<b>2018 – 2020</b>	<b>Director General</b> <b>Directorate General of Oil and Natural Gas</b> <b>Ministry of Energy</b>
<b>2017</b>	<b>Senior Advisor</b> <b>Directorate General of Energy Policies</b> <b>Ministry of Energy</b>
<b>2018 – to date</b>	<b>Member of the Board of Directors of the company CONPET S.A. Ploiești</b> <b>Chairman of the Board of Directors</b>
<b>2017 – to date</b>	<b>Member of the Board of Directors of the company OIL TERMINAL S.A.</b> <b>Chairman of the Board of Directors</b>
<b>2018 – 2020</b>	<b>Member of the Board of Directors – ACROPO</b> <b>Regulatory Competent Authority for Offshore Oil Operations in the Black Sea</b>
<b>2017</b>	<b>Personal Advisor to the Ministry of Energy</b> <b>Ministry of Energy</b> Advising the Minister on some aspects related to all activities related to energy products

2015 – 2016	<b>Member in the Board of Directors of the company OIL TERMINAL S.A.</b> <b>President of the Audit Committee</b> Oil Terminal Company 2 Caraiman Street, postal code 900117, Constanța (România) Coordinating the Audit Committee Type of activity or business: Handling – providing services regarding the reception, loading, unloading of crude oil, petroleum, petrochemical, chemical products, as well as other end products or liquid raw materials for import, export and transit					
2016 – 2017	<b>Director General</b> <b>S.C. BENECAR AUTO S.R.L.</b>					
2013 – 2016	<b>Parliamentary Advisor</b> <b>Romanian Parliament – Chamber of Deputies – deputy Remus Cernea</b> Parliament Palace, 2 – 4 Izvorului Street, sector 5, postal code 050563 Bucharest, Romania, <a href="http://www.cdep.ro">www.cdep.ro</a> Parliamentary advisor on environmental issues					
2014 – 2016	<b>Director General</b> <b>S.C. AS PETROL RECYCLE S.R.L.</b>					
2008 – 2014	<b>Marketing Director</b> <b>S.C. EURO METAL TRADING S.R.L.</b>					
2006 – 2008	<b>Marketing Director</b> <b>S.C. AS METAL COM S.R.L. – I.M.G.B. platform</b>					
2004	<b>Director General</b> <b>S.C. AVIS CONSULTING S.R.L.</b>					
2000 – 2003	<b>Marketing Director</b> <b>S.C. AR METAL S.R.L.</b>					
<b>Education and professional training</b>						
2018 – 2022	<b>Master's Degree</b> <b>Valahia State University</b> Doctor of Business Administration (DBA) in Accounting and Financial Audit					
01.11.2017	<b>Prince2 – Foundation Certificate in Business Management</b> Global Best Practice <a href="http://www.axelos.com">www.axelos.com</a>					
2002	<b>Diplomate Engineer in the field of Economic Engineering</b> <b>Bioterra University – Faculty of Engineering and Agrotourism Management</b> Bucharest, Romania					
1993	<b>Vocational Technical Highschool</b> Bucharest, Romania					
<b>Personal Competences</b>						
<b>Mother tongue</b>		<b>Romanian</b>				
<b>Foreign languages</b>	<b>English</b>	<b>UNDERSTANDING</b>		<b>SPEAKING</b>		<b>WRITING</b>
		Listening	Reading	Spoken interaction	Spoken production	
		<b>B1</b>	<b>B1</b>	<b>B1</b>	<b>B1</b>	
		<i>Levels: A1 and A2: Basic user - B1 and B2: Independent user - C1 and C2: Proficient user</i>				
		<i>Common European Framework of Reference for Languages</i>				

Communication skills and competences	<p><b>Excellent communication skills, competencies of management and negotiation as a result of my experience;</b>  <b>Team spirit;</b>  <b>Able to create and implement high standards within a company;</b>  <b>Rigour, creativity, patience and professionalism.</b>  <b>Commitment.</b></p>				
Organizational / managerial skills and competencies	<p><b>Abilities to lead and organize big teams of persons;</b>  <b>Able to implement beneficial changes in a company</b></p>				
Digital skills	<b>SELF – ASSESSMENT</b>				
	Information processing	Communication	Content creation	Safety	Problem solving
	Proficient user	Proficient user	Proficient user	Proficient user	Independent user
<i><a href="#">Digital competences - Self-assessment grid</a></i>					
Driver's license	<p><b>B category</b></p>				

## Curriculum vitae Europass

### Personal Information

First name / Surname

Nationality

Year of birth

**Nicușor Marian Buică**

### Professional Experience

Period

Occupation or position held

Name and address of employer

Main activities and responsibilities

**December 2017 - present**

**Director General**

SAI Muntenia Invest

(a) Coordinating, managing and supervising the Company's business; b) Establishing the attributions, competences and responsibilities of the M.I. staff; (c) Taking all the necessary measures in order to fulfill the objectives, business plans of the company and of the managed entity(ies); ( d) Defining the investment strategies for each managed entity in accordance with the provisions of the operating documents of the managed entity; (e) Monitoring compliance with prudential regulations regarding the diversification of investments in financial instruments of the portfolios of the entities under its administration and the dispersion of the risk of these investments, as well as observing the rules of transparency established by the Legislature and the incident regulations in force; (f) Planning, developing and directing the investment policy of the administered entities, based on the global strategy and on the basis of the related regulations in force to ensure the maximization of the profitability of the portfolio of financial instruments of the managed entities;

Type of activity or business sector

Authorized Investment Management Company  
Registered Administrator of Alternative Investment Funds

Period

Occupation or position held

Name and address of employer

Main activities and responsibilities

**September 2020 - present**

**Non-executive administrator**

BIOFARM

(a) Preparation of proposals regarding the company's main areas of activity.  
(b) Preparation of annual activity programs and draft Revenues and Expenditure Budget, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the GMS; (c) Appointing and revoking directors and establishing their remuneration; (d) Supervising the activities of directors; (e) Completing financial reports in accordance with the law, organizing general meetings of shareholders and implementing their resolutions; (Any other acts necessary and useful for the achievement of the company's core business, except for those reserved by law for the general meeting of shareholders.

Type of activity or business sector

Manufacturing of pharmaceutical preparations

**Period**

Occupation or position held

**September 2019 - present**

**Non-executive administrator**

Name and address of employer	CONPET S.A.
Main activities and responsibilities	<p>(a) preparing proposals regarding the company's main lines of business.</p> <p>(b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.</p>
Type of activity or business sector	Transport through pipelines
<b>Period</b>	<b>June 2019 - present</b>
Occupation or position held	<b>Non-executive administrator</b>
Name of employer	ICPE S.A.
Main activities and responsibilities	<p>(a) preparing proposals regarding the company's main lines of business.</p> <p>(b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.</p>
Type of activity or business sector	Research - development in other sciences and engineering
<b>Period</b>	<b>March 2018 - present</b>
Occupation or position held	<b>Non-executive administrator</b>
Name of employer	COCOR S.A.
Main activities and responsibilities	<p>(a) preparing proposals regarding the company's main lines of business.</p> <p>(b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law,</p>

Type of activity or business sector	organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders. Lease and sub-lease of own or rented real estate goods
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>May 2017 - present</b> <b>Board of Directors' member</b> The Company INCERTRANS S.A. (a) preparing proposals regarding the company's main lines of business; (b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.
Type of activity or business sector	Research-Design Institute
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>March 2017 – December 2017</b> <b>Board of Directors' member</b> SAI Muntenia Invest S.A. (a) Compliance and implementation of the GMS resolutions; (b) Establishing the organizational structure and organizational chart of the company; (c) Drafting and approval of internal rules and procedures; (d) Elaboration of the main lines of business and follow-up of the fulfillment of the established objectives; (e) Defining the investment strategies for each entity managed in accordance with the provisions contained in the operating documents of the managed entities; (f) Approval of decision-making powers and signature for directors empowered with effective management; (g) Supervision of the activity of directors empowered with effective management; (h) Approval, for submission to the Financial Supervisory Authority, of the operating documents for administered entities; (i) Preparation of the financial reports according to the law and accounting regulations issued by A.S.F., organization of general meetings of shareholders and implementation of their decisions; (j) Definition of investment strategies for each administered entity in accordance with the provisions of the entity's operating documents administered; (k) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.
Type of activity or business sector	Authorized Investment Management Company

<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>June 2016 – December 2016</b> <b>Board of Directors' member</b> Swiss Capital S.A. (a) preparing proposals regarding the company's main lines of business. (b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.
Type of activity or business sector	Financial Services and Intermediation Company Member of Bucharest Stock Exchange
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>May 2016 – October 2016</b> <b>Director</b> Romenergo Management and coordination of the company's daily activity; Engagement of the company's responsibility; Ensuring the management of the company's activity.
Type of activity or business sector	Activities in the energy field
<b>Period</b> Occupation or position held Name of employer	<b>October 2015 – April 2016</b> <b>State Secretary</b> Ministry of Investment and European Projects
Main activities and responsibilities	a) Planning the activities and drawing up the activity program b) Establishing the necessary measures and monitoring the fulfillment in due time of the objectives included in the activity programs; c) Identifying the key problems, analyzing and evaluating their impact in the short, medium and long term, developing alternative programs, based on policies and strategies; d) Coordinating the activities for the appropriate elaboration of the works and the completion within the legal terms of the actions included in the activity program; e) The organization of the collaboration and cooperation for the settlement of complex problems with the other departments within the ministry or with the subordinated units, under the authority or under the coordination of the ministry.
Type of activity or business sector	Central Public Authority
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>February 2015 – September 2015</b> <b>Member in the Board of Directors</b> National Company "Loteria Romana S.A. (a) preparing proposals regarding the company's main lines of business;

	<p>(b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.</p>
Type of activity or business sector	Development, organization, administration and conduct of gambling
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<p><b>December 2014 -July 2015</b>  <b>Member in the Board of Directors</b>  Enel Energie Muntenia S.A.  (a) preparing proposals regarding the company's main lines of business;  (b) Preparation of annual activity programs and of draft Budgets, as well as supervision of the manner in which the provisions contained in these documents are observed by the executive management after approval by the General Meeting of Shareholders; (c) Appointing and revoking directors and determining their remuneration; (d) Supervising the activities of directors; (e) Preparing financial reports according to the law, organizing general meetings of shareholders and implementing their decisions; (f) Any other necessary and useful documents for the realization of the company's core business, except for those reserved by law for the general meeting of shareholders.</p>
Type of activity or business sector	Electricity supply
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<p><b>August 2014 – December 2014</b>  <b>Counselor to the Minister Delegate for the Budget</b>  Ministry of Public Finance  a) Planning the activities and drawing up the activity program b) Establishing the necessary measures and monitoring the fulfillment in due time of the objectives included in the activity programs; c) Identifying the key problems, analyzing and evaluating their impact in the short, medium and long term, developing alternative programs, based on policies and strategies; d) Coordinating the activities for the appropriate elaboration of the works and the completion within the legal terms of the actions included in the activity program; e) The organization of the collaboration and cooperation for the settlement of complex problems with the other departments within the ministry or with the subordinated units, under the authority or under the coordination of the ministry.</p>
Type of activity or business sector	Central Public Authority

<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>March 2013 – March 2014</b> <b>State Secretary</b> Ministry of Transport a) Planning the activities and drawing up the activity program b) Establishing the necessary measures and monitoring the fulfillment in due time of the objectives included in the activity programs; c) Identifying the key problems, analyzing and evaluating their impact in the short, medium and long term, developing alternative programs, based on policies and strategies; d) Coordinating the activities for the appropriate elaboration of the works and the completion within the legal terms of the actions included in the activity program; e) The organization of the collaboration and cooperation for the settlement of complex problems with the other departments within the ministry or with the subordinated units, under the authority or under the coordination of the ministry.
Type of activity or business sector	Central Public Authority
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>June 2012 – November 2012</b> <b>Counsellor to the State Secretary</b> Ministry of Environment and Climate Changes a) Planning the activities and drawing up the activity program b) Establishing the necessary measures and monitoring the fulfillment in due time of the objectives included in the activity programs; c) Identifying the key problems, analyzing and evaluating their impact in the short, medium and long term, developing alternative programs, based on policies and strategies; d) Coordinating the activities for the appropriate elaboration of the works and the completion within the legal terms of the actions included in the activity program; e) The organization of the collaboration and cooperation for the settlement of complex problems with the other departments within the ministry or with the subordinated units, under the authority or under the coordination of the ministry.
Type of activity or business sector	Central Public Authority
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>July 2010 – June 2012</b> <b>Chairman of the Board of Directors</b> Dunapref S.A. Operative management of the company: Restructuring of the company; Repositioning in The market; Turnaround management; Restructuring product types. Prefabricated for civil constructions, roads, bridges, railways
Type of activity or business sector	
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>January 2008 – May 2009</b> <b>Commercial Director</b> Apolodor Com Impex Organization and coordination of commercial activity; Repositioning the company; Restructuring the management system.

Type of activity or business sector	Special foundations, Infrastructure works, Demolitions, Civil constructions
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	March – 2005 – December 2007 Board of Directors' member - Executive Director Elpreco S.A. (a) Coordination and operationalization of investment activities and sale strategies; (b) Strategic business planning by restructuring and reorganizing the company in order to align it with an efficient business development model and influence the final results of the company; (c) implementation of strategic business partnerships; (d) Management and organization of the entire restructuring program and reorganization; (e) Optimization of business flows at the level of the entire company, in a timely manner. Manufacturer of construction materials
Type of activity or business sector	
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>October 2001 – March 2005</b> <b>Development Director</b> Elpreco S.A. Coordination and operationalization of investment activities and sales strategies; Refurbishment; Construction of sales network; Reorganizing management team Manufacturer of construction materials
Type of activity or business sector	
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>February 2004 - 2006</b> <b>Internal audit</b> Active International S.A. Regular monitoring and verification of legal provisions related to the activity of financial investment services and internal regulations, as well as compliance by the company and its staff with those provisions
Type of activity or business sector	Services and Financial Intermediation Company Member of Bucharest Stock Exchange
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>2007 – July 2009</b> <b>Manager – Deputy Director</b> Active International S.A. Empowered to manage and coordinate the company's daily activity; vested with competence to engage the liability of the company, enabling the current activity of S.I.F.
Type of activity or business sector	Services and Financial Intermediation Company Member of Bucharest Stock Exchange
<b>Period</b> Occupation or position held Name of employer Main activities and responsibilities	<b>January 1998 – September 2001</b> <b>Investments Broker</b> Active International S.A. Coordination and operationalization of investment activities, acquisition strategies (construction area

Type of activity or business sector	analyst, construction material producers); Portfolio management; Analysis of infrastructure and construction companies, with a view to acquiring shares.
<b>Education and training</b>	
<b>Period</b>	<b>30.09.2021 – 03.10.2021</b>
Principal subjects/occupational skills covered	Ongoing professional training program TTC-0062 - Advanced Corporate Governance Top Training Center
Name and type of organization providing education and training	
<b>Period</b>	<b>29.03.2021 – 31.03.2021</b>
Principal subjects/occupational skills covered	Ongoing professional training program MPC - 03.I.21.SB/FT
Name and type of organization providing education and training	Millenium Financial Training Center
<b>Period</b>	<b>22.03.2021 – 24.03.2021</b>
Principal subjects/occupational skills covered	Ongoing professional training program MPC-02.I.21.FIA/AFIA
Name and type of organization providing education and training	Millenium Financial Training Center
<b>Period</b>	<b>16.02.2021</b>
Principal subjects/occupational skills covered	Online money laundering Course P.17218
Name and type of organization providing education and training	Romanian Banking Institute
<b>Period</b>	<b>01.10.2020 – 20.11.2020</b>
Principal subjects/occupational skills covered	Ongoing professional training program
	<b>FPC2.2020</b>
Name and type of organization providing education and training	AS Financial Markets
<b>Period</b>	<b>11.10.2019 – 28.11.2019</b>
Principal subjects/occupational skills covered	Ongoing professional training program FPC1.2019
Name and type of organization providing education and training	AS Financial Markets
<b>Period</b>	<b>01.10.2018 - 29.10.2018</b>
Principal subjects/occupational skills covered	Ongoing professional training program FPC3.2018
Name and type of organization providing education and training	AS Financial Markets
<b>Period</b>	<b>November 2017</b>
Principal subjects/occupational skills covered	Manager - innovation

Name and type of organization providing education and training	Romanian Ministry of Education and Scientific Research
<b>Period</b> Principal subjects/occupational skills covered	<b>October 2017 – November 2017</b> Certificate of Graduation Innovation Manager
Name and type of organization providing education and training	<b>GIT - IRECSION - Centrul de Informare Tehnologică SRL</b> <b>Bucureşti/ Technology Information Center</b>
Level in the national or international classification	<b>Proficiency Course</b>
Period Title of Qualification/Diploma awarded	<b>October 2003 – March 2005</b> Master of Business Administration - graduation certificate no. 200513205/November 22, 2005 Turnaround Management; Marketing management; Manager economics; Investment management; Business policy
Principal subjects/occupational skills covered	
Name and type of organization providing education and training	<b>City University, State of Washington, USA</b>
Level in the national or international classification	EMBA
Period Title of Qualification/Diploma awarded	<b>16-25 September 2005</b> Graduation certificate - PROFESSIONAL SALES MANAGEMENT 25 September 2005 Sales techniques and methods; Modern systems of organizing sales departments
Principal subjects/occupational skills covered	
Name and type of organization providing education and training	Bucharest Chamber of Commerce and Industry and Royal Trading House S.R.L.
Level in the national or international classification	<b>Specialization</b>
<b>Period</b> Title of Qualification/Diploma awarded	<b>1998 – 2003</b> Diploma in Economics, U series, no. 0041447/February 2003, Economics, Banking Financial Management Specialization
Principal subjects/occupational skills covered	Financial Management; Finance and Banking; The economy and the role of banks; Payment methods, tools and techniques; Financial analysis of economic agents; Introduction to marketing; Financing in international trade; Efficiency and valuation of investments; Asset and Liability Management
Name and type of organization providing education and training	University of Craiova, Faculty of Economic Sciences
Level in the national or international classification	Bachelor's degree
<b>Period</b>	<b>1994 – 1997</b>

Title of Qualification/Diploma awarded	Engineering assistant diploma, P Series, no. 004495/June 1997, majoring in Mechanics, Materials and Defectoscopy specialization.
Principal subjects/occupational skills covered	Valedictorian Mechanics; Material resistance; Appliances; Electric machines; Thermal machines; Constructive elements of fine mechanics
Name and type of organization providing education and training	Bucharest University of Polytechnics
Level in the national or international classification	<b>Graduation Diploma</b>

## Personal Skills And

### Competences

Mother tongue(s) Romanian

Foreign language(s)

Self-assessment <i>European level (*)</i>	Understanding		Speaking		Writing
	Listening	Reading	Interaction	Oral <u>speech</u>	Written expression
<b>English language</b>	B Independent 1 user				
<b>French language</b>	A Basic 2 user				

(\*) Common European Framework of Reference for Languages

Social skills and competences Good ability to adapt to multicultural environments, team spirit

Verified skills in a professional context

Organizational skills and  
competences

Organizational spirit, planning skills

Technical skills and competences

Detailed knowledge of company management. Sales systems. Ability to analyze and implement new projects. Knowledge in the field of financial management.

Technical knowledge in the field of mechanical industrial processes and in the field of machine building technologies.

Competencies in coordinating and guiding production and sales activities.

Computer skills and competences

Good use of Microsoft Office tools (Word™, Excel™ and PowerPoint™)



### Personal information

Surname / First name **KOHALMI-SZABO LUMINIȚA – DOINA**

Nationality Romanian

Gender Female

### Work experience

Period **08.04.2021 -to date**

Name of the employer **CONPET SA**

Type of activity and sector Oil transport via pipelines

Administrator

Occupation or position held

Period **02.07.2019 – to date**

**LK Strategic Center SRL**

Name of the employer

Type of activity and sector Consultancy in public relations and communication

Occupation or position held Administrator as of 02.07.2019/General Manager as of 01.01.2023

Period **20.02.2015 – 01.10.2022**

**“Dimitrie Cantemir” Christian University, Faculty of Communication Sciences**

Name of the employer

Type of activity and sector Education

Occupation or position held Associate professor

Period **06.06.2017 – 02.07.2018**

**Romanian Parliament, Chamber of Deputies**

Name of the employer

Type of activity and sector Central public administration

Occupation or position held Counsellor

Period **14.07.2015 – 31.05.2017**

Name of the employer **Prive Boutique SRL**

Type of activity and sector Online Commerce

Occupation or position held Marketing Specialist

Period **22.07.2015 – 31.05.2017**

Name of the employer **Prive Boutique SRL**

Type of activity and sector Online Commerce

Occupation or position held Marketing Specialist

Period **06.02.2015 – 16.05.2016**

Name of the employer **COMMONWEALTH CONSULTING SRL**

Type of activity and sector Management consultancy

Occupation or position held Management Consultant

Period **30.11.2013 – 29.02.2015**

Name of the employer **“Dimitrie Cantemir” Christian University, Faculty of Communication Sciences**

Type of activity and sector Education

Occupation or position held Lecturer

Period **01.06.2012 - 06.08.2012 and 07.09.2012 – 14.12.2014**

Name of the employer **Presidential Administration**

Type of activity and sector Central Public Administration

Occupation or position held Counsellor

Period **30.12.2009 – 08.05.2012**

Name of the employer **Ministry of National Development and Tourism**

Type of activity and sector Central public administration

Occupation or position held Counsellor to the Minister's Cabinet

Period **03.03.2009- 31.12.2010**

Name of the employer **Ministry of Tourism**

Type of activity and sector Central public administration

Occupation or position held Counsellor to the Minister's Cabinet

Period **01.02.2005 – 01.06.2005 and 15.02.2007 – 15.06.2009**

Name of the employer **Ministry of Defence**

Type of activity and sector Central public administration

Occupation or position held Deputy Director – Information and Public Relations Unit

Period **01.06.2005 – 14.02.2007**

Name of the employer **Ministry of Defence**

Type of activity and sector Central public administration

Occupation or position held Director – Directorate for Information and Public Relations

Period **01.12.1998 – 01.04.2003**

Name of the employer **Romanian Radio Broadcasting Company /Compania Romana de Radio si Televiziune SRL**

Type of activity and sector Broadcasting

Period **01.05. 1998 – 01.12.1998**

Name of the employer **RH Press SRL**

Type of activity and sector      Newspaper  
Occupation or position held      Reporter for “Cotidianul” Newspaper

Period    **01.10.1997 - 01.06.1998**

Name of the employer      **Tiporex SA**  
Name of the employer

Type of activity and sector      Newspaper  
Occupation or position held      Editor “Cotidianul” Newspaper

Period    **1990-1996**

Name of the employer      **Pre-university education units**  
Type of activity and sector      Education  
Occupation or position held      Teacher of Physics

## **EDUCATION AND TRAINING**

Period    **1985 - 1991**  
Qualification / diploma awarded      **Bachelor's degree/ Faculty of Physics**  
Main studied disciplines / achieved professional skills      Molecular physics and heat, physics of the liquid state, thermodynamics, mechanics and acoustics, electricity and magnetism, nuclear physics, quantum mechanics, solid state physics, ion optics and spectroscopy, superconductivity, mathematics, chemistry  
Name and type of the education institution / training provider      “Babes – Bolyai” University – Cluj – Napoca, Faculty of Physics

Period    **2005-2008**  
Qualification / diploma awarded      **Military Sciences/PhD**  
Main studied disciplines / achieved professional skills      Military sciences, Security, Strategic Communication  
Name and type of the education institution / training provider      “Carol I” National Defence University

## **POST UNIVERSITY STUDIES**

Period **2014**

Qualification / diploma awarded **Psycho – pedagogical module, Level II (postgraduate studies)/ Graduation certificate**

Main studied disciplines / achieved professional skills  
Teenagers, youngsters and adults' psycho – pedagogy, design and management of education projects, educational and field projects in speciality teaching, education sociology, educational research methodology, pedagogical practice

Name and type of the education institution / training provider  
“Dimitrie Cantemir” Christian University, Faculty of Education Sciences

Period **2014**

Qualification / diploma awarded **Psycho – pedagogical module, Level I (postgraduate studies)/ Graduation certificate**

Main studied disciplines / achieved professional skills  
Psychology of education, pedagogy, management of the class of students, speciality education, computer-assisted learning, pedagogical practice

Name and type of the education institution / training provider  
“Dimitrie Cantemir” Christian University, Faculty of Education Sciences

Period **2005-2006**

**Advanced training in the field of security and national defense (post-graduate studies)/ Certificate of graduation**

Main studied disciplines / achieved professional skills  
Geopolitics and strategy, security policies and strategies, theory of international relations/postgraduate course of excellence in the field of national security and defense

Name and type of the education institution / training provider  
National Defense University, Cato I, National Defense College

## **TRAINING**

Period **2021**

Qualification / diploma awarded **Certificate of Participation to the “Advanced Corporate Governance “course**

Main studied disciplines / achieved professional skills  
Corporate governance – included in the ongoing training program Top Training Centre Executive Program 2021

Name and type of the education institution / training provider  
Top Training centre

Period **2014**

**Trainer/Graduation certificate**

Qualification / diploma awarded

Main studied disciplines / achieved professional skills

Elaborating the training and training programmes, evaluation of training participants, implementation of special training methods and techniques, marketing of training, design of training programmes, organization of training programs and traineeships, evaluation, review and assurance of quality of training programs and traineeships

Name and type of the education institution / training provider

Body of Experts in Accessing the European Structural and Cohesion Funds

Period **2014**

Qualification / diploma awarded

**Project manager/Graduation certificate**

Main studied disciplines / achieved professional skills

Establishing the purpose of the project, establishing the integrated project management requirements, planning the project activities and milestones, Managing the use of operational costs and resources for the project, carrying out the procurement procedures for the project, risk management, project team, communication within the project

Name and type of the education institution / training provider

Body of Experts in Accessing the European Structural and Cohesion Funds

Period **2005**

Qualification / diploma awarded

**Graduation certificate**

Main studied disciplines / achieved professional skills

Civil – military democratic relations

Name and type of the education institution / training provider

Canadian Department of National Defense, Ottawa

Period **2005**

Qualification / diploma awarded

**Certificate of participation to the seminar**

Main studied disciplines / achieved professional skills

Planning and effective implementation of communication campaigns

Name and type of the education institution / training provider

European Institute of Public Administration – Maastricht

Period	<b>2003</b>
Qualification / diploma awarded	<b>Graduation certificate</b>
Main studied disciplines / achieved professional skills	Customer relationship and quality management
Name and type of the education institution / training provider	The Open University Business School, UK
Period	<b>2002</b>
Qualification / diploma awarded	<b>Graduation certificate</b>
Main studied disciplines / achieved professional skills	Competitive management
Name and type of the education institution / training provider	The Open University Business School, UK
Period	<b>1996</b>
Qualification / diploma awarded	<b>Graduation degree</b>
Main studied disciplines / achieved professional skills	BBC School of Radio Journalism
Name and type of the education institution / training provider	BBC World Service
Strategic thinking and capacity to make forecasts	
Planning, organization and resource allocation for project management	
Competencies at the level of an experienced user in the use of IT&C as a strategic tool in business (use of ERP, CRM, RPA concerns and the use of AI in business)	
Knowledge of corporate governance regulations, principles and concepts Experience in negotiations, social dialogue, interpersonal communication	

#### **PERSONAL SKILLS AND COMPETENCIES**

Teamwork skills  
 Effective communication  
 Dynamism, determination  
 Stress resilience  
**FEATURES** Time management skills  
 Empathetic  
 Decision-making and involvement capabilities  
 Identification and control of risks  
 Analysis and synthesis capabilities

