

No.	Objective/Performance Indicators	Calculation formula		Target values for performance indicators				
	Name of indicators		M.U	2024	2025	2026	2027	2028
	Financial indicators							
1	Capital expenditure rate	Capital expenditure*100/Total assets	%	5.56%	5.57%	5.58%	5.59%	5.60%
2	Degree of performance of the Annual Investment Plan in the percentages set out in the Investment Plan approved by the GMS	Proposed calculation formula: Investments realized*100/Planned investment plan	%	90%	91%	92%	93%	94%
3	Dividend payment rate (in accordance with the provisions of OG 64/2001)	Dividends paid*100/Net profit	%	50%	50%	50%	50%	50%
4	Current liquidity ratio	Current assets/Current liabilities	No.	1.03	1.04	1.05	1.06	1.07
5	Interest cover rate	Profit before interest and income tax / interest expense	No.	3.50	4.00	4.50	5.00	5.50
6	Asset turnover rate	Net turnover*100/Average value of all assets	No.	0.50	0.52	0.53	0.54	0.55
7	Return on Assets ROA	Net profit*100/Total assets	%	2.04%	2.05%	2.06%	2.07%	2.08%
8	Outstanding payments to the State Budget	Amount of arrears (debts) to the state budget at the end of the period (fiscal year)	lei	0.0	0.0	0.0	0.0	0.0
9	Reducing Arrears	Amount of arrears at the end of the period (fiscal year)	lei	0.0	0.0	0.0	0.0	0.0
	Non-financial indicators		M.U	2024	2025	2026	2027	2028
1	Degree of Implementation of the Annual Maintenance Plan	Maintenance activities performed*100/Activities planned in the Maintenance Plan annually	%	90%	90%	90%	90%	90%
2	Customer retention rate	(Total number of customers at end of period - Number of new customers)*100/Total number of customers at the beginning of the period	%	100%	100%	100%	100%	100%
3	Customer satisfaction score	Total number of 4 and 5 ratings in period t *100/Total number of ratings in period t	%	75%	75%	75%	75%	75%
4	Average number of training hours per employee	Total number of training hours/Total number of employees	No.	16.00	18.00	18.50	19.00	19.50
5	Number of safety trainings	Total number of safety training that has been carried out during the year	No.	4.50	5.00	5.00	5.00	5.00
6	Number of meetings of the Supervisory Board	Number of meetings of the Supervisory Board held during the reporting year	No.	8	10	12	14	16
7	Number of Committee meetings	Number of committee meetings (NRC, Audit Committee, Risk Committee) held during the reporting year	No.	8	10	12	14	16
8	Number of Directorate Committee meetings	Number of Directorate Committee meetings held during the reporting year	No.	36	38	40	42	46
9	Internal electricity consumption	Internal energy consumption ETG stations and headquarters	MW/h	46,500	46,400	46,300	46,200	46,100
10	Setting risk management policies	Risk management tool in place		YES	YES	YES	YES	YES
	Non-commercial indicators		M.U	2024	2025	2026	2027	2028
1	Pay gap between male and female employees	Average monthly salary of female employees*100/Average monthly salary of male employees	%	0.75%	0.50%	0.25%	0.00%	0.00%

Note

1) Motivation I 1 and I 2 financial

The achievement of the proposed objectives may be influenced by numerous risks, external and internal, which may affect the achievement of Annual investment programs, impacting the degree of performance with financial consequences for the Company.

These risks are:

I. External:

Delays in the performance of the works according to the foreseen estimates and contractual deadlines, mainly caused by:

- the global economic situation, namely the war in Ukraine and the energy crisis;
- legislative context, including ANRE regulations;
- technical and financial situation of third parties (suppliers of products and services, designers, contractors);
- Significant delays in the issuance of GDs for initiating expropriation/removal procedures;
- the low number of design/execution firms in the field, which leads to non-completion of public procurement procedures.

The impact of these risks could be around 25% of the Company's own investment expenditure.

II. Internal (other causes) - with an impact of 5%

2) Motivate I 1 n 90% The degree of performance of the Maintenance Plan of 90% is set as target by ANRE

3) In exceptional cases generated by energy market operating conditions, legislative changes with significant impact and unfavorable developments on the balancing market,

Non-profit activity for the company, as well as the non-financial income from additional OTC, which will affect the minimum target level of net turnover, will be adjusted with their impact, fully justified, substantiated and communicated in a transparent manner

4) The execution of the management plan with the management component will be presented in a report which will constitute the verification tool and will be drawn up annually, thus, for quarterly periods, the indicator is considered to be met

