

**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 executive board 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 the Companies Law 31/1990, being the following:

- a) Exercising permanent control over the company's management by the executive board:
- b) Appointing and dismissing the executive board 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 executive board 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 OUG 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	M5 – Corporate Governance, Communication, Relationship with APT
M2 – Economic Analysis and Strategy	
M3 – Financial audit, Accounting	M6 – Operation, Asset Management, Investments
M4 – Business development strategies, Drawing European funds	M7 – Infrastructure Regulation and 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, diminishing them, but optimally responding to the identified opportunities, making the most of them;
- 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 the public supervisory authority and the Supervisory Board and doing all the due and permitted diligence to produce the expected results;
- Initiating, maintaining and developing good working relationships with representatives of authorities, regulatory and control bodies, customers, suppliers, other 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 executive board 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 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 studies or equivalent - Minimum 10 years of prior professional activity 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of companies the same size as CNTEE Transelectrica SA; - Prior professional experience in companies listed on the stock exchange - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Strategic leadership - General management - Organisational performance management
M2. Economic Analysis and Strategy		
<ul style="list-style-type: none"> - Long-term completed university economic studies or equivalent - Minimum 10 years of prior professional activity - Minimum 5 years of professional experience in economics - 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Strategic planning - Budgeting - Economic analysis
M3 – Financial audit, Accounting		
<ul style="list-style-type: none"> - Long-term completed university economic studies or equivalent - Minimum 10 years of prior professional activity - Minimum 5 years of professional experience in financial audit, accounting or financial consulting - Independent Supervisory Board member 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Financial analysis - Financial audit - General accounting - Cost accounting
M4 – Business development strategies, Drawing European funds		
<ul style="list-style-type: none"> - Long-term completed university studies or equivalent - Minimum 10 years of prior professional activity - 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Marketing management - Investment management - Elaboration of funding applications - Management of European projects
M5 – Corporate Governance, Communication, Relationship with APT		
<ul style="list-style-type: none"> - Long-term completed university studies or equivalent - Minimum 10 years of prior professional activity - 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Management of stock market development - Managing the management information flow - Reporting - External communication
M6 – Operation, Asset Management, Investments		

<ul style="list-style-type: none"> - Long-term completed university technical studies or equivalent, in the energy field - Minimum 10 years of prior professional activity 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Management of Power Transmission Grids - Asset Management - Preventive maintenance
M7 – Infrastructure Regulation and Operation		
<ul style="list-style-type: none"> - Long-term completed university technical studies or equivalent, in the energy field - Minimum 10 years of prior professional activity 	<ul style="list-style-type: none"> - Experience in administration/supervision/management of energy companies 	<ul style="list-style-type: none"> - Management of Power Transmission Grids - Asset Management

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/technical 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 and M7: are graduates of long-term university studies in energy or equivalent, with degree.
- d. 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) Have experience in administration/supervision/control or management of at least 5 years; the following represent an advantage: prior professional experience in companies or entities the same size as CNTEE Transelectrica SA, or professional experience in the energy field; prior experience in coordinating electricity transmission, the financial management of a company, corporate governance, human resources management, listing a company on the stock exchange, prior experience in a company listed on the stock exchange, prior experience in attracting or/and managing European-funded projects;
- e) They are medically fit for the position and have full exercise capacity;
- f) 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 AGA for his/her failure to meet the performance indicators in the last 5 years;
- g) 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;
- h) 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;
- i) They have not been involved in political police, as defined by law;
- j) They fulfil the conditions provided by the incidental legislation regarding the quality

			Criteria	Obligatory (OB) or Optional	Share (0-1)
		1 = Beginner; 2 = Intermediate; 3 = Competent; 4 = Advanced; 5 = Expert			
I. Competence	C1. Competence specific to the energy sector	C1.1	Capacity to understand and overcome the technical and economic challenges specific to one's own activity domain	OB	1,0
		C1.2	Proved capability to increase the performance of an electricity transporter	OB	1,0
		C1.3	Capacity to understand, integrate and meet the requirements specific to the 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, integrate and minimise 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	OB	1,0
		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	OB	1,0
		C2.7	Risk management	OB	1,0
		C2.8	Strategic approach to the Company's participation on the capital market / administration of stock exchange-listed companies	OP	1,0

Features	C3. Corporate governance competence	C3.1	Management by objectives	OB	1,0
		C3.2	Project management competence	OB	1,0
		C3.3	Strategic planning competence	OB	1,0
		C3.4	Management of projects with European financing	OB	1,0
		C3.4	Leadership	OB	1,0
		C3.5	Management by budgets	OB	1,0
		C3.6	Financial audit	OB	1,0
		C3.7	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	0,8
	C5. National and international experience	C5.1	National professional experience within great organisational structures	OB	0,8
		C5.2	Experience in the energy domain	OB	0,8
		C5.3	Experience in liaising with public authorities, regulatory and supervisory authorities, shareholders and stakeholders	OB.	0,8
		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 corporate 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 HG 722/2016	OB	1,0
	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

III. Prescriptive and proscriptive requirements		T6	Team spirit	OB	0,5
			Subtotal 2		
			Weighted subtotal 2		
		CPP1	Knowledge of Romanian	OB	0,6
		CPP2	Knowledge of an European language - speaking, writing and reading, at least at independent user level		
		CPP3	Long term university studies graduated by diploma or Long term university studies in the energy domain graduated by diploma or University studies in the economic domain graduated by bachelor degree or University studies in the juridical domain graduated by bachelor degree	OB	0,6
		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	Minimum 5 years' experience of administration / supervision / management of companies with private or state capital / public or private law institutions or public utilities	OB	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 AGA 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%