**Mother tongue** Romanian

Self-assessment	<b>Understanding</b>		<b>Speaking</b>		<b>Writing</b>
<i>European level (*)</i>	Listening	Reading	Spoken interaction	Spoken production	Writing
<b>English</b>	C1	C1	C1	C1	C1
<b>French</b>	C1	B2	B2	B2	B2

(\*)Common European Framework of Reference for Languages

Driving licence(s) B category

Date: 20.03.2024

Kohalmi – Szabo Luminita – Doina

S.s Illegible

**TĂNĂSICĂ OANA**

Name: **Tănăsică Oana Cristina**

**LAWYER**

Telephone:

Email:

**DOCTOR OF LAW**

Professional activity:

**Legal Advisor** - 2002-2003

**Intern Lawyer** – 2003-2005

**Main Lawyer** at Tănăsică Oana Law Firm, Bucharest Bar – 2003 – to date

**Insolvency Practitioner coordinator – Coordinator** at INSOLVA IPURL – 2012 – to date

**Legal advisor** – 2002 - 2003

**Member of the National Integrity Council – National Integrity Agency** – 2022 – to date

**Member in the Board of Directors of CONPET S.A.** – 2022 – to date

Education:

**Law Faculty** – Nicolae Titulescu University – class of 1999 – 2002 – Graduation Degree 2002

**International Economic Relations Faculty** – Dimitrie Cantemir University – Years I-IV 2002 – 2003

Postgraduate studies:

**Doctor of Law as per the National Education Ministry Order No. 3779/04.06.2018 - Doctoral Law School**, majoring in International Trade Law. Bucharest University, Law Faculty **Doctoral thesis** "Companies intended for commercial activity with foreign participation in Romania", publicly presented on May 4, 2017

**Public Procurement Expert** Course - 2009

**Master's Degree in Conflict Mediation** - Titu Maiorescu University, 2006

**Master's Degree in Criminal Science** – Law Faculty - Nicolae Titulescu University, 2004

**Psychological and Pedagogical courses for the training of the teaching staff** – Oil and Gas University Ploiești, 2004

**Civil and Commercial Law** post -university course– Law Faculty - Nicolae Titulescu University, 2003

Participation in conferences, courses and seminars:

**Conference on Prevention and fight against money laundering**, 2020

**Administrative Law conference**, Bucharest University, 2019

Conference on EU regulation 2016/679 **GDPR**, 2018

**National Contentious Administrative Conference**, Bucharest, 2017

National Office for the Prevention and fight against of Money Laundering, 2012

**Romania - Austria Bilateral Conference** organized by the Court of International Commercial Arbitration attached to the Chamber of Commerce and Industry of Romania, in collaboration with the Austrian Arbitration Association, 2010

**Awards:**

**The Entrepreneur Club Gala, Edition I, 2020** - the prize awarded for the quality of services offered to entrepreneurs

**Lady lawyer Gala, Edition VI, 2019** - the prize awarded in the Category of Law Firms from big cities

**Articles, interviews, publications:**

**Intellectual property rights. Benefits, threats, perspectives** - article published <http://newstrategycenter.ro/contrabanda-contrafacerea-pirateria-riscuri-la-adresa-securitatii-nationale/>; <http://newstrategycenter.ro/wp-content/uploads/2016/05/Prezentare-Av-Oana-Tanasa.pdf>;

**Revocation of the administrator of the company intended for commercial activity** - www.juridice.ro - 2017 (<https://www.juridice.ro/512306/revocarea-administratorului-societatii-destinate-activitatii-comerciale.html>);

**The legal nature of the relationship between the administrator and the company** - www.avocatura.com - article published on May 2017 (<http://www.avocatura.com/stire/16355/natura-juridica-a-raporturilor-dintre-administrator-si-societate.html>);

**Recognition of foreign judgments in Romania** - Universul Juridic Publishing House no. 5/2017;

**Augmentation of the share capital of companies with foreign participation, intended for commercial activity** - Universul Juridic Publishing House - Universul Juridic Magazine no. 6/2017;

**Lady Lawyer Magazine**, Edition VI, 2019 – Interview – [www.legalmagazine.ro](http://www.legalmagazine.ro), Special edition, November 2019;

**Clubantreprenor Magazine**, Edition I 2020 – Interview – [www.clubantreprenor.ro](http://www.clubantreprenor.ro), September 2020;

**The book Companies intended for commercial activity in Romania** - in the process of being published, Universul Juridic Publishing House 2023.

**Membership to professional associations and organizations**

**Bucharest Bar** – lawyer since 2004;

**National Union of Insolvency and Reorganization Practitioners - insolvency** practitioner since 2011.

**Foreign languages**

<b>English</b>	Advanced
<b>French</b>	intermediate

## PERSONAL INFORMATION



**Curriculum Vitae**  
GAVRILĂ Florin-Daniel

Ilfov County, Romania

**Nationality** Romanian

Administrator – CONPET S.A.

## PROFESSIONAL EXPERIENCE

**January 2020 – to date**

**Investment Unit Director**

SIF Banat-Crisana-SA, Arad

Coordinating the activity of the departments *Investment Analysis* and *Management of holdings, Cash management, Market operations and Projects in development*

**Business field** - Financial Investments Company

**September 2015 – December 2019**

**Transactions Analyst**

SIF Banat-Crisana-SA, Arad

In charge with the oversee and fulfilment of the investment decisions

**Business field** - Financial Investment Company

**May 2018 – to date**

**Administrator**

Conpet SA Ploiesti

**Business field** - Transport via pipelines

**Administrator**

SIFI Cluj Retail SA, Bucharest

**Business field** – renting and subletting of own or rented real estate

**February 2016 – to date**

**Administrator**

Central SA, Cluj-Napoca

**Business field** - renting and subletting of own or rented real estate

**April 2016 – February 2023**

**Administrator**

Uniteh SA, Timisoara

**Business field** - renting and subletting of own or rented real estate

**October 2016 – December 2016**

**Administrator**

SSIF BRK Financial Group SA, Cluj-Napoca

**Business field** - Investment Company

**February 2013 – July 2015**

**Sales-Trader, Institutional Clients Unit**

SSIF Broker SA, Cluj-Napoca

Stockbroker, in charge with sales-trading activity, particularly for the institutional clients (but also large-retail); stocks trading by DMA on the main European markets

**Business field**: Investment Company

**March 2011 – December 2012**

**Sales-Trader, Institutional Clients Unit**

Unicredit CA~IB Securities Romania SA, Bucharest

Stockbroker (authorized in April 2011), in charge with the sales-trading activity, particularly for the institutional clients (but also large-retail); stocks trading by DMA on the main European markets; sales-trading in cooperation with Unicredit office in London

**Business field** - Investment Company

<b>February 2011 – to date</b>	<b>Tax Advisor</b> The Romanian Chamber of Fiscal Consultants, Bucharest
<b>October 2005 – March 2011</b>	<b>Stockbroker/Deputy Director General</b> SSIF Egnatia Securities SA, Bucharest - Stockbroker (authorized in December 2005), in charge with the trading activity for the firm's clients, compensation-settlement agent authorized by Depozitarul Central - Deputy Director General (starting April 2007), overseeing the trading activity <b>Business field</b> - Investment Company
<b>July 2005 – October 2005</b>	<b>Broker</b> SSIF European Securities SA, Bucharest - in charge with the post-trading activity for the firm's clients <b>Business field</b> - Investment Company
<b>February 2004 – June 2005</b>	<b>Economist/ASIF</b> SSIF Invest Trust SA, Craiova - Economist, afterwards financial investment services agent (authorized in June, 2004), in charge with the increase of retail clients portfolio <b>Business field</b> - Investment Company

## EDUCATION AND TRAINING

<b>2009</b>	<b>Participant “Capital Market Development, Enforcement and Oversight”</b> National Securities Commission and US Securities and Exchange Commission
<b>2007</b>	<b>Participant “The EU Single Market in Financial Services: Latest Steps, Future Initiatives and Pending Tasks”</b> Public Administration European Institute, Luxemburg
<b>2004-2006</b>	<b>Master’s degree – European Economy</b> Economy and Business Administration Faculty, Craiova
<b>2006</b>	<b>Graduate “Investment Consultant” course</b> Millenium Financial Trading Centre
<b>2006</b>	<b>Graduate “Derivative Markets Broker”</b> BMFMS Sibiu
<b>2005</b>	<b>Financial Investment Services Agent RASIF02</b> Bucharest Stock Exchange
<b>2004</b>	<b>Financial Investment Services Agent</b> Millenium Training Financial Centre
<b>1999-2003</b>	<b>Bachelor’s Degree</b> University of Craiova Faculty of Economy and Business Administration Program: International Economic Relations

## PERSONAL SKILLS AND COMPETENCES

**Native language** **Romanian**

**Foreign known  
languages**

	<b>Understanding</b>		<b>Speaking</b>		<b>Writing</b>
	Listening	Reading	Participation in the conversation	Oral speech	
<b>English</b>	Advanced	Advanced	Advanced	Advanced	Advanced
<b>German</b>	Beginner	Beginner	Independent User	Independent User	Beginner

**Driving license**

B category

# Curriculum vitae

## Europass

### Personal Information

First name(s) / **Zaman Andrei Mihai**

Address(es)

Mobile

Facsimile(s)

E-mail(s)

Nationality

Date of birth

Gender

### PROFESSIONAL EXPERIENCE

**Period** **August 2022 – to date**

Occupation or position held **Member of the Board of Directors**

Name and employer address **Conpet SA Ploiesti**

**Period** **May 2022 – to date**

Occupation or position held **Director**

Main activities and responsibilities

Establishing, in agreement with the GMS representatives and the management team the general, specific and operational objectives of the company, for the short, medium and long term; Identification and allocation of financial, informational, material and human resources in the company, in order to achieve the established objectives; Elaboration and approval of financial, technological and human resources investment plans; Planning of the organizational structures, according to the needs of the company and the planned activities;

Name and employer address **SC AFFICHAGE ROMANIA SRL**  
Activity type or sector of activity **Advertising**

**Period**

Occupation or position held **April 2021 – to date**

Name and employer address **General Manager**  
**Euromedia Services**

**Period** **December 2017 – to date**

**Administrator**

Ensuring the management, the organization and operation of the company with maximum efficiency by elaborating development strategies, identifying opportunities, employing the necessary financial, technological and human resources.

Coordination of the activities of directors and managers by function: research, production, commercial, financial-accounting, human resources.

Elaboration of the job description for the personnel who will be hired, along with the heads of the departments.

The responsibility of archiving documents and storing them in the archive, for 10 (ten) years, of all the accounting registries and the supporting documents that are the basis of the accounting entries, with the exception of the salary statements that are stored for 50 (fifty) years.

Ensuring compliance with the regulations issued by the Ministry of Finance regarding the elaboration and usage of the supporting documents for all patrimonial operations and their registration in accounting in the period to which it refers to.

Signing accounting purchase documents in accordance with the provisions of the Law.

**SC EFECT MEDIA SRL**

Name and employer address	<b>Advertising</b>
Activity type or sector of activity	<b>June 2019 – August 2020</b> <b>General Manager</b> <b>Take Media</b>
<b>Period</b>	
Occupation or position held	<b>October 2016 – May 2019</b>
Main activities and responsibilities	<b>Administrator</b> Ensuring the management, the organization and operation of the company with maximum efficiency by developing development strategies, identifying opportunities, employing the necessary financial, technological and human resources. Coordination of the activities of directors and managers by function: research, production, commercial, financial-accounting, human resources. Elaboration of the job description for the personnel who will be hired, along with the heads of the departments. The responsibility of archiving documents and storing them in the archive, for 10 (ten) years, of all the accounting registries and the supporting documents that are the basis of the accounting entries, apart from the salary statements that are stored for 50 (fifty) years. Ensuring compliance with the regulations issued by the Ministry of Finance regarding the elaboration and usage of the supporting documents for all patrimonial operations and their registration in accounting in the period to which it refers to. Signing accounting purchase documents in accordance with the provisions of the Law.
<b>Period</b>	
Occupation or position held	<b>SC AFFICHAGE ROMANIA SRL</b>
Main activities and responsibilities	<b>Advertising</b> Ensuring the management, the organization and operation of the company with maximum efficiency by elaborating development strategies, identifying opportunities, employing the necessary financial, technological, and human resources. Coordination of the activities of directors and managers by function: research, production, commercial, financial-accounting, human resources. Elaboration of the job description for the personnel who will be hired, along with the heads of the departments. The responsibility of archiving documents and storing them in the archive, for 10 (ten) years, of all the accounting registries and the supporting documents that are the basis of the accounting entries, except for the salary statements that are stored for 50 (fifty) years. Ensuring compliance with the regulations issued by the Ministry of Finance regarding the elaboration and usage of the supporting documents for all patrimonial operations and their registration in accounting in the period to which it refers to. Signing accounting purchase documents in accordance with the provisions of the Law.
Name and employer address	<b>SC MULTIRECLAMA SRL</b>
Activity type or sector of activity	<b>Advertising</b>
<b>Period</b>	<b>2013 -to date</b>
Occupation or position held	<b>Administrator</b>
Main activities and responsibilities	<b>SC LED MEGA CONCERT SRL</b> <b>Event organizing</b>
Name and employer address	
Activity type or sector of activity	

<b>Period</b>	<b>December 2007 – April 2009</b>
Occupation or position held	<b>Real Estate Agent</b>
Main activities and responsibilities	<p>Ensuring the management, the organization and operation of the company with maximum efficiency by elaborating development strategies, identifying opportunities, employing the necessary financial, technological and human resources.</p> <p>Coordination of the activities of directors and managers by function: research, production, commercial, financial-accounting, human resources.</p> <p>Elaboration of the job description for the personnel who will be hired, along with the heads of the departments.</p> <p>The responsibility of archiving documents and storing them in the archive, for 10 (ten) years, of all the accounting registries and the supporting documents that are the basis of the accounting entries, except for the salary statements that are stored for 50 (fifty) years.</p> <p>Ensuring compliance with the regulations issued by the Ministry of Finance regarding the elaboration and usage of the supporting documents for all patrimonial operations and their registration in accounting in the period to which it refers to.</p> <p>Signing accounting purchase documents in accordance with the provisions of the Law.</p>
Name and employer address	SC RIVIERA GREEN SRL
Activity type or sector of activity	Real estate sales
<b>EDUCATION AND TRAINNING</b>	
Period	<b>1999 – 2003</b>
Qualification/diploma	<b>Graduation diploma</b>
Name of the educational entity	<b>Cimpina Oil High School, Electro-technical field of study</b>
National/ international ranking	
Period	<b>2018 – 2021</b>
Qualification/diploma	<b>Bachelor's degree</b>
Name of the educational entity	<b>Faculty of Economics - Marketing Studies, Spiru Haret University</b>
National/ international ranking	<b>National</b>
Period	<b>2021 – to date</b>
Qualification/diploma	<b>Master's degree</b>
Name of the educational entity	<b>Bioterra University Bucharest - Efficient management in public food services, agrotourism and consumer protection</b>
National/ international ranking	<b>National</b>

## **PERSONAL SKILLS AND COMPETENCES**

Foreign languages

Self-assessment European level (*)	Understanding		Speaking		Writing
	Listening	Reading	Spoken interaction	Spoken production	Written Production
English	C1	C1	C1	C1	C1
French	A2	A2	A2	A2	A2

(\*) [Common European Framework of Reference \(CEF\) level](#)

Social skills and competences ▪ Communication and negotiation skills acquired in management activities;

Organizational skills and competences ▪ Coordination and organizational skills;  
▪ Ability to develop and manage budgets;  
▪ Resource management skills;  
▪ Ability to organize and coordinate teams.

Computer skills and competences MS Windows, MS Office (Word, Power Point, Excel)



europass

## Alin Mihael Danila

<b>Personal information</b>	
<b>Date of birth</b>	
<b>Nationality</b>	
<b>Gender</b>	<b>Male</b>
<b>Professional experience</b>	
<b>22.08.2023 – to date</b>	<b>Member of the BoD of CONPET SA</b>
<b>13.10.2021 – to date</b>	<b>Deputy Director S.C. SERVICII DE GOSPODARIRE URBANA PLOIESTI S.R.L.</b> <ul style="list-style-type: none"><li>- Ensuring the management of the company's activity, its coordination and control regarding the use of financial, material and human resources, in order to achieve the company's objectives, directly or through subordinate personnel;</li><li>- fulfilling the decisions of the General Meeting of Shareholders and the Board of Directors (BoD) accurately and within the established terms;</li><li>- The presentation, whenever requested or necessary, to the BoD of the revenues and expenditures budget performance, of the information regarding the economic and financial situation of the company, the stage of the investments, the stage of the measures implemented or any other requested documents and information, as well as the measures taken in case of non-fulfilment thereof;</li><li>- Ensuring the monitoring in view of achieving the revenues and expenditures provisions/indicators;</li><li>- Ensuring the management and functioning of the company, top management, organization, representation and administration of the company's activity, as per the law and the company's Articles of Incorporation;</li><li>- Presentation to the BoD, at the end of the financial year, of the level of fulfillment of the company's objectives, the balance sheet, the profit and loss statement, the censors/auditors' report and the annual report, as per the legal provisions in force.</li></ul>
<b>04.04.2019 – 31.10.2021</b>	<b>Director General S.C. SERVICII DE GOSPODARIRE URBANA PLOIESTI S.R.L.</b> <ul style="list-style-type: none"><li>- Ensuring the management of the company's activity, its coordination and control regarding the use of financial, material and human resources, in order to achieve the company's objectives, directly or through subordinate personnel;</li><li>- fulfilling the decisions of the General Meeting of Shareholders and the Board of Directors (BoD) accurately and within the established terms;</li><li>- The presentation, whenever requested or necessary, to the BoD of the revenues and expenditures budget performance, of the information regarding the economic and financial situation of the company, the stage of the investments, the stage of the measures implemented or any other requested documents and information, as well as the measures taken in case of non-fulfilment thereof;</li><li>- Ensuring the monitoring in view of achieving the revenues and expenditures provisions/indicators;</li><li>- Ensuring the management and functioning of the company, top management, organization, representation and administration of the company's activity, as per the law and the company's Articles of Incorporation;</li><li>- Presentation to the BoD, at the end of the financial year, of the level of fulfillment of the company's objectives, the balance sheet, the profit and loss statement, the censors/auditors' report and the annual report, as per the legal provisions in force.</li><li>- Hiring, promoting and dismissing employed staff, in accordance with the law; negotiating the individual labor contracts, and participating in the negotiation of the Collective Labor Contract;</li><li>- Establishing the necessary measures in view of achieving the company's approved revenues and expenditures budget, directly or through the subordinate staff;</li><li>- Coordinating the specific activity carried out by the company's directors;</li></ul>

	<ul style="list-style-type: none"> <li>- The negotiation, as president of the negotiation committee, of the collective labor contract, based on the mandate granted by the BoD;</li> <li>- Informing the BoD regarding the irregularities discovered during the performance of their duties;</li> <li>- Concluding legal acts in the name and on behalf of the company.</li> </ul>
<b>01.01.2017 – 05.07.2019</b>	<p><b>Head of the Public and Private Domain Administration Department / Urban Heating AUTONOMOUS ADMINISTRATION OF PUBLIC SERVICES</b></p> <ul style="list-style-type: none"> <li>- Coordination of the subordinated department;</li> <li>- Ensuring the proper execution of contracts and monitoring the achievement of tasks;</li> <li>- Taking measures and taking the initiative in solving job-specific activities;</li> <li>- The professional evaluation of the staff subordinated on the established time periods, in accordance with the legal provisions;</li> <li>- Responsibility for the current resolution of problems, approving and signing the department's assignments;</li> <li>- Establishing the specific objectives and performance indicators.</li> </ul>
<b>05.01.2009 – 01.01.2017</b>	<p><b>Department Head of Bucov Botanical Garden COUNTY MUSEUM OF NATURAL SCIENCES</b></p> <ul style="list-style-type: none"> <li>- Management, organization and coordination of the subordinate team;</li> <li>- Establishing the general and specific objectives and the performance indicators for the subordinate service, in order to achieve the activity object;</li> <li>- Distributing to the subordinate personnel, hierarchically, the tasks assigned to be solved;</li> <li>- Tracking the timely resolution of assigned tasks;</li> <li>- Proposing and taking measures to improve performance within the coordinated structure;</li> <li>- Monitoring compliance with the rules of conduct and discipline by the subordinate personnel.</li> </ul>
<b>05.01.2013 – 31.12.2016</b>	<p><b>Manager</b> <b>SC GREEN PROJECT AB ENERGY</b></p> <ul style="list-style-type: none"> <li>- Annually establishing, alongside the unit directors, of the general development objectives;</li> <li>- Informing each director on the general and specific objectives foreseen for each unit and ensuring that they are communicated to the staff within each unit;</li> <li>- Annual/biannual/quarterly monitoring of the degree of achievement of objectives;</li> <li>- Establishing personal objectives (performance indicators) and for top management in strict accordance with the company's objectives;</li> <li>- Participating in the annual preparation of the revenues and expenditures budget, analyzing the submitted proposals, making the necessary corrections and approving the final budget;</li> <li>- Monitoring the market and identifying development trends; <ul style="list-style-type: none"> <li>- Analysis of legislative, financial, technological and social opportunities/constraints in the company's business environment;</li> </ul> </li> <li>- Identifying ways to develop the services offered by the company in accordance with the market trends;</li> <li>- Identifying and attracting the necessary resources for the implementation of new business ideas; <ul style="list-style-type: none"> <li>- Ensuring the company's good image on the market;</li> <li>- Identifying of investment and profit opportunities;</li> </ul> </li> <li>- Developing positive relationships with key people in order to strengthen the company's position;</li> <li>- Participating in business meetings with suppliers, clients, financial bodies and governmental institutions from the country and abroad;</li> <li>- Representing the organization in relations with third-party natural or legal persons in accordance with the power of attorney granted by the General Meeting of Shareholders.</li> </ul>
<b>24.04.2009 – 05.01.2013</b>	<p><b>Executive Director</b> <b>S.C. PORA S.R.L.</b></p> <ul style="list-style-type: none"> <li>- Power to decide on new development directions;</li> <li>- Establishing sales and profit plans;</li> </ul>

	<ul style="list-style-type: none"> <li>- Representing the organization in relations with third-party natural or legal persons in accordance with the power of attorney granted by the General Meeting of Shareholders;</li> <li>- Signing payrolls, company financial reports, statistical reports or requests for investments within the company;</li> <li>- Requesting activity reports and taking the necessary measures in order to increase the efficiency of the company's activity;</li> <li>- Establishing task execution priorities for the subordinate staff;</li> <li>- Approval of rewards/penalties, extension/termination of the activity after the probationary period of the employees;</li> <li>- Approving/rejecting the requests of subordinate staff;</li> <li>- The annual establishment, alongside the unit directors, of the general development objectives;</li> <li>- Informing each director on the general and specific objectives foreseen for each unit and ensuring that they are communicated to the staff within each unit;</li> <li>- Quarterly/semi-annual/annual monitoring of the degree of achievement of objectives.</li> </ul>
<b>01.12.2008 – 23.04.2009</b>	<b>Engineer</b> <b>S.C. PORA S.R.L.</b> <ul style="list-style-type: none"> <li>- Coordinating the team of workers in order to complete the assignments according to the timetable;</li> <li>- Elaborating reports on the stage of things and inclusion in the timetable;</li> <li>- Participating in work preparation sessions.</li> </ul>
<b>01.08.2007 – 30.11.2008</b>	<b>Administrator</b> <b>S.C. AYC CONSULTING S.R.L. PLOIESTI</b> <ul style="list-style-type: none"> <li>- Ensuring the management of the company's activity, its coordination and control regarding the use of financial, material and human resources, in order to achieve the company's objectives;</li> <li>- Representing the company in business relations;</li> <li>- Establishing the company's business and development objectives.</li> </ul>
<b>03.11.2003 – 16.01.2007</b>	<b>Administrator</b> <b>S.C. ASCM S.A.</b> <ul style="list-style-type: none"> <li>- main objectives executed: CONPET STREJNIC Stadium, LUBRIFIN BRASOVY factory, CARDINAL MOTORS Showroom, ANP Logistic Center, CRANGUL LUI BOT Electrode Factory;</li> <li>- Ensuring the construction plan;</li> <li>- Preparing the project plans;</li> <li>- Supervising the activity of the subordinate team;</li> <li>- Coordinating and controlling the field teams and the activities carried out by them;</li> <li>- Monitoring the progress of the tasks from a quantitative and qualitative point of view;</li> <li>- Preparing activity reports;</li> <li>- Planning, organizing, and monitoring the execution from the point of view of compliance with the plans, adherence to the established deadlines and the quality of the assignments.</li> </ul>
<b>10.07.2001 – 07.01.2003</b>	<b>Engineer</b> <b>S.C. ALDECO ART S.R.L.</b> <ul style="list-style-type: none"> <li>- Supervising the activity of the subordinate team;</li> <li>- Coordinating and controlling the field teams and their activity;</li> <li>- Monitoring the progress of the tasks from a quantitative and qualitative point of view;</li> <li>- Preparing activity reports;</li> <li>- Studying construction plans and implementing them;</li> <li>- Ensuring permanent assistance for contractors, transmitting information to the Project Manager;</li> <li>- Ensuring the management of the quality management system at the location level;</li> <li>- Providing technical information and maintaining the relationship with the client over the course of the project.</li> </ul>

<b>Education and professional training</b>	
<b>01.10.2018 – 01.06.2020</b>	<b>Master's Degree</b> <b>Petre Andrei University</b> Field of study: Leadership and political psychology
<b>01.10.2013 – 01.06.2016</b>	<b>Bachelor's Degree</b> <b>George Baritiu University Brasov</b> Field of study: Public administration
<b>01.10.1996 – 01.06.1999</b>	<b>Bachelor's Degree</b> <b>Bucharest University of Polytechnics</b>
<b>25.09.2019 – 04.10.2019</b>	<b>Project Manager</b> <b>Resume Consulting</b>
<b>27.09.2009 – 30.09.2009</b>	<b>Advanced training</b> <b>Ministry of Education</b> Field of study: Performance management in public office
<b>22.02.2022 – 28.03.2022</b>	<b>Human resources manager</b> <b>Prahova Chamber of Commerce and Industry</b>
<b>12.05.2005 – 15.05.2005</b>	<b>Curator</b> <b>Ministry of Culture</b>

### LANGUAGE SKILLS

**Mother tongue:** Romanian

Other languages	UNDERSTANDING		SPEAKING		WRITING
	Listening	Reading	Spoken interaction	Spoken production	
ENGLISH	C1	C1	C1	C1	C1
ITALIAN	B1	B1	B1	B1	B1

Levels: A1/A2 Basic user – B1/B2: Independent user – C1/C2: Proficient user

[Common European Framework of Reference \(CEF\) level](#)

### Digital competences

#### **My digital competences**

Microsoft Office (Word, Excel, Power Point) | Microsoft Office (Word, PowerPoint, Excel, Access)

**FINANCIAL STATEMENTS**  
on the date and for the financial year ended on  
**December 31st, 2023**

prepared in accordance with the accounting regulations in accordance with  
the International Financial Reporting Standards  
approved by the Ministry of Finance Order no. 2844/2016

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- RON-			
Name	Note:	December 31, 2023	December 31, 2022
<b>ASSETS</b>			
<b>Intangible assets</b>			
Tangible assets	5	670,831,075	607,025,461
Intangible assets	6	5,559,573	6,854,793
Financial Assets	7	2,522,803	2,537,045
Deferred corporate tax receivables	14	-	6,153,054
<b>Total fixed assets</b>		<b>678,913,451</b>	<b>622,570,353</b>
<b>Current assets</b>			
Inventories	8	6,519,564	6,867,083
Trade receivables and other receivables	9	52,981,332	49,186,760
Cash and cash equivalents	10	107,742,173	127,672,452
Prepaid expenses		697,600	1,252,288
<b>Total current assets</b>		<b>167,940,669</b>	<b>184,978,583</b>
<b>TOTAL ASSETS</b>		<b>846,854,120</b>	<b>807,548,936</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equities</b>			
Subscribed and paid-up share capital	11	28,569,842	28,569,842
Legal reserves	11	5,713,968	5,713,968
Revaluation reserves	11	49,838,300	17,101,648
Other reserves	11	547,585,477	533,897,764
Retained earnings	11	36,970,805	37,149,214
Result of the year	11	61,616,539	61,663,616
<b>Total equity</b>		<b>730,249,931</b>	<b>684,096,052</b>
<b>Long-term liabilities</b>			
Liabilities to employees	12	25,764,827	23,069,134

Other long-term liabilities	12	2,792,606	2,749,112
Deferred tax liability	14	901,503	-
<b>Total long-term liabilities</b>		<b>29,458,936</b>	<b>25,818,246</b>
<b>Current liabilities</b>			
Trade liabilities	12	33,091,805	43,914,968
Current Corporate Tax	12	1,807,695	1,997,414
Other liabilities	12	28,764,158	27,567,948
Short-term liabilities to employees	12	14,143,449	14,364,317
Short-term provisions	13	9,293,146	9,789,991
<b>Total current liabilities</b>		<b>87,100,253</b>	<b>97,634,638</b>
<b>Total liabilities</b>		<b>116,559,189</b>	<b>123,452,884</b>
<b>TOTAL EQUITIES AND LIABILITIES</b>		<b>846,854,120</b>	<b>807,548,936</b>

## I. STATEMENT OF THE FINANCIAL STANDING ON DECEMBER 31, 2023

These financial statements, from page 2 to page 61, have been authorized for issue by the company's management on March 20<sup>th</sup>, 2023.

