

**We lead the power**  
**NPG CO. TRANSELECTRICA**

**Annual Administrators'  
Report 2024**



## ANNUAL REPORT

### NPG CO. "TRANSELECTRICA" SA

on the individual financial statements of the Company prepared in accordance with OMFP no. 2844/2016 and prepared in accordance with Law no. 24/2017 on issuers of financial instruments and market operations and Annex 15 of Regulation no. 5/2018 issued by the Financial Supervisory Authority (ASF),  
for the financial year ending December 31, 2024

<b>Report date:</b>	March 27, 2025
<b>Name of issuer:</b>	NPG CO. TRANSELECTRICA SA, a company managed under a two-tier system
<b>Headquarters:</b>	Bucharest, Str. Olteni nr. 2 - 4, sector 3, postal code 030786
<b>Telephone/fax number:</b>	021 303 5611/ 021 303 5610
<b>Unique ORC code:</b>	13328043
<b>Order number in RC:</b>	J2000008060404
<b>LEI Code (Legal Entity Identifier)</b>	254900OLXOUQC90M036
<b>Date of establishment</b>	31.07.2000/ OUG 627
<b>Share capital:</b>	733.031.420 lei, subscribed and paid up
<b>The regulated market on which the issued securities are traded:</b>	Bucharest Stock Exchange <div><div>Simbol:</div><div>ISIN:</div><div>Tip:</div><div>Segment:</div><div>Categorie:</div><div>Stare:</div><div>TEL</div><div>ROTSELACNOR9</div><div>Actiuni</div><div>Principal</div><div>Premium</div><div>Tranzactionabila</div></div>
<b>Main characteristics of the securities issued:</b>	73,303,142 shares with a par value of 10 lei/share, dematerialized, registered, ordinary, indivisible, freely tradable shares since 29.08.2006 under the symbol TEL
<b>Total market value:</b>	2.763.528.453 lei (37,70 lei/share on 31.12.2024)
<b>Accounting standard applied:</b>	International Financial Reporting Standards
<b>Auditing:</b>	The separate financial statements as at 31.12.2024 are audited

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**REPORT OF THE  
GOVERNING  
STRUCTURES**

**2024**

## Message from the Supervisory Board

**Dear Shareholders,**

**Dear investors,**

For 25 years, Transelectrica SA has been the fundamental pillar of the safety and stability of the National Power System, acting with professionalism and efficiency in the face of all the challenges of a sector undergoing continuous transformation. This path is supported by the well-defined expertise and dedication of a large team of specialists, as well as by significant strategic investments, carried out with the aim of ensuring Romania's energy security and providing a modern energy transmission infrastructure adapted to the requirements of the future.

In the context of the recent developments in the energy sector and the accelerated transition towards a sustainable system, Transelectrica reaffirms its firm commitment to the modernization and development of Romania's Transmission Grid. The essential instrument of this vision of our Company is the Development Plan for the Electricity Transmission Grid for the period 2024-2033, with a total value of 9.4 billion lei. This Plan includes major projects for the integration of renewable sources, the expansion of interconnection capacities and the upgrading and modernization of electrical installations, thus contributing to the consolidation of energy security and the achievement of European sustainability objectives.

Through these investments, our Company is aligning itself with the current energy directions and policies set by the European Union and is strengthening its role in the European Network of Transmission System Operators - ENSTO-E, being an active and involved party supporting the process of a more balanced transition towards a green and efficient energy system.

As a transmission and system operator, Transelectrica has a major responsibility both at national level and in the European energy market. Our strategy aims to adapt quickly and efficiently to economic and technological dynamics, in order to identify the most appropriate solutions for modernizing Romania's energy infrastructure, so that we can translate them into investments aimed at digitalization.



At the same time, in a context of continuous change and new legislative frameworks, we are taking a balanced and proactive approach to ensure the continuity of the Company's operational activity in optimal safety conditions.

In carrying out an efficient and well-structured internal workflow, one of the current objectives of our work is to develop clear performance and optimization criteria. In this endeavor, corporate governance standards are essential, serving as a fundamental benchmark and assessment mechanism for the most important decision-making and operational processes. In this way, we aim to implement appropriate measures for the smooth functioning of our internal business, ensuring sustainable development, operational efficiency and institutional transparency. We are also aiming to consolidate a stable and predictable working framework for Transelectrica employees, as well as for the public shareholders and investors.

The Supervisory Board of Transelectrica SA continues its commitment to support a responsible management at the level of the Company, based on sound corporate governance principles. In our management plan, through the set objectives, we aim to ensure a coherent strategic direction so that Transelectrica maintains its position as a key player in the national and regional energy sector.

In 2024, we intensified our efforts to optimize and strengthen the communication mechanisms with Transelectrica's shareholders, given the accelerated dynamics and complexity of the business environment. Through a transparent approach and constant dialog, our aim has been to develop sustainable collaborative relationships based on trust and predictability, thus ensuring a well-grounded and predictable framework to facilitate decision-making issues.

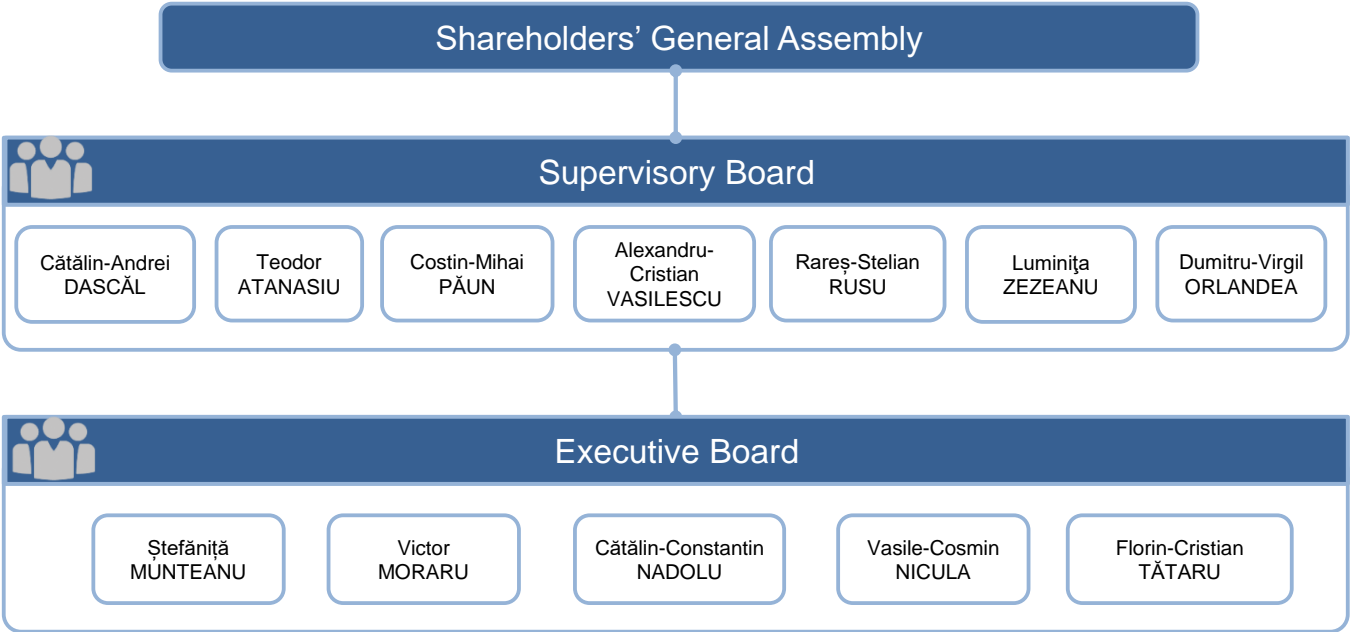
Looking to the future, we remain committed to maintaining the Company's strategic direction, ensuring a sustainable and adaptable development to the dynamics of the energy sector. In an ever-changing business environment, we seek to identify the best opportunities for growth and consolidate an organizational culture based on efficiency, professionalism, transparency and excellence. In this way, Transelectrica will continue to be a benchmark leader in the national and regional energy sector, capable of meeting the challenges of the future and contributing to Romania's energy stability and security

**Supervisory Board of NPG CO. Transelectrica SA**

Supervisory Board

National Power Grid Company Transelectrica SA ("NPG CO. Transelectrica SA", "Transelectrica" or "the Company") is a joint-stock company, which is organized and operates in accordance with the laws of Romania, being managed under a two-tier system, Figure1 : Organizational structure

pursuant to the decision of the Extraordinary General Meeting of Shareholders of 18 July 2012, by a Directorate (consisting of 5 members) under the supervision of a Supervisory Board (consisting of 7 members).



At the date of this Report, the composition of the Supervisory Board with a term of office until 29.02.2028, according to the OGMS no.1/28 February 2024, is as follows:

Cătălin-Andrei DASCĂL - Chairman of the Supervisory Board

As of 22 April 2022, Mr. Cătălin Andrei Dascăl was appointed provisional member of the Supervisory Board of NPG CO. Transelectrica SA.

As of 1 March 2024, Mr. Cătălin Andrei Dascăl has joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-year mandate in the non-executive management of the Company

Mr. Dascăl has joined Transelectrica's non-executive management team with extensive experience in the legal field.

The career of Mr. Cătălin Andrei Dascăl includes managerial and executive positions exercised in acquiring a complex legal expertise, both in public administration and in the private sector.

Thus, among the positions he held, he was legal advisor at IPCMG - REFAL SPRL, executor and legal expert at the Authority for the Administration of State Assets.

From 2006 to the present, Mr. Dascăl is a lawyer and insolvency practitioner - Insol Europe Member, founder and partner lawyer at "Dascăl Ciotea and Associates SPARL", founder and coordinating partner at "Dascăl Insolvency SPRL".

Also, from 2016 until now, he is the President of the National Union of Insolvency Practitioners in Romania (UNPIR) - Bucharest Branch, and since 2021 he is a member of the National Board of Directors of UNPIR and coordinator of working groups within this structure.

Mr. Cătălin Andrei Dascăl graduated from the Faculty of Law of Nicolae Titulescu University, Bucharest and holds a Licentiate Degree in Legal Studies from the Faculty of Law of the University of Bucharest. At the same time, he completed postgraduate studies in European Community Law (Faculty of Law, University of Bucharest) and Commercial Law (Academy of Economic Studies, Bucharest).

Teodor ATANASIU - Member of the Board

As of August 22, 2022 Mr. Teodor Atanasiu was appointed provisional member of the Supervisory Board of NPG CO. Transelectrica SA.

As of 1 March 2024, Mr. Teodor Atanasiu has joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-

year mandate in the non-executive management of the Company

From 2017-2022, Mr. Teodor ATANASIU was a member of the Regulatory Council of the National Energy Regulatory Authority.

Mr. Teodor ATANASIU attended the Polytechnic Institute of Cluj Napoca, having graduated from the Faculty of Mechanics.

Also, Mr. ATANASIU holds a diploma of Open University Business School in Financial Management, Competitiveness Management, Customer Relationship Management.

#### **Costin-Mihai PĂUN - Member of the Supervisory Board**

As of 22 April 2022, Mr. Costin Mihai Păun was appointed member of the Supervisory Board of NPG CO. Transelectrica SA, taking this position with over 30 years of experience in the European and national energy industry.

As of 1 March 2024, Mr. Costin Mihai Păun joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-year mandate in the non-executive management of the Company.

Throughout his career, he has held several managerial and executive positions, working both nationally and internationally in the fields of electricity transmission, distribution and generation.

Mr. Păun has joined Transelectrica's non-executive management team with an outstanding career in the energy sector.

Thus, Mr. PĂUN has significant experience in coordination with the European Transmission and System Operators (ENTSO-E and MED-TSO), with the Electricity Distribution Operators, with the National Regulatory Authorities, with the Agency for the Cooperation of Energy Regulators (ACER), with the European Institutions (European Commission, DG ENER, DG Conect, etc.) and with the International Financial Institutions (European Investment Bank, KfW, etc.).

Mr. PĂUN has designed, managed and implemented European and international projects financed by the European Commission and International Financial Institutions, carried out European consortia, studies and plans for the development of electricity grids, contributed to new solutions in innovation and scientific research initiatives, being responsible for systems operation, regulations, implementation of high voltage projects.

He is co-Founder (2011), was Secretary General (2011-2016) and Vice President (2016-2021) of the Professional Association - Romanian Energy Center (REC).

Mr. Păun was also a member of the Directorate of the Electricity Distribution System Operator "Electrica Distribuție Muntenia Nord" SA (2012-2016), Responsible for the preparation of the European Ten-Year Network Development Plan within ENTSO-E in Brussels (2010-2016), of the Regional Investment Plans in 4/6 ENTSO-E Regions: North Sea, Baltic Sea, Continental South-West Europe, Continental Central-East Europe, Grid Codes, Regulatory Advisor, Energy Policy, Electricity Networks at EURELECTRIC, Union of the Electricity Industry, Brussels (2002-2010), Member of the European Economic and Social Committee - Section Transport, Energy, Infrastructure and Information Society (2003-2006) and Coordinator Regulatory Training and Energy Strategy (1993-1998).

Mr. Costin Mihai PĂUN graduated from the Politehnica University of Bucharest, Faculty of Energetics, with a degree in Electrical Engineering, in which field he also holds a PhD from the Technical University of Timisoara.

He also consolidated his expertise in the field of management through the Master's program "Financial-Banking Management", acquiring the title of Master in Business Administration - Financial-Banking Management at the Romanian-American University of Bucharest.

#### **Alexandru-Cristian VASILESCU - Member of the Supervisory Board**

As of 22 April 2022, Mr. Alexandru Vasilescu was appointed member of the Supervisory Board of NPG CO. Transelectrica SA, taking this position with expertise in public administration advisory and management.

As of 1 March 2024, Mr. Alexandru-Cristian Vasilescu has joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-year mandate in the non-executive management of the Company.

Currently, Mr. Alexandru Vasilescu holds the position of Secretary of State within the General Secretariat of the Government, occupying this position since February 2022.

Mr. Vasilescu has joined Transelectrica's non-executive management team, having a professional portfolio shaped by the following positions: Commercial Directorate of SC Orhideea SRL; Advisor in several institutions of the state administrative

apparatus: Romanian Parliament - Chamber of Deputies, Department for SMEs, Business Environment and Tourism, Ministry for Information Society, General Secretariat of the Government. Mr. Alexandru Vasilescu graduated from the Technical University of Constructions in Bucharest, holding a bachelor's degree in construction engineering.

Following his undergraduate studies, he completed a master's program at the Technical University of Construction in Bucharest, obtaining a diploma in Construction Project Management.

Mr. Vasilescu is currently a PhD student at the Politehnica University of Bucharest.

#### **Luminița ZEZEANU - Member of the Supervisory Board**

Mrs. Luminița Zezeanu, joined the Supervisory Board of NPG CO. Transelectrica SA, as of August 22, 2022, as a member, with a solid expertise in the development and financing of projects from European funds, as well as experience in public administration.

Over the years, Mrs. Luminița ZEZEANU has worked in different areas of public administration, focused on regional development.

Between 2006-2014, he held the position of Directorate of Project Authorization, Managing Authority for the Operational Program - Ministry of Regional Development and Public Administration.

As of 1 March 2024, Mrs. Luminița Zezeanu has joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-year mandate in the non-executive management of the Company.

He resumed this management position in 2015-2016, and in 2017 he became Secretary of State at the Ministry of Regional Development, Public Administration and European Funds.

Mrs. Luminița ZEZEANU has continued her work in this field, and between 2017 and 2019 she was Directorate General at the Managing Authority for the Regional Operational Program - Ministry of Regional Development and Public Administration.

Since August 2022 and until August 2023 he served as Directorate of European Funds at SNTGN Transgaz. He is currently State Secretary at the Ministry of European Investments and Projects.

Mrs. Luminița ZEZEANU graduated from the Faculty of Accounting and Management Informatics of the Bucharest Academy of Economic Studies and

continued her postgraduate studies in the UK at the London Metropolitan University, where she studied international trade.

#### **Dumitru-Virgil ORLANDEA - Member of the Supervisory Board**

Mr. Virgil Dumitru Orlandea has been appointed member of the Supervisory Board of the National Electricity Transmission Company Transelectrica SA as of March 1, 2024 for a 4-year term of office in the non-executive management of the Company. Mr. Orlandea previously held the position of member of the Supervisory Board from October 2021 to October 2023.

Since 2011, he has been active in the energy field, holding relevant positions in the energy industry.

Between 2010 and 2012, Mr. Orlandea was a member of the Directorate and Supervisory Boards of important companies in the Romanian energy sector, such as Electrica SA, Electrica Serv SA, Hidroelectrica, Transelectrica and Oil Terminal. From 2013 until 2016, Mr. Orlandea worked at NPG CO. Transelectrica SA in the position of Directorate of Support Services. Subsequently, until 2021, he continued his activity within the Company from the position of coordinator of the project Center of Excellence in Energetics Sibiu, respectively Center for Research and Development of Technologies for Working under Voltage and Rapid Intervention in the National Energy System.

Mr. Virgil Dumitru Orlandea graduated from the National Defence University "Carol I" Bucharest, the College of Resource Management and Procurement, "Lucian Blaga" University of Sibiu, the Faculty of Economics - Master in "Integration of Tourism and Services" and the Faculty of Economics - Master in "Management and Marketing Strategies and Policies of the Firm", "Alexandru I. Cuza" Police Academy Bucharest - Master in "Human Resources Management in the Public Order Authorities System".

#### **Rareș-Stelian RUSU - Member of the Supervisory Board**

As of 1 March 2024, Mr. Rareș Stelian Rusu has joined the Supervisory Board of the National Electricity Transmission Company Transelectrica SA, with a 4-year mandate in the non-executive management of the Company. Mr. Rusu has extensive management experience gained through his career in both the private and public sectors.

With an extensive expertise within the Company, Mr. Rusu held the position of Director of the Transmission Territorial Branch Cluj-Napoca in 2009-2012, followed by that of project manager in 2012-2013. He was also



advisor to the Directorate of Transelectrica, manager of the Integrated Management Unit, Commercial-Procurement and manager of the Transmission Territorial Unit Cluj, in 2020-2021. Between 2021-2022, he was non-executive director of OPCOM SA, a subsidiary of NPG CO. TRANSELECTRICA SA.

Mr. Rareș Stelian Rusu has more than 25 years of experience in central and local public administration, both in the executive and non-executive areas within the Romanian Government, the Chamber of Deputies, as well as in the private sector, holding managerial positions and legal advisory positions.

As of 2021, Mr. Rusu serves as Vice-President of the National Agency of Civil Servants.

Mr. Rareș Stelian Rusu holds a bachelor's degree in political science from the "Faculty of Political Science and Public Administration" of the "Babeș-Bolyai" University of Cluj-Napoca, as well as a bachelor's degree in law from the Faculty of Law of the "Dimitrie Cantemir" University of Cluj-Napoca. He also completed a master's degree in energy engineering at the Faculty of Electrical Engineering of the Technical University of Cluj-Napoca.

### **Advisory Committees of the Supervisory Board - composition at the date of this report**

#### ***Audit Committee***

The members of this committee are: Luminița ZEZEANU (Chairman), Teodor ATANASIU, Rareș Stelian RUSU, Costin-Mihai PĂUN, Alexandru-Cristian VASILESCU

#### ***Nomination and Remuneration Committee***

The members of this committee are: Alexandru-Cristian VASILESCU (Chairman), Cătălin-Andrei DASCĂL, Dumitru Virgil ORLANDEA, Luminița ZEZEANU

#### ***Committee on Investment and Energy Security***

The members of this committee are Costin-Mihai PĂUN (chair), Cătălin-Andrei DASCĂL, Luminița ZEZEANU, Teodor ATANASIU, Dumitru-Virgil ORLANDEA

#### ***Risk Management Committee***

Teodor ATANASIU (chairman), Alexandru-Cristian VASILESCU, Cătălin-Andrei DASCĂL, Rareș Stelian RUSU, Dumitru Virgil ORLANDEA

### **Changes in the Supervisory Board**

According to the OGMS Resolution no.1 of February 28, 2024, the following members of the Supervisory Board of the Company were approved for a term of office of four years, starting March 1, 2024 and ending February 29, 2028:

- Păun Costin-Mihai,
- Atanasiu Teodor,
- Vasilescu Alexandu-Cristian,
- Zezeanu Luminița,
- Dascăl Cătălin-Andrei,
- Orlandea Dumitru-Virgil,
- Rusu Rareș Stelian.

**04 March 2024** - the members of the Supervisory Board, in accordance with the provisions of art.18 paragraph (4) of the company's Articles of Incorporation, appointed Mr. Dascăl Cătălin-Andrei as Chairman of the Supervisory Board .

At the same time, in accordance with art.XX paragraph (4) of the Regulation on the organization

and functioning of the Supervisory Board, the members of the SC appointed as members of the Nomination and Remuneration Committee of the Board:

- Vasilescu Alexandru-Cristian - Chairman,
- Dascăl Cătălin Andrei,
- Rusu Rareș Stelian,
- Orlandea Dumitru-Virgil,
- Zezeanu Luminița,

set up the Audit Committee of the Supervisory Board and appointed as members:

- Zezeanu Luminița - Chairman,
- Atanasiu Teodor,
- Rusu Rareș Stelian,
- Păun Costin-Mihai,
- Vasilescu Alexandu-Cristian

constituted the Investment and Energy Security Committee of the Supervisory Board and appointed as members:

- Păun Costin-Mihai - Chairman,
- Dascăl Cătălin Andrei,
- Zezeanu Luminița,
- Atanasiu Teodor,
- Orlandea Dumitru Virgil,

set up the Risk Management Committee of the Supervisory Board and appointed as members:

- Atanasiu Teodor Atanasiu - Chairman,
- Vasilescu Alexandru-Cristian,
- Cătălin-Andrei,
- Rusu Rareș Stelian,
- Orlandea Dumitru Virgil.

**August 29, 2024** - following Mr. Rusu Rareș Stelian's request dated August 19, 2024, the Supervisory Board took note of his withdrawal from the Nomination and Remuneration Committee of the Supervisory Board.

The mandate of the current Supervisory Board runs until February 29, 2028.

**Statement of the Supervisory Board  
on the separate financial statements prepared in accordance with  
International Financial Reporting Standards**

The Supervisory Board is based on the principles of corporate governance, which require a responsible, professional and objective attitude of the Company towards its stakeholders. The Board examines the Company's strategy and the premises of the environment in which it operates in order to plan its development and performance, ensuring a rigorous formulation of objectives.

The separate financial statements for 2024 were presented to the Supervisory Board, with the Company's Directorate providing detailed information on the annual results. During the meeting to review the 2024 financial statements, the Audit Committee presented to the Supervisory Board its opinion on the results for the financial year 2024 and recommended to the Supervisory Board to review the separate financial statements prepared in accordance with OMFP No. 2844/2016.

The separate financial statements as at December 31, 2024 are audited and the external auditor's opinion is unqualified, which means that all material information reflected in the main balance sheet line items is relevant, reliable comparable and pertinent.

At the same time, the Annual Report of the Directorate, prepared in accordance with the requirements of the capital market legislation, has been reviewed by the members of the Supervisory Board. The information presented in the Annual Report 2024 gives a true and fair view of the Company's results for the financial year 2024.

The Audit Committee and the Risk Management Committee assist the Supervisory Board in fulfilling its oversight responsibilities for monitoring the financial reporting process, management reporting, the internal control system, the audit process, the risk management system, and the organizational process for monitoring compliance with laws, regulations, and the code of conduct.

***Yours sincerely,***

***Supervisory Board represented by***

***Chairman***

## Message from the Chief Executive Officer

**Dear Shareholders,**

**Dear investors,**

In the run-up to 2024, the business environment has been marked by a complex evolution, influenced by heightened volatility and emerging challenges, which have had a significant impact on the energy sector. These circumstances have required a broad strategic reassessment by both companies in the sector and government decision-makers, with the aim of adapting efficiently to the new economic realities and sustaining an optimal operational rhythm to ensure stability in the economic environment.

In a context characterized by the persistence of the energy crisis, Transelectrica has adopted a flexible strategy, focused on adjusting the economic-financial processes and optimizing the Company's development directions. Throughout this period, we have constantly sought to prevent and mitigate the risks associated with the energy sector and the business environment, thus ensuring the operational continuity of the activity of the sole transmission and system operator in Romania.

Transelectrica, as a company of national and strategic interest, listed on the Bucharest Stock Exchange, reaffirms its commitment to investors by continuously improving the Company's performance. Thus, in order to ensure the fulfillment of the Company's fundamental mission, we are pursuing clear and measurable objectives in terms of the development of the national high-voltage energy infrastructure, in the sense of modernizing the network and creating the premises for increasing the grid connection capacity of both new electricity production units, especially from renewable sources, and new consumers. By achieving these objectives, we are making our essential contribution to the development of the national economy as well as local communities. In our work, we are focused on strengthening our position in the energy sector and supporting the sustainable development of the economy, while maintaining a constant balance between responsibility towards investors and the public interest.

In a dynamic environment, we ensure high standards of corporate transparency based on principles of accountability, economic efficiency and effective cooperation. We promote open and proactive communication, providing access to clear, relevant and up-to-date information on financial performance, development strategies and possible business risks. Transelectrica adopts the most effective corporate governance practices and maintains a permanent dialog with investors, thus ensuring a predictable framework for decision-making. Through this approach, we aim to strengthen partnerships and contribute to the sustainable development of the energy sector, to the benefit of all stakeholders.

In order to facilitate the transition to a sustainable energy system, the European Union has made available financing instruments dedicated to the modernization and development of infrastructure in this sector. In this context, an important part of Transelectrica's financial strategy has been based on initiating the necessary steps to attract the European funds available for investments in the energy sector. Currently, the company has 11



financing contracts from the Modernization Fund, amounting to EUR 593 million, together with a EUR 56 million financing contract through the National Recovery and Resilience Plan (PNRR) - REPowerEU component, and another EUR 20 million financing contract from the Sustainable Development Program (PDD). With a total European funding of EUR 669 million, these investments will modernize and extend the electricity transmission network in line with the most modern performance standards.

Our business always requires a stable framework, and the significant transformations in the energy sector in recent years have led Transelectrica to pursue with determination its mission to ensure a secure, efficient and adaptable transmission system for the future. In order to achieve this objective, the Company has taken on new responsibilities in accordance with the obligations imposed at European level, through its membership of the European Network of Transmission System Operators for Electricity (ENTSO-E), actively contributing to the interconnection of the Romanian energy system with the regional ones and to the security of energy supply. In this respect, an important part of our investment program are the projects to strengthen the interactions with the networks of neighboring countries. Transelectrica currently has 11 overhead 400 kV interconnection power lines with neighboring countries, and our investment efforts are intensifying in this area.

At the same time, we have focused on investment initiatives to support the decarbonization of the energy sector and the transition to clean energy, leveraging technological innovations to modernize the national electricity transmission grid. The demands imposed by new energy models require continuous adaptation and Transelectrica is committed to the development of a flexible and resilient electricity transmission grid.

In all these endeavors, we are contributing to the achievement of national and European objectives on energy security and the transition to a climate-neutral economy. Transelectrica will continue to evolve as a key player in the national energy system, committed to the development of a modern and efficient infrastructure.

## **Directorate NPG CO. Transelectrica SA**

## Directorate

At the date of this report the composition of Transelectrica's Directorate is as follows:

### **Ștefăniță MUNTEANU - Chairman of the Directorate**

Mr. Ștefăniță Munteanu joined the Directorate of the National Electricity Transmission Company Transelectrica SA as of December 25, 2021, and as of April 24, 2023 he has been Executive General Director of the Company. As of October 3, 2024, Mr. Munteanu continues his term of office in this position for a period of four years.

Mr. Ștefăniță Munteanu has a relevant and diversified experience in both the private and public sectors, accumulating during his career a well-developed expertise in key areas such as management, energy industry, marketing, sales and strategy.

With a strategic vision and a focus on results, Mr. Munteanu has managed and coordinated initiatives and projects dedicated to strengthening organizational culture and optimizing internal processes, contributing to the sustainable development of the institutions and organizations in which he worked.

With a professional career in both the private and public sectors, Mr. Ștefăniță Munteanu has expertise in areas such as management, energy industry, marketing, sales and strategy.

Mr. Munteanu joined the executive management team of NPG CO. Transelectrica SA, from the position of indirect sales manager at SC Electrica Furnizare SA AFEE Buzău, where he previously held the position of Deputy Directorate (2019-2020), as well as management consultant.

In terms of experience acquired in the public administration sector, Mr. Munteanu held the positions of Deputy Secretary General at the Ministry of Tourism from January to May 2017, Advisor to the Prime Minister from May 2017 to January 2018, and Advisor Secretary of State at the Ministry of Water and Forests (February 2018 - February 2019).

Mr. Ștefăniță Munteanu graduated from the Faculty of Marketing Management of the Romanian-American University in 2006, acquiring a bachelor's degree in economics.

### **Florin Cristian TĂTARU, Member of the Directorate**

Mr. Florin Cristian Tătaru has joined the Directorate of the National Electricity Transmission Company Transelectrica SA as of December 25, 2021, and as of October 3, 2024, he continues his mandate in this

position for a period of four years. Previously, Mr. Tătaru held this position in 2017-2018.

Mr. Tătaru is an experienced professional in the banking, financial and managerial fields, with a long career in management, having held senior management and strategic coordination positions.

With extensive experience in banking, finance and management, Mr. Florin Cristian Tătaru has expertise in public and corporate finance, public policy, energy industry and leadership. His active involvement in large-scale projects has allowed him to consolidate his professional career, thus contributing to the development of projects with significant impact in these areas.

Between 2011-2016, as a Member of Parliament, Mr. Tătaru worked as a Member of Parliament, participating in economic reform processes and contributing to the development and implementation of legislative initiatives aimed at supporting a stable and prosperous economic environment. This professional experience has given him a deep understanding of economic mechanisms and a clear vision of the strategies needed to optimize organizational performance.

Mr. Tătaru has joined the management team of NPG CO. Transelectrica SA, with more than 30 years of managerial experience in both the private and public sectors.

A graduate of the Faculty of International Economic Relations at the Bucharest Academy of Economic Studies (1990), Mr. Tătaru has completed several master's programs, including "Health System Management", "Public Policy and European Integration", "Banking and Capital Markets", and courses such as "Security and Good Governance", "Current Issues of National Security" at the National Defense College. Currently, Mr. Florin Cristian Tătaru is attending an MBA in Energy, designed for professionals and managers working in this dynamic and complex field, at the Academy of Economic Studies in Bucharest.

### **Cătălin Constantin NADOLU, Member of the Directorate**

Mr. Cătălin-Constantin Nadolu joined the Directorate of the National Electricity Transmission Company Transelectrica SA as of June 25, 2021, and as of October 3, 2024, he will continue his mandate in this position for a period of four years.

Mr. Cătălin-Constantin Nadolu holds a degree in legal sciences and has extensive professional experience in the field of local and central public administration. From 2005 to the present, he has held, in 2005 to the present, leading positions in institutions that he has successfully coordinated in setting strategies and monitoring implementation processes, constantly analyzing areas of fundamental importance for them, such as operational and financial performance, marketing strategy or technological development.

Previously, Mr. Cătălin-Constantin Nadolu was a member of the Directorate of the National Electricity Transmission Company Transelectrica SA, where he was General Director of the Company for Maintenance Services of the Electricity Transmission Grid SMART SA, thus improving his managerial experience and skills by streamlining and optimizing activities in areas of strategic importance in the energy sector, such as investment, technical or maintenance of electricity transmission networks.

Mr. Cătălin-Constantin Nadolu is a graduate of the Faculty of Law of the Police Academy "Al. I. Cuza" and of the Master's program in European Administrative Studies of the Faculty of Public Administration of the National School of Political and Administrative Studies, thus consolidating his theoretical foundations in the field of public administration and strategic management.

In addition, his participation in numerous professional development courses in areas such as public procurement, risk management and project management reflects his commitment to continuous improvement and adaptation to the new demands of a dynamic and competitive environment.

#### **Victor MORARU, Member of the Directorate**

Mr. Victor Moraru holds the position of member of the Directorate of the National Electricity Transmission Company Transelectrica SA as of October 3, 2024, with a four-year term of office.

With extensive management experience, Mr. Victor Moraru has over 30 years of activity in management positions in both local and central public administration and in the private sector. Throughout his career, he has coordinated complex strategic projects with significant impact, demonstrating solid managerial skills and an effective vision of organizational development processes.

For 16 years, between 2000-2016, Mr. Victor Moraru held the position of Mayor of Amara, Ialomita County, a position from which he coordinated important local development projects, social and community policies

at the level of administration, both with his own funding and with European funding. Subsequently, in the period 2016-2020, Mr. Moraru managed at the highest level the administration of Ialomita County, from the position of President of the County Council. From this position Mr. Moraru coordinated and implemented major development projects in areas such as road infrastructure, health, education, culture, environment, administrative capacity, accessing both European funding mechanisms and funding available through national local development programs.

Through his vast experience in public administration, Mr. Moraru has contributed to the development and implementation of effective policies and projects with European funding, demonstrating through his achievements an efficient management of the resources involved to achieve institutional objectives. At the same time, by holding relevant positions, such as member of the Committee of the Regions of Europe - 2015-2025, vice-president of the Association of Romanian Cities - 2012-2016, president of the National Association of Romanian Spa Resorts and Balneoclimate Resorts - 2009-2017, as well as involvement in the supervision of representative institutions at local and central level, Mr. Moraru has consolidated his experience in leadership and strategy.

Through the positions held in the General Secretariat of the Government, Mr. Victor Moraru managed the National Recovery and Resilience Plan (NRRP) related to the General Secretariat of the Government, thus managing 22 milestones of the NRRP. The experience thus acquired gives Mr. Victor Moraru an extensive knowledge of the specific processes and mechanisms of the PNRR.

In addition, Mr. Victor Moraru joined the management team of Transelectrica SA, the National Electricity Transmission Company, with a deep understanding of the administrative and corporate mechanisms specific to companies with capital owned by the Romanian State, acquired through his work at the Agency for Monitoring and Evaluation of Public Enterprises Performance, as Vice President.

Mr. Victor Moraru graduated from the "Nicolae Titulescu" University of BUCHAREST with a Bachelor's degree in Law, continuing his studies in the field of through a Master's degree in Business Law, within the same university.

#### **Vasile-Cosmin NICULA, Member of the Directorate**

Mr. Vasile-Cosmin Nicula holds the position of member of the Directorate of the National Electricity Transmission Company Transelectrica SA as of

October 3, 2024, with a four-year term of office. As of November 8, 2024, the Supervisory Board delegated to Mr. Nicula the duties of CFO (Chief Executive Officer) of NPG CO. Transelectrica SA.

Mr. Vasile-Cosmin Nicula joined the executive management team of NPG CO. Transelectrica SA with a consistent professional expertise in the financial field and a deep understanding of economic mechanisms. Previously, Mr. Vasile-Cosmin Nicula held the position of Financial Directorate of the National Road Investment Company, and between 2014-2023, Mr. Vasile-Cosmin Nicula held the position of Vice President of the Court of Auditors of Romania.

His experience spans multiple strategic areas, including executive management, public administration, budgetary and tax legislation, and international relations. Thus, throughout his career, Mr. Nicula has held senior positions in the public and private sectors, demonstrating essential coordination and decision-making skills in complex and dynamic environments. Mr. Nicula's expertise in budgetary and tax legislation was strengthened by a decade of parliamentary activity as a Member of Parliament (2004-2008 legislature) and Senator (2008-2012,

2012-2014 legislature), during which he actively contributed to the elaboration and implementation of economic policies essential for national development, through his membership in the Economic, Industries and Services Commission and in the Budget, Finance and Banking Commission of the Chamber of Deputies.

Mr. Nicula was also a member of the Committee on Budget, Finance, Banking and Capital Markets as its chairman from 2012-2014.

Mr. Vasile Cosmin Nicula graduated from the Academy of Economic Studies in Bucharest, obtaining a bachelor's degree in finance, accounting and administration, within the Faculty of Finance, Insurance, Banking and Stock Exchanges. She also completed postgraduate studies in Management of Public Organizations at the West University of Timișoara and obtained her PhD in Economics at the Academy of Economic Studies in Bucharest.

### Changes in the Transelectrica Directorate

**January 01, 2024** - On January 01, 2024 the composition of the Directorate was as follows: Ștefăniță MUNTEANU, Cătălin-Constantin NADOLU, Florin Cristian TĂTARU, Bogdan TONCESCU.

**March 21, 2024** - The Supervisory Board of the Company, pursuant to art.III of Law no.187/2023 amending and supplementing Government Emergency Ordinance no.109/2011 on corporate governance, decides to extend the terms of office of the following provisional members of the Directorate for a period of 2 months, starting from March 25, 2024 and until May 24, 2024:

- Ștefăniță MUNTEANU,
- Cătălin-Constantin NADOLU,
- Florin Cristian TĂTARU,
- Bogdan TONCESCU,

but not later than the completion of the selection procedure in accordance with the provisions of O.U.G. no.109/2011, if the procedure will be finalized within this period.

During the same meeting, the Supervisory Board elected Mr. Ștefăniță MUNTEANU as Chairman of the Directorate, alternatively called Executive General Manager or Chief Executive Officer - "CEO" of the Company.

**March 27, 2024** - The Supervisory Board decided to start the selection procedure for the members of the Company's Directorate, with the application of the provisions of art.35 of O.U.G. 109/2011 with subsequent amendments and additions.

**May 22, 2024** - The Supervisory Board took note of the fact that on May 24, 2024, the mandates of the provisional members of the Directorate: Ștefăniță MUNTEANU, Cătălin Constantin NADOLU, Florin Cristian TĂTARU, Bogdan TONCESCU, expired and appointed, pursuant to the Emergency Ordinance no.109/2011 on corporate governance, as provisional members of the Directorate:

- Ștefăniță MUNTEANU,
- Cătălin Constantin NADOLU,
- Florin Cristian TĂTARU,
- Bogdan TONCESCU,

with a term of office of 5 months starting from 25.05.2024, but the term of office shall not exceed the date of completion of the selection procedure of the members of the Company's Directorate under the terms of the Government Ordinance no.109/2011 on the corporate governance of public enterprises, as amended and supplemented, if the procedure is completed within this period.

**June 21, 2024 - The** Supervisory Board approved the Selection Plan of the integral component of the Recruitment and Selection of the members of the Company's Directorate, having the following annexes: *the Profile of the Directorate, the Profile of the members of the Directorate of the National Company for Electric Power Transmission "Transelectrica" SA, the Declarations to be filled in by the candidates, the Announcement for the printed press, the Announcement for the online press, the draft of the mandate contract.*

The Supervisory Board also ordered the publication of the advertisement in accordance with the regulations in force, taking into account the deadlines mentioned in the approved Selection Plan.

**September 30, 2024 -** The members of the Supervisory Board took note that on October 2, 2024 the mandates of the provisional members of the Directorate ended: Ștefăniță MUNTEANU, Cătălin-Constantin NADOLU, Florin Cristian TĂTARU and Bogdan TONCESCU.

In accordance with the provisions of Art. (4)-(8) and (11) of O.U.G. 109/2011 on the corporate governance of public enterprises, as amended and supplemented, following the selection procedure of candidates for the positions of members of the Directorate of Transelectrica SA, the following were appointed, as of October 3, 2024, pursuant to Article 23 of the Articles of Association, as members of the Directorate:

- Ștefăniță MUNTEANU,
- Cătălin Constantin NADOLU,
- Florin Cristian TĂTARU,
- Victor MORARU and
- Vasile-Cosmin NICULA.

for a term of office of 4 years from October 3, 2024 to 29.02.2028.

During the same meeting, in accordance with the provisions of Article 23 paragraph (1) of the Company's Articles of Incorporation, the Supervisory Board elected as Chairman of the Directorate, alternatively referred to as Chief Executive Officer - "CEO" of the Company, Mr. Ștefăniță MUNTEANU.

**08 November 2024 -** The members of the Supervisory Board have delegated the duties of Chief Financial Officer (CFO) to Mr. Vasile-Cosmin NICULA.

**December 06, 2024 -** Approved the management component of the Company's Management Plan and the Management Plan in its entirety.

The Company's management plan was submitted to the Agency for Monitoring and Evaluation of Public Enterprise Performance and for information to the General Secretariat of the Government.

*Transelectrica is not aware of any agreements, arrangements or family ties between members of the Directorate and other persons.*

*At the date of this report, Transelectrica is not aware of any disputes or administrative proceedings against current members of the Directorate in relation to their activity within the Company or concerning their ability to perform their duties within the Company.*

*None of the members of the Directorate held any shares in the Company's share capital as at December 31, 2024.*

## Statement of responsible persons

To the best of our knowledge, the separate financial statements as at and for the 12-month period ended December 31, 2024 have been prepared in accordance with the Order of the Minister of Public Finance No.2844/2016 with subsequent amendments and additions, for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards and give a true and fair view of the financial position and profit and loss account of NPG CO. Transelectrica SA

The Annual Report of the Directorate includes a fair review of the development and performance of the Company and a description of the main risks and uncertainties specific to the business and is prepared in accordance with the sustainability reporting standards referred to in Article 29b of Directive 2013/34/EU and the clarifications adopted pursuant to Article 8(8) of Directive 2013/34/EU. (4) of Regulation (EU) 2020/852

### Directorate,

<b>Ștefăniță</b>	<b>Victor</b>	<b>Cătălin-Constantin</b>	<b>Cosmin-Vasile</b>	<b>Florin-Cristian</b>
<b>MUNTEANU</b>	<b>MORARU</b>	<b>NADOLU</b>	<b>NICULA</b>	<b>TĂTARU</b>
<b>Directorate Chairman</b>	<b>Directorate Member</b>	<b>Directorate Member</b>	<b>Directorate Member</b>	<b>Directorate Member</b>



## Key figures

### FINANCIAL

7,879	Mil RON	▲	67%	Revenues
			y/y	
935	Mil RON	▲	65%	EBITDA
			y/y	
586	Mil RON	▲		Net profit
			y/y	
51,82	TWh	▲	2,8%	Charged energy volume****
			y/y	
672	Mil RON	▲	29%	Liquidity
			y/y	

### OPERATIONAL

2,19%	*	▼	-0,18	pp	Grid losses
			y/y		
50,56		▼	-7%		Net internal production
TWh			y/y		
2,91		▼	n/a		Import balance**
TWh			y/y		
53,48		▲	4%		Net internal consumption
TWh			y/y		
43,38		▲	2,9%		Transported energy ***
TWh			y/y		

### INVESTMENTS

674	Mil RON	▲	54%	Acquisition of tangible and intangible assets
			y/y	
653	Mil RON	▲	17%	Fixed assets recorded in the accounts (commissioning)
			y/y	

\* The weight of own technological consumption in the electricity taken from the electricity transmission grid (energy transported)

\*\* stock of physical cross-border flows (export-import) cumulated over all borders

\*\*\* Quantity transported is defined by the amount of energy physically transported in the transmission network

\*\*\*\* Charged quantity is defined as the quantity of electricity extracted from the electricity grids of public interest (transmission and distribution grids), minus electricity exports

**Note:** For ease of reading and understanding of the results, some figures presented in graphs and/or tables use mil. lei as the unit of measurement and are rounded to this unit. This convention of presentation may, in some cases, lead to minor differences between the totalizing figures and the totals obtained by summing the component elements and the calculated percentages. Amounts are expressed in millions of lei unless otherwise indicated.

## Important events

- Jan** ▶ Contract concluded with Opcom Subsidiary for the purchase of electricity to cover the needs of own technological consumption (OTC) for the year 2024, through the Centralized Electricity Procurement Mechanism (MACEE).
- Feb** ▶ The construction project of the 400 kV Overhead Power Line Porțile de Fier - (Anina) - Reșița has been completed, the line successfully passing the energization test on February 29, 2024. The total value of the investment project was RON 150 million
- Mar** ▶ Starting with 01.03.2024, the following were appointed as members of the SC: Costin-Mihai PAUN, Teodor ATANASIU, Alexandru-Cristian VASILESCU, Luminița ZEZEANU, Cătălin-Andrei DASCĂL, Dumitru-Virgil ORLANDEA, Rareș-Stelian RUSU, with a 4-year term of office, from 01.03.2024 to 29.02.2028.
- Apr** ▶ The company has inaugurated the most complex overhead power line built in the last 30 years in the Romanian Electricity Transmission Grid, the 400Kv Porțile de Fier - Anina - Resita overhead line, a project worth RON 150 million from own funds.
- May** ▶ Transelectrica, together with AzerEnerji JSC, Georgian State Electrosystem and MVM Zrt., signed on May 27, 2024, in Bucharest, a Memorandum of Understanding in which they agreed on the steps to establish a Joint Venture company, based in Romania, on the "Green Energy Corridor" Project.
- Jun** ▶ The European Commission has approved for non-reimbursable financing from the Modernization Fund the investment project of the Company - "DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea - Tulcea West power line from single circuit to double circuit", the non-reimbursable amount is 64 million euro.
- Jul** ▶ Transelectrica obtained EUR 56.2 million through the REPowerEU component of the NRRP to finance three key investment projects for the efficiency and modernization of the electricity transmission network.
- Aug** ▶ Rating agency Moody's Investors Service reconfirmed on August 29 Transelectrica's non-current debt rating at "Baa3" and stable outlook.
- Sep** ▶ Transelectrica, Georgian State Electrosystems, AzerEnerji and MVM Electrical Works have signed the Shareholders' Agreement of the Romanian-based Green Energy Corridor Power Company that will implement the Green Corridor project
- Oct** ▶ Florin Cristian TATARU, Ștefăniță MUNTEANU, Victor MORARU, Cătălin Constantin NADOLU and Vasile-Cosmin NICULA were appointed as members of the Directorate, with a 4-year term of office, from October 3, 2024 to February 29, 2028.
- Nov** 
- Dec** The company informed on the publication in the Official Gazette no.1301/21.12.2024 of ANRE Order no.99/20.12.2024 on the approval of the tariffs for the electricity transmission service and the price of reactive electricity for Transelectrica, valid from January 1, 2025.





# 1. The business model

## 1.1. Positioning in the electricity market

Transelectrica was established as a Romanian legal entity by Government Decision no. 627/13 July 2000 on the reorganization of the National Electricity Company CONEL SA, published in the Official Gazette of Romania no. 357/31.07.2000. This decision was issued in accordance with GD no. 138/2000 on the restructuring program in the energy sector, whereby the activity of transmission and dispatching of electricity was completely separated from that of production, distribution and supply of electricity.

At the time of incorporation, the Company had a share capital of 495,982,200 lei, fully paid up at the date of incorporation and divided into 49,598,220 registered shares with a value of 10 lei.

In accordance with the Law on Electricity and Natural Gas No. 123/2012, as amended and supplemented, the activity of electricity transmission constitutes a public service of national interest. Electricity transmission is carried out by transmission and system operators, legal entities certified by the competent authority under the law. The Electricity Transmission Grid (ETG), existing on Romanian territory, is the public property of the Romanian State

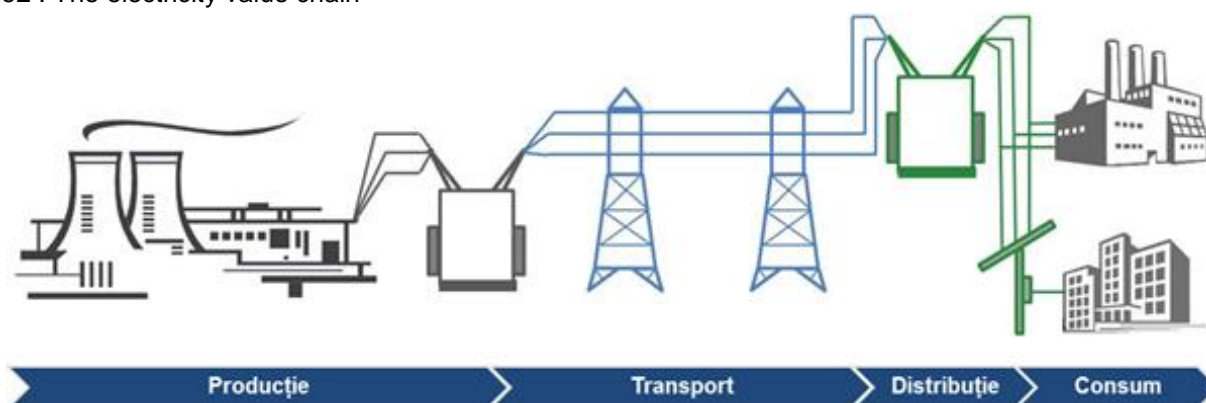
as regards the assets transferred to Transelectrica and constitute return goods, in accordance with the nature of the transfer and legal provisions.

