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Date: 10.07.2020

TEL No. 26939

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TO:

National Power Grid Company Transelectrica SA

Request to supplement the agenda of the Shareholders' General Ordinary Assembly of National Power Grid Company Transelectrica SA, summons for 31.07.2020/03.08.2020

Taking into account the provisions of art. 11 para. (5) of GEO no. 68/2019 on the establishment of measures within the central public administration and for the modification and addition of certain norms, published in the Official Gazette of Romania, Part I, no. 898/06.11.2019, according to which the exercise of the rights and the fulfillment of the obligations arising from the status of State shareholder at the National Power Grid Company Transelectrica SA is carried out by the General Secretariat of the Government,

Taking into account the provisions of art. 92 of Law no. 24/2017 on the issuers of financial instruments and market operations, corroborated with the provisions of art. 117¹ of Company Law no. 31/1990, republished, with later amendments and additions,

Considering that, on 06.03.2020, the Shareholders' General Assembly of National Power Grid Company Transelectrica SA, convened in ordinary session, adopted Decision no. 2/06.03.2020 that annulled SGA Decision no. 9/26.09.2017 approving the beginning of the selection procedure for National Power Grid Company Transelectrica SA's Supervisory Board members and SGA Decision no. 23/20.09.2019 approving the Supervisory Board's profile and the profile of the candidates for the position of Supervisory Board member, as well as that in the same decision, the initiation of the selection procedure of National Power Grid Company Transelectrica SA's Supervisory Board members was not approved, with the application of the provisions of art. 29 para. (5) of the GEO no. 109/2011 on the corporate governance of public enterprises, approved with amendments and additions by Law no. 111/2016,

Taking into account the need to initiate a new selection procedure for National Power Grid Company Transelectrica SA's Supervisory Board members and that, according to art. 34 and 36 of the Methodological Norms for applying some provisions of GEO no. 109/2011 on corporate governance of public enterprises, approved by GD no. 722/2016, both the Supervisory Board's profile and the profile of candidates for the



position of Supervisory Board member are approved by the Shareholders' General Assembly,

I. The General Secretariat of the Government requests you, under art. 92 para. (3) of Law no. 24/2017 on the issuers of financial instruments and market operations, corroborated with the provisions of art. 117¹ of Company Law no. 31/1990, republished, with later amendments and additions, **to supplement the agenda of the Shareholders' General Ordinary Assembly summoned for 31.07.2020/03.08.2020, with the following points:**

- "2. Initiating selection procedure for National Power Grid Company Transelectrica SA's Supervisory Board members, with the application of the provisions of art. 29 para. (1), para. (2) and para. (5), of GEO no. 109/2011 on the corporate governance of public enterprises, approved with amendments and additions by Law no. 111/2016."
- "3. Approving the Supervisory Board's profile."
- "4. Approving the profile of candidates for the position of Supervisory Board member."

By reference to art. 29 para. (5) of GEO no. 109/2011 on the corporate governance of public enterprises, approved with amendments and additions by Law no. 111/2016, in order to select candidates, National Power Grid Company Transelectrica SA will acquire the services of an independent expert, specialised in recruiting human resources. The preparation of the Terms of Reference for contracting the services of the independent expert will be done taking into account the elements provided by the letter of expectations, the Supervisory Board profile and the profile of the candidates for the position of Supervisory Board member.

With regard to the last two new points on the agenda, we enclose the proposals for the Supervisory Board profile and for the profile of the candidates for the position of Supervisory Board member.

Following the completion of the candidate selection procedure, National Power Grid Company Transelectrica SA will send to the shareholders the short list drawn up by the independent expert following the selection made by him/her, in order to send proposals for filling the positions of Supervisory Board members that will become vacant on 30.09.2020.

SECRETARY GENERAL OF THE GOVERNMENT

ANTONEL TĂNASE

ADMINISTRATION
CUSTOMISED PROFILE OF
CNTEE
TRANSELECTRICA's
SUPERVISORY BOARD
MEMBERS

1. Introduction

According to the company's articles of association, CNTEE Transelectrica SA's Supervisory Board will be constituted of 7 members in the future mandate. These 7 members of the Supervisory Board cannot be members of the Directorate simultaneously. Also, they cannot cumulate the capacity of supervisory board member with the capacity of company employee (art. 153⁸ of Company Law 31/1990).