**Director General,**

**Economic Director,**

**Eng. Dorin Tudora**

**Econ. Sanda Toader**

The attached notes, from 1 to 25, are an integral part of these financial statements.

## II. Statement of profit or loss and other elements of the global result for the financial year ended December 31st, 2023

Name	Note:	December 31st,	- RON-
		2023	2022
Revenues from contracts		485,113,609	472,232,577
Earnings from disposal of assets		612,108	5,401,508
Other revenues		55,208,434	44,425,417

<b>Total Operating Revenues</b>	16	<b>540,934,151</b>	<b>522,059,502</b>
Expenditure on inventories		6,543,246	6,934,300
Expenses with energy and water		18,596,747	33,739,188
Personnel expenses		194,394,992	180,922,733
Value adjustments on fixed assets, less adjustments related to rights of use resulted from leasing contracts		61,484,586	53,074,898
Value adjustments for rights of use resulted from leasing contracts		2,051,485	1,986,489
Value adjustments on current assets		(239,459)	(766,860)
Expenses with external services		126,935,543	114,242,161
Provision adjustments		2,446,008	6,753,310
Other expenses		62,357,840	62,404,440
<b>Total Operating Expenses</b>	17	<b>474,570,988</b>	<b>459,290,659</b>
<b>Operating Profit</b>		<b>66,363,163</b>	<b>62,768,843</b>
<b>Financial Revenues</b>		<b>6,689,934</b>	<b>9,839,428</b>
Interests' expenses related to leasing contracts		175,242	236,174
Other financial expenses		83,799	233,103
<b>Financial Expenses</b>		<b>259,041</b>	<b>469,277</b>
<b>Financial profit</b>	18	<b>6,430,893</b>	<b>9,370,151</b>
<b>Profit before corporate tax</b>		<b>72,794,056</b>	<b>72,138,994</b>
Expenses with current corporate tax	14	10,586,561	11,686,338
Expenses with (revenues coming from) deferred corporate tax		590,956	(1,210,960)
<b>PROFIT OF THE PERIOD</b>		<b>61,513,827</b>	<b>61,663,616</b>
Earnings (Loss) from discounted benefits granted upon retirement		531,142	(1,599,191)
Surplus from revaluation of the tangible assets		35,055,317	-
<i>Total other global result elements that will not be subsequently reclassified as profit or loss</i>		<i>35,586,459</i>	<i>(1,599,191)</i>
Net increase of the modernization quota reserve		6,869,587	17,409,426
<i>Total other global result elements that will be subsequently reclassified as profit or loss</i>		<i>6,869,587</i>	<i>17,409,426</i>
<b>TOTAL OTHER ELEMENTS OF THE GLOBAL RESULT</b>		<b>42,456,046</b>	<b>15,810,235</b>

<b>TOTAL GLOBAL RESULT</b>		<b>104,072,585</b>	<b>77,473,851</b>
<b>Earnings per share</b>		<b>7.12</b>	<b>7.12</b>

These financial statements, from page 2 to page 61, have been authorized for issue by the company's management on March 20<sup>th</sup>, 2023.

**Director General,**

**Economic Director,**

**Eng. Dorin Tudora**

**Econ. Sanda Toader**

The attached notes, from 1 to 25, are an integral part of these financial statements.

### III. STATEMENT OF CHANGES IN EQUITY ON DECEMBER 31st, 2023

Name	Share capital	Legal reserves	Revaluation reserves	Other reserves	Retained earnings	Year's profit or loss	- RON-
<b>Balance on January 1st, 2023</b>	<b>28,569,842</b>	<b>5,713,968</b>	<b>17,101,648</b>	<b>533,897,764</b>	<b>37,149,214</b>	<b>61,663,616</b>	<b>684,096,052</b>
<b>Net result of the year</b>	-	-	-	-	-	<b>61,616,539</b>	<b>61,616,539</b>
Actuarial gain of the period					531,142		531,142
Surplus from revaluation of the tangible assets			33,599,049	1,456,268			35,055,217
Surplus from revaluation	-	(862,397)	(862,397)	-	862,397	-	-
Allocation of profit provided by law - exemption of reinvested profit	-	-	-	3,725,402	(572,707)	(3,152,695)	-
Net increase of the modernization quota reserve	-	-	-	6,869,587	-	-	6,869,587
<b>Total other global result elements</b>	-	-	<b>32,736,652</b>	<b>12,051,257</b>	<b>820,832</b>	<b>(3,152,695)</b>	<b>42,456,046</b>
<b>Total global revenues related to the period</b>	-	-	<b>32,736,652</b>	<b>12,051,257</b>	<b>820,832</b>	<b>58,463,844</b>	<b>104,072,585</b>
Dividends due to shareholders					(999,241)	(58,510,921)	(59,510,162)
Prescribed distributions				1,636,456			1,636,456
<b>Total transactions with the owners directly recognized in equities</b>				<b>1,636,456</b>	<b>(999,241)</b>	<b>(58,510,921)</b>	<b>(57,873,706)</b>
<b>Balance on December 31st, 2023</b>	<b>28,569,842</b>	<b>5,713,968</b>	<b>49,838,300</b>	<b>547,585,477</b>	<b>36,970,805</b>	<b>61,616,539</b>	<b>730,294,931</b>

- RON-							
Name	Share capital	Legal reserves	Revaluation reserves	Other reserves	Retained earnings	Year's profit or loss	Total Equities
<b>Balance on January 1st, 2022</b>	<b>28,569,842</b>	<b>5,713,968</b>	<b>18,360,121</b>	<b>517,047,601</b>	<b>46,288,764</b>	<b>51,928,770</b>	<b>667,909,066</b>
<b>Net result of the year</b>	-	-	-	-	-	<b>61,663,616</b>	<b>61,663,616</b>
Actuarial loss of the period	-	-	-	-	(1,599,191)	-	(1,599,191)
Surplus from revaluation	-	-	(1,258,474)	-	1,258,474	-	-
The retained earnings coming from the adoption for the first time of IAS 29 - unrealized EARNINGS	-	-	-	-	(1,339,957)	-	(1,339,957)
Retained earnings coming from the adoption for the first time of IAS 29 - achieved earnings	-	-	-	-	1,339,957	-	1,339,957
Allocation of profit provided by law - exemption of reinvested profit	-	-	-	3,152,695	(1,668,015)	(1,484,680)	-
Net increase of the modernization quota reserve	-	-	-	17,409,426	-	-	17,409,426
<b>Total other global result elements</b>	-	-	(1,258,474)	<b>20,562,121</b>	<b>(2,008,732)</b>	<b>(1,484,680)</b>	<b>15,810,235</b>
<b>Total global revenues related to the period</b>	-	-	(1,258,474)	<b>20,562,121</b>	<b>(2,008,732)</b>	<b>60,178,936</b>	<b>77,473,851</b>
Dividends due to shareholders	-	-	-	(5,482,940)	(7,130,819)	(50,444,090)	(63,057,849)
Prescribed distributions	-	-	-	1,770,982	-	-	1,770,982
<b>Total transactions with the owners directly recognized in equities</b>	-	-	-	(3,711,958)	(7,130,819)	(50,444,090)	(61,286,867)
<b>Balance on December 31<sup>st</sup>, 2022</b>	<b>28,569,842</b>	<b>5,713,968</b>	<b>17,101,648</b>	<b>533,897,764</b>	<b>37,149,214</b>	<b>61,663,616</b>	<b>684,096,052</b>

### STATEMENT OF THE CHANGES IN EQUITIES ON DECEMBER 31<sup>st</sup>, 2022

Note: The position „Other Reserves” also includes the reserve representing the modernization quota in amount of 496,667,140 RON on 31.12.2023, respectively 488,341,286 RON on 01.01.2023. This reserve is constituted as per GD no.168/1998. The modernization quota is intended exclusively for funding the modernization and development works for goods from public property. The modernization quota is being collected at the extent of capitalization and proceeds of the production and is reflected in reserves accounts on account of the expenses. On a monthly basis, modernization quota reserve, at the level of depreciation of fixed assets financed from this source, is resumed in revenues. On 31.12.2023, the value of the reserve representing the modernization quota that is to be resumed to revenues at the level of amortization of fix assets financed from this source is of 464,625,891 RON and the difference of 32,041,249 RON represents the available reserve meant for the financing of the development and modernization works of the goods in the public domain.

These financial statements, from page 2 to page 61, have been authorized for issue by the company's management on March 20<sup>th</sup>, 2023.

General,	Director
Eng. Dorin Tudora	Economic Director
	Econ. Sanda Toader

The attached notes, from 1 to 25, are an integral part of these financial statements.

**IV. CASH-FLOW STATEMENT OF THE YEAR ENDED DECEMBER 31, 2023  
(DIRECT METHOD)**

- RON-			
	Name of the Item	12 months 2023 (audited)	12 months 2022 (audited)
	<b>Cash flows from operating activities:</b>		
+	Proceeds from services supply	520,121,301	509,861,226
+	Proceeds from interests related to banking investments	6,575,548	9,871,618
+	Other proceeds	4,251,235	13,518,902
-	Payments to the suppliers of goods and services	140,225,977	140,569,215
-	Payments to and on behalf of the employees	192,207,154	176,585,009
-	VAT payments	54,308,422	42,221,918
-	Expenses with corporate tax and specific tax	10,776,280	11,738,249
-	Other payments regarding the operating activities	45,178,339	45,623,034
<b>A</b>	<b>Net cash from operating activity</b>	<b>88,251,912</b>	<b>116,514,321</b>
	<b>Cash flows from investment activities:</b>		
+	Proceeds from sale of tangible assets	620,592	303,344
+	Proceeds from modernization quota	58,084,160	57,321,207
-	Payments for purchase of tangible/intangible assets	104,205,104	172,138,320
<b>B</b>	<b>Net cash from investment activity</b>	<b>(45,500,352)</b>	<b>(114,513,769)</b>
	<b>Cash-flows from financing activities</b>		
-	Paid dividends	59,300,957	62,865,146
-	Payments on the account on the debt related to the leasing	3,195,528	3,015,346

-	Interest payments	185,354	198,879
<b>C</b>	<b>Net cash from financing activities</b>	<b>(62,681,839)</b>	<b>(66,079,371)</b>
	<b>Net increase of the cash and cash equivalents=A+B+C=D2-D1</b>	<b>(19,930,279)</b>	<b>(64,078,819)</b>
<b>D1</b>	<b>Cash and cash equivalents at the beginning of the period</b>	<b>127,672,452</b>	<b>191,751,271</b>
<b>D2</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>107,742,173</b>	<b>127,672,452</b>

Cash and cash equivalents on 31.12.2023 have decreased by 15.6% as compared to December 31st, 2022 (107,742,173 RON compared to 127,672,452 RON) due to payments of fixed assets (investments) and dividends payments higher than the surplus of cash obtained from the operating activity and cash inflows from the investment activity (modernization quota).

Of the total of 107,742,173 million RON liquid assets in the balance as of 31.12.2022, the share of the modernization quota is of 32,041,249 RON.

The effects of the three activity areas (operation, investment and financing) over the cash in the 12 months period of 2023 reveal the following:

- the operating activity has triggered a cash-flow in amount of 88,251,912 RON;
- the investments activity ended with a negative cash-flow in amount of 45,500,352 RON;
- the financing activity has diminished the total cash flow with 62,681,839 RON.

The value of the net cash flow from the operating activity is lower than that registered in the similar period of the previous year, by the amount of 28.26 mRON, due to the payments to the employees and the state budget and the interest collection lowering.

The net cash from the investment activity registers a negative value, lower than 69.01 mRON, following the lowering of cash outputs for the investment activity as compared to the level registered in the same period of the year 2022.

The net cash from the financing activity registers in both compared periods negative amounts determined by the payment of dividends to the shareholders and the amounts related to leasing.

These financial statements, from page 2 to page 61, have been authorized for issue by the company's management on March 20<sup>th</sup>, 2023.

**Director General,**

**Eng. Dorin Tudora**

**Economic Director,**

**Econ. Sanda Toader**

The attached notes, from 1 to 25, are an integral part of these financial statements.

## **V. EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS ON DECEMBER 31, 2023**

### **1. Business Description and General Information**

The company "CONPET" S.A. ("The Company") is a joint-stock company, with a unitary system administration, as per Law no. 31/1990 on the companies, republished, subsequent amendments, registered at the Prahova Trade Registry under no. J29/6/1991, and the Financial Supervisory Authority by the registration certificate no. 7227/1997.

The registered offices are in Ploiesti Municipality, no. 1-3 Anul 1848 Street, Prahova County.

CONPET SA is the concessionaire of the operating activity of the National Transport System of crude oil, rich gas, condensate and ethane, quality acquired in 2002, by conclusion with the National Agency for Mineral Resources (NAMR), the competent authority representing the state interests in the oil resources domain, of the Oil Concession, agreement approved by GD no.793/25.07.2002.

The company's shares are traded on the Bucharest Stock Exchange (BVB) under "COTE" issuing symbol.

The company CONPET SA is included in 7 stock indexes of a total of 9, namely **BET, BET-TR, BET-XT, BET-XT-TR, BET-BK, BET-NG and BET Plus**. As of March 21, 2022, the company CONPET S.A. has been part of the FTSE Global Micro Cap indices dedicated to emerging markets, and on September 1, 2023, following the quarterly review of the indices by the global MSCI index provider, CONPET(COTE) has been included in the indices MSCI Frontier IMI and MSCI Romania IMI (Investable Market Indices).

On December 31, 2023 CONPET SA had a market capitalization of approximately 708.2 mRON (142.4 m Euro), ranking 33 in Top 100 issuers after capitalization.

### *Company's Set-Up*

CONPET is set up based on GD no. 1213/20.11.1990 regarding the set-up of the joint stock commercial companies in the industry, pursuant to Law no.15/1990 regarding the reorganization of the public

economic units as autonomous administrations and joint stock companies, by taking over all assets and liabilities of the former Crude Oil Pipeline Transport Enterprise (Ro.I.T.T.C.).

The shareholder structure and number of voting rights on 31.12.2023 are the following:

- a) The Romanian State by the Ministry of Energy, holding 5,083,372 shares with voting rights, representing 58.72% of the share capital,
- b) legal persons, with 2,029,972 shares with voting rights representing 23.45% of the share capital, and
- c) natural persons, with 1,544,184 shares with voting rights representing 17.83% of the share capital.

#### *Company's Mission*

CONPET mission is the operation of the National Transport System via Pipelines under safe and secure conditions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

#### *Other Information on the Company's Business*

As per the Articles of Incorporation, the company's core business is the transport of crude oil, rich gas, ethane and condensate via pipelines, aiming at supplying the refineries with crude oil and derivatives out of domestic production, as well as with imported crude oil ( (NACE code 4950-“transports via pipelines”).

CONPET supplies transport services for its clients both via the National Transport System concessioned based on the Oil Concession Agreement of the National Transport System of Crude Oil, Rich Gas, Condensate and Ethane via pipelines, as well as by rail way, from the loading ramps to the refineries, for the oil areas not connected to the major transport pipelines.

The crude oil National Transport System represents the ensemble of the major interconnected pipelines ensuring the collection of the oil extracted from the exploitation areas or of the imported, from the delivery sites to the processing units.

CONPET, as Concessionaire of the crude oil National Transport System entitles as common carrier and has the obligation to provide, as per the legal provisions, free access to the system's available capacity to all the inquirers, authorized legal persons, under equal conditions, on a non-discriminatory and transparent basis.

The crude oil National Transport System belongs to the Romanian State public domain and is being administered by NAMR. (as per the Oil Law provisions). It comprises a pipeline system of approx. 3,800 km and a transport throughput of 18.5 million tons/year.

#### *The Legal Environment*

The activities in the oil sector, where the crude oil transport activity is included, are regulated by the Oil Law no.238/2004.

The National Agency for Mineral Resources (NAMR) represents the interests of the State in oil resources domain and is the competent authority authorized to apply the dispositions of Law 238/2004. As per the Oil Law, the National Agency for Mineral Resources entitles as Concession Provider of the goods belonging to the public domain, concessioned to the operators acting in the oil industry.

The main responsibilities of NAMR are the following:

- negotiates and concludes, on behalf of the State, oil agreements;
- awards mining concession licenses and exploitation permits;
- issues regulatory acts, norms, instructions, orders and regulations;
- controls the compliance, by the holders of the concession agreements with the concession licenses and exploitation permits conditions;
- manages the Crude Oil and Natural Gas National Pipeline Transport Systems and regulates the exploitation activities thereof by system's concession agreements concluded;
- annuls the concession acts/administration acts;
- approves the tariffs and the frame-contract for the transport of crude oil, rich gas, condensate and ethane.

*The tariff for the supply of the transport service via the National Transport System of crude oil, rich gas, condensate and ethane*

The transport tariff stands for the exchange value of the transport service supplied by the holder of the oil concession, as common carrier, for the transport via the crude oil National Transport System, of an oil ton along the oil take-over sites from the domestic producers or import and the sites of delivery to the refineries.

The company practices different transport tariffs for the two subsystems belonging to the National Transport System, namely the subsystem for the transport of the crude oil, rich gas, condensate and ethane from the domestic production and the subsystem for the transport of the imported crude oil. For the transport service on the import subsystem are being settled tariffs per refineries and per transported quantity installments, being applied the bracket tariff model.

The transport tariffs are being established in accordance with NAMR Order no.53/2008 for the approval of the guidelines regarding the criteria, methodology and settlement procedure of the regulated for the transport via the National Transport System and are being approved by NAMR as competent authority.

The transport tariffs are being determined by allocation of the transport service value to the crude oil quantities transported for the beneficiaries, using a methodology based on the determination of the service cost, defined as the overall necessary revenues for covering the transport operations through the system, here included:

- the operating cost, here included: material expenses, personnel expenses, pipeline maintenance expenses, expenses with energy, gas and water, costs related to the amortization of the fixed assets, the

royalty and other taxes applicable to the transporter, expenses related to the provision of pipeline guard, decontamination expenses, other expenses;

- modernization and development quota;
- reasonable profit margin.

## **2. Preparation Grounds**

### **(a) Declaration of Conformity**

These financial statements have been drawn up based on the accounting regulations in accordance with the International Financial Reporting Standards ("IFRS") approved by the Order of the Ministry of Public Finance no. 2844/2016.

The IFRS standards represent the standards adopted according to the procedure provided by the Regulation (EU) no.1.606/2023 of the Commission, from August 13, 2023 and include standards and interpretations approved by the Committee for Accounting International Standards ("IASB"), Accounting International Standards ("IAS") and interpretations issued by the Committee for the Interpretation of the International Financial Reporting Standards ("IFRIC").

***The financial statements prepared on the date and for the financial year ended December 31, 2023 have been audited.***

### **(b) Overview of the Financial Statements**

The financial statements are being presented in compliance with IAS,1 the *Overview of the Financial Statements*. The company has adopted an overview based on liquidity within the financial standing and an overview of the revenues and expenses according to the nature thereof, within the statement of profit and loss and other elements of the global result, considering that these methods of presentation offer reliable information and more relevant than the information presented based on other methods permitted by IAS 1.

### **(c) Functional and Presentation Currency**

The financial statements are being presented in Romanian Lei (RON), as per the applicable accounting regulations, all amounts being rounded at the closest RON. The Romanian Leu (RON) is also the functional currency of the Company, as it is being defined by IAS,21, *the Effects of the variation of the currency*.

### **(d) Evaluation Grounds**

The financial statements are being prepared at historical cost, except for the tangible assets, other than the tangible assets in progress, which are being assessed at the reevaluated value, while the stocks are being assessed at the smallest value between the cost and the net achievable value.

The accounting policies defined here-below have been consistently applied for all periods presented in these financial statements.

### **(e) Business Continuity**

The financial statements have been prepared considering the ongoing concern.

#### **(f) Accounting Estimates and Professional Reasoning**

The preparation of the financial statements pursuant to the International Financial Reporting Standards („IFRS”) implies the use, by the Company, of estimates, professional reasoning and hypotheses affecting the reported value related to assets, liabilities, revenues and expenses. Estimates and assumptions are continuously evaluated and are based on historical experience and other factors, including predictions of future events that are believed to be reasonable under certain circumstances. The results of these estimates set the grounds for the professional reasonings regarding the accounting value of the assets and liabilities that cannot be obtained from other information sources. The actual results may be different from the estimates values.

The significant reasonings used by the management for the application of the Company's accounting policies and the main sources of uncertainty regarding the estimates have been the same with those applied to the financial statements related to 2022.

#### **(g) The Use of Estimates and Reasonings**

CONPET concluded, in 2002, a concession contract with NAMR according to which the Company is entitled to use public patrimony assets including the goods part of the crude oil National Transport System.

The company CONPET operates as a joint stock company, as per the Law no.31/1990 on the companies, republished, with subsequent amendments, where most of shares are being held by the State, being a public enterprise as per GDO 109/2011 on the corporate governance of public enterprises. The services supplied by the company are not public services, as they are being supplied in the benefit of the clients legal persons, therefore do not fall under the provisions of IFRIC 12, *Services Concession Agreements*.

### **3. Accounting Policies**

Hereinafter, there are described the significant accounting policies applied consistently by the company in the preparation of its financial statements.

#### **(a) Transactions in Foreign Currency**

(b) The transactions in foreign currency are being expressed in RON by application of the currency from the date of transaction. The monetary assets and the debts expressed in foreign currency at the end of the period are being converted to RON at the currency rate valid on that date.

The earnings and losses generated by the differences in currency, realized or not realized, are being registered in the profit and loss statement and other elements of the global result of the respective financial year.

The foreign exchange of the main foreign currencies was:

		31.12.2023	December 31, 2022
(b)	RON/EURO	4.9746	4.9474
	RON/USD	4.4958	4.6346
	RON/GBP	5.7225	5.5878

### **Accounting for the Effect of Hyperinflation**

In accordance with IAS 29 Financial reporting in hyperinflationary economies, the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy shall be presented in the current unit balance-sheet on the end of the financial year, i.e. non-monetary items are restated using a general price index from date of procurement or contribution.

Therefore, the values reported in terms of purchasing power on December 31, 2003 are treated as the basis for the carrying amounts of these financial statements.

As the characteristics of the economic environment in Romania indicate the cessation of hyperinflation, starting January 1, 2004, the company no longer applies IAS 29.

### **(c) Financial Instruments**

#### ***(i) Non-derivative financial assets***

The company initially recognizes the financial assets (receivables and deposits) at the date they have been initiated.

All other financial assets, here including the assets designated at fair value through profit or loss, are recognized initially on the trade date, when the Company becomes party of the contractual terms of the instrument.

Any interest in the financial assets transferred that is created or retained by the Company is recognized separately, as asset or liability.

The financial assets and debts are offset and in the statement of the financial position is being presented the net value exclusively when the Company has the legal right to offset the amounts and intends either to settle them on a net basis, or to realize the asset and settle the obligation simultaneously. On 31.12.2023, the company holds the following non-derivative financial assets: cash, cash equivalents and receivables.

#### ***Receivables***

Receivables are financial assets with fixed payments or determinable that are not listed on an active market. The receivables contain trade receivables and other receivables.

#### ***Cash and cash equivalents***

Cash and cash equivalents comprise the amounts recorded in cash accounts, current accounts, deposits redeemable at maturity and other cash equivalents. The cash availability in foreign currency is revalued at the exchange rate from the end of the period.

## ***(ii) Non-derivative financial Liabilities***

The Company recognizes in the bookkeeping the non-derivative financial liabilities on the trade date when the Company becomes party to the contractual terms of the instrument. The Company has the following non-derivative financial liabilities: guarantees retained within contractual transactions, trade payables and other liabilities.

### *Trade Liabilities and Other Liabilities*

The trade liabilities and other liabilities include the counter value of the services provided by product suppliers, works performed and services rendered for the benefit of the company.

### *Leasing-related liabilities*

As per IFRS 16, a contract is or contains a leasing contract in case that contract confers the right to control the use of an asset identified for a certain period in exchange for a counter value.

For such contracts, at the date of initiation of performance thereof, a lessee must recognize an asset related to the right of use and a debt deriving from the leasing contract, debt incurring interest.

The company includes in the item "Other debts" also the debts deriving from the leasing contracts at the updated value of the payments of leasing that are not paid on that date.

## ***(iii) Share capital - Common stocks***

The share capital consisting of common stocks (ordinary) is recorded at the value established based on the articles of association and addenda.

The company recognizes the amendments to the share capital only after the accomplishment of the legal procedures provided by Law no.31/1990.

## **(d) Tangible assets**

### ***(i) Recognition and Assessment***

The tangible assets in the company's patrimony are being classified in the following category of assets of the same kind and similar use.

lands;  
constructions;  
operating oil product;  
technological equipment, measuring installations and devices, control and adjustment and means of transport;  
other tangible assets;  
tangible assets in progress.

The tangible assets are initially evaluated at cost by the Company. After initial recognition, the tangible assets are revealed in the statement of the financial standing at reevaluated value, established based on an assessment report drafted by an authorized independent expert. The reevaluations are made with fair

regularity to make sure that the accounting value does not significantly differ from what would have been determined by using the fair value on the date of the reporting period.

The tangible assets are being presented in the statement of the financial standing at the re-evaluated value, diminished by the cumulated depreciation and the loss from cumulated depreciation, except for advance payments and ongoing tangible assets that are presented at cost.

The cost of an element of tangible assets is made up of the procurement price, here included the import fees or non-recoverable procurement fees, the transport expenses, manipulation, commissions, notary fees, expenses with permits acquirement and other non-recoverable expenses directly related to tangible assets and any other direct costs attributable to bringing the assets to the place and in operating conditions.