In its capacity as transmission and system operator, Transelectrica operates on the basis of License no. 161/2000 for the provision of electricity transmission service, for the provision of system service and for the administration of the balancing market.

The concession of the ETG and the land on which it is located was granted for a period of 49 years by the concession contract no. 1/29.06.2004, concluded between the Ministry of Economy as the granting authority and NPG CO. Transelectrica SA, as the concessionaire.

In the value chain of electricity activities, Transelectrica occupies the central position of transmission and system operator, natural monopoly activities, located between producers and suppliers respectively, which are the main players in competitive electricity markets. The activity of electricity transmission is not the only natural monopoly in the electricity value chain, the activity of distribution as a network activity is also a natural monopoly.

Figure2 : The electricity value chain



Transelectrica's mission is to ensure the public service of electricity transmission while maintaining the operational reliability of the national energy system, under non-discriminatory conditions of access for all users, to actively participate through the development of the transmission grid infrastructure in the sustainable development of the national energy system and to support and facilitate the operation and integration of energy markets.

Transelectrica's key role is that of transmission and system operator (TSO) to which are added the roles of balancing market administrator, operator of metering

and aggregation, operator of capacity allocation on interconnection lines.

The core activities are related to infrastructures of strategic importance for the electricity sector comprising multiple critical infrastructure elements. Thus, transmission services are supported by the electricity transmission grid and dispatching activities, including balancing, are supported by dispatching and metering infrastructure.

The regulation of Transelectrica's activities is carried out through primary legislation (the national framework

being Law no.123/2012 with subsequent amendments and additions, and the European framework being provided by EU Regulation 943/2019 of the European Parliament and of the Council of 5 June 2019 on the energy market) and secondary legislation issued by ANRE - in the form of licenses, authorizations for establishment, tariff methodologies (such as revenue cap on transmission and cost plus on system operation), tariffs, framework contracts, procedures and others.

The profitability of the business is given by the return on the regulated asset base which depends on the regulated rate of return and the regulated asset base ("ROR").

The business model corresponds to the standard profile of an TSO, a model designed as a unitary model at European level through the European energy strategy and legislation, applied in all EU countries and transposed as such into the national legal framework.

TSO companies are subject to a European certification process as transmission and system operators. The certification procedure can mainly be implemented according to three possible models: ownership *unbundling* (OU), *independent* system operator (ISO) or independent transmission operator (ITO).

Currently, on the basis of ANRE Order 164/07.12.2015, Transelectrica is finally certified as

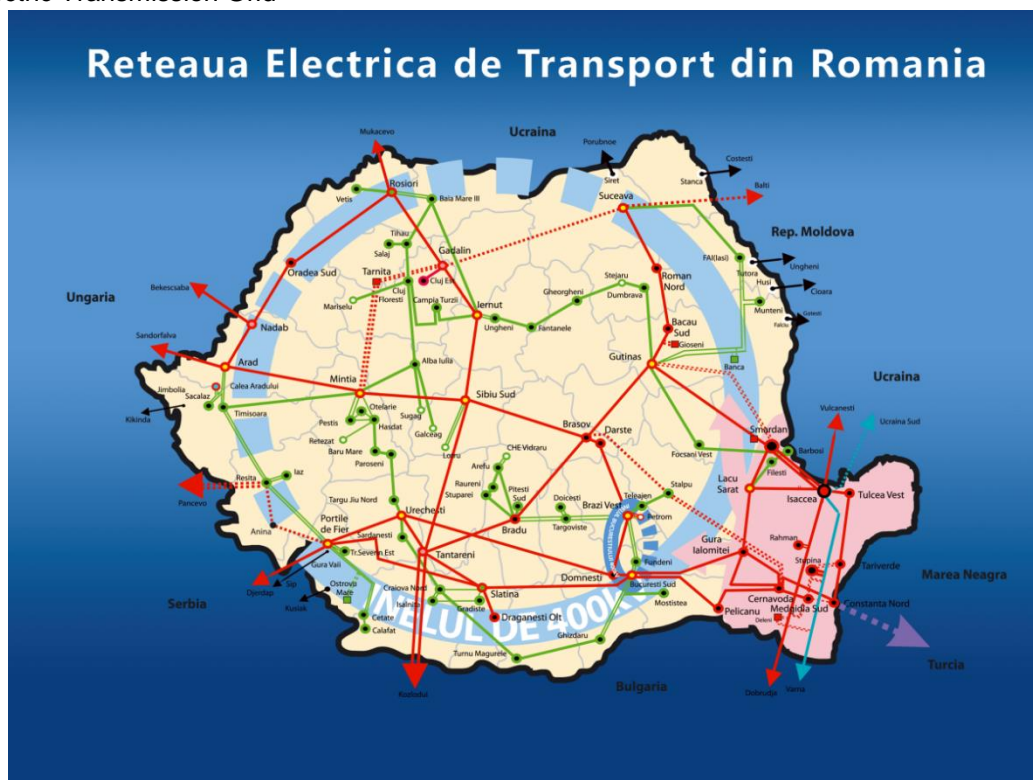
the transmission and system operator of the national power system and operates according to the ownership unbundling model.

The main activity of NPG CO. Transelectrica SA ("the Company") consists in: provision of electricity transmission and system service, balancing market operator, administrator of the bonus support scheme, other related activities. These activities are carried out in accordance with the provisions of the operating license No. 161/2000 issued by ANRE, updated by ANRE Decision No. 1413/10.07.2024, the General Conditions associated with the license approved by ANRE Order No. 104/2014, as amended and supplemented, and the final certification of the Company as transmission and system operator of the National Electricity System according to the ownership unbundling model ("ownership unbundling") by ANRE Order No. 164/07.12.2015.

The certification notification was transmitted to the European Union, which published it in the EU Journal on 08.01.2016, in accordance with Art.10 para. (2) of Directive 2009/72/EC.

According to the conditions of certification as a transmission and system operator under the ownership unbundling model, the Company's shareholders representing at least 5% of the Company's share capital will exercise their rights arising from holding the Company's shares in compliance with the provisions of Law no. 123/2012 on the non-exercise of concurrent control or right, directly or indirectly, over an economic operator carrying out any of the production or supply activities.

Figure3 : Electric Transmission Grid

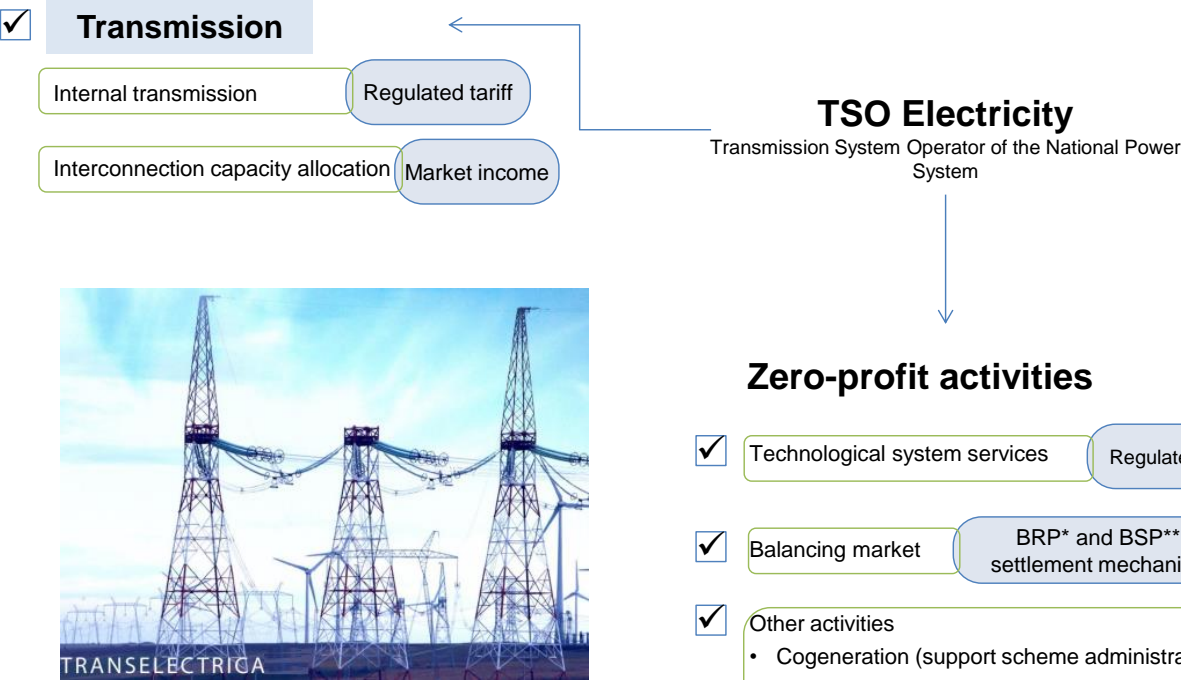


## 1.2. Portfolio of activities and pricing model

Transelectrica's portfolio includes for-profit activities allowed transmission services and not-for-profit activities (system service, balancing activity, support schemes, contracts for difference), all activities being subject to ANRE regulations.

Figure4 : Portfolio of activities

### Profit-allowed activities



In accordance with the Methodology for setting tariffs for the electricity transmission service, the costs necessary for the purchase of electricity related to the ETG's own technological consumption are taken into account in the calculation of the regulated transmission service revenue.

The activities shown in the above chart in the "zero profit" category are projected on a profit-neutral basis for the Company, in accordance with the applicable regulatory framework.

Revenues from system services are estimated through the related tariff in order to fully cover the costs associated with the activities. Similarly, the cash flows related to the administration of the support scheme for the promotion of high efficiency cogeneration are based on a contribution set by ANRE estimated in order to fully cover the costs related to the administration of the support scheme.

In the event of the reporting of non-neutral annual results, positive or negative, from the activity of

technological system services, determined by differences between the forecast values included in the calculation of tariffs and the actual values, the neutrality of this activity with respect to the company's profit is restored within a multiannual time horizon by incorporating appropriate adjustments in the tariffs.

The License Holder - Transelectrica is the sole provider of the public electricity transmission service for all users of the electricity transmission network, as well as of the system service for all users of the NES. The license was granted for a period of 25 years, valid until 22.12.2025. In order to maintain the validity, the licensee shall ensure compliance with the Specific Conditions and the General Conditions attached to the license.

The specific conditions are set out in the latest update of ANRE Decision no. 865/22.12.2000, respectively ANRE Decision no. 1413/10.07.2024, the content of which is also available online on the Company's website (<https://www.transelectrica.ro/web/tel/licentesi-autorizatii>).



## ANRE License Activities

### TRANSMISSION



- Activity regulated by ANRE;
- The tariff is reviewed and updated annually;
- The tariff for the transmission activity is established on default settings for multiannual periods (usually 5 years) using a revenue cap incentive model;
- The revenue-cap model allows the recovery of operating costs, investment costs and the obtaining of a financial return intended to adequately remunerate the financiers, in correspondence with the general risk of the regulated activities carried out by Transelectrica;
- Certain cost components, included in the tariff calculation, are capped at levels predetermined by ANRE (according to operational efficiency requirements), the superior efficiencies obtained by Transelectrica being partially retained by the Company through an additional profit sharing mechanism with the transmission service users.

**Regulated tariff**  
costs + regulated profit

### SYSTEM OPERATION (system services)



- Activity regulated by ANRE;
- NPS dispatching operations to maintain the level of operational safety of the system (maintaining the system in a stable production-consumption balance, maintaining systemic parameters within predetermined margins to ensure the safe and stable operation of NPS, operational programming of consumption coverage) using infrastructure of NPS's operational technical management represented by the EMS-SCADA system and the telecommunication, remote control, protection and control systems.



#### Technological



- Activity regulated by ANRE;
- Operations for planning and procuring the power reserves necessary for the permanent assurance of the production-consumption balance, for the NPS operational safety, from qualified energy units (production groups, consumers, storage facilities);
- The tariff related to the technological system services is established annually in advance by ANRE on the basis of a zero-profit model ("pass-through") designed for the full recovery of the costs necessary to procure system reserves with the possibility of retaining a part of any savings when purchasing power reserves in a competitive system.

**Regulated tariff**  
costs

### BALANCING MARKET (settlement)



- Market management activity that balances production and consumption in real time;
- Control energy procurement operations from balancing service providers - qualified energy units (production groups, consumers, storage facilities) and full recovery of balancing costs from the balancing responsible parties;
- Cost recovery is done on a zero-profit basis.

**BRP\*\* and BSP\*\*\***  
settlement mechanism  
costs

\* As of January 1, 2021, the operating system tariff - the functional services component, has been included in the transmission tariff

\*\* Balancing Responsible Parties and \*\*\*Balancing Service Providers

## Other activities

### Other profit-allowed activities

#### Interconnection management

- Allocating available capacities for cross-border transfer of electricity on interconnection lines with the electricity systems of neighbouring countries;
- The allocation mechanism is based on an automatic default system based on price spread between markets (in case of market coupling) or an explicit competitive system based on the price offered by energy market participants for the available cross-border transmission capacity, applicable in situations where the demand for capacity exceeds the available level offered to the market.

### Other zero-profit activities

#### Cogeneration

- Support scheme administration activity to promote high efficiency cogeneration. The aim of this support scheme is to promote high-efficiency cogeneration electricity generation systems with the advantage of low-emission energy production;
- The role of Transelectrica in the support scheme is to collect the contribution from the suppliers of electricity consumers and to pay the bonus to the qualified cogeneration producers of electricity and thermal power;
- Cost recovery is done on a zero-profit basis.

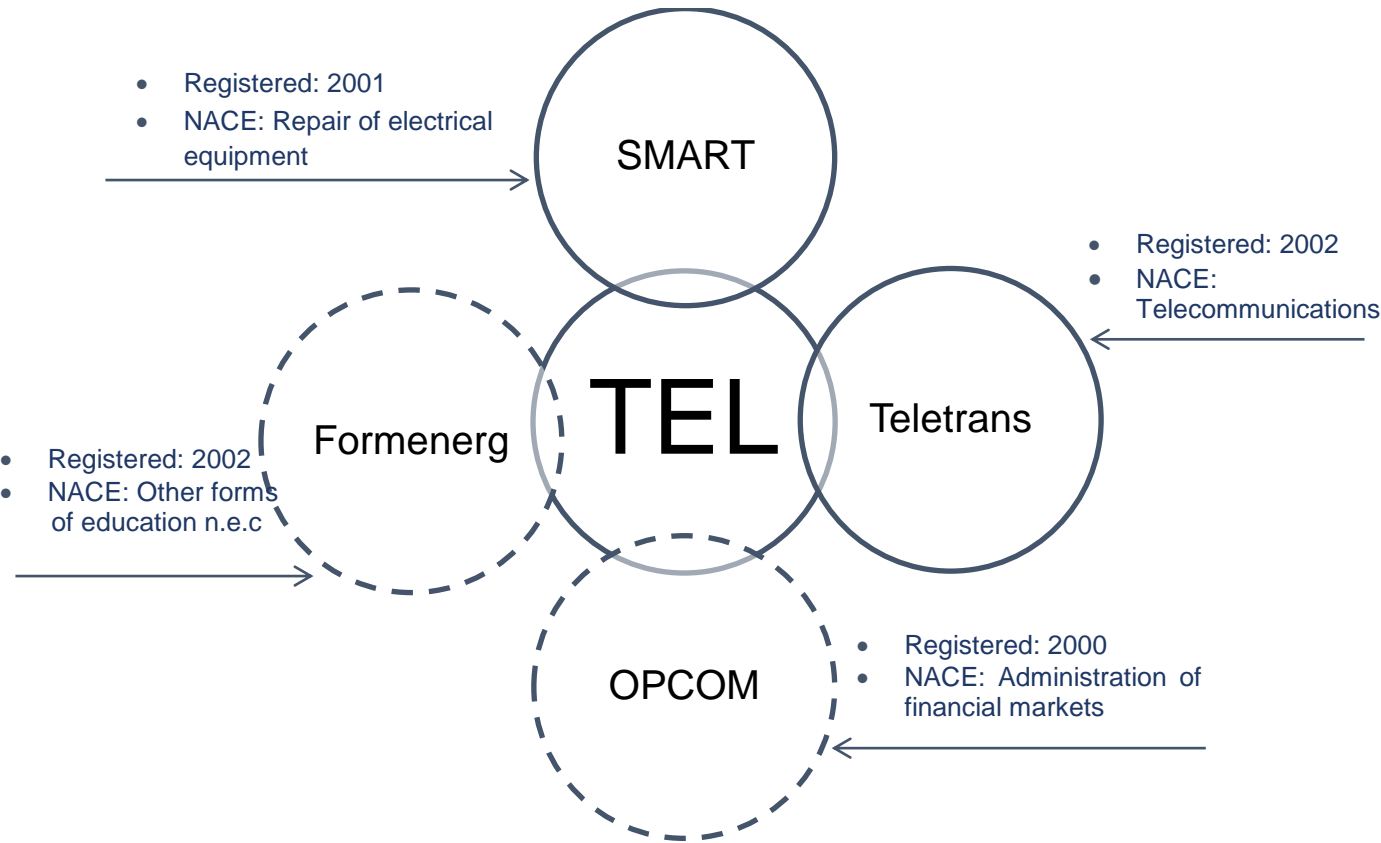
#### Contracts for Difference

- Operator of the CfD scheme, State Aid Scheme in the form of Contracts for Difference for the production of electricity from renewable sources of onshore wind and solar photovoltaic energy;
- The scheme establishes how state aid will be granted through contracts for difference (CfD contracts) and aims to conclude the CfD contract by December 31, 2025 for projects with a total capacity of 5.000 MW, which use eligible technologies for the production of solar photovoltaic and onshore wind energy.

#### Transfer agent - Romania-Hungary and Romania-Bulgaria relationship within the European electricity market

- Netting-settlement activity (role of transfer agent) on the European electricity market on the trading period one day before delivery (day-ahead) as well as on the domestic market. Transelectrica performs a financial clearing function on the border with Hungary and Bulgaria, playing an important role in the energy settlement chain on the trans-European spot markets.

2. Group Structure



At the date of this report, Transelectrica has six subsidiaries (two of which are deregistered from the Trade Register), Romanian legal entities organized as joint stock companies. Transelectrica is the sole shareholder in three of the subsidiaries (Formenerg, Teletrans and Smart) and the majority shareholder in the case of the subsidiary OPCOM.

It should be noted that Transelectrica was also the sole shareholder of Subsidiaries ICEMENERG SA and ICEMENERG SERVICE (subsidiaries which at the date of this report are struck off from the ONRC).

Among the Company's subsidiaries, Smart and Teletrans are included in the Group's financial consolidation perimeter

They have not been taken into account in the preparation of the consolidated financial statements:

- Formenerg subsidiary as under applicable accounting legislation, the impact of its activity is considered immaterial for consolidation purposes,
- OPCOM's subsidiary OPCOM since the administration is carried out according to the regulations established by ANRE and Transelectrica does not exercise effective direct control over its decision-making mechanisms.

SMART



The subsidiary Commercial Company for Maintenance Services of the Electric Transmission Grid "SMART" SA was established in 2001, by HG no.710/19.07.2001 by

reorganizing some activities within Transelectrica.

The main activity of the subsidiary is to carry out overhaul and repair of primary switchgear and equipment in electrical networks (so that ETG installations operate safely at the performance level required by the license), repair of incidents at electrical installations, energy services, energy services for the energy system and microproduction of electrical equipment. The company has 8 unincorporated branches.

The mission for which SMART SA was established was, and still remains, to ensure preventive maintenance, special works and corrective maintenance of the Electricity Transmission Grid (ETG), starting from Transelectrica's primary objective: to ensure the safe and stable transmission of electricity in the national transmission grid.

The subsidiary is a company with national coverage, strategic in terms of maintenance, repairs, expertise and consultancy provided for:

- Low, medium, high and extra high voltage switchgear and equipment - up to 750kV inclusive,
- Equipment and circuits for protection, automation, measurement, command - control,
- Transformers and autotransformers of all powers and all voltages,
- Overhead and wired power lines of all voltage levels.

The subscribed and paid-in share capital as at December 31, 2024 is RON 38,529 thousand, Transelectrica being the sole shareholder. The results of the SMART subsidiary are consolidated with the Company's financial results.

SMART shares are 100% owned by Transelectrica.

## TELETRANS



Subsidiary TELETRANS SA was established by Transelectrica's GMS Decision no. 13/04.12.2002, on the basis of Law no. 31/1990 and Ministry of Industry and Trade Orders no. 3098 and no. 3101 dated 23.10.2002 and is the provider of specific telecommunications and information technology services for Transelectrica's operational and management management, having as its main object of activity the provision of specific telecommunications services. At the same time, the Subsidiary has the possibility to commercialize specific services on the liberalized communications market in Romania.

The subsidiary has a high level of competence in areas of deep uniqueness in systems and process management in the energy industry.

On the basis of the Statute and the applicable normative acts, Teletrans holds the ANCOM certificate as a provider of electronic communication networks or services since 2002 (O.U.G. no. 679/2002), which gives it the right to provide the following electronic communication services:

- Public electronic communications networks (since 11.11.2004);
- Electronic communications services for the public: (i) Leased line services and (ii) Electronic communications services other than telephony and leased lines (from 01.07.2003);
- Private electronic communications networks and services (since 15.01.2003).

- TELETRANS personnel also benefits from relevant certifications in the operation and management of IT&C systems dedicated to critical infrastructures.

TELETRANS uses a fiber optic network built on reliable OPGW technology, with access points in 110 localities, as well as cross-border links to Hungary, Bulgaria and Serbia, and provides EMS/SCADA system integration services for renewable energy producers and new control-command systems in retrofitted substations.

The services provided by Teletrans were mainly IT/Tc services to Transelectrica, maintenance services of the local metering system at the Company's substations and telecommunication services through the commercialization of the existing excess capacity in the fiber optic communication infrastructure.

The subscribed and paid-in share capital as at December 31, 2024 is RON 6,874 thousand, Transelectrica being the sole shareholder. The results of the subsidiary Teletrans are consolidated with the Company's financial results.

TELETRANS shares are 100% owned by Transelectrica.

## FORMENERG



The company FORMENERG SA was established as a result of the Decision No. 33/19.11.2001 of the General Meeting of Shareholders - "Transelectrica" S.A., by outsourcing the activity of the Branch for Training and Further Training of Personnel in the Energy Sector. FORMENERG started its activity on March 21, 2002.

The FORMENERG subsidiary is a company whose main object of activity is the initial and continuous vocational training, in all areas of activity, of energy-related personnel from all sectors of the national economy and other beneficiaries, as well as hotel services, rental services and event organization services.

FORMENERG SA is based on an old vocational training center in Romania, with extensive experience in the field of vocational training, currently offering a wide range of courses, both in technical fields (construction, energy, installations, etc.) and of general interest (project management, sales, training, etc.) with a portfolio of over 200 courses. The courses authorized and approved by institutions such as ANRE or the Ministry of Labor and Social Solidarity are

delivered by professional and experienced lecturers and trainers.

The Branch is also a training provider authorized by the National Qualifications Authority (NQA).

FORMENERG competences are structured along the following main strands:

- vocational education/training services,
- hotel accommodation services,
- rental services (building, classrooms).

The share capital on December 31, 2024 is 1.948 thousand lei, fully paid up, represented by 194.842 shares with a nominal value of 10 lei each.

FORMENERG shares are 100% owned by Transelectrica.

## OPCOM



OPCOM SA was established on the basis of GD no. 627/2000 on the reorganization of National Electricity Company SA, as a subsidiary whose sole shareholder was Transelectrica.

According to the provisions of the primary and secondary legislation in force, the Electricity and Natural Gas Market Operator "OPCOM" S.A. performs the role of administrator of the electricity market, providing an organized, viable and efficient framework for the conduct of commercial transactions in the wholesale electricity market and carries out activities of administration of centralized markets in the natural gas sector, under conditions of consistency, fairness, objectivity, independence, impartiality, transparency and non-discrimination. Main activities carried out by OPCOM in accordance with the primary and secondary legislation in force:

- To exercise the activity of organization and management of centralized electricity markets;
- Acting as organizer and administrator of the green certificates market;
- Exercise of the activity of managing centralized markets in natural gas;
- Exercising the role of Single Buyer in the framework of the Centralized Electricity Procurement Mechanism.
- For the delivery period prior to October 2023, determination of payment obligations/collection fees for transactions carried out by Balancing Market Participants and for TSOs, calculation of the final single prices, the final deficit prices, the final surplus prices as well as determination of the quantitative and value imbalances of the Balancing Responsible Parties, as delegated operator for carrying out the settlement of

balancing energy, and the imbalances of the Balancing Responsible Parties;

- Supervising the functioning of administered markets;
- Collect and publish statistical data on the market, according to the Energy Law;
- Registered Reporting Mechanism (RRM);
- Management and development of IT platforms serving energy markets;
- Active participant in the European energy market.

OPCOM is currently working with the Bucharest Stock Exchange to identify projects through which the two entities will propose the trading of derivatives to manage the risk of energy price relativity and the execution of clearing and settlement through a national Clearing House (Central Counterparty in Romania-CCP.RO). In 2021, OPCOM and CCP.RO negotiated the Contract on the framework for the clearing and settlement of transactions concluded on the Centralized Market for Bilateral Contracts for Electricity - Continuous Trading (PCCB-NC) managed within OPCOM. This project is necessary for the energy market and the capital market, contributing to increased liquidity and smooth payments by increasing transaction security and reducing the costs of cleared transactions, thus following European best practices in the field of capital markets together with the energy markets.

At the same time, OPCOM has been qualified by ACER as a Registered Reporting Mechanism, in order to report the bids and transactions established by the participants in the Romanian wholesale energy market.

OPCOM is a member of the Association of Power Exchanges (APEx), the Association of European Power Exchanges (EUROPEX), the Association of European Energy Exchanges (EUROPEX), other national committees and associations.

At the same time, in the framework of the Region's Flow-based Coupling Project, on June 8, 2022, the 16 Transmission and System Operators (TSOs) in the Core Capacity Calculation Region (Core CCR), together with 10 Designated Electricity Market Operators (DMEOs), initiated the day-ahead flow-based market coupling for the day-ahead market. Also, as part of the Core FB MC project, the market coupling between Croatia and Hungary & Slovenia and Hungary has been implemented, contributing to a more complete and better functioning European market coupling.

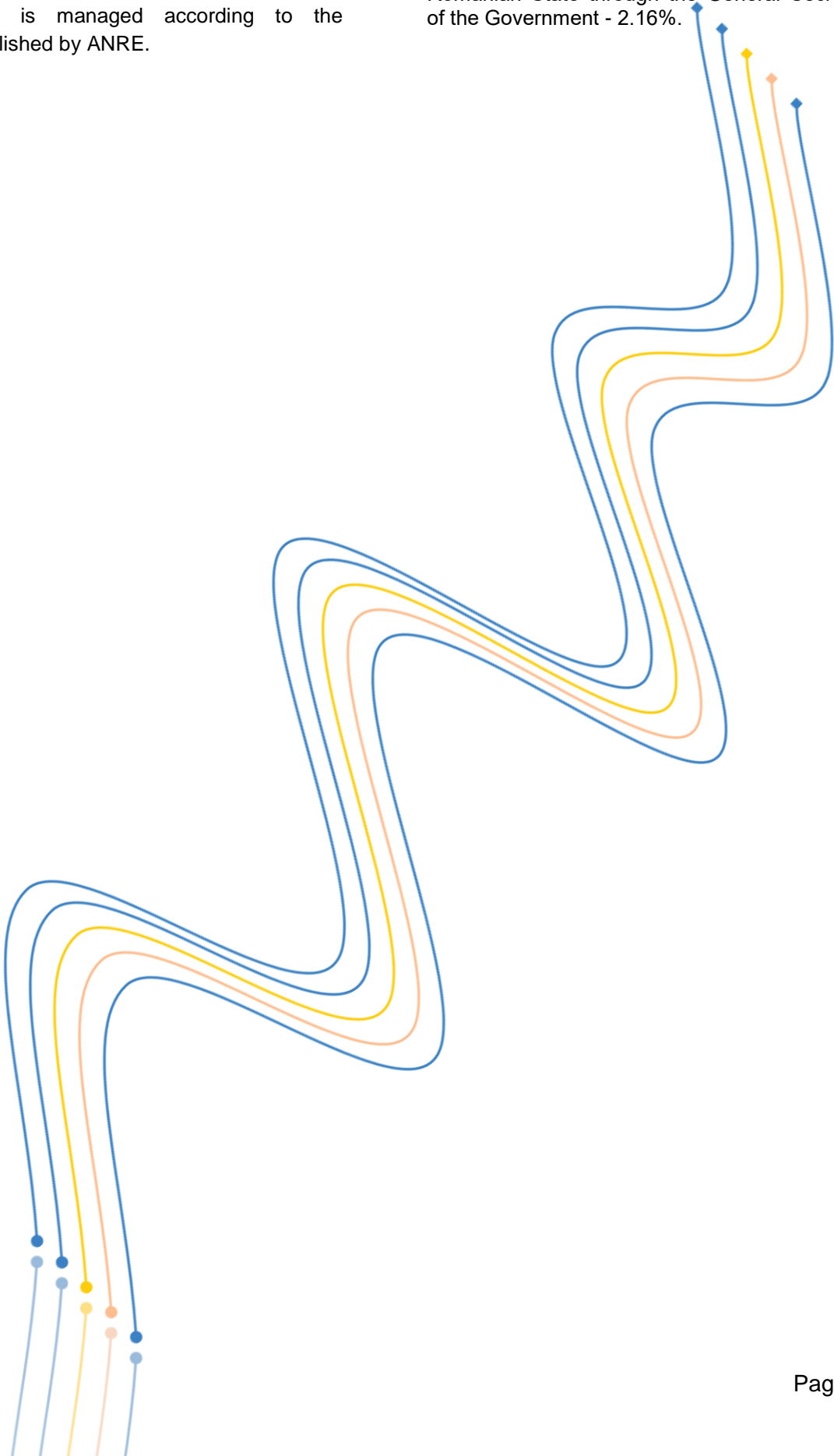
OPCOM is directly involved in the overall European efforts dedicated to the creation of the single electricity

price, being fully integrated and engaged in a series of European and regional cooperations corresponding to its profile, being strongly anchored in the European efforts dedicated to this objective.

Transelectrica does not exercise effective direct control over the decision-making mechanisms of OPCOM, which is managed according to the regulations established by ANRE.

The subscribed and paid-up share capital of OPCOM as at December 31, 2024 is 31,366 thousand lei, Transelectrica being the majority shareholder. The shareholder structure is as follows:

- NPG CO. Transelectrica SA - 97.84%
- Romanian State through the General Secretariat of the Government - 2.16%.

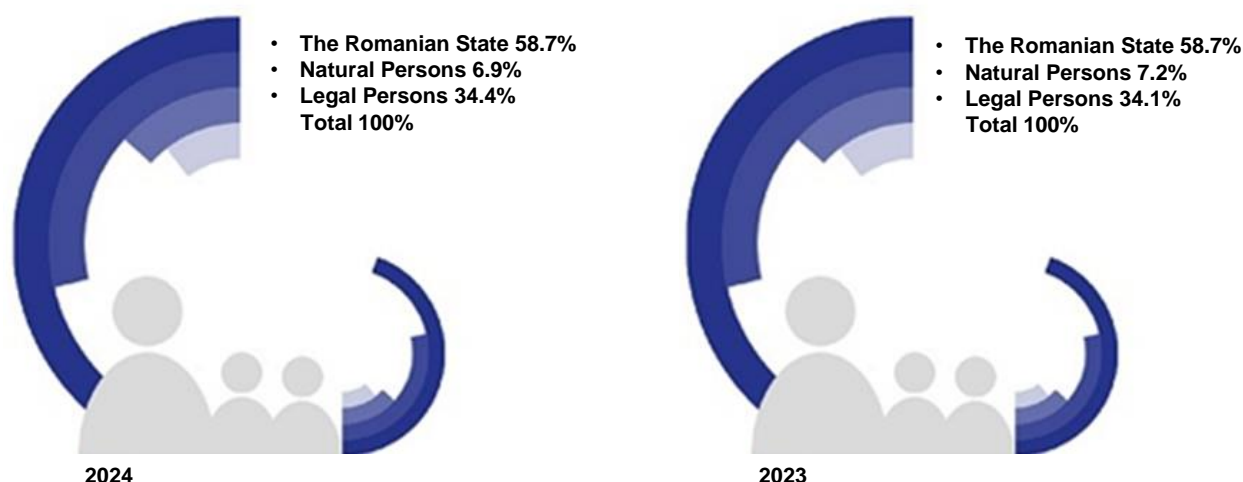




### 3. Transelectrica on the capital market

#### 3.1. Shareholding structure

Figure5 : Evolution of shareholder structure 2024-2023



The Company guarantees the shareholders' right to fair treatment and to correct and full information on the Company's situation.

All shares issued confer equal rights to the holders and any change in the rights conferred will be subject to the approval of the holders directly affected at a special meeting of the holders.

The main shareholder and holder of 43,020,309 of the total number of shares is the Romanian State represented by the General Secretariat of the Government representing 58.688%, the remaining 30,282,833 shares represent free float.

At December 31, 2024 the two significant minority shareholders are :

- Pavăl Holding SRL holding **6.485%** of the Company's share capital.
- NN Group N.V. which became a significant minority shareholder as of April 11, 2019 and holds a **5.467%** stake.

Table1 : Free Float Shares

Free Float shares	31.12.2024	%
<b>Non-residents, of which</b>	<b>665.013</b>	<b>2,16%</b>
Individuals	73.137	0,24%
Legal entities	581.876	1,92%
<b>Residents, of which</b>	<b>29.627.820</b>	<b>97,84%</b>
Individuals	5.005.758	16,53%
Legal entities	24.622.062	81,31%
<b>Total shares</b>	<b>30.282.833</b>	<b>100%</b>

#### 3.2. Share price evolution

The company has been included in the Premium category of the regulated market administered by the BVB since January 5, 2015, and its shares are traded under the symbol TEL.

Romania's stock market is included, as of September 21, 2020, in the Emerging Markets Indices, according to the global index provider FTSE Russell. The promotion itself to Emerging Market status allows the Romanian capital market and economy to absorb new funds and sends a strong signal to private and state-owned companies that they can grow significantly through the stock exchange.

Transelectrica turned 18 years on August 29, 2024 from the date of its listing on the Bucharest Stock Exchange under the program "A Strong Market - Capital Market Development", being the first listed company with majority state capital

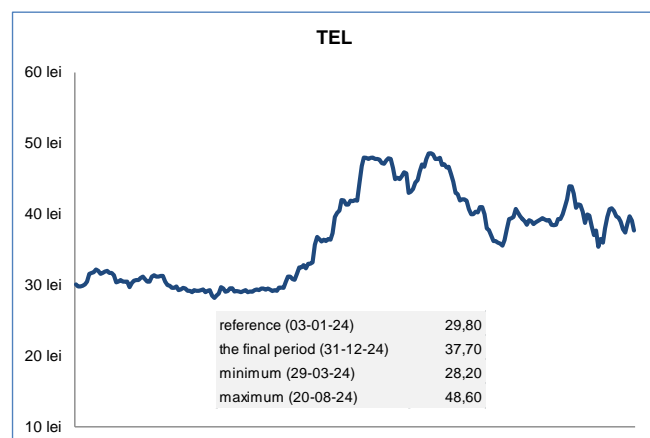
The year 2024 started with a trading price of 29.80 lei/share, opening the path towards the period's maximum price of 48.60 lei/share recorded on 20.08.2024, this being a historical maximum previously recorded in 2006 immediately after the Company's listing. This significant increase generated to investors a maximum return of around 63%.

The trading of TEL shares during 2024 on the Romanian stock market recorded 31,915 transactions with an average number of 128 transactions/day and 3,191,488 shares traded, with a total value of RON 152,870 thousand.



The final price of the period brought TEL shares a market capitalization of RON 2,764 million.

Figure6: TEL 2024 share price evolution



Transelectrica shares are part of the following stock market indexes: BET | BET-TR | BET-TRN | BET-XT | BET-XT-TR | BET-XT-TRN | BETPlus | BET-EF | BET-NG | BET-BK.

The Bucharest Stock Exchange launched on July 29, 2024, a new index, Bucharest Exchange Trading Energy, Utilities and Financials (BET-EF), dedicated to the best-represented sectors of activity in the capital market, energy, utilities and financials (excluding investment funds), of which Transelectrica is also part.

The BVB indices reflect the price evolution of the most traded listed companies or the evolution of certain representative sectors, such as the financial or energy sectors. In terms of calculation methodology, all the BVB indices are price indices weighted by free float capitalization, with upper limits for the weights of the component companies. With the exception of the BET-TR, BET-TRN, BET-XT-TR and BET-XT-TRN indices which are adjusted for dividends, the other indices only reflect market price developments.

The most representative for the Company are:

- the BET index (Bucharest Exchange Trading - the benchmark index of the capital market reflecting the evolution of the 20 most liquid companies listed on the regulated market of

Table2 : Stock market information 2024 -2022

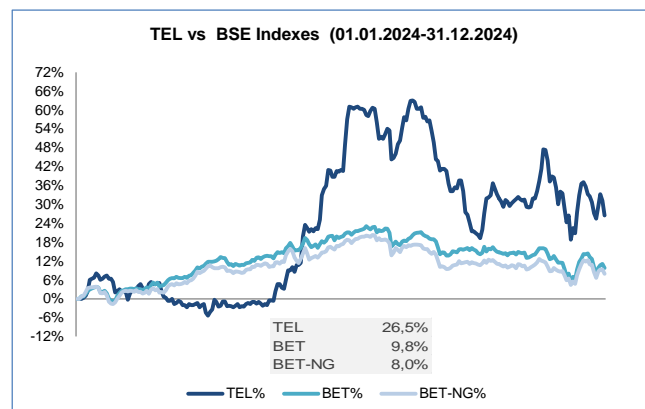
Indicator	2024	2023	2022
<b>Number of shares</b>	73.303.142	73.303.142	73.303.142
<b>Market capitalization (million lei)</b>	2.764	2.206	1.591
<b>Market capitalization (million euro)</b>	556	444	322
<b>Maximum price (lei/share)</b>	48,60	30,6	23,5
<b>Minimum price (lei/share)</b>	28,20	21,0	16,9
<b>Price at the beginning of the year (lei/share)</b>	30,10	21,7	22,5
<b>Year-end price (lei/share)</b>	37,70	30,1	21,7

the BVB) excluding financial investment companies (SIFs).

- the BET-NG index (Bucharest Exchange Trading Energy & Related Utilities - sector index that reflects the evolution of energy and related utilities companies listed on the regulated market of the BVB).

The evolution of the TEL share in relation to the two indices is shown in the graph opposite:

Figure7: TEL vs BVB 2024 indices



According to the latest periodic adjustment date recorded on 06.12.2024, TEL shares have a weight of 1.65% in the BET index, 3.01% in the BET-NG index and 2.23% in the BET-EF index.

The variation of TEL shares' return compared to BET and BET-NG oscillated during the analyzed period and recorded a positive evolution since June 5, 2024, compared to BET with a maximum increase of 43 p.p. and 46 p.p. compared to BET-NG between August 19-20, 2024.

The return on equities at the end of the period under review was 17 p.p. above the BET return and 19 p.p. above the BET-NG return.

Internationally, TEL shares are part of the MSCI Frontier and MSCI Romania indices.

Indicator	2024	2023	2022
<b>Profit per share (lei/share)</b>	8,15	2,91	7,02
<b>PER</b>	4,63	10,33	3,09
<b>P/BV</b>	0,47	0,43	0,41
<b>Dividend per share from profit for the period (lei)</b>	2,12	-	0,71
<b>Dividend per share from retained earnings (lei)</b>	-	0,28	-
<b>Dividend return %</b>	0,74	0,93	3,27
<b>Free Float %</b>	41,31	41,31	41,31

### 3.3. Dividends

The Company's dividend policy complies with the provisions of OG no. 64/2001 on the distribution of profit in national companies, national companies and commercial companies with full or majority state capital, as well as in independent authorities, approved with amendments by Law no. 769/2001, with subsequent amendments and additions, as well as with the targets set by the Agency for Monitoring and Evaluation of Public Enterprises Performance (AMEPIP)

Thus, the amount of target dividends is 50% of the accounting profit remaining after deduction of income tax and coverage of the purposes set out in OG no. 64/2001.

Allocating a large share of the net profit as dividend restricts the company's self-financing possibilities, leading to an increase in leverage. On the other hand, a company with a dividend policy characterized by a high dividend payout ratio enjoys the appreciation of its shares on the market, which increases the possibility of financing through new share issues.

The dividend distribution rate is set annually by the majority shareholder, who approves at the GMS the distribution of profits and the amount of dividends granted.

Moreover, in accordance with the legislation in force, only the shareholders of NPG CO. Transelectrica SA have the prerogative to adopt an GMS resolution to redistribute as dividends an amount of money from other reserves/ retained earnings, provided that it is included in the balance of these accounts. Only upon the passing of an GMS resolution to distribute as dividends any amount shall the Company become the holder of a definite, liquid and due and payable obligation.

In this regard, the Company has carried out the financial analysis taking into account the amount of reserves in equity, the cash available at the Company's disposal, the securing of financing sources with priority for the commitments contracted in previous years (objectives below) and for the new investment objectives approved in the IAP 2024, restricted cash (amounts in transit in Transelectrica's accounts as administrator of the cogeneration scheme) and the current costs for ensuring the operation of the NES in maximum safety conditions.

- Following the financial analysis carried out, the amount that will be distributed to shareholders from the accounting profit remaining after deduction of income tax and covering the purposes stipulated in OG 64, is 155,402,661 lei and represents a gross dividend of 2.12 lei/share for all shareholders, for a number of 73,303,412 shares.

### 3.4. Rating

On January 17, 2025, the credit rating agency Moody's Investors Service published its updated credit opinion, assessing the Company's present and future ability to meet its payment obligations to creditors, and assigned a Baa3 stable rating (reconfirming the previous year's rating).

In the assessment, the Company's rating is at Sovereign (Baa3 stable), recognizing the Company's improved financial performance and strong operating results. This paves the way for the future cost-optimal

financing of the investments undertaken by the Company to finance the ETG 2024-2033 Development Plan investment plan.

Transelectrica is in the investment-grade Baa3 (moderate investment risk) category for the fourth consecutive year, given the strategic importance of the Company, the continuous improvement of the regulatory framework and the benefit of government support in case of financial difficulties.

Obtaining the Baa3 rating with stable outlook reinforces a favorable view on the Company's ability to meet its present and future financial obligations, showing that Transelectrica operates in an improved Table3 : Rating Transelectrica

Rating agencies	2024	2023	2022
Moody's Investors Service	Baa3 stable	Baa3 stable	Baa3 stable

### 3.5. Investor and stakeholder relations

In the context of the implementation of corporate governance rules and best practices, Transelectrica is engaged in an active communication with shareholders and investors, using several communication channels and dedicated interfaces. The company recognizes the important responsibility it has as a publicly traded company.

The diversity of the shareholders and the presence in the main indices published by the BVB emphasize the requirements in terms of transparency, relevance of information and speed in its dissemination, as well as maintaining a continuous dialogue with the investing public.

The relationship with shareholders is essential for Transelectrica's management. The company communicates constantly with shareholders and potential investors, on the one hand, by disseminating continuous and regular information of interest and the resulting financial data in accordance with the specific capital market legislation, and on the other hand, through the meetings of the General Shareholders' Meetings and written electronic and telephone correspondence through dedicated contacts.

Thus, shareholders and investors have access to information relevant to the investment decision by accessing the dedicated section of Transelectrica's website, the Investor Relations section (GMS meetings with the materials of interest of the items on the agenda, financial statements, corporate governance, current reports and periodic presentations, information about dividends, etc).

The Company guarantees the right of shareholders to fair treatment and full and correct information on the Company's situation. All shares issued confer equal rights to the holders and any change in the rights conferred will be subject to the approval of the directly affected holders in their special meeting

The context of the new corporate governance regulations imposed on listed companies, together with the best corporate governance practices, allows Transelectrica to identify ways to step by step expand the application of the reporting/information framework,

regulatory environment, with a sound financial profile, low leverage and strong, stable and predictable financial values.

constantly improving corporate governance principles and standards. Transelectrica realizes that corporate governance performance can influence its reputation. Active communication with shareholders through the transmission of unbiased, factual information is the essential factor for the Company's credibility; A high level of transparency acts on the organizational culture by stimulating improved relations with employees, investors and civil society

In order to manage time and money more efficiently, the Company maintains contact with shareholders, investors, financial analysts and the trade press by making more frequent use of tele/video-conferences instead of travel to present the results of the quarterly/semi-annual and annual financial organized by the Company on a regular basis. The financial results presentation deadlines are set on an annual basis, communicated through the approved annual Financial Communication Calendar and disseminated at the beginning of each year through capital market institutions.

Also, "one to one" meetings are set up at the request of investors or their brokers and/or the presence of TEL representatives is ensured through the Company's participation in events dedicated to individual investors or institutional investors organized by BUCHAREST or financial investment services firms.

During 2024 the following important meetings took place:

Organized event	Date
<b>Presentation of 2023 financial results</b>	March 28, 2024
<b>Annual OGMS meeting for the presentation and approval of the results for the year ending 31.12.2023</b>	April 29, 2024
<b>Presentation of the first quarter 2024 financial results</b>	May 16, 2024
<b>Presentation of financial results for the first semester 2024</b>	August 14, 2024
<b>Presentation of financial results for the third quarter 2024</b>	November 14, 2024

Also, "one to one" meetings are set up at the request of investors or their brokers and/or the presence of TEL representatives is ensured through the Company's participation in events dedicated to individual investors or institutional investors organized by BUCHAREST or financial investment services firms.

Transelectrica's shares are monitored by the research departments of the main financial investment services companies active on the regulated market administered by BUCHAREST.

The company maintains contact with analysts of companies that hold Transelectrica in their research portfolio.

Mainly, shareholders directly or by proxy have chosen to exercise their right to vote at the General Shareholders' Meetings, using postal ballots as an alternative to physical participation at the Company's headquarters, thus accessing indirect means of communication, namely either by post or courier services (at the address: Bucharest, Sector 3, str. Olteni nr. 2-4, building "PLATINUM Center"), or by electronic means of communication, through the designated GMS secretary.

It is known that the shareholders of NPG CO. "Transelectrica" S.A. enjoy equal treatment, obtain in a non-discriminatory manner relevant information in a timely manner about important events in the Company's activity.

The Company's website [www.transelectrica.ro](http://www.transelectrica.ro) provides transparency through access to information of interest to shareholders and the investing public, relevant information likely to influence the investment decision

At the same time, the Romanian Association for Investor Relations (ARIR) evaluates the level of transparency annually. In 2024, the VEKTOR by ARIR indicator was calculated on the basis of a methodology including 10 criteria. Following the monitoring of the TEL website, ARIR representatives awarded a score of 5 out of 10 to the Company for 2024. The results are available on each issuer's page on the Bucharest Stock Exchange (BUCHAREST) website and on the website.

For the year 2025 the Company's main objective is to apply the best practices in the field in order to streamline the communication between the company and investors for a higher ranking among the listed companies in terms of transparency and communication in the relationship with investors.

## 4. Risk management

### 4.1. Risk management policy

The Integrated Risk Management System is implemented within the Company, imposed by the strategic requirements regarding the safety and continuity of operation of NES and representing a fundamental condition for a sound internal managerial control. The Company takes a proactive approach to risk management, with the Directorate ensuring, in a reasonable manner, that the objectives will be achieved by managing possible threats. In this respect, the aim is to identify and address potential losses before events that could have a negative impact occur, with prior preparation of specific technical, operational and financial solutions to mitigate or counteract these possible losses.

The Company's risk management complies with applicable legal and regulatory requirements to have risk control capabilities appropriate to the Company's risk profile to identify, assess, evaluate, manage, monitor, communicate, consult and report risks:

- Order of the General Secretariat of the Government no. 600/2018 on the approval of the internal managerial control of public entities,
- the Regulator's requirements and other requirements derived from being a BUCHAREST listed Company or imposed by rating agencies or auditors.

In the year 2024, the Company-wide *Risk Register - 2024* was prepared and approved by the Company's Directorate, with the aim of minimizing the effects of significant risks to which the Company is exposed. *The Risk Register* has been prepared in accordance with the requirements of Standard 8 *Risk Management*, of OSGG No. 600/2018. At the same time, the *Plan for the implementation of control measures for the year 2024* was realized and approved by the Directorate.

