

REMUNERATION POLICY for the members of the executive and non-executive management of National Power Transmission Company "Transelectrica", Updated on March 2025

Nomination and Remuneration Committee within Supervisory Board

Members:



Alexandru-Cristian VASILESCU - chairman

Dumitru-Virgil ORLANDEA

Luminița ZEZEANU

Cătălin-Andrei DASCĂL

Rareș Stelian RUSU, until August, 19, 2024



The Company's mission:

To ensure the functioning of National Power System under safe and stable conditions, at quality standards while ensuring the access to transmission networks to applicants who comply with law provisions.

The Company is listed on Bucharest Stock Exchange, Premium, symbol TEL. Thus, Transelectrica, as a listed company assumed the responsibility to comply with the legislation and the transparency standards and good corporate governance practices with the purpose to build a relationship based on respect and long term trust with the shareholders and possible investors.

Transelectrica is a legal Romanian person, set as a public joint stock company and works in accordance with applicable Romanian legislation, the provisions of own Articles of Association and internal regulations. The Company is managed under a two-tier system which implies a Directorate and a Supervisory Board.

Legal framework on remuneration policy:

- Law 24/2017 on issuers of financial instruments and market operations, republished, with later amendments and additions;
- Law 31/1990 regarding companies with later amendments and additions ;
- G.E.O. 109/2011 regarding corporate governance of public enterprises, with later amendments and additions ;
- Articles of Association of Transelectrica, updated, in force since 30.03.2023, pursuant to AGEA resolution no. 1/26.01.2023;
- Corporate Governance Code of Bucharest Stock Exchange.

The remuneration policy is in accordance with legal requirements and the unitary decisions of Shareholders' General Assembly as for the mandates of Supervisory Board members and of Directorate members. The remuneration policy renders the general applicable framework and describes the responsibilities of deciders in setting and approving the remunerations and the other benefits.

Abilities and competences

Shareholders' General Ordinary Assembly :

- ☐ sets the general limits of Directorate members remuneration;
- ☐ sets the due remuneration for the exercise in progress for Supervisory Board members;
- ☐ appoints and revokes the Supervisory Board members;
- ☐ rules upon the stock management of Supervisory Board members and of Directorate members, assesses their activity and discharges them from stock management, under law conditions;
- ☐ approves the mandate contract concluded between "Transelectrica" and Supervisory Board members and the general limits of remuneration and of other benefits given to Directorate members;
- ☐ considers the Report of TEL Nomination and Remuneration Committee within Supervisory Board related to the last financial exercise.

Nomination and Remuneration Committee within Supervisory Board :

- ☐ gives suggestions for the job position of Supervisory Board member and of Directorate member;
- ☐ elaborates and makes suggestions to Supervisory Board regarding the selection procedure of Company's Directorate members and for other management positions;
- ☐ gives suggestions regarding the remuneration of Directorate members and for other management positions, while complying with general limits approved by Shareholders' General Ordinary Assembly;
- ☐ annually elaborates and submits the Report of Nomination and Remuneration Committee regarding the remunerations and other benefits given to Supervisory Board and Directorate in annual AGA meeting, report drawn in accordance with art. 55 para. (3) of GEO no. 109/2011 regarding enterprises on corporate governance of public enterprises, with later amendments and additions (Remuneration Report, in applying art.107 of Law no.24/2017 on issuers of financial instruments and market operations, republished, with later amendments and additions).

Supervisory Board.

- ☐ appoints and revokes the Directorate members and sets their remuneration;
- ☐ determines the structure and number of Directorate members.



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Remuneration of Supervisory Board members

Legal and contractual framework regarding the remuneration of Supervisory Board members of "Transelectrica" S.A

In accordance with legal general framework, according to art.111 para.(2) let. c) of Corporations Law no. 31/1990, republished, with later amendments and additions, the authority to set the remuneration of Supervisory Board members belongs to Shareholders' General Assembly („AGA”). The Company is a public enterprise in accordance with art.2 item 2 let. b) from GEO109/2011 regarding corporate governance of public enterprises, with later amendments and additions. GEO 109/2011 regulates special conditions regarding the remuneration of Supervisory Board members of a public enterprise.

Supervisory Board members have a net monthly allowance of 16,510 RON according to the form of contract mandate approved by Shareholders' General Ordinary Assembly Resolution no. 1/28.02.2024.

Other benefits given to Supervisory Board members

Other benefits:

✓The Administrator has the right to have his expenses related to mandate performance settled, based on justified documents but without limiting to them: accommodation expenses, daily allowance, transport, attendance fee for courses, seminars, and any other kind of expenses related to mandate performance and regardless if they were made when travelling abroad or countrywide (all these expenses shall be settled at the level of the limits set at the company's level). The Company will reimburse to the administrator once a month in the tenth day of the month for the previous month the costs mentioned above. Accommodation cost will be settled for a number of days equal to those of the respective meeting.

Legal and contractual framework regarding the remuneration of Directorate members of "Transelectrica"

In accordance with legal general framework, according to art.153¹⁸ para.(2) of Corporations Law no. 31/1990, republished, with later amendments and additions, the authority to set the remuneration for Directorate members belongs to the Supervisory Board . GEO 109/2011 regulates special conditions regarding the remuneration of Directorate members of a public enterprise.

Directorate members have a net monthly allowance in amount of **32,204 RON** according to the form of contract mandate approved by Supervisory Board.



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Other rights and benefits given to Directorate members

- ✓ The right to have the expenses made in the Company's interest settled based on justified documents under law conditions and internal regulations of the Company;
- ✓ Compliant labor conditions and access to the equipment necessary to perform activities (such as for instance properly equipped office, conference room, business mobile phone, laptop/tablet, car and others), depending on the needs related to current activities within the Directorate. Directorate Member has the obligation to use the equipment/car mainly in fulfilling his duties and other obligations in the mandate contract. At the termination of the mandate, the equipment/car will be handover to the Company based on a written minute, not later than 5 (five) working days from the termination of Contract, regardless of reason;
- ✓ If he does not have the permanent residence in Bucharest or within a distance of 60 km from Bucharest, the Directorate Member has the right to settle the value of the monthly rent, in the equivalent limit of the net amount of until 780 euro/month;
- ✓ To settle the cost of transport (road, air, rail) from the domicile specified in the Identity Card to the headquarters and return, within the limit of a net amount of 2 000 RON/month.

Final and transitional provisions

The current remuneration policy keeps the rights and benefits given to Directorate members through AGOA resolution no.4/29.04.2024, to be reviewed in 2025.

After voting the remuneration policy updated on March 2025 within annual ordinary general assembly of shareholders foreseen at art. 111 of Law 31/1990, the remuneration policy together with the date and vote results will be published without delay on Transelectrica website and will be available to public, free of charge for at least as long as they are applicable.

According to art. 107 of Law no. 24/2017 on issuers of financial instruments and market operations, the Company draws annually a clear and easy to understand remuneration report which offers a large comprehensive image of remunerations, including of all benefits regardless of form, given or due to leaders, individually, throughout the last financial exercise, including the new recruited ones and ex-leaders in accordance with the remuneration policy.



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Contact

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