The tangible assets in progress stand for unfinished investments performed in-house or under contract. They are being evaluated at the production or procurement cost. The tangible assets in progress pass to the category of tangible assets completed after the reception, putting into operation or commissioning thereof, as the case may be.

The cost of a tangible asset built in-house is determined by using the same principles as for a purchased asset.

The Company does not recognize in the carrying amount of a tangible asset item the current repairs and usual maintenance, these costs are recognized as an expense when incurred.

The costs of current maintenance are mainly the workmanship and expandable costs and may include the cost of small components. The purpose of these expenses is often described as being meant for the "repairs and maintenance "of the tangible assets' element.

## ***(ii) Ulterior costs***

### **Replacements of several components of tangible assets**

The components of several elements of tangible assets may need replacements at time regulated intervals. The company recognizes in the carrying amount of a tangible assets' element the cost of the replaced part of such an element, when that cost is borne by the company, if the validation criteria are being met for tangible assets.

### **General Regular Inspections**

One condition for the continuation of the exploitation of an element of tangible asset is the performance of regular major general inspections for detecting defects, regardless of whether component parts of the respective assets are replaced. When a general regular inspection is being performed, the related cost is recognized in the accounting value of the tangible asset as a replacement, if the recognition criteria are met.

An element of tangible assets and any significant part initially recognized are derecognized in the moment of disposal or when are not being expected future economic benefits from its use or sale.

If an element of a tangible asset is reassessed, all the other assets it is part of are reassessed, except for the situation when there is no active market for that asset. A class of intangible assets contains assets of the same nature and similar use, being operated by the entity. If the fair value of a tangible asset cannot be determined by reference to an active market, the asset value presented in the balance sheet is its reassessed value at the date of the last reassessment, where from are being decreased the cumulated value impairments.

When certain components of a tangible asset have a different useful life, they are counted as distinct elements (major components) of tangible assets.

The statement related to the evolution of tangible assets of the Company during 2023 and 2022 is detailed in note 5.

### **Operating oil product**

The company recognizes in tangible assets the operating oil product evaluated in the balance sheet at determined cost from the revaluation performed as per GD no.26 from January 22,1992 updated with inflation rate up to 31.12.2003, when the Romanian economy was inflationary. Since

the oil operating product of the Company physically renews at every pumping and that the component elements of this product do not bear, therefore, moral or qualitative depreciation, the operation oil product has not useful life, thus is not being depreciated. The company presents the operating oil product at the cost value, here included the effects of restatements registered in the previous years as per application of "IAS29", Financial reporting in the hyper inflationary economies".

### **The Goods belonging to State Public Domain**

The company administers goods belonging to the State public domain, as grantor of the oil concession Agreement concluded with the National Agency for Mineral Resources, approved by GD no.793/2002 for a period of 30 years.

Pursuant to the concession agreement, the objectives assumed by CONPET S.A. in relation to its activity are to ensure the operation of the national transport system via pipelines under maximum safety and economic efficiency conditions, to continuously improve the quality of services and to protect the environment.

The goods resulting following the investments provided by the rehabilitation, modernization and development programs performed out of own company's financing sources are being capitalized and depreciated on the minimum duration related to the remaining lifespan of the respective asset or the remaining term of the concession agreement. The goods are to be included in the State's public domain at the date of amortization of the investment by the company, namely on the expiry of the normal operation term or cease of the oil agreement, if applicable, as per the legal provisions.

***(iii) Reclassification as Investment Property***

When an asset is being held more for obtaining revenues out of rentals or for the increase of the capital value or both, rather than for being used in the production or supply of goods and services, for administrative purposes or to be sold during the normal carry out of the activity, the asset is being transferred in investment property. Our company transfers an asset in the category of investment property if the latter generates cash flows that are, to a large extent, independent of other assets held.

The company does not hold investment property in balance at the date of preparation of these financial statements.

***(iv) Intangible Assets held in view of Sale***

When there is an amendment brought to the use of an intangible asset, meaning that its accounting value is to be recovered mainly by a sale transaction and not by its continuous use, the company records the asset transfer from the tangible assets category to non-current assets held in view of sale.

The non-current assets are classified as assets held for sale when:

- Are available for immediate sale;
- The company's management is engaged in a sales plan;
- There are minimum chances that the sales plan incur significant changes or be withdrawn;
- An active program to find buyers is initiated;
- The assets group is being traded at a reasonable price as compared to the fair value;
- It is expected that the sale be concluded within 12 months as of the date of assets classification as held for sale.

Certain events or circumstances may extend the period for the completion of sale by more than one year. An extension of the period does not prevent an asset (or an asset group to be disposed) to be classified as being held in view of sale in case the delay is caused by events or circumstances outside the management control and there are enough proofs that the company remains committed to the plan regarding the asset's sale (or the group destined to disposal).

The intangible assets (or asset group to be disposed) classified as being held in view of sale are being assessed by the company at the minimum between the accounting value and the fair value, less the sale costs.

The intangible assets are not being depreciated whilst they are being classified in view of sale.

The company does not have fixed assets in view of selling, in balance on the date of preparation of these financial statements.

***(v) Assets related to the right of use of the assets taken by leasing***

On initiation of a contract, the company evaluates if that contract is or includes a leasing. A contract is or contains a leasing contract in case that contract confers the right to control the use of an asset identified for a certain period in exchange of a counter value.

As per IFRS 16, Leasing Contracts, on the date of starting the performance, the company, as lessee, recognizes an asset related to the right of use. The cost of the asset related to the right of use includes the value of the initial value of the debt deriving from the leasing contract, any leasing payment being performed on the date of initiation of performance or prior to this date, minus any leasing stimulants received or any direct initial cost borne by the company as lessee.

The company reevaluates if a contract is or includes a leasing only provided that the terms and conditions of the contract are amended. The company determines the duration of a leasing contract as being the irrevocable period of a leasing contract, along with:

- (a) the periods covered by an option of extension of a leasing contract if the lessee has the reasonable confidence that it will exercise that option; and
- (b) the periods covered by an option of termination of the leasing contract if the lessee has reasonable confidence that he will not exercise that option.

In terms of financial standing, the assets related to the right of use are included in the same element-item as the one where are being presented the assets-support of the company.

#### ***(vi) Amortization***

Depreciation is being calculated by using the straight-line method.

The useful lifespans of the tangible assets are settled by a reception commission of the company, named by the decision of the Director General, made up of specialists in the economic and technical domains.

The goods resulting following the investments related to the national transport system via pipelines pay off along the minimum duration between the remaining lifespan of the respective asset or the remaining duration from the concession agreement.

The assets related to the rights of use of the leased assets shall be depreciated on a straight-line basis over the term of the contract.

The lifespans of the tangible assets are being periodically revised and, if applicable, at the date of value increase thereof, due to some expenses subsequently performed.

***(vii) Sale/ cessation of tangible Assets***

The tangible assets that are scrapped or sold are being derecognized from the balance sheet together with the corresponding accumulated depreciation. Any profit or loss resulting from such an operation are included in the current profit or loss.

The gain or loss resulting from the derecognition of an element of tangible assets is being determined as the difference between the net proceeds out the net accounting value of the assets.

***(e) Intangible assets***

***(i) Recognition and Assessment***

The intangible assets are initially recognized at cost. The cost of intangible assets includes expenses that are not directly attributable to the purchase of the respective elements. The expenditure related to the acquisition of software licenses is capitalized based on the costs of purchase and commissioning of the respective programs. The costs associated with the maintenance of the software programs are recognized as expenses upon occurrence.

***(ii) Subsequent Expenditure***

The subsequent expenses are capitalized only when they increase the future economic benefits embodied in the value of the asset for which they are intended. All other expenditure, including expenditure on the goodwill and the internally generated brands are recognized in profit or loss when incurred.

***(iii) Depreciation***

Depreciation is recognized in profit or loss using the linear method for the useful life estimated for intangible assets other than goodwill, from the date they are available for use.

***(f) Depreciation of Assets***

***The Non-Financial Assets***

The carrying value of the Company's assets that are not of a financial nature, other than deferred tax assets are reviewed at each reporting date to identify the existence of depreciation indices. If such markers indicative thereof, it is being estimated the recoverable amount of the said assets.

The recoverable amount of an asset or of a cash-generating unit is the maximum between its use value and its fair value, less the costs to sell that asset or unit. A cash-generating unit is the smallest identifiable group that generates cash and that, independently of the other assets and other groups of assets, could generate

cash flows. To determine the use value, the expected future cash flows are discounted using a discount rate before taxation, which reflects the current market conditions and the risks specific to the said asset. A depreciation loss is recognized when the carrying amount of the asset or cash-generating unit exceeds its estimated recoverable amount of the asset or the cash-generating unit.

The depreciation losses recognized during the previous periods are being assessed at each reporting date to determine whether they have diminished or no longer exist. The depreciation loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

Given some internal and external factors, the Company assessed the net book value registered on the balance sheet date for depreciable tangible assets, in order to evaluate the possibility of existence of a depreciation thereof, which could attract the record of an adjustment for depreciation.

#### *The Financial Assets*

The short-term receivables are not discounted. The recoverable amount of other assets is deemed the highest value between the fair value (less sale costs) and the use value. Estimating the use value of an asset involves updating the estimated future cash flows using a pre-tax discount rate that reflects current market assessments regarding the time value of money and the risks specific to the asset.

The losses from the depreciation of financial assets or of a receivable registered at the depreciated cost is reversed if there has been a change of the estimates used to determine the recoverable amount.

#### **(g) Stocks**

The main categories of stocks are: consumables, spare parts, ongoing services and materials like inventory objects.

The stocks are valued at the lower of cost and net achievable value.

The cost of stocks is based on the first in - first out (FIFO) principle and includes costs incurred for the purchase of inventories, production or processing costs and other costs incurred for bringing the inventories into the form and present location.

The net achievable value is the estimated selling price to be obtained in the ordinary course of business, less estimated costs of completion, when appropriate, and the estimated costs necessary to the sale.

If applicable, there will be applied impairments for obsolete stocks, slow movement or damaged.

#### **(h) Dividends**

The dividends are recognized as a liability in the period in which their distribution is approved. The distribution of dividends is being performed subsequently to the approval of the annual financial statements.

#### **(i) Revaluation reserves**

The revaluations are performed with sufficient regularity so that the carrying amount does not differ substantially from that which would be determined using the fair value at the balance sheet date.

The difference between the value resulting after revaluation and the net accounting value of tangible assets is presented either according to its nature (appreciation/depreciation), either at the revaluation reserve as a distinct sub-element in "Equities" or in the "Profit and Loss" account.

If the revaluation result is an increase over the net accounting value, then, it is treated as follows: as an increase of the revaluation reserve presented within the total equity, if there was no previous decrease recognized as an expense related to that asset or as an income to compensate the expense with the decrease previously recognized at that asset.

If the revaluation result is a decrease of the net accounting value, it is treated as an expense with the entire value of the depreciation when in the revaluation reserve is not recorded an amount on the asset (revaluation surplus) or as a decrease of the reserve from the revaluation by the minimum between the value of that reserve and the amount of the decrease and the possible difference remaining uncovered is recorded as an expense.

The revaluation surplus included in the revaluation reserve is transferred to the retained result when this surplus represents an achieved gain. The gain is deemed realized as monthly amortization is being registered and when deleting from the records of the asset for which was established the revaluation reserve. No part of the revaluation reserve can be distributed, directly or indirectly, except for the case when it represents achieved earnings.

A particularity occurs in the case of the assets financed out of the modernization quota.

Thus, in case the revaluation result shows an increase compared to the net accounting value, then it is being treated as follows:

- as an increase of the revaluation reserve, if there was no previous decrease recognized as an expense related to that asset,
- as an increase of the reserve established out of the modernization quota, up to the set-off of the decrease previously recognized and for which, simultaneously with the depreciation expense was also diminished the quota reserve by writing-back to revenues.

In case the result of revaluation is a decrease of the net accounting value, the latter will be treated as an expense when in the revaluation reserve is not registered an amount related to that asset (revaluation surplus) and the reserve formed out of the modernization quota is diminished simultaneously by writing-back to income.

Starting May 1, 2009, the statutory reserves from the revaluation of fixed assets, including the lands, performed after January 1, 2004, which are deducted from calculation of taxable profit through tax depreciation or from expenditure regarding the assets assigned and/or squashed, shall be taxed concurrently with the deduction of the fiscal depreciation, respectively when deducting from the administration of these fixed assets, as appropriate.

The achieved reserves are taxable in the future, in case of change of reserve destination, reserve distribution towards the participants in any form, liquidation, division, merger of the taxpayer or of any other reason except for transfer, after May 1, 2009, of the reserves mentioned in the previous paragraph.

#### **(j) Legal reserves**

The legal reserves are constituted at a rate of 5% of gross statutory profit, as of the end of the year until the total legal reserves reach 20% of the nominal share capital (statutory) paid up in compliance with the legal provisions. These reserves are deductible from the calculation of the corporate tax and are distributable exclusively upon liquidation of the Company. During 2023 there have not been distributed amounts to the legal reserves, as they are currently constituted within the limit of the 20% quota of the share capital, as per the provisions of art.183, Para (1) and (2) of Law no.31/1990 on the companies, subsequent amendments and completions.

#### **(k) Other reserves**

The company constitutes profit reserves also at the expense of the modernization quota, based on the GD no.168/1998 on setting the quota for the expenses necessary for the development and modernization of crude oil and natural gas production, refining, transport and petroleum distribution, subsequent amendments, presented in GD's no.768 of 7 September 2000 and 1116 of 10th of October, 2002 and according to the provisions of Law no.227/2015 on the Fiscal Code. The level of the modernization quota in the transport tariffs is set by the National Agency for Mineral Resources (Ro.ANRM) once the transport tariffs are approved.

In other reserves - the modernization quota, as sub-element of the accounts of equities are being included the amounts representing the plus resulting from the revaluation of the tangible assets financed out of this source, until the clearing of the decrease previously acknowledged.

#### **(l) Affiliated parties**

The Parties are deemed related in case they are subject to control (or joint control) by the same entity or when an entity can directly or indirectly control or significantly influence the other party, either through ownership, contractual rights, family relationship or otherwise, as defined in IAS 24 *Presentation of Affiliated Party Disclosures*.

#### **(m) The Benefits of the Employees**

##### ***(i) Benefits granted upon Retirement***

In the normal course of business, the Company makes payments to the Romanian State in the account of his employees, at the statutory rates.

All employees of the company are included in the Romanian State pension plan. These costs are recognized in the statement of global result once with salaries recognition.

The Company recognizes a provision for retirement benefits. The discounted value of the liabilities related to the benefits granted on retirement death is annually determined by an independent actuary. The Company

operates no other pensions or post-retirement benefits plan and, consequently, has no sort of other pensions-related liabilities.

#### ***(ii) Short-term Employees Benefits***

The short-term employees' benefits are the ones to be settled in no more than 12 months as of the end of the reporting period when the employees have supplied the said services. These benefits are mainly represented by salaries and contributions of the employer to the social insurance, rest and medical leaves, the employees' share of profit. The liabilities related to these benefits are recognized as expense while the services are supplied and are assessed on a non-discounted basis.

The company establishes a fund for the employees' share of profit, as per the provisions of the Government Ordinance no.64/August 30, 2001.

#### ***(n) Provisions***

Provisions are recognized when the Company has a current obligation (legal or implicit) generated by a past event, when it is probable that an outflow of resources be required to settle the obligation and duty can be estimated reliably.

The amount recognized as a provision is the best estimate on the balance sheet date, of the costs required to settle this obligation.

The best estimate of the costs required to settle current debt is the amount that the Company would pay, reasonably, to settle the obligation at the balance sheet date, or transfer it to a third party at that time.

Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation. The discount rate used reflects current market assessments of the time-value of money and the risks specific to the liability.

Gains from the expected disposal of assets should not be considered in measuring a provision.

If estimated that one or all expenses related to a provision will be reimbursed by a third party, the reimbursement is recognized only when it is certain that it will be received. The reimbursement is considered as a separate asset.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If an outflow of resources is no longer likely to settle an obligation, the provision shall be canceled by reversal of revenue.

#### ***(o) Subsidies***

Subsidies for assets, including non-monetary subsidies at fair value, are recorded in the accounting as investment subsidies and are recognized in the balance sheet as deferred income. The deferred income is recorded in the profit and loss account statement upon registration of the depreciation expenses or upon the scrapping or disposal of assets.

The subsidies that compensate the Company for the expenses incurred are recognized systematically in the profit or loss account, in the same periods when the expenses are recognized.

## **(p) Revenues**

### *Revenues related to Services Supply*

The revenues from the services supply are recognized in the period in which they were provided in correspondence with the stage of execution.

As per IFRS 15 Revenues from clients' contracts, the value of the trade price allocated to an obligation of execution is recognized in revenues when (or gradually) an execution measure is fulfilled.

In order to determine the trade price there are being considered the terms of the contract and the usual business practices. The price of the transaction represents the value of the consideration to which the company expects to have the right in exchange of the transfer of goods or services promised to a client, not including the collected amounts on behalf of some third parties.

### *Revenues from royalties, rentals and interests*

Recognition rules:

- interests are recognized periodically, proportionally, upon generation of the said income, on an accrual-based accounting;
- royalties and rentals are recognized on an accrual accounting basis, under the contract.

## **(q) Financial Revenues and Expenses**

The financial revenues comprise interest revenues related to the funds invested and other financial revenues. The interest revenues are recognized in profit or loss of the period, on the accrual-based accounting, using the effective interest method.

The financial expenses mainly contain expenses with interest related to leasing contracts and the expense related to currency differences.

The interest expenses generated by the debts coming from the leasing contracts are registered in the loss and profit account along the leasing contract, being calculated at the outstanding balance of the debt related to the leasing, for each stage. This thing will determine higher expenses at the beginning of the leasing contract.

## **(r) Tax**

The corporate tax expenses comprise the current tax and the deferred tax.

The corporate tax is recognized either in the profit and loss of the period, or outside the profit and loss, in other elements of the global result or straight in the equities.

**(i) Current Tax**

The current tax is the tax payable related to the profit realized in the current period, determined using tax rates enacted on the reporting date and any adjustment for prior periods.

For the financial year ended December 31, 2023, the corporate tax rate, under the Fiscal Code, was 16%.

**(ii) Deferred Tax**

The deferred tax is determined by the Company using the balance sheet method for those temporary differences arising between the tax calculation base on assets and liabilities and their book value, used for the individual financial statements reporting.

The deferred tax is calculated using the tax rates that are expected to apply to the temporary differences upon the write-back thereof, under the legislation in force at the reporting date.

The receivables and debts related to deferred tax are offset only if there is a legally enforceable right to offset current tax liabilities and receivables and whether they are related to the tax collected by the same tax authority on the same entity subject to taxation, or different tax authorities but willing to achieve settlement of current receivables and payables by the tax, using a net basis or the related assets and liabilities will be realized simultaneously.

The deferred tax receivable is recognized by the Company only to the extent where the achievement of future profits is likely to happen, which can be used to cover the tax loss. The deferred tax related receivable is reviewed at the end of each financial year and is reduced to the extent that the corresponding tax benefit is unlikely to be realized. The additional taxes that arise from the distribution of dividends are recognized at the same date as the liability to pay the dividends.

**(iii) Tax Exposures**

For the determination of current and deferred tax, the Company considers the impact of uncertain fiscal positions and the possibility of occurrence of additional taxes and interests. This assessment is based on estimates and assumptions and may involve a series of judgments about future events. New information may become available, thus determining the Company to change its judgment regarding the accuracy in estimating the existing fiscal liabilities; such changes in fiscal obligations affect the tax expense in the period in which such determination is made.

**(s) Earnings per share**

The earnings per share are determined by dividing the profit or loss attributable to the Company's ordinary shareholders into the weighted average number of ordinary shares for the period under review.

**(t) Business Segments Reporting**

A segment is a distinct component of the Company that provides certain products or services (business segment) or provides products and services in a particular geographical environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

The company CONPET has a single reportable segment, namely transport services supply for its clients both via the National Transport System and by railway.

#### **(u) Contingent Assets and Liabilities**

The contingent liabilities are not recognized in the statement of financial standing and in the profit and loss account. They are disclosed in the notes to the financial statements, except for the possibility of an outflow of resources representing economic benefits has been removed.

A contingent asset is not recognized in the statement of the financial standing and in the profit and loss account but disclosed when an inflow of economic benefits is likely to happen.

#### **(v) Ulterior Events**

The financial statements reflect subsequent events after the year-end, events that provide additional information of the Company's position on the reporting date or those that indicate a possible violation of the going concern principle (events that cause adjustments). Events following the end of the year that are not adjusting events are disclosed in notes when they are considered significant.

#### **(w) Comparative Information**

The statement of the financial standing for the year ended December 31, 2023 shows comparability with the statement of the financial standing for the financial year ended December 31, 2022.

#### **(x) New Standards and Interpretations**

The following new standards and amendments of the existing standards issued by the International Accounting Standards Committee (IASB) and adopted by the European Union (EU) *have not yet entered into force along the annual financial reporting period ended December 31, 2023* and have not been applied on the preparation of these financial statements: [IAS 8.30 (a)]:

<b>Norm/Interpretation [IAS 8.31 (a)], 8.31(c)]</b>	<b>Nature of imminent amendment of the accounting policy [IAS 8.31 (b)]</b>	<b>The potential impact over the financial statements [IAS 8.31(e)]</b>
Amendments to IFRS 16 "Leasing contracts" (in force for the annual periods starting January 1, 2024 or ulterior to this date).	The amendments set out the manner in which a company should recognize, evaluate, present and publish the leasing contracts. The amendments to IFRS 16 indicate the manner in which the seller/lessee subsequently evaluates the selling transactions and leaseback.	The adoption of Amendments to IFRS 16 shall not bear impact on the individual financial statements.
Amendments to IAS 1 "The presentation of the financial statements" (in force for the annual periods starting January 1, 2024, or ulterior to this date)	The amendments specify the manner in which a company must determine, in the statement of the financial standing, the debts and other liabilities with an uncertain settlement. As per these amendments, the respective debts or other liabilities	The adoption of Amendments to IAS 1 shall not bear impact on the individual financial statements.

	must be classified either as current (due or potentially due in a one-year term), or as long-term.	
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The following standards and amendments to existing standards issued by the International Accounting Standards Committee (IASB) and adopted by the European Union (EU) have entered into force in the current period:

<b>Norm/Interpretation</b> [IAS 8.31 (a)], 8.31(c)]	<b>Nature of imminent amendment of the accounting policy</b> [IAS 8.31 (b)]	<b>The impact over the financial statements</b> [IAS 8.31(e)]
The adoption of IFRS 17 "Insurance Contracts" (in force for the annual periods starting January 1, 2023, or ulterior to this date)	The objective of IFRS 17 is to ensure the fact that a company presents in its financial statements relevant information to accurately represent the insurance contracts. The named information offers the users of the financial statements a solid basis to evaluate the effect of the insurance contracts on the financial position, of the financial performance and the cash flows of the company.	The adoption of IFRS 17 had no impact on the individual financial statements, as this standard is not applicable on the date of preparation of these financial statements.
Amendments to IFRS 17 "Insurance Contracts" (in force for the annual periods starting January 1, 2023 or ulterior to this date)	The amendment of the requirements regarding the transition provided by IFRS 17 allows the companies that apply for the first time IFRS 17 and IFRS 9, <i>Financial Instruments</i> , to solve the problem of punctual differences of classification in connection with the comparative information within the previous reporting period.	The adoption of the amendments to IFRS 17 had no impact on the individual financial statements, as this standard is not applicable at the date of preparation of these financial statements.
Amendments to IAS 12 "Corporate Tax" (in force for the annual periods starting January 1, 2023 or ulterior to this date)	The amendments clarify how companies must account for deferred taxes on transactions such as leases and decommissioning obligations and aim to reduce diversity in reporting receivables and debts related to the deferred tax, receivables and debts related to leasing contracts and decommissioning obligations.	The adoption of Amendments to IAS 12 had no impact on individual financial statements.
Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in the accounting estimates and errors" (effective for annual periods from or after January 1 <sup>st</sup> , 2023 or ulterior to this date)	These amendments clarify the differences between accounting policies and accounting estimates to ensure a more consistent application of accounting standards and comparability of the financial statements.	The adoption of Amendments to IAS 1 and IAS 8 had no impact on individual financial statements.
Amendments to IAS 12 "Corporate Tax" (in force for the annual periods starting January 1, 2023 or ulterior to this date)	The amendments have introduced a temporary exception from the accounting of the deferred taxes resulting from the application of the Rules - model of Pillar 2 of OCDE, as well as specific presentation of information for the affected entities.	The adoption of Amendments to IAS 12 had no impact on individual financial statements.

#### **4. Determination of Fair Value**

Certain Company's accounting policies and requests for information supply require the determination of the fair value for financial and non-financial assets and liabilities.

### *Hierarchy of the Fair Value*

Fair values are multi-level classified in the fair value hierarchy based on the input data used in the assessment techniques, as follows:

Level 1: Prices quoted on active markets for identical assets and liabilities.

Level 2: Input data, other than the prices included at Level 1 containing observable values for assets or liabilities, directly or indirectly.

Level 3: Inputs for assets or liabilities that are not grounded on the data observable on the market.

The fair values of the tangible assets have been determined in view of assessment and/or presentation of the information based on the methods described below.

The reevaluated value of the lands, buildings and equipment was established beginning with the fair value based on the market method and on the cost using quoted market prices for similar items, when they are available, or the replacement cost when appropriate. The depreciated replacement cost reflects adjustments for physical deterioration, wear and tear, functional and economical obsolescence. The reevaluated value of lands, buildings and equipment was determined by authorized appraisers.

Where applicable, additional information regarding the hypothesis used in the determination of fair value is presented in the notes specific to the named asset or liability.

