

| Nr crt | Objective/Performance Indicators | Calculation formula | Target values for performance indicators | | | | | |
|--------|--|--|--|-------------|-------------|-------------|-------------|-------------|
| | | | U.M. | 2024 | 2025 | 2026 | 2027 | 2028 |
| | Financial Indicators | | | | | | | |
| 1 | Capital expenses rate | Capital expenses*100/Total assets | % | 5.56% | 5.57% | 5.58% | 5.59% | 5.6% |
| 2 | The performance degree of Annual Investment Plan in percentage stated from Investment Plan approved by AGA | Suggested calculation formula: Investiții realizate*100/Plan investiții planificat | % | 90% | 91% | 92% | 93% | 94% |
| 3 | Dividend payment ratio (in accordance with the provisions of G.O. 64/2001) | Paid Dividends*100/Net Profit | % | 50% | 50% | 50% | 50% | 50% |
| 4 | Current liquidity rate | Current assets/Current debts | nr | 1.03 | 1.04 | 1.05 | 1.06 | 1.07 |
| 5 | Interest coverage ratio | Profit before paying the interest and profit tax/ expense with interest | nr | 3.5 | 4 | 4.5 | 5 | 5.5 |
| 6 | Asset turnover rate | Net turnover*100/Net value of all assets | nr | 0.5 | 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 | Value 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 | Arrears reduction | Value of arrears at the end of the period (fiscal year) | lei | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | | | | | | | |
| | Non-financial Indicators | Calculation formula | U.M. | 2024 | 2025 | 2026 | 2027 | 2028 |
| 1 | The performance degree of Annual Maintenance Plan | Achieved maintenance activities*100/Planned activities in the annual maintenance plan | % | 90% | 90% | 90% | 90% | 90% |
| 2 | Customer retention rate | (Total number of clients at the end of the period -Number of new clients)*100/Total number of clients at the beginning of the period | % | 100% | 100% | 100% | 100% | 100% |
| 3 | Customer satisfaction score | Total number of assessments of 4 and 5 in the period t *100/Total number of assessments in t period | % | 75% | 75% | 75% | 75% | 75% |
| 4 | The average number of training hours per employee | Total number of training hours/Total number of employees | nr | 16 | 18 | 18.5 | 19 | 19.5 |
| 5 | The number of safety trainings | Total number of safety trainings that occur during the year | nr | 4.5 | 5 | 5 | 5 | 5 |
| 6 | The number of gatherings of Supervisory Board | Supervisory Board number of meetings held during the reporting year | nr | 8 | 10 | 12 | 14 | 16 |
| 7 | The number of gatherings of the committees | number of meetings of committees (RNC, audit committee, risk committee) held during the reporting year | nr | 8 | 10 | 12 | 14 | 16 |
| 8 | The number of gatherings of Directorate committee | Number of meetings of Directorate committee held during the reporting year | nr | 36 | 38 | 40 | 42 | 46 |
| 9 | Internal electricity consumption | Internal electricity consumption RET power stations and headquarters | MW/h | 46,500 | 46,400 | 46,300 | 46,200 | 46,100 |
| 10 | Establishing the policies to manage risks | A risk management instrument exists | | DA | DA | DA | DA | DA |
| | | | | | | | | |
| | Non-commercial indicators | Calculation Formula | U.M. | 2024 | 2025 | 2026 | 2027 | 2028 |
| 1 | The pay gap between female and male employees | The average monthly salary of female employees*100/The 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 objectives can be influenced by various internal and external risks that can affect the achievement of Annual Investment Programs, having an impact on the achievement degree with financial consequences for the Company.

This risks are:

I. External:

Delays in carrying out works according to the estimations provided and the contractual deadlines, mainly caused by:

- the world economic situation, namely the war in Ukraine and the energy crisis;
- legal context, including the ANRE regulations;
- technical and financial situation of third parties (supply of products and services, planners, work performers);
- significant delays in issuing GD for initiation of expropriation/removal procedures from the forest fund ;
- decreased number of design/execution companies in the field, which leads to the failure to end the public procurement procedure.

The impact of these risks might be of about 25 % from expenses for own investments of the Company.

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

2) Motivation I 1 90% The achievement degree of Maintenance Plan of 90% is established as a target by ANRE

3) 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, as well as the non-financial income from additional OTC, that will affect the target minimum level of net turnover, will be adjusted with their impact, thoroughly justified, substantiated and communicated transparently

4) Execution of administration plan with management component will be presented in a report which will represent the checking instrument and will be made annually,

so that for the quarterly periods, the indicator is considered fulfilled.