Since the basic activity of Transelectrica, through the territorial transmission branches and DEN, is to ensure the continuous operation and operational management of the National Electricity System (NES), according to the quality, safety and efficiency

standards set by the Technical Code of the ETG and the European and national regulations in force, priority and special attention was given to the safety and health criteria of employees, as well as to the continuity of the strategic functions for the NES, as system operator and electricity transmission operator.

The actions taken to control risks, mainly in 2024, have reduced the likelihood of materialization and the impact of the risk compared to the level of inherent risks.

The materialized risks have been dealt with in accordance with the adopted strategy imposed by the circumstances that led to the risk.

Setting the risk management strategy involves:

- risk acceptance
- risk monitoring
- treating the risk for elimination / mitigation to an acceptable level through measures
- risk externalization, e.g. insurance contracts

Strategies to combat risks consisted mainly in:

- addressing significant risks with a view to mitigating them to an acceptable level; and
- monitoring significant risks.

Risk control strategies are identified/described in the *Company's Risk Register, for significant risks (high and medium)*, among the internal implementation/control tools used, we can mention:

- measures under procurement/ maintenance/ investment/ personnel training programs;
- dedicated measures to identify, monitor, treat or outsource risks;
- insurance contracts that are carried out by the Company;
- contractual provisions (concerning performance guarantee-GBE, penalties);
- developing or revising procedures;
- change of procedural and structural organization;
- performance indicator attached to the objective;
- redeployment of personnel;
- setting up or updating databases.

### 4.2. Transelectrica's risk management objectives

The Company's Directorate aims to maintain the continuity of the strategic functions of system operator and electricity transmission operator within the Romanian NES, even in the most unfavorable circumstances.

Both directly and through implementation at the level of the territorial transport branches and subsidiaries, as well as by transposing the applicable requirements into service contracts with specialized suppliers, the Company's policy aims to operate in accordance with the quality, safety and efficiency standards set out in



the ETG Technical Code and any other specific applicable regulations, with emphasis on compliance with the criteria of employee health and safety, as well as ensuring the protection and preservation of property and the environment.

The Company's management has set the following strategic risk management objectives:

- an understanding of the risks to which the Company is exposed, their causes, possible deviations from the budget and their costs, as well as the impact on the general and specific objectives;
- maintaining a safe working environment for employees;
- operate equipment and installations safely, without danger to third parties and without harm to the environment;
- implementing optimal risk control measures.

The main objectives set include:

- improving the Company's risk profile by managing the overall process of identifying, assessing and

monitoring risks and implementing the necessary controls,

- eliminating or minimizing conditions and practices that may lead to the non-achievement of performance indicators, interruption or limitation of the Company's activity;
- Reducing the total cost of risk to help secure the financial resources needed to meet operating expenses, debt repayments and investments.

The Company's activities are sensitive to general economic conditions, which can influence the amount of electricity transported and therefore revenues and operating results. In addition, the demand for electricity and its price depend on a variety of factors over which Transelectrica has no control, namely:

- global and regional economic and political developments;
- industry consumer demand;
- climatic conditions;
- ANRE regulated tariffs for transmission and system services;
- existing laws and regulations.

### 4.3. Main risks identified

Risk management is an integral part of the Company's management and decision making processes, contributing to the achievement of objectives to a greater degree, through more accurate planning taking into account risks and through measures to limit and control potential adverse effects on the Company's financial performance due to the unpredictability of the economic and financial environment.

In the process of updating the Risk Register, the risk exposure was found to be maintained at the previous year's level, with residual risks, compared to the previous assessment, remaining broadly at the same level. Risks identified in previous years are kept under appropriate control.

#### Technical and operational risks

The materialization of risks of a technical nature or resulting from non-compliance with existing procedures or systems, generated by the behavior of employees or external events, could negatively influence the Company's activity, representing an obstacle in achieving the proposed results and affecting the Company's financial situation:

- loss of NES stability,
- damage to installations and equipment; damage, unavailability of installations and equipment,
- malfunctions of systems and platforms used in operational management, communications and telecommunications,

- unavailability of measurement, aggregation data for OPCOM / OPE,
- Under-achievement of the ETG Maintenance Program,
- Achievement below the planned quantitative and qualitative levels of the annual Investment programs,
- failure to fulfill legal conditions/requirements.

#### Financial risks

From a financial risk management point of view, the risks to which the Company is exposed, having the most significant effects on financial results, derive from financial instruments: interest rate risk, foreign exchange risk, credit risk and liquidity risk. Other risks that may affect the Company's performance are: risk related to provisions in financing agreements, risk of credit rating deterioration, price risk due to the unpredictability of the energy market (which may lead to significant increases in costs associated with OTC).

The main risks that the Company may encounter in the conduct of its business are summarized below:

#### Interest rate risk

The company has concluded credit agreements (long-term and short-term) to finance investment programs and to support operational activity.

The variable component of the interest rate component of the Company's borrowings may affect



both cash flows from operating activities and profitability if the values of these ratios against which the interest rate is calculated change significantly.

In the short term, Transelectrica has contracted a line of credit to finance the bonus support scheme for high efficiency cogeneration, with a variable interest rate calculated according to the ROBOR 1M reference and another line of credit to finance the Company's working capital, with an interest rate calculated according to the ROBOR 1M reference rate. As at December 31, 2024 both credit lines were used during the year and by December 31, 2024 the lines of credit were replenished.

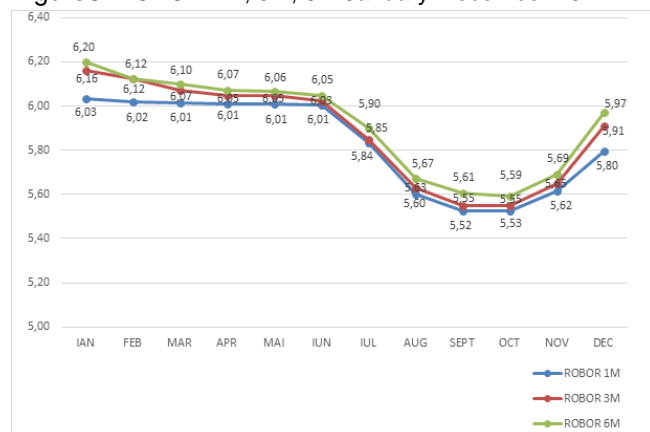
In the long term the company has contracted 2 fixed interest loans granted by the European Investment Bank (EIB) on August 5, 2010. The amounts outstanding at December 31, 2024 balances on the EIB loans are:

- EIB loan 25709 - EUR 2,407,407.50
- EIB loan 25710 - EUR 4,006,410,410.21.

Given that the non-current borrowings contracted by the Company are at fixed interest rates, the impact of this risk is low.

In the national banking market, the 1-month ROBOR has experienced a downward trend during 2024, reaching from a high of 6.03% (January 2024) to a low of 5.52% in September 2024.

Figure8: ROBOR 1M, 3M, 6M January-December 2024



Interest rates on the national money market have been on a downward trend over the past 12 months, amid excess liquidity in the banking system, coupled with lower demand for loans and tighter credit supply conditions.

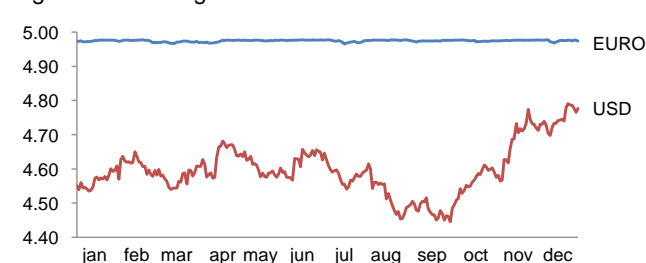
### Currency risk

The Company's functional currency is the Romanian leu.

The foreign currency risk for the Company may arise on the disbursement of non-current financing provided by the EIB in EUR.

During 2024 the EUR exchange rate was stable and linear, fluctuating in the range of 4.9655 - 4.9773 lei.

Figure9 : Exchange rate 2024



### Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations associated with financial liabilities that are settled in cash or by the transfer of another financial asset. Provisions in the Company's financing arrangements may limit the Company's financial and operational flexibility.

Bank letters of guarantee, negotiating payment terms with suppliers to balance cash flows, effective investment planning to avoid overstressing financial resources and accessing flexible short-term credit lines are liquidity risk management strategies that the Company applies.

Liquidity risk is mitigated by the introduction in the Company's financing mix of unsecured instruments (unsecured loans offered by international financial institutions), which significantly reduce the dependence on the limitations and constraints of the banking environment and the need for collateralization of trade credit.

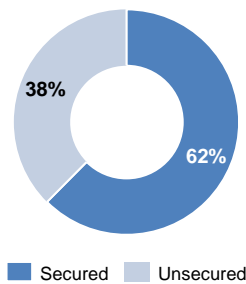
Another component of liquidity risk is the opportunity cost of financial investments for the excess liquidity that the Company may have at any given time.

In this respect, the Company's management was constantly concerned that excess liquidity should nevertheless be invested in low-risk instruments with satisfactory returns

For situations requiring working capital financing, the Company resorts to current borrowings in the form of credit lines. As at the date of this report, the Company has two lines of credit of RON 175 million each, expiring in March 2025, contracted to finance current operations.

During the period January through December 2024, due to the solutions found and timely actions taken, the Company met its financial obligations.

Figure10 : Debt structure by collateral at 31.12.202 4



### Credit risk

Credit risk is the risk that the Company incurs a financial loss due to the inability or unwillingness of a counterparty (customer or a counterparty to a financial instrument) to fulfill its contractual obligations. This risk arises mainly from trade receivables, cash and cash equivalents.

This risk is managed at Company level by monitoring the creditworthiness and rating of financial institutions with which Transelectrica has placed financial instruments (cash, bank deposits), respectively contracted loans.

Immediate treasury management shall aim to achieve a balance between ensuring short-term liquidity and the profitability of the Company.

On the other hand, the room for maneuver for operationalizing a policy geared towards improving internal working capital is significantly limited by the restrictive nature of the regulatory framework that governs most of the contractual relationships and associated conditions for Transelectrica in the energy market.

In practice, the degrees of freedom that can be exploited in order to establish and implement a working capital policy by optimizing the average receivables collection periods and the average supplier payment periods are limited.

These are summarized as unregulated transactions on the energy market (purchase of OTC on the forward market, purchase of system reserves under competitive regime) and transactions for the procurement of services/works/goods with third parties outside the energy market.

In order to combat a possible imbalance in short-term liquidity provision, Transelectrica has resorted to short-term financing by taking out loans in the form of revolving credit lines.

Internal measures utilized by the Company to control and reduce credit risk include: diversification of the customer portfolio, monitoring the creditworthiness of customers, as well as contractual insurance measures.

The risk of non-collection of these receivables is relatively limited, given the structure of the customer portfolio, the monitoring of the timely collection of receivables and other measures taken to increase the collection rate, taking into account the rigors of the contractual framework and applicable ANRE regulations.

At the same time, the Company has put in place a series of policies to ensure that the sale of services is made to partners with a solid creditworthiness and investment grade rating and that obligations to provide financial guarantees to cover the risk of non-payment are included in the commercial contracts. The amount of the receivables, net of adjustments for impairment losses and the inclusion of guarantees, represents the maximum amount exposed to collection risk.

In 2024, no problems were encountered in customer relations, with invoices being collected on time or with small insignificant delays.

### Risk related to provisions in financing agreements

The Company has financing agreements with international financial institutions (IFIs) and commercial banks to finance investment projects and to support operational activities as part of its business purpose. Within the financing contracts, there are clauses relating to: compliance with financial indicators, changes of control over the Company, pari passu clauses, etc.

A breach of these clauses may, subject to prior notice and a reasonable time, entail early repayment of the loan, as some loans have penalty clauses in the event of early repayment. To date, the Company has not received any notice of prepayment for default.

Table :4 Non-current liabilities structure \*

mil. lei	
<b>December 31, 2024</b> (RON million equivalent)	32
<b>December 31, 2023</b> (RON million equivalent)	56
<b>December 31, 2022</b> (RON million equivalent)	79

\*Including current portion of non-current borrowings

### Risk of non-recovery of guarantees for investment projects

This risk materializes through the non-recovery of monies as a result of the execution of the guarantee instruments that were the basis for guaranteeing the

advances received by the contractors in the investment projects.

The main cause of this type of risk arises from the existence of banking or insurance companies offering guarantee services without having the financial capacity to honor their obligations under the guarantee instruments issued.

At Company level, the strategy adopted is to claim damages from the executor and to take to court the company which issued the guarantee instrument and which has not returned to the Company the amount claimed by the execution of the guarantee instrument.

### Strategic risks

- pricing risk associated with the regulatory framework,
- volume risk,
- risk of implementing network codes,
- forecast risk.

### Pricing risk associated with the regulatory framework

Given its status as a regulated natural monopoly, the price risk associated with the regulatory framework is an important factor that may affect the Company's business, with a negative impact on the Company's operating results, financial situation and prospects.

Price risk has a structural component, i.e. the way the tariff is set (ability to recover costs fully and promptly) and a component relating to the transparency of the regulatory act and the history of tariff setting decisions.

In recent years there has been an improvement both in cost recovery capacity and in the transparency of the regulatory act (the way regulated tariffs are calculated and the communication between the Company and the Regulator). However, the existence of a long history of unfavorable regulatory conditions and insufficient transparency in the way tariffs are set maintains this regulatory risk

### Volume risk

Volume risk is an important component of regulatory risk.

The current pricing system is a single-tier pricing system (only one chargeable component: energy) and creates a high exposure of revenues to the volume of energy transported on the grid.

Given that the cost base for the transportation activity is predominantly fixed (variable costs represent approx. 20% of total recognized costs, the major component of approx. 80% being determined by fixed infrastructure costs: investments, maintenance, the discrepancy created between the structure of the cost

base and the revenue generating mechanism may lead to large deviations of the revenue from the regulated revenue approved by ANRE.

These deviations are corrected by ex-post tariff adjustments, thus running the risk of large fluctuations in revenue from one year to the next with a large part of this tariff adjustment being passed through to profit (the cost base being predominantly fixed).

ANRE has launched a project to simulate the effects of the introduction of a binomial tariff system (a system that has two tariff components: energy and power). The simulation is ongoing, a first phase was carried out in 2017-2018 and will continue with the second phase, and ANRE will assess the appropriateness of implementing this tariff system based on the simulation results.

The pricing system envisaged for implementation has the important advantage of ensuring the correlation between the structure of the cost base (fixed vs. variable costs) and the structure of the revenue generating mechanism (fixed vs. variable revenues). By implementing the binomial tariff system the volume risk will be substantially mitigated.

Risk mitigation control measures include: solid substantiation, within the limits of the applicable methodology, of the requests to include in the tariff sufficient cost levels to cover the costs necessary to carry out the regulated activities; rapid reaction to the proposals put forward by ANRE for the modification of the existing regulatory framework by analyzing the impact of their implementation on the Company and proposing the necessary adjustments to protect the Company's interests.

### Risk of implementing network codes

Given the novelty and complexity of the implementation process at the Company level of the provisions of the European Regulations on network codes, the implementation risk has a component related to the failure to meet certain deadlines and a component related to the non-conform implementation of certain provisions of the network codes.

This risk may materialize in unfavorable reports from ENTSO-E and ACER on the Company's implementation of certain provisions of the network codes. Subsequently, depending on the seriousness of the non-compliance and the lack of adequate feedback, the European Commission may initiate infringement actions which may result in penalties of 10% of the Company's turnover.

### Risks associated with unpredictable energy markets

- price risk is a financial risk caused by the unpredictability of the energy market and may lead to cost increases associated with OTCs
- risk of non-payment - failure to comply with contractual terms
- counterparty risk - the risk of non-collection of receivables (inability or unwillingness of a customer to meet its contractual obligations)
- forecast risk - related to external events (unexpected changes in weather conditions or situations in the ETG), which determine the variation of the OTC.

#### Legal risks

- license risks, contractual risks,
- fines from the authorities or compensation payments.

#### Legality risks resulting from changes in the legal, political, regulatory, social or social environment or internal Company policies

- failure to fulfill the legal requirements at Company level,
- not to protect the rights and legitimate interests of the Company,
- Distortion: failure to inform about non-compliance,
- license risks, contractual risks,
- risks arising from actions brought by third parties suing the Company,
- risks arising from actions brought to recover damages.

#### Security risks

- Breaches in ensuring the security and protection of critical infrastructures NCI/CI&CI and ensuring business continuity in emergency situations,
- failure to ensure the security of classified information,
- failure to ensure the security and protection of cyber infrastructures.

#### Personnel and environmental risks

- difficulties in recruitment, professional training, shortage of personnel with quality specialized training, personnel motivation,
- failure to fully implement the annual maintenance, training and further training program
- affecting the health and safety of personnel,
- Failure to ensure environmental protection, releases, spills of substances harmful to the environment (smoke, SF<sub>6</sub>, oil, fuels, etc.).

#### Risks related to non-compliance with legal requirements/ EU regulations

- licenses, contractual risks, including fines from authorities or compensation payments

The following are recommended as the way forward to streamline the risk management process:

- substantiation of the activities / projects proposed for inclusion in the annual investment, procurement and maintenance programs on risk management aspects - which risks of the Company are mitigated and estimation of the effects on changing the impact and likelihood of occurrence of those risks; these aspects will also be included in the reporting on the achievement of the annual programs
- the identification of significant risks that cannot be managed by investment, procurement and maintenance activities, for which action plans must be drawn up for monitoring, treatment or outsourcing (together with related financial proposals specifically dedicated to these activities)
- reports (summaries) on the implementation of the annual investment, procurement and maintenance programs should be submitted to the Chairman of the risk management team at Company level for his knowledge and for the purpose of monitoring how risks are being kept under control
- identification of interdependencies - which other organizational entities may induce risks in the activity of an EO; which other organizational entities may be affected if risks materialize in the activity of an EO
- to correlate the operational procedure and other internal regulations and to use uniform terminology in order to bring the current way of working in line with the legislation in force.

Also, the development, updating, implementation, maintenance, auditing and continuous improvement of the Integrated Risk Management System in all organizational entities of the Company through the Risk Management activity, facilitates the efficient and effective achievement of Transelectrica's objectives, contributing to the increase of the Company's value.

To improve risk management in transmission networks, it is necessary to implement predictive maintenance policies based on more accurate estimates of asset lifetime.

For the programming and planning of works/services, taking into account the established priorities, including through qualitative risk analysis, development programs (medium and long term) and short term are drawn up, taking into account the allocated resources.

From a technical point of view, given the uncertainties regarding the evolution of the system and the economic framework, robust and flexible solutions are being sought to cope with a number of possible scenarios, thus mitigating risks.



The technical condition risk-based approach helps to prioritize and optimize capital investment portfolios.

#### Description and analysis of trends, elements, events, uncertainties and main risks for 2025

As axes for progress in the coming period on streamlining the risk management process, the following are pursued:

- the rationale for the activities / projects proposed for inclusion in the annual programs of investments, acquisitions and maintenance to include aspects related to risk management - which risks of the Company are mitigated and the estimation of the effects - on the change of the impact and likelihood of occurrence of the respective risks; aspects will also be included in the reporting on the implementation of the annual programs,
- identification of significant risks that cannot be managed through investment, procurement and maintenance activities, for which action plans for monitoring, addressing or outsourcing these risks (together with related financial proposals specifically dedicated to these activities) need to be prepared,
- reports (summaries) on the implementation of the annual investment, procurement and maintenance programs should be submitted to the Chairman of the risk management team at Company level for the purpose of monitoring how risks are being kept under control,
- identification of interdependencies - which other organizational entities may induce risks in the activity of an organizational entity; which other organizational entities may be affected if risks materialize in the activity of an organizational entity,
- to correlate the operational procedure and other internal regulations and to use uniform terminology in order to bring the current way of working in line with the legislation in force.

The development, updating, implementation, maintenance, operation, auditing and continuous improvement of the Integrated Risk Management System in all organizational entities of the Company facilitates the efficient and effective achievement of Transelectrica's objectives, contributing to the increase of the Company's value. In order to improve risk management in transmission networks, it is necessary to implement predictive maintenance policies based on more accurate estimates of the lifetime of assets.

For the programming and planning of works/services, taking into account the established priorities, including through qualitative risk analysis, development programs (medium and long term) and short term are drawn up, taking into account the allocated resources.

From a technical point of view, given the uncertainties regarding the evolution of the system and the economic framework, robust and flexible solutions are being sought to cope with a number of possible scenarios, thus mitigating risks.

The technical condition risk-based approach helps to prioritize and optimize capital investment portfolios.

#### Main risks and uncertainties 2024

Analyzing decision problems under risk involves an evaluation of decision alternatives, their consequences, considering that the effects of decisions are not known with certainty.

In these cases, the optimal rate is the one that maximizes the expectation, i.e. reveals the likely or expected value of the outcome.

Having a thorough knowledge of the threats allows them to be prioritized according to the likelihood of their occurrence, the magnitude of the impact on the objectives and the cost of measures to reduce the likelihood of their occurrence or to limit undesirable effects.

The Company periodically and systematically analyzes the risks related to the performance of its own activities, annually elaborating *the Register of identified risks, risk tracking sheets, risk alert forms* (for newly emerging risks), the *Plan for the implementation of control measures*, in order to limit the possible consequences of these risks, in accordance with the legal provisions.

In terms of financial risk management, the risks to which the Company is exposed, having the most significant effects on financial results, derive from financial instruments: interest rate risk, currency risk, credit risk and liquidity risk. Other risks that may affect the Company's performance are: risk related to provisions in financing agreements, risk of credit rating deterioration, price risk due to the unpredictability of the energy market (which may lead to significant increases in costs associated with OTC).

The principal financial risks that the Company may encounter in the conduct of its business are summarized below:

#### ➤ interest rate fluctuation

In order to limit the impact of interest rate fluctuations on the Company's liquidity, non-current borrowings



with fixed interest rates were contracted and favorable interest rates were negotiated for current borrowings.

The interest rates on the national money market experienced a downward trend at the beginning of the year, amid the excess liquidity in the banking system, coupled with lower demand for loans and more restrictive conditions associated with the supply of loans, but towards the end of the year the trend becomes slightly upward, influenced by inflation and other economic, social and political factors.

➤ **exchange rate variation**

Foreign exchange risk expresses the probability of incurring losses from international commercial contracts or other economic relations (depreciation RON vs. currencies), due to changes in the exchange rate in the period between the conclusion of the contract and its maturity.

One way to avoid such effects is to include a currency clause or price revision clause in the contract. The application of various non-contractual measures may relieve the Company from the presence of negative effects.

To limit the impact of exchange rate fluctuations, the Company negotiates, through its specialized department, the best exchange rates.

In order to honor foreign currency obligations, the Company has opened foreign currency accounts with commercial banks within the Romanian banking system.

We observe a strong correlation between interest rates, inflation and the exchange rate, thus the interest rate has decreased in the analyzed interval leading to a depreciation of the national currency.

However, inflation differentials between Romania and the Eurozone, large current account and budget deficits, the weak performance of the local economy, the fiscal consolidation measures recently adopted, are leading to a depreciation of the national currency.

➤ **provisions in the grant agreements**

Within the financing contracts, there are clauses on the respect of financial indicators (covenants), the breach of which may entail, subject to prior notice and a reasonable time, the early payment of the financing facilities.

To date, there have been no instances of non-compliance with the provisions of the Company's financing agreements.

➤ **risk of non-compliance with legal requirements**

The Company's liquidity could be affected by penalties caused by non-compliance reported during periodic control activities by the authorized bodies (ANAF, CCR, MFP, etc.). This risk did not materialize during the period under review.

➤ **At the tax level**, the tax changes had no impact on the Company's liquidity.

In conclusion, this risk did not materialize during the period under review.

➤ **cash-flow risk** - this is the risk that Transelectrica may not be able to honor its payment obligations when due. A prudent liquidity risk management policy implies maintaining a sufficient level of cash, cash equivalents and financial availability through adequately contracted credit facilities. The Company monitors the level of expected cash inflows from the collection of trade receivables as well as the level of expected cash outflows for the payment of trade and other payables.

The company pays particular attention to effective treasury management, by efficiently managing cash flows and optimizing surplus liquidity to meet financial obligations as they fall due, as well as being ready, if necessary, to draw on appropriate credit facilities.

For situations requiring working capital financing, the Company resorts to current borrowings in the form of revolving credit lines.

In 2024, thanks to the solutions found and measures taken in time, the Company met its financial obligations as they fell due.

Other risks that may influence the Company's financial performance include:

➤ **the risk of a deterioration of the credit rating** as a result of worsening financial indicators, the macroeconomic and political climate and/or worsening financial performance of the Company.

This risk reflects a complex of factors, with a potential effect on the increase in financing costs on the credit market, which may significantly affect the Company in view of a possible need for capital to be attracted to finance the investment plan under the ETG 2024-2033 Development Plan

On December 13, 2024, Moody's rating agency reconfirms the rating assigned to the Company in 2023 (Baa3 rating, stable outlook), which implies a low risk of default and a strong capacity to meet its financial commitments and on January 17, 2025, the rating agency published its updated credit opinion, assessing the Company's current and future ability to meet its payment obligations to its creditors, granting the same Baa3 stable rating.

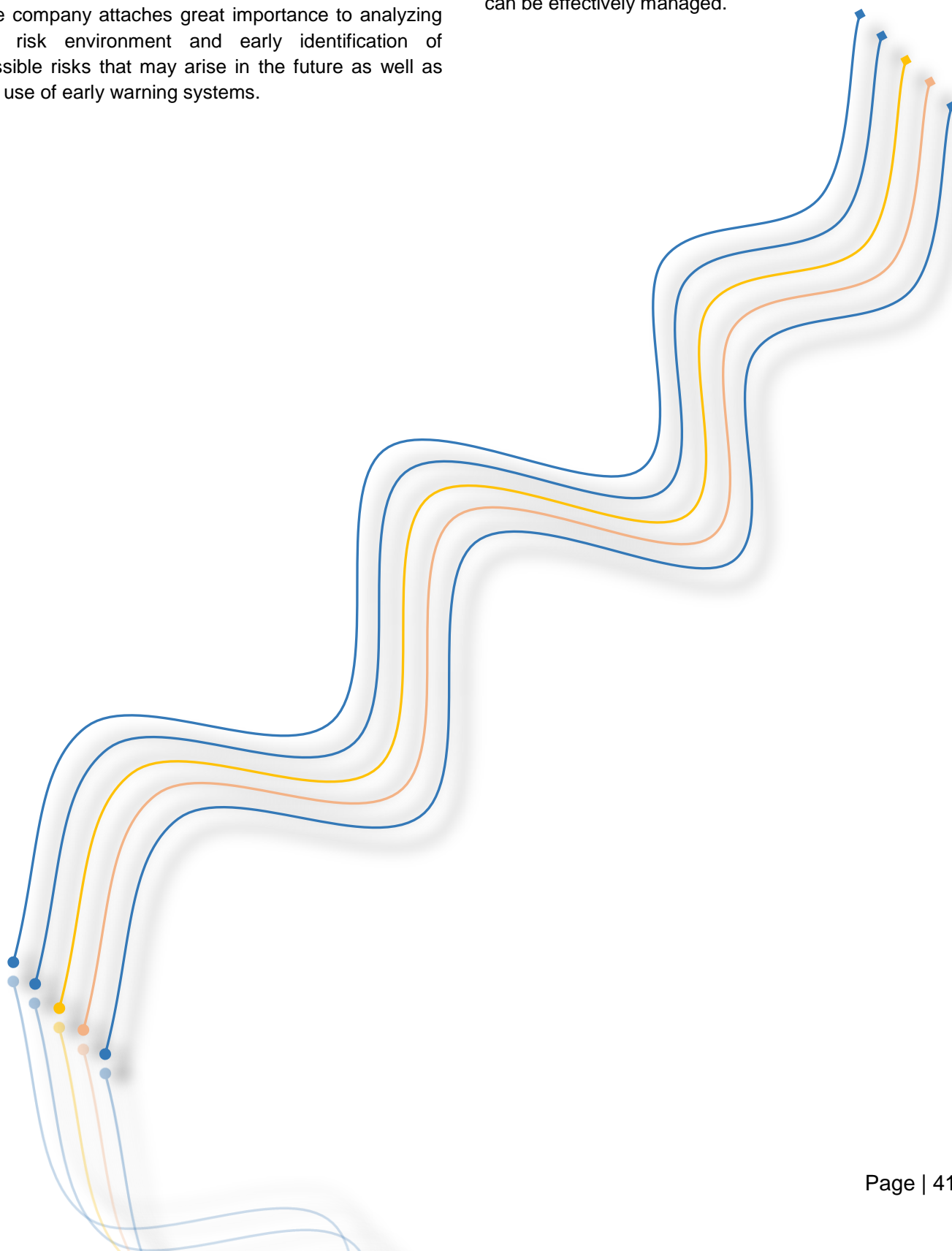
Transelectrica is for the fourth consecutive year in the investment-grade category (moderate investment risk), given the strategic importance of the Company, the continuous improvement of the regulatory framework and the benefit of government support in case of financial difficulties

- **the investment risk** arising from financial difficulties at the level of subsidiaries caused by historical debt, the competitive environment and their own management.

The company attaches great importance to analyzing the risk environment and early identification of possible risks that may arise in the future as well as the use of early warning systems.

The company does not limit itself to dealing with the consequences of events that might occur, but adopts a reactive management style, implementing preventive measures, taken in advance, aimed at mitigating the occurrence of possible risks.

At the same time, the periodic review of risks, as foreseen in the standards, involves the evaluation of the risk management process and the alerting tools of the higher hierarchical levels on newly identified risks or changes to existing risks, so that these changes can be effectively managed.



# 5. Human Resources

Building a sustainable energy future is no easy task. It is essential to have people who bring their expertise and work with determination and passion at every stage of their work, from design to execution, professionals capable of turning complex projects into reality.

Transelectrica considers important the need to create an attractive, stable and motivating, safe and healthy work environment, with the objective of becoming an attractive employer of energy specialists, a hub of strategic thinking and action for the development of the Romanian energy sector

Its people, in a context of organizational culture and professionalism, determine the Company's long-term resilience and visibility in a dynamic and ever-changing labor market



## Personnel structure

The company recognizes that the employees are the most important resource for the smooth running of the activity. In this regard, it aims to ensure through the personnel policy it promotes to ensure the development of human resources, to achieve a level of material and motivational involvement appropriate to current requirements.

In recent years, human resources management has focused on increasing personnel engagement.

According to its operating license, Transelectrica does not, as a rule, use temporary employees. The operation of the electric substations in the ETG and the provision of NES dispatching services are carried out with operational personnel organized on a permanent shift schedule.

Table5 : Number of employees

Year / indicator	2024	2023	2022
Number of employees	2026	2.037	2.042

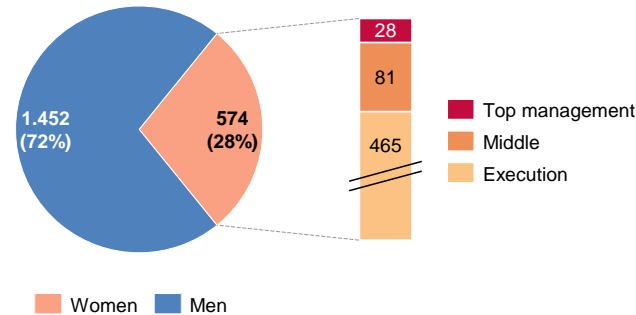
In the current year, the share of personnel with higher education represents 76% of the total number of employees, 24% being personnel with secondary education, generally with an electro-energy profile.

Table6 : Number of personnel by education

Educational level	2024	2023	2022
Higher education	1.543	1.510	1.463
Secondary education	483	527	578
Elementary education	0	0	1
<b>TOTAL</b>	<b>2.026</b>	<b>2.037</b>	<b>2.042</b>

Looking at the gender structure of employees, almost three-quarters of all employees are men.

Figure11 : Personnel structure by gender 2024



In terms of gender classification, women represent 28% of the total personnel and this structure has been constant over the last years. Out of the 574 women working in Transelectrica as at 31.12.2024, 28 occupied positions at top management level and 81 at middle management level, together representing 81% of the female personnel.

Figure12 : Number of employees by seniority groups 2024

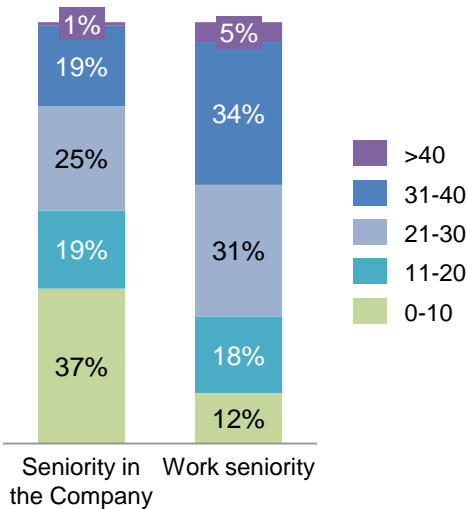


Table7 : Personnel structure by category

Personnel categories	Number of employees 2024	Number of employees 2023	Number of employees 2022
<b>Operational and operational personnel (standardized), of which:</b>	<b>1.405</b>	<b>1.404</b>	<b>1.392</b>
DEN	189	191	189
Operating personnel in transformer substations, remote control centers and operation centers	903	905	903
Admission-reception personnel	109	111	112
OMEPA personnel directly involved in productive activities - operation centers, non-conformity resolution, remote metering systems, market participant relations	45	45	43
Personnel directly involved in organizing and monitoring station operation activities	159	152	145
<b>Support activities and executive management personnel</b>	<b>621</b>	<b>633</b>	<b>650</b>
<b>TOTAL</b>	<b>2.026</b>	<b>2.037</b>	<b>2.042</b>

The operational and operational domain occupies the largest share of personnel categories, 69%. Of these, the highest concentration is in operations at 64%.

Taking into account the Company's activity of strategic interest, the majority of employees have between 21 and 40 years of seniority, being experienced employees who bring added value to the Company

Table8 : Structure of employees by length of service

Work seniority [years]	2024	2023	2022
0-10	243	251	262
11-20	367	388	390
21-30	633	619	636
31-40	687	693	671
>40	96	86	83
<b>TOTAL</b>	<b>2.026</b>	<b>2.037</b>	<b>2.042</b>

In terms of length of service, 70% of employees have more than 20 years of service.

Table9 : Structure of employees by seniority within the Company

Company seniority [years]	2024	2023	2022
0-10	745	753	749
11-20	375	368	380
21-30	503	525	540
31-40	386	367	354
>40	17	24	19
<b>TOTAL</b>	<b>2.026</b>	<b>2.037</b>	<b>2.042</b>

With regard to the activity carried out within the Company, more than half of the employees have up to 20 years of seniority, the proportion of those with more The energy sector is facing a shortage of qualified personnel in recent years. As the training of an energy

than 20 years of seniority in the Company being constant in recent years, i.e. 45% of the total.

The over 40s in 2024 account for 80% of all employees

**48 years old**

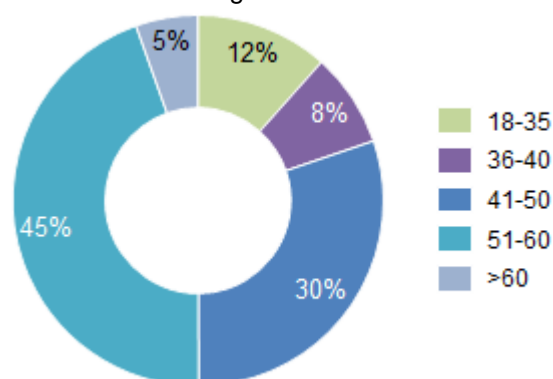
**Average age in 2024**

At the same time, the percentage of employees aged between 18 and 35 with retention and advancement potential is 12%.

Table10 : Age structure of employees

Age [years]	2024	2023	2022
18-35	235	242	264
36-40	166	182	184
41-50	611	636	662
51-60	904	858	819
>60	110	119	113
<b>TOTAL</b>	<b>2026</b>	<b>2.037</b>	<b>2.042</b>

Figure13 : Personnel age structure 2024



worker is complex, the Company attaches importance to continuous on-the-job training, as well as to motivating and retaining high potential employees.

Also in recent years private scholarships have been awarded and partnerships have been established with the Politehnica University of Bucharest, in order to support young students to practice in the chosen field with the opportunity to learn and familiarize themselves with the Company's field of activity, and at the end of their studies having the possibility of employment in a position corresponding to their professional training, as vacancies exist.

### 5.1. Professional training

The aim of training and professional development activities in 2024 was to increase professional efficiency by acquiring, improving and diversifying the professional skills of employees, the central objective being to improve the professional performance of the Company's personnel as significantly as possible.

In 2024, the maintenance, training and professional development program aimed at: acquiring, updating and accumulating new knowledge, consolidating existing knowledge and acquiring new skills, increasing and diversifying professional skills, especially specialized ones, developing employees' skills and abilities, developing knowledge and professional training area, in order to perform professional duties and to strengthen the sense of confidence in their own skills, which leads to increased job satisfaction, thus increasing professional motivation.

The principles underlying the implementation of the "Program of maintenance, training and professional development of the Company's employees" for the year 2024 were: efficiency, effectiveness, consistency, equal treatment between categories of employees, effective planning and transparency. Also, the priority in 2024 was to ensure the organization and conduct of training sessions for the personnel who, in their professional activity, require certification, authorization, respectively recertification or reauthorization.

These results could be achieved mainly due to the fact that the training programs were designed and designed on specific needs (customized curricula, topics tailored to the concrete needs identified), by categories of employees and by levels of knowledge, the objectives being to improve efficiency and professional effectiveness, to increase confidence in their own strengths and capabilities and, last but not

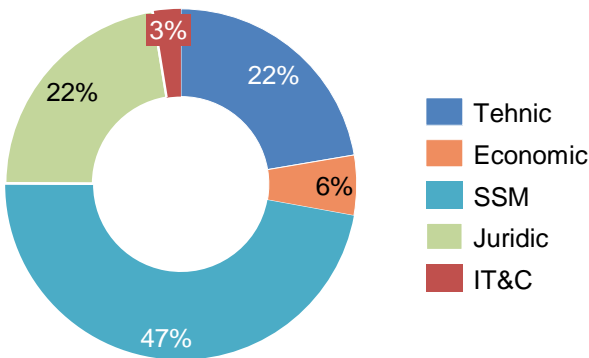
least, to offer a concrete and realistic perspective in career development.

During 2024, courses were organized with training service providers, courses in the following fields: technical (121 participations), economic (30 participations), SSM (256 participations), legal (121 participations), IT&C (14 participations), etc. The expenses recorded with this category of courses amounted to 163,521 lei, the total number of participants being 434.

In addition, during 2024, technical vocational trainings took place within the framework of the merged vocational training, the number of participations being 1,514, These trainings were held 2 days/week and were intended for operational personnel, CTSL, personnel in the activity of admissions and works receptions, as well as the management personnel of the electric substations (heads of electric substations). The total number of training hours, as a result of the training of approx. 760 persons, amounted to 23,712 hours. The training was carried out with in-house lecturers (own employees, acting as trainers), so no costs for training services were incurred for this category of training.

Another category of internal courses organized was the specialized technical courses, carried out with the Company's own lecturers, among the Company's employees. The number of participants in this category was 120 and the total number of hours was 3,456.

Figure14 : Distribution of course attendance by domain



Total number of participants in internal and external training courses: 2068 participants, of which:

- 434 participations in courses with external providers
- 1634 participations in internal courses

Number of hours of internal training: 27168 hours



Number of hours of external training: 6388 hours

Total number of training hours: 33556 hours

The training priority objectives aim to improve the professional performance of employees in order to ensure the performance and efficiency of activities at the level required by the regulator and the energy market.

The sustainable human resources strategy is aimed at increasing, developing and diversifying the professional competences of employees and also takes into account the need to ensure the effective delivery of continuous professional development of personnel.

## 5.2. Trade union representation

The company and the trade union recognize themselves as partners in permanent social dialogue. The Company's employees are affiliated to the Transelectrica Trade Union, which is part of the National Federation of Electricity Trade Unions UNIVERS, (an organization with over 16 thousand members, signatory to the *Collective Bargaining Agreement* concluded at Transelectrica level, valid from 01.01.2025 - 31.12.2025) affiliated to the National Trade Union Bloc (BNS) and at international level to the Public Services International (PSI) and the European Federation of Public Service Unions (EPSU).



Currently, more than 98% of the total number of employees are members of the 12 legally constituted trade unions: three at the level of the Company's Executive, one at the level of the Operational Unit - National Energy Dispatcher and one at the level of each Territorial Transmission Branch, none of them not meeting the conditions of representativeness at the unit level, according to Law 367/2022, with subsequent amendments and additions.

The Collective Bargaining Agreement regulates the individual and collective labor relations, as well as the rights and obligations of the parties with regard to:

- its conclusion, execution, performance, amendment, suspension and termination;
- working time and rest time;
- pay;
- occupational health and safety, working conditions;
- vocational training;
- social protection of employees and other rights;

- rights and obligations arising from employment relationships;
- rights and obligations arising from employment relationships;
- the mutual recognition, rights and obligations of the employer and trade union organizations.

To solve

problems that may arise in the application of the CCM in force, in order to avoid labour conflicts, as well as to create the organizational framework that will allow to remain in a permanent dialogue with the employees' representatives, the parties agreed to meet whenever necessary within the Joint Employer - Trade Union Committee, a joint committee that operates in accordance with its own rules of operation.

The year 2024 was a year in which, in addition to maintaining the rights in the Collective Bargaining Agreement, it was possible, in two stages, to increase gross basic salaries in such a way as to mitigate the effect of inflation and to provide additional motivation for employees.

The objective of trade union representation for 2025 will be to implement the provisions of the new CCM in order to motivate employees and boost the Company's performance by improving occupational health and safety conditions for employees.

## 5.3. Responsibility towards employees

The Company's main objective in its direct relationship with employees is to ensure a safe and healthy working environment, taking care to minimize the impact of the Company's specific activities on the environment and natural resources.

In the case of serious medical conditions, the Company provides financial support to employees for special medical treatment, flexible or reduced working hours for the period recommended by the doctor.



The ongoing maintenance and development of the Integrated Management System with regard to operational health and safety is a top priority of the Company.

In the year 2024 occupational health care in the Company was and is provided by occupational health physicians in the Company's Executive and STTs' medical practices.

In order to achieve the assumed objectives, the Company, through specific occupational health and safety activities, carries out the documentation of the integrated management system by updating the operational procedures, updating/drafting the

Occupational Safety Instructions, the assessments of risk factors for occupational injury and illness for all Company personnel, through training and awareness programs for employees, through the assessment of the risk level of the workplaces and through a periodic operational control which consists mainly of the operational control of compliance with legal and other requirements on occupational health and safety.



Health surveillance in 2024 was structured as follows:

- In the first semester of 2024, the periodic medical check-up of operational personnel for work in electrical installations was carried out.
- In the second semester 2024 were carried out:
  - regular medical check-ups of non-operational personnel; and
  - control for operational personnel working in isolation.

The occupational safety and health program for the year 2024 was realized in the proportion of 76% corresponding to the amount of 1.634 thousand lei (326 thousand euro).

Among the objectives targeted by the Company's occupational safety and health programs in 2024 are:

- bringing the installations to the level of health and safety requirements set by its own occupational safety instructions, aligned with European requirements. These actions resulted in reducing the risk of accidents and occupational diseases of the personnel working in the Company's facilities;
- equipping the Company's personnel with personal protective equipment in accordance with the requirements of its own work safety instructions;
- permanent health insurance/supervision of personnel health, as required by GD 355/2007;
- training personnel on the risks of accidents in the Company's facilities.

The following actions are envisaged to improve the effectiveness of the integrated management system with regard to operational health and safety:

- Continuation of the re-assessment of the risk factors for occupational accidents and diseases for all stations;
- Monitor the health status of personnel with cardiovascular diseases (with contraindications for authorization) and report quarterly;
- Occupational health and safety consultation of the main general contractors, contractors of works in ETG installations;
- Continue to consult its own personnel on occupational health and safety through questionnaires to evaluate the work and implement the policies resulting from the consultations.

## 6. Research and innovation

### Description of research and innovation activity in 2024

The strategy in the field of research and innovation strengthens the Company's vision for the modernization of the transmission grid, providing the necessary support for the implementation of the priorities that are included in the Development Plan supporting the implementation of the digitalization concept.

The main directions foreseen in the Transelectrica Strategy in the field of research and innovation are:

- Innovation is the condition for success to fulfill the Company's vision and mission.
- Innovation will be promoted as a priority for the Company's core activities bringing added value through digitalization of processes, service improvement and personnel upskilling.
- Innovative solutions, technologies, systems and concepts required for key activities will be deployed across the Company after:
  - their testing and validation in pilot projects;
  - or their critical evaluation in projects already completed in other organizations.
- Innovation will be the engine that will enable the Company to implement the concepts of the Learning Organization.
- Innovation and research will support "Digitalization" as a major objective.
- The Company's research will focus on developing the following pillars:
  - national and international partnerships in the field of fundamental research and technological research (observing basic principles, formulating concepts of technologies, experimental demonstration of concepts, validation of technologies in laboratories);
  - Partnerships with solution and equipment providers for product/technology demonstrations (technology validation in relevant environments and operational environments);
  - partnerships in competitive procedures (for delivery and commissioning of products and solutions).

- Personnel participation in events that have an important innovation and research component both nationally and internationally (e.g. ENTSO-E, CIGRE, congresses, round tables, symposia, etc.) will also include the processes of knowledge sharing, spreading best practices, etc. within the Company in an integrated and regulated way.
- The structuring of the general and specific objectives will be done in relation to the methodology promoted in the ENTSO-E strategy in the field of research and innovation.
- The research and innovation strategy within the Company will follow the centralized organizational model (steering committee, strategy administrator, process procedures, well-defined roles, management based on objectives).
- The funding of research and innovation work will be provided as a priority both from own and other sources reaching the largest group of European network operators (e.g. grant programs, subsidies, grants, partnerships, etc.).

The objectives included in the "*Research and Innovation Strategy*" add value in the following areas:

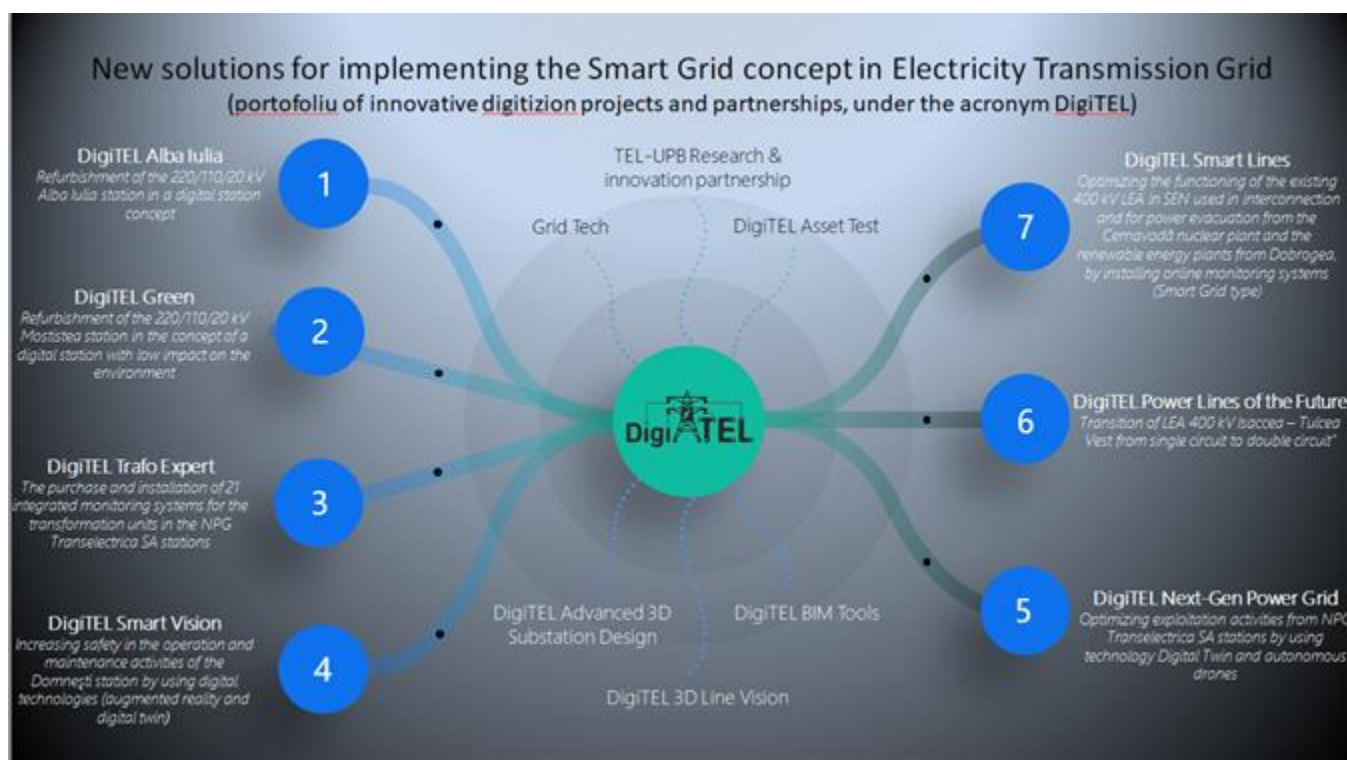
- Company's strategic vision;
- asset management;
- improving performance indicators;
- developing essential capabilities in network operation;
- seizing opportunities to improve the Company's performance;
- Skills development for the Company's personnel;
- maintenance and operation;
- developing partnerships with technology and solution owners.