In the following chart are being presented the fair values classified on the 3 level in the hierarchy of fair values, structured on group of tangible assets:

<b>- RON-</b>				
	Level 1:	Level 2:	Level 3:	Fair value on December 31, 2023
Lands	-	-	32,264,052	32,264,052
Constructions;	-	-	460,508,287	460,508,287
Machinery and equipment	-	-	77,168,919	77,168,919

Measuring and control devices	-	-	19,425,309	19,425,309
Means of transport	-	-	20,532,598	20,532,598
Other assets	-	-	1,595,738	1,595,738
<b>TOTAL</b>			<b>620,494,903</b>	<b>620,494,903</b>

<b>- RON-</b>				
	Level 1	Level 2	Level 3	Fair value on December 31, 2022
Lands	-	-	25,158,645	25,158,645
Constructions;	-	-	316,399,997	316,399,997
Machinery and equipment	-	-	69,688,688	69,688,688
Measuring and control devices	-	-	21,625,477	21,625,477
Means of transport	-	-	20,185,451	20,185,451
Other assets	-	-	2,250,809	2,250,809
<b>TOTAL</b>			<b>455,309,067</b>	<b>455,309,067</b>

## 5. Tangible assets

In 2023, compared to 2022, the intangible assets evolved as follows:

Name	Lands *	Special buildings and installations *	Oil operating products	Machinery and equipment	Measuring and control devices	Means of transport *	Other tangible assets	Ongoing tangible assets	Total tangible assets
<b>Gross accounting value on January 1, 2023</b>									
28,693,144	333,355,527	39,541,805	131,103,627	67,450,565	53,187,538	9,551,894	151,716,394	814,600,494	
Amortization accumulated on January 1, 2023	(3,534,499)	(56,497,335)	-	(61,414,939)	(45,825,088)	(33,002,087)	(7,301,085)	-	(207,575,033)
<b>Net accounting value on January 1, 2023</b>									
25,158,645	276,858,192	39,541,805	69,688,688	21,625,477	20,185,451	2,250,809	151,716,394	607,025,461	
Tangible assets inputs	1,206,066	154,381,431	-	18,404,935	5,095,756	4,995,207	196,474	(101,380,223)	82,899,646
Tangible assets outputs at gross value	(3,955)	(121,048)	-	(507,840)	(469,943)	(857,064)	(1,030)	-	(1,960,880)
Accumulated depreciation related to outputs	3,041	81,201	-	505,947	463,351	857,064	1,030	-	1,911,634
Diminution of tangible assets up to the net value for the registration of assets revaluation	-	(94,048,384)	-	-	-	-	-	-	(94,048,384)
Depreciation cancelled from the accounting value as effect of the application of net value method for registration of assets revaluation	-	94,048,384	-	-	-	-	-	-	94,048,384
Depreciation registered during the year	(1,240,085)	(38,964,313)	-	(10,922,811)	(7,289,332)	(4,648,060)	(851,545)	-	(63,916,146)
Revaluation increases	7,154,203	37,744,306	-	-	-	-	-	-	44,898,509
Revaluation impairments	(13,863)	(13,286)	-	-	-	-	-	-	(27,149)
<b>Gross accounting value December 31, 2023</b>									
37,035,595	431,298,546	39,541,805	149,000,722	72,076,378	57,325,681	9,747,338	50,336,171	846,362,236	
Depreciation accumulated on December 31, 2023	(4,771,543)	(1,332,063)	-	(71,831,803)	(52,651,069)	(36,793,083)	(8,151,600)	-	(175,531,161)
<b>Net accounting value on December 31, 2023</b>									
32,264,052	429,966,483	39,541,805	77,168,919	19,425,309	20,532,598	1,595,738	50,336,171	670,831,075	

\* Note: Here included rights of use resulting from the lease and concession contracts

Name	Lands*	Buildings and special installations*	Oil operating products	Machinery and equipment	Measuring and control devices	Means of transport*	Other tangible assets	Ongoing tangible assets	Total tangible assets
<b>Gross accounting value on January, 2022</b>									
27,964,719	303,550,374	40,889,554	131,697,627	101,241,517	47,403,356	9,301,888	63,589,404	725,638,439	
Accumulated depreciation on January 1, 2022	(2,378,876)	(28,213,467)	-	(71,392,237)	(75,139,091)	(29,124,257)	(6,292,151)	-	(212,540,079)
Assets impairment adjustments	-	-	-	-	-	-	-	(275,272)	(275,272)
<b>Net accounting value on January 1, 2022</b>									
25,585,843	275,336,907	40,889,554	60,305,390	26,102,426	18,279,099	3,009,737	63,314,132	512,823,088	
Inputs of tangible assets	1,048,785	29,968,412	-	19,103,649	3,465,780	6,399,660	276,640	88,511,701	148,774,627
Outputs of tangible assets at gross value	(320,360)	(163,259)	(1,347,749)	(19,697,649)	(37,256,732)	(615,478)	(26,634)	(384,711)	(59,812,572)
Accumulated depreciation related to outputs	86,024	24,336	-	19,686,275	37,242,521	615,478	23,674	-	57,678,308
Depreciation registered along the year	(1,241,647)	(28,308,204)	-	(9,708,977)	(7,928,518)	(4,493,308)	(1,032,608)	-	(52,713,262)
Constituted impairment adjustments	-	-	-	-	-	-	-	275,272	275,272
<b>Gross accounting value on December 31, 2022</b>									
28,693,144	333,355,527	39,541,805	131,103,627	67,450,565	53,187,538	9,551,894	151,716,394	814,600,494	
Accumulated depreciation on December 31, 2022	(3,534,499)	(56,497,335)	-	(61,414,939)	(45,825,088)	(33,002,087)	(7,301,085)	-	(207,575,033)
<b>Net accounting value on December 31, 2022</b>									
25,158,645	276,858,192	39,541,805	69,688,688	21,625,477	20,185,451	2,250,809	151,716,394	607,025,461	

\* Note: Here included rights of use resulted from the lease and concession contracts

The net value of the tangible assets on 31.12.2023 has increased as compared to the end of 2022, by the amount of 63,805,614 RON.

During 2023 there have been registered inputs of tangible assets in amount of 82,899,646 RON, outputs of tangible assets at a net value of 49,246 RON and increase from reevaluation of tangible assets on 31.12.2023, in amount of 44,871,360 RON.

Depreciation of tangible assets registered in 2023 amounted to 63,916,146 RON.

During 2023 there have been commissioned tangible assets in amount of 182,443,966 RON.

In 2023 there has been registered a decrease of the net value of assets representing rights of use resulting from leasing and concession contracts, in amount of 487,357 RON.

As for IFRS 16, the assets representing rights of use resulting from lease and concession contracts are recognized at tangible assets, as follows:

- At element-row “Lands” is included the value of the rights of use resulting from the lease and concession contracts concluded with various landowners. On these rented lands are located telecommunication equipment and cathodic protection stations in various locations in the country. On 31.12.2023 the gross value of these assets was 7,036,355 RON, the cumulated depreciation of 4,771,543 RON, resulting a net value of the rights of use related to the lands of 2,264,812 RON.
- At the element-row “Special buildings and installations” is recognized the value of the rights of use resulting from the lease and concession contracts concluded with various owners for buildings rented to be made available to the gendarmes, as per GD no.1486/2005 on securing the guard and protection of the objectives, goods and values with gendarmes’ teams and for the carry out of the administrative activity. On the date of 31.12.2023, the gross value of these assets is 2,022,317 RON, the cumulated depreciation of 1,332,063 RON resulting a net value of the rights of use related to the buildings of 690,254 RON.
- At the position “Means of transport” is included the value of the rights of use of 15 rail tanks necessary for the development of the activities specific to the company. On 31.12.2023, the gross value of these assets was 893,400 RON, the cumulated depreciation of 818,950 RON, resulting in a net value of the rights of use related to the means of transport of 74,450 RON.

On December 31,2023, CONPET holds in property lands with a surface of 733,677 Sq.m., with an accounting value of 29,999,240 RON, made of:

- 554,181 Sq.m lands with an accounting value of 16,293,210 RON, held under 48 Certificates of ownership right obtained during 2001-2005, appraised on the date of acquiring the certificates, in accordance with GD 834/1991 on the establishment and appraisal of some lands owned by the state-owned companies, at the value of 26,708,233 RON. These lands have been registered in the company’s patrimony at the expense of other equity reserves, without augmenting the share capital by the value thereof.
- 155,626 Sq.m of land with an accounting value of 4,168,765 RON held based on 14 Land Ownership Certificates obtained until 2001. The share capital of the company was augmented by the amount of these lands;
- 23,870 Sq.m lands with an accounting value of 9,537,265 RON, acquired by the Company based several sale-purchase contracts. Administrative buildings are located on one side of the purchased lands and on the rest are telecommunications towers, which are intended for transport.

The lands held by the Company are located in Ploiești, at the company's administrative offices, and in the 24 counties covered by the transport pipelines or where the crude oil tanks loading ramps are being located.

The tangible assets also include the oil operating product, evaluated in the statement of the financial standing at the cost determined from revaluation, reinstated by the application of IAS 29 "The financial reporting in Hyper inflationary Economies". On 31.12.2023, the accounting value of the operating oil product remained unchanged compared to the beginning of the year, being in amount of 39,541,805 RON.

#### *Tangible assets in progress*

On December 31, 2023, the value of the assets in progress is of 50,336,171 RON and includes investment projects provided in "2023 Investment Program", which are mainly composed of: replacement of pipeline portions on various lengths and routes, tanks modernizations, loading ramps and pumping stations modernizations, SCADA works, telecommunication works, cathodic protection modernization systems, modernization of locomotives etc.

#### *Revaluation of tangible assets*

After initial recognition, the tangible assets are being reappraised.

The tangible assets for which the company has adopted the alternative treatment allowed, namely those that have been reappraised, are being presented in the financial statements at the re-assessed value (the fair value at the revaluation value), less the ulterior depreciation cumulated and the ulterior losses from depreciation. The revaluation has been performed with sufficient regularity, at least once at 3 years. On December 31, 2023 there were evaluated, by the company ESTIMATORI GROUP SRL București, the classes lands, buildings and special constructions, in the company's patrimony.

Pursuant to the results contained in the revaluation report, the fair value on 31.12.2023 related to the lands, buildings and special constructions register a total net increase of 44,871,360 RON.

The revaluation results on 31.12.2023 have been registered in the accountancy as follows:

	Net accounting value on 31.12.202 before revaluation	Revaluated value on 31.12.2023	Difference from revaluation	of which: Increase on the expense of the revaluation reserve	Increase on the extent of other reserves	Decrease on the extent of revaluation reserve	Impact in the profit and loss account – increase
<b>Lands and lands developments</b>	22,585,900	29,999,240	7,140,340	4,359,556	-	(7,163)	2,787,947
<b>Buildings and constructions</b>	391,545,209	429,276,229	37,731,020	35,609,103	1,467,878	(14)	654,053
<b>Total</b>	<b>414,404,109</b>	<b>459,275,469</b>	<b>44,871,360</b>	<b>39,968,659</b>	<b>1,467,878</b>	<b>(7,177)</b>	<b>3,442,002</b>

Following the revaluation, the lands belonging to the company have registered an increase of the net accounting value in amount of 7,140,340 RON.

The company recognized an increase of the net accounting value from the revaluation of the tangible assets representing special buildings and constructions existing in the company's patrimony on 31.12.2023, in total amount of 37,731,020 RON.

The impact on the financial statements, resulted from the registration of the differences related to the revaluation of the tangible assets, namely the increases and decreases of the accounting values, registered on 31.12.2023, is the increase of the equities by the amount of 44,871,369 RON.

## 6. Intangible assets

In 2023, compared to 2022, the intangible assets evolved as follows:

			- RON-	
	Name	Licenses and software	Other intangible assets	Total intangible assets
<b>Gross accounting value on January 1, 2023</b>		<b>12,470,814</b>	<b>3,313,099</b>	<b>15,783,913</b>
Cumulated depreciation on January 1, 2023		(6,739,288)	(2,189,832)	(8,929,120)
<b>Net accounting value on January 1, 2023</b>		<b>5,731,526</b>	<b>1,123,267</b>	<b>6,854,793</b>
Inputs of intangible assets		1,512,200	271,802	1,784,002
Outputs of intangible assets to the gross value		(2,894,937)		(2,894,937)
Accumulated depreciation outputs		2,894,937		2,894,937
Depreciation registered during the period		(2,339,611)	(739,611)	(3,079,222)
<b>Gross accounting value on December 31, 2023</b>		<b>11,088,077</b>	<b>3,584,901</b>	<b>14,672,978</b>
Accumulated depreciation on December 31, 2023		(6,183,962)	(2,929,443)	(9,113,405)
<b>Net accounting value on December 31, 2023</b>		<b>4,904,115</b>	<b>655,458</b>	<b>5,559,573</b>

- RON-

Name	Licenses and software	Other intangible assets	Total intangible assets
<b>Gross accounting value on January 1, 2022</b>	<b>10,231,567</b>	<b>3,004,699</b>	<b>13,236,266</b>
Cumulated depreciation on January 1, 2022	(4,819,624)	(1,474,902)	(6,294,526)
<b>Net accounting value on January 1, 2022</b>	<b>5,411,943</b>	<b>1,529,797</b>	<b>6,941,740</b>
Inputs of intangible assets	2,241,107	308,400	2,549,507
Outputs of intangible assets to the gross value	(1,860)		(1,860)
Accumulated depreciation outputs	1,860		1,860
Depreciation registered during the period	(1,921,524)	(714,930)	(2,636,454)
<b>Gross accounting value on December 31, 2022</b>	<b>12,470,814</b>	<b>3,313,099</b>	<b>15,783,913</b>
The accumulated depreciation on December 31, 2022	(6,739,288)	(2,189,832)	(8,929,120)
<b>Net accounting value on December 31, 2022</b>	<b>5,731,526</b>	<b>1,123,267</b>	<b>6,854,793</b>

The net value of the intangible assets on 31.12.2023 has decreased as compared to the end of 2022, by the amount of 1,295,220 RON.

In 2023, there have been registered inputs of intangible assets in the amount of 1,784,002 RON and depreciation in amount of 3,079,222 RON.

The depreciation method used is the linear one.

The intangible assets comprise: IT programs, soft licenses, soft, vectorial map of Romania, the numeric attitudinal model of the land, the expenses borne by the company related to the connection to the electric power network and the water network recognized in intangible assets as rights of use.

Research and development-related expenses are not being capitalized.

## 7. Financial Assets

Comparative statement of the financial assets for the two reporting periods reveals the following:

Name	Other non-current securities	Long-term receivables	Total intangible assets
<b>Gross accounting value on January 1, 2023</b>	<b>5,100</b>	<b>2,852,134</b>	<b>2,857,234</b>
Adjustment for depreciation on January 1, 2023	-	(320,189)	(320,189)
<b>Net accounting value on January 1, 2023</b>	<b>5,100</b>	<b>2,531,945</b>	<b>2,537,045</b>
Inputs	-	36,590	36,590
Outputs	-	(50,832)	(50,832)
<b>Gross accounting value on December 31, 2023</b>	<b>5,100</b>	<b>2,837,892</b>	<b>2,842,992</b>

Adjustments for depreciation on December 31, 2023	-	(320,189)	(320,189)
<b>Net accounting value on December 31, 2023</b>	<b>5,100</b>	<b>2,517,703</b>	<b>2,522,803</b>

Name	Other non-current securities	Long-term receivables	Total intangible assets	- RON-
<b>Gross accounting value on January 1, 2022</b>	<b>5,100</b>	<b>726,260</b>	<b>731,360</b>	
Adjustments for depreciation on January 1, 2022	-	(320,189)	(320,189)	
<b>Net accounting value on January 1, 2022</b>	<b>5,100</b>	<b>406,071</b>	<b>411,171</b>	
Inputs	-	2,125,874	2,125,874	
<b>Gross accounting value on December 31, 2022</b>	<b>5,100</b>	<b>2,852,134</b>	<b>2,857,234</b>	
Adjustments for depreciation on December 31, 2022	-	(320,189)	(320,189)	
<b>Net accounting value on December 31, 2022</b>	<b>5,100</b>	<b>2,531,945</b>	<b>2,537,045</b>	

On 31.12.2023, the net value of the financial assets decreased as compared to January 1, 2023 by 14,242 RON, at the expense of the decrease of the long-term receivables during the year.

The company holds contributions to the share capital of Independent Register Monitor in amount of 5,000 RON and is associate member, along with other companies, in the Romanian National Committee for the Oil International Council (CNR-CMP), participating at the establishment of the patrimony, CNR-CMP, with contribution in amount of 100 RON.

The non-current receivables, in net amount of 2,517,703 RON represent guarantees granted to third-parties and are mainly made up of: the guarantees related to the electric power supply contract, refundable guarantees paid by the Company to the Ministry of Agriculture and Rural Development and the Ministry of Environment, Waters, Forests in view of temporary removal of the lands from agricultural use and forest fund for the fulfillment of various investment objectives, as well as from guarantees related to the lease contracts of lands and spaces in view of performing the production and administrative activities in different locations in the country and guarantees for telecommunication equipment.

## 8. Inventories

Name	Consumable s	Services in progress	Waste products	Total stocks	- RON-
<b>Gross accounting value on January 1, 2023</b>	<b>6,444,829</b>	<b>1,403,434</b>	<b>469</b>	<b>7,848,732</b>	
Adjustments for depreciation of inventories	(981,649)	-	-	(981,649)	
<b>Net accounting value on January 1, 2023</b>	<b>5,463,180</b>	<b>1,403,434</b>	<b>469</b>	<b>6,867,083</b>	
Stocks inputs during the period	6,859,181	9,020,306	536,770	16,416,257	
Consumption/outputs of stocks during the period	(6,836,695)	(9,551,516)	(503,907)	(16,892,118)	
Revenues from (Expense with) adjustment for depreciation of stocks	128,342	-	-	128,342	
<b>Gross accounting value on December 31, 2023</b>	<b>6,467,315</b>	<b>872,224</b>	<b>33,332</b>	<b>7,372,871</b>	
Adjustments for depreciation of inventories	(853,307)	-	-	(853,307)	
<b>Net accounting value on December 31, 2023</b>	<b>5,614,008</b>	<b>872,224</b>	<b>33,332</b>	<b>6,519,564</b>	

	- RON-			
Name	Consumable s	Services in progress	Waste products	Total stocks
<b>Gross accounting value on January 1, 2022</b>	<b>6,014,704</b>	<b>658,743</b>	<b>7,173</b>	<b>6,680,620</b>
Adjustments for depreciation of inventories	(1,368,533)	-	-	(1,368,533)
<b>Net accounting value on January 1, 2022</b>	<b>4,646,171</b>	<b>658,743</b>	<b>7,173</b>	<b>5,312,087</b>
Stocks inputs during the period	7,471,345	12,555,068	222,597	20,249,010
Consumption/outputs of stocks during the period	(7,041,220)	(11,810,377)	(229,301)	(19,080,898)
Revenues from (Expense with) impairment for depreciation of stocks	386,884	-	-	386,884
<b>Gross accounting value on December 31, 2022</b>	<b>6,444,829</b>	<b>1,403,434</b>	<b>469</b>	<b>7,848,732</b>
Impairments for depreciation of inventories	(981,649)	-	-	(981,649)
<b>Net accounting value on December 31, 2022</b>	<b>5,463,180</b>	<b>1,403,434</b>	<b>469</b>	<b>6,867,083</b>

The stocks are made up of materials, spare parts and other materials that are to be used when performing the company's business, including the ones comprising security and intervention stocks meant for the potential provoked and technical breakdowns.

The company recognizes in "revenues from ongoing services" cost of supplied services and unreceived by the beneficiaries until the end of the period.

## 9. Trade receivables and other receivables

On December 31, 2023 and December 31, 2022, the trade receivables and other receivables reveal the following:

	- RON-	
Name	December 31, 2023	December 31st, 2022
Clients	48,321,481	45,295,130
Impairment receivables adjustments	(208,618)	(222,936)
Other trade receivables	280,366	1,419,808
Impairments for the loss of value of other short-term intangible receivables	(1,404)	(122,717)
<b>Subtotal trade receivables (net value)</b>	<b>48,391,825</b>	<b>46,369,285</b>
Other receivables	6,288,206	4,491,660
Impairments for the depreciation of other receivables	(1,698,699)	(1,674,185)
<b>Subtotal other receivables (net value)</b>	<b>4,589,507</b>	<b>2,817,475</b>
<b>Overall receivables</b>	<b>52,981,332</b>	<b>49,186,760</b>

**Clients' structure per activities** is the following:

Name	December 31, 2023	December 31, 2022	- RON-
Clients- transport activity	47,617,013	44,628,760	
Other clients - auxiliary activities	704,468	666,370	
<b>Total</b>	<b>48,321,481</b>	<b>45,295,130</b>	

*Trade receivables* are no interest bearer and have an average day collection of 28 days.

The main trade receivables in balance on December 31, 2023 are to be received from: OMV PETROM S.A.– 40,006,967 RON (December 31, 2022: 39,120,758 RON), Petrotel Lukoil S.A.– 6,551,650 RON (December 31, 2022: 5,172,855 RON), Rompetrol Rafinare SA– 1,072,969 RON (December 31, 2022: 188,414 RON).

The revenues from transport services supplied to the clients hold a significant share (over 99%) in the Company's turnover.

The Company's client, OMV PETROM SA, holds approximately 75% of the total short-term receivables registered on December 31, 2023.

Other receivables in amount of 6,288,206 RON mainly include: the amount receivable from the State budget representing allowances for the medical leaves (1,851,425 RON, namely 29.4% amounts to be recovered from various natural and legal persons, the majority facing ongoing litigation (1,197,638 RON, namely 91.1%) and non-exigible VAT related to the unarrived invoices until the date of 31.12.2023 (1,083,173 RON, respectively 17.2%).

Adjustments for the depreciation of trade receivables are recorded for the doubtful clients, involved in litigation or insolvency, presenting default of collection thereof. On December 31, 2023 the value of these impairments amounts to 208,618 RON.

*Adjustments for the depreciation of other receivables* are recorded for debits related to the legal files pending before the Law, paid fines and facing dispute. On December 31, 2023 the value of the impairments amounts to 1,698,699 RON, increasing by 24,514 RON as compared to December 31, 2022.

The Company's registers impairments for loss of value of 100% from the value of the receivables, for clients facing appeal, insolvency and for other debits related to the established legal files or for fines received and disputed.

## Statement on receivables seniority

### Trade receivables

- RON-

Name	December 31,	December 31,
	2023	2022
<b>Clients, o/w:</b>	<b>48,321,481</b>	<b>45,295,130</b>
<i>Depreciated receivables</i>	208,618	222,936
<i>Non-depreciated receivables, o/w:</i>	48,112,863	45,072,194
- seniority less than 30 days	48,007,876	44,914,134
- seniority between 30 days and 60 days	98,106	147,366
- seniority between 60 days and 90 days	2,098	4,731
- seniority between 90 days and 270 days	4,782	5,963
- seniority between 270 days and 1 year	-	-
<b>Other trade receivables, out of which:</b>	<b>280,366</b>	<b>1,419,808</b>
<i>Depreciated receivables</i>	1,404	122,717
<i>Non-depreciated receivables, o/w:</i>	278,962	1,297,091
- seniority less than 30 days	1,597	2,101
- seniority between 30 days and 60 days	-	365
- seniority between 60 days and 90 days	277,365	1,294,625

### Other receivables

- RON-

Name	December 31,	December 31,
	2023	2022
<i>Depreciated receivables</i>	1,698,699	1,674,185
<i>Non-depreciated receivables, o/w:</i>	4,589,507	2,817,475
- seniority less than 30 days	2,282,700	2,421,973
- seniority between 30 days and 60 days	196,453	14,516
- seniority between 60 days and 90 days	334,117	87,603
- seniority between 90 days and 270 days	1,111,809	176,105

- seniority between 270 days and 1 year	307,091	81,263
- seniority over 1 year	357,336	36,015
<b>Total</b>	<b>6,288,206</b>	<b>4,491,660</b>

## 10. Cash and cash equivalents

On December 31, 2023 and December 31, 2022 the cash and cash equivalents look as follows:

	Name	December 31, 2023	December 31, 2022
Current bank accounts		2,020,616	5,465,205
Bank deposits with maturity ≤ 3 months		105,716,195	122,200,485
Cash on hand		5,362	6,762
<b>Total</b>		<b>107,742,173</b>	<b>127,672,452</b>

Cash and cash equivalents on 31 December 2023 are down by 15.6% (19.9 million RON), compared to 31<sup>st</sup> of December 2022, due to cash outflows for procurement of assets (investments) and dividend payments, higher than the surplus of cash from operating activity and cash inflows related to investment activity (upgrading share).

The liquid assets in the accounts on 31.12.2023 also include the cash representing the modernization quota, with special use regime, provided by GD no.168/1998, in amount of 32,041,249 RON. This is intended exclusively for funding the modernization and development of goods in public property.

The company does not have restricted cash.

## 11. Equities

### *The Share capital*

During the reporting period, the share capital of the company has not changed, remaining at the value of 28,569,842 RON, divided into 8,657,528 ordinary shares with a nominal value of 3.3 RON/share and corresponding to the one registered at the Trade Register Office.

The structure of CONPET S.A. share capital and shareholding on December 31, 2023 is the following:

Shareholders	December 31, 2023			December 31, 2022		
	Number of shares	Amount (RON)	(%)	Number of shares	Amount (RON)	(%)

Romanian State by the Ministry of Energy	5,083,372	16,775,128	58.7162	5,083,372	16,775,128	58.7162
Legal persons	2,029,972	6,698,907	23.4475	1,910,238	6,303,785	22.0645
Natural Persons	1,544,184	5,095,807	17.8363	1,663,918	5,490,929	19.2193
<b>Total</b>	<b>8,657,528</b>	<b>28,569,842</b>	<b>100%</b>	<b>8,657,528</b>	<b>28,569,842</b>	<b>100%</b>

#### *Legal reserves*

On December 31, 2023 the value of the legal reserve is 5,713,968 RON and represents the reserve constituted at the level of 20% of the share capital, as per the Law no.31/1990 and Articles of Incorporation.

#### *Other reserves*

Other reserves are in the amount of 547,585,477 RON.

Other reserves have increased by the amount of 13,687,713 RON in the year 2023, consisting of: 6,869,587 RON, growth of reserves representing the modernization quota, 1,456,268 RON increase from revaluation recognized on the account of the reserve related to the modernization quota, 1,636,456 RON representing prescribed dividends recognized in equities and 3,725,402 RON reserve increase constituted for the reinvested profit.

The reserve related to the modernization quota is in amount of 496,667,140 RON and holds the highest share in total other reserves (90.7%).

#### *Revaluation reserves*

In the statement of the financial standing, the revaluation reserves are being presented at the net value of 49,838,300 RON, resulting after the diminution of the gross value by the related deferred tax recognized directly in the equities, as per IAS 12.

#### *Retained earnings*

The retained earnings are in amount of 36,970,805 RON and contain:

The retained earnings representing actuarial loss from discount of benefits granted upon retirement: 531,142 RON;

The retained earnings representing surplus achieved out of revaluation reserves: 862,397 RON

The retained earnings derived from the first adoption of IAS 29 related to fixed assets representing oil operating product recognized in tangible assets, in amount of 39,301,668 RON.

The retained earnings are diminished by the amount of the reinvested profit in 2023, in amount of 3,725,402 RON, for which we have benefited from an exemption from the corporate tax, as per the provisions of Art.22 of Law no.227/2015 on the Fiscal Code, the amount being registered in the "Allocation of Profit"

simultaneously with the establishment of other reserves.

*Profit of the year*

The year's profit is 61,616,539 RON, increasing by 0.1% compared to the profit registered in the of the year 2022 (61,663,616 RON).

*Proposal to distribute the accounting profit left following the deduction of the corporate tax on December 31, 2023:*

Throughout 2023, there have not been distributed dividends based on the interim financial statements. The remaining accounting profit after the deduction of the corporate tax, on December 31, 2023 is in the amount of 61,616,539 RON.