The supervisory board's main tasks are listed in art. 153⁹ of Company Law 31/1990, being the following:

- a) exercising permanent control over the company's management by the Directorate;
- b) appointing and dismissing the Directorate members;
- c) verifying the compliance with the law, the articles of association and the general assembly's decisions of the company's management actions;
- d) reporting at least once a year to the shareholders' general assembly on the supervisory activity carried out.

The supervisory board members must loyally fulfil the obligations stipulated by the law, in the company's interest (art. 144¹ of Company Law 31/1990).

The law obliges the supervisory board members to attend the shareholders' general assemblies.

According to Company Law 31/1990, the relations between the supervisory board members and the company are regulated by the provisions regarding the mandate and by the special rules contained in the Company Law.

The appointment of the supervisory board members is made by the shareholders' general assembly. In order to be legally valid, the person appointed as supervisory board member must accept the mandate.

The mandate term of the supervisory board member is established by the articles of association, for a 4 year period. The supervisory board members are answerable, according to the law, in civil (delicts or contractual), criminal, administrative terms, as the case may be.

The Supervisory Board may set up advisory committees responsible for conducting inquiries and drawing up recommendations for the board, in accordance with art. 153 of Company Law 31/1990. The fields in which the advisory committees operate are: audit, remuneration of the Directorate and supervisory board members, as well as of the company personnel, candidate nomination for various management positions in the company etc.

In the case of joint stock companies, if their annual financial statements are subject to a legal obligation of financial audit, it is mandatory to set up an audit committee.

The advisory committees consist of at least two members of the supervisory board, provided that at least one member is independent. The law requires at least one member of the audit committee to have relevant experience in applying accounting principles or in financial audit.

Also, according to article 34 of GEO 109/2011, establishing the audit committee and the nomination and remuneration committee within the Supervisory Board is mandatory.

The 7 positions of CNTEE TRANSELECTRICA SA Supervisory Board member and their responsibility areas are:

M1 – Leadership and Management

M2 – Economic Strategy, Investment and Procurement Expertise

M3 – Financial Strategy, Digitisation and External Relations

M4 – Business Development Strategies, Studies and Marketing Plan

M5 – Corporate Governance and Public Relations

M6 – Legal Management, Supervision and Analysis

M7 – Infrastructure Operation

The contextual requirements according to which the profile of CNTEE Transelectrica SA Supervisory Board is determined and implicitly, the profile of its candidates must integrate the company's vision, mission and values.

This context requires that the Supervisory Board members of CNTEE Transelectrica SA meet the following contextual requirements:

- a good vision on the company's role, on its position on the market, on the strategy the company has to establish and put into action in order to fulfil the assigned mission;
- a good and permanent global view on the constraints the company faces, but also on the opportunities it has and from which it must profitably benefit;
- the ability to quickly identify and operationalise optimal solutions meant to effectively respond to the technical, financial, economic and social constraints faced by the company;
- the ability to analyse at first various situations, then to make correct decisions in due time, decisions that are adapted to the greatest extent to the company's context;
- the ability to inspire the whole organisation through the right measures and actions the desire to make the necessary efforts to reach the strategic objectives;
- the capacity to establish an organisational culture based on the integration of society's values;
- the accountability of running the company within the limits set by law and the public supervisory authority;
- initiating, maintaining and developing good working relationships with representatives of authorities, regulatory and control bodies, customers, suppliers, stakeholders.

In addition, the members of the future Supervisory Board must be able to meet the following generic requirements:

- have at least the necessary knowledge, skills/abilities, attitude/behaviour and experience to successfully fulfil the Supervisory Board member mandate;
- know the position's responsibilities and be able to build a view in the medium and long term;
- have the ability to correctly represent the company's interests and image in the economic environment and initiate, maintain and develop relationships based on trust with suppliers, customers and authorities;
- show integrity, honesty and transparency in the relations with the other Supervisory Board members, with the members of the Directorate and with the company;
- have developed the following skills: constructive criticism, teamwork, communication, managerial, financial and operational culture, decision making and pattern identification and avoidance/elimination to contribute to the activity of the CNTEE Transelectrica Supervisory Board as a whole;
- be familiar with the requirements of corporate governance and contemporary management practices;
- be familiar with effective modern financial management practices, including CNTEE Transelectrica SA Supervisory Board fiduciary responsibilities and the principles of financial accounting, financial audit and financial reporting;
- understand the importance of organisational risk assessment and mediation and be familiar with risk management methodologies and processes.