The research and innovation strategy also operationalizes the vision of all stakeholders to implement a flexible, open and interoperable infrastructure within a digital portfolio where traditional, mainly manual processes are eliminated or digitized so that information is accessible in real time.

### Digital transformation

Digital transformation in the energy industry will bring new challenges for the Company's management teams, operational specialists and partners. The Company meets all the conditions to become a

"Learning Organization" again if it fully utilizes the potential of new technologies in achieving digital transformation.



In support of these objectives, the Program on the Implementation of the Digital Transformation Concept (2018-2027) was developed and approved.

The actions and activities included in the portfolio of initiatives under the Digital Transformation program aim to increase the Company's performance by:

- innovation in operational and managerial processes;
- innovation by introducing digital technologies;
- innovation by introducing new concepts that will transform the Company's business model;
- developing the Company's strategic capabilities (e.g. personnel, strategic assets, structure, processes, etc).

The Strategy argues that Digitalization of the grid is a clear opportunity for the efficient development and management of the energy system, with proven cost-effectiveness in terms of improved quality of service and lower operating costs.

The following tactical documents in the field of digitalization are in force:

- Technical policy on digitalization of assets as part of modernization initiatives within the Company;
- Technical Policy on Digitalization of Assets in the Company's Modernization Initiatives - Part II - Concept - "Geographic Information System and Outage Management System;
- Technical policy on digitalization of assets in the framework of modernization initiatives within the Company - Part III - Concept "Digital

Technologies Test Lab and Personnel Competence Development";

- Technical policy on digitalization of assets as part of the Company's modernization initiatives - Part IV - "ETG Asset Health Center" Concept.

### DigiTEL project portfolio

#### DigiTEL Alba Iulia

In the framework of the investment objective "Pilot Project - Refurbishment of the 220/110/20 kV Alba Iulia substation into a digital substation" the following objects were defined:

- Alba Iulia station modernization. The technical condition module will be implemented in accordance with the Smart Grid reference architecture for asset management at Alba Iulia substation, called "Condition Monitoring System (CMS)". The role of this module is to monitor the "technical condition state" of the equipment at Alba Iulia substation, in order to detect faults in advance, with the aim of extending their lifetime.
- E-Mobility;
- Learning Platform;
- Telecommunications with Hidroelectrica;
- Digital Lab.

#### DigiTEL Green

The pilot project "DigiTEL Green - Retrofitting of the 220/110/20 kV Mostiștea substation into a digital and low environmental impact substation" is a flagship



project at the Company level in the field of digital and sustainable substations.

It brings together the same set of digital technologies that will be deployed through the Alba Iulia Digital Station pilot project and will extend the infrastructure created through it.

Through the Mostiștea project, non-SF6 technology at the primary switchgear level will be implemented for the first time in the ETG, which uses 99% lower emission gases than conventional technologies. At the same time, both the transformer units will use natural oils instead of mineral oils and the station buildings will be energy efficient nZEB. This retrofitting will also follow the principles of the circular economy concept throughout the whole implementation chain to support its sustainability.

In addition to the technologies associated with the digital and sustainable station concepts, the Mostiștea project will also implement for the first time in the ETG, technologies for robotized technical assistance and surveillance, using Artificial Intelligence systems through physical robots and drones.

### DigiTEL 3D LineVision

The project, carried out with own forces, aims to test new LiDAR (Light Detection and Ranging), RGB (Red, Green, Blue) and infrared technologies and to assess the benefits of these technologies in case of a large-scale application in the Electricity Transmission Grid.

Currently scans are being carried out on the LEAs covered by this project.

### DigiTEL Smart Vision

The pilot project "DigiTEL - Smart Vision" - Increasing safety in operation and maintenance activities in Domnești substation through the use of digital technologies, aims to implement Augmented Reality, Virtual Reality and Digital Twin technologies at the ETG level, for the first time in a real operating environment on the entire set of equipment and installations of a power substation.

The implementation of an Augmented Reality system in the 400/110/20 kV Domnești substation will lead to the reduction of the risk of human errors through a constant assistance in the operating activities of the equipment and installations. The project was finalized with PIF and acceptance in August 2024.

### DigiTEL Power Lines of the Future

The DigiTEL Power Lines of the Future project will realize the transition from single to double circuit of the 400 kV Isaccea - Tulcea West OHL using tubular

poles. At the design stage, the technical requirements for the poles will be established so that they are optimized in terms of size and footprint, and have an innovative design, sustainable materials with low carbon footprint, innovative visual design.

The construction of the new 400 kV Isaccea - Tulcea West double-circuit lines will be realized using the existing locations of the poles of the single-circuit line, without the need to occupy additional land areas on most of the line.

### DigiTEL Smart Lines

DigiTEL Smart Lines Project - "Optimization of the operation of the existing 400 kV overhead power lines in NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line monitoring systems (Smart Grid type)" aims at the acquisition and installation of on-line monitoring systems in order to increase the operational reliability of the overhead power lines, which will be achieved by on-line diagnosis and estimation of the technical condition of the overhead power lines based on the data acquired on-line and the operationalization of the Dynamic Line Rating (DLR) concept.

**The objective of the DLR (Dynamic Dynamic Rating)** is to provide the Transmission and System Operator with accurate and real-time information to enable better utilization of the LEA's transmission capacity and its augmentation according to the current weather conditions, to reduce risk and to increase its reliability and efficiency in operation.

The object of the project is **23 overhead 400 kV power lines**, of which 13 transmission and power evacuation lines from Cernavodă and the renewable energy plants to the area of Moldova and Bucharest and 10 interconnection lines.

The project is currently at the execution stage, with equipment installed and accepted on 5 LEAs.

### DigiTEL Trafo Expert

The project involves "Procurement and installation of 21 integrated monitoring systems for transformer units in NPG CO. Transelectrica SA substations".

The benefits resulting from the implementation of the project include:

- increasing the scheduled time interval for the execution of some of the preventive maintenance works at the monitored transformer substations and reducing the costs per type of interventions;



- reducing the number of incidents by predicting vulnerabilities of the normal scheme based on real data;

The project was completed with PIF and acceptance in June 2024.

### DigiTEL Next-Gen Power Grid

The DigiTEL Next-Gen Power Grid project - "Optimization of operating activities in NPG CO. Transelectrica SA substations through the use of Digital Twin technology and autonomous drones" aims in the first phase to transform unstructured information into an intelligent digital asset. The system operator will be able to visualize, build and manage complex power systems, ensuring safe and efficient operation throughout their lifecycle.

Autonomous drones will be purchased for aerial inspections of the equipment present in the Company's substations, which will allow the identification of potential non-conformities such as wear, damaged components or uncontrolled vegetation growth. These will navigate through complex terrain and reach locations difficult for human operators to access, significantly reducing the time and resources required for regular inspections by operational personnel.

Compared to traditional inspection approaches that may involve helicopters, autonomous drones have a lower environmental impact, are more energy-efficient and generate fewer emissions.

### Collaboration agreements

#### DigiTEL - Advanced 3D Substation Design

The purpose of the agreement is the collaboration between NPG CO. Transelectrica SA and Entegra GMBH (Primtech 3D), with the main goal of testing new Digital Twin and Advanced Digital Design technologies for substations, as well as evaluating the benefits of these technologies and solutions in case of large-scale application in the Romanian Electricity Transmission Grid.

#### DigiTEL - 3D Line Vision

The object of this agreement is the collaboration between NPG CO. Transelectrica SA and Skyline Drones SRL in order to test new LiDAR technologies.

#### DigiTEL BIM Tools

The research and innovation collaboration agreement between NPG CO. Transelectrica SA and TIAB SA aims to test and validate advanced technical innovations in digital design (e.g. BIM - Building Information Modeling) and Digital Twin standards for substations, as well as to assess the benefits of these technologies and solutions in case of large-scale application in the Electricity Transmission Grid.

#### DigiTEL - Asset Test

The agreement involves the collaboration between NPG CO. Transelectrica SA and Omicron GMBH (FirstTech) and its main purpose is to test new verification technologies and new asset management solutions, respectively the exchange of know-how.

The agreement will generate a number of important benefits for the level of knowledge of testing solutions for new energy equipment verification technologies and new energy asset management solutions, as well as the exchange of know-how.

#### DigiTEL - Innovation Synergy

The agreement involves the collaboration between NPG CO. Transelectrica SA and Enevo Group SRL and its main purpose is to test new technologies for verification and asset management, respectively the exchange of know-how.

#### DigiTEL-SaFe<sub>6</sub>

The collaboration agreement between NPG CO. Transelectrica SA and WIKA Messgerätevertrieb Ursula Wiegand GmbH & Co. KG (WIKI Instruments Romania SRL) is mainly aimed at testing new technologies by implementing new solutions for on-line monitoring of SF<sub>6</sub> gas and exchanging know-how.

### Description of research and innovation activity for the year 2025

The objectives foreseen to be implemented within the DigiTEL flagship projects relate to the following targets:

- Implementation, testing and validation in modernization projects of the following concepts, methodologies, standards and elements of good practice:
  - online technical condition monitoring concept for the Company's critical assets (e.g. transformer units, power lines, etc.)
  - asset management;
  - Lab testing digital technologies and personal skills development;
  - ETG Asset Health Center;
  - GIS and WHO Systems Concept;
  - the concept of active health;
  - the concept of risk index on ETG assets;
  - methodology for the development and implementation of Smart Grid concepts (e.g. architectures, interoperability standards,

- telecommunication standards, customer interfaces, etc.);
- the concept of E-learning;
- Smart Building concept;
- *Augmented / Virtual Reality concept*, Digital Twin
- advanced digital design, scanning and 3D modeling;
- the "Control Room of the Future" concept;
- Building Information Modeling (BIM);
- sustainable power stations;
- remote technical support;
- robotized technical assistance and surveillance using Artificial Intelligence systems (robots, drones);
- ETG asset inspection using LiDAR (Light Detection and Ranging), RGB (Red, Green, Blue), infrared technologies;
- automatic surveillance using autonomous drones

- training and certifying personnel to develop strategic capabilities in the field of digitalization;
- Definition and implementation of projects with a high innovation and learning component (e.g. digital station projects, IT&C infrastructure modernization projects, asset management platform, equipment with environmental impact, etc.);
- continuing to participate in projects with non-reimbursable funding to prepare the conditions for the adoption of new models, concepts and methodologies in the Company's operational or enterprise area;
- further developing partnerships with consultants and solution and service providers to understand new technological and managerial trends that may influence the Company's future performance.

The pilot projects that will test the innovative concepts and technologies proposed in the strategic documents approved at the Company level are those launched under the acronym DigiTEL.

#### 2024 Annual Study and Research Plan

In order to ensure the operation of the NES in conditions of maximum safety and stability, in accordance with the quality standards imposed by the transmission license, the Company needs research, support studies and consultancy for the basis of decisions and for the implementation of new technologies at the level of those found internationally and/or specific to the Romanian energy system.

Transelectrica annually finances its own study and research programs. The studies approved within the Company and included in PASC 2024 were well grounded and necessary to fulfill the following objectives:

- fulfill the requirements associated with the regulatory framework (e.g. ANRE License no.161, Law 123/ 2012 - Electricity and Natural Gas Law, with subsequent amendments and additions, Technical Codes, associated regulatory framework TSO etc.);
- substantiation of the Company's decisions regarding:
  - post-calculation of losses in the transmission grid for the fourth quarter of 2023 and the first quarters of 2024;
  - energy balance for each quarter of 2024;
  - Determining the effect of some ETG investments on OTC for the first three quarters of 2024;
  - promoting efficient investment in ETGs;

- promoting effective practices for the operation and maintenance of ETGs;
- improving the rationale for long-term investment decisions technical support;
- initial estimation of reserve requirements in NES using probabilistic methods;
- integrating an increasing share of renewables;
- Efficient and safe NES and ETG dispatching;
- Detailed and global analysis of the expenditure headings associated with fulfilling the role of STO;
- Knowledge and adoption of methodologies, standards and elements of good practice for an effective strategic vision of the Company's development.

The need to promote the work under PASC 2024 was carefully considered in the light of the obligations arising from the role of a licensed TSO and the opportunities to improve the decisions related to the operationalization of the Company's vision in the field of system operation and asset management.

The works carried out through the Annual Studies and Research Program 2024 are reported annually to ANRE:

- Multi-annual study 2021 - 2023 post-calculation OTC, energy balance by territorial transmission units and overall ETG, energy losses forecast.
- Multi-annual study 2024 - 2026: OTC post-calculation, energy balance by territorial transmission branches and overall ETG, energy losses forecast.

- Study on medium and long term ETG development (2028-2033).

### 2025 Studies and Research Program

The Annual Program of Studies and Research 2025 aims to address the studies based on increasing the cross-border interconnection capacity respectively the integration of renewable resources in line with the provisions of the PNIESC for 2030 where the installed capacity of renewable energy sources must reach 5,255 MW.

The development plan for the electric transmission network (ETG), in line with the model developed by ENTSO-E at European level, aims to evacuate power from the areas of concentration of SRE to the areas of consumption, to develop the regions of Romania where the ETG is deficient (e.g. the North-East region), and to increase cross-border interconnection capacity.

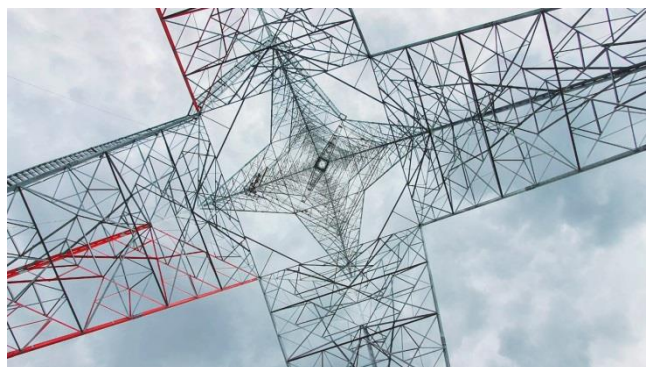
In order to comply with the Methodology on the allocation of capacities of the electricity grid for the connection of electricity production sites, related to ANRE Order no. 53/2024 for the approval of the Methodology for the allocation of electricity network capacity for the connection of electricity generation sites, as well as for the amendment and completion of some orders of the President of the National Energy Regulatory Authority in the field of connection of users to the electricity grid of public interest, NPG CO. Transelectrica SA is obliged to conduct a comprehensive study to determine the available capacities in the ETG and RED, taking into account the investment works in the Investment and reinforcement plans provided in the ATR and solution studies of the TSO, respectively OD valid at the date of preparation of the comprehensive study.

The overall study on the allocation of electricity network capacity for the connection of electricity generation sites ensures the preparation of the auction process for the allocation of available capacity for the connection of users to the ETG/RED and fulfillment of the legal requirements set out in the ANRE Methodology for the start of the tender process for the allocation of available capacity for the connection of users to the grid, starting January 1, 2026.

The NES adequacy study for the 2030 horizon, in the new European legislative context on the transition to renewable energy, aims to assess the adequacy of the NES in 2030, starting from the current situation of the existing energy production sources in the NES and taking into account the renewable energy targets to be achieved according to the European legislation, as

- Study on the verification of stability conditions and short-circuit stresses in ETG in the medium and long term (2024-2028-2033).

well as the new production capacities expected to be commissioned in this timeframe. The study will analyze and establish an optimal structure of primary sources of electricity generation for the year 2030, ensuring the necessary flexibility and reserves, with the ultimate goal of the European Green Deal being to achieve climate neutrality by 2050



In order to ensure the safe operation of the NES for the horizon 2030, the objectives of this study are the following:

- assessment of the current situation of installed capacity and available power in the NES (by source type).
- determination of the amount of active power estimated to be installed in the NES by type of primary source in 2030.
- Determination of the optimal active power demand in the NES by primary source type in 2030.
- determining the optimal active power demand in NES by primary resource type.
- determining capacity and strategic reserves.
- forecasting consumption, electricity production.
- Assessment of the potential for installing new flexibility capacities in the NES.
- the evolution of prosumers, cross-border NES capacities, as well as cross-border capacities in SE and Central Europe.
- assessing the resilience of the NES and the SE of Europe.
- the ability to restore NES in the event of total or partial collapse in the context of the new production mix.
- the calculation of undelivered energy (ENS) and loss of load expectation (LOLE).
- controllable consumers, storage facilities - the possibility of supplying the system's active power reserve requirements by types of reserves.

- presentation of the situation in the TSOs in SE and Central Europe in terms of the existing situation, evolution until 2030, generation mix,

flexibility, type of reserves used, standard but also strategic and the impact (if any) on the evolution and adequacy of NES, etc.

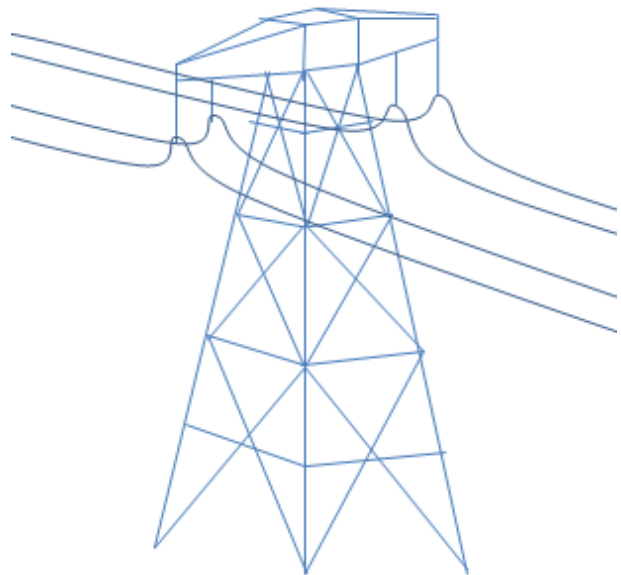
#### Activities related to research and innovation

Within the Company it is important to develop knowledge and promote new technologies and solutions in the energy field, which have evolved and progressed significantly in recent years, both in terms of concepts and solutions, as well as equipment. Thus, Transelectrica, has become a partner in various funded projects, through which it can make important contributions as an TSO in this geographical area of Europe and for the fulfillment of the aspects mentioned above. Within these partnerships, revenues are earned on other types of activities through the contribution of the Company's experts. The Company can carry out activities in the management of projects financed by non-reimbursable European funds, on different axes, coinciding with the Company's areas of activity.

The Company has permanent representatives on the RDIC - Research, Development and Innovation Committee (ENTSO-E). The role of the RDIC and its working groups is:

- Ensure that the interests of R&D TSO are properly addressed to relevant stakeholders;
- To facilitate research and development between TSOs
- To provide comprehensive support and a mutually constructive view on the research and development activities of ENTSO-E committees and other stakeholders

- To promote research and development concepts, methods and technologies that will shape and drive energy systems in the future
- Support standardization and interoperability activities.
- There are also 6 working groups within the RDIC with members from Transelectrica:
  - WG1 Assets and Technologies;
  - WG2 Security and System operation of tomorrow;
  - WG3 Flexibility and Markets;
  - WG4 Future of energy systems;
  - WG5 Digital & Communication;
  - Research, Development and Innovation Planning.





## 7. Prospects and challenges

Electricity has significant potential as the energy source of the future, but it is essential to address existing challenges to ensure an efficient and sustainable transition.

The development of renewable technologies, advances in renewable energy generation technologies such as solar panels and wind turbines are making electricity increasingly affordable and efficient. These sources help diversify the energy mix and reduce dependence on fossil fuels.

Storage technologies, such as advanced batteries, allow the electricity generated during peak periods to be stored and used at times of high demand. This improves the stability of the electricity grid and facilitates the integration of renewables.

Digitalization and energy efficiency, smart technologies such as smart grids enable more efficient management of energy consumption and optimization of distribution, reducing losses, growth and overall efficiency.

In the complex multi-sector, multi-sector gear that is being set in motion to achieve the energy transition, the electricity transmission network is a factor that conditions the outcome of the whole process.

In Romania, the approach for accelerating the transition to green energy is transposed in the National Integrated Energy and Climate Change Plan 2024-2033 and the National Recovery and Resilience Plan (PNRR).

Transelectrica is part of this ecosystem, being a company of strategic interest in Romania, indispensable for the proper functioning of the energy system and the sole operator of the electricity transmission network, part of the electricity markets coupled at European level.

According to the European regulations that have entered into force, the fundamental trend is that of operational coordination at European and regional level, through the establishment of numerous coordination bodies at ENTSO-E and regional level, which requires the involvement of all transmission and system operators, as well as the development of methodologies and sets of procedures, operational agreements or service agreements, and the development of common IT and communication tools.

The main goal assumed by the collective management of the Company is the achievement of the Investment Plan, the works from the Modernization Fund to achieve the strategic objectives of network development. The Company's capacity through the

timely implementation of priority investments in the transmission network is an essential condition for achieving the objectives of the national energy strategy.

In the coming years, the strategic direction and development of the Company should enhance the role of the transmission grid as a catalyst for the energy transition and avoid that the transmission grid becomes a limiting factor that slows down or delays the effective realization of the transition.

Although there are a number of exogenous elements that condition Transelectrica's ability to realize the planned infrastructure projects, the Company addresses these obstacles proactively and acts systematically to remove or remedy them.

The active promotion of solutions to structurally improve the legislative framework is a good example of this.

On 01.01.2024 the installed capacity at NES level was 18210 MW. In January 2022 the capacity available for cross-border trade in the Romanian interface had monthly averages of about 2500 MW for export and 3000 MW for import.

Thus, the resulting degree of interconnection is about 13.5% if reported for export capacity and 16% for import capacity.

In the year 2024, the degree of interconnection has increased on the back of an increase in capacity available for cross-border trade and a decrease in installed capacity in generating units at the NES level.

Regarding the achievement of the interconnection target of 15% by 2030, it is intended that this target will be achieved mainly through the implementation of the PCIs and the realization of the other ETG development projects included in the ETG Development Plan 2024-2033.

The company proposes for the next 10 years investment projects worth almost 2.7 billion lei for the integration of new renewable energy production units, both in Dobrogea and Moldova, as well as in other areas.

The largest share of the investments planned for the next decade are projects for the modernization and upgrading of the electricity network, approximately 2.9 billion lei.

Also, taking into account the interconnection target of 15% by 2030, i.e. reaching the target of 7,000 MW of cross-border exchange capacity, the investment projects planned over the next 10 years to increase the interconnection degree are worth over 2.4 billion lei.

Investments worth over 1.2 billion lei are planned to increase the security of electricity supply.



The Action Plan on increasing cross-border capacity involves the implementation of certain projects included in the Electricity Transmission Network Development Plan for the coming period, with the effect of eliminating expected structural congestion and increasing the capacity available for cross-border trade.

In order to develop the national energy infrastructure, the Company has obtained 56.2 million euro through the REPowerEU component of the PNRR, approved by the Council of the European Union, in order to finance three essential investment projects for the efficiency and modernization of the transmission grid, two of them for the subsidiaries SMART SA and Teletrans SA.

The investment aims to install photovoltaic power plants and storage facilities in 29 power stations, to upgrade the SMART SA subsidiary and to optimize the communications network managed by the Teletrans subsidiary and create a data center.

Also on 25 June 2024, the decision approving the project financed from the Modernization Fund under Commission Implementing Regulation (EU) 2020/1001 and Directive 2003/87/EC for grant financing from the Modernization Fund, the investment project of the Company - "DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea - Tulcea West OHL from single circuit to double circuit" was published on the Modernization Fund website.

The project aims to build a 400 kV double-circuit overhead power line between Isaccea and Tulcea West stations by replacing the existing 400 kV single-circuit overhead power line, installing two 400 kV overhead cells in the two stations and using innovative tubular poles.

The overall objective of the project is to increase the integration capacity of new renewable energy sources in the Dobrogea region, where the renewable energy potential is the highest in the country, but the technical constraints due to the limitations of the existing overhead power lines do not allow the integration of new sources in this area.

By modernizing and doubling the transport capacity between Isaccea and West Tulcea will also increase the transfer capacity to the neighboring areas.

The transition of the Isaccea - Tulcea West 400 kV Isaccea - Tulcea West 400 kV OHL from single circuit

to double circuit is a viable solution to avoid overloads and to increase the connection capacity to the National Electricity System of renewable energy power plants in Dobrogea region.

The project is included in the Electricity Transmission Grid Development Plan, 2024-2033, as a project that will contribute to the integration of renewable energy sources and new power plants and will strengthen the transmission capacity from Dobrogea to the rest of the system.

The high level of this grant financing will have a positive effect on the Company's long-term profitability. At the same time, the financing of investment objectives through non-reimbursable funds ensures the increase of the Company's liquidity indicators.

For the year 2025 a significant impact on the Company's financial results may have: the international macroeconomic and financial climate, the domestic mix of economic, energy and environmental policies and the geo-political tensions generated by the situation in Ukraine. As neighbors of Ukraine and the Republic of Moldova we have a key active role in establishing and implementing the procedures arising from the interconnected operation of SE Ukraine and SE Republic of Moldova to the European energy system.

The company attaches importance to the implementation of projects of common interest in efforts to strengthen energy security at the eastern end of the European interconnected network, in the context of synchronization of the systems of Ukraine and Moldova, such as:

- The importance of cyber security in securing smart energy grids,
- ways to accelerate the achievement of the Green Deal target of full decarbonization by 2050,
- the importance of energy networks in accelerating the development of RES (renewable energy sources).

Transelectrica also proactively supports education in Romania by continuing the process of awarding scholarships to students of technical faculties in the fields of energy, electrotechnics, automation and computers, thus ensuring the beginning of a motivating and \*opportune professional career within the Company.



8. Operational data

8.1. Network configuration

The transmission electricity network ("ETG") is the electricity network of national and strategic interest with a nominal line voltage greater than 110 kV and consists of all lines, including their supporting, control and protection elements, substations and other connected electro-energetic equipment.

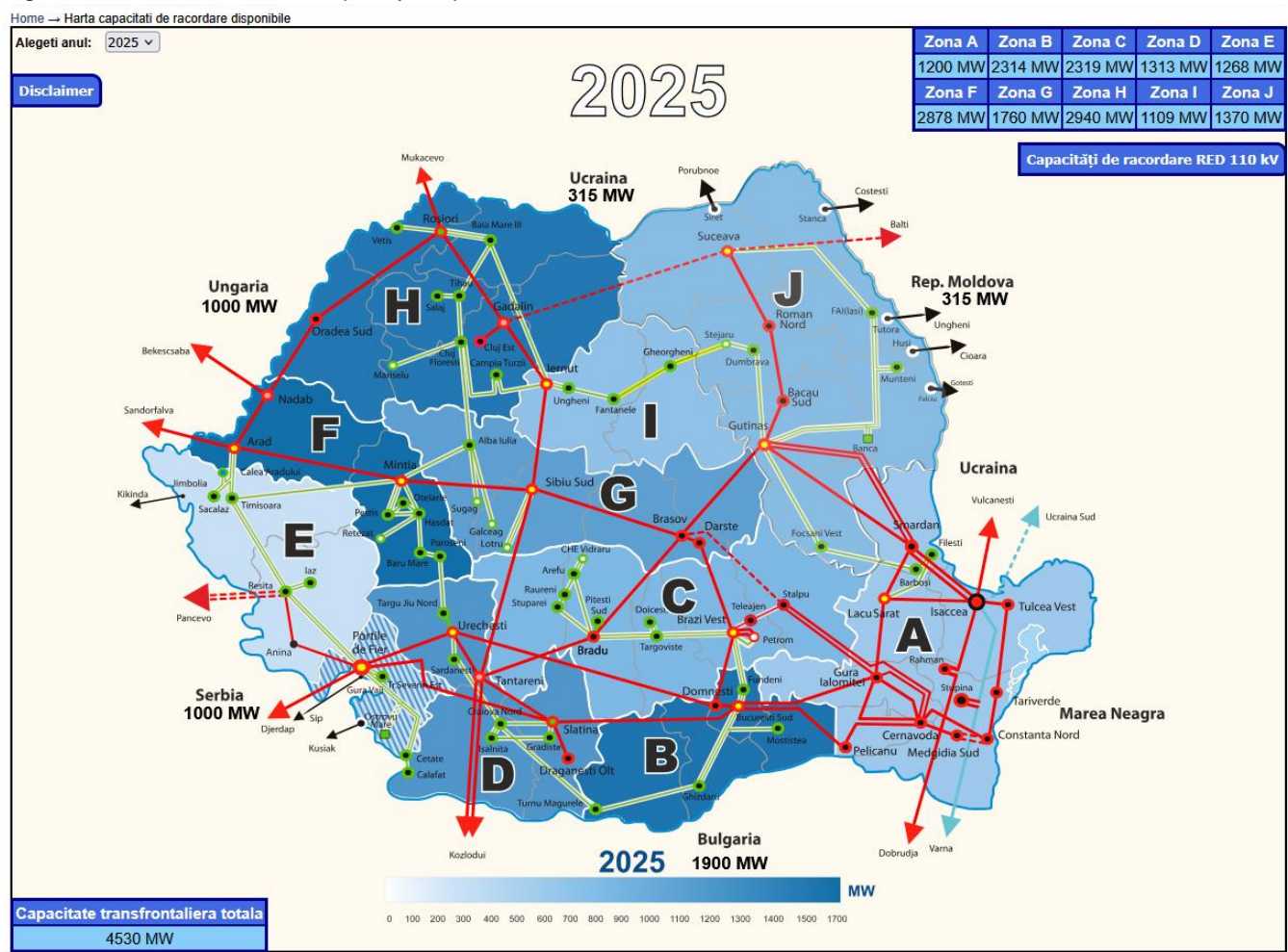
ETG interconnects generators, distribution networks, large consumers and neighboring power systems.

In the context of the general concern both at European and national level regarding the transition to a carbon-free economy, the National Electricity Transmission Company Transelectrica SA is focusing its actions on the development of energy infrastructure in order to increase the integration capacity of new production units.

In order to facilitate a predictable investment environment for electricity generation, the national transmission system operator shall make available to the interested public data on the capacity of the transmission network to connect new generation units in different regions of the country.

This information is accessible on the website [www.transelectrica.ro](http://www.transelectrica.ro) in the format of an interactive map, which covers the year 2025, as well as forecasts for 2030, related to the evolution of the development and consolidation projects of the energy transmission infrastructure. The data is presented for 10 regions of the country, including existing connection requests in various stages of processing, and will be continuously updated.

Figure15 : ETG connection capacity map





The transparency measures initiated by Transelectrica comes in response to the application of the provisions of the draft order of ANRE on the publication of data on the installation and grid connection capacity of electricity generating units.

A large part of the overhead power lines ("OHLs") and substations that make up the ETG were built in the 1960-1980s, at the technological level of those years.

The volume of the energy capacities, according to the license for the provision of the electricity transmission service and the system service, is shown in the table below:

Table11 : Volume of energy capacities

Voltage (kV)	Stations (no.)	Installed power (MVA)	OHL (km)
400	39	22.224	4.984,65
220	42	14.283	3.876,14
750	-	-	3,11
110	-	-	40,42*
<b>Total</b>	<b>81</b>	<b>36.507</b>	<b>8.904,32</b>

\*(OHL interconnection with neighboring countries)

*Note: In the case of electrical substations the upper voltage has been taken into account.*

The company aims to maintain, under economically efficient conditions, the quality of the transmission and system service and the operational reliability of the national power system, in compliance with the regulations in force and with the standards jointly assumed at European level.

The integration into the NES of renewable generation, especially wind and photovoltaic power plants, both in the form of distributed and dispersed generation at the level of the DER, and through the emergence of very large power plants (in the order of hundreds of MW) connected directly to the ETG- leads to the need for complex actions to integrate these plants into the EMS/SCADA-DEN system, both as distributed dispatchable sources and as large concentrated sources, which will require the appropriate sizing of hardware equipment to ensure the acquisition and processing of a very large volume of data.

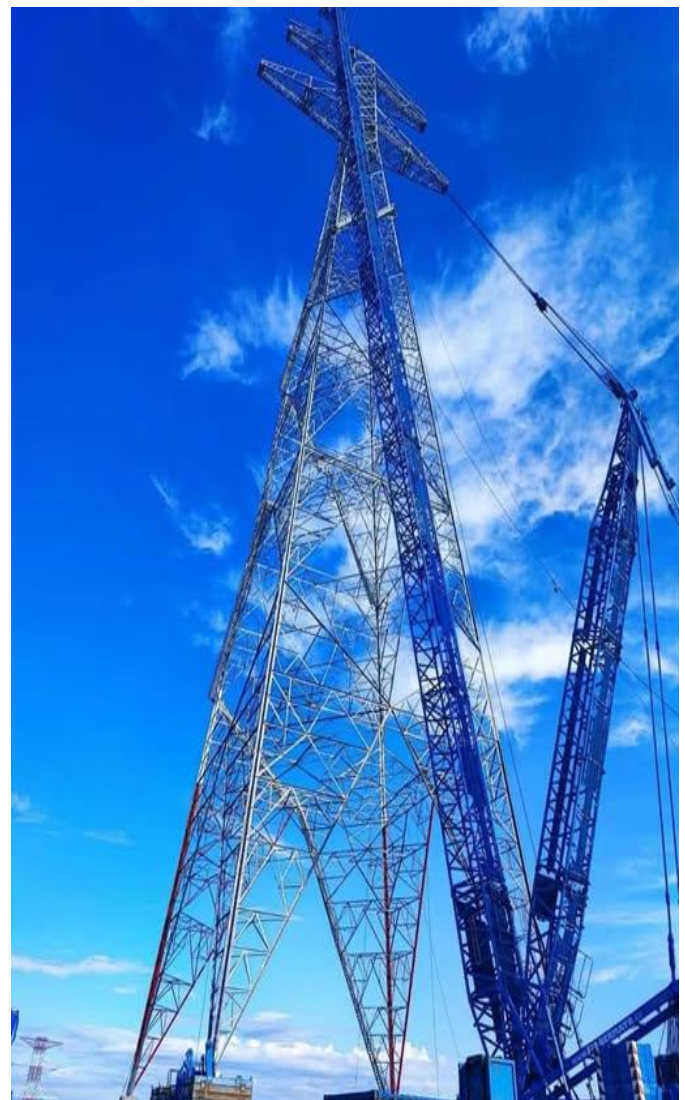
The specific nature of this type of generation, given the high degree of variability with its inherent implications on the power reserves at NES level and the way of operating in the balancing market, requires the integration of these sources at an appropriate level in the EMS/ASCADA system and the provision of specific energy monitoring and management (through dedicated EMS functions and applications, such as forecasting or centralized control). Integrated communication solutions between the DEC platform

and the command and control and energy management systems of CEE and CFE are already adopted.

Thus, the EMS/SCADA-DEN system has been functionally rehabilitated and modernized to meet contemporary functional and information security requirements.

In addition, in order to maintain the adequacy of the network so that it is appropriately sized for the transmission of electricity forecast to be produced, imported, exported and transited under the changes, two categories of investments have been included in the 10-year ETG Development Plan and will be carried out:

- retrofitting existing stations;
- Expansion of ETG by building new lines, increasing the transportation capacity of existing lines, extending existing stations and increasing the transformation capacity in stations.



## 8.2. Selected operational data

The company's task is to maintain at all times the operation of the national power system in safe conditions and in compliance with the quality standards stipulated in the ETG Technical Code.

The Company also uses balancing market mechanisms to balance production with consumption in real time.

The operational management of NES is ensured by:

- National Energy Dispatching
- 5 Territorial Dispatch Centers: Bucharest, Bacău, Cluj, Craiova, Craiova, Timișoara

### SEN energy balance

Analyzing the evolution of the components of the energy balance, in 2024, there was an increase in net domestic consumption by 4% compared to the same period of the previous year, and compared to 2022, there was a decrease by 1%.

One element that led to lower national electricity consumption in 2023 was the entry into force of Regulation (EU) 2022/1854 of October 6, 2022 on emergency intervention to tackle high energy prices.

Article 3, para. 1, that Member States shall endeavor to implement measures to reduce their total gross monthly electricity consumption by 10% compared to the average gross electricity consumption in the corresponding months of the reference period.<sup>1</sup>

Net energy production, compared to 2023, decreased by 7% (compared to 2022, decreased by 4%).

Cross-border physical export trade in 2024 shows a decrease of 19% compared to 2023, (16% increase compared to 2022) while cross-border import flows show increases of 88% compared to 2023 and 38% compared to 2022.

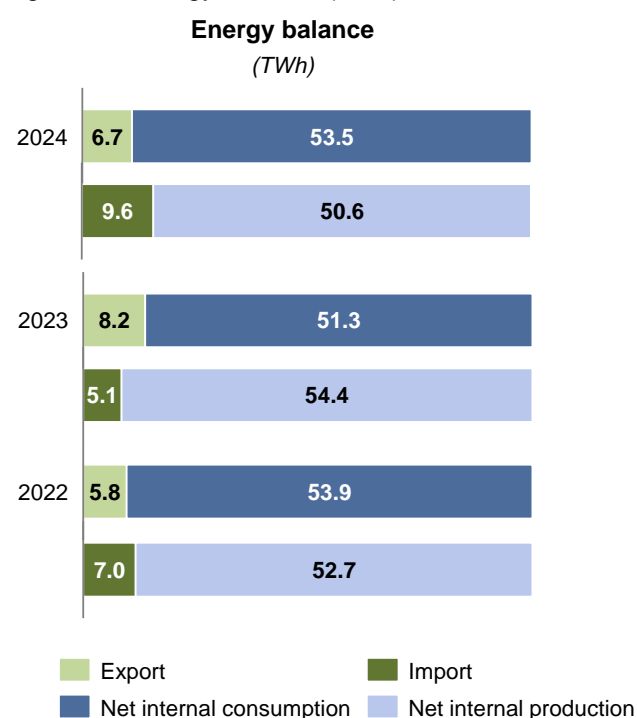
Table12 : Energy balance

TWh	2024	2023	2022
Net domestic output	50,6	54,4	52,7
Import	9,6	5,1	7,0
Export	6,7	8,2	5,8
Net inland consumption*	53,5	51,3	53,9

\*Note: the values do not include consumption related to own services in power generation plants; the net consumption value includes losses in transmission and distribution networks, consumption of pumped storage hydro stations and storage consumption

<sup>1</sup> Article 4, paragraph 1: Each Member State shall identify the peak hours corresponding in total to at least 10% of the total number hours in the period from December 1, 2022 to March 31, 2023.

Figure16 : Energy Balance (TWh)



As for electricity consumption at the NES level, it registered monthly increases, ranging from 0.51% in February to 8.75% in July, except in April and May, when there were decreases (-1.70% in April and -0.41%).

The year-on-year increase in consumption took place against the backdrop of a 0.6° C higher annual average temperature in 2024 than in 2023, but with lower values than in the previous year in the fall-winter months (January and September-December) and higher values in the summer months (June-August), which led to an increase in the use of electrically powered air conditioning.

The increase in consumption is actually higher if we take into account the increase in power installed by prosumers, whose own-source consumption is not known, but also consumers who own PV panels but are not registered as prosumers.

The increase in consumption recorded in the first quarter was largely influenced by the average monthly temperature in January which, although above climatological norms, was almost 3.5° C lower than the previous year.

The increase in consumption in the second quarter was largely influenced by the average monthly temperature in June, which was almost 3.5° C above the previous year's value and 3.1° C above the climatological norm.

The third quarter of 2024 was characterized on average by continued growth in measured



consumption, with a low of 2.21% in September and a high of 8.75% in July.

The increase was also largely influenced by monthly average temperatures higher than in 2023 by 1.7° C in July and by 0.9° C in August, which offset the decrease resulting from the drop in temperatures in September and the increase in prosumers' installed capacity, which at September 30, 2024 was approx. 2,142 MW, more than 900 MW higher than at the end of the third quarter of 2023.

Assuming for the output of these prosumers a percentage of installed capacity similar to that recorded in metered PV power plants and taking into account the amount of output injected by prosumers into the grid, it is estimated that in the third quarter of 2024 the consumption directly fed by this output represented at least 2% of the NES consumption.

The evolution of consumption in the fourth quarter was influenced by both lower average monthly temperatures than in 2023, with a negative deviation of 2.4° C in October and November and 0.7° C in December. In addition, the decrease in the number of sunshine hours in the months of October, but especially November, led to a decrease in prosumer-generated output. We note that as of December 01, 2024, the installed capacity at prosumers was 2,336 MW, approx. 950 MW above the value on December 01, 2023. Thus, in the fourth quarter there were monthly increases in consumption values, with a minimum of 2.18% in December and a maximum of 5.91% in October.

### Electricity generation mix

In the production mix structure, in the period January - December 2024 compared to the same period of 2023, there was a decrease in all components respectively, from Thermal sources 1%, Nuclear 3%, Hydro 22%, Renewables 6%.

Compared to 2022 the decreases were 16% for the thermal component, 2% for the nuclear component and 3% for the renewable component. The Hydro component increased by 1%.

Table13 : Net electricity generation mix

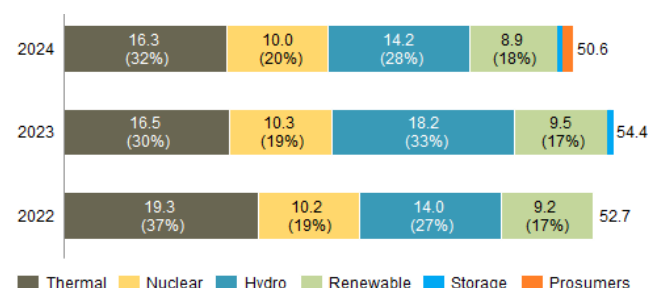
TWh	2024	2023	2022
Thermal	16,3	16,5	19,3
Nuclear	10,0	10,3	10,2
Hydro	14,2	18,2	14,0
Renewable	8,9	9,5	9,2
Storage batteries*	0,03	0,0	0,0
Consumers	1,2	0,0	0,0
<b>Total</b>	<b>50,6</b>	<b>54,4</b>	<b>52,7</b>

\*The value in GWh in 2024 was 27.5 and in 2023 was 2.3

Since the third quarter of 2023, battery generation has been included in the generation mix, which at the end of 2024 amounted to 27.5 GWh.

Analyzing the weights of the components of the net production mix for the period January - December 2024, it can be observed that the largest share, 32%, is represented by the Thermal component followed by the Hydro component 28%, and the energy produced from renewable and nuclear sources have a share of 18% and 20% respectively.

Figure17 : Generation mix 2024 - 2022 (TWh)



### National production park

In the year 2024, the installed capacity in thermal power plants increased by about 1%, from 5,447 MW installed as of December 31, 2023, to 5,476 MW installed as of December 31, 2024.

As of January 01, 2025, the gross installed capacity in the NES totaled 18,610 MW, with the following structure by primary energy sources: coal - 2,762 MW (2,162 MW net), hydrocarbons - 2,714 MW (2,187 MW net), nuclear - 1,413 MW (1,300 MW net), hydro - 6,633 MW (6,307 MW net), wind - 3,095 MW (3,035 MW net), photovoltaic - 1,853 MW (1,763 MW net), biomass - 138 MW (127 MW net).

With regard to the capacities installed during 2024 in conventional power plants, we specify the following:

- The 330 MW of coal-fired power belong to the TA5 CTE Rovinari group, which was upgraded between 2015 and 2024;
- the 53 MW in hydropower plants belong to the TH5 CHE Stejaru CHE Stejaru group, which has been upgraded.

Basically, the largest increase in installed capacity in power plants during 2024 is in photovoltaic power plants, where 581 MW was installed.

We note that on December 01, 2024, the installed capacity of prosumers was 2,336 MW, with approx. 950 MW higher than on December 01, 2023.

The installed capacity for the period January - December 2024-2022 is shown in the table below:

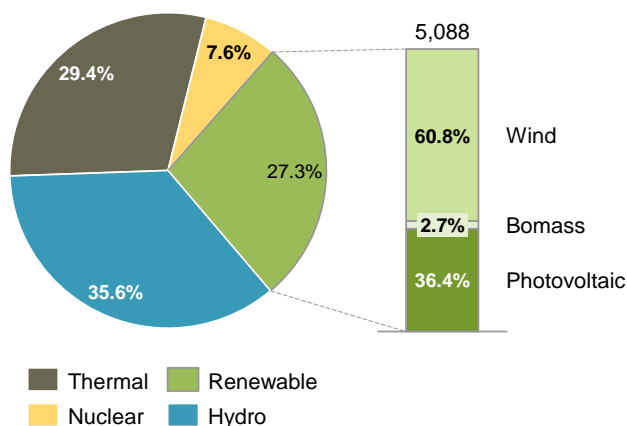
Table14 : Installed power (gross values)

MW	2024	2023	2022
Thermal	5.476	5.447	6.052
Nuclear	1.413	1.413	1.413
Hydro	6.633	6.643	6.642
Renewable	5.088	4.708	4.545
<b>Total</b>	<b>18.610</b>	<b>18.210</b>	<b>18.652</b>

The data presented reflect production capacities that have a commercial operating license. Production units on trial are not included.

The structure of the production fleet in 2024 is shown below:

Figure18 : Installed capacity 2024 (18,610 MWh gross)

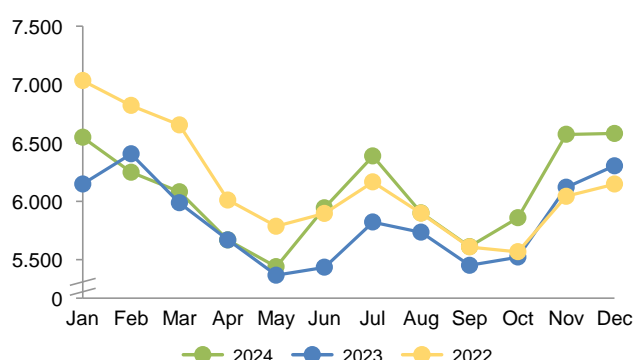


During 2024 power plants totaling 1,143 MW were commissioned, with the following structure: 25 MW hydro, 30 MW wind, 581 MW photovoltaic, 53 MW hydro, 330 MW coal, 121 MW in storage batteries and 3 MW biogas.

### Average and maximum consumption

Average net electricity consumption in 2024 was higher in the period shown below.

Figure19 : Average monthly net consumption (MWh/h)



The maximum net hourly consumption corresponding to 2024, peaked in January, continuing the trend of recent years when peak values were recorded in the winter months.

Figure20 : Net hourly maximum consumption (MWh/h)

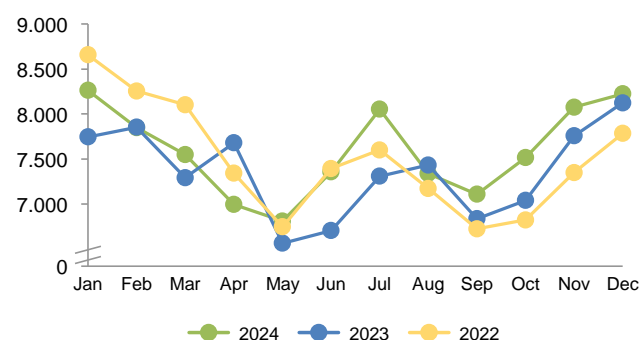


Table15 : Maximum consumption

An	Month	Value (MWh/h)
2024	Jan	8.
2023	Dec	8.123
2022	Jan	8.658

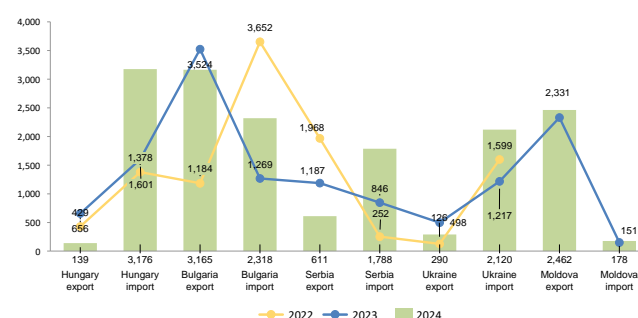
### Cross-border flows

Over the three years, physical cross-border flows showed fluctuating developments across all borders.