The distribution proposal on legal destinations of the remaining accounting profit after the deduction of the corporate tax to be distributed, to which was added the provision for the employees' share of profit in amount of 6,000,000 RON, resulting a total amount to be distributed of 67,616,539 RON is the following:

- RON-			
Crt. No.	Element	GD provision no. 64/2001	Amount
1	<b>The net profit of the financial year 2023, reported based on the audited annual financial statements</b>	-	<b>61,616,539</b>
2	The employees' share of profit within the limit of 10% of the net profit, but no more than the level of a monthly average basic salary at the level of the company in the financial year 2023, recognized in the provisions account.	-	6,000,000
3	<b>The net profit, reinstated with the provision for the employees share of profit (1+2):</b>	-	<b>67,616,539</b>
a	Other allocations stipulated by law - exemption from the payment of the reinvested corporate tax (account 1068), Art 22 of Law no. 227/2015 of the fiscal code	art. 1, para. (1), letter b)	3,725,402
b	Employees profit sharing schemes within the limit of 10% of the net profit but not more than the monthly average base salary achieved at the level of the economic operator reported in the Reference year	art. 1, para. (1), letter e)	6,000,000
c	Dividends due to shareholders	Art.1, Para (1), letter	55,891,137
d)	Other reserves - own financing sources	Art.1, Para (1), letter	2,000,000

The retained earnings that can be allocated in the amount of 862,397 RON is proposed to be distributed as dividends. The statement of retained earnings distributable and its distribution shall be as follows:

- RON-		
Crt. No.	Destination	Amount
1.1.	The retained earnings representing surplus achieved out of revaluation reserves	862,397
<b>1</b>	<b>Total retained earnings, distributed for:</b>	<b>862,397</b>
a	Dividends due to shareholders	862,397

## **12. Trade Liabilities and Other Liabilities**

On December 31, 2023 and December 31, 2022, the trade liabilities and other liabilities look as follows:

Liabilities	- RON-				
	Maturity date for the balance on December 31, 2023				
	December 31, 2022	December 31, 2023	Under 1 year	1-5 years	Over 5 years
Trade liabilities	43,914,968	33,091,805	33,091,805	-	-
Liabilities to the employees	37,433,451	39,908,276	14,143,449	2,878,921	22,885,906
Liabilities related to deferred tax	-	901,503	-	901,503	-
Provision-related liabilities	9,789,991	9,293,146	9,293,146	-	-
Other liabilities	32,314,474	33,364,459	30,571,853	2,007,577	785,029
<b>Total</b>	<b>123,452,883</b>	<b>116,559,189</b>	<b>87,100,253</b>	<b>5,788,001</b>	<b>23,670,935</b>

The trade liabilities related to the purchase of goods and services for the operating activity have a share of 62.3% in total trade liabilities, while those representing the procurement of assets have a share of 37.7%.

The liabilities to the employees, in balance on 31.12.2023 also include the future liabilities for the benefits granted to the employers on retirement or death, for the employees share of profit and for the untaken leaves of the employees, being recognized as provisions.

The statement of the employee-related liabilities, fiscal liabilities and other maturity date liabilities look as follows:

- RON-

Liabilities	December 31, 2022	December 31, 2023	Maturity date for the balance on December 31, 2023		
			Under 1 year	1-5 years	Over 5 years
Salaries contributions	6,372,957	6,221,902	6,221,902	-	-
Current corporate tax	1,997,414	1,807,695	1,807,695	-	-
Royalty due to the State Budget	9,371,188	10,270,414	10,270,414	-	-
VAT payable	2,688,196	4,111,198	4,111,198	-	-
Other interests and debts– State Budget	1,202,034	1,221,041	1,221,041	-	-
Payable Dividends	5,234,071	5,444,333	5,444,333	-	-
Leasing-related liabilities	4,457,905	3,346,757	1,179,143	1,668,529	499,085
Prepaid revenues	833,329	695,643	81,601	328,098	285,944
Other liabilities	157,380	245,476	234,526	10,950	-
<b>Total</b>	<b>32,314,474</b>	<b>33,364,459</b>	<b>30,571,853</b>	<b>2,007,577</b>	<b>785,029</b>

On 31.12.2023, the liabilities related to the leasing contain the rights of use recognized for the lease and concession contracts of some lands, buildings and tank cars (note 5).

The liabilities related to the rights of use recognized for the lease and concession contracts of some lands, buildings and tank cars have been assessed at the value of rent fees/royalties along the remaining contractual period, discounted with the borrowing rate for real estate loans.

The statement of liabilities to the employees on maturity terms reveals, the following:

- RON-

Liabilities	December 31, 2022	December 31, 2023	Maturity date for the balance on December 31, 2023		
			Under 1 year	1-5 years	Over 5 years
Salaries and assimilated debts	6,975,973	7,140,257	7,140,257	-	-
Liabilities for benefits granted on retirement	19,779,263	22,089,977	475,621	2,729,496	18,884,860
Liabilities for the benefits granted in case of death	3,890,637	4,155,542	5,071	149,425	4,001,046

Liabilities for the employees share of profit	6,387,655	6,002,879	6,002,879	-	-
Liabilities for untaken leaves	359,923	519,621	519,621	-	-
Liability for other benefits due to the employees	40,000	-	-	-	-
<b>Total</b>	<b>37,433,451</b>	<b>39,908,276</b>	<b>14,143,449</b>	<b>2,878,921</b>	<b>22,885,906</b>

On December 31, 2023, the Company mainly comprises at this chapter the salaries and assimilated liabilities, as well as future liabilities for benefits granted upon retirement or death and for the employees share of profit, recognized as provisions.

The largest share in the liabilities to the employees is held by the debt for the benefits granted upon retirement in the amount of 22,089,977 RON, out of which 21,614,356 RON represent long-term liabilities, and 475,621 RON represent short-term liabilities and the liability for benefit in case of death, in amount of 4,155,542 RON, out of which 4,150,471 RON represent long-term liabilities and 5,071 RON represent short-term liabilities.

These liabilities were recorded based on the Actuarial Report on the evaluation of the obligations related to the benefit on retirement and death provided by the CCL for Conpet S.A. employees, drawn up on 31.12.2023 by Ovidiu-Virgil Racoveanu, certified actuary, based on the service contract concluded with CONPET S.A.

As per the Labor Contract in force, the company must pay the employees, upon retirement, a benefit equals with a certain number of salaries, according to the seniority and company job history, but in case of the death of the employee is being awarded equal help for a certain number of salaries.

The updated value of the liability related to the benefits granted upon retirement was determined using the Estimated Credit Unit Method (IAS 19). This method starts from the principle that the benefit payable upon retirement is built up for each year of service with the employer, so that each employee be compensated at the appropriate time.

The benefit upon retirement received by an employee at the legal retirement age has been updated taking into account the discount factor for the period remaining until the employee's retirement, the proportion of the benefit related to the elapsed period and the probability that the employee remain with the company until the retirement age (and retire at that age), given that the person could die, leave the company or suffer an invalidity.

The benefit granted in the event of the death of an employee has been determined as the product of the projected death benefit up to retirement age, the present value of the death obligation during the service to the employer and the share of the benefit for the elapsed period.

The main actuarial hypotheses used for the calculation on December 31, 2023 have been the following:

- **Rate of Inflation** The evolution of the consumer price index was considered equal to the one published by the National Commission for Strategy and Prognosis, the autumn version of 2023. Thus, the following values for inflation were estimated: in 2023 a percentage of 12%, then 6.6% in 2024, 3.4% in 2025, 2.6% in 2026, then 2.3% in the following years. This scenario corresponds to the return to the inflation target declared by B.N.R., by the end of 2027.
- **The rate of increase of the monthly gross average salary per company.** To achieve the long-term projection, the average wage increase was estimated to be equal to inflation. For the year 2023 it was taken into consideration the percentage of salary increase communicated by the employer, of 12%.
- **The Discount Rate** The discount rate was set at the risk-free rate investments, no adjustments of the variations (risk free rate spot no volatility adjustment) published by EIOPA at the end of December, 2023. Given the inflation data, but also the correlation between inflation and interests, it was chosen a discount rate equal to 6.02% in 2024, 2.9% in 2025, 2.5% in 2026, and then 2.2% per year in the rest of the period.
- **The statutory retirement age** was considered to be 65 years both for men and women, with the exceptions provided in the Law no. 360/2023, on the unitary pension system. This data was corroborated with the information on the retirement age communicated by the employer.
- **The mortality rate among the employees** is based on the Life Table of the Romanian population men/women 2019 (Source: EUROSTAT).
- **Migration of the workforce** in order to model departures from the company, an average workforce migration in percentage of 5.7% was estimated annually, with a progressive downward trend toward zero according to age.
- **Duties and Taxes** All duties valid as of 31.12.2022 were included in the calculation of retirement obligations. Since the benefits in the event of the death of the employee are paid from the employer's social security fund, it results that these benefits do not involve the payment of duties and taxes.

During 2023, the movement in the liabilities for the benefits upon retirement and death granted to the employees is exposed in the table below:

Name	Benefit on retirement	Death-related benefit	Total benefits
Present value of the liability on 01.01.2023	19,779,263	3,890,637	23,669,900

Cost of the interest	1,145,937	39,941	1,185,878
Cost of the current service	2,158,187	1,496,538	3,654,725
Payments from provisions during the year	(1,294,737)	(337,935)	(1,632,672)
Actuarial gain/loss	301,327	(933,639)	(632,312)
<b>Present value of the liability on 31.12.2023</b>	<b>22,089,977</b>	<b>4,155,542</b>	<b>26,245,519</b>
Variation from the beginning of the year	2,310,714	264,905	2,575,619
Percentage variation	12%	7%	11%

The analysis of the sensitivity of the debt for the benefits on retirement due to the employees on the date of 31.12.2023 is presented in the following table:

- RON-

Hypotheses	Benefits granted upon Retirement	Death-related benefit	Total benefits
<b>December 31, 2023</b>	<b>22,089,977</b>	<b>4,155,542</b>	<b>26,245,519</b>
The discount rate +1%	20,103,348	3,953,087	24,056,435
The discount rate -1%	24,361,186	4,365,001	28,726,188
Salaries increase rate +1%	24,569,959	4,367,013	28,936,972
Salaries increase rate -1%	19,902,167	3,941,140	23,843,307
The increase of life expectancy at birth with 1 year	22,355,986	3,869,130	26,225,116

The *liability for the employees' share of profit* is constituted in compliance with Ordinance no.64/2001 and Order of the Ministry of Public Finances no.144/2005. The Ordinance no.64 from August 30, 2001 sets out that the accounting profit remaining after the deduction of the corporate tax and other distributions provided by the law to the majority or entirely state-owned companies be distributed within the limit of 10% of the net profit, but no more than the level of a monthly basic salary at the level of the economic agent, in the reference financial year. The liability constituted on 31.12.2023 for the employees share of profit amounts to 6,002,879 RON, of which 6,000,000 RON represents liability related to 2023, constituted at the level provided in the Budget for the year 2024 and 2,879 RON represents liability related to 2022.

The liability to the employees also included the debt for the untaken annual leaves, which, on 31.03.2023 is in amount of 519,621 RON.

The company does not register overdue payments at the end of 2023.

### **13. Provisions**

- RON-

Name	December 31, 2023	December 31, 2022
Provisions for litigations	7,156,937	6,450,149
Provisions related to mandate contracts	1,824,068	2,157,211
Other provisions for risks and expenses	312,141	1,182,631
<b>Total provisions</b>	<b>9,293,146</b>	<b>9,789,991</b>

### ***Provisions for litigations***

In detail, the provisions for litigations are:

- RON-

The	Name	December 31, 2023	December 31, 2022
	Litigations for civil compensations	5,458,971	4,785,250
	Litigations for third parties' failure to respect certain contractual clauses	70,609	118,314
	Other litigations	1,627,357	1,546,585
	<b>Total</b>	<b>7,156,937</b>	<b>6,450,149</b>

company is involved in various litigations for compensations and annual annuities requested by various owners, natural and legal persons, following the exercise by the company of the right to legal right of way on their lands.

On 31.12.2023, there are being registered provisions for such litigations in amount of 5,458,971 RON, increasing by 673,721 RON, compared to 31.12.2022.

The position "Other litigations", in the amount of 1,627,357 RON, represents the exchange value of the provision constituted for the litigation opened during 2018 by Fondul Proprietatea, by which is being requested the payment of the net value of the dividends distributed from the profit of the financial year 2006, related to a 6% quota held by the plaintiff in CONPET SA share capital, as well as the legal interest calculated for the requested amount, starting with the maturity date thereof.

### ***Provisions related to the Contract of Mandate***

There have been settled debts for the allowances given to directors, in accordance with the contracts of mandate and GEO 109/2011 on corporate governance, including the related contributions, as follows:

- 149,248 RON represents liability for the untaken rest leave by the directors with mandate contract, corresponding to the year 2023;

- 1,674,820 RON represents liability for the variable component related to 2023, of which 662,030 RON liability for the allowances granted to the members of the Board of Administration and 1,012,790 RON liability for the allowances granted to the directors.

### ***Other provisions***

On December 31, 2023, the balance of the position „Other provisions”, in the amount of 312,141 RON represents provision for environmental expenses and for lack of use of the land on which the Voința Sports Base is located ( 70,641 RON ), land owned by Ploiești Municipality.

### **14. Current and Deferred Corporate Tax**

The expense with the current and deferred corporate tax of the company in 2023 and 2022 is being determined by a statutory rate of 16%.

	- RON-	
Name	December 31, 2023	December 31, 2022
The expense with the ordinary corporate tax and specific tax	10,586,561	11,686,338
The expense with /(revenues from) the deferred corporate tax	590,965	(1,210,960)
<b>Total</b>	<b>11,777,517</b>	<b>10,475,378</b>

### **Reconciliation of the effective corporation tax rate:**

	- RON-	
Name	December 31, 2023	December 31, 2022
Profit before tax	72,794,056	72,138,994
- Corporate tax at a statutory rate of 16%	11,647,049	11,542,239
<b>Effect on the corporate tax of:</b>		
- Non-deductible expenses	3,465,398	4,454,372
- Non-taxable revenues	(3,173,270)	(3,028,149)
- Elements similar to the revenues	1,586,576	454,791
- Elements similar to the expenses	(245,677)	(243,788)
- Spared corporate tax	(596,064)	(504,431)

- Amounts representing sponsorship falling under the limits provided by law	(789,000)	(773,000)
- Specific tax	0	22,345
- Corporate tax reduction as per GEO 153/2020	(1,308,451)	(238,041)
<b>Expense with current corporate tax and specific tax</b>	<b>10,586,561</b>	<b>11,686,338</b>

*The deferred corporate tax*

The deferred corporate tax payable and recoverable was calculated based on the temporary taxable and/or deductible differences determined for assets and debts as differences between the accounting value of the asset and/or the debt and the amount attributable for fiscal purposes. The company recognizes the deferred taxes on the account of an expense or an income except for the tax generated by an event directly accounted in the equities.

The statement of the movements related to the receivable/debt with the deferred tax during the year 2023 reveals the following:

<b>- RON-</b>					
<b>2023</b>	<b>Net value on the 1<sup>st</sup> of January</b>	<b>Deferred corporate tax recognized in the profit and loss account</b>	<b>Deferred corporate tax recognized in the equity</b>	<b>Net value on December 31, 2023</b>	
				<b>Receivable related to the deferred corporate tax</b>	<b>Debt related to the deferred corporate tax</b>
<b>Revaluation of tangible assets</b>	299,581	(979,403)	(6,243,986)	2,875,258	(9,799,066)
<b>Provisions</b>	5,396,741	289,055	(101,170)	5,584,626	-
<b>Adjustments of current assets</b>	456,731	(19,052)	-	437,679	-
<b>Deferred corporate tax before offsetting</b>	6,153,053	(709,400)	(6,345,156)	8,897,563	(9,799,066)
<b>Offset</b>				(8,897,563)	8,897,563
<b>Receivable/debt</b>					
<b>Net deferred corporate tax</b>					
<b>- to be recovered</b>					<b>(901,503)</b>

The debt representing the deferred tax, in the balance on 31.12.2022, is in the amount of 9,799,066 RON and is recognized on the expense of equities, and the deferred tax receivable, recognized in the statement of global result, in balance on the same date, is of 8,897,563 RON.

The net amount of the deferred tax represents deferred corporate tax to be recovered, in amount of 901,503 RON.

## **15. Result per Share**

The result per share throughout the last two years is:

	- RON-	
Name	December 31, 2023	December 31, 2022
Profit of the Financial Year	61,616,539	61,663,616
The number of ordinary shares at the beginning and the end of the period	8,657,528	8,657,528
<b>Basic and diluted earnings per share (RON/share)</b>	<b>7.12</b>	<b>7.12</b>

## **16. Operating Revenues**

### **a) Revenues from contracts**

	- RON-	
Name	December 31, 2023	December 31, 2022
Revenues from transport service, of which:	482,872,798	469,856,548
<i>Revenues from transport services domestic subsystem*</i>	343,751,792	321,320,168
<i>Revenues from transport services import subsystem*</i>	130,095,692	144,044,195
<i>Other revenues associated with the transport operations</i>	9,025,314	4,492,185
Revenues from rents	2,078,272	1,966,022
Other revenues from contracts	162,539	410,007
<b>Total contracts revenues</b>	<b>485,113,609</b>	<b>472,232,577</b>

\*) Transported quantities for which are being applied tariffs regulated by NAMR.

The transport revenues are achieved out of the services supplied to clients for the transport of the crude oil, rich gas and condensate volumes, at the tariffs approved by Order of the President of the National Agency for Mineral Resources.

In 2023, the quantities transported per subsystems, as compared to the same period of the previous year are the following:

Name	December 31, 2023	December 31, 2022
Quantities transported on the Domestic subsystem*	2,914,386	3,045,689
Quantities transported on the import subsystem*	3,072,090	3,944,197
Other transport operations	307,065	110,280
<b>Total quantities (tons)</b>	<b>6,293,541</b>	<b>7,100,166</b>

\*) Transported quantities for which are being applied tariffs regulated by NAMR.

The total quantity of transported products has decreased by 11.4% in 2023 as compared to the previous year, namely the transported quantities on the domestic subsystem by 4.3% and the quantities transported by the import subsystem by 22.1%, due to the downtime of the refineries in Ploiesti during the scheduled technical revisions.

The tariffs for the supply of crude oil, rich gas, condensate and ethane are regulated and approved by the NAMR and are distinguished for each transport subsystem.

The tariffs applied for the import transport subsystem vary according to the installment of transported quantity, being practiced the bracketing tariff model and the refinery- the hand-over site.

In the reporting period, the following tariffs were applied:

Tariffs for transport services on domestic subsystem:

Period	Transport tariff (RON/ton)	Approved by NAMR Order no.
January 1, 2022 - December 31, 2022	105.50	229/2021
starting January 1, 2023	117.95	364/2022

transport services on import subsystem:

Tariffs for

Period	Tranches	Arpechim Refinery	Ploiesti Basin (Petrobrazi and Petrotel Lukoil refineries)	Petromidia Refinery	Approved by NAMR Order no.
	Thousand tons/month	RON/ton	RON/ton	RON/ton	
January 1, 2022 - December 31, 2022	No more than 80	46.65	45.66	18.51	229/2021
	80 -120	37.32	36.53	14.81	
	120 -160	27.99	27.39	11.11	
	Over 160	21.00	20.55	8.33	
starting January 1, 2023	no more than 80	52.25	51.60	20.73	364/2022
	80 -120	41.80	41.28	16.59	
	120 -160	31.35	30.96	12.44	
	Over 160	23.51	23.22	9.33	

### b) Other Operating Revenues

- RON-

Name	December 31, 2023	December 31, 2022
Revenues out of modernization quota consumption	51,226,184	39,911,780
Earnings from disposal of assets	612,108	5,401,508
Other revenues	3,982,250	4,513,637
<b>Total other operating expenses</b>	<b>55,820,542</b>	<b>49,826,925</b>

The revenues representing the modernization quota hold 91.8% of other operating revenues, registering an increase by 28.4% in the year 2023, as compared to the previous year, due to the fixed assets amortization financed out of the quota.

On a monthly basis is being written back to revenues the modernization quota at the level of depreciation of the fixed assets financed out of this source.

### 17. Operating Expenses

#### a) Stocks and Utilities Expenses

- RON-

Name	December 31, 2023	December 31, 2022
Expenses with consumables	5,591,136	5,881,853
Other material expenses	952,110	1,052,447
Other Expenses with Energy and Water	18,596,747	33,739,188
<b>Total Stocks and Utilities related Expenses</b>	<b>25,139,993</b>	<b>40,673,488</b>

### b) Personnel expenses

The expenses with personnel include the expenses with salaries, bonuses granted to the employers, other personnel expenses, the allowances related to the mandate contracts of the members of the board of directors and the directors with mandate contracts and the expenses with the contributions due by the employer.

- RON-

Name	December 31, 2023	December 31, 2022	December 31, 2021
Salary expenses	155,824,484	143,346,066	133,956,205
Obligations regarding employees' bonuses	25,284,285	21,171,116	20,494,636
Other personnel expenses	39,600	3,912,090	1,798,440
Expenses on Remuneration of Directors with mandate contract and of the administrators	5,251,280	4,848,193	4,891,630
Expenses with contributions due by the employer	7,995,343	7,645,268	7,078,185
<b>Total personnel expenses</b>	<b>194,394,992</b>	<b>180,922,733</b>	<b>168,219,096</b>

The personnel expenses are detailed as follows:

#### Salary expenses

- RON-

Name	December 31, 2023	December 31, 2022	December 31, 2021
Salary and related contributions expenses	152,998,317	139,049,643	131,351,541
Quarterly bonuses	1,450,000	3,129,119	1,000,000
Retirement supports	1,294,737	1,115,588	1,534,284
Marriage support	81,430	51,716	70,380
<b>Salary related expenses</b>	<b>155,824,484</b>	<b>143,346,066</b>	<b>133,956,205</b>

The expenses with the basic salaries of the personnel and related bonuses have increased in 2023, compared to 2022, mainly due to the indexation of the average salaries by 12%.

In accordance with the Collective Labor Agreement in force, the Company has also provided its employees the following benefits: quarterly bonuses, retirement support, marriage support.

### **Obligations regarding employees' bonuses**

**- RON-**

<b>Name</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Employees share of profit	6,384,812	5,517,801	6,655,473
Meal vouchers	9,137,465	6,474,030	6,665,960
Social expenditure under art. 25 of Law no. 227/2015 on the Fiscal Code, further amendments and completions	6,871,405	6,442,781	5,358,057
Other expenses as per the Collective Labor Agreement	2,890,603	2,736,504	1,815,146
<b>Total</b>	<b>25,284,285</b>	<b>21,171,116</b>	<b>20,494,636</b>

The value of the bonuses granted to the employees meets an increase of 4,113,169 RON in 2023, compared to 2022, mainly due to the increase of the social expenses related bonuses awarded to the employees and of other expenses according to the Collective Labor Agreement. (mainly the value increase of the meal voucher starting 15.12.2022, from 20 to 30 RON).

In accordance with the Collective Labor Agreement in force, the Company paid to the employees bonuses as social expenses under art. 25 of Law no. 227/2015 regarding the Fiscal Code consisting of tickets for rest and treatment, including travel, gifts to employees, aid for birth, funeral, serious illness humanitarian and other social expenses as per the CLA.

### **Other personnel expenses**

**- RON-**

<b>Name</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Expenditure on compensatory payments related to personnel layoffs	39,600	3,912,090	1,798,440
Expenses with the personnel rights due under court orders	-	-	-

<b>Total</b>	<b>39,600</b>	<b>3,912,090</b>	<b>1,798,440</b>
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The position "Other personnel expenses" includes costs of severance pay, provided under CLA, related to personnel layoffs conducted during the year.

#### **Expenses on Remuneration of Directors with mandate contract and of the administrators**

- RON-

<b>Name</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Allowance of the directors with mandate	3,283,560	2,785,516	2,705,194
Allowances of the members of the Board of Directors	1,967,720	2,062,677	2,186,436
<b>Total</b>	<b>5,251,280</b>	<b>4,848,193</b>	<b>4,891,630</b>

The expenses with the allowances related to the mandate contracts of the directors and administrators register an increase 403,087 RON in 2023 compared to 2022, due

to the appointment, for a duration of the mandate contract of 4 years of the director general, deputy director general and the economic director, with a new fixed allowance. The allowance represents the average on the last 12 months of the gross average earnings for the activity carried out according to the core business recorded by the company, Class 4950 "transports via pipelines" as per the classification in the national economy, communicated by the National Statistics.

#### **Expenses with contributions due by the employer**

- RON-

<b>Name</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
The company's contribution to voluntary pension funds	2,774,495	2,871,425	2,258,525
Company's contribution to voluntary health insurance	1,383,314	1,188,747	1,496,785
Labor insurance contribution and other contributions	3,837,534	3,585,096	3,322,875
<b>Total</b>	<b>7,995,343</b>	<b>7,645,268</b>	<b>7,078,185</b>

The company's contribution to voluntary health insurance indicates an increase of 194,567 RON compared to the previous period, due to the fact that, in 2023 the employees benefited from insurance all over the year, as compared to 2022, when the contract related to health insurances was completed on 10.03.2022.

In 2023, following the salary increases on December 2022, the national insurance contribution has proportionally increased.

## Employees

During 2023 and 2022, the average number of employees has evolved as follows:

Name	December 31, 2023	December 31, 2022	December 31, 2021
Employees with leading positions	80	81	80
Employees with execution positions	1,334	1,386	1,431
<b>Total</b>	<b>1,414</b>	<b>1,467</b>	<b>1,511</b>

### c) Expenses related to External Services

- RON-

Name	December 31, 2023	December 31, 2022
Rail transport expenses	71,644,555	61,429,832
Expenses with royalties and rentals	39,836,266	36,680,362
Third-party pumping expenses	4,901,236	4,587,750
Maintenance and repair expenses	2,532,439	2,789,259
Expenses with the decontaminations, monitoring of the environmental factors	296,301	1,939,120
Travel, secondment and transfer expenses	703,619	640,889
Expenses related to the transport of goods and personnel	5,238	27,429
Postal and telecommunication expenses	699,305	695,738
Other expenses with services performed by third parties	6,316,584	5,451,782
<b>Total expenses related to external services</b>	<b>126,935,543</b>	<b>114,242,161</b>

The expenses with royalties and rents contain mainly the oil royalty due by the company to the State budget, as holder of the oil agreement, under the law, for the use of the goods public property of the State within the oil operations.

It is being calculated according to the Oil Law no. 238/2004, by application of a quota of 10% of Starting with 26.10.2023, respectively of 11.5% as of 27.10.2023 on the value of gross revenues achieved out of oil transport operations via the oil national transport system.

**d) Other expenses**

- RON-

Name	December 31, 2023	December 31, 2022
Expenses with other duties, taxes and similar levies	2,953,003	2,507,801
Compensations, fines and penalties expenses	102,099	1,309,157
Donations granted (sponsorships)	789,000	773,000
Environmental protection expenses	15,544	13,993
Expenses with the establishment of the modernization quota	58,084,160	57,321,207
Other operating expenses	414,034	479,282
<b>Other expenses</b>	<b>62,357,840</b>	<b>62,404,440</b>

In 2023, the expenses recorded with other taxes, fees and similar levies mainly include the expenses with the local taxes and expenses with the contribution to the special fund, due under the Law no.448/2006 regarding the protection and promotion of the disabled persons.

The chapter "Other expenses" contains also the reserve regarding the modernization quota established through other operating expenses, in compliance with the provisions of GD no. 168/1998 further amendments and with the provisions of the Fiscal Code approved pursuant to Law no. 227/2015, further amendments and completions.

**18. Net Financial Result**

- RON-

Name	December 31, 2023	December 31, 2022
Revenues from interests	6,652,665	9,737,028
Other financial revenues	37,269	102,400
<b>Total financial revenues</b>	<b>6,689,934</b>	<b>9,839,428</b>
Interest expenses related to leasing contracts	175,242	236,174
Other financial expenses	83,799	233,103
<b>Total financial expenses</b>	<b>259,041</b>	<b>469,277</b>
<b>Net Financial Result</b>	<b>6,430,893</b>	<b>9,370,151</b>

The financial revenues decreased by 32% in 2023 compared to 2022 and the financial expenses decreased by 44.8% in the current year, compared to the previous year, keeping a more reduced level than the financial revenues. Based on this evolution, the net financial result has decreased by 31.4% in 2023, as compared to 2022.

## **19. Fiscal Legislative Framework**

The tax declarations are subject to revisions and corrections of fiscal authorities, generally for a period of five years after completion thereof.