For CNTEE Transelectrica SA Supervisory Board members to be able to meet these requirements, the following skills and features must be at the highest level:

- meet all the mandatory criteria mentioned in the attached matrix;
- have a state of health corresponding to the position's needs, certified according to the law; when signing the mandate contract, attested by a medical certificate;
- have full exercise capacity;
- must know and be an experienced user of Romanian and, optionally, be able to speak an international language (preferably English)
- have no entries in the fiscal and judicial records;
- when signing the mandate contract, not to be in a incompatibility situation or in a conflict of interests;
- as far as their prior professional activity is concerned, not to have been finally and irrevocably convicted for crimes related to it;
- for alleged facts arising from their professional activity, not to be the subject of a criminal investigation related to it.

The following are the eligibility criteria, the common abilities and the specific professional abilities for the 7 positions of Supervisory Board member:

Eligibility criteria	Advantage	Specific abilities
M1. Leadership and Management		
<ul style="list-style-type: none"> ▪ long-term completed university economic studies; ▪ competence attested by specialised studies in public administration, diplomacy, accessing European funds; ▪ minimum 10 years of professional activity in top managerial positions. ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ experience of at least 3 years as a Management/Supervision Board member of a company/state or private institution. 	<ul style="list-style-type: none"> ▪ general management; ▪ strategy development; ▪ diplomacy and security.
M2. Economic Strategy, Investment and Procurement Expertise		
<ul style="list-style-type: none"> ▪ long-term completed university economic studies in business administration or equivalent; ▪ minimum 10 years of prior professional activity; ▪ minimum 5 years of professional experience in procurement; ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ experience in organising public procurement procedures, open tenders, simplified procedures; ▪ experience in establishing the procurement strategy for projects of major importance for the Company; ▪ experience in collaboration with relevant public bodies in the field of public procurement (e.g. - ANAP, CNSC). 	<ul style="list-style-type: none"> ▪ strategic planning; ▪ procurement; ▪ investments.
M3. Financial Strategy, Digitisation and External Relations		
<ul style="list-style-type: none"> ▪ long-term completed university economic studies or equivalent; ▪ minimum 10 years of prior professional activity; ▪ experience in the activity of energy exchanges; 	<ul style="list-style-type: none"> ▪ experience in the administration, supervision, management of an energy company; ▪ international project management; 	<ul style="list-style-type: none"> ▪ financial analysis; ▪ general accounting; ▪ IT&C; ▪ external communication; ▪ elaboration of funding applications.

<ul style="list-style-type: none"> ▪ minimum 5 years of professional experience in IT&C; ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ professional experience in companies listed on the stock exchange; ▪ experience in negotiating contracts at international level. 	
M4. Business Development Strategies, Studies and Marketing Plan		
<ul style="list-style-type: none"> ▪ long-term completed university economic/legal studies or equivalent; ▪ development of strategic business projects and marketing plans; ▪ minimum 10 years of prior professional activity in top management positions; ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ budgeting marketing projects for companies with national and international coverage; ▪ experience as a contract manager with marketing projects; ▪ analysis, development and monitoring of P&L budgets. 	<ul style="list-style-type: none"> ▪ marketing management; ▪ elaboration of marketing studies and research; ▪ budgeting, project planning, analysis and reporting.
M5. Corporate Governance and Public Relations		
<ul style="list-style-type: none"> ▪ long-term completed university political science/public relations studies or equivalent; ▪ minimum 10 years of prior related professional activity; ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ experience in working with the state administration sector; ▪ experience in developing and managing large-scale projects in the field of corporate governance and public relations. 	<ul style="list-style-type: none"> ▪ corporate governance; ▪ managing the management information flow; ▪ reporting; ▪ public relations; ▪ public communication.
M6. Legal Management, Supervision and Analysis		

<ul style="list-style-type: none"> ▪ long-term completed university legal studies or equivalent; ▪ minimum 10 years of prior legal professional activity; ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ experience in legal advice for companies with national and international coverage; ▪ higher education (e.g. PhD, PhD student, Master) to cover legal issues at international level; ▪ experience in managing companies in the legal field; ▪ experience in managing public domain entities. 	<ul style="list-style-type: none"> ▪ management in legal activities; ▪ preventive maintenance in the legal field; ▪ publishing activity in the legal field.
M7. Infrastructure operation		
<ul style="list-style-type: none"> ▪ long-term completed university technical studies in the energy field or equivalent; ▪ minimum 10 years of professional activity in the energy field. ▪ experience in the administration, supervision, management of an energy company; ▪ professional experience within companies with a turnover of at least EUR 100 million. 	<ul style="list-style-type: none"> ▪ experience in international projects in the energy field; ▪ experience in top management positions within companies in the energy field. 	<ul style="list-style-type: none"> ▪ energy project management; ▪ development of power grid structures.