The distribution of physical import/export flows on the interconnection lines in 2024 compared to 2023 is as follows:

- exports fell on the borders of Bulgaria, Serbia Hungary and Ukraine, and
- imports increased on all borders.

Figure21 : Physical cross-border flows (GWh)



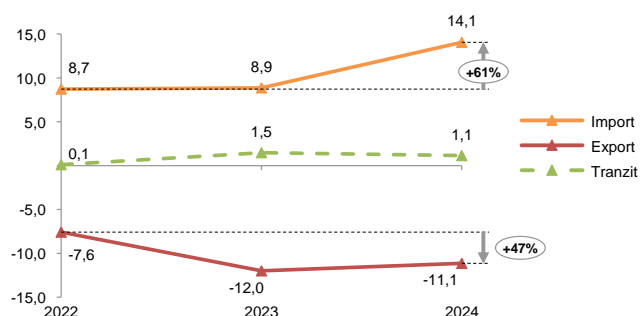
Specifically, compared to January-December 2023, physical export flows decreased on the border with Bulgaria (-10% -359GWh) Serbia (-49% -576GWh), Hungary (-79% -517GWh) and Ukraine (-42% -208GWh) and increased on the border with Moldova (+6% +131GWh).

In 2024 the NES balance was maintained on import 2,914 GWh, 2.4 times higher than the balance in 2022 which was 1,193 GWh. In 2023 the NES balance was maintained on export -3,112 GWh.

### Total allocated capacity utilization

In terms of trade flows, in 2024 compared to 2023, there was an increase of about 59% in import trade and a decrease of 22% in energy transited.

Figure22 : Cross-border trade flows (GWh)



Compared to the first semester of 2023, there was an increase of about 64% in import trade and a decrease of 13% in energy transited, on the back of lower hydroelectricity compared to last year at this time of the year, with domestic electricity consumption which, except for April and May, increased compared to the same period in 2023.

Compared to the third quarter of 2023, there was an increase of around 52% in import trade and a 28% decrease in energy transited, against the backdrop of lower hydroelectricity compared to last year at this time of year and domestic electricity consumption which, with the exception of July, did not vary much compared to the same period in 2023.

Compared to the fourth quarter of 2023, there was an overall decrease in capacity utilization of allocated export capacity, i.e. a decrease of about 12% in export trade and 35% in energy transited, on the back of

lower hydroelectricity compared to last year, especially in November and December and higher domestic electricity consumption compared to the same period in 2023.

Trade includes the amount of electricity imported and exported as a result of Transelectrica S.A.'s participation as an operational member in the European Imbalance Netting (IGCC) platform, starting December 17, 2021.

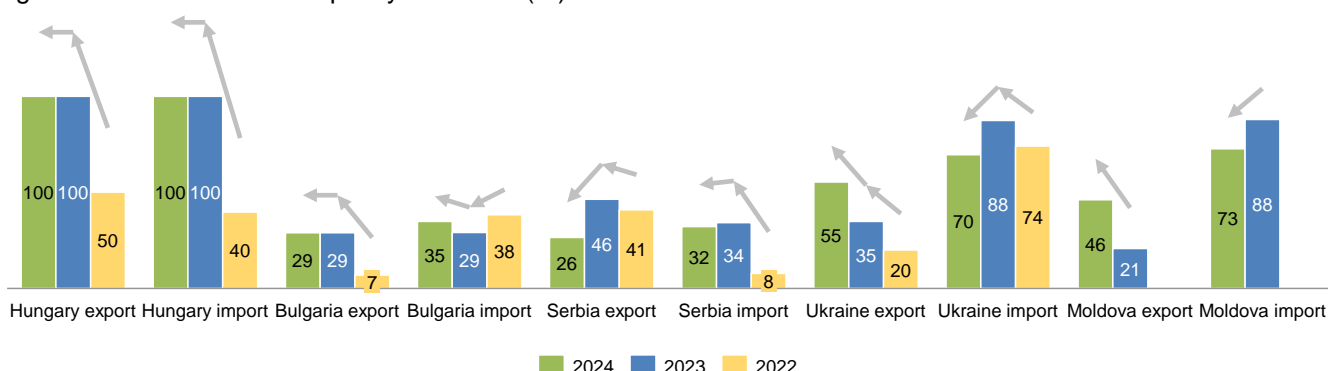
Table16 : Cross-border interconnections (total allocated capacity utilization %)

Border	Direction	2024 [%]	2023 [%]	2022 [%]
Hungary	export	100,00	100,00	50,11
	import	100,00	100,00	39,68
Bulgaria	export	28,98	29,00	6,91
	import	34,79	29,09	38,34
Serbia	export	26,48	46,37	40,87
	import	32,14	34,22	7,77
Ukraine	export	55,43	34,87	20,00
	import	69,67	87,51	74,12

*Note: the values presented in the table are annual averages calculated as simple arithmetic averages of the average monthly values*

On the border with Hungary, the utilization rate is 100%, both import and import, as short-term auctions are implicit (capacity and energy are allocated simultaneously), and as of January 2023, the long-term auctions have completely switched from the Physical Capacity Rights allocation mechanism to the Financial Capacity Rights allocation mechanism (capacity allocated in the annual and monthly auctions is no longer a physical right that can be used by the participant, but only a financial right of the participant).

Figure23 : Total allocated capacity utilization (%)



On July 01, 2024, at 00:00, the RFP-TEL frequency - exchange power regulating block belonging to Transelectrica S.A., was updated in terms of the activation of RRFA type reserves, their activation being carried out in the order of merit of the prices offered by the participants, with the optimization cycle at 4 seconds.

With this update, Transelectrica, the Romanian Transmission and System Operator, complies with the legal obligations established by the European Commission Regulation (EU) 2017/2195 of August 2, 2017 establishing a guideline for the operation of the electricity transmission system (Article 21), being technically ready to join the European balancing

platform for the automatically activated frequency restoration reserve, PICASSO.

*The degree of utilization of total capacity rights on a border and direction, is the ratio expressed as a percentage of the energy corresponding to the realized (notified) trade in a given month to the energy corresponding to the total capacity rights.*

### Own technological consumption registered in the electricity transmission grid

Own technological consumption (Grid losses) is a general performance indicator on the use of ETG reported and monitored according to the performance standard of the transmission service (ANRE Order no. 12/2016 with subsequent amendments and additions).

The grid losses in the ETG is determined as the difference between the electricity fed into the ETG and the electricity extracted from the ETG, divided by the electricity fed into the ETG, expressed as a percentage.

The evolution of own technological consumption ("grid losses") in the ETG is influenced by several factors, independent of Transelectrica's activity, such as: weather conditions, production structure vs. localization of consumption, physical import/export flows on the borders of the NES. The lowest values (referred to the energy entered into the grid contour) are recorded in dry years, the low hydraulicity determines the commissioning of power plants that have gas as their primary source, thus obtaining a favorable structure of production, and Corona losses are reduced.

Network losses are mostly influenced by the distance between production and consumption centers, i.e. the way load coverage is distributed over the clusters in the system and the volume and destination of international exchanges.

Table17 : Grid losses evolution

Indicator		2024	2023	2022
Energy fed into the grid	GWh	43.381	42.146	43.495
Off-grid energy	GWh	42.	41.147	42.536
Grid losses	GWh	949	999	959
Grid losses	%	2,19%	2,37%	2,20%

For the full year 2024, it decreased by 5% compared to 2023, mainly as a result of more advantageous physical flows on interconnection lines, which led to reduced transmission away from sources, and much more favorable weather conditions characterized by higher precipitation amounts that led to lower corona losses.

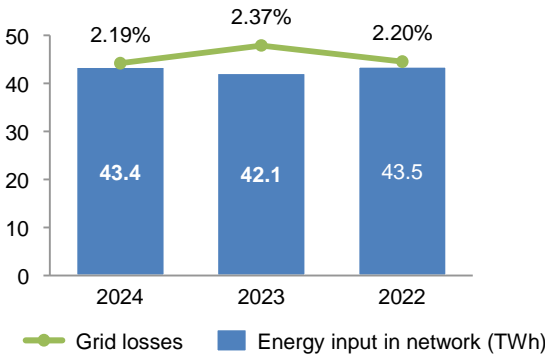
Relative to the energy entering the contour the losses decreased from 2.37% to 2.19% as the energy

entering the ETG contour was 2.9% higher than in 2023.

Due to its characteristics, the Own technological consumption (Grid losses) in the Electricity Transmission Grid (TTR) is strongly dependent on weather conditions, on the structure of electricity production and consumption at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring power systems, its value being very little to not controllable in an interconnected and coupled regional energy market.

Factors that significantly influenced the GRID LOSSES in the period January - December 2024, such as precipitation and the distribution of cross-border physical flows, are not under Transelectrica's control.

Figure24 : Evolution of Grid losses compared to energy entering the ETG



### Factors driving the evolution of Grid losses

**In January 2024** the Grid losses decreased compared to January 2023 by 10.1% as a result of the favorable distribution of generation and more favorable physical import/export flows on the interconnection lines on the borders with Ukraine, Hungary and Bulgaria that led to reduced transmission of distant energy to sources, as well as weather conditions characterized by lower precipitation amounts, which led to lower corona losses. The percentage of losses relative to energy entering the ETG decreased from 2.62% in 2023 to 2.25% in 2024.

Energy entered into the account increased by 4.6% in January 2024 (180.7 GWh) compared to the same period in 2023, as a result of a 3.35% (107.7 GWh) increase in energy received from producers connected to the ETG and a 76.6% (226 GWh) increase in energy received from imports, as energy received from DERs decreased by 39.5% (153 GWh).

**In February 2024** Grid losses decreased compared to February 2023 by 6.5% as a result of more favorable physical import/export flows on the interconnection



lines on the borders with Ukraine, Hungary and Bulgaria that led to reduced transmission of energy away from sources, and favorable weather conditions characterized by lower precipitation amounts, which led to lower corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.42% in 2023 to 2.17% in 2024.

Energy entered into the meter increased by 4.4% (154.5 GWh) in February 2024 compared to the same period in 2023, as a result of a 2.36% (67.4 GWh) increase in energy received from ETG connected generators and a 39.8% (126.2 GWh) increase in energy received from imports, as energy received from DERs decreased by 12.2% (39.1 GWh).

**In March 2024** the Grid losses decreased compared to March 2023 by 3.4%, mainly as a result of increased energy entering the ETG contour, but also unfavorable weather conditions characterized by higher precipitation amounts, which increased the corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.57% in 2023 to 2.24% in 2024.

Energy entered into the meter increased by 11.2% (367.5 GWh) in March 2024 compared to the same period in 2023, as a result of a 9% (235.4 GWh) increase in energy received from ETG-connected generators and a 43.6% (161.2 GWh) increase in energy received from imports, as energy received from DERs decreased by 10.1% (29.5 GWh).

**In April 2024** Grid losses decreased compared to April 2023 by 9.9% as a result of favorable generation distribution and more favorable physical import/export flows on the interconnection lines on the borders with Ukraine, Hungary and Moldova that led to reduced transmission of distant energy to sources, as well as weather conditions characterized by lower precipitation amounts, which led to lower corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.63% in 2023 to 2.44% in 2024. The energy entered into the meter decreased by 2.7% in April 2024 (88.2 GWh) compared to the same period in 2023, as a result of a 17.2% (450.9 GWh) decrease in energy received from generators connected to the ETG and a 36.6% (171.3 GWh) decrease in energy received from the DER, as energy received from imports increased by 379.8% (534 GWh).

**In May 2024** Grid losses decreased compared to May 2023 by 0.2% as a result of more favorable physical import/export flows on the interconnection lines on the

borders with Ukraine, Hungary and Moldova that led to reduced transmission of distant power to sources, and slightly more favorable weather conditions in areas with high density of transmission lines characterized by lower precipitation amounts, which led to lower corona losses.

The percentage of losses relative to energy entering the ETG increased from 2.29% in 2023 to 2.36% in 2024. The energy entered into the meter decreased by 3.1% (94.4 GWh) in May 2024 compared to the same period in 2023, as a result of a 20.5% (504.4 GWh) decrease in energy received from generators connected to the ETG and a 25.1% (85.8 GWh) decrease in energy received from the DER, as energy received from imports increased by 176.8% (495.7 GWh).

**In June 2024** Grid losses decreased compared to June 2023 by 16.1%, mainly as a result of the favorable distribution of generation and more favorable physical import/export flows on the interconnection lines on the borders with Ukraine, Hungary and Bulgaria that led to reduced transmission of energy away from sources, and favorable weather conditions characterized by lower precipitation amounts, which led to reduced corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.69% in 2023 to 2.21% in 2024. The energy entered into the meter increased by 3% (64.4 GWh) in June 2024 compared to the same period in 2023, as a result of a 95.2% (377.6 GWh) increase in energy received from imports, while energy received from generators connected to the ETG decreased by 4.4% (108 GWh) and energy received from the DER decreased by 48.5% (205.2 GWh).

**In July 2024** Grid losses increased compared to July 2023 by 9% as a result of increased energy entering the ETG and disadvantageous physical import/export flows on the interconnection lines on the borders with Bulgaria and Serbia, which led to increased transmission of energy away from sources. The percentage of losses relative to energy entering the ETG increased from 1.91% in 2023 to 1.92% in 2024.

The energy entered into the meter increased by 8.4% in July 2024 (297.1 GWh) compared to the same period in 2023, as a result of a 90.79% (467 GWh) increase in energy received from imports, while energy received from ETG connected generators decreased by 2.04% (56.0 GWh) and energy received from DERs decreased by 44.23% (113.9 GWh).

Weather conditions were characterized by lower precipitation amounts, which resulted in lower corona losses.



**In August 2024** the Grid losses decreased compared to August 2023 by 21.5% as a result of lower energy entering the ETG and more favorable physical import/export flows on the interconnection lines on the borders with Ukraine and Hungary, which led to reduced transmission of energy away from the sources, and more favorable weather conditions characterized by lower precipitation amounts, which led to lower corona losses. The percentage of losses relative to energy entering the ETG decreased from 2.15% in 2023 to 1.71% in 2024.

Energy entering the meter decreased by 0.9% (32.3 GWh) in August 2024 compared to the same period in 2023, as a result of an 11.1% (315 GWh) decrease in energy received from ETG-connected generators and a 31.1% (54.6 GWh) decrease in energy received from DERs, as energy received from imports increased by 58.1% (337.2 GWh).

**In September 2024** Grid losses decreased compared to September 2023 by 9.6%, mainly as a result of more favorable physical import/export flows on the interconnection lines on the borders with Bulgaria, Ukraine, Hungary and Moldova, which led to reduced transmission of distant energy to sources. The percentage of losses relative to energy entering the ETG decreased from 2.31% in 2023 to 2.05% in 2024.

Energy entered into the meter increased by 1.9% (63.6 GWh) in September 2024 compared to the same period in 2023, as a result of a 42.8% (221.7 GWh) increase in energy received from imports, as energy received from DERs decreased by 5.6% (10.5 GWh) and energy received from ETG-connected generators decreased by 5.4% (146.4 GWh).

Weather conditions were unfavorable, characterized by higher precipitation amounts, which resulted in increased corona losses.

**In October 2024** the Grid losses increased compared to October 2023 by 25.4%, as a result of increased energy entering the ETG contour, disadvantageous physical import/export flows on the interconnection lines on the borders with Ukraine, Serbia and Bulgaria that led to increased transmission of energy away from the sources, and weather conditions characterized by higher precipitation amounts, which led to increased corona losses.

The percentage of losses relative to energy entering the ETG increased from 2.03% in 2023 to 2.50% in 2024. The energy entered into the account increased by 2% in October 2024 (72.2 GWh) compared to the same period in 2023, as a result of an 11.4% (23.4 GWh) increase in energy received from DER and a 32.1% (269.6 GWh) increase in energy received from

imports, as energy received from generators connected to the ETG decreased by 8.4% (220.8 GWh).

**In November 2024** Grid losses decreased compared to November 2023 by 10.4% as a result of energy entering the ETG contour, more favorable physical import/export flows on the interconnection lines on the borders with Ukraine and Hungary that led to reduced transmission of energy away from sources, and much more favorable weather conditions characterized by lower precipitation amounts, which led to lower corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.50% in 2023 to 2.21% in 2024.

The energy entering the meter increased by 1.3% (48.5 GWh) in November 2024 compared to the same period in 2023, as a result of a 44.8% (497 GWh) increase in energy received from imports, while energy received from DERs decreased by 36.2% (62.9 GWh) and energy received from ETG connected generators decreased by 14.9% (385.5 GWh).

**In December 2024** Grid losses increased compared to December 2023 by 1.2%, mainly as a result of increased energy entering the ETG contour and more unfavorable weather conditions characterized by higher precipitation amounts, which increased the corona losses.

The percentage of losses relative to energy entering the ETG decreased from 2.32% in 2023 to 2.23% in 2024.

Energy entered into the meter increased by 5.1% (201.7 GWh) in December 2024 compared to the same period in 2023, as a result of a 61.7% (783.9 GWh) increase in energy received from imports, while energy received from DERs decreased by 5.1% (11.8 GWh) and energy received from ETG-connected generators decreased by 21.4% (570.4 GWh).

**In conclusion, overall in Q1 2024 GRID LOSSES** in ETG decreased by 7% compared to the same period in 2023, mainly as a result of more favorable physical flows on the interconnection lines on the borders with Ukraine, Hungary and Bulgaria and favorable weather conditions in the first two months, characterized by lower amounts of precipitation, which led to a reduction in the corona losses. Relative to the energy entering the ETG contour the losses decreased from 2.54% to 2.22%.

**Overall in the second quarter of 2024** Grid losses in the ETG decreased by 9% compared to the same period in 2023, mainly as a result of more favorable

physical flows on the interconnection lines on the borders with Ukraine and Hungary, which led to reduced transmission of energy away from the sources, and more favorable weather conditions characterized by lower amounts of precipitation, which led to reduced corona losses. Relative to the energy entering the contour the losses decreased from 2.54% to 2.34%.

**Overall in the third quarter of 2024** Grid losses in the ETG decreased by 8% compared to the same period in 2023, mainly as a result of more favorable physical flows on the interconnection lines on the borders with Ukraine, Hungary and Moldova, and more favorable weather conditions in the first two months under review, characterized by lower amounts of precipitation, which led to a reduction in the corona losses. Relative to the energy entering the contour, losses decreased from 2.12% to 1.89%.

**Overall in the fourth quarter** the Grid losses in the ETG increased by 4% compared to the same period in 2023, mainly as a result of increased energy entering the ETG, unfavorable physical flows on the

interconnection lines in the first two months and unfavorable weather conditions in October and December, characterized by higher amounts of precipitation, which increased the corona losses. Relative to the energy entered into the meter the losses increased from 2.29% to 2.31%.

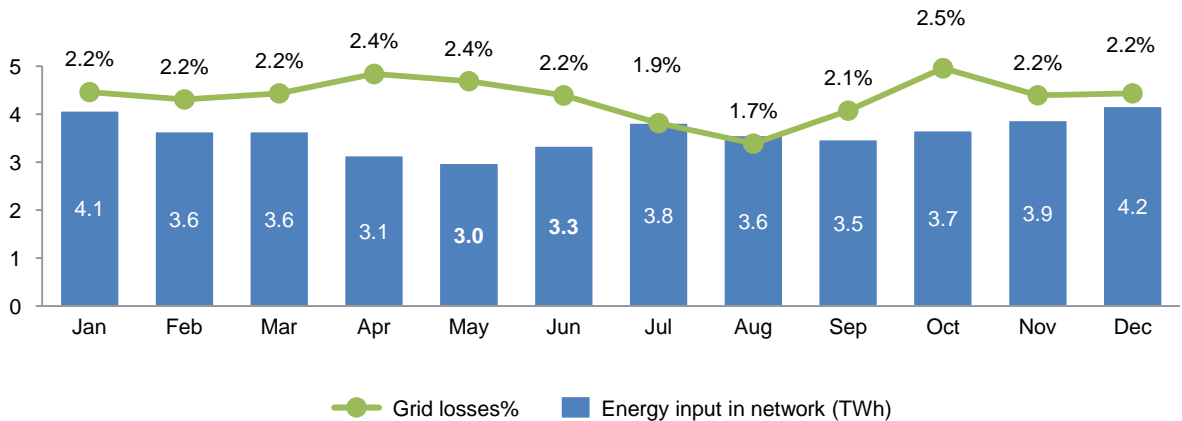
**At the full year 2024 level** the Grid losses in the ETG decreased by 5% compared to 2023, mainly as a result of more favorable physical flows on the interconnection lines, which led to reduced transmission of energy away from the sources, and much more favorable weather conditions characterized by higher amounts of precipitation that led to lower corona losses. Relative to the energy entering the contour the losses decreased from 2.37% to 2.19% as the energy entering the ETG contour was 2.9% higher than in 2023.

Grid losses %

Low 2024 - August 1.7%

2024 peak - October 2.5%

Figure25 : Monthly evolution of OTC in 2024



## 9. ETG Development

The Company's strategy regarding the development of the ETG envisages acceleration of investment projects in order to modernize and strengthen the electricity transmission network, increase interconnection capacity with countries within ENTSO-E and outside the EU.

The acceleration of investments is the zero priority for the members of the Supervisory Board (SB) and the Directorate, being motivated by the financial circuit for determining the financial performance, corresponding to the tariff methodology approved by ANRE applicable to the Company, which determines the sources of financing for operational and investment activities.

### ETG Development Plan - period 2024 - 2033

In accordance with the competences and tasks established by the Law on Electricity and Natural Gas No. 123/2012 with subsequent amendments and additions and the Specific Conditions associated with License No. 161 for the provision of electricity transmission service, for the provision of system service and for the management of the balancing market, the Company plans the development of the transmission grid, taking into account the current status and the forecast evolution of consumption, production and electricity exchanges and develops every two years a Development Plan for the next ten years.

The latest edition of the Ten Year Development Plan covers the period 2024 - 2033. It was approved by ANRE by Decision no.2715/2024. The GMS of NPG CO. Transelectrica SA approved the ETG Development Plan for the period 2024 - 2033 main coordinates by Decision no.4/2024.

The ETG Development Plan is a particularly important document for the Company's activity, which identifies and proposes projects for the development and modernization of the transmission grid for the next ten years.

The "ETG Development Plan - period 2024 - 2033" ("ETG Plan"), approved by ANRE, was based on the analysis of the NES's operating regimes in the future, based on scenarios of the evolution of consumption, production and exchanges with neighboring systems, in the medium and long term.

The main objectives of the ETG Development Plan projects are:

- Increase interconnectivity with other systems;

- Integration of production from plants in the East and South-East;
- Integration of generation from power plants in other areas;
- Safety of supplying consumption in deficit areas to the standard quality and safety parameters;
- Upgrade and modernization of existing stations;
- Modernization of measurement, command and control systems, etc.

The generation park in the South-East has developed rapidly. Numerous wind and photovoltaic power plants have sprung up, as well as numerous power plant projects which are necessary to achieve Romania's renewable energy targets. Two new nuclear units are also planned at the Cenavodă nuclear power plant.

Therefore, it is necessary to strengthen the section of the internal network that ensures the transmission of power to consumption centers in the rest of the country.

The development of renewable generation capacity leads to increased energy exchanges between systems and increased variability of power flows over large areas.

Experience in recent years and the forecast for the coming period indicate a high degree of demand on the Romanian network at the borders with Serbia and Hungary, both for exchanges between the NES and these systems and for transit through the NES network.

In order to provide the necessary infrastructure for electricity exchanges in the region, it is necessary to increase the exchange capacity at the western interface of the system.

Interconnection projects with the Republic of Moldova and Ukraine are also under consideration.

In the category of projects that are not included in the Development Plan but could be included depending on the confirmation of the completion of the necessary decision steps at the level of stakeholders, the Romania-Georgia submarine cable project and the underground direct current HVDC cable HVDC Albertirsa (HU) - Arad (RO) 525kV were included.

From the steady state and static stability analyses, it was found that the monitored sections S4 (Transylvania N-W supply section) and S5 (Moldova supply section) present a high risk of operation close to the maximum permissible power in the section both in the medium and long term, demonstrating the need to reinforce each of these sections.



In this respect, the strengthening of the transmission grid by completing the 400 kV ring between the North-East and North-West areas of the NES is beneficial in terms of increasing the static stability reserves for sections S4 and S5, as well as for section S3 (the joint transmission section between the Dobrogea+Moldova areas and the rest of the NES).

Some areas have also been identified for which local security of supply problems are expected, where additional injection capacities from the 400 kV grid to the lower voltage grid need to be installed (Iernut, Sibiu).

It also resulted in the need for projects to increase food safety for consumers in the Bucharest metropolitan area.

ENTSO-E's analysis revealed the need to increase interconnection capacity on the borders with Serbia and Hungary and consequently additional long-term projects have been included in the development plan.

#### **Projects included in the ETG Development Plan - period 2024 -**

By their very nature, ETG infrastructure projects take a long time to prepare and implement, so the results become visible after a number of years.

Experience shows that the usual full cycle of an investment project (starting from the initial design phase, elaboration of the feasibility study, specifications and technical design, to the execution and commissioning of the project) for the construction/upgrading of a power station is on average 5 years, and for the construction of a new power line 9 years.

The ETG Development Plan is a particularly important document for the Company's activity, which identifies and proposes projects for the development and modernization of the transmission grid for the next ten years, correlated with the forecasted evolution of electricity consumption, in compliance with the technical standards in force.

The following ETG developments have been identified as major projects and checked for their suitability, with completion dates taking into account the time needed to realize the investments:



#### ***Increasing trade capacity on Romania's western interface***

In view of its contribution to the implementation of the European Union's strategic priorities for trans-European energy infrastructure, the European Commission has included the following group of projects in the fifth list of Projects of Common Interest (PCIs):

- PCI "Romania-Serbia Cluster between Resita and Pancevo", known as "Mid Continental East corridor", which includes the following projects of common interest:
- 400 kV d.c. OHL Reșița (RO)-Pancevo (Serbia) - completed ;
- The 400 kV OHL Porțile de Fier-Reșița 400 kV substation and the extension of the 220/110 kV

Reșița substation through the construction of the new 400 kV substation;

- Upgrade to 400 kV the 220 kV d.c. OHL Reșița-Timișoara-Săcălaz-Arad, including the construction of 400 kV stations Timișoara, Arad and Săcălaz.

The following projects are also included:

- Equipping of the circuit 2 of the 400 kV Nădab-Bekescsaba 400 kV OHL;
- 400 kV OHL Portile de Fier - Djerdap circuit 2 - result of ENTSO-E long term analysis;
- Reconductoring of the 220kV OHL Porțile de Fier-Reșița;
- Interconnection RO-HU (new 400 kV OHL Oradea-Jozsa (Debrecen Del), new 400/220 kV HV Roșiori, 220 kV axis reconductoring Urechești-Tg. Jiu Nord-Paroșeni- Baru Mare-Hășdat)- resulting from ENTSO-E long term analysis.

**Increasing the exchange capacity on the southern interface of Romania (border with Bulgaria) for the transmission of power from intermittent renewables installed on the Black Sea coast to consumption and storage centers the following grid developments are planned:**

➤ *Black Sea corridor cluster, which includes the following projects:*

- 400 kV d.c. OHL Smârdan-Gutinaș (1 p.e.c.);
- 400 kV d.c. OHL Cernavodă-Stâlpu, with an input/output circuit in Gura Ialomiței.

➤ *To increase trade capacity on the interface with the Republic of Moldova:*

- 400 kV OHL Suceava (RO)-Balti (RM) single-circuit;
- 400 kV s.c. OHL Gădălin - Suceava (new OHL)
- 400kV OHL Gutinaș - Strășeni (new OHL)

➤ *For the interconnection with Ukraine:*

- Installation of an embedded fiber optic protective conductor on the 400 kV OHL Roșiori - Mukacevo.

In the next edition of the Development Plan, the Isaccea - South Ukraine (via Primorska) OHL will be upgraded to 400kV, a project also proposed for TYNDP consideration.

**Increasing transmission capacity between the eastern area (especially Dobrogea) and the rest of the interconnected power system and integrating the power generated from RES and other sources in Dobrogea into the system**

In order to strengthen the transmission capacity from Dobrogea to the rest of the system, several projects have been planned to reinforce the transmission network.

- Connection between OHL 400 kV Stupina-Varna and OHL 400 kV Rahman-Dobrudja 400 kV substation Medgidia Sud (phase I Extension of the 400 kV Medgidia Sud substation and phase II realization of the connections);
- 400 kV s.c. OHL Gădălin-Suceava;
- 400 kV d.c. OHL (1 w.c.) Stâlpu-Brașov;
- Transition to 400 kV OHL Brazi Vest - Teleajen - Stalpu, including: purchase of 400 MVA AT4, 400/220/20 kV Brazi Vest, and extension works of 400 kV and 220 kV substations, 400/220/110 kV Brazi Vest substation, construction of 400 kV Teleajen substation and upgrading of 110 kV substation 400 kV d.c. OHL (1 e.c.) Medgidia Sud-Constanța Nord;
- Reconductoring of the 220 kV OHL Stejaru-Gheorghieni-Fântânele;
- Increasing the transmission capacity on the 8 km shorter section of the 400 kV OHL Bucharest - Pelicanu;
- Increasing the transmission capacity on the 53 km shorter section of the 400 kV OHL Cernavodă - Pelicanu power line;
- Transition of the 400 kV OHL Isaccea-Tulcea from single circuit to double circuit;
- Increasing the transmission capacity of the 220kV Gutinas-Dumbrava OHL;
- Increasing the transmission capacity of the 220kV Dumbrava-Stejaru OHL;
- Increasing the transportation capacity of the 220kV Fantanele-Ungheni 220kV OHL;
- Increasing the transmission capacity of the 400 kV OHL Bucharest Sud-Gura Ialomitei;
- Increasing the transmission capacity of the 400 kV OHL Brasov-Gutinaș
- Reconductoring of the 220kV Bucharest South-Fundeni OHL
- Installation of new 400/110 kV Medgidia Sud transformer 3;
- Installation of a new 400/110 kV Smardan transformer 3;
- Equipping of circuit 2 for the new 400 kV OHL Smardan-Gutinas;
- Power flow control devices to avoid overloads on the 220kV OHL Bucharest-South-Fundeni.
- Modern means of voltage regulation (SVC) in the stations: 400kV Gura Ialomitei, 400kV Arad, 220kV Brazi Vest.

**Integration of power generated from other plants into the NES**



The following works are scheduled:

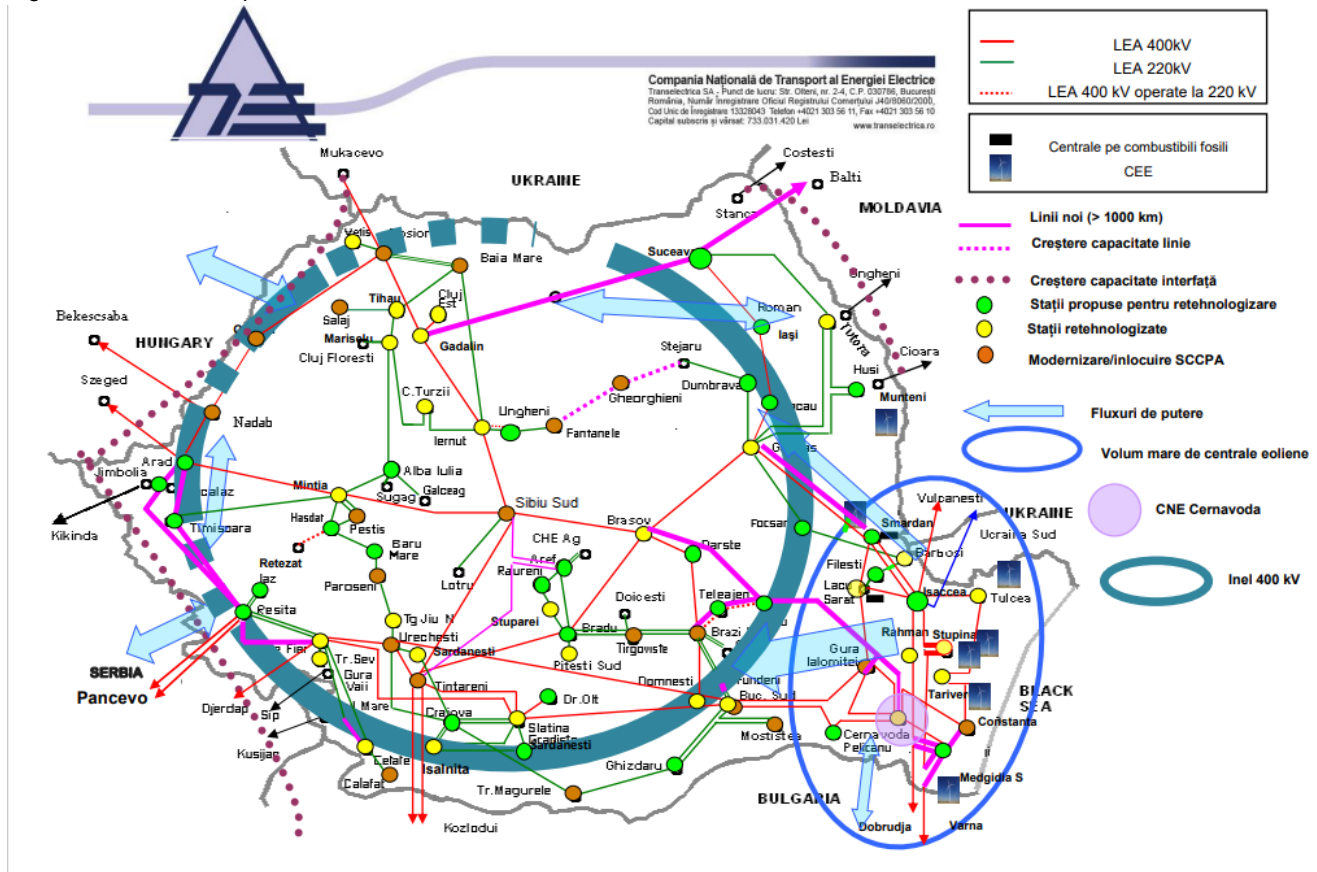
- In order to safely discharge the power from CHE Porțile de Fier II, it was agreed with S.C. Hidroelectrica SA to discharge at 220 kV, through the construction of the 220 kV Ostrovul Mare station and the 220 kV OHL Ostrovul Mare connection to the 220 kV OHL Porțile de Fier - Cetate connection.

The following projects were introduced to evacuate power from the CEF in the south of the country:

- Reconductoring of the 220 kV OHL Turnu-Magurele- Ghizdaru;

- Reconductoring of the 220 kV OHL Turnu-Magurele-Craiova Nord;
- Reconductoring of the 220kV d.c. OHL South Bucharest-Ghizdaru.
- Installation of an additional 220/110kV AT switchgear in the Hive station
- Power flow control devices to avoid overloads on the 220kV kV OHL Urechești - Târgu Jiu Nord - Paroșeni - Baru Mare - Hășdat, until the reconductoring is completed.
- 220kV d.c. OHL Bucharest South-Ghizdaru.

Figure26: ETG development needs 2024-2033



### Safety of food supply

- Increased operational reliability of the Argeș-Vâlcea network area - through the realization of a new 400 kV Arefu substation, 1AT 400/220 kV 400 MVA and connection to the 400 kV OHL Țânțăreni-Sibiu Sud 400 kV substation through a 400 kV d.c. OHL of about 0.05 km;
- Installing a new 220/110 kV 400MVA autotransformer in the 220/110 kV Fundeni substation, increasing the security of supply to consumers in the north-eastern part of Bucharest connected to the 220/110/10 kV Fundeni substation;

- Installation of a new 400/110 kV 250MVA transformer in the 400/220/110 kV Bucharest Sud substation, increasing the security of supply to consumers in the southern area of Bucharest connected to the 400/220/110/10 kV Bucharest Sud substation;
- 400/110 kV station at Grozăvești connected via 400 kV LES with 400 kV stations Bucharest Sud and Domnești and two 100MVar compensation coils installed at 400 kV in 400 kV Grozăvești station;

- 400/110 kV substation at Fundeni connected also through the new 400 kV OHL Fundeni-Brazi Vest 400 kV substation and input-output to the 400 kV OHL Bucharest South-Gura Ialomiței through the 400 kV d.c. OHL and installation of a 100MVar compensation coil in the new 400 kV substation;.
- 220/110kV injection station from OHL 220kV Baia Mare Iernut in RED;
- 400/110kV Bistrita 400/110kV Bistrita injection station from 400kV OHL Suceava - Gadalin in RED;
- Transformer 400/110kV Calea Aradului.

#### **Upgrading and modernization of existing stations**

A significant number of existing stations are/will be undergoing a sustained program of retrofitting and modernization of plant and equipment:

Most of the power lines and substations that make up the national transmission system were built in the 1960-1980s, at the technological level of that period.

The actual technical condition of the installations has so far been maintained at an adequate level, both through the maintenance program carried out and through a sustained program of upgrading and modernization of installations and equipment.

Over the next ten years, ongoing refurbishment projects will be completed and new projects will be started, prioritized according to the technical condition and importance of the stations:

- AT and T replacements in stations - Stage 3:
- AT 220/110 kV 200 MVA: Tg.Jiu Nord, Sărdănești, Suceava, Dumbrava, Grădiște (AT2); FAI (AT 2).
- HV 220/110 kV 100 MVA Tihău;
- Trafo2 110/20 kV 40 MVA in Tg.Jiu Nord station and Trafo2 110/10 kV 40 MVA in Cluj Est station, Trafo 110/20 kV 40 MVA: T1 and T2 in Cluj Florești station;
- T2 110/20 kV 25 MVA at Sălaj station, T2 110/20 kV 25 MVA at Câmpia Turzii station, T2 110/20 kV 25 MVA at Turnu Severin Est station; Trafo T1 110/20 kV 20 MVA at Turnu Severin Est station;
- HV replacement 220/110kV 200MVA Stupărei
- Upgrade of 400/110 kV/m.t. Smârdan station;
- Upgrade of the 220/110 kV/MT Baru Mare substation;
- 220/110 kV Filești substation upgrade;
- Pilot Project - Upgrade of the 220/110/20 kV Alba Iulia substation to a digital substation concept (DigiTEL Alba Iulia pilot project);
- 110/20 kV Medgidia Sud 110/20 kV Medgidia Sud substation upgrade;
- Upgrade of the 400 kV Isaccea station (Phase II) ;

- Upgrade of 400/110 kV Pelicanu station;
- Modernization of 110 and 400 (220) kV installations in Focșani Vest substation;
- Upgrade of 400/110 kV Darste substation
- Modernization of the 220 kV, 110 kV command-control-protection-metering system in the 220/110/20 kV substation and upgrading of the medium voltage and internal DC and AC services in the 220/110/20 kV Ghizdaru substation;
- Modernization of 400/110/20kV Drăgănești Olt station;
- 220/110/20kV Grădiște substation modernization;
- 220/110/20kV Fântânele substation modernization;
- 220/110 kV Calafat substation modernization;
- SCADA modernization in 400/110/20 kV substation Oradea Sud;
- Modernization/replacement of the protection control system in the following substations: 400/220/220 kV Roșiori, 220/110/20 kV Sălaj, 220/110 kV Baia Mare 3, 220/110 kV Cluj Florești, 400 kV Țânțăreni, 220/110 kV Paroșeni, 220/110 kV Pestiș, 400 kV Calea Aradului, 400/220/110 kV Mintia, 220/110/20 kV Târgoviște, 400 kV Cernavodă, 400/110/20kV Sibiu Sud, 220/110/20 kV Gheorgheni, 400kV Gădălin.
- Installation of two modern means of reactive power compensation in 400/220/110/20 kV Sibiu Sud and 400/220/110/20/20 kV Bradu stations;
- Procurement and installation of 21 monitoring systems for transformer units in Transelectrica substations (DigiTEL Trafo Expert Project)
- Modernization of 400/220/110 kV station Urechești
- Replacement of Transformer nr. 4 - 250 MVA, 400/110 kV in 400/110 KV Draganesti Olt substation
- Replacement Trafo 1 and Trafo 7 Cluj Est station
- Replacement of Trafo 2 400/110kV Smârdan substation
- Replacement of transformer T1 and T2 400/110kV 400/110kV Constanta Nord
- Procurement and installation of a 100MVar compensation coil in Portile de Fier 400kV station
- Optimization of voltage regulation and power quality parameters by installing FACTS equipment in Gutinaș, Suceava and Roșiori stations
- Optimization of the operation of the existing 400 kV NES OHL used in interconnection, for power evacuation from Cernavodă NPP and renewable energy plants in Dobrogea, by installing on-line monitoring systems (DigiTEL Smart Lines Project)

- Increasing safety in operation and maintenance activities in Domnești station by using digital technologies (DigiTEL Smart Vision pilot project)
- "Pilot project - Retrofitting of the 220/110/20 kV Mostistea substation into a digital substation with reduced environmental impact" - DigiTEL

**ETG digitalization**

In the year 2024, within the Company through the OMEPA Metering Department, the implementation of the metering and data management system for electricity metering on the wholesale market was continued and finalized

Also in 2024, the contract was concluded for the second project financed by the Modernization Fund for Digitalization of ETG by installing two online systems for the field of electricity metering and power quality monitoring, the *Power Quality Monitoring System (PQMS)*.

This project is part of the contract "Digitalization of the ETG by installing two online systems for Metering and management of electricity metering data on the wholesale market and for monitoring the quality of electricity.

The Power Quality Monitoring System (PQMS) has been designed in accordance with the latest requirements in the field of power quality monitoring, process informatics and cyber security. The project envisages: realization of the IT platform at the central

point, replacement of the existing power quality analyzers with outdated life span, installation of new analyzers and expansion of monitoring at the points of interest, as well as updating the existing analyzers to comply with the current requirements in the field of power quality monitoring.

The purpose of the Power Quality Monitoring System is to extend the power quality monitoring in all stations of the ETG, as well as in all interconnection stations of the NES with neighboring power systems.

In October 2024, the Metering and Data Management System for electricity metering on the wholesale market was put into operation.

The development within the Company of these areas is aimed both at present and in the medium and long term, with priority, the provision of high-performance electricity quality measurement and monitoring services for which there are obligations imposed by the legislation in force - as "Metering Operator and Single Aggregator of Settlement Data on the Wholesale Electricity Market", a role fulfilled by the Company's metering operator OMEPA.

In order to achieve the objective of fulfilling this role, the Company implements modern, secure and powerful IT systems for the management of measured/aggregated data and monitoring of power quality.

**9.1. Annual investment program**

The breakdown of investment expenditures for the period 2024-2022 by main chapters of the annual investment program correlated with the main chapters

of the Development Plan of the Company is presented as follows:

Table18 : Value of investments made in 2024-2022

	Categories of expenses	Scheduled (mil lei)	Achieved 2024 (mil lei)	Achieved 2023 (mil lei)	Achieved 2022 (mil lei)
	<b>Grand total (A+B)</b>	<b>678,30</b>	<b>665,70</b>	<b>471,95</b>	<b>460,95</b>
<b>A</b>	<b>Company's own expenses</b>	<b>629,61</b>	<b>619,06</b>	<b>427,23</b>	<b>439,89</b>
I	Investing further	605,45	597,85	402,37	426,30
II	New investments	6,05	5,46	5,58	4,86
III	Other investment expenses	18,11	15,75	19,28	8,73
<b>B</b>	<b>Investments financed from the connection fee</b>	<b>48,69</b>	<b>46,64</b>	<b>44,71</b>	<b>21,07</b>

\* PAI 2024 revision A11

Thus, the degree of realization of the annual investment program as of December 31, 2024 is 98.1% compared to the Program in the Overall Total, and 98.3% compared to the Program in the Company's own expenses category.

The realized value of further investments amounts to RON 597.85 million and represents 96.6% of the Company's own investment expenditures realized in

2024.

The realized value of investments financed from the connection tariff is RON 46.64 million, corresponding to requests for the execution of network relocation works or connection to the network of some producers.

The 2024 Investment Program has been revised 11 times as a result of requests to add/remove

investment objectives, increase/decrease some expenditure amounts due to the pace of implementation of investment projects.

The Company's development plan for the next 10 years includes a complex investment program, which aims at strengthening energy security, digitalization and implementation of the SMART GRID concept, which will generate, on the one hand, increased capacity for integration of renewable energy into the system and on the other hand, increased interconnection capacity.

#### Brief description of the main projects started in 2024

***Stâlpu 400 kV substation and Modernization of 110 kV and medium voltage cells in Stâlpu substation - realized through two contracts, supply of equipment and execution of works***

##### **Project purpose:**

The 220/110/20 kV Stâlpu station was designed in 1971, built between 1974-1977 and connected to the NES in 1977.

The upgrading of this power station by using 400/110/20kV voltage ratios is necessary for reasons of additional power evacuation paths generated in the South-East area of NES.

Thus, if currently the electrical connection scheme of the 220 kV substation is a reduced one, a 220 kV Stâlpu - Teleajen OHL 220 kV cell, respectively a 220/110kV HV cell, 200 MVA, by upgrading the substation to 400 kV level, the electrical connection scheme will allow the connection of the 400 kV d.c. Cernavodă - Stâlpu OHL (one direct circuit and one circuit with input-output in the 400 kV Gura Ialomiței substation).

##### **Project description:**

The project envisages the realization of the 400 kV substation in GIS technology, (installed within the existing enclosure on the current 220 kV substation territory, without the need to acquire additional land) and the modernization of the 220/110/20kV Stâlpu substation for 110 kV and 20 kV voltage levels.

At the end of the works for the transition to 400 kV, the 400/110/20 kV Stâlpu substation will meet the requirements for the safe operation of the NES.

##### **Power Quality Monitoring System (PQMS)**

##### **Project purpose:**

The new investment objective "Power Quality Monitoring System (PQMS)" aims to extend the monitoring of power quality throughout the entire ETG and on the interconnection lines with neighboring power systems, as well as to reduce the time needed

In terms of ETG's capacity to integrate new renewable generation units, the wind and solar potential of Dobrogea (South-East of the country) and Banat (South-West of the country) regions should be mentioned.

These regions, already congested, do not allow for the integration of new capacity, but taking into account the investments underway as well as those planned for these two regions alone, by 2027, there will be around 5,000 MW of additional capacity available.

to achieve this objective compared to the case when the analyzers would be installed in stages through the projects of upgrading / modernization of the Company's transformer stations.

The PQMS monitoring system is intended for continuous operation and shall be able to measure, record, aggregate, transmit on-line the monitored (measured/calculated) parameters, store in open databases and allow secure client access to the data interfaces.

##### **Project description:**

The PQMS power quality monitoring system will comprise the following main components:

- Subsystems for monitoring power quality in transformer substations;
- IT platform ;
- Cybersecurity equipment.

##### **220/110 kV Calafat substation modernization**

##### **Project purpose:**

The modernization works of the existing 220/110 kV Calafat substation aim to bring the installations to a level of safety and reliability appropriate to the area in terms of energy by using the current technology available worldwide, which will contribute to increasing the quality of the electricity transmission service and to increasing the safety of the service to the users of the transmission grid. In addition, the replacement of the existing transformer unit (HV 200 MVA) will contribute to the reduction of the station's electricity consumption.

##### **Project description:**

The modernization of the 220/110 kV Calafat substation will be carried out in AIS technology, with a new site (tank foundation + raceway) for the new transformer unit, new building for the control room and Diesel Group, as well as cable connection to the 110 kV HV cells and the Cetate OHL. The chosen solution regarding the station refurbishment will consist in the



total/partial replacement of the primary equipment and total replacement of the control-control-protection system, including the related J.T. cables, considering the new construction layout, different from the existing one.