The fiscal legislation in Romania is very complex and permanently reforms according to the internal and international economic-financial context, being regulated by a multitude of normative acts: laws, government decisions of approval of the application norms, simple ordinances and emergency ordinances, orders, instructions, circulars, clarifications etc.

It cannot be an easy approach for taxpayers, especially since there is generally an abusive practice on the part of the tax authorities regarding the interpretation of the legal provisions which is established by the law itself.

The modernization of the fiscal legislation in Romania does not yet provide clarity and accessibility in the application of the provisions of the fiscal Code, by restructuring, on systematic bases, of the fiscal norms, as well as those on fiscal procedure and there still exists the risk that the fiscal authorities adopt different positions in connection with the interpretation of these aspects with consequence in the calculation of additional obligations and interests/penalties payment, augmentations and delay fines.

By Law no.207/2015 on the fiscal procedure Code there have been amended several principles regarding the interpretation of law, meaning that in the interpretation of the fiscal legislation is being applied the principle "in dubio contra fiscum, therefore in case of doubt related to the fiscal norm it is being applied the interpretation in favor of the taxpayer.

However, before this interpretation has been given, each public servant must clarify the respective text, by appealing to the good will of the legislator and the meaning of law, verify the points of view expressed in the substantiation notes, in reasons exposures (...). Thus, it should be noticed the spirit of the law as a whole and the purpose for which this law has been created. Only if by these norms the meaning of the norm has not been clarified, will the rule of interpretation in favor of the taxpayer apply, which envisages the protection of the taxpayer against an abusive application of the law by the fiscal body, as well as for the improvement of the relation between the fiscal administration and the taxpayer, for avoiding some potential conflicts.

The management considers having adequately registered the fiscal obligations in the financial statements.

## **20. Commitments and Contingencies**

### *Capital commitments*

The company does not have any granted capital commitment.

### *Guarantees granted to third-parties*

The guarantees granted to third parties are presented in the table below:

- RON-

Name	December 31, 2023	December 31, 2022
Non-current Receivables (Note 7)	2,730,504	2,757,371
Other receivables (Note 9)	278,769	122,717
<b>Total</b>	<b>3,009,273</b>	<b>2,880,088</b>

Guarantees granted to third parties are separately presented at:

- financial assets line (Note 7)
- other receivables line, those to be recovered within less than 12 months (Note 9)

At the end of 2023, the Company has no record of other commitments granted to third parties.

### *Received Guarantees*

The guarantees granted to third parties are presented in the table below:

- RON-

Name	December 31, 2023	December 31, 2022
Performance guarantees transferred on the company's accounts	20,616	31,780
Performance guarantee received from the clients	18,593,982	15,875,961
Performance guarantee received from suppliers	17,863,332	129,815,163
Performance guarantees constituted by the beneficiaries in separate accounts at CONPET disposal.	10,708,291	9,414,082
<b>Total</b>	<b>47,186,221</b>	<b>155,136,986</b>

## *Contingencies*

### *Taxation*

Our company considers that all amounts due for fees and taxes have been paid and registered on the balance date.

## **21. Disputes**

The most important disputes in which the company is involved are presented below:

File no. 5413/204/2017 –Prahova Tribunal (Conpet S.A. – defendant, ANRM - defendant, Dobrogeanu Dumitru– plaintiff, Dobrogeanu Păun Ioan - plaintiff) by which is being requested to the instance that by the decision to be taken to order:

The payment of an annual rent for the land plots occupied by the two oil products pipelines (crude oil) starting 01.07.2014 and in the future for the entire duration of the pipelines;

-To order the defendants pay the compensation for the losses incurred by not reaching certain economic objectives on the remaining area between the two pipelines after their restriction and the area along the national road DN1 (E60);

- Payment of legal fees.

The first head of claim was estimated by the plaintiffs in the amount of 48,000 Euro/year (220,000 RON), and the second in the amount of 25,000 RON/year.

**Trial stage:** Merits- retrial

**Term:** 21.03.2024

File no. 5212/105/2018– the High Court of Cassation and Justice(CONPET S.A. – defendant, Fondul Proprietatea SA - plaintiff) by which is being requested the payment of the net value of the dividends for the financial year 2006, related to a 6% quota held by the plaintiff in CONPET S.A share capital, as well as the legal interest calculated for the requested amount, starting with the maturity date thereof.

**Procedural status:** Appeal

**Court hearing** 17.04.2024

File no. 32294/299/2020 – Sector 1 Bucharest District Court (Conpet S.A. – defendant-, Bob Mihăiță - plaintiff-defendant, ANRM - plaintiff) by which is being requested to the instance that by the decision be taken to order:

The obligation of Conpet SA and NAMR to move the crude oil pipeline crossing the land owned by the claimant located in Cernavoda, plot 1, plot A6 / 2, Constanța county;

- the establishment of the equivalent value of the lack of use, for a period of three years, prior to the formulation of the summons, amounting to 150,000 RON;
- in the alternative, the obligation of Conpet SA to pay an annual rent for the use of the land owned by the claimant, from the date of filing the summons, in the amount of 5 Euro/sq.m./year for the area of 14,645 sq. m., land affected by the protection and safety area, during the existence of legal servitude;
- Payment of legal fees.

**Procedural status:** Merits

**Deadline:** Sentence postponed until 09.04.2024

File no.3451/108/2016, ATU, Pecica City - Arad Tribunal (Conpet S.A. – defendant, Unit of Pecica City - plaintiff), by which is requested to the instance that by order that will be pronounced to dispose:

- the obligation of the defendant Conpet S.A. to divert the crude oil pipeline that crosses a number of 22 plots of urban land, intended for the construction of houses, located in our property, in a total area of 20,287 sq. m.
- order the defendant Conpet S.A. to pay the amount of EUR 65,000 representing the equivalent value of the house located in plot no. A141.7760 / 5/174, entered in L.B. no. 306869 because it can no longer be capitalized by the subscriber. Pursuant to judicial expertise report in the evaluation specialization performed in case upon the plaintiff request, ATU, Pecica, the global value of compensation for hindering the right to build proposed by the expert is of 137,045,69 Euro.

**Trial stage:** Appeal

**Court hearing:** -

*File no. 4395/270/2020 - Onești Courthouse - Municipality of Onești - plaintiff; Local Council of Onești Municipality - plaintiff,, CONPET S.A. – defendant)*

by which is requested the instance that, by decision that will be pronounced dispose:

- Obligation of the defendant to conclude the Convention for the exercise of the right of legal servitude on the lands in the surface of 11,474.5 sq.m., under-crossed and affected by the crude oil transport pipelines within the radius of Onești municipality, against the payment of an annual annuity, during the life of the pipelines, to the local budget of the municipality of Onești, determined by the principle of the smallest infringement of the right of ownership and calculated taking into account the value of the movement of the property affected, established under the law at the time of the damage.

The obligation of the defendant to pay material damages, representing the equivalent value of the lack of use for the land in the area of 11,474.5 sq. m. crossed and affected by the crude oil pipelines within the municipality of Onești, established according to the Market Study approved by the Decision of the Local Council no. 199 of 29.11.2018, respectively according to the Updated Market Study approved by the Decision of the Local Council no. 122 of 29.06.2020, calculated starting with 2017 and until the date of concluding the agreement for exercising the right of legal easement over these lands, to which are added late fees, interest and late payment penalties in the amount provided by the Fiscal Procedures Code applicable in this period.

- The obligation of the defendant to pay the trial costs incurred by this trial.

**Trial stage:** First court on merits

**Court hearing** 09/24/24

Case File no. 5971/2/2022 – Bucharest Court of Appeal (OMV Petrom – plaintiff, NAMR, CONPET - defendant), by which is requested the instance that, by decision that will be pronounced dispose:

Annulment in part of Article 1 of Order 229/2021 in respect of the tariffs set out in Annex 1 and Annex 3 and, accordingly, Annexes 1 and 3 of Order 229/2021 and, consequently, Order the NAMR to issue a new order for the approval of transport tariffs via the national transport system of crude oil, gas, condensate and ethane for 2022, including appropriately modified tariffs in the DOMESTIC tariffs (Annex 1) and import tariffs for THE refineries in the Ploiești Basin (Annex 3).

The partial annulment of Article 3-8 of the Annex to order no. 53/2008, as well as the obligation of the NAMR to issue a new order by which to properly complete Order no. 53/2008.

The obligation to pay the court costs.

At case, on the deadline of 14.03.2023, the applicant OMV PETROM requested in proving the probable claims with documents and judicial accounting expertise.

On the deadline of 25.04.2023, Conpet opposed the evidence with documents and the evidence with judicial accounting expertise, both requested by the plaintiff OMV Petrom SA.

On the deadline of 09.05.2023, the Court approved for the claimant and for the defendant the evidence with documents. Orders the defendant ANRM to submit to the case file the administrative documentation related to the NAMR Order no. 229/2021 amending the NAMR Order no. 13/2010 and Order no.13/2010 and of the NAMR Order no.53/2008, under the conditions provided by Law no.182/2002 on the protection of classified information. Rejects as useless the case resolution the consent of the evidence with technical accounting expertise.

On 31.05.2023, the defendant ANRM submitted to the Classified Documents Department of the Court of Appeal of Bucharest the documentation requested by the court with the mention that some documents are confidential according to Article 4, para.4 of the Petroleum Law no.238/2004 and others are of „confidential information” nature.

On the deadline of 06.06.2024, the Court ordered, that the defendant the NATIONAL AGENCY FOR MINERAL RESOURCES, submit a written opinion on the application for the administration of the evidence

made by the plaintiff, on the legal nature of the confidential documents provided for by the Petroleum Law no. 238/2004, on how to consult these documents and on its declassification of documents constituting state secret, respectively confidential information, according to the provisions contained in Law no.182 of 12 April 2002. That the defendant CONPET SA submits a written view on the application for the administration of evidence made by the plaintiff, on the legal nature of the confidential documents provided by the Petroleum Law no. 238/2004, on how to consult these documents.

The defendants of CONPET and NAMR sent to the court the views requested for the deadline of 05.09.2023. The court has postponed the ruling.

By the conclusion of 14.09.2023, the Court finds that the documents of an unclassified nature, submitted by the defendant NAMR to the Classified Information Compartment of the Court of Appeal of Bucharest are not confidential and do not fall within the scope of the provisions of art. 4 Of the Petroleum Law no. 238/2004 of 7 June 2004, with the related legal consequences regarding the evidential regime of these documents.

Grants the parties access to the content of confidential, non-classified information submitted by the defendant NAMR to the Classified Information Compartment of the Court.

On the deadline of 14.11.2023, the applicant OMV Petrom submitted an application for the access of OMV Petrom to classified documents and additional evidence. It was requested to the court to order CONPET to issue access permits to classified information in this case for Mr. Marius Davițoiu and Marian Nita (employees of OMV PETROM who benefit from authorizations access to confidential documents within the Company, here included the relations with the NAMR) as well as completing the probation with new documents and with the Conpet interrogation.

The court ordered the adjournment of the case so that the defendants of NAMR and Conpet formulate a point of view on the request made by the plaintiff, on the access of its legal representatives to the content of the classified information "Confidential information" and on the evidence of questioning of the defendants requested by the applicant.

Conpet submitted to the case file the point of view requested by the court.

On the deadline of 12.03.2024, the Court rejects as unfounded the applicant's request to grant access to its employees, Marius Davitoiu and Marian Nita, to documents classified as confidential information, as unfounded, filed to the court's classified information compartment. Approves for the plaintiff the evidence with documents and asks the parties to submit to the case file the documents that substantiated the issuance of the administrative act whose cancellation is requested, the documents, other than those submitted to the case file and to the court's classified information department, relating to the structure of operational costs, the share of modernization, as well as any other financial-accounting documents that justified the issuance of the contested administrative act. Rejects as useless the solution of the case the consent of the evidence with the interrogation of the defendant Conpet.

**Trial stage:** First court on merits

**Court hearing** 04/09/24

Case File no. 7035/2/2022 – Bucharest Court of Appeal (OMV Petrom – NAMR - plaintiff, CONPET - plaintiff), by which is requested the instance that, by decision that will be pronounced dispose:

Partial cancellation of the addenda no. 2-9 to the transport contract no. BC OMV 108/25.03.2020 concluded between OMV Petrom and CONPET, respectively of the articles regarding tariffs on the DOMESTIC subsystem and the IMPORT subsystem, charged for transport services provided by CONPET and established by NAMR no.229/2021, within the limit of the tariffs to be established following the contentious administrative endeavors carried out by OMV Petrom regarding the tariffs with NAMR and, consequently, the obligation of CONPET to pay compensation to OMV Petrom representing the difference between the amount of the tariffs adopted by the order of NAMR no. 229/2021, paid by OMV Petrom in the period 01.01.2022-31.08.2022 and the amount of tariffs to be established in file no.5971/2/2022, updated with the inflation index, as well as the related legal interest.

Payment to OMV Petrom of the difference between the amount of tariffs paid by OMV Petrom for the transport of marine oil, through the COUNTRY subsystem, from the Midia Terminal, and the amount of tariffs under the IMPORT subsystem according to the subsystem actually used, updated with the inflation index, as well as the related statutory interest.

to rule the obligation the defendant to pay any other amounts representing civil fruits that CONPET acquired or could have acquired in connection with the amounts charged from the OMV PETROM based on the tariffs

- to rule the obligation to pay the court costs.

**Trial stage:** Court of first instance – suspended until the final settlement of the case forming the object of the file no. 5971/2/2022 of the Court of Appeal of Bucharest, section IX of the Fiscal and Contentious Administrative matters.

*Case File no. 4988/2/2023 – Bucharest Court of Appeal (OMV Petrom – plaintiff, NAMR - defendant, Conpet S.A defendant), by which is requested the instance that, by decision that will be pronounced dispose:*

- The annulment in part of Articles 1 and 3 of the Additional Acts no.10, no. 11 and no.13, respectively of Articles 1 and 4 of the Addendum no.2, respectively extending the duration of the transport Contract,
- Obligation of Conpet to pay to OMV Petrom, as compensation, the amounts representing:
  - i. the difference between the amount of the tariffs provided for in the Addendum no.2 to the transport contract and the amount of tariffs to be determined as legal, as well as the related statutory interest calculated from the date of payment of the difference in tariff;
  - ii. the difference between the amount of tariffs paid by OMV Petrom for the transport of crude oil and the amount of tariffs established proportionally, in relation to the domestic and import tariffs depending on the subsystem actually used and the legal interest;
  - iii. any other amounts of civil fruits that Conpet has acquired or may have acquired in relation to the amounts unlawfully collected from OMV Petrom based on the tariffs;
- to rule the obligation to pay the court costs.

**Trial stage:** Court of first instance - suspended until the final settlement of the case subject to case no. 7035/2/2022 of the Court of Appeal of Bucharest

*Case File no. 5559/2/2023 – Bucharest Court of Appeal (OMV Petrom – plaintiff, NAMR - defendant, Conpet SA - defendant), by which is requested to the court that, by the decision that will be pronounced to dispose:*

- Cancellation in part of article 1 of Order 364/2022 regarding the tariffs set out in Annex 1 and Annex 3 and, accordingly, of Annexes 1 and 3 of Order 364/2022 in what concerns the tariffs for the country and import subsystem, within the limit of the quantum of tariffs that will be established as legal;
- to rule the obligation to pay the court costs.

**Trial stage:** First court on merits

**Court hearing** 04/18/24

*Case File no. 8213/2/2023 – Bucharest Court of Appeal (OMV Petrom – plaintiff, Conpet SA - defendant, NAMR - defendant), by which is requested the instance that, by decision that will be pronounced dispose:*

- The annulment in part of art.1 and art.3 of the Addendum no.14 of art.1 and 4 of the Addenda no.15, no.16, no.17, respectively Articles 1 and 5 of the Addendum no.18, by which the duration of the Contract of Transport was successively extended;
- The annulment in part of Article 2 of the Addenda no.14-18 for the purpose of removing quantities transported from the Midia Terminal from the quantities transported through the country subsystem and including them to the quantities transported through the import subsystem;
- Obligation of Conpet to pay to OMV Petrom, as compensation, the amounts representing:
  - i.the difference between the amount of tariffs provided for in the Addenda no. 14 - 18 to the Contract of transport and the amount of tariffs that will be established as legal, as well as the related statutory interest calculated from the date of payment of the difference of tariff;
  - ii.the difference between the quantum of tariffs paid by OMV Petrom for the transport of crude oil and the quantum of tariffs proportionally established, by reference to the country and import tariffs according to the subsystem actually used and the statutory interest;
  - iii.any other amounts of civil fruit that Conpet has acquired or may have acquired in relation to the amounts unlawfully collected from OMV Petrom on the basis of tariffs;
- To rule the obligation to pay the court costs.

**Trial stage:** First court on merits

**Court hearing** 17.04.2024

## 22. Affiliated parties

In 2023, the Company performed the following significant transactions with related parties:

### Procurement from related parties

- RON-

Partner	Unsettled amount on December 31, 2021	Procurements during 01.01.2022-31.12.2022	Settlements during 01.01.2022-31.12.2022	Unsettled amount on December 31, 2022	Procurements during 01.01.2023-31.12.2023	Settlements during 01.01.2023-31.12.2022	Unsettled amounts on December 31, 2023
SNTFM CFR Marfă SA	5,792,599	73,827,367	70,611,140	9,008,826	18,394,881	27,374,296	29,411
ELECTRICA FURNIZARE S.A.	-	17,314,401	13,916,985	3,397,416	541,373	3,938,789	-
SPEEH HIDROELECTRICA S.A.	-	12,593,201	12,593,201	-	20,377,225	13,843,888	6,533,337

*! The amounts are VAT inclusive.*

### Prepayments awarded to affiliated parties

- RON-

Partner	31.12.2023	31.12.2022
SPEEH HIDROELECTRICA S.A.	1,989,045	1,989,045
ELECTRICA FURNIZARE S.A.	277,365	1,540,604

### Guarantees received from affiliated parties

- RON-

<i>Partner</i>	<b>31.12.2023</b>	<b>31.12.2022</b>
SNTFM CFR Marfă S.A.	-	500,000

### **23. The Audit Committee**

The Company's audit for the year 2022 has been provided by the company PKF Finconta S.R.L.

By the OGMS Resolution no.6/28.10.2022 there was approved the appointment of the company PKF Finconta S.R.L. as financial auditor of the Company CONPET for a period of 3 years (2022, 2023, 2024).

The fees are established based on the contract concluded between the two parties.

### **24. Risk Management**

Within CONPET SA the Internal Control Management System has been implemented and developed, containing the 16 standards included in the Internal control management code of the public entities. The implementation of Standard 8 requirements "Risk Management" was a priority in the organization by documentation and application of provisions of PS-MI-18 "Risk management" system procedure (sheet process, flow diagram and system procedure). In 2023 there have been identified and assessed the risks that may affect the achievement of the objectives. At CONPET level, a significant risk register was elaborated and an annual plan containing measures to control significant risks, responsible and time-frames for the measures were developed.

The complex processes and activities carried out within CONPET S.A. may generate risks coming from various areas such as:

#### **(a) Exchange Rate Risk**

The company may be exposed to currency exchange rate fluctuations through cash and cash equivalents, receivables, short-term investments, long-term loans or trade debts denominated in foreign currency.

The functional currency of the Company is the Romanian Leu (RON). At present the Company is exposed to the exchange rate risk through cash and cash equivalents, as well as through the procurements made in a currency different from the functional currency. The currencies exposing the Company to such a risk are mainly EUR, USD and GBP. The debts in foreign currency are subsequently expressed in RON, at the exchange rate on the date of the balance sheet, communicated by the Romanian National Bank. The resulting differences are included in the profit and loss account, but do not affect the cash flow up to the moment of the liquidation of the liability.

The Company's exposure to the currency risk expressed in RON was insignificant, as revealed in the statements below:

- RON-

December 31, 2023	Value	RON	EUR	USD	GBP

<b>Monetary Assets</b>					
Cash and cash equivalents	107,742,173	107,712,907	22,135	6,082	1,049
Trade receivables and other receivables on short and long term	55,499,035	55,499,035	-	-	-
<b>Monetary debts</b>					
Various suppliers/creditors	(36,664,385)	(33,815,517)	(2,742,023)	(106,844)	-
<b>Net exposure in the statement of the financial standing</b>	<b>126,576,823</b>	<b>129,396,425</b>	<b>(2,719,888)</b>	<b>(100,762)</b>	<b>1,049</b>
- RON-					
December 31, 2022	Value	RON	EUR	USD	GBP
<b>Monetary Assets</b>					
Cash and cash equivalents	127,672,452	127,292,223	364,177	15,762	290
Trade receivables and other receivables on short and long term	51,718,705	51,718,705	-	-	-
<b>Monetary debts</b>					
Various suppliers/creditors	(48,530,056)	(47,174,756)	(1,355,300)	-	-
<b>Net exposure in the statement of the financial standing</b>	<b>130,861,101</b>	<b>131,836,172</b>	<b>(991,123)</b>	<b>15,762</b>	<b>290</b>

### (b) Credit risk

Credit risk is the risk that the company bear the financial loss due to the failure of contractual obligations by a customer or counterpart to a financial instrument, and this risk results mainly from trade receivables, cash and cash equivalents and short-term investments of the company.

Maximum exposure to the collection risk on the reporting date was:

- RON-

Name	December 31, 2023	December 31, 2022
Trade receivables and other receivables on short and long term (net value)	55,499,035	51,718,705
<b>Total</b>	<b>55,499,035</b>	<b>51,718,705</b>

The company carries out trade relations only on a contractual basis with recognized third parties, which justify credit financing. The company is closely monitoring the exposure to commercial credit risk.

Financial assets which may subject the Company to risk are mainly trade receivables.

The company has implemented a series of policies that ensure that the sale of services is made to the clients with a rapid collection. The value of net claims (without adjustments for depreciation) represents the maximum amount at risk of collection.

On December 31, 2023 the Company holds cash and cash equivalents in amount of 107,742,173 RON (on December 31, 2022: 127,672,452 RON). The liquid assets are held in banks, out of which we enumerate BCR, TRANSILVANIA, Raiffeisen Bank, BRD Groupe Societe Generale, CEC Bank, Unicredit Bank, Exim Bank, Garanti Bank, Credit First Bank, Europe Bank, etc.)

The credit risk related to trade receivables is low because of the regular collection of transport services. Even though there are significant concentrations, the customer base is extremely low, the management considers the commercial credit to be low.

The statement of the seniority of the **clients'** receivables at the date of preparation of the statements of financial statement is the following:

- RON-

Name	Gross value December 31, 2023	Adjustment December 31, 2023	Net value on December 31, 2021
			December 31, 2023
Seniority less than 30 days	48,007,876	-	48,007,876
Seniority between 30-60 days	98,106	-	98,106
Seniority between 60-90 days	4,062	1,964	2,098
Seniority between 90-270 days	7,092	2,309	4,783
Seniority between 270 days -1 year	3,845	3,845	-
More than 1 year	200,500	200,500	-
<b>Total</b>	<b>48,321,481</b>	<b>208,618</b>	<b>48,112,863</b>

- RON-

Name	Gross value December 31, 2022	Adjustment December 31, 2022	Net value on December 31, 2021
			December 31, 2022
Seniority less than 30 days	44,918,815	4,681	44,914,134

Seniority between 30-60 days	148,344	978	147,366
Seniority between 60-90 days	11,108	6,376	4,732
Seniority between 90-270 days	78,557	72,595	5,962
Seniority between 270 days -1 year	10,590	10,590	-
More than 1 year	127,716	127,716	-
<b>Total</b>	<b>45,295,130</b>	<b>222,936</b>	<b>45,072,194</b>

The statement of seniority of **other receivables** on the date of drawing up the statement of financial standing is:

- RON-

Name	Gross value on December 31, 2023	Impairment December 31, 2023	Gross value on December 31, 2022	Impairment December 31, 2022
Seniority less than 30 days	2,282,700	-	2,421,973	-
Seniority between 30-60 days	196,453	-	14,516	-
Seniority between 60-90 days	334,117	-	87,733	130
Seniority between 90-270 days	1,111,809	-	153,276	-
Seniority between 270 days -1 year	312,836	5,744	116,592	12,500
More than 1 year	2,050,291	1,692,955	1,697,570	1,661,555
<b>Total</b>	<b>6,288,206</b>	<b>1,698,699</b>	<b>4,491,660</b>	<b>1,674,185</b>

The statement of the seniority of long-term receivables at the time of drawing up the statement of financial standing is:

- RON-

Name	Gross value on December 31, 2023	Impairment on December 31, 2023	Gross value on December 31, 2022	Impairment on December 31, 2022
Fixed claims <1 year	278,769	1,404	122,717	122,717
Fixed claims > 1 year	2,837,891	320,189	2,852,134	320,189
<b>Total</b>	<b>3,116,660</b>	<b>321,593</b>	<b>2,974,851</b>	<b>442,906</b>

The statement of the seniority of the **services prepayments** on the date of drawing up the statement of the financial standing is:

- RON-

Name	Gross value on December 31, 2023	Impairment December 31, 2023	Gross value on December 31, 2022	Impairment December 31, 2022
- seniority less than 30 days	1,597	-	2,101	-
- seniority between 30 days and 60 days	-	-	365	-
- seniority between 90 days and 270 days	-	-	1,294,625	-
<b>Total</b>	<b>1,597</b>	<b>-</b>	<b>1,297,091</b>	<b>-</b>

The movements in the adjustments for the impairment of the **clients' receivables** were the following:

	- RON-	
Name	2023	2022
<b>Balance on January 1</b>	222,936	120,337
Growths during the year	8,118	104,752
Write-backs during the year	(22,436)	(2,153)
<b>Balance on January 31</b>	<b>208,618</b>	<b>222,936</b>

The movements in the adjustments for the impairment of **other receivables** were the following:

	- RON-	
Name	2023	2022
<b>Balance on January 1</b>	1,674,185	2,458,264
Growths during the year	30,443	12,630
Write-backs during the year	(5,929)	(796,709)
<b>Balance on December 31</b>	<b>1,698,699</b>	<b>1,674,185</b>

The movements in the adjustments for the impairment of **long-term receivables** were the following:

	- RON-	
Name	2023	2022
<b>Balance on January 1</b>	442,906	602,655
Growths during the year	-	-
Growths during the year	(121,313)	(159,749)
<b>Balance on December 31</b>	<b>321,593</b>	<b>442,906</b>

### (c) Liquidity risk

The liquidity risk is the Company's risk of facing difficulties in the fulfilment of the liabilities associated with the financial debts that are being settled in cash or by the transfer of other financial asset. The Company's approach in the liquidity management consists in providing, as much as possible, that it will always dispose of enough liquidities to pay the maturity liabilities, both under normal and stress conditions, without bearing unacceptable losses or endanger the Company's reputation.

The liquidity risk is managed by the Company's management by the application of a permanent insurance policy of liquidities meant to cover the settlement of the due financial liabilities.

- RON-				
2023	Contractual cash flows	<1	Over 1 year	Over 5 years
Trade liabilities	33,091,805	33,091,805	-	-
Liabilities to the employees	39,908,276	14,143,449	2,878,921	22,885,906
Other liabilities	33,364,459	30,571,853	2,007,577	785,029
<b>Total</b>	<b>106,364,540</b>	<b>77,807,107</b>	<b>4,886,498</b>	<b>23,670,935</b>

- RON-				
2022	Contractual cash flows	<1	Over 1 year	Over 5 years
Trade liabilities	43,914,968	43,914,968	-	-
Liabilities to the employees	37,433,451	14,364,317	3,439,960	19,629,174
Other liabilities	32,314,474	29,565,362	1,847,870	901,242
<b>Total</b>	<b>113,662,893</b>	<b>87,844,647</b>	<b>5,287,830</b>	<b>20,530,416</b>

### (d) The Personnel Risk and the Waging System

On December 31, 2023, the structure according to age is not balanced, the age categories with the highest rate ratio in the company are ranging between 51 - 60 years old (52.78%) and between 41-50 years old (26.15%).