The set of requirements regarding CNTEE Transelectrica SA Supervisory Board members is the following:

1. Competence criteria:
 - a) Competence specific to the activity field and the role of each Supervisory Board member
 - b) Competence of strategic importance
 - c) Corporate governance competence
 - d) Social and personal competence
2. Prior professional experience criteria
3. Adequacy with the shareholders' requirements criteria
4. Features
5. Prescriptive requirements (eligibility criteria) and proscriptive requirements (which are an advantage)

The requirements taken into account for the candidates to make it on the long list of the recruitment and selection process are:

- a) they speak Romanian and English - comprehension (listening, reading), writing and speaking - C1 level, according to the Common European Framework of Reference for Languages or they speak - comprehension (listening, reading), writing and speaking - B2 level according to the Common European Framework of Reference for Languages, English.
- b) they:
 - a. for M1, M4 and M5: are graduates of long-term university studies or equivalent, with degree;
 - b. for M2 and M3: are graduates of long-term university studies in economics or equivalent, with degree;
 - c. For M6: are graduates of long-term university legal studies or equivalent, with degree;
 - d. For M7: are graduates of long-term university studies in energy or equivalent, with degree;
 - e. being a graduate of other postgraduate programmes (MBA or PhD, ACCA, CECCAR, PMI etc.) in relevant fields is an advantage.
- c) they have a total professional experience of at least 10 years;
- d) they are medically fit for the position and have full exercise capacity;
- e) he/she has not been dismissed from a position held in public institutions in the last 7 years or in enterprises with majority state capital for reasons attributable to him/her in the last 5 years or had no individual labour contract terminated for disciplinary reasons in the last 12 months or had not been recalled by SGA for his/her failure to meet the performance indicators in the last 5 years;
- f) he/she is not found in any conflict of interest that would make him/her incompatible with the position CNTEE Transelectrica SA Supervisory Board member;
- g) he/she has not been finally convicted by a final and irrevocable court decision for committing crimes against humanity, against the state or against authority, corruption and job offences, crimes against justice, forgery, offences against property, for the offences provided by Law 656/2002 for the prevention and sanctioning of money laundering, as well as for the establishment of measures to prevent and combat terrorism financing, with later amendments and additions, or for the offenses provided by Law no. 85/2014 regarding insolvency prevention procedures and insolvency, wilfully committed, that would make him/her incompatible with the function, or any criminal record;
- h) they have not been involved in political police, as defined by law;
- i) they fulfil the conditions provided by the incidental legislation regarding their future quality.

Drawn up by

Date: __. __. __. 2020

Transelectrica SB matrix

			Criteria	Obligatory (OB) or Optional (OP)	Share (0-1)
		1 = beginner, 2 = intermediate, 3 = competent, 4 = advanced, 5 = expert			
1. Competence	C1. Competence specific to the energy sector	C1.1	Capacity to understand and overcome managerial challenges specific to the field of activity	OB	1,0
		C1.2	Capacity to increase the performance of a company	OB	1,0
		C1.3	Capacity to understand, integrate and meet the requirements specific to a power system company	OB	1,0
		C1.4	Capacity to act and facilitate the organisation's permanent operation in the sense of providing SEN balance	OB	1,0
		C1.5	Capacity to understand and successfully manage the constraints of maintenance activities to electric lines and electricity transmission equipment	OB	1,0
		C1.6	Capacity to facilitate the integration in society and to use the quality management principles	OB	1,0
		C1.7	Ability to enable the organisation to turn to good account the opportunities on the capital market	OB	1,0
		C1.8	Capacity to impact and creatively operate the organisational culture	OB	1,0
	C2. Professional competence of strategic/technical significance	C2.1	Asset management	OP	0,8
		C2.2	Strategic planning	OB	1,0
		C2.3	Leadership	OB	1,0
		C2.4	Organisation and reorganisation of companies and processes	OB	1,0
		C2.5	Management by budgets	OB	1,0
		C2.6	Experience in accessing European funds and obtaining finance from financial banking institutions	OP	0,8
		C2.7	Risk management	OP	0,8