In addition to the specific works of construction and erection of primary equipment, a state-of-the-art system of command-control, automation protection and metering will be implemented in the new substation created, in compliance with the strategies of NPG CO. Transelectrica regarding the remote control of the substations in the ETG, respectively ensuring remote control from the Remote Control and Plant Supervision Center within the U.T.T. Craiova

***Transition of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad axis to 400 kV, phase II: 400 kV d.c. Reșița - Timișoara - Săcălaz 400 kV d.c. power line***

**Project purpose:**

The objective of the "400 kV d.c. OHL Reșița - Timișoara - Săcălaz" project is the transition of the 220 kV Reșița - Timișoara OHL to 400 kV and represents the second phase of the project for the transition to 400 kV of the Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad axis.

This project is part of Romania's energy strategy for the coming years, in order to increase the operational reliability of the NES in the conditions of new investments encouraging the efficient use of primary energy resources and new electricity consumers.

**Project description:**

The realization of the transition to 400 kV of the axis Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad phase II: 400 kV d.c. Reșița - Timișoara - Săcălaz OHL generates a series of advantages both for the operation of the internal transmission networks of the NES and for the strengthening of the interconnection with the ENTSO-E (European network of transmission system operators for electricity) networks:

- secures the supply of a large consumption area of around 1,000 MW;
- strengthens the Banat energy sector, thus contributing to increasing the stability of tensions in the area and consequently to reducing power and energy losses;
- leads to the reinforcement of the grid in south-western Romania and thus to an increase in the amount of electricity that can be transited between Romania and Serbia, which generates higher financial compensation;
- improves operational reliability and increases the quality of transmission service in both power systems.

***110 kV Medgidia Sud station refurbishment - equipment supply***

**Project purpose:**

The 110 kV Medgidia Sud station is of particular importance both for supplying the consumption area and for supplying the internal services of CNE Cernavodă and for discharging the CEE power. The decommissioning of some elements of the 110 kV Medgidia Sud station may lead to the non-supply of some consumption areas in Constanța county or to the shutdown of some CEEs (over 250 MW). The 110/20 kV Medgidia Sud transformer substation, commissioned in 1978, is in a state that does not meet the system requirements for the area served, both as a result of the technical performance of the equipment and the physical and moral wear and tear of the entire installation. It is therefore appropriate and necessary to upgrade the 110/20 kV Medgidia Sud substation in order to increase power supply safety and improve the performance of equipment and switchgear.

**Project description:**

The AIS (air insulated substation) upgrade allows the 110 kV substation to be upgraded in stages, using the "step-by-step" method. As the existing substation is decommissioned, the circuits are switched to the new substation, necessitating provisional works and the interruption of certain circuits for longer periods. Three mobile GIS cells will be used for this provisional work, two of which will be provided by Transelectrica and a third mobile GIS cell will be purchased through this project.

The refurbishment of the 110 kV Medgidia Sud substation includes the following works:

- installation of primary and secondary equipment of an advanced technological level, with a high performance/cost ratio of acquisition - operation - maintenance and reliability indicators suitable for a high degree of operational safety;
- realization of an efficient, unitary, numerical, integrated, redundant, remotely configurable command - control - protection system;
- Ensuring that DEN/DET/CT Constanta orders the new installations.

***Upgrade of the 110 kV Timișoara 110 kV station and 400 kV voltage transition of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: 400 kV Timișoara station***

**Project purpose:**

Timisoara 220/110 kV station was energized in 1968. The 110 kV primary and secondary equipment in the 110 kV Timișoara 110 kV station is physically and



morally obsolete, not being able to communicate effectively with the new command, control and protection system of the 400/220 kV station and with its life being exceeded, high maintenance and operating costs are required.

Since during the station's operation a number of malfunctions have resulted in high maintenance costs and poor technical performance, the retrofitting action is intended to reduce maintenance costs and ensure remote monitoring and diagnosis of equipment.

The 110 kV Timisoara 110 kV Station Upgrade and 400 kV Upgrade - 400 kV Timisoara Station project aims to increase interconnection capacity.

#### Project description:

The upgrading works of the existing 220/110 kV Timișoara substation aim to bring the installations to a level of safety and reliability corresponding to the area in terms of energy, by using the current technology available worldwide, which will contribute to increasing the quality of the energy transmission service and to increasing the safety of the service to the users of the electric transmission grid

The transition of the 220 kV substation to 400 kV voltage together with the retrofitting of the 110 kV substation allows the retrofitting works to be staggered so that their start with the 110 kV substation is not conditioned by the works on the 400 kV axis and allows works to be carried out from the beginning in the 220 kV substation which will be maintained in the final stage.

The refurbishment of both 220 kV and 110 kV stations will allow at the end of the works their remote control from the remote control center and from the dispatcher.

#### **400 kV d.c. OHL (1ce) Constanța Nord - Medgidia Sud**

#### Project purpose:

The new 400 kV OHL double circuit (1 circuit equipped) Constanța Nord - Medgidia Sud double circuit (1 circuit equipped) will lead to the

reinforcement of the ETG, necessary due to the agglomeration of large power sources in areas with relatively low consumption, with an important share of renewable sources and, first of all, wind sources, the resulting surplus having to be evacuated to other areas of the NES.

The overhead power line can be used for the connection to the NES of new producers of electricity, especially of energy produced from renewable sources, in the Dobrogea area being underway projects for the realization of wind power plants/wind farms.

The construction of the 400 kV double-circuit (1 equipped circuit) Constanța Nord - Medgidia Sud double-circuit (1 equipped circuit) LV line will reduce costs due to power losses.

#### Project description:

The works for the construction of the 400 kV double circuit (1 equipped circuit) Constanța Nord - Medgidia Sud power line consist in the realization of two distinct sections, as follows:

- a section of 400 kV overhead power line, which will be realized on "DONAU" type double circuit metal poles and will be equipped in the first stage with a three-phase safe circuit consisting of 9 active conductors type ACSR 300/69 mm<sup>2</sup> (3 conductors per phase), respectively with 2 protective conductors, one of which is of the OPGW type. The length of the 400 kV double circuit (1 circuit equipped) Constanța Nord - Medgidia Sud is approximately 35.35 km;
- a section of 400 kV cable electric line (LEC), one circuit, which will be realized on the final portion of the connection in Medgidia Sud station (it will connect the overhead portion of the line to Medgidia Sud station) and will have a length of approximately 2 km.

Table19 : Main Major Projects with FIP (final and milestone) realized in 2024

No. crt.	Objective	Contract	Value mil
1	Wholesale electricity metering and metering data management system	C 637/2022	50,89 <i>(investment part)</i>
2	400 kV power line s.c. Porțile de Fier - (Anina) - Resita	C 229/2015	160,30
3	220/110 kV Filești substation upgrade	C 45/2021	49,66
4	Connection of 400 kV Isaccea - Varna and 400 kV OHL Isaccea - Dobrudja to 400 kV Medgidia Sud substation: Phase II - 400 kV d.c. OHL Connections to Medgidia Sud substation	C 838/2022	96,74
5	Upgrade of the 220/110/20 kV Baru Mare substation	C 165/2020	73,81

6	Procurement and installation of 21 monitoring systems for substation transformer units	C 67/2021	10,79
7	Extension of 400 kV Gura Ialomiței station with two cells: OHL 400 kV Cernavodă 2 and 3	C 207/2020, C 127/2020	12,57
8	Upgrade of 400/110 kV Pelicanu station	C 5/2021	17,21
9	Increasing the transmission capacity of the 220 kV OHL Stejaru-Gheorgheni-Fântânele	C 254/2021	64,22
10	400 kV d.c. OHL Gutinaș - Smârdan	C 156/2021	30,74
11	Increased safety in the operation of the Argeș - Valcea network area, realization of the 400 KV Arefu station and installation of a 400 MVA,	C 93/2023	83,38

### Main projects completed in 2024

#### **Electricity metering and metering data management system for the wholesale market - Final commissioning achieved in October 2024**

##### **Project purpose:**

According to the Electricity Law no. 123/2012, NPG CO. Transelectrica SA is a commercial company of national interest that carries out several specific activities, including that of "Metering Operator and Single Aggregator on the Romanian wholesale electricity market - OMEPA".

Thus, the main purpose of this work is to optimize the metering activity on the wholesale electricity market by complying with the new requirements of the Electricity Metering Code.

##### **Project description:**

The Project aims to replace the existing telemetering system for the wholesale market with a new metering and data management system for electricity metering on the wholesale market, which will allow data acquisition from meters with an integration period of 1 minute, 15 minutes and 60 minutes. This envisages the execution of works, supply of equipment as well as the provision of services (design, engineering, testing, PIF) for the components and the whole metering system.

#### **400 kV s.c. OHL Porțile de Fier - (Anina) - Reșița - Final commissioning achieved in March 2024**

##### **Project purpose:**

Romania and Serbia, have only one interconnection line, the 400 kV s.c. OHL Porțile de Fier - Djerdap. The Western area of the NES is a deficient area in terms of generation/consumption criteria. In certain situations, the decommissioning of the 220 kV d.c. Porțile de Fier - Reșița OHL can lead to the non-supply of a consumption area of more than 1000 MW, with possible damages of the order of millions of Euro/incident. The realization of the transition to 400 kV of the Western artery and of the new interconnection line with Serbia generates a series of

advantages, both for the operation of the internal transmission networks of the NES and for the strengthening of the interconnection with the UCTE networks.

##### **Project description:**

The 400 kV Porțile de Fier - (Anina) - Reșița OHL starts from the 400 kV Porțile de Fier station and continues in the immediate vicinity of the existing 220 kV Porțile de Fier - Reșița OHL until crossing the Cerna river.

After crossing the 220 kV OHL Porțile de Fier - Resita, the river Cerna, the DN6 and the electrified railway Orșova - Caransebeș, the route of the power line changes its orientation to the north and connects to the existing 400 kV OHL Anina - Resita in the area of the terminals no. 22-23 located east of Anina.

The length of the 400 kV Porțile de Fier - Anina line is about 82 km and has 259 poles, while the rehabilitated section of the existing Anina - Resita line is 36 km and has 120 poles.

The 400 kV s.c. OHL Porțile de Fier - Anina, crosses a number of 10 administrative units within the counties of Mehedinți (Drobeta Turnu Severin, Ilovița, Breznița Ocol) and Caras Severin (Anina, Bozovici, Prigor, Lăpușnicel, Iablanița, Mehadia, Toplet).

#### **Refurbishment of 220/110 kV Filești substation - Final commissioning in April 2024**

##### **Project purpose:**

The 220/110 kV Filești transformer station is an important ETG node in the eastern part of the country (Galati County), one of the sources supplying Galati Municipality, its industrial platform, the distribution station in Galati County and it completes the 220 kV loop of NES - to Barboși station and Lacu Sărat station - ensuring the transfer of electricity to other areas of the ETG.

The 220kV Filești station is connected via the 220kV Filești -Lacu Sărat OHL with the Lacu Sarat

transformer station, via the 220kV Filești - Barboși OHL with the Barboși transformer station and via the 200MVA, 220/110kV HV with the 110kV Filești station managed by DEER SA. The two 110kV busbars 1 and 2 - 110kV of Filești station are connected to the 110kV Smârdan, Galați Nord, Galați Centru, Port CSG circ 1 and 2, Laminor, Galați Shipyard.

#### **Project description:**

The 220 kV Filești station will be equipped with new primary equipment, with SF6 insulation for the double busbar system scheme having an advanced technological level, with a high operation-maintenance performance ratio and reliability indicators suitable for a high degree of operational safety.

**Connection of OHL 400 kV Isaccea - Varna and OHL 400 kV Isaccea - Dobrudja to 400 kV Medgidia Sud station: Phase II - OHL 400 kV d.c. Connections to Medgidia Sud station - Final commissioning carried out in April 2024**

#### **Project purpose:**

The connection of the 400 kV Isaccea - Varna and the 400 kV Isaccea - Dobrudja to the 400 kV Medgidia Sud substation, together with the reconsideration of the configuration and technology of the 400 kV Medgidia Sud substation, is appropriate and necessary to be realized in order to allow the safe discharge of wind energy produced in the Rahmanu and Stupina power plants, to transform the 400 kV Medgidia Sud station into the future interconnection station of the NES with the Bulgarian SE and to enable its development by connecting new lines and transformers in the space conditions of the current perimeter.

#### **Project description:**

The optimal route is 13.6 x 2 km (approximately 27 km). The optimal solution for the entry of the 400 kV Isaccea - Varna and Isaccea - Dobrudja OHL 400 kV Isaccea - Dobrudja connections into the 400 kV Medgidia Sud station foresees the installation of the lines to the 400 kV Varna and Dobrudja stations on one connection and on the second connection, the installation of the lines to the future 400 kV Rahmanu and Stupina stations. For the realization of the investment, 3,295 sq.m are needed in the Medgidia municipality and 5,005 sq.m in the municipality of Peștera and no clearing is necessary.

**Refurbishment of the 220/110/20 kV Baru Mare substation - Final commissioning in June 2024**

#### **Project purpose:**

The refurbishment of the 220/110/20 kV Baru Mare substation (which was commissioned in 1977)

complies with the principles of NPG CO. Transelectrica SA, with the aim of increasing the efficiency of the activity and reducing specific energy consumption, pollutant emissions and creates the premises for reducing operating and maintenance costs by remote monitoring and remote diagnostics of all equipment.

With the modernization of the substation, a high-performance, hierarchical, decentralized, redundant and open command-control-protection-automation system was put into operation, realized with TNCC and TNP, with the centralization in the control room of the commands and information for all high, medium and low voltage cells and with the transmission/reception to/from DEC (EMS SCADA)/DET/CTSI (Centre for Remote Control and Supervision of Installations) of the data flow necessary for the remote control of the substation.

The communication and integration of command, control, protection and automation equipment, all the functions at the station level and the connection to the teleconduction centers of the National Energy Dispatching (DEN) / Territorial (DET), CTSI, as well as the UPP for parameterization, regulation and setting of the protections in the station, from DEN and from the SCCPA Service of the STT Timisoara, were ensured.

#### **Project description:**

The works on the 220 kV, 110 kV and 20 kV cells were carried out with AIS (Air Insulated Substation) equipment in the following single-wire electrical scheme configurations:

- 220 kV: double busbar system, cross-coupling and front-facing cell arrangement;
- 110 kV: double busbar system with 2 sectioned busbars (2A and 2B), one longitudinal coupler, two transverse couplers and front to front cell arrangement;
- 20 kV: simple sectional busbar system with longitudinal coupler.

The siting of the cells was done indoors, in prefabricated construction (containers), hereafter referred to as 20 kV Connection Body.

The 110 kV substation currently has 15 cells (8 line cells, 1 HV cell, 2 HV transformer cells, 1 LC cell, 2 CTv+Measurement cells, 1 Measurement cell).

**Procurement and installation of 21 monitoring systems for transformer units in NPG CO. Transelectrica SA substations - Final commissioning realized in June 2024**

#### **Project purpose:**

The monitoring systems are necessary for the performance of the transmission service and include all the devices necessary for the acquisition of information allowing real-time analysis of the transformer unit operation (load, voltages, active/reactive power flow, physical (internal) condition of active components, health status and calculation of risk indices).

This data/information is stored in the internal memory of the SMI at programmable time intervals, allowing remote display of these quantities and control of the transformer unit.

#### **Project description:**

The work was prompted by several transformer unit failures followed by fires and was appropriated as a result of a program on ETG incidents.

21 systems were installed in 14 substations belonging to 7 branches, the system structure was created, the substation - STT - DEN and DTEETN Executive and the premises were created to integrate another 65 monitoring systems already installed on transformer units in the ETG.

***Extension of the 400 kV Gura Ialomiței station with two cells: 400 kV OHL Cernavodă 2 and 3 - Final commissioning realized in June 2024***

#### **Project purpose:**

Evacuation from the Dobrogea area of the power produced in the future by:

- Groups 3 and 4 of the Cernavodă NPP,
- wind power plants to be connected to the ETG,
- an additional group in the classical thermoelectric power plants Galați and/or Brăila. (perspective).

#### **Project description:**

Procurement and installation of two new 400 kV cells, with 400 kV cable connection, for the connection of the lines OHL Cernavodă 2 and OHL Cernavodă 3 and the transformation of the existing OHL Cernavodă 2 cell into OHL Stâlpu, and their integration into all the installations of the existing substation.

***Increasing the transmission capacity of the 220 kV Stejaru-Gheorgheni-Fântânele - Final commissioning achieved in November 2024***

#### **Project purpose:**

The replacement of the active conductors on the 220 kV Stejaru - Gheorgheni - Fântânele power line (designed in 1960 ÷ 1961 with PIF in 1962) with new high-performance conductors is a convenient and economical solution to address the problems related

to the need for increased power transit, thus avoiding the construction of new power lines. This investment increases the power transmission capacity by 50%.

#### **Project description:**

The works for the reconductoring of the 220 kV Stejaru - Gheorgheni - Fântânele OHL provide for the use of a conductor with increased carrying capacity, whose mass and diameter will be smaller than those of the current conductor used on the line, type AIOI 400/75 mm<sup>2</sup>. This will lead to lower loads in the poles.

***Increasing safety in the operation of the Argeș - Valcea network area, realization of the 400 KV Arefu station and installation of a 400 MVA, 400/220 KV HV - Final commissioning in December 2024***

#### **Project purpose:**

The Arefu 400 kV station will provide a second connection of the 220kV Bradu - Arefu - Râureni - Stupărei - Bradu ring with the 400 kV transmission grid and a significant increase in the operational reliability of the Argeș - Vâlcea electricity grid area.

#### **Project description:**

The realization of the 400 kV Arefu substation, including its connection to the 400 kV Tântăreni - Sibiu South OHL, mainly comprises the following works:

- realization of the new 400 kV substation in GIS technology, indoor, including outdoor GIS/GIL pipe connections to the line outlet frames and autotransformer;
- installation of a new autotransformer AT3 - 400/220 kV;
- realization of the external circuits (primary equipment and conductors) to the 400 kV OHL pole, through the intermediate frames and to the autotransformer terminals;
- realization of an integrated numerical command - control - protection system for the new 400 kV substation, installed in the existing control building (in the same room as the command - control - protection system of the modernized 220 kV substation) and in the cabinets in the GIS 400 kV substation building



### Investment program for 2025 and estimate for 2026-2027

The main major investment objectives for which execution contracts have been signed in previous years and which will be in the execution works stage in 2025 (*investments below*) structured according to the chapters of the Development Plan:

- 7 investment projects - *ETG Retrofitting*
- 2 investment projects - *Security of consumer supply,*
- 2 investment projects - *Integration of production from Dobrogea and Moldova,*
- 1 investment project - *Integration of production from other areas,*
- 5 investment projects - *Increasing interconnection capacity.*
- 2 other ongoing projects.

The total amount of further investments represents 62% of the Company's Own Investment Expenditure.

The company has an extensive investment program (as submitted to the OGMS for approval on 01/02 April

2025), oriented towards the modernization and reengineering of the Transmission Grid, the completion of Romania's 400 kV ring and the increase of interconnection capacities with neighboring countries, both from the perspective of ensuring the safety of the National Power System and facilitating electricity exports.

Investment objectives whose execution will start in 2025 or in the following years (new investments) amount to RON 133 million, i.e. 22% of the Company's own investment expenditure

Table20 Structure of Investment Expenditures 2025

No.	Categories of expenses	2025 (mil.lei)
	<b>Grand total (A+B)</b>	<b>659</b>
<b>A</b>	<b>Company's own expenses</b>	<b>613</b>
I	Investing further	380
II	New investments	133
III	Other investment expenses	100
<b>B</b>	<b>Investments financed from the connection fee</b>	<b>46</b>

### Risks that may affect the implementation of the IAP 2024

The risks identified for the investment objectives included in the Company's own expenditure category that may affect the achievement of the 2025 Annual Investment Program are as follows:

- External: delays in the realization 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;
  - ✓ the financial situation of some contractors;

- ✓ Significant delays in issuing HGs 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 as much as 8% of the Company's own investment expenditure.

- Internal (other causes)- with an impact of 2%.

Given the emergence of these constraints, the degree of realization of the Investment Program (the Company's own expenses) will be about 90%.

## 9.2. Sectoral procurement activity

In the field of sectoral procurement, 757 procurement processes consisting of 346 procurement procedures and 411 direct procurement processes were awarded in 2024.

In summary, the degree of completion of procurement processes (procedures finalized with contracts and procedures initiated) in the period January - December 2024, is: it is 97.63% in terms of value and 68.65% in terms of number.

With regard to purchases financed by investment funds, contracts have been signed at the level of the Company, the total value of which amounted to RON **781.9 million**.

In addition, a number of 5 investment projects financed by non-reimbursable funds - Modernization Fund, with a total estimated value of RON **1.491 million**, have been initiated, respectively are in the process of being initiated, whose completion, if necessary, is expected to be achieved during 2025:

- Upgrade of the Teleajen station to 400 kV and upgrade of the 110 kV Teleajen station
- LEA 400 kV s.c Gadalin - Suceava
- Transition of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis to 400 kV. 400 kV Timișoara - Arad, (stage iii)
- Pilot project - upgrading the 220/ 110 / 20 kV Alba Iulia substation to a digital substation concept

- digital power of the future pilot project - transition of the 400 kV Isaccea-Tulcea West OHL from single circuit to double circuit (design).

During 2024, legislative measures with an impact on commercial activity intervened, including:

- extension of the restrictions of the Emergency Ordinance no. 34/12.05.2023 on some fiscal-budgetary measures, extension of some deadlines, as well as for amending and supplementing some normative acts,
- Emergency Ordinance no. 52/2024 for the amendment and repeal of some provisions of normative acts in the field of public procurement and sectoral procurement,
- Order No 840/2024 on the approval of the checklists related to the exercise of quality and regularity control of the award process of contracts/framework agreements for public procurement/ sectoral/concession and its annexes
- Government Emergency Ordinance no. 3/2024 for amending and supplementing Government Emergency Ordinance no. 19/2022 on some measures regarding performance guarantees constituted within the framework of public procurement contracts and sectoral contracts and for repealing Law no. 69/2016 on green public procurement
- ORDER no. 1.946 of August 9, 2024 for the approval of the ecological criteria applicable to the categories of products that have an impact on environment during the entire life cycle, set out in Annex no. 2 to the Methodological Norms for the application of the provisions on the award of the sectoral contract/framework agreement of Law no. 99/2016 on sectoral procurement.

### 9.3. European Funds

Table21 Projects financed with EU funds

No.	Objective	Funding program	Financing rate	Value funding mil
1	400kv d.c. OHL Medgidia Sud-Constanța Nord	Modernization Fund	100%	22,99 EUR
2	400kv OHL Gădălin - Suceava, including interconnection to NES	Modernization Fund	100%	101,21 EUR
3	"Banat Axis", Stage II 400kv OHL Reșița - Timișoara/ Săcălaz	Modernization Fund	100%	45,18 EUR
	"Banat Axis", Phase II Upgrading of the 110kv station Timișoara and transition to 400kv	Modernization Fund	100%	18,43 EUR
	"Axul Banat", Stage III 400kv OHL Timișoara/Săcălaz - Arad	Modernization Fund	100%	27,28 EUR
4	"Axul Banat", Stage III Upgrading of 110kV Arad 110kV Station and 400 kV Arad 400 kV Station	Modernization Fund	100%	13,41 EUR
	"Axul Banat", Stage III 400 kV Săcălaz Station	Modernization Fund	100%	16,82 EUR
	400 kV OHL Brazi Vest - Teleajen - Stâlp (Lot I)			
5	Brazi Vest station extension (including AT4) (Lot II)	Modernization Fund	100%	51,EUR
	400 kV station Teleajen and 110 kV station upgrade			
6	Pilot project - Refurbishment of the 220/110/20 kV Alba Iulia 220/110/20 kV substation into a digital substation concept	Modernization Fund	100%	46,96 EUR
7	Installation of two modern means of reactive power compensation in 400/220/110/20 kV Sibiu Sud and 400/220/110/20 kV Bradu stations	Modernization Fund	100%	52,34 EUR
8	Optimization of the operation of the existing 400 kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line monitoring systems (SMART GRID type)	Modernization Fund	100%	10,48 EUR
9	Wholesale electricity metering and metering data management system	Modernization Fund	100%	10,67 EUR
	Power Quality Monitoring System (PQMS)	Modernization Fund	100%	7,58 EUR
10	DigiTEL Green pilot project - Retrofitting of the 220/110/20 kV Mostiștea substation into a digital substation with reduced environmental impact	Modernization Fund	100%	48,34 EUR
11	DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea-Tulcea West OHL from single circuit to double circuit"	Modernization Fund	100%	64,06 EUR
12	Investment 5. Efficiency, modernization and digitalization of the electricity transmission network, financed by the National Recovery and Resilience Plan, under Component 16. REPowerEU	NRRP	100%	56,24 EUR
13	400kv d.c. OHL Gutinaș – Smârdan*	POIM (Stage 1)	60,23% and 66,88%**	28,91 EUR
		PDD		21,00 EUR

\* In application of the provisions of MIPE Instruction no. 71 of 14.11.2023 regarding the phasing of projects financed under the Large Infrastructure Operational Program 2014 – 2020, the LEA 400kv d.c. project. Gutinaș – Smârdan, initially financed by the POIM financing contract no. 276/03.10.2019, was phased by the PDD financing contract no. 146/12.12.2024.

\*\* In application of the provisions of GD no. 379/2020, which regulates the Price Adjustment Methodology within the general estimates related to public infrastructure projects financed by POIM 2014-2020, the financing rate of the LEA 400kv d.c. project. Gutinaș – Smârdan was increased from 60.23% to 66.8856% by Additional Act no. 4/06.12.2022 to the POIM financing contract no. 276/03.10.2019.

### Modernization Fund

**For projects 1-9**, in accordance with the provisions of the Financing Contracts, semi-annual progress reports for the second semester of 2023 and annual reports for 2023, as well as other categories of information requested by the Ministry (reports related to public procurement procedures, etc.) were prepared and submitted to the Ministry of Energy.

Between January and December 2024, applications for reimbursement were submitted for the following projects:

- In **May 2024** for project 9. "Digitalization of the ETG through the installation of two online systems for Metering and management of electricity metering data on the wholesale market, and for Monitoring of electricity quality", in the amount of 8,602,106.45 lei.
- In **August 2024** for the project 5. "Transition of the Brazi Vest - Teleajen - Stâlp axis to 400 kV" in the amount of 1.975.252,10 lei.
- **September 2024** for projects:
  - 1. "Construction of a new 400 kV (d.c.) overhead power line Constanța Nord - Medgidia Sud, equipped with a single circuit" in the amount of 2.088,27 lei,
  - 2. "Construction of a new 400 kV overhead power line (1c) Gădălin - Suceava, including interconnection to NES" in the amount of 2.482.965,39 lei,
  - 8. "Optimization of the operation of the existing 400 kV OHL in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and renewable energy plants in Dobrogea, by installing on-line monitoring systems (SMART GRID type)" in the amount of 2.414.052,08 lei.
- In **November 2024** for project 7. "Installation of two modern means of reactive power compensation in 400/220/110/20 kV Sibiu Sud and 400/220/110/20/20 kV Bradu substations" in the amount of 28,305,298.85 lei.
- In **December 2024** for project 9. "Digitalization of ETG by installing two online systems for Metering and management of electricity metering data on the wholesale market, and for Monitoring of electricity quality" in the amount of 14,916,924.14 lei.

### Project Sheets for Fund financing

Project fiches were submitted to the Ministry of Energy for financing through the Modernization Fund, which were finalized with the signing of the Financing Contract, namely:

**Project 10 - DigiTEL Green Pilot Project - Retrofitting of the 220/110/20 kV Mostiștea substation into a digital substation concept with reduced environmental impact.**

On 14.12.2023 was published the decision approving the grant from the Modernization Fund - C(2023) 9054 - for the "DigiTEL Green Pilot Project - Upgrading of the 220/110/20 kV Mostiștea substation to a digital and low environmental impact substation".

The financing contract between the Ministry of Energy and NPG CO. Transelectrica S.A. was signed on 20.02.2024 (C62 and C101/20.02.2024), in the amount of 48.340.733,89 euro

**Project 11 - DigiTEL Power Lines of the Future Pilot Project - Optimizing the OHL by installing innovative poles with low environmental impact.**

In the first quarter of 2024, the European Investment Bank confirmed that this project is a priority investment, and on 12.06.2024, the Decision approving the grant of EUR 64,068,257.62 from the Modernization Fund - C(2024) 4190 was published, and the Financing Contract between the Ministry of Energy and Transelectrica will be signed in the third quarter of 2024.

In September 2024 the Financing Contract was signed between the Ministry of Energy and NPG CO. Transelectrica S.A. for the Project "DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea-Tulcea West OHL from single circuit to double circuit" P262/27.09.2024 (C880/27.09.2024), in the amount of 64.068.257 lei.

Also, Contract Financing Officers are constantly participating in online technical meetings with representatives of the Ministry of Energy in order to monitor the contracts financed from the Modernization Fund.

### Project 12 - PNRR

**REPowerEU Plan - Investment 5. Digitalization, efficiency and modernization of the national electricity transmission grid through the National**

### **Recovery and Resilience Plan, Component 16. REPowerEU**

The overall objective of the investment is to accelerate the integration of renewable energy sources and increase the resilience of the National Electricity System/Transmission Electricity Grid (NES/TEGS) to ensure electricity supply by reducing bottlenecks and internal malfunctions at the ETG level and to strengthen cyber security, by improving the response capacity to cyber attacks.

On 09.04.2024 the National Recovery and Resilience Plan Financing Contract for the implementation of this investment was signed between NPG CO. Transelectrica S.A. and the General Secretariat of the Government, as Coordinator of the reform and/or investment, in the amount of 56.237.200 euro.



Investment 5. Digitalization, streamlining and modernization of the national electricity transmission grid comprises the following Sub-investments:

- Sub-investment 5a. - Installation of photovoltaic power plants (PPP) and electricity storage facilities for supplying internal services installed in NPG CO. Transelectrica S.A. stations (allocation 29.557.000 euro);
- Sub-investment 5b. - SMART SA - subsidiary NPG CO. Transelectrica S.A. (allocation 18.240.000 euro);
- Sub-investment 5c. - Optimization of the communication network and creation of a data center - Teletrans SA, subsidiary NPG CO. Transelectrica S.A. (allocation 8.440.200 euro).

From the signing of the contract until December 2024, weekly and bi-monthly reports on the status of the implementation of Investment 5 have been submitted to the General Secretariat of the Government.

### **Project 13 - POIM/ PDD**

#### **" 400 kV d.c. OHL Gutinaș Smârdan"**

As regards the project " 400 kV d.c. OHL Gutinaș Smârdan" financed by the Operational Program Large Infrastructure 2014-2020, Priority Axis 8 - *Intelligent and sustainable electricity and natural gas transmission systems, Specific Objective 8.1 - Increasing the capacity of the National Energy System for the take up of energy produced from renewable resources, in the period June-September 2024, 2 (two) applications for reimbursement with a total reimbursed amount of 27.590.123,87 lei were submitted to the Managing Authority - POIM.*

The financing of this project was valid until 31.12.2023. As the conditions applicable to operations subject to phased implementation have been met, the Project has been included in the List of projects that can be phased and continued for financing in the Sustainable Development Program (SDP) 2021-2027.

On June 11, 2024, Transelectrica submitted the Financing Request for the continuation of the non-reimbursable financing of the Project through PDD 2021-2027, with an amount of 100,339,057.89 lei, non-reimbursable financing.

In the period June-December 2024 the application was evaluated and on 12.12.2024 the Financing Contract no.146/12.12.2024 was signed for the granting of non-reimbursable financing by AM PDD for the implementation of the project entitled "400 kV d.c. OHL Gutinaș - Smârdan, phase II".

In December 2024, Additional Act No. 6 to the Financing Contract No. 276/03.10.2019 related to the project " 400 kV d.c. OHL Gutinaș Smârdan" was signed for the conclusion of the operational program financed in the 2014-2020 programming period (POIM).

### ***The collaboration between Transelectrica and the Politehnica University of Bucharest***

Investing in training young people is a core objective for the Company.

Transelectrica has participated in the selection process initiated by the Politehnica University of Bucharest for the establishment and operationalization of a Consortium for the creation of a complete professional route for technical education, where, together with UPB, the application for funding was submitted for the implementation of the project **"Campus Dual Politehnica Bucharest"**.

After the submission in March 2023 of the funding application for the project "Campus Dual POLITEHNICA BUCHAREST", within the Call PNRR/2022/C15/MEDU/I6/Program-pilot for the development of regional consortia for dual education,



on 11.05.2023, following the eligibility assessment, the project was declared admitted.

It should be noted that the financing contract was signed in early October 2023 and the implementation of the project started.

The project runs for a period of 3 years (maximum implementation deadline: until June 30, 2026). Starting with November 2023 and until now, N.P.G. CO. Transelectrica S.A. organizes internships for 5 students enrolled in dual education at the Technical College of Post and Telecommunications "Gheorghe Airinei".



On 19.03.2024, the first working meeting of the project took place at the National University of Science and Technology POLITEHNICA Bucharest with all partners involved and representatives of the Ministry of Education.

On 30.05.2024, the second working meeting of the project took place at the headquarters of the National University of Science and Technology POLITEHNICA BUCHAREST Bucharest together with all partners involved".

## Events

With regard to **the elements, events or factors of uncertainty that influenced the activity during 2024**, the following can be mentioned

- Volatility in the construction and energy materials market, as well as the current geopolitical context, have led to a dramatic increase in prices, impacting the value of the company's contribution to project financing.
- Long delays in the approval by the authorized institutions of the draft normative acts regulating the transfer of the right of administration, on behalf of the Romanian state, of some land located in the corridor of the overhead power lines that Transelectrica is building.

## Outlook 2025

- The approach to grant opportunities is two-pronged
  - *the ongoing monitoring process of grant funding opportunities launched by national and European funding authorities,*
  - *identification of funding opportunities which is carried out in correlation with the company's development priorities, as well as with the identified needs to support their implementation.*
- To continue a good inter-institutional collaboration with the Ministry of Investments and European Projects, the Ministry of Energy, the Ministry of Economy, the General Secretariat of the Government and other governmental entities, in order to ensure the necessary legal framework for the implementation of projects of common interest and national importance that the Company implements.

## 9.4. Quality of transmission and system services provided

According to the Performance Standard for Electricity Transmission and System Services - approved by ANRE Order 12/2016, the representative performance indicators for the management and operation of the

ETG as well as for the continuity of the transmission service are:



# 100%

Availability of the transport network

- Transported electricity (GWh) and the percentage coefficient of energy losses in the electricity transmission network - values presented in the corresponding OTC section (Operational data);
- the average unavailability of installations over time, due to scheduled or unscheduled (accidental) events, expressed in km for lines (INDLIN), or MVA for transformers and auto-transformers (INDTRA);

Table22 : Indicators for ETG management/operation activity

Indicator	2024	2023	2022
<b>INDLIN (hours/year)</b>			
<b>Total</b>	<b>221,88</b>	<b>243,11</b>	<b>206,95</b>
- Unscheduled (accidental)	9,03	12,58	4,91
- Scheduled	212,85	230,53	202,04
<b>INDTRA (hours/year)</b>			
<b>Total</b>	<b>106,86</b>	<b>75,17</b>	<b>226,32</b>
- Unscheduled (accidental)	15,15	1,48	7,10
- Scheduled	91,71	73,69	219,22

During the period January through December 2024, there was a time-averaged total OHL - INDLIN unavailability of 221.88 hours/interval, 10% lower than the same period in 2023 (243.11 hours/interval).

The evolution by category of the average unavailability over time of facilities in 2024 compared to 2023 is:

- ✓ **3.6 hours/interval - unscheduled**
- ✓ **18 hours/interval - scheduled**

During 2024, both scheduled unavailability and unscheduled unavailability decreased. The decrease in unscheduled unavailability is due to the diminished impact that tripped incidents (mainly caused by adverse weather conditions) have had on the LEA's unavailability period.

The decrease in programmed unavailability resulted from maintenance works without taking the OHL out of service (e.g. vegetation grooming) or with shorter outage durations.

In January-December 2024, the time-averaged total transformer-INDTRA unavailability of 106.86 hours/interval was 42% higher than that recorded in the same period last year (75.17 hours/interval).

The evolution by category of average transformer unavailability over time in 2024 compared to 2023 is:

- ✓ **▲13.7 hours/interval - unscheduled**

### ✓ ▲18 hours/interval - scheduled

The increase in unscheduled unavailability is due to the increased impact that the tripping / failure of power transformer units or their annexes (e.g. isolated crossings) had on the unavailability period of these units.

The increase in scheduled unavailability has resulted as a result of more maintenance work with scheduled retirements (e.g. RT) required on transformer units.

- energy not supplied to consumers - ENS (en. "Energy Not Supplied"), due to interruptions and Average Interruption Time - AIT (en. "Average Interruption Time" ) which is the equivalent average time, expressed in minutes, during which the electricity supply was interrupted.

Table23 : Indicators of continuity of transmission service

Indicator	2024	2023	2022
ENS following incidents in ETG [MWh]	83,80	37,13	54,05
ENC following incidents in ETG [MWh]	39,	10.154,90	1.160,36
AIT-ENS (min/year)	0,	0,34	0,52
AIT-ENC (min/year)	0,36	93,30	11,15

Continuity in operation is one of the parameters of the quality of transmission and system services. The assessment of the level of reliability in providing the

service offered at a given point of the ETG, under normal operating conditions, is an important prerequisite for the Company to ensure the efficient transmission service and the proper functioning of the electricity market.

In 2024, the total TMI (AIT-ENS) value was 0.76 min, higher than the AIT-ENS value recorded in the same period of 2023, which was 0.34 min.

In January-December 2024, the amount of energy not delivered to consumers (ENS) was 83.80 MWh, 125% higher than the amount of energy not delivered to consumers during the same period in 2023 (37.13 MWh).

In the year 2024 AIT-ENC, the average time-equivalent period during which energy was stranded at generating plants, reached 0.36 min and showed a significant decrease from 93.30 min/year in 2023.

The measures foreseen by the Company to improve ENS and AIT indicators, according to the ETG Development Plan 2024-2033, are:

- ✓ Re-analyzing the technical conditions of design and dimensioning of installations taking into account weather - climatic changes.
  - normative revisions,
  - analysis of the structural capability of the overhead power lines in the ETG by modern computer programs in order to improve the safe and stable operation of the NES.

The checks consist of analysis with computer programs aligned with the most modern design concepts.

Thus, the calculation program allows a 3-D modeling of the entire OHL structure, including elements related to the topography of the terrain, and provides the full range of functions needed to check and analyze an overhead power line, such as:

- structural analysis of all line elements (poles, insulator chains, conductors);
  - simulations on the behavior of the overhead power line in different scenarios (special weather conditions, mechanical or electrical overloads, etc.);
  - establishing preventive measures necessary to increase operational safety;
  - upgrade and adapt existing overhead power lines to new conditions (weather, loads);
  - electric and magnetic field calculations;
  - LEA transportation capacity calculations.
- ✓ Replacing worn out equipment with high performance equipment under the maintenance and investment program).
  - availability of data from the Wholesale Electricity Metering System and the Power Quality Monitoring System: 100%.

## 9.5. Maintenance

The ETG maintenance activity complies with the *Maintenance Assurance Program* (MAP) developed on the basis of the Regulation for the management and organization of the maintenance activity approved by the Order of the National Energy Regulatory Authority (ANRE) no. 96/2017, with subsequent amendments and additions, (which repealed Order no./2002), for the approval of the Regulation on the organization of the maintenance activity, the Transelectrica Internal Technical Standard - *Regulation on preventive maintenance of ETG installations and equipment* - with the code NTI-TEL-R-001-2007 and the *ETG Annual Maintenance Programs* (PM ETG).

The PAM *regulates the activity, introduces the modern concept of optimization and conduct of the activity* and applies to all components of maintenance activity (technical, economic-financial, relational, organizational) performed on all assets within the ETG. The PAM encompasses and maintains - providing the framework for drafting, revising, updating maintenance documents as necessary - *all the documentation related to the maintenance activity*.

NTI-TEL-R-001-2007 requires that maintenance work/services be performed only at the *appropriate times, in the required quantity and quality*, in such a way that the following important desiderata are met:

- maintaining an adequate level of operational safety of ETG installations;
- maintaining the intrinsic levels of reliability of functional assemblies and component equipment;
- increasing the availability of installations;
- optimize total lifetime costs.

It provides for categories (preventive, corrective) and levels (minor, major) of maintenance, rationale and planning principles, general indicative operations, periodicity, etc. and is the basis for the development of annual (value and physical) ETG maintenance programs

The annual maintenance programs are based on the *Preventive Maintenance Regulation for ETG installations and equipment* and concretize the principles of maintenance activity in maintenance works and services while ensuring the necessary financial resources.

**Categories, levels and types of maintenance practiced in Transelectrica; how to choose the types of maintenance**

### Maintenance categories

In Transelectrica, the following services/maintenance works are performed, as appropriate, on electrical installations:

- preventative - prophylactic, to prevent failure or reduce the likelihood of failure or degradation;
- corrective - after detection of the failure, including all actions intended to restore an installation to a state that allows it to perform its specified function, aiming at optimizing the objectives proposed in the ETG:
  - ✓ safety in operation,
  - ✓ availability,
  - ✓ efficiency

and compliance with the Performance Standard.

### Levels and types of maintenance actions

The maintenance works/services are classified according to the "Regulation on the management and organization of maintenance activity", respectively PAM, on *4 levels* (level 1 - 4) which represent the degree of complexity of the content of the services/works, the required tools/tools, the required qualification of the service providers/performers, etc.

Levels 1 and 2 are *minor maintenance* services/works - usually surveillance, visual control, inspections and overhauls, and levels 3 and 4 are *major maintenance* works - usually repairs

### Preventive maintenance

*The underlying principle is that any preventive maintenance action should have the effect of preventing accidental downtime.*

Types of preventive (planned) maintenance services/work are tiered as follows:

- level 1 - supervision, periodic control, monitoring, functional tests;
- level 2 - technical revision works - RT;
- level 3 - current repair works - RC;
- level 4 - capital repair works - RK.

A special type of maintenance is *rehabilitation*, defined according to ANRE Order 96/2017 as a set of *complex maintenance* works through which, without changing the initial technology, restore the technical condition and efficiency of the installations to a level close to that at the beginning of their lifetime. The ETG envisages the rehabilitation of power substations with equipment replacements and at the OHL with element replacements to improve reliability.





**Corrective maintenance**

The **corrective** maintenance services/works fall into two levels, minor maintenance (control actions, inspections, checks, checks, measurements, overhauls following the discovery of accidental events - technical failures and incidents) and major maintenance (repairs and replacements of equipment following accidental events such as incidents with serious damage to equipment).

Corrective maintenance actions (incidental services/works) shall be carried out on all installations on an emergency basis and in accordance with the obligations of the contractor/maintenance works/services provider contractually undertaken.

The ETG will use a combination of the following methods:

- Level 1 and 2 services/works constitute minor preventive maintenance (MPM) actions and, depending on the category, voltage and technical characteristics (technology) of the functional assemblies and their components, are planned on a time basis - by scheduling at predetermined time intervals based on operating experience, taking also into account their importance within the ETG, and may be adjusted (customized) according to condition and importance;
- Level 3 and 4 works constitute Major Preventive Maintenance (MPM) actions and are condition based, depending on the technical condition of the facilities, determined by different procedures.

Condition-based preventive maintenance includes condition determination/prognosis activities based on information obtained through *surveillance, visual inspections, surveys, surveys, inspections and technical overhauls*, i.e. primary information obtained during minor maintenance.

In carrying out annual ETG maintenance programs, priority shall be given to works/services that lead to an increase in the degree of operational safety of the installations, to the completion of contracted works/services and to those that contribute to the proper functioning of the installations. Also to be considered is the prospect of implementing the program of remote control and surveillance of electrical installations, which requires the rehabilitation of electrical equipment, which will lead to a reduction in future personnel and operating costs.

For the year 2024, the ETG maintenance expenses amounted to RON 123.42 million

Table24 : Types of ETG maintenance (mil lei)

Maintenance	Budget 2024	Achievements 2024
Minor preventive	53,45	52,87
Minor corrective (including equipment/materials)	44,29	42,49
Major preventive	29,69	28,07
<b>Total</b>	<b>127,43</b>	<b>123,42</b>

**ETG maintenance program for the year 2025 and estimate for the period 2026-2027**

The ETG Maintenance Program for the year 2025 covers the management of the operation of electrical installations and the maintenance of fixed tangible assets in the nature of electrical installations and technological buildings (except IT and Tc, telecontrol systems and integrated security systems) that make up the transmission electrical network (ETG), under the conditions of minimizing costs, optimal use and increasing their performance, preventive, corrective and reliability-based maintenance services/works, design services/works and services/works in progress and has been structured by programs and projects according to the type of installations, as follows:

- services/works on electrical substations and power transformers;
- services/works on Overhead Power Lines, construction and other technological installations;
- services/works specific to the maintenance of electricity metering equipment (realization or repair of power supply circuits, communications, repair of equipment for measuring and monitoring electricity quality, etc.).

The main concern in carrying out ETG maintenance programs was and is to ensure the safe operation of the NES by:

- updating the maintenance policy, strategy and regulations of NPG CO. Transelectrica SA, harmonizing them with the normative acts, especially those issued by ANRE;

- ensuring preventive and corrective maintenance: (i) minor maintenance based on the contract concluded with SMART SA Subsidiary; (ii) major maintenance on projects (high power transformer units, LEAs, substations and constructions and other technological installations) based on contracts concluded with specialized entities;
- use of computer applications/databases in operations and maintenance;
- optimizing costs, reducing repair times and the downtime of installations by concluding the framework agreement for the supply of medium and high voltage primary equipment;
- optimizing OHL maintenance costs by carrying out multispectral inspections (in the visible, infrared and ultraviolet spectra), and carrying out remedial work on non-conformities.

Compared to previous years, the method of covering the ETG maintenance costs forecast for the coming years starting from 2025 will also be made from the revenues obtained from the allocation of cross-border interconnection capacity.

Therefore, from 2025 onwards, maintenance costs will be itemized, in addition to the cost component of the transmission tariff, on the component represented by the revenues from the allocation of cross-border interconnection capacities.

In this regard, ANRE issued Decision no. 2624/10.12.2024, *approving ETG maintenance expenses from the allocation of cross-border interconnection capacities, in the amount of RON 20,950,000, for OHL major maintenance projects.*

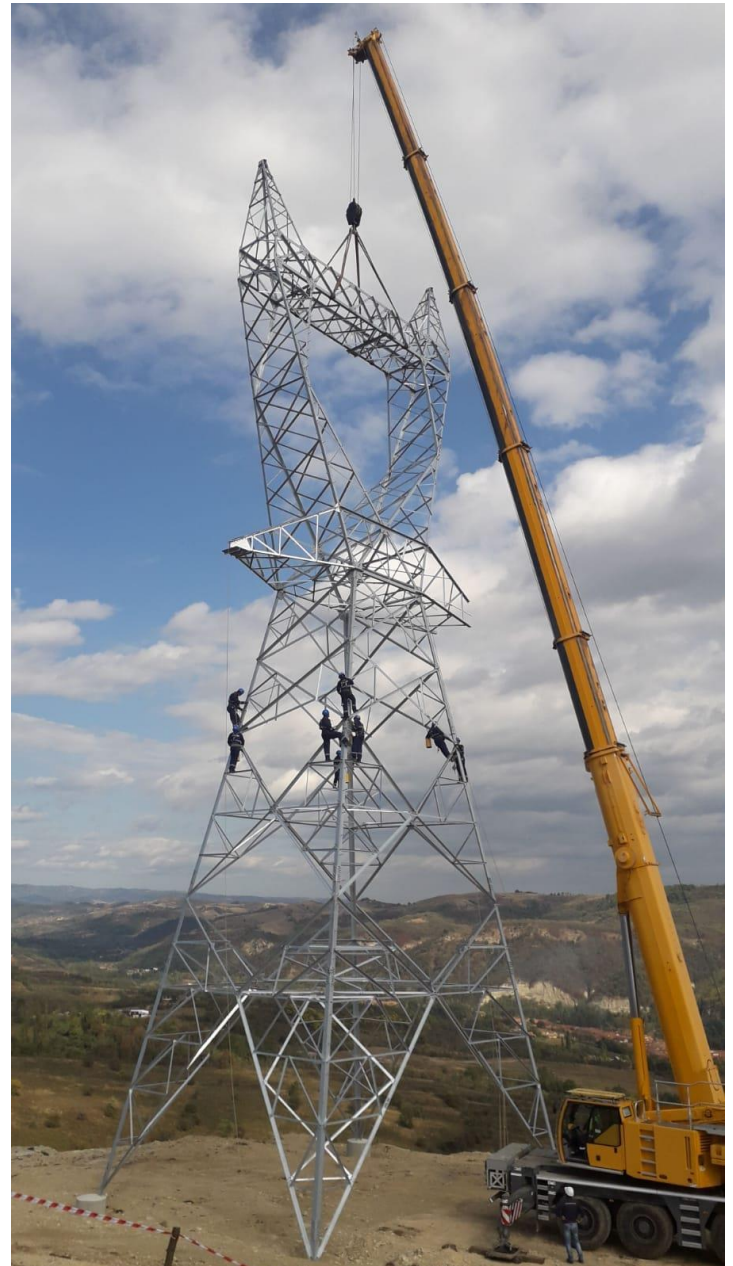
For the year 2025, the list of network elements having a significant contribution to interconnection capacity comprises a total of 35 ETG elements of which 32 LEAs (about 20% of the total number of LEAs of which the ETG is composed).