The average age of CONPET's personnel is high (49.7 years), and the advantage it brings is the work experience gained by employees within the company, this indicates stability and professionalism. The average age of the personnel employed in the last two years is 41.3 years, with an average work experience of 15.9 years.

However, the risk of personnel in the future is the company to deal with personnel shortages due to staff departures experienced natural causes.

The level of this analyzed risk was low; being a high tolerability risk and for the control thereof have been set medium and long-term measures by way of the personnel policy and the monitoring of the personnel fluctuations (personnel input/output). In this regard, the urgent need of vacant posts occupancy is carefully monitored, according to the needs required by organizational entity, the complexity and diversity of activities, skills needed and the responsibility related posts.

#### **(e) The Risk Determined by the Correlation with the Global Market Evolution**

##### **Identified Risks**

###### **A. Geopolitical Risk**

At the level of the last decade, the protracted economic crisis felt globally, the Covid pandemic 19, the war Russia – Ukraine, as well as the war Israel - Hamas generated successive extreme evolutions in the price of oil.

The causes that generated major fluctuations in oil prices in 2023 were caused by: fear of escalating into a broader conflict between Israel and the Palestinian Islamist group Hamas (which would cause oil supplies to be disrupted in an under-supplied market; information that Russia could lift the ban on diesel exports; information that the United States could reach an agreement to ease sanctions against Venezuela.

###### **B. Oil price volatility risk**

During 2023, the price of crude oil has varied between minimum values of 66.74 USD/b and maximum values of 93.68 USD/b. The causes of oil price declines were: notifications/observations regarding oil demand declines in the US and China; the poor demand and concerns that the OPEC agreement+ will not do enough to limit oil supply affect the prices; oil prices following the publication of an inflation report in the USA, bankruptcy of Silicon Valley Bank and Signature Bank NY, incidents that have sparked fears of a possible financial crisis with a negative impact on future oil demand.

###### **C. The Market Risk**

Following the embargo, the oil exports from Russia were redirected to Asian markets and a gap of almost 1 million barrels/day since 2022, which was also felt throughout 2023 on the global market. Some of the main causes of extreme oil price variations were when the OPEC leader announced in 2023 that it would keep production down 1 million barrels per year until the end of the year, while the non-OPEC leader Russia has pledged to cut oil exports by 300,000 barrels per day by year's end; ongoing wars have continued to generate rising inflation, supply chain pressures and changes in the behavior of the global oil market (significant structural disruption of supply and continued price volatility). At the national level, in 2023 continued the decrease of the internal production and offset with the import quantities, given that the refining capacities were the same.

#### **(f) Capital Market Risk**

The Romanian capital market registered a positive evolution during 2023, continuing the positive upward trend started at the time of the evolution to the emerging market status. The average daily liquidity for all

types of financial instruments recorded an upward trend during the period considered. Romania's representativeness in Emerging Markets indices has significantly improved year over year. Given that the company CONPET S.A. is included in the composition of the FTSE Global MicroCap index, the risk of reduced liquidity is reduced.

#### **(g) Legislative-related Risks**

The frequent amendments of the normative acts here included those that bear direct impact on CONPET business may trigger risks for the company.

The effort of the company CONPET to constantly adapt to changing legislative requirements may generate additional costs and possible future changes in the legislative framework could have negative effects on the activity and profitability of CONPET (increased taxes, introduction of new taxes and duties, reduction or suspension of tax concessions etc).

Moreover, a possible increase in the level of the royalty paid for the use of the National Transport System may affect the financial statements and financial projections. An increase of the level of the royalty shall reflect into an augmentation of the transport tariff and, subsequently, the consequences may be seen on two lines: in the decrease of the crude transported quantities and over the pump price of the finite products resulted from the crude oil processing.

An important risk is being represented by the loss of the facility regarding the expenses borne by the Romanian State to provide the guard and protection of the pipelines by gendarmes, regulated by GD no. 1107 dated November 14, 2012, which amends and complements GD no. 1468/2005.

#### **(h) Risk of disputes**

The risk related to litigation is one of the important risks to which the company is currently exposed, as concessionaire of the National Crude Oil, Rich gas, Ethane and Condensate Transport System, having as source the legal regime of the lands under/over crossed by the major transport pipelines established by the provisions of the Petroleum Law no. 238/2004. The number of private properties under/over crossed by pipelines is very high and there is a possibility that more and more owners bring proceedings in Court against the Company to obtain substantiated compensations based on the simple presence of the pipelines on their lands. Due to the defective way in which the legal regime of the lands under/over crossed by the transport major pipelines has been regulated, CONPET was and currently is engaged in a series of trials where the owners of those lands claim for the transport pipelines be either lifted, or moved to other sites (and the expense be borne by CONPET), or be granted annual compensations representing consisting amounts of money. Moreover, some public authorities have even issued pecuniary claims in relation to the presence of NTS on components on the lands owned or managed thereby.

Within the last years, the Company prepared various legislative proposals to amend Law no 238/2004 - Petroleum Law, hoping for a coherent and clear regulation of the legal regime of lands under/over crossed by the major transport pipelines. Essentially, these proposals are based on the following assumptions:

- public property (of the major pipelines) must coexist with private ownership of lands, which leads to the conclusion that the state must be acknowledged the exercise, free of charge, of certain categories of real rights (servitudes etc.) for the presence of the pipelines in the field;
- CONPET shall indemnify the owner of the land in full for any action that involves temporary occupation of the land for the purpose of repair or damage suffered by the owners as a result of breakdowns.

**(i) Risk related to the regulation and authorizations**

Risk related to the regulation and authorization has been identified given that the company must regularly obtain and renew several opinions, permits, certifications (for railway shunting activity). The company is subject to a large volume of regulations in various fields, a fact that can lead to additional expenses and delays in starting or completing some works, with possible negative effects on achieving the objectives.

The regulatory framework for environmental protection applicable to CONPET S.A. is complex due to the activity of transport of crude oil/condensate/rich gas via pipeline and by railway and, for good compliance, all applicable legal requirements and how to implement them in separate registers, developed by environmental factors (water, soil-basement, air, protected areas), regulations (authorizations), SEVESO, waste.

An important risk factor is the loss of the facility regarding the expenses incurred by the Romanian State to ensure the security and protection of the pipelines with gendarmerie flocks, regulated by GD. 1107 from November 14, 2012, which amends and complements GD no.1468/2005.

Keeping the risk related to the regulatory framework under control is done through careful monitoring of the new legal requirements or changes of the applicable regulations, as well as by implementing the necessary actions to comply with them. It is also envisaged to develop and submit proposals for amendments appropriate to the domain where CONPET operates, when draft regulations are under public debate.

**(j) The Market Risk**

The market risk comes from the fact that the company is not interconnected to other transport systems in the region, being strictly dependent on the level of crude oil processing in the refineries in Romania.

With the support of the main shareholder, the Ministry of Energy and the National Agency for Mineral Resources – NAMR), the company CONPET is working to identify new opportunities to increase the use of the system, while getting involved in regional projects started in its field of activity, as well as in the development of activities related to the core business (supply of oil/oil products storage services, supply of crude oil transport services with own tank cars etc).

**(k) Operational risk**

The operational risk comes from the tear and wear of the National Transport System (NTS) via the pipelines, as a consequence of the low degree of use (small quantities, reduces frequency), potential escalation of the criminal phenomenon of attack on pipelines with significant impact on NTS pipelines and on the environment

and the impossibility of carrying out the transport programs by railway, for reasons exclusively related to the railway operator.

To control these risks, measures were established such as: redefining the transport infrastructure according to the demand perspective, extending the implementation of the pipeline leak detection and localization system, and calculation of penalties under contract or procurement of the rail transport service with another railway operator for routes on which the transport program is not carried out.

## **(I) Other environmental aspects**

### **• *Identification of environmental aspects and environmental impact assessment***

The activity of environmental impact assessment is carried out in the production sectors whenever there are changes in the system involving activities with environmental impact, the list of issues with significant impact identified at the level of the company being the basis of the elaboration of the Environmental management program and of the Action Plan for the achievement of environmental objectives.

During 2023, environmental aspects were reviewed at the site level, focusing on identifying environmental aspects, including how risks and opportunities related to environmental aspects are treated to prevent and limit their consequences on human health and the environment, using opportunities both for the benefit of the organization, as well as of the environment. The following documents have been reviewed:

- The Environmental Management and Actions Program, which includes: environmental policy commitments, general objectives and measurable environmental targets, the environmental protection performance indicators, functions responsible for achieving environmental targets, as well as actions to achieve environmental objectives, which took into account the significant environmental aspects identified at the level of CONPET SA., the measures in the inspection reports/protocols-authorities on compliance with legal requirements and other applicable requirements;
- List of significant environmental aspects and associated impacts generated at the level of CONPET S.A.

The stage of achieving the objectives and established targets and the stage of achieving the actions for the achievement of the environmental objectives are analyzed annually by the executive management, within the management analysis.

### **• *Assessments of compliance with legal requirements and other environmental requirements***

The assessment of compliance with the legal requirements or other applicable environmental requirements is carried out by:

- inspections made by environmental authorities (representatives of central and local environmental authorities and water management),

- inspections performed by OHS officials and personnel of the Environmental Protection Department,
- external audits carried out by bodies certifying the environmental management system integrated in the company's management system;
- internal audits carried out by internal auditors of the Management Systems and Internal Management Control Department and the Public Internal Audit Office.

The regulatory and control authorities in the field of environment and water management carry out, in CONPET S.A. locations, scheduled, unannounced and thematic controls, regarding the compliance with legal requirements and other environmental regulations, no major non-conformities being found.

To verify the compliance with the legal requirements, at the level of 2023, 46 external inspections of the environmental authorities in the counties where CONPET S. A. performs its activity were registered.

The personnel within the sectors, respectively the OHS managers, carry out scheduled inspections according to the Annual Inspection Graphic, in what concerns compliance with legal requirements and other applicable requirements, but also unscheduled inspections, according to the duties in the job description.

During 2023, an external audit has been carried out by the BUREAU VERITAS certification body to verify compliance with the requirements of ISO 14001:2015 referring to the environmental management system. Any non-conformities/ deviations were found, and no comments were made regarding the compliance obligations in this field.

Following the internal audits established in the annual internal audit program, the nonconformities identified in the environmental management system were duly identified and corrected.

- ***Pollutions bearing significant impact on the environment***

During the pumping of crude oil, accidental pollution can occur on the transport pipelines, from internal or external causes, generating pollution of the geological environment that can bear a significant impact. Thus, during 2023, accidental pollution was reported in the areas: Lipanesti, Paralela 45, Magurele, Plaiul Corbului-Matita, Gagene, Urlati (Prahova county), Traian Valley, Cumpana (Constanta county), fixed point Arges (Giurgiu county), Valea Lupului-Coltesti (Gorj county), Icon, Otestii de Jos (Olt county), Ghimpati (Dâmbovița County).

The expenses made in 2023 for the decontamination of the affected areas reached 252.89 thousand RON.

## **25. Subsequent events and other mentions**

There have not been registered significant events ulterior to the conclusion of the financial year.

These financial statements and the related notes, from page 1 to page 61, have been authorized for issuance by the company's management on the date of March 20, 2024.

**Director General,**  
**Eng. Dorin Tudora**

**Economic Director,**  
**Econ. Sanda Toader**



CONPET S.A., Romania  
1-3 Anul 1848 Street, Ploiești 100559, Prahova  
Tel: +40-244-401360; fax: +40-244-516451  
TIN: RO 1350020; NACE Code 4950; CRN J29/6/22.01.1991  
Subscribed and paid-up share capital 28 569 842.40 RON

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## STATEMENT OF THE PERSONS IN CHARGE

within CONPET S.A., in compliance with the provisions  
of Art. 30 of the Accountancy Law no. 82/1991 and Art. 65 of Law no. 24/2017 regarding the issuers  
of financial instruments and market operations

There have been drafted the financial statements on the date and for the year ended December 31<sup>st</sup>, 2022  
for:

Entity	CONPET SA
County	PRAHOVA
Address	Ploiești No.1-3, Anul 1848
Trade Registry Number	J29/6/1991
Type of ownership	26 - Publicly and privately owned companies with domestic and foreign capital
Core business (NACE code)	4950 - Transport via pipelines
Tax Registration Number	1350020

The undersigned: Dorin Tudora, in the capacity of Director General and Sanda Toader, in the capacity of Economic Director are liable for the drafting of the annual financial statements on 31.12.2023 and confirm that:

- a) The accounting policies used in preparing the annual financial statements are in accordance with the accounting regulations in force on the reporting date 31.12.2023;
- b) The annual financial statements fairly present the financial statement, the financial performance and other information related to the activity performed;
- c) The company operates in a going concern principle;
- d) The administrators' report contains a correct analysis of the development and performance of the company, as well as a description of the main risks and uncertainties particular to the activity performed.

**DIRECTOR GENERAL,  
Eng. TUDORA DORIN**

**ECONOMIC DIRECTOR  
Econ. TOADER Sanda**

*Subject to endorsement in the BoD meeting dated 20.03.2024 and approval to the OGMS dated 25.04.2024*

No. 11520/ 20.03.2024

## NOTE

**regarding the approval of discharge of the administrators of CONPET SA for the financial year  
concluded on 31.12.2023**

Throughout 2023, the Board of Directors conducted its activity in the following composition:

- **Gheorghe Florin - Cristian**, Chairman of the Board of Directors (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Gavrila Florin - Daniel**, BoD Member (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Buică Nicușor - Marian** - BoD Member (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Kohalmi - Szabo Luminița - Doina**, BoD member (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Zaman Andrei - Mihai** - BoD Member (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Tănăsică Oana - Cristina**, BoD Member (provisional administrator, period 22.12.2022 - 21.08.2023; administrator 22.08.2023 - 31.12.2023)
- **Dănilă Alin - Mihael**, BoD Member (administrator, period 22.08.2023 - 31.12.2023)
- **Albulescu Mihai - Adrian**, BoD Member (provisional administrator, period 22.12.2022 - 21.02.2023)
- **Barbu Irina - Mihaela**, BoD Member (provisional administrator, period 22.02.2023 - 21.08.2023)

In consideration to the achievement of the strategic objectives set out in regard to the operational activity, the optimization of the performance and sustainable development of the company, in compliance



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[www.conpet.ro](http://www.conpet.ro)

with the principles of good corporate governance, along the performance of the mandate, the administrators of CONPET S.A. have fulfilled their attributions with responsibility, efficiency, transparency and professionalism towards all stakeholders.

The activity carried out during the year 2023 as well as the economic-financial results obtained are presented compared to the year 2022 in the Annual report of the administrators, as they are included in the annual audited financial statements related to the financial year 2023.

In accordance with the provisions of Art. (111) Para. (2) letter d) of Law no. 31/1990 on the companies, republished, with subsequent amendments and additions, in conjunction with the provisions of Art. (15), Para. (3) letter i) from CONPET SA's Articles of Incorporation, it is required that the Ordinary General Meeting of Shareholders rule on the management of the Board of Directors of the company, for the activity conducted in 2023.

Following the approval of the audited financial statements for the year concluded on 31.12.2023, based on the Report of the independent auditor PKF FINCOTA SRL and the Annual Report of the Administrators for the year 2023

**shall be proposed to the OGMS the approval of the discharge of administration of CONPET's administrators in the BoD's aforementioned composition, for the financial year concluded on 31.12.2023.**

**Chairman of the Board of Directors**

**Gheorghe Cristian - Florin**



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## REPORT OF THE INDEPENDENT FINANCIAL AUDITOR

(free translation from romanian version<sup>1</sup>)

**To shareholders of CONPET S.A.**

### **Report on standalone financial statements**

#### **Opinion**

1. We have audited the accompanying financial statements of **CONPET S.A. ("The Company")**, with the registered office in Anul 1848 Street, no.1-3, Ploiești, district Prahova, identified by the unique tax registration code 1350020, which include the statement of the financial position as at December 31, 2023, the statement of the profit and loss account and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended, and a summary of significant accounting policies and explanatory notes.
2. The financial statements as at December 31, 2023 are identified as follows:
 

• Net asset/Total equity:	846,854,120 lei
• Net result of the financial year - profit:	61,616,539 lei
3. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2023, its financial performance for the year then ended and cash flows, in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of accounting regulations in accordance with the International Financial Reporting Standards, with subsequent amendments.

#### **Basis for opinion**

4. We conducted our audit in accordance with International Standards on Auditing (ISAs), European Regulation no. 537 issued by European Parliament and Council and Law no 162/2017 („Law”). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the Council for International Ethics Standards for Professional Accountants as it was adopted and implemented by the Romanian Chamber of Auditors and we have fulfilled our other ethical responsibilities in accordance with the requirements of IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key audit matters**

5. The key audit matters are those aspects that, based on our professional judgement, were of most significance in the audit of the financial statements of the current period. These issues have been addressed in the context of the audit of financial statements as a whole and in forming our opinion on them and we do not give a separate opinion on these key issues.
  - **Provisions for litigations.**
    - **Description.** The company is involved in numerous litigations with business partners, authorities and salaries, thus there is a risk of future economic losses. At Note 13 "Provisions" are disclosed the significant litigations in which the Company is involved. The decision to book a provision for litigation or to disclose a contingent liability in financial statements depends on the professional judgment and certain estimates of the Company's management. We

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<sup>1</sup> *Translator's explanatory note: The above translation of the auditor's report is provided as a free translation from Romanian which is the official and binding version.*

considered whether the recognition of some provisions for litigation is significant for the audit, as it would cause the recognition of overestimated results.

- **Our answer.** Our audit procedures to address the risk of material misrepresentation in relation to the recognition of provisions for litigation, which was considered as material risk, included:

- reviewing the decisions of the General Meeting of Shareholders and of the Board of Directors;
- obtaining and evaluating the litigations in which the Company is involved, followed by obtaining some clarifications regarding the status of certain disputes. During the audit mission, discussions were held with the management and Company's internal legal advisers on significant litigations;
- critical assessment of the working assumptions and estimates made by the Company regarding litigations, including the amount of recognized provisions in the financial statements. We reviewed the disclosures of potential risks related to litigations in the notes to the financial statements.

- **Revenue recognition.**

- **Description.** The revenue recognition policy is disclosed at Note 3 "Accounting Policies". According to international auditing standards, there is an implicit risk in the revenue recognition, due to the pressure that the management have to meet the budgeted results. The main revenue generating activities for the Company are represented by the transport service of crude oil, gasoline and condensate through the operation of the National Transport System. The transport activity is an activity of general interest, authorized and monitored by a public authority, with a natural monopoly character. The tariffs practiced by the Company for transport services are established and approved by ANRM (National Authority for Mineral Resources);
- **Our answer.** Our audit procedures to address the risk of significant distortion and in relation to revenue recognition included, among others:
  - Understanding how to recognize and book the main categories of income;
  - Detailed tests on the transactions registered by the Company during the financial year;
  - Testing procedures to ensure that revenues are recorded in the correct period;
  - Procedures for confirmation of commercial receivables for a representative sample.

#### **Other issues**

6. This report is addressed exclusively to the shareholders of the Company as a whole. Our audit was carried out in order to be able to report to the Company's shareholders those aspects that we have to report to a financial audit report and not for other purposes. To the extent permitted by law, we do not accept or assume responsibility only to the Company and its shareholders, as a whole, for our audit, for this report.
7. Taxation in Romania is constantly evolving. There is the possibility of different interpretations of the legal provisions by the Ministry of Finance and by the local tax authorities. The company's management has registered in the accounts presented various taxes, penalties and fees, based on the best interpretation of the tax provisions in force, an interpretation that can be challenged by a possible fiscal control.

#### **Other information – Administrators' Report and non-financial statement**

8. The administrators are responsible for the preparation and presentation of other information. That information includes the Administrator's Report but does not include the financial statements and the auditor's report on them.

Our opinion on the financial statements does not cover and these Other information and except for the case in which is explicitly mentioned in our report, does not express in any kind of assurance conclusion about them.

In relation to the audit of the financial statements for the financial year ended on 31 December 2023, our responsibility is to read that information and, in this approach, and to assess whether that information is significantly inconsistent with the financial statements, or with the knowledge we have obtained during the audit, or whether it appears to be significantly distorted.

Regarding the Administrator's Report, which include nonfinancial statement, we have read and report whether it has been imprinted, in all significant aspects, in accordance with the requirements of OMFP 2844/2016, Annex 1, paragraphs 15-19, respectively paragraphs 39-42.

In the exclusive basis of the activities to be carried out during the audit of the financial statements, in our opinion:

- The information submitted in the Administrator's Report for the financial year for which the financial statements have been entered shall be consistent, in all material respects, with the financial statements.
- The Administrators' Report, which includes nonfinancial statement, was prepared, in all significant aspects, in accordance with the requirements of OMFP 2844/2016, Annex 1, paragraphs 15-19 and 39-42.

In addition, based on the knowledge and understanding of the Company and its environment, acquired during the audit of the financial statements for the financial year ended on the 31st December 2023, we are asked to report if we have identified significant distortions in the Administrator's Report. We have nothing to report on this.

***Responsibilities of management and persons responsible for governance for financial statements***

- The Company's management is responsible for preparing financial statements that provide a true and fair view in accordance with OMFP 2844/2016 and for that internal control that the management deems necessary to enable them. the preparation of financial statements free of significant distortions, caused either by fraud or error.
- In order to prepare financial statements, the management is responsible for assessing the Company's ability to continue its activity, for presenting, if applicable, the aspects related to the continuity of the activity and for the use of accounting you are based on the continuity of the activity, except for the case where the management either intends to liquidate the Company or to stop the operations, or has no other alternative realistic in outside them.
- Persons in charge of governance are responsible for overseeing the Company's financial reporting process.

***The auditor's responsibilities on audit of the financial statements***

- Our objectives are to obtain reasonable assurance on the extent to which the financial statement as a whole are free of significant distortions, caused either by fraud or error, and by the issuance of an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the ISA will always detect significant distortion, if any. Distortions can be caused either by fraud or error and are considered material if it can reasonably be expected that they, individually or cumulatively, will influence the economic decisions of the users, taken on the basis of these financial statements.
- As part of an audit in accordance with the ISA, we exercise professional reasoning and maintain professional skepticism throughout the audit. Also:
  - We identify and assess the risks of significant distortion of the financial statements, caused by either fraud or error, we design and execute audit procedures as a response to those risks and obtain we are providing sufficient and adequate audit evidence to provide a basis for our opinion. The risk of not detecting a significant distortion caused by fraud is higher than that of not detecting a significant distortion caused by error, because fraud can involve secret, forgery, intentional omissions, false statements and avoiding internal control.
  - We understand internal control relevant to the audit, in order to design audit procedures appropriate to the circumstances, but without having the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - We assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and of the related presentations of information made by the management.

- We form a conclusion regarding the adequacy of the management's use of accounting based on the continuity of the activity and determine, based on the audit evidence obtained, if there is a significant uncertainty regarding events or conditions that could generate significant changes in the Company's ability to continue its activity. In the case where we conclude that there is significant uncertainty, we must draw attention in the auditor's report on the related presentations in the financial statements or, if these presentations are inappropriate, let's change our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to no longer operate based on the principle of activity continuity.
- We assess the presentation, structure and content of financial statements, including disclosures, and the measure that financial statements reflect transactions and the events underlying them in a manner that results in a faithful presentation.

14. We communicate to the people in charge of governance, among other aspects, the planned area and the time programming of the audit, as well as the main findings of the audit, including any significant deficiencies in internal control, which we identify during the audit.

15. We also provide the persons in charge of governance with a statement regarding our compliance with the ethical requirements regarding independence and we communicate to them all the relationships and other aspects that can reasonably be considered to be it could affect our independence and, where appropriate, the related safety measures.

16. Of the aspects that we have communicated to the people who are in charge of the government, we establish those aspects that had a greater importance in the audit on the financial statements in the current period and, therefore, represent key audit aspects. We describe these aspects in our audit report, except in the case where the legislation or regulations prevent the public presentation of the respective aspect or of the case that, in extremely rare circumstances, consider m that an issue should not be communicated in our report because it is reasonably expected that the benefits of the public interest will be outweighed by the negative consequences of this communication.

#### **Report on other legal and regulatory provisions**

17. We were appointed as auditors by signing the audit contract dated 19.09.2022 to audit the financial statements of the Company, for the financial years concluded on December 31, 2022, 2023, respectively 2024. The total uninterrupted duration of our commitment is 2 years, covering the financial year ended on December 31, 2022 and December 31, 2023.

Confirm that:

- Our audit opinion is consistent with the additional report submitted to the Company's Board of Directors, which we issued on the same date that we issued and this report. Also, in the conduct of our audit, we have maintained our independence from the audited entity.
- We have not provided for the Company the prohibited non-audit services referred to in Article 5(1) of EU Regulation No. 537/2014.

#### **Report on compliance with the European Commission Delegated Regulation (EU) 2018/815 on the European Single Electronic Format Regulatory Technical Standard ("ESEF")**

We have carried out a reasonable assurance mission on the compliance of the financial statements prepared by CONPET S.A. in accordance with article 4 of delegated regulation (EU) 2018/815, which establishes the regulatory technical standards regarding the specification of a single electronic reporting format – "ESEF".

#### **Responsibility of the management of CONPET S.A. regarding the digital files prepared in accordance with ESEF**

The Company's management is responsible for the preparation of digital files in accordance with ESEF. This responsibility includes:

- designing, implementing and maintaining an adequate internal control on ESEF reporting;
- ensuring consistency between the digitized information and the financial statements published according to the provisions of Order 2844/2016.

### **Auditor's responsibility**

Our responsibility lies in expressing, on the basis of the audit evidence obtained, a conclusion on the compliance of the electronic labelling of the elements in the financial statements, in accordance with article 4 of the Delegated Regulation, in all material aspects. Our reasonable assurance mission has been carried out in accordance with the International Standard on Assurance Missions 3000 (revised) – *"Other assurance missions than audits or revisions of historical financial information"*, issued by the International Standards Council for Auditing and Assurance.

A reasonable assurance mission under ISAE 3000 involves carrying out procedures to obtain advice on compliance with Article 4 of the ESEF Delegated Regulation. The nature, timing and extent of the selected procedures depend on the auditor's reasoning, including in assessing the risk of significant deviations from the provisions of Article 4, caused either by fraud or error. A reasonable assurance mission involves:

- obtaining an understanding of the process of preparing the Digital File in accordance with the ESEF and relevant internal controls;
- reconciliation of the Digital Files with the audited financial statements of the Company;
- assessing whether all the financial statements that are included in the annual financial report are prepared in a valid XHTML format.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

### **Conclusion**

In our opinion, the financial statements for the financial year ended December 31, 2023 included in the annual financial report and disclosed in the Digital Files comply, in all significant aspects, with the requirements of ESEF.

In this report we do not express an audit opinion, a review conclusion or any other assurance conclusion regarding the financial statements. Our audit opinion on the Company's financial statements for the financial year ended December 31, 2023 is included in the section Report on the annual financial statements above.

On behalf of: **PKF Finconta SRL**

Str. Jean Louis Calderon, nr. 38, Sector 2, Bucharest

Registered with the Authority for Public Supervision of the Statutory Audit Activity under number FA32

Audit partner name: **Florentina Susnea**

In registered with the Authority for Public Supervision of the Statutory Audit Activity under number AF433

Bucharest, March 20, 2024