		C2.8	Strategic approach to the Company's participation on the capital market/administration of stock exchange-listed companies	OP	0,8
	C3. Corporative governance competence	C3.1	Management by objectives	OB	1,0
		C3.2	Project management competence	OP	0,8
		C3.3	Strategic planning competence	OB	1,0
		C3.4	Management of projects with European financing	OP	0,8
		C3.5	Leadership	OB	1,0
		C3.6	Management by budgets	OP	1,0
		C3.7	Financial audit	OP	0,8
		C3.8	Performance monitoring	OB	1,0
	C4. Social & personal competence	C4.1	Interpersonal communication according to job specifications	OB	0,5
		C4.2	Institutional communication	OB	0,5
		C4.3	Representativity	OB	0,5
		C4.4	Capability to use a foreign language	OB	1,0
	C5. National and international experience	C5.1	National professional experience within great organisational structures	OB	1,0
		C5.2	Experience in the energy domain	OB	1,0
		C5.3	Experience in liaising with public authorities, regulatory and supervisory authorities and shareholders	OB	1,0
		C5.4	Experience in liaising with public authorities, regulatory and supervisory authorities in the energy domain	OP	0,8
		C5.5	Previous professional experience with companies or entities of similar size to CNTEE Transelectrica SA, preliminary experience of electricity transmission coordination, of a company's financial management, of corporative governance, human resource management, stock exchange listing of a company, preliminary experience with a stock exchange-listed company, previous experience of drawing/managing projects with European financing;	OP	0,8

		C5.6	Experience in the audit, economic, accounting, financial or juridical domains, risk management	OP	0,8
	C6. Alignment to the shareholders' letter of expectations	C6.1	Acquiring the strategic context of CNTEE Transelectrica SA	OB	1,0
		C6.2	Integrating the multi-annual national strategy in the energy domain	OB	1,0
		C6.3	Has got vision of his/her contribution to meeting the shareholders' expectations	OB	1,0
		C6.4	Responding with accurately formulated objectives to shareholders' expectations	OB	1,0
		C6.5	Declining the objectives formulated in concrete actions	OB	1,0
		C6.6	His/her statement of intent observes the structure recommended in GD 722/2016	OB	1,0
2. Features			Subtotal 1		
			Weighted subtotal 1		
		T1	Personal and professional reputation	OB	0,5
		T2	Independence	OB	0,5
		T3	Entrepreneur spirit	OB	0,5
		T4	Vision	OB	0,5
		T5	Dynamism	OB	0,5
		T6	Team spirit	OB	0,5
3. Prescriptive and prescriptive requirements		CPP1	Knowledge of Romanian	OB	0,6
		CPP2	Knowledge of an European language - speaking, writing and reading, at least at independent user level	OP	0,6
		CPP3	Long term university studies graduated by diploma or Long term university studies in the energy domain graduated by diploma or	OB	0,6

		University studies in the economic domain graduated by bachelor degree or University studies in the juridical domain graduated by bachelor degree		
		CPP4 Post graduate studies	OP	0,6
		CPP5 No entries in the judiciary and fiscal records	OB	0,6
		CPP6 Able in medical terms	OB	0,6
		CPP7 Experience of administration/supervision/management of companies with private or state capital/public or private law institutions or public utilities	OP	0,6
		CPP8 Total professional experience of minimum 10 years	OB	0,6
		CPP9 He/she has not been dismissed from a position held in public institutions in the last 7 years or in enterprises with majority state capital for reasons imputable to him/her in the last 5 years or had no individual labour contract terminated for disciplinary reasons in the last 12 months or had not been recalled by SGA for his/her failure to meet the performance indicators in the last 5 years	OB	0,6
		CPP10 He/she is not found in any conflict of interest	OB	0,6
		Total		
		Weighted total		
		Minimum collective threshold		70%

Profile of the Supervisory Board of National Power Grid Company Transelectrica SA

In accordance with article 1 para. (18) of annex 1 to GD 722/2016, the board profile means to identify the capacities, features and requirements the Supervisory Board is expected to have in collective terms, taking into account the organisational context, the mission, the expectations specified in the letter of expectations and the organisational strategy items, current or to be developed. The profile also includes the Supervisory Board's matrix, which comprises those capacities the board should possess jointly by means of a set of competence, abilities, and other eliminatory terms which the board members have to comply with severally and jointly.