For the years 2026 and 2027, when estimating the ETG Maintenance Programs values, it was mainly taken into account the continuation of major maintenance works, in particular at the LEA, which are ongoing and the Preventive Maintenance Regulation for the installations and equipment within the ETG, as well as the requests of the Territorial Transmission Branches.

In the perspective, the ETG maintenance activity will be streamlined by:

- emphasize preventive maintenance to reduce corrective maintenance;
- Continuation of the OHL multispectral inspection program;

- the use of non-invasive methods for determining the technical condition of electrical installations;
- Procurement of the sector contract for the supply of medium and high voltage primary equipment and making it available for installation in the Company's installations;



## 10. European projects, platforms, affiliations

### 10.1. European projects

The company has been selected by the European Commission to be part of the specialist teams of several European projects, some of them fully financed by structural funds.

Below we briefly present some of these projects:

#### **Regional electricity market coupling projects and implicit cross-border transmission capacity allocation**

The energy challenges facing Europe include issues such as increasing import dependence, limited diversification, high and volatile energy prices, rising global energy demand, security risks affecting producing and transit countries, growing threats from climate change, slow progress on energy efficiency, challenges arising from the increasing share of renewable energy, and the need for greater transparency, better integration and interconnection in energy markets.

To tackle these problems, Europe needs a clear energy strategy, with a set of measures at its heart, designed to ensure the implementation of an integrated energy market and the achievement of the 3 main objectives:

- security of supply
- Competitiveness
- sustainability

It aims to complete the integration of the pan-European energy market, strengthen the coordination of national policies, eliminate market barriers and energy isolation, lower energy prices for consumers, modernize infrastructure and attract investments in the energy sector with a focus on innovative technologies and green energy production capacities.

Achieving a fully functioning pan-European energy market is crucial to meeting the objectives of maintaining security of energy supply, increasing competitiveness and ensuring that all European consumers can purchase energy at affordable prices.

The security of energy supply is an essential element of public security and is therefore inextricably linked to the effective functioning of the internal market in electricity and the integration of the isolated electricity markets of the Member States of the European Union.

The target model of the Pan-European Internal Electricity Market for the day-ahead horizon foresees the price coupling of these markets, based on a single European coupling solution (Price Coupling of

Regions - PCR mechanism), with implicit allocation of interconnection capacities and calculation of interconnection capacities based on power flows (Flow-Based - FB method).

In order to achieve a truly integrated electricity market, current rules on capacity allocation, congestion management and electricity trade need to be further harmonized.

In this context, *Regulation 1222/2015 laying down guidelines on capacity allocation and congestion management* has been drafted and approved, setting harmonized minimum rules for the single coupling of day-ahead and intra-day markets at a pan-European level, allowing for more efficient use of the network and increased competition to the benefit of consumers.

Currently, several initiatives are underway at European level to achieve the coupling of national/regional markets, on daily and intra-day time segments, into a single European electricity market and the implementation of implicit cross-border transmission capacity allocation mechanisms with the application of available transmission capacity (ATC) methods.

On November 15, 2016, at the governmental level, the Memorandum on Romania's participation in the projects for the coupling of electricity markets, on day-ahead and intra-day time horizons, under development at the European level, in the framework of the implementation of the European energy market, was signed.

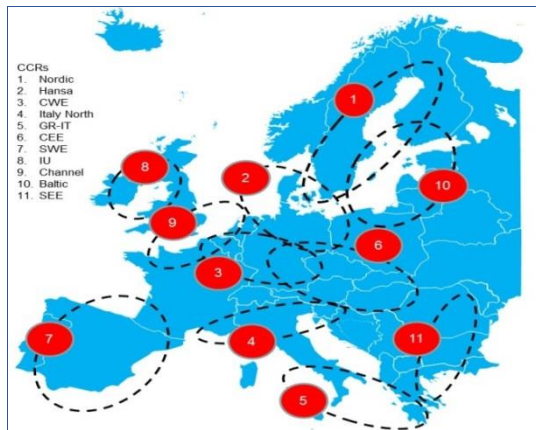
In accordance with Article 2 of *Regulation 1222/2015 laying down guidelines on capacity allocation and congestion management* (Definitions), these regions are defined as "Capacity Calculation Regions (CCRs)", meaning "the geographical area where coordinated capacity calculation applies". Therefore, a CCR must include a set of supply area boundaries for which the capacity calculation will be coordinated by the TSOs in accordance with the Regulation.

The proposal on the configuration of cross-border capacity calculation regions (CCRs) for all borders of the European electricity transmission system represents a dynamic and pragmatic pan-European approach with a short and medium term perspective, supporting coordination across the borders of the bidding areas where the highest interdependence has been found.



The CCRs proposed, by the European Transmission and System Operators within ENTSO-E, and approved by all relevant regulators at ACER level, serve to ensure the optimal use of the European transmission infrastructure. Within the defined CCRs, the interdependencies between cross-zonal capacities can be modeled with maximum accuracy and efficiency and the optimal level of this cross-zonal capacity can be offered on the market. CCRs serve the objective of optimizing the calculation and allocation of trans-zonal capacity as per Art. 3(d) of *Regulation 1222/2015 establishing guidelines on capacity allocation and congestion management*, as CCRs establish coordination within and between CCRs.

Figure 27: Configuration of the 11 RCC proposed by ENTSO-E



ACER Decision no.6/2016 approved the proposal of all Transmission and System Operators for the definition of capacity calculation regions. Transelectrica is a member of the CORE capacity calculation region through the RO-HU border and of the South East Europe (SEE) capacity calculation region through the RO-BG border.

As part of the process of establishing the capacity calculation methodologies and further developments in the market coupling and implicit capacity allocation project, the Company is a member in the steering and working structures of the associated projects.

On August 16, 2016 Transelectrica together with the 15 Operators of the Member States of the CORE region signed a Cooperation Agreement (CEWE CoA), expressing their commitment to cooperate in order to develop a common methodology for calculating interconnection capacity and a future basis for the implementation of the requirements of all network codes in this most important defined region in Europe.

Transelectrica signed the Accession Agreement on August 31, 2016, by which Romania became part of

the NWE-CEE FB MC market coupling project in the Central-East European region.

Within the EEA RCC the solution for regional governance was jointly identified with the TSOs of the region (Romania, Bulgaria, Greece). In July 2019 the three TSOs of the region signed a Memorandum of Understanding to establish how to organize themselves at the regional level to meet the requirements of the European regulations.

The set of regulations in the new energy legislative package is perhaps the most comprehensive to date and contains three Communications on Clean Energy for All Europeans, Accelerating Clean Energy Innovation, a European Strategy for Smart Transportation Systems. In addition, the package includes two proposals to revise the Regulations on the Internal Market for Electricity and on the Operation of the European Energy Regulators Agency ACER, four proposals to revise the Directives on Renewable Energy, Energy Efficiency, Common Rules for the functioning of the Internal Market for Electricity and Energy Performance of Buildings.

At the European level, several initiatives are currently underway to implement the eight European Network Codes, adopted by the European Commission and the European Parliament in a comitology process, which are European Regulation documents (directly applicable legislation at the level of the European Union countries), regulating aspects of the operation of synchronously interconnected power systems at the pan-European level and the harmonization and integration of national electricity markets into the single European energy market.

One of the main obligations resulting from the content of the European Union Regulation No. 1222/2015 (CACM), according to Chapter 5 - "*Single Coupling of day-ahead markets*" and Chapter 6 - "*Single Coupling of intra-day markets*" is to unify the short-term energy markets (day-ahead and intra-day), obligations to be fulfilled by OPEED - "*Designated Electricity Operators*" and TSOs - "*Transmission and System Operators*" in Europe.

At the moment, as far as the coupling of the Romanian electricity markets (daily and intra-day) is concerned, the following projects are underway:

- The XBID project for the coupling of intra-domestic electricity markets in the European Union. The project envisages the coupling of the intra-domestic electricity market in Romania. The coupling took place on the borders Romania - Hungary and Romania - Bulgaria on November 19, 2019.



- On October 27, 2021 the Bulgaria-Romania border was also integrated into the Single Day-Ahead Coupling (SDAC).
- On June 8, 2022, the Core Flow-Based Market Coupling (Core FB MC) Project for the coupling of the daily electricity markets in the Core CCR was commissioned, thus initiating the day-ahead flow-based market coupling in the Core Capacity Calculation Region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, the Czech Republic, the Netherlands, Austria, Belgium, Croatia, France, Germany, Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia and Slovenia).
- In accordance with Article 55 of Commission Regulation (EU) 2015/1222 of July 24, 2015 establishing guidelines on capacity allocation and congestion management it is necessary to establish intraday capacity prices.

Based on ACER Decision No 01/2019 on the Methodology for pricing intrazonal intrazonal capacity, a tendering mechanism will be introduced to achieve this objective.

This is the so-called Intra-Domestic Auction - "IDA" which means the implicit auction of intra-domestic transactions for the simultaneous matching of orders from different bidding zones and the allocation of available intra-domestic cross-zonal capacity at the bidding zone borders by applying a market coupling mechanism.

To this end, OPEED and the SIDC participating TSOs set up the IDA project, which was launched on June 13, 2024.

At the same time, in the field of electricity, a number of projects are being carried out at the level of Transmission System Operators (TSOs) investigating a number of specific issues in the field of research, development, innovation or challenges related to the implementation of the new legislative package: the Clean Energy Package.

The Horizon 2020 program is one of the most important research and innovation programs funded by the European Commission, with a budget of approximately 80 billion Euro, funds that have been distributed over a period of 7 years (2014-2020).

Within this program, under the LCE - 04- 2017 pillar *"Demonstration of system integration with smart transmission grid and storage technologies with increasing share of renewable"* funds are allocated to

support the electricity transmission activity, respectively:



- the projects are addressed to Transmission and System Operators within ENTSO-E;
- projects must demonstrate a combination of at least two of the following:
  - ✓ Large-scale electricity transmission technologies and management of generation sources in the context of the increasing share of renewable energy sources;
  - ✓ Large-scale storage capacity for transport networks including different storage technologies to be centrally managed;
  - ✓ communication technologies, real-time control tools to increase flexibility in the operation of transmission networks, integration of storage facilities, demand-response mechanisms and interfaces with electricity distribution network operators;
- new perspectives on wholesale electricity markets, facilitating the participation of renewable energy sources, active participation as data aggregators in order to reduce the costs of grid operation;
- Project proposals will include analysis of the existing regulatory framework, applicable codes and standards, analysis of business models and pan-European energy market architecture;
- The projects will support the Horizon 2020 program in the context of smart grid and storage promotion.

As far as the electricity market is concerned, the main objectives resulting from the content of the European regulations are the following:

- ✓ Realization of a common EU-wide network model needed for regionally coordinated capacity calculation for all time horizons (long-term, daily and intra-day);
- ✓ Implementation of the FB - "Flow-Based" concept of capacity calculation, which aims to increase interconnection capacities by at least 10% compared to the NTC-based method, on the one hand, and to increase social welfare on the other

hand, by aligning the electricity price at European level as a result of the coupling of local electricity markets;

- ✓ Establishment and coupling of regional and inter-regional day-ahead and intra-day electricity markets;
- ✓ Ensuring firmness of notified capacities (exchange schedules) through redispatching and countertrade mechanisms;
- ✓ Harmonization of long-term (annual and monthly) capacity allocation rules by setting up and operating a Single Allocation Platform (SAP) at EU level;
- ✓ A transparent and non-discriminatory reporting mechanism on the allocation of interconnection capacities between EU Member States;
- ✓ Moving to a 15-minute settlement interval for electricity markets;

In view of the obligations resulting from the three EU Regulations, activities stemming from the implementation of their content have been initiated by the EU TSOs. These activities are carried out both at the level of the Capacity Calculation Regions (CCRs) and at the inter-regional level.

Transelectrica, being part of both the CORE region (by joining the CWE-CEE regions) and the EEA region, is directly involved in the following projects/activities (realized as a result of the implementation of Regulation 943/2019 on the revision of the bidding zones):

- Activities aimed at producing documents resulting from the implementation of EU Regulations (drafting methodologies, procedures, rules, etc.)
- Activities related to the project of coupling the daily power markets in the Core region on power flows;
- Activities carried out following the launch of the MultiRegional Coupling (MRC) project;
- Activities related to the EU-wide intraday market coupling project, generically called SIDC (Single Intraday Coupling);
- Activities related to the interim project for the coupling of daily energy markets 4MMC-DE-AT-PL;
- Activities realized following the coupling of the Romanian and Bulgarian daily energy markets;
- Activities following the transition to the 15-minute settlement interval for electricity markets.

#### **Synchronous interconnection of the energy systems of Ukraine and the Republic of Moldova with the continental European system**

Transelectrica is the Transmission and System Operator that has substantially supported, within ENTSO-E, the synchronous interconnection of the

Ukrainian and Moldovan energy systems with the continental European system.

The implementation schedule of the project for the interconnection of the systems of Ukraine and the Republic of Moldova with the grid of Continental Europe, initially proposed by Ukrenergo, had a duration of 6 years (starting from 2017) with the possibility of extension for another 2 years at the request of Moldelectrica and Ukrenergo.

Actions agreed through signed agreements:

- Conducting additional studies to define in detail all technical measures necessary for interconnection; these studies were completed in December 2021;
- Implementation of technical and regulatory measures resulting from additional studies in the Republic of Moldova and Ukraine. (initial target completion date - 2021);
- Conducting interconnection tests according to ENTSO-E procedures (estimated completion date - 2023, depending on the completion of additional studies and implementation of necessary measures).

Isolated operational tests were planned for 2022. Isolated run tests were conducted in February 2022 and were fully successful.

In 2023 interconnected operation tests were foreseen, if the isolated operation tests were successful and all necessary measures were implemented.

In view of the conflict between Ukraine and Russia, on 28.02.2022, Ukraine and the Republic of Moldova submitted a request for emergency synchronous interconnection of the energy systems of the two countries with the European energy grid.

The ENTSO-E worked intensively to develop the necessary procedures for the interconnected operation, and, against the background of the war in Ukraine, on March 16, 2022, the emergency interconnection of the energy systems of Ukraine and the Republic of Moldova to the European energy system, ENTSO-E - Continental Europe, was completed, a process coordinated at the level of ENTSO-E Regional Group for Continental Europe (RGCE).

In the interconnected operation of the two systems within the Continental Europe Interconnection (ENTSO-E), the limitations of operational reliability arise at the regional and the whole Continental Europe Interconnection level.

On June 30, 2022, Ukraine and the EU started trading electricity.

Starting October 15, 2022, Transelectrica organizes daily auctions for the allocation of interconnection capacity on the Romania-Moldova border.

Starting July 01, 2024, Transelectrica organizes daily auctions for the allocation of interconnection capacity on the Romania-Moldova border.

Starting with October 2024, Transelectrica organizes monthly auctions for the allocation of interconnection capacity on the Romania-Moldova border.

On November 2, 2023 the Daily Allocation Rules were implemented on the Romania-Ukraine border. Ukrenergo - TSO of Ukraine organizes the auctions for daily capacity allocation on the EAP platform.

The work of the consortium that prepared the interconnection process has been completed. The work of the original project group has also been completed and a new project group has been formed

within the ENTSO-E Continental Europe Regional Group, which coordinates all activities related to this topic. Thus, at ENTSO-E level activities are being carried out through dedicated working groups on:

- to determine the transfer capacity in the interconnection at the level of its profile (i.e. the interconnections between Ukraine - Moldova, Ukraine - Hungary, Ukraine - Slovakia, Ukraine - Romania and Republic of Moldova - Romania);
- Identifying and proceeding with emergency measures in the event of widespread failures or failure to maintain interconnected operation;
- the elaboration of a legal document (Multilateral Agreement) on all the above-mentioned and operational aspects, to be agreed at ENTSO-E level, by all TSOs in the synchronous area of Continental Europe.

### Financing projects from the European Union's Research and Innovation Program

The projects, in which the Company participates as a partner in trans-national consortia, continued their

development in the period January-December 2024, presenting the following characteristics:

Table25 : Research and innovation projects funded by the HORIZON program

No.	Project Name	Start date	Duration (months)	Estimated eligible amount (euro)	Maximum amount to be reimbursed (euro)	Percentage of reimbursement %	Financing agreement
1	<b>TwinEU</b>	Jan.24	36	125.000	87.500	70	101136119 - TwinEU - HORIZON-CL5-2023-D3-01
2	<b>ELECTRON</b>	Oct.21	36	245.000	171.500	70	101021936 - ELECTRON - H2020-SU-DS-2018-2019-2020 / H2020-SU-DS-2020
3	<b>CyberSEAS</b>	Oct.21	36	217.235	152.064	70	101020560 - CyberSEAS - H2020-SU-DS-2018-2019-2020 / H2020-SU-DS-2020
4	<b>FARCROSS</b>	Oct.19	48	183.750	128.625	70	864274 - FARCROSS - H2020-LC-SC3-2018-2019-2020/H2020-LC-SC3-2019-EN-SCC

### TwinEU project

**The TwinEU** (Digital Twin for Europe) **project**, funded by Horizon Europe, started on 01.01.2024 and will run for 36 months.

The company is part of the consortium formed to develop this project - which brings together 71 partners from across Europe, including transport and system operators, technology companies, universities and research institutes, European associations, solution developers.

The objective of the project is to increase the level of efficiency and penetration of Smart technologies in electricity grids leading to a truly smart grid. The results of the project are expected to contribute to the

development of new smart grid architectures and their integration into the European digital infrastructure.

The estimated benefits for the Company regarding the participation in the Consortium formed for the development of the TwinEU project consist in training and familiarization of the personnel with the technical solutions for the development of the transmission network using Smart technologies and the benefits they can bring to the system, given the need to find solutions for the integration of renewable energy sources to the quotas set in the National Integrated Energy and Climate Change Plan (PNIESC) for 2030 and to fulfill the obligations imposed by ANRE.

In the first quarter of 2024, the Company received pre-financing in the amount of EUR 65,625, representing 75% of the estimated budget amount at reimbursement, and the project activity for 2024 continued on schedule.

### ELECTRON project

The **ELECTRON** (rEsilient and seLf-healed EleCTRical pOwer Nanogrid) **project**, funded by the Horizon 2020 program of the European Union, developed the research theme on building and testing a complex platform encompassing risk analysis, detecting and limiting intrusion of the power system by cyber attacks, improving the confidentiality of power system components, cyber training and certification, and limiting the effects of cyber attackers. In this context the project contained several ideas as follows:

- additional and effective protection for both the Internet of Things (IoT) and legacy assets (i.e., both hardware and software entities) of the Power System ecosystem,
- detecting and limiting potential intrusions against devices connected to the power grid,
- implementing a scheme for continuous risk assessment, thus calculating the risk level of each asset involved,
- improving the confidentiality of communications between the components of the Advanced Measurement Infrastructure (AMI),
- Testing the effectiveness of the privacy-preserving platform to prevent potential cryptanalysis attacks against IAM communications.

The budget allocated to the Company EUR 245,000 and the amount collected by the end of the project for its involvement was EUR 145,775.

According to the Financing Agreement No. 101021936, the Project was structured in 10 work packages and was implemented in a Consortium of 34 partners, the Company was involved in 9 work packages. The implementation period of the project was 36 months, continuing throughout 2024 and ending on 30.09.2024. The final evaluation of the project was carried out on 25.11.2024 by the European Commission representatives.

### CyberSEAS project

**CyberSEAS** (Cyber Securing Energy data Services) **project**, funded by the European Union's Horizon 2020 program. The objective of the project was to improve the resilience of energy supply chains by protecting them from disruptions that exploit the enhanced interactions and extended engagement

patterns of stakeholders and consumers in complex attack scenarios characterized by the presence of legacy systems and the increasing connectivity of data flows. The CyberSEAS solutions have been validated through experimental campaigns consisting of more than 100 attack scenarios, tested in 3 labs before moving to one of the 6 piloting infrastructures in 6 European countries.



The project was structured in 9 work packages as follows:

- The objective of WP1 is to manage and coordinate the CyberSEAS project;
- The objective of WP2 is to conduct a thorough and interdisciplinary analysis of vulnerabilities related to cyber-attacks along the entire energy supply chain;
- The objective of WP3 is to provide the architectural design of the CyberSEAS toolkit, building on the vulnerabilities and threats identified in WP2;
- The objective of WP4 is to provide tools to support EPES operators to quickly detect and respond effectively to cyber attacks and incidents;
- The aim of WP5 is to provide EPES operators with tools to help prevent cyber threats;
- The objective of WP6 is to link EPES operators and other stakeholders to create a common cyber-secure energy data space;
- The objective of WP7 is to validate CyberSEAS by refining the list of scenarios that will then be piloted through experimental campaigns;
- WP8 aims to promote a culture of cyber-resilient energy supply chain and defines, building on current practices and governance, processes for collaboration between individual operators in the energy supply chain as well as between operators of other EPES infrastructures;



- The objective of WP9 is to support the alignment of CyberSEAS security measures with the market and to encourage their adoption.

The budget allocated to the Company was 217,235 euro and the amount received by the Company for its involvement in the project was 129,254 euro.

According to the Financing Agreement No. 101020560 and Consortium Agreement, 26 partners participated in the realization of the project, the Company being involved in 6 of the 9 work packages of the project. The implementation period of the project was 36 months, continuing throughout 2024 and ending on 30.09.2024. The final evaluation of the project was carried out on 06.11.2024 by the European Commission representatives.

### **FARCROSS project**

- i. **The FARCROSS** (FAcilitating Regional CROSS-border Electricity Transmission through Innovation) **project** was started in October 2019 with a duration of 48 months, and was part of the European Commission's Horizon 2020 program under the LC-SC3-ES-2-2019 axis. It involved connecting key stakeholders in the energy transformation chain and showcasing integrated hardware and software solutions to "unlock" resources for cross-border electricity flows and regional cooperation.

The project took into account:

- addressing high-level technologies to facilitate increased line transfer capacity (e.g. Dynamyc Line Rating and Power Flow Control);
- Developing markets and market coupling platforms to enhance current intra-day markets;
- real-time incident management
- support systems management by providing regional risk mitigation services and balancing
- testing of flexibility services for congestion avoidance, frequency regulation and flexible integration of microgrids generating/using electricity.
- The project is structured in 10 work packages as follows:
- WP1 - ethical requirements that the project must respect.
- WP2 - project management and quality assurance
- WP3 - changes to national regulations on removing barriers to innovation and cross-border cooperation.
- WP4 - Pilot project deployment, demonstration and evaluation - MPFC DEMO: Unlocking cross-border capacity with modular power flow control solutions

- WP5 - Deployment, demonstration and evaluation pilot project - DLR-H DEMO: Complex network management, technology for dealing with capacity issues on cross-border transmission lines.
- WP6 - Deployment, demonstration and evaluation of pilot project - WAMS DEMO: Wide Area Deployment of Protection, Automation and Control System (WAMPAC) applied to cross-border transmission systems.
- WP7 - Deployment, demonstration and evaluation pilot project - DEMO, EUROPAN: pan-European modeling framework for improved planning/forecasting of system operation and analysis at inter-TSO level.
- WP8 - Deployment, demonstration and evaluation pilot project - OPTIM-CAP DEMO: Co-optimization of the cross-border capacity auction algorithm.
- WP9 - Cost-benefit analysis. Evaluation of results.
- WP10 - Exploitation, dissemination and communication.

The company was part of the consortium of 30 partners, formed to carry out the project, according to the Financing Agreement no. 864274 and Consortium Agreement, with an amount of 183.750 euro eligible expenses. The project was concluded in 2024.

### **Project of Common Interest CARMEN (Carpathian Modernization of Energy Network)**

CARMEN is one of the 5 projects under the thematic area "Smart Grid Deployment", with the indicative 12.2 - CARMEN (BG, RO), to strengthen cross-border cooperation between TSOs-TSO, to invest in grid extension and increase the integration capacity of new renewables and to improve grid stability, security and flexibility.

NPG CO. "Transelectrica" - S.A., Delgaz Grid S.A. and Elektroenergien Systemen Operator EAD, the Bulgarian Transmission and System Operator and Electrodistribution Grid West - Bulgarian Distribution Operator, as active Partners in the Project, will apply for grant funding by submitting a single application under the call / call for proposals launched in 2024 by the Connecting Europe Facility (CEF).

Within the CARMEN Project, NPG CO. "Transelectrica" - S.A., if the application to be submitted within the call / calls for proposals for projects through CEF will be approved, will be able to benefit from non-reimbursable funds for the following Investment Objectives:

- "Optimization of voltage regulation and power quality parameters by installing FACTS equipment in Gutinaș, Suceava and Roșiori stations;

- "Modernization and increase of the transmission capacity of the 220 kV power line: Fântânele - Ungheni, Dumbrava - Stejaru and Gutinaș - Dumbrava";
- "National Synchrophasor Platform, connected to the International Platform for Synchrophasor Data Exchange (IPDE);
- "Installations for the regulation of active power flows for the purpose of limiting congestion in the ETG";
- *The positive effect foreseen by achieving the investment objective:*

The main objectives of the project are to modernize and digitize the electricity transmission and distribution network, participating in the improvement of:

- the stability and capacity of the grid to integrate renewable energy by upgrading equipment in operation;
- coordinated voltage regulation on transmission and distribution networks;
- quality and cost-effectiveness of customer service;
- network security and flexibility by introducing Demand Side Management technology;
- network management through data exchange and implementation of Smart Grid functionalities;
- interconnection with the transmission infrastructure by increasing the security, flexibility and quality of the distribution network in the region;
- monitoring the state of the interconnected system in real time through active and reactive power flows on both interconnecting and internal lines.

The anticipated benefits from the implementation of the Project can be highlighted in three major categories:

- Economic and societal benefits:
  - Reduce operating and maintenance costs;
  - Reduce electricity losses;
  - Increasing the efficiency of services by implementing smart grid technologies;
  - Increased interconnectivity in terms of security, availability and flexibility of national and European transmission and distribution infrastructure;
  - Increase the level of observability of the cross-border network and the operational capacity at management level through the dispatcher.
- Benefits for customers / prosumers:
  - Improving electricity network quality indicators;
  - Increasing renewable energy off-take capacity, including from prosumers;

➤ Environmental benefits:

- Reduce emissions by modernizing and digitalizing the electricity transmission infrastructure;
  - Ensuring renewable energy take-up capacity;
  - Implementation of non-polluting, state-of-the-art Best Available Technologies;
  - Increase long-term network sustainability by replacing technically worn out primary equipment.
- The estimated duration of the project is 36 months.

The CARMEN project is included in the European Union's first list of Projects of Common Interest (PCI) and Projects of Mutual Interest (PMI) under the revised TEN-E Regulation (EU) No. 2022/869, which was adopted by the European Commission on November 28, 2023.

**National Phasor Phasor Data System (NPDS) connected to International Phasor Data Exchange National Phasor Data System (NPDS) connected to International Phasor Data Exchange (IPDE)**

The project "National Phasor Data System connected to International Phasor Data Exchange - National Phasor Data System connected to International Phasor Data Exchange (IPDE)" is the work package (subproject) number 9 of the CARMEN project - "Carpathian Modernized Energy Network", the first Project of Common Interest in the Smart Grid thematic area developed on the territory of Romania, Hungary and Bulgaria.

The project has an implementation period of 1 year and consists in the realization of a new platform as an extension of the existing national platform and its connection to the International Phasor Data Exchange (located in Prague within CEPS - Czech TSO), a jointly used international platform, covering large network areas and thus cross-border network backbones, with access and data exchange between the zonal interconnection partners.

The new Platform will be built in a redundant structure and will ensure the exchange of operational data between the Transmission and System Operators of Romania, the Czech Republic, Slovakia, Bulgaria and Hungary with a high level of security, for monitoring the operation and analyzing events of interest on extended (cross-border) transmission lines.

Specific objectives of the National Synchrophasor Platform, linked to the International Platform for Synchrophasor Data Exchange (IPDE):

- national and regional access to data from the synchrophasor system for better observability and reliable network operation;

- availability of high quality (high resolution) and important data for post-event analysis;
- simplifying the way data is exchanged between Transmission System Operators;

## 10.2. Platform

### FSKAR Platform

As a result of the application of Regulation (EU) No 1485/2017 laying down a guideline on the operation of the electricity transmission system and Regulation (EU) No 2195/2017 laying down a guideline on the balancing of the electricity system, common settlement rules for intentional energy exchanges and common settlement rules for unintentional energy exchanges have been developed and approved by the Transmission and System Operators at ENTSO-E level.

The new set of common rules for the settlement of intentional and unintentional energy exchanges provides for a financial settlement between the Transmission and System Operators, so that the bilateral compensations in kind, which Transelectrica had recorded separately in the Transmission and System Operators' Budget, have been implicitly eliminated.

Revenues and Expenses with the Balancing Party Unplanned Exchanges as a result of energy trading at the Day-ahead Market.

The FSKAR calculation methodology, called Accounting and Financial Settlement of kΔf, ACE and Ramping period has been implemented as of June 1, 2021.

The Settlement Centers at Amprion Germany and Laufenburg Switzerland transmit the results to each TSO in the form of daily files containing the intended and unintended exchanges (quantities - prices) calculated for the respective TSO, for each 15-minute settlement interval.

The price established is the weighted average of the prices from trading on the Day-Ahead Markets of all ENTSO-E Member States, expressed in Euro/MWh.

In accordance with the Approval Decisions, at ENTSO-E member level, TSOs have developed at the Coordinated Computing Center - Amprion a platform for determining TSOs' imbalances called FSKAR platform

JAO has been appointed as the operator for the monthly billing service for energy from intentional and unintentional exchanges. Billing is in Euro, CET hours.

### CMM Platform

- IPDE members will be able to choose to receive data from any PMU, from any IPDE member.

On 01.03.2021, the Contract on the common service provider for the CMM (Capacity Management Module) platform entered into force.

During 2020, the ENTSO-E Market Committee approved the development of an IT platform, called CMM, to calculate and harmonize the available capacities on the interconnection lines between member countries in the PICASSO, IGCC, TERRE and MARI projects.

At the same time, ACER Decision No 02/2020 for the Framework for the implementation of the European platform for the exchange of balancing energy for frequency restoration through automatic activation and ACER Decision No 03/2020 for the Framework for the implementation of the European platform for the exchange of balancing energy for frequency restoration through manual activation, approved that the System Transmission Operators implement a cross-border capacity management function, which will calculate in a coordinated manner the availability of this capacity and the transmission of the values to the platforms on which the standard balancing products are traded.

The development and operation of the CMM will be carried out in compliance with the principles and provisions laid down in the Master Agreement for the European Balancing Platforms of 01.07.2020 (hereinafter referred to as the "Master Agreement"); On 01.03.2021 the Contract on the common service provider for the CMM platform entered into force.

Currently the CMM platform has been developed at the Czech transmission and system operator ČEPS and technically commissioned in October 2023. The platform manages cross-border power exchange capacity of transmission system operators in Europe. The main focus of the platform is interfacing with the European balancing energy exchange platforms TERRE, MARI, PICASSO and IGCC.

### IGCC Platform - International Grid Control Cooperation

The IGCC project is the reference project and the starting point for the creation of the Single European Real-Time Imbalance Netting Platform

The Implementation Framework for the European Imbalance Compensation Platform was approved by ACER on June 24, 2020, by Decision No. 13/2020.

The main objective of this process is to reduce the counteracting actions of the member operators'

regulators, thus resulting in an optimized use of the RRFa automatically activated frequency restoration reserve at the overall level

On December 1, 2021, Transelectrica's RFP-TEL RFP-TEL frequency - power exchange regulating block was connected to TransnetBW Germany servers, thus achieving the integration of Transelectrica's local IGCC module to the INPF (Imbalance Netting Process Function) located in Wendlingen (main server) and Esslingen (backup server) Germany.

With this addition, the Company has complied with the legal obligations established by Commission Regulation (EU) 2017/2195 of November 23, 2017 establishing a guideline on balancing the electricity system (Article 22).

As a result of the implementation of this project, the amount of energy avoided on activation under the IGCC imbalance compensation platform compensated in 2024 was 252.7 GWh (import) in the sense of power increase, respectively 369.9 GWh (export) in the sense of power reduction. The benefit obtained from participating in this mechanism was approximately 225 million euros, which represents a reduction in the costs resulting in the Balancing Market that benefits all the suppliers of Automatically Activated Rebalancing Reserve (FFRa) participating in the balancing market in Romania.

#### **MARI Platform - European Platform for Balancing Energy Exchanges from Manually Activated Frequency Restoration Reserves (MARI European project)**

In accordance with Article 20 of *Commission Regulation (EU) 2017/2195 of November 23, 2017 establishing a guideline for balancing the electricity system*, all TSOs shall develop and operate a European platform for the exchange of balancing energy from manually activated frequency restoration reserves ("MARI Platform").

As of January 01, 2018, Transelectrica became a full member of the European MARI (Manually Activated Reserves Initiative) project, a project dealing with the implementation and operation of the common platform used for the Manually Activated Frequency Restoration (MARR) service.

The MARI platform is currently operational as of October 2022, with TSOs in Germany, Austria, Spain, Portugal, Czech Republic, Slovakia and the Baltic States.

#### **PICASSO Platform - European Platform for Balancing Energy Exchanges from Automatically Activated Frequency Restoration Reserves**

In accordance with Article 21 of *Commission Regulation (EU) 2017/2195 of November 23, 2017 establishing a guideline on electricity system balancing*, all TSOs shall develop and operate a European platform for the exchange of balancing energy from frequency restoration reserves through automatic activation ("PICASSO Platform").

As of October 01, 2018, Transelectrica became a full member of the European project PICASSO (Automatic Activated Reserves Initiative), a project that deals with the implementation and operation of the common platform used for the Automatic Activated Frequency Restoration Service (AARRS).

The Platform currently counts a total of 30 transmission and system operators, of which 26 are members - ADMIE Greece, APG Austria, Elia Belgium, ESO - EAD Bulgaria, Swissgrid Switzerland, CEPS Czech Republic, 50Hz Germany, Amprion Germany, TenneT DE Germany, TransnetBW Germany, Energinet Denmark, RTE France, HOPS Croatia, MAVIR Hungary, HOPS Croatia, MAVIR Hungary, Terna Italy, CREOS Luxembourg, TenneT NL The Netherlands, Transelectrica Romania, PSE Poland, REN Portugal, ELES Slovenia, REE Spain, SEPS Slovakia, Fingrid Finland, Svenska Kraftnät Sweden, Statnett Norway, respectively 4 observer members - AS Augstsprieguma tīkls - Latvia, Litgrid AB - Lithuania, Elering AS - Estonia and MEPSO North Macedonia.

The PICASSO platform is currently operational as of June 2022, with TSOs in Germany, Austria, Czech Republic, Czech Republic, Slovakia, the Netherlands, Italy, Belgium and Bulgaria.

#### **Integrating battery storage installations into the NES**

As of February 01, 2025, at the NES level, 13 storage facilities with accumulator batteries had an operating license for 13 storage facilities, totaling an installed capacity of 137.2 MW, with available energy of 269 MWh.

Out of the total installed, the qualified value for the provision of system services, cumulated on a cumulative uprates and downrates, is 143 MW for provision of RRFa, 136 MW for RRFm and 129 MW for RI respectively.

It is important to note that the first reserves provider utilizing storage facilities, entered commercial operation as early as the second half of 2023.



Starting July 01, 2024, NPG CO. Transelectrica SA has been put into operation the new balancing market information system DAMAS II and has updated the EMS - SCADA information system.

The new Balancing Market Information System, DAMAS II aims at the functional rehabilitation of the Balancing Market IT platform - DAMAS and bringing it to its normal operating parameters, by replacing the technologically and morally worn out equipment and migrating/updating the Balancing Market specific applications in order to harmonize the processes specific to the electricity markets managed by NPG CO. Transelectrica SA with similar processes of the transmission and system operators in Europe.

This has been done in accordance with the provisions of Commission Regulation (EU) No 2195/2017 establishing an Electricity Balancing Guideline (EBGL), Regulation (EU) No 943/2019 on the internal market in electricity (recast), Regulation (EU) No 543/2013 on the transmission and publication of data on electricity markets and amending Annex I to Regulation (EC) No. 714/2009 and of the ANRE Orders on the conditions of settlement at a 15-minute interval, of the Regulations for the operation and settlement of the balancing market and of the Regulation on the calculation and settlement of imbalances of the Balancing Responsible Parties, of the Clauses and Conditions for Balancing Service Providers and Balancing Responsible Parties.

The upgrade of the EMS - SCADA computer system was developed by extending new functions and software modifications for the implementation of operating rules at the regional level through security coordination centers and a new design of energy markets operation, resulting from the regional coupling of markets, including those close to real time (balancing).

### 10.3. Memberships

Given the important role of NPG CO. Transelectrica S.A. in the management of the NES and the electricity market, activities with a strong national and international dimension, the Company is a member of national and international organizations and bodies in the field and intends to continue to participate in their activities. As a member, the company's representatives are part of the committees and working groups of these organizations, participate in decision making, studies and scientific expertise. Transelectrica is also involved in the development of projects with regional and pan-European impact.

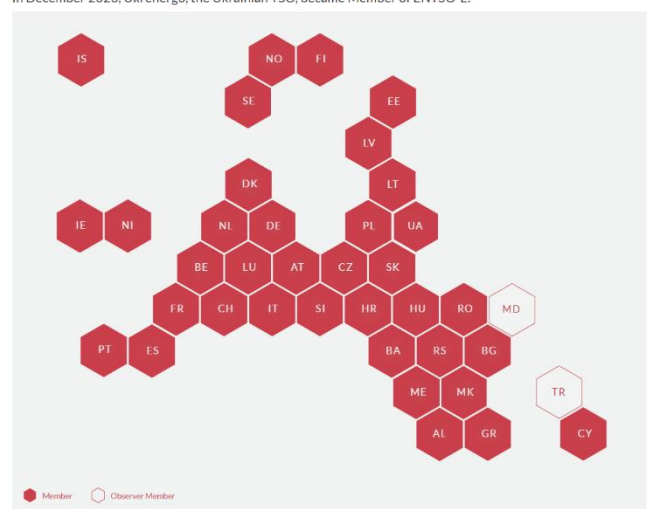
### ENTSO-E - European Network of Transmission System Operators for Electricity

ENTSO-E is the structure for cooperation between Transmission System Operators (TSOs) in Europe, at both pan-European and regional level, with a key role in promoting the European internal electricity market and cross-border trade, and in ensuring the optimal management, coordinated operation and coordinated technical evolution of the European electricity transmission network. The participation of TSOs from Europe in ENTSO-E is governed by the European legislation in force (EU Regulation 943/2019).

At the level of Transmission System Operators in the field of electricity, ENTSO-E - European Network for Transmission System Operators, contributes to the development of cooperation and coordination between Transmission System Operators in order to ensure the secure and quality operation of interconnected electricity systems, the management of efficient and transparent access to cross-border transmission networks, the integration of electricity markets at regional and subsequently European level (European Single Electricity Market - ESM) and to ensure coordinated and efficient forward-looking planning of the electricity transmission system in the Community.

The Association promotes important aspects of energy policy, becoming the common voice of all Transmission System Operators in Europe towards the European Commission, regulators (ACER) and other stakeholders, through which they express their coherent and coordinated positions on energy issues at regional and pan-European level, the Association's views on EU documents being appreciated by the European Commission as important contributions to the elaboration of future energy legislative packages.

In December 2023, Ukrenergo, the Ukrainian TSO, became Member of ENTSO-E.



Transelectrica is an active member in all ENTSO-E structures (General Assembly, Committees, Regional

Groups and Working Groups), our specialists having an active and constant participation in the organization's activity, promoting the Company's interests, both at regional and European level. Meetings at the level of Committees, Regional Groups, ad-hoc working teams and workshops organized within ENTSO-E, serve as a forum for debate and support the preparation of realistic solutions in the regulatory process and implementation of energy sector projects. Moreover, they ensure the support of Romania's interests in the negotiations that the Association is conducting with the competent entities at European level - namely the European Commission and ACER - and also represent an opportunity to get in contact with key players on the European scene in the energy sector, to present Transelectrica's position on some topics of interest and to influence the course of decisions and the evolution of certain actions.

### **SECI - South East Cooperation Initiative**

The SECI TSP project was funded until October 2017 by USAID, and as of November 2017 the SECI TSP project became a special project within ENTSO-E, operating as a sub-group of the South-East Continental Regional Group (RG CSE).

Within the SECI TSP project 10 countries/companies are involved: Albania - OST; Bosnia and Herzegovina - NOS BiH; Slovenia - ELES; North Macedonia - MEPSO; Romania - Transelectrica; Serbia - EMS; Montenegro - EPCG, Greece - IPTO, Italy - TERNA and Kosovo - KOST, and Transelectrica's participation in this special SECI TSP project was approved during 2017.

### **CIGRE - International Council of Large High Voltage Electrical Networks**

CIGRE (Conseil International des Grands Reseaux Electriques) - is an international technical-scientific body whose basic objective is the development of knowledge in the field of high-voltage networks and the exchange of information between member countries on: the generation and transmission of high-voltage electricity, the construction and operation of substations and their component equipment; the construction, insulation and operation of high-voltage lines; the interconnection of systems and the operation and protection of interconnected systems.

CIGRE is the world's largest professional organization in the energy industry and has over 17500 experts from around the world actively working in structured work programs, coordinated by CIGRE Study Committees, overseen by the Technical Board. Their main objectives are designing and implementing the

energy system for the future, optimizing existing energy equipment and systems, respecting the environment and facilitating access to information.



At the same time from January 2023 the "Women in Energy" forum was established. CIGRE WiE Romania's mission will be to inspire and motivate women working in the energy field by helping to form links to global experts and role models, as well as to demonstrate the influence and role of women's professional communities.

The WiE structure addresses women engineers by providing them with support for the recognition and creation of professional skills.

WiE's vision is that of a dedicated forum for women working in energy designed to develop interaction, career development, increase self-confidence and improve professional skills.

The first steering committee that directs the activity is represented by two ladies who work in the energy sector within Transelectrica - National Energy Dispatching.

### **AIR - Association of Romanian Investors in the Republic of Moldova**

AIR is a non-governmental, apolitical, non-profit, non-political association of public utility, created as a "union of legal persons" in accordance with the Constitution of the Republic of Moldova and the Civil Code of the Republic of Moldova. The Company's participation in this Association has the following advantages and allows:

- facilitating cooperation with the counterpart operator and other electricity companies in the Republic of Moldova,
- a better identification of the possibilities to capitalize on the Company's expertise in the development, operation and maintenance of electricity transmission networks and related telecommunication networks and related process information technology, as well as in the implementation of European legislation for transmission system operators, by carrying out lucrative activities in the energy sector in the Republic of Moldova,

- the possibility to promote, together with the Association members, legislative initiatives in the interest of Romanian investors.

The Association is constituted and carries out its activity based on the principles of freedom of association, legality, transparency, equal rights of all members, free expression of opinion by all members and their access to any information related to the Association's activity, self-administration and self-management.

#### **LWA - International Stress Working Association**

The Association promotes the conception, design and utilization of live working technologies (LST), fulfilling a supervisory and advisory role in the field, without the task of executing works with the following objectives:

- proposing the LST strategy for all types of electricity grids in Romania;
- tracking global achievements in LST;
- organizing and participating in scientific events in the field of LST;
- organizing and soliciting exchanges of experience with companies at home and abroad that apply LST technology;
- participating in the approval or testing of live working devices or live working technologies at the request of service and product suppliers;
- participating in the editing of LST newsletters or journals;
- Promotion of technical knowledge, standards and technologies on LST in Romanian technical education;
- representing Romania in the "Live Working Association" (LWA);
- collaborating with other associations and foundations, natural and legal persons, in order to achieve the aims and objectives of the association.

#### **ISSA - International Social and Occupational Security Association**

ISSA (International Social Security Association) is an organization that brings together institutions, companies and administrative entities from different countries of the world dealing with one or more aspects of social/occupational security. The work is carried out in numerous sections, by areas of activity. One of these, which operates under the coordination of the ISSA Special Commission on Prevention, is the "Electricity, Gas and Water Section".

Ensuring safety and health at work has long been recognized as a fundamental humanitarian principle. This means, for the above-mentioned section, the protection of workers against accidents at work and occupational diseases due to electricity and ionizing radiation.

The overall objective of the Electricity Section is to reduce the number of accidents, improve occupational safety standards and adopt good occupational safety and health practices.



# Financial Report



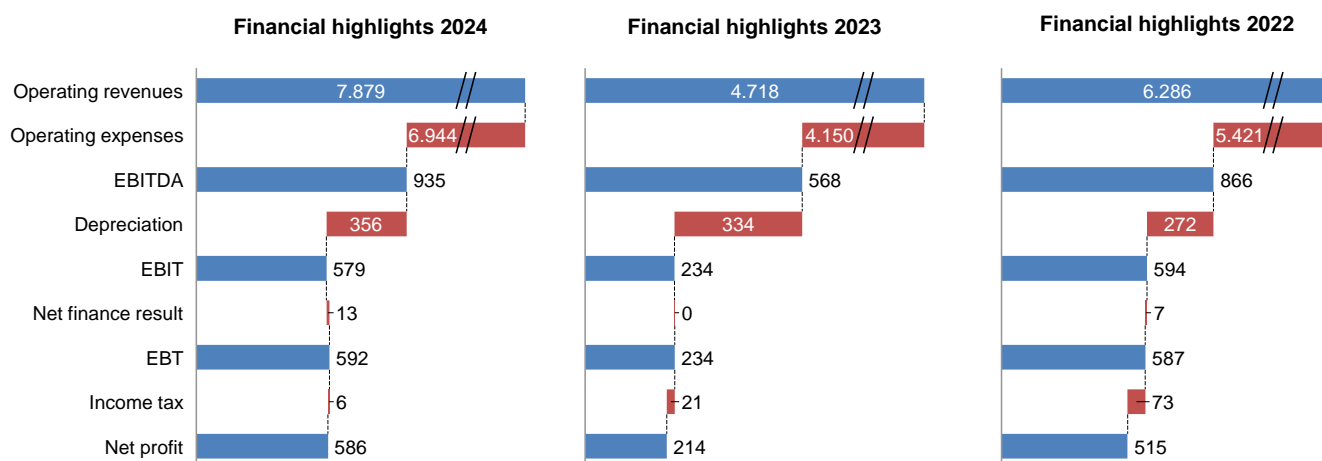


## 11. Separate financial results 2024

The Company's total operating revenues realized in the period January-December 2024 increased by 67% compared to the same period of the previous year (RON 7,879 million in 2024 compared to RON 4,718 million in 2023 in the context of the significant impact of revenues from zero-profit activities

Total operating expenses (including Depreciation and amortization) increased by 63% compared to the same period of the previous year (RON 7,301 million in 2024 compared to RON 4,484 million in 2023), due to the significant impact of the increase in expenses from zero-profit activities.

Figure28 : Net result (million lei)



**The segment of activities with allowed profit :** recorded a 12% increase in revenues (RON 2,343 million in 2024 compared to RON 2,090 million in 2023) mainly due to the increase in revenues from the regulated tariff, in the context of the increase in the quantity of energy priced (+2.8%), revenues from OTC transactions, revenues from blackout aid, revenues from OTC capitalization and the recording of some conjunctural revenues, resulting from the winning of the litigation with ANAF, sentence 6169/2023, sent to the Company in May 2024.

The increase in revenues from transmission and other energy market revenues (RON 2,087 million in 2024 compared to RON 1,988 million in 2023) was mainly influenced by the increase in the quantity of electricity, as well as by the tariff approved by ANRE, which led to an increase in **revenues from regulated tariff** by RON 75 million (+5%) compared to the same period of the previous year.