No.	Objective/Performance Indicators DIRECTORATE			Verification tool	Target values for performance indicators				
	Name of indicators	m.u.	Share in variable component		2024	2025	2026	2027	2028
	Financial indicators								
1	Capital expenditure rate	%	5.00%	Performance of the approved, annually reviewed IAP/ Balance sheet related to the annual financial statements submitted to the BVB and ASF	5.56%	5.57%	5.58%	5.59%	5.60%
2	Performance of the Annual Investment Plan in percentages set out in the Investment Plan approved by the GMS	%	10.00%	Implementation of the approved and annually reviewed IAP	90%	91%	92%	93%	94%
3	Dividend payment rate (in accordance with the provisions of GD 64/2001)	%	25.00%	GD 64/2001	50%	50%	50%	50%	50%
4	Current liquidity ratio	No	25.00%	Balance sheet for the annual financial statements submitted at BVB and ASF	1.03	1.04	1.05	1.06	1.07
5	Asset turnover rate	No	5.00%	Profit and loss account and annual balance sheet for the financial statements filed with the BVB and ASF	0.50	0.52	0.53	0.54	0.55
6	Return on Assets ROA	%	5.00%	Annual budget - Annex 2 and financial statements annual reports submitted to the BVB and ASF	2.04%	2.05%	2.06%	2.07%	2.08%
	TOTAL FINANCIAL INDICATORS		75.00%						
	Non-financial indicators								
1	Performance of the Annual Maintenance Plan	%	10.00%	Performance from approved annual budget - Annex 2 and annual financial statements submitted to the BVB and ASF	90%	90%	90%	90%	90%
3	Average number of training hours per employee	No	3.00%	DRU Report	16.00	18.00	18.50	19.00	19.50
4	Number of safety trainings	No	3.00%	DMI Report	4.50	5.00	5.00	5.00	5.00
5	Number of meetings, Directorate Committee	No	3.00%	CS secretariat report	36	38	40	42	46
2	Internal electricity consumption	MW	3.00%	DGCRIR Report	46,500	46,400	46,300	46,200	46,100
	Non-commercial indicators								
6	Female versus male pay gap	%	3.00%	DRU Report	0.75%	0.50%	0.25%	0.00%	0.00%
	TOTAL NON-FINANCIAL and NON-COMMERCIAL INDICATORS		25.00%						
	TOTAL INDICATORS (row 12+row22)		100.00%						

Note

1) Motivation I 1 and I 2 financial

The achievement of the proposed objectives may be influenced by numerous risks, external and internal, which may affect the achievement of the Annual Investment Programs, impacting the degree of performance with financial consequences for the Company.

These risks are:

I. External:

Delays in the performance of the works according to the foreseen estimates and contractual deadlines, mainly caused by:

- the global economic situation, namely the war in Ukraine and the energy crisis;
- legislative context, including ANRE regulations;
- technical and financial situation of third parties (suppliers of products and services, designers, contractors);
- Significant delays in the issuance of GDs for initiating expropriation/removal procedures;
- The low number of design/execution firms in the field, leading to non-completion of public procurement procedures. The impact of these risks could be around 25% of the Company's own investment expenditure.

II. Internal (other causes) - 5% impact

2) Motivation I 1 ne 90% The degree of performance of the Maintenance Plan of 90% is set as target by ANRE

3) In exceptional cases generated by the energy market operating conditions, legislative changes with significant impact and unfavorable developments on the balancing market,

Non-profit activity for the company, as well as the non-financial income from additional OTC, which will affect the minimum target level of net turnover, will be adjusted with their impact, fully justified, substantiated and communicated in a transparent manner

4) The performance of the management plan with the management component will be presented in a report which will constitute the verification tool and will be drawn up annually, so that for quarterly periods the indicator is considered to be met

No.	CS Objective/Performance Indicators			Verification tool	Target values for performance indicators				
	Name of indicators	m.u.	Share in variable component		2024	2025	2026	2027	2028
	Financial indicators								
1	Interest cover rate	No.	15.00%	Profit and loss account for the annual financial statements filed with the BVB and ASF	3.50	4.00	4.50	5.00	5.50
2	Outstanding payments to the State Budget	lei	15.00%	Annual financial statements filed with the BVB and ASF	0.0	0.0	0.0	0.0	0.0
3	Reducing Arrears	lei	10.00%	Annual financial statements filed with the BVB and ASF	0.0	0.0	0.0	0.0	0.0
	TOTAL FINANCIAL INDICATORS		40.00%						
	Non-financial indicators								
1	Customer retention rate	%	5.00%	DEF report	100%	100%	100%	100%	100%
2	Customer satisfaction score	%	5.00%	DPE Report	75%	75%	75%	75%	75%
3	Number of meetings of the Supervisory Board	No.	20.00%	DGCRIR Report	8	10	12	14	16
4	Number of Committee meetings	No.	20.00%	DGCRIR Report	8	10	12	14	16
5	Setting risk management policies	%	10.00%	DMI Report	YES	YES	YES	YES	YES
	TOTAL NON-FINANCIAL INDICATORS		60.00%						

TOTAL INDICATORS (row 9+row18)

100.00%

Note

4) In exceptional cases generated by the operating conditions of the energy market, legislative changes with significant impact and unfavorable developments on the balancing market, non profit activity for the company, the minimum target level of the net turnover shall be adjusted with their impact, duly justified, substantiated and communicated in a transparent manner

6) The performance of the management plan with the management component will be presented in a report that will constitute the verification instrument and will be drawn up annually, so that for quarterly periods the indicator is considered as met