The personalised profile of the Supervisory Board is part of the selection plan and the independent expert specialising in recruiting and selecting human resources has performed it in permanent consultation with the competent public authority, taking into account the following issues:

(article 19 of annex 1 to GD 722/2016):

- a) A minimum of knowledge, aptitudes and experience necessary to carry out well the SB member mandate;
- b) Job responsibilities to elaborate the mid- and long-term vision;
- c) Capacity to assume responsibility towards the entire board, integrity and independence;
- d) the required knowledge, aptitudes and experience of constructive criticism, team work, communication, financial culture, decision making and pattern detection in order to contribute to the board's activities as a whole.

The board profile is elaborated in a transparent systematic rigorous manner, with a view to make certain the capacities required to have the best board are detected and the best board candidates are found.

1. CONTEXTUAL REQUIREMENTS OF THE NATIONAL POWER GRID COMPANY TRANSELECTRICA SA AND OF THE SUPERVISORY BOARD

a) Organisational context

CNTEE Transelectrica SA (hereinafter Transelectrica) was established according to Governmental Ordinance 627/31 July 2000 by splitting up the former National Electricity Company (CONEL) into four independent entities: Transelectrica, Electrica, Hidroelectrica and Termoelectrica – for electricity transmission and dispatch, distribution and generation.

Thus transmission and system services have been fully separated from the generation, distribution and supply activities. In technical terms, the power system is uniform and managed by a single operator, which is Transelectrica.

Beginning with 29 August 2006 Transelectrica has been listed on the Bucharest Stock Exchange. The Company's legislative framework includes both the general company legislation, the specific legislation pertaining to the Company's activity domains and the applicable corporative governance legislation.

b) Organisational context

Transelectrica performs its activities in accordance with the Energy Law and the secondary legislation, mainly the Licences of the Transmission System Operator, Code of the Electricity Transmission Grid, Commercial Code and Metering Code.*

The main functions of TRANSELECTRICA:

1. Transmission and system operator of SEN

- Infrastructure of the electricity transmission grid (RET)
- Dispatch infrastructure (EI4S/SCADA, Energy Management/Supervisory-Control and Data Acquisition System) achieved by the Operational Unit of the National Power Dispatcher (DEN) and 5 Territorial Dispatchers (DET)
- Capacity allocation on interconnection lines
- Green certificates

2. Operator of the Balancing Market — OPE

- Balancing market platform

3. Commercial operator of the electricity market OPCOM, subsidiary with legal personality

- Transaction platforms
- Transaction platform for green certificates

4. Metering operator of the wholesale electricity market, Metering Division OMEPA

- Metering system

5. Telecommunication and IT operator TELETRANS, subsidiary with legal personality

- Optical fibre, digital telecom system

Main activities of Transelectrica

1. Technical & operational management of the power system in order to provide its safe steady-state operation
2. Operation, maintenance and development of RET installations
3. Planning RET development
4. Administration of the electricity markets:
 - Capacity allocation on interconnection lines
 - Technological and system services
 - Balancing market
 - Day-ahead market
 - Intra-daily market
 - Centralised market of bilateral electricity contracts
 - Green certificates market
5. Management of interconnections and of electricity transits with neighbouring countries

Mission and Vision

- **Mission:** Providing SEN operation under maximum safety and steady-state conditions while complying with qualitative standards, thus achieving the infrastructure of the national electricity market and also guaranteeing the regulated access to the electricity transmission network under transparent, nondiscriminating equidistant conditions for all market participants;
- **Vision:** Becoming the technical and operational authority of SEN and the key electricity transmission operator in south-east Europe, while operating in interconnection with ENTSO-E and providing electricity transit on the regional market.

c) Strategic context

Relevant topical information about the strategical framework which Transelectrica operates in can be taken from the strategic RET Development Plan. In accordance with the competence and attributions established by the Electricity and natural gas law 123/2012, with later amendments and additions and with the specific terms associated to Licence 161 on providing electricity transmission services, system services and managing the balancing market, National Power Grid Company Transelectrica SA plans the development of RET taking into account the current and forecasted consumption, the generation fleet and the electricity exchanges thus every other year elaborating a Development Plan for the following 10 successive years, which is submitted to submission to ANRE and the grid owner.

The Development Plan was elaborated using the Strategies and Policies of Romania's Government, the objectives of the European Union's new Competitive Safe energy policy, and the studies provided by CNTEE Transelectrica SA.

Planning RET development targets the following objectives:

- a) Safe operation of SEN and electricity transmission at qualitative levels adequate for the conditions standardised by the RET Technical Code and the Performance Standard for electricity transmission services and system services;
- b) RET development in such a manner as to be properly sized for the transmission of electricity forecasted to be generated, consumed, imported, exported and transited;
- c) Increasing the interconnection of power networks;
- d) Sustainability by integrating the electricity output of renewable sources into the grid and by transmitting the electricity generated from renewable sources up to the main consumption centres;
- e) Integration and operation of the internal electricity market;
- f) Providing non-discriminating access of applicants to the public interest network, under conditions provided by applicable norms;
- g) Minimising investment expenses when selecting RET development solutions.

Main objectives of the RET Development Plan

The RET Development Plan is a public document including main aspects of the current state of affairs and RET development within the context of SEN in the next ten years. This document is made available by CNTEE Tranelectrica SA to all stakeholders in order to facilitate:

- the information about the current and future capacity of the transmission grid to meet the requirements of users and the public interest as well, taking into account the objectives set in the National Energy Strategy & Policy and in the applicable legislation;
- setting up the conditions required with a view to correlate the actions/investments of possible impact over the safety performance of SEN between the TSO and market participants in the mid and long-term;
- information about zonal opportunities of RET connection and of RET utilisation depending on the forecasts with respect to consumption and generation capacities;
- information about the exchange capacities with neighbouring systems and their development in the context of the European internal electricity market;
- reserve level within SEN in order to cover the demand by generation and also the electricity consumption peak;
- the required resources for RET development and their source.

Such complex context provided briefly above represents the elaboration base of eligibility criteria and of other criteria to assess the competence required during the recruiting procedure selecting the new Supervisory Board members of the Company.

2. STRUCTURE OF THE SUPERVISORY BOARD OF NATIONAL POWER GRID COMPANY TRANSELECTRICA SA

Supervisory Board in office

At present the Supervisory Board of NATIONAL POWER GRID COMPANY TRANSELECTRICA SA consists of 7 members, all being provisional.

For the time being, these 7 member positions are provisionally taken by the following persons:

No.	Name and surname	Function	Appointment date
1	Adrian Goicea	Chairman	30.11.2019
2	Luiza Popescu	Member	30.11.2019
3	Jean-Valentin Comănescu	Member	30.11.2019
4	Oleg Burlacu	Member	30.11.2019
5	Ciprian Constantin Dumitru	Member	07.01.2020
6	Mihaela Constantinovici	Member	07.02.2020
7	Mircea Cristian Staicu	Member	13.02.2020

Supervisory Board members are appointed by the Shareholders' General Assembly of CNTEE Transelectrica, upon the proposal of the Competent Public Authority and other shareholders. The Supervisory Board consists of non-executive members, most of whom are independent in the sense of article 138² of Company law 31/1990, republished, with later amendments and additions.

The future Supervisory Board structure is the following:

- 7 non-executive members;
- majority to be acquired by independent members;;

The competence and features of the future Supervisory Board members have been established using the responsibility areas attributed to each member as follows:

M1 – Leadership and Management

M2 – Economic Strategy, Investment and Procurement Expertise

M3 – Financial Strategy, Digitisation and External Relations

M4 – Business Development Strategies, Studies and Marketing Plan

M5 – Corporate Governance and Public Relations

M6 – Legal Management, Supervision and Analysis

M7 – Infrastructure Operation

3. PROFILE MATRIX OF THE SUPERVISORY BOARD OF NATIONAL POWER GRID COMPANY TRANSELECTRICA SA

The Board matrix, Annex 1 of this document, represents a cumulative instrument comprising the measurable competence, features and conditions that should be ideally provided by Board

members severally and jointly, together with the aptitudes, knowledge, experience and other attributes of members in office, as well as of potential candidates.

The purpose of such matrix as provided in article 28 of annex 1 from GD 722/2016 is to provide transparent, formal, competitive and comprehensive selection procedure in decision-making terms based on systematic analysis.

The profile matrix includes the following items:

- defining the criteria and providing indicators thereof;
- identifying the compulsory and optional criteria;
- defining a common assessment grid for all criteria;
- shares set for each criterion depending on its significance;
- bunching up criteria for comparative analysis;
- setting a minimum collective threshold for each criterion if need be or a minimum collective overall one, to be applied to the weighted total points obtained;
- Subtotals, totals, weighted totals and shares for criteria and for the individual SB members.

Such matrix enables pointing out the advantages and disadvantages, strong points, development areas and the extent of board activities that can be improved. In accordance with article 30 of annex 1 to GD 722/2016, the Board profile matrix provides information as required in order to determine:

- a) the balance of board competence and features with a view to carry out the requirements and strategic developments;
- b) proper nature of the board profile taking into account legal provisions, good practice and internal policies;
- c) detecting the areas where the board is supposed to improve capacity by professional training and development, professional assistance or by means of contracting specific services;
- d) defining the board candidate profile;
- e) identifying assessment instruments including by elaborating the assessment form, all leading to designating candidates that will be appointed as board members by the General Secretariat of the Government.

Criteria associated to the board matrix are compulsory or optional; compulsory criteria represent competence and features that should be met by all candidates or by those board members for whom a minimum applicable competence level is specified. On the other hand, optional criteria aims at competence and features that can be met by one board member, but not necessarily by all of them, for whom there is no minimum competence level applicable to all board members (article 31 of annex 1 to GD 722/2016). Compulsory criteria should be met by all candidates as they are minimum experience and training terms which the General Secretariat of the Government deems necessary, while optional criteria enable classifying the candidates

and selecting Supervisory Board members with profiles requested by the General Secretariat of the Government.

The matrix contains minimum thresholds for competence indicators so that the board can provide the board capacities determined in the analysis of contextual requirements. The criteria to be used in the selection are differentiated into groups and sub-groups as follows:

In case of the 7 vacant positions of Supervisory Board members, the General Secretariat of the Government will select persons that:

- are not members in more than 3 administration or supervision boards, which might lead to trespassing article 33 of GEO 109/2011, or in case they are members in 3 Administration/Supervision boards they will give up at least one before being appointed as SB members.
- meet all the compulsory criteria mentioned in the attached matrix;
- are in healthy condition, adequate to exercise the position needs, certified as per legal terms, acknowledged with medical certificate;
- are in full capacity of exercise;
- are domiciled in Romania;
- know Romanian for speaking, writing and reading, minimum C1;
- know a European language for speaking, writing and reading at least at independent user level;
- provide no entry in the judiciary record;
- their fiscal record has no entries that might prevent their appointment as SB members;
- Have not contributed to worsening the economic-financial results of enterprises where they held SB member positions during their mandate.

The General Secretariat of the Government deems it necessary that, out of the 7 Supervisory Board members of Transelectrica SA:

- one at least should have economic studies and be specialised in accounting or financial audit and have competence in the financial audit domain; this member has to be independent in the sense of provisions from Law 31/1990;
- two members at most can be dignitaries, public servants or contractual personnel;
- one member at least should have acquired technical knowledge certified in the power engineering domain.

Candidates' attributes (competence or features) are assessed using a Likert scale of 5 grades, as provided in GD 722/2016.

The Explained Competence Map (HCE) elaborated by the independent expert's team will be used in order to grant the points of each individual competence; such map describes the competence, provides the noticeable behavioural indicators and, if need be, these will be de-multiplied along the scale of 1 to 5 of the assessment grid as shown below:

Competence: Interpersonal communication according to the job description	
Explanation:	Indicators
Capacity to accurately communicate verbally, nonverbally and para-verbally, fluently and coherently, to relate, argue and persuade	<ul style="list-style-type: none"> - he/she is able to fluently coherently express his/her ideas - verbal messages are enhanced by gestures - he/she has proper posture for transmitted messages - he/she proves listening actively to his/her interlocutors - he/she uses wisely the formulation - he/she uses correctly the question technique - he/she uses correctly both logical and pseudo-emotional arguments - he/she is able to initiate, maintain and develop relations based on trust - he/she uses accurately the persuasion

Assessment methods:

- document analysis over the papers in the candidate file;
- analysis of references;
- behavioural observation of candidates during interviews;
- analysis of statements of intent;
- analysis of possible valuation tests given to candidates.