**Revenues from the allocation of interconnection capacity**, amounting to RON 282 million, decreased (RON -61 million) compared to 2023.

The use of net revenues from the allocation of interconnection capacity is carried out in accordance with the provisions of ANRE Order no.171/2019 updated and EU Regulation no. 943 of 05 June 2019 on the internal electricity market, being a source of financing investments for the modernization and development of interconnection capacity with neighboring systems.

**The net revenues from the allocation of interconnection capacities** (net of income tax and legal reserve) shall be used for investments in the electricity transmission network for maintaining or increasing interconnection capacities.

As of September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs of electricity purchase incurred between January 1, 2022 and March 31, 2025, in order to cover its own technological consumption, compared to the costs recognized in the regulated tariffs, are capitalized on a quarterly basis.

The Company recorded in 2024 **revenues from OTC capitalization** in the amount of RON 102 million (non-monetary income) compared to RON 13.7 million income recorded in 2023, representing additional OTC calculated as the difference between the net cost of OTC acquisition and the cost of OTC included in the regulatory tariff for the period January 01 - December 30, 2024.

Energy purchase costs to cover own technological consumption (OTC) amounted to RON 609 million for 2024, RON 90 million higher than in the previous year (17%), in the context of a net OTC of 949 GWh, slightly down compared to the 2023 OTC of 999 GWh, and lower average purchase prices on all markets (Bilateral Contracts Market, Day-Ahead Market, Intraday Market and Balancing Market).

Capitalized costs are depreciated over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by ANRE, applicable over the depreciation period of such costs and are recognized as a separate component.

It should be noted that the income from the capitalization of the OTC is non-monetary in nature, its collection will be made by the Company in a staggered manner through the transport tariff over the next five years (2024-2028) in accordance with the relevant legislative provisions.

**Segment of zero-profit activities:** In the zero profit activities area, there has been a significant increase during 2024 in revenues and costs in the balancing market, up 119% compared to 2023. This segment accounted for 63% of the total operating revenues recorded in 2024, of which, the highest amount is from the balancing market.

*Expenses from zero profit activities* also increased, mainly due to higher costs in the balancing market

We specify that the balancing market is used by Transelectrica to ensure real time balancing of consumption with production, to guarantee the safe and stable operation of the NES and to manage any restriction within the NES.

Starting with July 01, 2024, the ANRE Order on the approval of the terms and conditions for balancing, ANRE Order no.127/08.12.2021 for the approval of *the Regulation on the terms and conditions for balancing service providers and for frequency stabilization reserve providers and the Regulation on the terms and conditions for the parties responsible for balancing* and for the amendment and repeal of some orders of the President of the National Energy Regulatory Authority published in the Official Gazette no. 1196 of 17 December 2021, with subsequent amendments and additions, entered into force.

### 11.1. Separate profit and loss account

Mil. Leu	2024	2023	2022		24/23*
Charged energy volume [TWh]	51,82	50,39	52,18	▲	2,8%
<b>ALLOWED PROFIT ACTIVITIES</b>					
<b>Operating revenues</b>	<b>2.343</b>	<b>2.090</b>	<b>2.319</b>	<b>▲</b>	<b>12%</b>
Transmission and other revenues on the electricity market	2.087	1.988	1.930	▲	5%
Other revenues	256	102	389	▲	151%
<b>Operational expenses</b>	<b>(1.455)</b>	<b>(1.382)</b>	<b>(1.474)</b>	<b>▼</b>	<b>(5%)</b>
System operation expenses	(716)	(640)	(902)	▼	(12%)
Repairs and maintenance	(129)	(115)	(108)	▼	(12%)
Personnel expenses	(373)	(348)	(306)	▼	(7%)
Other costs	(238)	(278)	(158)	▲	15%
<b>EBITDA</b>	<b>888</b>	<b>708</b>	<b>845</b>	<b>▲</b>	<b>25%</b>
Depreciation	(356)	(334)	(272)	▼	(7%)
<b>EBIT</b>	<b>531</b>	<b>374</b>	<b>573</b>	<b>▲</b>	<b>42%</b>
<b>ZERO PROFIT ACTIVITIES</b>					
<b>Operating revenues</b>	<b>5.537</b>	<b>2.628</b>	<b>3.967</b>	<b>▲</b>	<b>111%</b>
System services revenues	571	359	488	▲	59%
Balancing market revenues	4.966	2.269	3.479	▲	119%
<b>Operational expenses</b>	<b>(5.489)</b>	<b>(2.768)</b>	<b>(3.946)</b>	<b>▼</b>	<b>(98%)</b>
System services expenses	(524)	(499)	(467)	▼	(5%)
Balancing market expenses	(4.966)	(2.269)	(3.480)	▼	(119%)
<b>EBIT</b>	<b>48</b>	<b>(140)</b>	<b>21</b>	<b>▲</b>	<b>n/a</b>
<b>ALL ACTIVITIES (PROFIT ALLOWED AND ZERO PROFIT)</b>					
Operating revenues	7.879	4.718	6.286	▲	67%
Operational expenses	(6.944)	(4.150)	(5.421)	▼	(67%)
<b>EBITDA</b>	<b>935</b>	<b>568</b>	<b>866</b>	<b>▲</b>	<b>65%</b>
Depreciation	(356)	(334)	(272)	▼	(7%)
<b>EBIT</b>	<b>579</b>	<b>234</b>	<b>594</b>	<b>▲</b>	<b>147%</b>
Financial result	13	0,3	(7)	▲	n.a
<b>EBT</b>	<b>592</b>	<b>234</b>	<b>587</b>	<b>▲</b>	<b>153%</b>
Income tax	(6)	(21)	(73)	▲	70%
<b>Net profit</b>	<b>214</b>	<b>515</b>	<b>515</b>	<b>▲</b>	<b>174%</b>
Net earnings per share	7,	2,91	7,02	▲	174%

\*▲ (positive impact) Income (+), ▲ (positive impact) Expenditure (-)

## Activities with allowed profit

## Volume of charged energy

In the period January-December 2024, the total amount of electricity priced for services provided on Table26 : Income from for-profit activities allowed

Million lei	2024	2023	2022		24/23
<b>Operating revenue</b>	<b>2.343</b>	<b>2.090</b>	<b>2.319</b>	<b>▲</b>	<b>12%</b>
<b>Transmission and other revenues from the Energy Market</b>	<b>2.087</b>	<b>1.988</b>	<b>1.930</b>	<b>▲</b>	<b>5%</b>
Transmission tariff revenues	1.619	1.545	1.401	▲	5%
Interconnection revenues	282	343	399	▼	(18%)
Other transmission receipts	185	100	130	▲	85%
Energy exchanges	-	-	0,15	—	n/a
<b>Other revenue</b>	<b>256</b>	<b>102</b>	<b>389</b>	<b>▲</b>	<b>151%</b>

Between January-December 2024, **revenues from the allocation of interconnection capacity** decreased from RON 343 million in 2023 to RON 282 million in 2024 due to the following reasons:

- *The level of utilization of available interconnection capacity by electricity market traders,*
- *The market for the allocation of interconnection capacity is fluctuating, with prices changing according to demand and the need of electricity market participants to purchase interconnection capacity,*
- *The implicit allocations, where capacity and energy are allocated simultaneously, are strongly influenced by changes in the price of electricity on European exchanges.*

The market for the allocation of interconnection capacity is fluctuating, with prices changing according to demand and the need of electricity market participants to purchase interconnection capacity.

The mechanism for allocating interconnection capacity consists of organizing annual, monthly, daily and intra-day auctions. Auctions on the Romania-Serbia border, long-term auctions on the borders with Hungary and Bulgaria and daily auctions on the border with Moldova are explicit - only transmission capacity is auctioned, while daily (borders with Hungary and Bulgaria) and intra-day (borders with Hungary and Bulgaria) auctions are implicit - they are allocated simultaneously with energy and capacity, through the coupling mechanism.

On June 8, 2022, the Core FB MC (Core Flow-Based Market Coupling) project went live, thus initiating the day-ahead flow-based market coupling in the Core capacity calculation region. The Flow-Based Market Coupling mechanism optimizes the European electricity market for 13 countries (Austria, Belgium, Belgium, Croatia, Czech Republic, France, Germany,

the electricity market (51.82 TWh) increased by 2.8% compared to the same period in 2023 (the difference between the two periods was 1.4 TWh).

Hungary, Luxembourg, the Netherlands, Poland, Romania, Slovakia, Slovenia, Czech Republic, France, Germany, Hungary, the Netherlands, Poland, Romania, and Slovenia).

Extending market coupling has the effect of making energy prices uniform across Europe, which is also one of the main objectives of Regulation (EU) 2015/1222 "establishing guidelines on capacity allocation and congestion management".

## Revenues from Inter TSO Compensation (ITC)

These revenues amounted to RON 25.8 million in 2024, higher (+RON 12.6 million) compared to the same period in 2023, when they amounted to RON 13.2 million, and mostly come from the programmed exchanges of electricity with the countries considered perimeter of the mechanism, namely Ukraine and the Republic of Moldova.

As of July 01, 2024, Ukraine joined the ITC mechanism and will no longer be considered a perimeter country. As a result, only trade with the Republic of Moldova will be taken into account. In general, Romania is a paying country under the mechanism, but exceptionally, monthly settlements may also be recorded.

The increase in these revenues is driven by:

- *Change in the tariff for trade with perimeter countries*, as of 15.06.2023, from EUR 1.2/MWh to EUR 3/MWh, which led to an increase in revenues compared to the same period last year.
- *Energy exchanges recorded in the first half of 2024 with both perimeter countries (Ukraine and the Republic of Moldova), in contrast to the similar period of 2023, when exchanges were only with the Republic of Moldova.*

**Revenues from energy trading for own technological consumption (OTC)** were mainly obtained from the sale of surplus energy resulting from the difference between the long and medium term forecast and the short term forecast (on each settlement interval) on the Intra-Til Domestic Market managed by OPCOM and respectively from the difference between the forecast OTC and the OTC actually realized (on each settlement interval) on the Balancing Market.

In 2024, the Company recorded higher revenues from energy trading for OTC (RON 95.5 million) compared to the same period of 2023 (RON 46.8 million), i.e. RON +48.7 million.

In the structure of these revenues, those obtained from transactions on the Intraday Market were at the level of about 50% of the revenues realized in the similar period of the previous year, given that a large part of the required OTC was purchased on the long-term markets through the MACEE mechanism, and prices on short-term markets decreased compared to

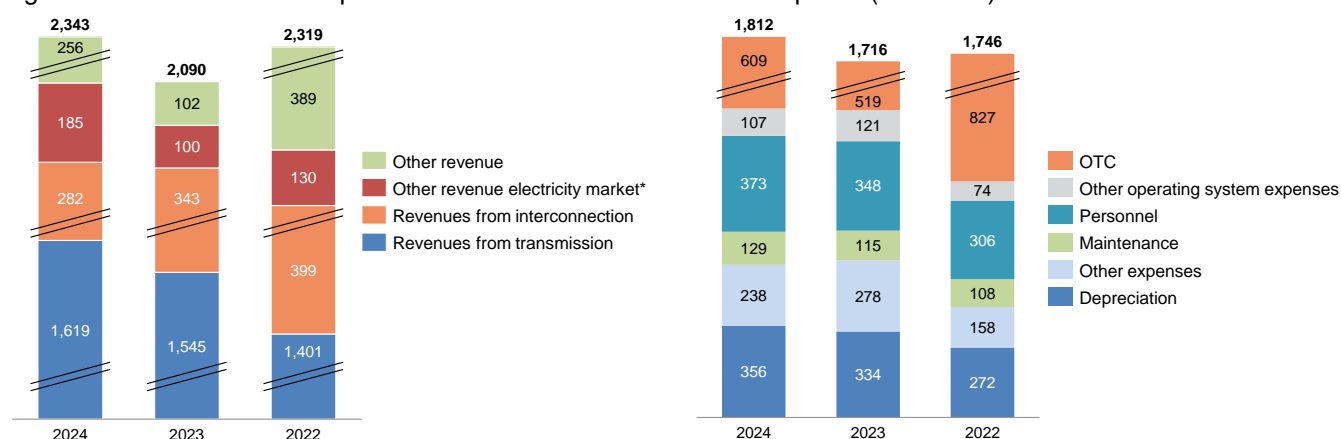
the previous year, with some intervals with negative prices.

Revenues from transactions on the Balancing Market were more than 2 times higher than in the same period of the previous year given the very high prices recorded on the Balancing Market, as well as the fact that the imbalances recorded for OTC were in the opposite direction to the system, which led to the purchase of energy at a negative price. This trend was more pronounced in the first half of the year, with revenues in the second half of the year comparable to the previous year.

### Revenues from emergency aid

In the period January-December 2024, revenues from emergency aid amounted to RON 62.2 million, compared to RON 31.8 million in January-December 2023. Thus, in 2024, emergency aid was granted to Ukraine as a result of damage to the energy infrastructure in this country as a result of armed conflicts and to Serbia as a result of accidental shutdowns of groups in this country.

Figure29 : Revenues and Expenditures from activities with allowed profit (million lei)



\* ITC, reactive energy, OTC transactions, energy exchanges, emergency assistance

Table27 : Costs of activities with allowed profit

1000 lei	2024	2023	2022		24/23*
<b>Operational expenses</b>	<b>1.455</b>	<b>1.382</b>	<b>1.474</b>	▲	<b>5%</b>
<b>System operating expenses</b>	<b>716</b>	<b>640</b>	<b>902</b>	▲	<b>12%</b>
Expenses on own technological consumption	609	519	827	▲	17%
Congestion charges	0,1	0,1	0,3	▲	19%
Expenses on electricity consumption in ETG stations	46	38	40	▲	22%
OTC expenses transit RED (acc. to ANRE Decision)	13	-	-	—	n/a
Expenses on functional system services	-	-	0,03	—	n/a
ITC expenses (Inter TSO Compensation)	47	83	34	▼	(43%)
OPCOM administration expenses	0,34	0,36	0,14	▼	(6%)
<b>Repairs and maintenance</b>	<b>129</b>	<b>115</b>	<b>108</b>	▲	<b>12%</b>
<b>Personnel expenses</b>	<b>373</b>	<b>348</b>	<b>306</b>	▲	<b>7%</b>
<b>Other expenses</b>	<b>238</b>	<b>278</b>	<b>158</b>	▼	<b>(15%)</b>
<b>Depreciation</b>	<b>356</b>	<b>334</b>	<b>272</b>	▲	<b>7%</b>
<b>Operating expenses including depreciation</b>	<b>1.812</b>	<b>1.716</b>	<b>1.746</b>	▲	<b>6%</b>

\*▲ (positive impact)Income (+), ▲ (positive impact) Expenditure (-)



Operating expenses from profit allowed activities (including Depreciation and amortization) realized in 2024 increased by 6% compared to the same period of the previous year (RON 1,812 million from RON 1,716 million).

**System operating expenses**

In the segment of activities with allowed profit, the system operating costs increased by 12% (RON 716 million in 2024 compared to RON 640 million in 2023), expenses for the acquisition of OTC, ITC expenses, expenses for energy consumption - consumption of internal services of ETG and RED stations, OTC expenses for RED transit (cf. ANRE decision).

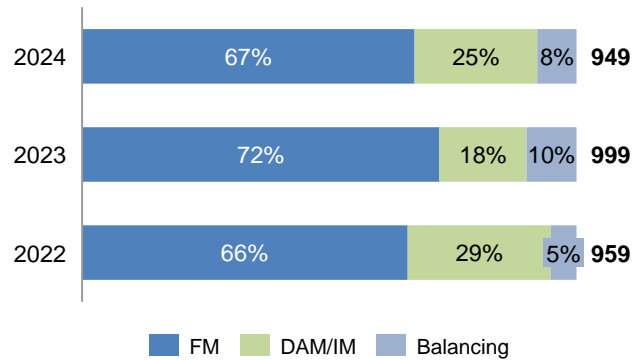
**OTC expenses**

In the period January-December 2024, the costs of energy purchase to cover own technological consumption amounted to RON 609 million, 17% higher (+RON 90 million) compared to 2023, due to the following reasons:

- Due to its characteristics, the OTC in the Electricity Transmission Grid (ETG) is strongly dependent on weather conditions, on the structure of electricity production and consumption at national level, on the distribution of electricity flows in the internal transmission grid and on the interconnection lines with neighboring power systems, and its value is very little to not controllable in an interconnected and coupled regional power market;
- following the provisions of GEO no. 153/2022 amending and supplementing GEO no. 27/2022, NPG CO. Transelectrica SA purchased electricity to cover 75% of the quantity of the OTC forecast validated by the Centralized Electricity Purchase Mechanism (MACEE). For 50% of the validated needs, the energy was purchased through annual allocation, at a regulated purchase price of 450 lei/MWh. For the remaining energy requirements, monthly allocations were made at the price of 450 lei/MWh and 400 lei/MWh respectively (from April 1, 2024);
- as of 01.04.2024, the mechanism of centralized purchase of electricity MACEE was amended by GEO no. 32/2024, in the following sense:
  - *reducing the regulated purchase price to 400 lei/MWh;*
  - removing the obligation for producers to participate in the mechanism;
  - *changing the period of application of the mechanism from 31.03.2025 to 31.12.2024;*
  - *allowing other producers with production capacities below 10MW to participate in the scheme.*

- The changes introduced by GEO 32/2024 led to a gradual exit from the support scheme and a return to competitive market mechanisms. As a result, starting with the monthly allocations for the month of August, the amount allocated to cover OTC through MACEE was almost zero. The required energy was purchased through bilateral contracts and from DAM;
- The accelerated growth of installed capacity at prosumers (from about 420 MW at the beginning of 2023 to about 1500 MW at the beginning of 2024), together with the increasing share of wind and solar energy, have led to a decrease in energy prices on short-term markets.
- The price of DAM is highly dependent on weather conditions (drought, rainfall, extreme events) and European market prices. The Day-ahead market is an unpredictable market with a high degree of volatility, with prices increasing by as much as 30-40% in a week;

Figure30 : Procurement mix by quantities purchased from markets (GWh)

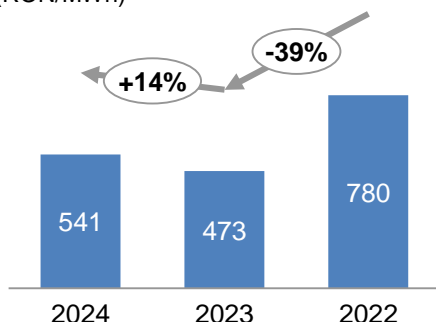


As of July 01, 2024, a number of amendments to the Regulation on Terms and Conditions for Balancing Parties, in line with the requirements of the European Codes, came into force, which led to very high prices on the Balancing Market.

These prices have a high degree of volatility and uncertainty and can vary widely. As a result, the costs resulting from covering the energy shortfall in this market were about twice as high compared to the same period in 2023.

The average net price of energy purchased on all markets in 2024 was 541 lei/MWh, 14% higher than the price in the same period of 2023, i.e. 473 lei/MWh.

Figure31 : Average total (net) OTC average price on markets (RON/MWh)



The average price was calculated at net value (purchases-sales)

### Grid losses expenses transit RED (cf. ANRE decision)

In the composition of the expenses related to the system operation in 2024, there were expenses related to the OTC for additional transits of electricity from the networks of the concessionary distribution operators at the voltage level of 110kV (for the quota allocated to the TSO) in the amount of RON 12.8 million. For the year 2024, by ANRE decisions no. 2642/14.11.2023 and no. 2643/14.11.2023, the forecast amounts of OTC and the corresponding costs related to additional transits of electricity from the 110 kV electricity grids for the year 2024 were approved for Distribuție Energie Oltenia S.A. and E-Distribuție Dobrogea S.A.

### Expenses with Inter TSO Compensation (ITC)

In 2024 these expenses were lower by RON 35 million compared to the same period of the previous year. They are established in the framework of the mechanism of compensation/dispensation of the effects of utilization of the transmission electricity network (ETG) for electricity transits between TSOs that have joined this mechanism within ENTSO-E.

The factors influencing the values of costs/revenues with the JTI mechanism are the electricity exchanges - import, export, transit on the NES interconnection lines, correlated with the electricity flows transited at the level of all countries participating in the mechanism.

From the category "**Other costs**" (a decrease of RON 40 million in the analyzed periods) those that had an impact in the analyzed period are:

- the growth of the following:
  - other expenses with services performed by third parties with + RON 23 million of which security RON 7 million, pan-European codes RON 6 million, Teletrans maintenance RON 5.5 million, other services with third parties RON 3.2 million,
  - expenditure on goods (waste recovery) by + RON 12 million,
- decrease of some items of expenses, such as:
  - expenses with provisions and adjustments - RON 68 million, net expenses from revaluation of tangible assets by - RON 20 million.

**Depreciation and amortization expenses** in 2024 show an increase by RON 22 million, mainly influenced by the recording of Depreciation and amortization of tangible and intangible assets (+ RON 16 million), calculated at the revalued value of assets as at December 31, 2023, correlated with the commissioning of investment works and the acceptance of assets.

At the same time, in 2024, the expenses with depreciation of intangible assets - additional OTC amounted to RON 74 million, showing an increase compared to 2023 (+RON 6 million). The additional costs with the purchase of electricity realized in the period from January 1, 2022 to March 31, 2025, in order to cover own technological consumption, compared to the costs included in the regulated tariffs, are capitalized quarterly, and the assets resulting from the capitalization are depreciated over a period of 5 years from the date of capitalization.

### Operating result - profit allowed activities

**Activities with allowed profit** recorded a positive result in the amount of RON 531 mln in 2024 up from the result in the amount of RON 374 mln achieved in 2023, as operating revenues increased by RON 253 mln, correlated with a lower increase in expenses (including depreciation) by RON 96 mln.

### Zero-profit activities

Table28 : Summary of revenue from zero-profit activities

Million lei	2024	2023	2022	24/23
<b>Operating income</b>	<b>5.537</b>	<b>2.628</b>	<b>3.967</b>	<b>▲ 111%</b>
System services revenues	571	359	488	▲ 59%
Balancing market revenues	4.966	2.269	3.479	▲ 119%

**Revenues from zero-profit activities** recorded a significant increase (+ RON 2,908 million) compared to the same period of the previous year, from RON

2,628 million in 2023 to RON 5,537 million in 2024, mainly determined by the prices recorded at the level of the balancing market, concomitant with the

appreciation of revenues from system services (+ RON 212 million), at the tariff approved by ANRE, compared to the same period of the previous year, in the context of a 2.8% increase in the quantity.

The **zero-profit activities** segment also saw a 98% increase in costs (+ RON 2,721 million) from RON 2,768 million in 2023 to RON 5,489 million in 2024, driven by the increased amount of balancing market expenses.

**The balancing market** was mainly influenced by the following:

- Accelerated growth in prosumer installed capacity from around 420 MW in early 2023 to around 1500 MW in early 2024;
- Lack of control/monitoring at the level of the funder for the production of the prosumers they have in their portfolio and little concern for estimating/adjusting the prosumers' production forecasts in relation to the contractual position;
- the low degree of adjustment of the production of renewable energy producers with the net contractual position (we mention here also producers receiving green certificates, based on the provisions of Law 220/2008);
- a sharp increase in supply prices in the balancing market (positive upwards and negative downwards respectively), with an impact on the marginal prices recorded in particular for energy activated for secondary balancing, and for energy activated on the tertiary market, which falls rapidly in situations of strong excess production;
- for the period from June to August 2024, in the conditions of a predominantly surplus system, the balancing market is registering a high volume of

Table29 : Summary of expenditure from zero-profit activities

Million lei	2024	2023	2022	24/23
<b>Operational costs</b>	<b>(5.489)</b>	<b>2.768</b>	<b>3.946</b>	▼ n/a
System services expenses	(524)	499	467	▼ n/a
Balancing market expenses	(4.966)	2.269	3.480	▼ n/a

\*▲ (positive impact)Income (+), ▲ (positive impact) Expenditure (-)

**Revenues from system services** increased by 59% compared to the same period last year (RON 571 million in 2024 compared to RON 359 million in 2023), driven by the increase in the quantity of electricity delivered to consumers (+2.8%) under the conditions of the application of the tariff approved by ANRE for these services.

**The purchase of system services/balancing capacity** is carried out by the Company from producers in order to ensure the maintenance of the level of operational reliability of the NES and the

selections at power reduction, respectively significant negative prices in the Balancing Market which determines, on the one hand, significant revenues for the generators that have offered negative prices at power reduction, respectively considerable costs for the PREs that have registered positive imbalances;

- the evolution of contractual imbalances registered at the level of electricity suppliers on the balancing market;
- hydraulic evolution;
- the evolution of electricity production and consumption.

**Balancing market revenues/expenses** were more than 2 times higher in 2024 than in 2023.

For 2025 it is important to correctly assess the production-consumption balance, and the most important elements that will have a significant impact on the evolution of the balancing market are:

- *the regional and European context of electricity market developments,*
- *ANRE's regulatory framework to adjust the functioning of the balancing market,*
- *the evolution of consumption and the impact of prosumers on the electricity market,*
- *precipitation and temperature forecasts,*
- *the evolution of solar and wind production,*
- *hydraulic evolution,*
- *the evolution of national electricity production and consumption,*
- *behavior of market participants,*
- *the evolution of contracting in pre-balancing markets.*

quality of the transported electricity at the parameters required by the technical standards in force.  
These services are contracted out:

- in regulated regime, based on Government Decisions and Decisions of the National Energy Regulatory Authority (ANRE);
- through competitive mechanisms.

The procurement of system services/balancing capacity is carried out on a competitive basis through daily auctions in accordance with the provisions of

Regulation (EU) 2019/943 of the European Parliament and of the Council of June 5, 2019.

In 2024, the contracting of system services / balancing capacity in regulated regime was carried out only for reactive energy, according to ANRE Decision no. 1078/2020, being provided by the Society for the Production of Electricity in Hydropower Plants "Hidroelectrica" SA.

The amount of **spending on system services/balancing capacity** in 2024, showed an increase (+5%) compared to the same period in 2023.

The value of the costs of purchasing system services/balancing capacity was influenced by the following factors:

- in accordance with the provisions of Article II of ANRE Order no.18/30.05.2024, for a period of 3 months, in accordance with Regulation 2019/943 of the European Parliament and of the Council of June 5, 2019, in the period 01.06.2024-31.08.2024, the purchase of balancing capacity services for frequency stability contracted by the Company is carried out as follows:
  - at a maximum price of 82,30 lei/hMW for the secondary regulating reserve/frequency restoration reserve with automatic increase activation and for the automatic decrease activation;
  - at a maximum price of 37,94 lei/hMW for the fast tertiary regulation reserve on boost/reset reserve with manual activation on boost;
  - at a maximum price of 16,38 lei/hMW for the fast tertiary dimming reserve/manually activated frequency restoration reserve at manual dimming.
- in accordance with the provisions of art. I, point 3 of ANRE Order no.18/30.05.2024, as of 01.09.2024 the maximum prices are no longer applicable, and the tender procedure is organized at Transelectrica SA level on the basis of the offer price.

Starting with July 01, 2024, the ANRE Order no.127/08.12.2021 for the approval of the Regulation on the terms and conditions for balancing service providers and frequency stabilization reserve providers and the Regulation on the terms and conditions for the parties responsible for balancing, which defines the new types of reserves to be purchased by the Company, in accordance with the requirements of the European codes, entered into force.

These are the Frequency Stabilizing Reserve (symmetrical band), the Frequency Restoring Reserve with automatic and manual activation and the Replacement Reserve.

These reserves will be qualified as standard reserves, based on ANRE Order no. 89/2021 on the approval of technical qualification for the provision of system services.

In the balancing capacity market, in line with the balancing market trends in 2024, the following were found:

- a steep increase in the purchase price of the Fast Tertiary Reserve - power curtailment. Thus, there were increases in the purchase price of the reserve from 9.82 lei/hMW to values up to 250 lei/hMW (purchase price for the Fast Tertiary Reserve - power reduction registered in the period April-May 2024).
- The same trend was observed for the Secondary Reserve between January and June 2024.
- in the period June-August 2024, the purchase prices of balancing capacities RRFa, RRFm, for increasing and reducing power, were maintained at the level of the prices regulated by the provisions of Article II of the Order of the President of ANRE no.18/30.05.2024, with prices below the maximum limit imposed by the authority.
- in September 2024, with the elimination of the capped prices, in accordance with the provisions of Article II of the Order of the President of ANRE no.18/30.05.2024, there was an upward trend in the purchase price for RRFa in the increase and reduction of power and RRFm in the reduction of power.

For 2025 we make the following clarifications:

- the amount of balancing capacity reserves (RRFa, RRFm, up-raising and derating) actually purchased will be adjusted by the DEN depending on the results of the analysis of the operation of the NES on time horizons closer to the operating day.
- the price development trend on the balancing capacity market will be upward, taking into account the price development for the period September - December 2024.
- we estimate that a significant impact on the evolution of the costs for the purchase of system services through daily and directional auctions, at Transelectrica level, will be the ANRE's regulatory framework on the electricity market, the evolution of prices on the balancing market as well as the regional and European context of the evolution of the electricity market.

#### **Operating result - zero profit activities**

EBIT generated by **zero-profit activities** recorded a positive result in 2024 in the amount of RON 48



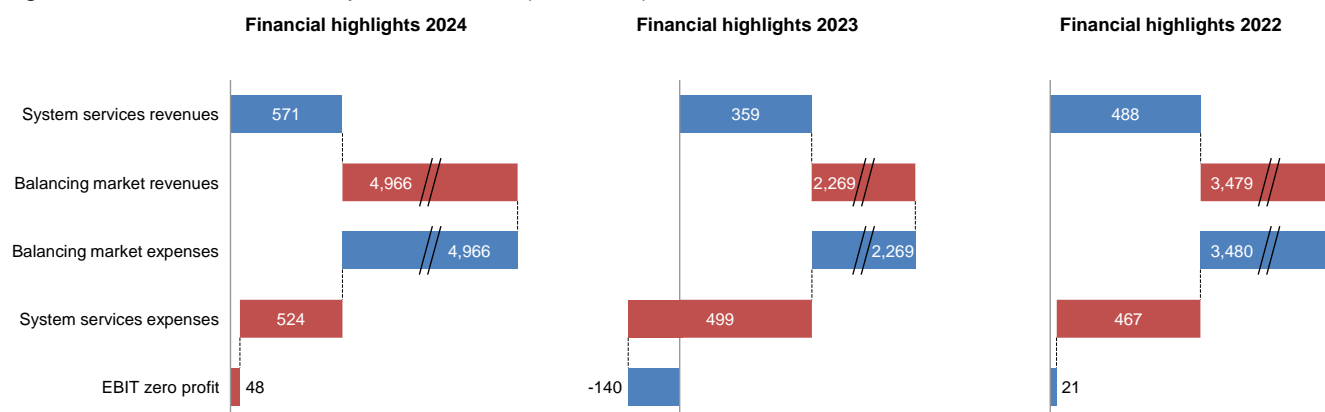
million, up by RON +188 million compared to the negative result of RON 140 million realized in 2023.

For the system services activity, according to ANRE's regulations, the surplus/deficit of revenue compared to the recognized costs resulting from the performance of this activity shall be compensated by ex-post tariff

correction (negative/positive correction) applied by ANRE in the tariff in the years following the one in which the respective surplus/deficit was recorded.

The surplus/deficit of income over the costs of carrying out this activity shall be calculated by tariff schedule periods.

Figure32 : Results from zero-profit activities (million lei)



## Company gross profit (EBT)

### Gross result

In 2024, it recorded a significant increase RON 234 million in 2023 to RON 579 million in 2024, mainly due to the 2.8% increase in the quantity of electricity delivered to consumers, and conjunctural revenues (OTC transaction revenues, revenues from blackout aid RON +30 million, income from OTC capitalization

(non-monetary) RON +88 million, other operating income RON +66 million where the increase was mainly due to the recording of income from compensation, fines and penalties as a result of legal recovery, according to Civil Decision no. 6169/2023, communicated to the Company on May 15, 2024).

## Financial result

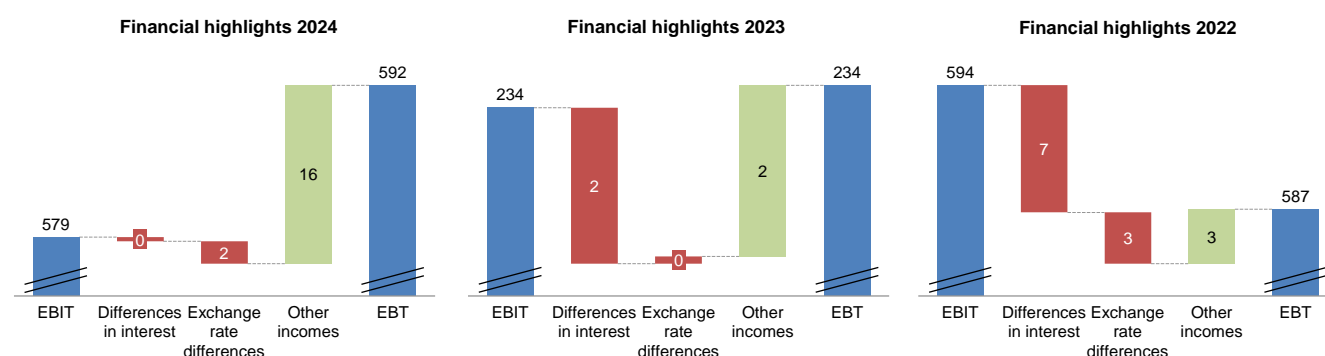
The net financial result recorded in 2024 in the net amount of RON 13 million, compared to a profit of RON 0.3 million in the same period last year, was influenced by the receipt of dividends from the subsidiary OPCOM SA totaling RON 14.6 million, the increase in interest income received in the period

under review, while there were losses from exchange rate differences of the national currency against foreign currencies (euro), mainly influenced by the volume of transactions related to the market coupling business segment.

Table30 : Exchange rate developments on December 31

Lei	2024	2023	2022	24/23
1 EUR	4,9741	4,9746	4,9474	▲ 0,0%

Figure33 : Financial results (mil.lei)



## Net result

The gross result influenced by the income tax amounting to RON 6 million resulted in a **net result** at the end of the year of

The total amount for 2024 amounted to 586 million, up from RON 214 million in 2023

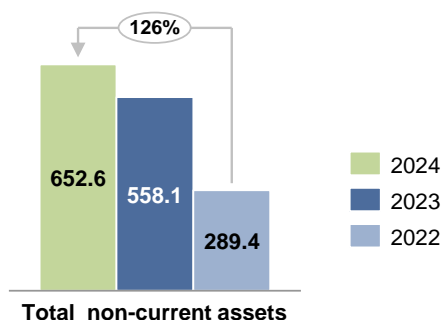
## 11.2. Balance sheet - financial position

Million lei	2024	2023	2022	24/23
<b>Non-current assets</b>				
Tangible assets	5.775	5.416	4.002	▲ 7%
Assets representing rights of use under a lease - buildings	6	14	22	▼ (57%)
Intangible assets	312	282	338	▲ 11%
Financial assets	86	86	86	▼ n/a
<b>Total</b>	<b>6.179</b>	<b>5.798</b>	<b>4.447</b>	<b>▲ 7%</b>
<b>Current assets</b>				
Inventories	47	51	42	▼ (8%)
Customers and similar accounts	3.779	2.116	3.340	▲ 79%
Recoverable income tax	-	-	4	— n/a
Cash and cash equivalents	672	519	315	▲ 29%
<b>Total</b>	<b>4.497</b>	<b>2.686</b>	<b>3.702</b>	<b>▲ 67%</b>
<b>TOTAL ASSETS</b>	<b>10.676</b>	<b>8.484</b>	<b>8.149</b>	<b>▲ 26%</b>
<b>Equity capital</b>				
Share capital	733	733	733	▼ n/a
Reserves	1.967	2.027	939	▲ n/a
Retained earnings	3.120	2.430	2.196	▲ 28%
<b>Total</b>	<b>5.821</b>	<b>5.190</b>	<b>3.869</b>	<b>▲ 12%</b>
<b>Non-current liabilities</b>				
Non-current borrowings	8	32	56	▼ (75%)
Other loans and similar liabilities - Leasing of buildings - non-current	-	6	15	▼ (100%)
Other non-current liabilities	875	879	617	▼ (0,5%)
<b>Total</b>	<b>883</b>	<b>918</b>	<b>687</b>	<b>▼ (4%)</b>
<b>Current liabilities</b>				
Trade and other payables	3.862	2.242	3.372	▲ 72%
Current borrowings	24	25	92	▼ (1%)
Other loans and similar liabilities - Leasing of buildings	7	9	8	▼ (24%)
Other current liabilities	86	100	120	▼ (14%)
<b>Total</b>	<b>3.978</b>	<b>2.376</b>	<b>3.593</b>	<b>▲ 67%</b>
<b>Total liabilities</b>	<b>4.861</b>	<b>3.294</b>	<b>4.281</b>	<b>▲ 48%</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>10.676</b>	<b>8.484</b>	<b>8.149</b>	<b>▲ 26%</b>

## Assets

**Non-current assets** recorded an increase in 2024, compared to December 2023, in the amount of RON 381 million, mainly determined by the increase in the net value of tangible assets (RON +359 million).

Figure34: Value of fixed assets entered in the accounts (excluding VAT, million RON)



The value of fixed assets recorded in the accounts in 2024 amounted to RON 652.6 million (RON 558.1 million in the same period of 2023), an increase of RON 95 million.

The largest transfers from tangible assets in progress to tangible assets are mainly represented by the commissioning of investment objectives, the most significant of which are listed below:

- Transition to 400 kV of the axis Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400 kV power line Porțile de Fier - (Anina) - Reșița - RON 160.8 million;
- Racordarea OHL 400 kV Isaccea - Varna și OHL 400 kV Isaccea - Dobrudja în Stația 400 kV Medgidia Sud, Etapa I - Extinderea Stației 400 kV Medgidia Sud – 96,7 mil lei;

- Refurbishment of the 220/110/20kV Baru Mare 220/110/20kV station - 73,8 mil lei;
- Increasing the transmission capacity of the 220 Kv OHL Stejaru - Gheorgheni - Fântânele - RON 49.4 million;
- Metering and data management system for electricity metering on the wholesale market - RON 48.8 million;
- Refurbishment of 220/110 kV station Filești - RON 48.4 million;
- Arefu 220/110/20 kV substation modernization - RON 31 million;
- Upgrading of the 400/110 kV Pelicanu Station - RON 19.1 million;
- Relocation of the 220 kV and 400 kV networks - Urechești - Domnești, Țânțăreni - Bradu, Bradu - Brașov, Bradu - Stupărei and Bradu - Târgoviște for the Craiova - Pitești Express Road, section 4 - RON 16.9 million;
- Extension of the 400 kV Gura Ialomiței station with two cells: OHL 400 kV Cernavodă 2 and 3 - RON 12,6 mil lei;
- Relocation of the 220 kV and 400kV networks for the construction of the Braila- Galati express road - RON 10.1 million.

Purchases of tangible and intangible assets in 2024 amounted to RON 674.3 million, an increase compared to the same period of 2023 when purchases amounted to RON 438.9 million.

At the same time, the balance of tangible assets in progress according to the financial position as at December 31, 2024, in the amount of RON 981 million, is represented by the projects in progress, the most significant of which are listed below:

- 400 kV d.c. OHL Gutinaș - Smârdan - RON 304.9 million;
- Transition to 400 kV of the axis Porțile de Fier - Reșița - Timișoara - Săcălaz - Arad - Stage I - 400kV power line s.c. Porțile de Fier - (Anina) - Reșița - RON 167.6 million;
- Increasing the operational reliability of the Argeș-Vâlcea network area, realization of the 400 kV Arefu Station and installation of a 400 MVA, 400/220 kV HV 400/220 kV - RON 82.8 million;
- Connection to ETG of CEE 300 MW Ivești, CEE 88 MW Fălciu 1 and CEE 18 MW Fălciu 2 through the new (400)/220/110 kV substation Banca - RON 46,9 mil lei;
- Upgrading of the 400/110 kV Pelicanu transformer substation - RON 39.8 million;
- Upgrading of the 400/110/20 kV Smârdan Station - RON 38.6 million;
- Station 400 kV Stâlpu - RON 38.2 million;

- 220 kV double circuit OHL Ostrovu Mare - ETG (H.CA nr. 17/2007) - RON 35.3 million;
- Isaccea 400 kV Station Upgrading - Stage II - RON 34,6 million;
- Installation of two modern means of reactive power compensation in 400/220/110/20kV stations Sibiu Sud and Bradu - RON 32.4 million;
- 110 kV Medgidia Sud 110 kV Station Upgrade - RON 26,5 mil lei;
- Increasing the security of supply to consumers in the southern area of Bucharest, connected to the 400/220/110 KV BUCHAREST Bucharest South Station - RON 15.2 million;
- Increasing the transmission capacity of the 220Kvohl Ștejaru - Gheorgheni - Fântânele - RON 14.8 million;
- Upgrade of 110 kV Timisoara 110 kV Station and 400 kV Transition of the Porțile de Fier - Anina - Resita - Timisoara - Timisoara - Săcălaz - Arad axis, phase II: 400 kV Timisoara Station - RON 8.9 million.

As at December 31, 2023, the Company recorded in the accounting records the result of the revaluation report performed by Appraisal&Valuation, the valuation and consulting division of NAI Romania, an independent appraiser authorized by the National Union of Authorized Appraisers in Romania (ANEVAR).

The assets subject to valuation were:

- land and tangible assets classified in Group 1 - *Constructions* and Group 2 - *Technical installations, means of transportation* registered in the private patrimony of the Company;
- - the assets belonging to the public domain of the state and concessioned to the Company under the Concession Contract no. 1/2004.

#### **Fixed assets related to the right of use of leased assets - buildings**

Assets related to rights to use leased assets - buildings represent the right to use the premises leased by the Company in the Platinum office building, in accordance with IFRS 16 - Leases. As of 01.10.2020 the lease agreement valid for a period of 5 years entered into force.

At December 31, 2024, the carrying amount of the right to use the premises leased by the Company in the Platinum office building is RON 6 million.

#### **Intangible assets**

Intangible assets in progress at December 31, 2024 show a balance of RON 12 million represented by projects in progress, of which the most significant are:

- Replacement of hardware components, upgrade and development of specific applications of the Balancing Market Platform - II DAMAS, Component Purchase of migration services and upgrade of specific applications of the Balancing Market - 7,6 million;
- MARI platform development - 2 mil lei;
- PICASSO platform development - 0,6 mil lei;
- Off-line program for the realization of individual network models, steady-state calculation, cross-border capacity calculation, CGMES format conversion module (according to ENTSO-E requirements), in order to program and operate the NES on different time horizons - 1,1 mil;

*As from September 30, 2022, the Company applies the provisions of GEO no. 119/2022, whereby the additional costs of electricity purchase made to cover its own technological consumption compared to the costs recognized in the regulated tariffs are capitalized on a quarterly basis.*

*Thus, capitalized costs are depreciated over a period of 5 years from the date of capitalization and are remunerated at 50% of the regulated rate of return approved by the National Energy Regulatory Authority, applicable over the depreciation period of those costs and are recognized as a separate component.*

As at 31 December 2024, additional OTC capitalization income in the amount of RON 102 million (non-monetary in nature) was recorded, representing additional costs of electricity purchase in order to cover own technological consumption compared to the cost recognized in the tariff.

The carrying amount of intangible assets resulting from the capitalization of the additional OTC amounted to 298 million.

The company is further affiliated with the following entities:

- **TSCNET**
- **JAO**
- **GECO POWER COMPANY**

#### **TSCNET (TSCNET Services GmbH)**

It was set up to serve Transmission System Operators (TSOs) in the East-Central-West region of Europe (CORE region) for the coordinated implementation of the European network codes. The affiliation is made by participating in the shareholding of TSCNET through a share purchase transaction in the company.

By Resolution No. 9 of the EGMS of June 05, 2018, the affiliation of the Company to the CORE Regional Security Coordination Center, TSCNET through participation in the share capital with a contribution of 470,500 EUR (1 share - 2,500 EUR) was approved.

#### **JAO (Joint Allocation Office)**

As of 2019, non-current capacity allocation auctions are coordinated by JAO which has been designated as the Single Allocation Platform Operator (SAP).

Transelectrica was invited by JAO to become part of its shareholding.

By Resolution No. 10 of the EGMS of August 20, 2018, the Company's affiliation to the Joint Allocation Office (JAO) was approved with a cash subscription in the amount of EUR 259,325, being allocated 50 shares.

#### **GECO POWER COMPANY**

The General Shareholders' Meeting convened on August 12, 2024 decided by EGMSR No.4, the Company's participation in the share capital of a new company, together with the other relevant parties designated at the level of the Republic of Azerbaijan, Georgia, and Hungary.

The Company, together with Azerenerji Open Joint Stock Company, JSC Georgian State Electrosystem and MVM Energy Private Limited Liability Company, established a limited liability company with registered office in Romania, organized and operating under Romanian law, with a total share capital of RON 15 million divided into 1,500,000 shares of 10 lei each, in which the Company's contribution is RON 3.75 million, corresponding to 375,000 shares of 10 lei each and representing a 25% participation in the share capital and profit/loss.

#### **Current assets**

Current assets as at December 31, 2024 (RON 4,497 million) increased by 67% compared to December 31, 2023 (RON 2,686 million), mainly due to the increase in receivables as well as cash and cash equivalents.

**Trade receivables** show an increase of 55% compared to December 31, 2023 (RON 2,702 million at December 31, 2024 compared to RON 1,746 million at December 31, 2023). The most important developments were:

- customers from operating activity which, due to the volume of transactions resulting from the coupling of energy markets, generated a higher balance of receivables from operating activity (RON 1,899 million as at December 31, 2024 compared to RON 1,005 million as at December 31, 2023).
- customers - balancing market which, due to the increase in the volume of transactions in the balancing market in the fourth quarter of 2024, compared to the fourth quarter of 2023, also led to an increase in the balance of customers in contracts



concluded for this type of activity (RON 668 million as at December 31, 2024 compared to RON 594 million as at December 31, 2023).

The main outstanding customers on the electricity market are represented by OPCOM, IBEX, MAVIR, Electrica Furnizare SA, Ciga Energy SA, Cinta Energy SA, Hidroelectrica, Bursa Română de Mărfuri, RAAN, JAO. Their share is 77.02% of total trade receivables.

- customers - support scheme, which decreased by 8% (-RON 11 million), mainly due to the decrease in the amount invoiced for the collection of the monthly contribution.

The company carries out the activities related to the bonus support scheme for the promotion of high-efficiency cogeneration, as administrator of the support scheme, in accordance with the provisions of HGR no. 1215/2009, "the main tasks being the monthly collection of the contribution for cogeneration and the monthly payment of bonuses".

As at December 31, 2024, the Company has receivables receivable amounting to RON 132 million, represented by invoices issued related to the bonus support scheme for the promotion of high efficiency cogeneration, of which mainly:

- overcompensation for 2011-2013 in the amount of RON 76.70 million, respectively from RAAN - RON 63.46 million and CET Govora SA - RON 13.23 million;
- undue bonus for 2014 in the amount of RON 3.91 million, respectively from RAAN - RON 1.98 million, and CET Govora - RON 1.93 million;
- undue bonus for 2015 in the amount of RON 0.56 million, respectively from CET Govora - RON 0.53 million, Interagro - RON 0.03 million;
- undue bonus for 2020 in the amount of RON 0.52 million from Donau Chem;
- uncollected contribution for cogeneration from suppliers of electricity consumers in the amount of RON 20.8 million, respectively from Transenergo Com - RON 5.9 million, Petprod - RON 4.4 million, Romenergy Industry - RON 2.7 million, RAAN - RON 2.4 million, UGM Energy - RON 1.5 million, CET Govora - RON 0.9 million, KDF Energy - RON 0.5 million, etc.

Up to the date of this report, the Company has collected all the receivables related to overcompensation of the activity overcompensation related to the support scheme for the year 2023 (amount of RON 5.5 million) from Bepco (RON 2.9 million) and Termoficare Oradea (RON 2.6 million), as well as the amount of RON 14.2 million from the undue bonus established by ANRE Decisions for the

year 2023, from the following producers: Bepco SRL, CET Grivița, Electro Energy Sud, Electrocentrale București, Electrocentrale Craiova, Electroulaj SA, Municipiul Iași, Petrotel Lukoil, Poligen Power, Soceram SA, Termoficare Oradea and UATAA Motru.

**Other receivables** as of December 31, 2024, amounting to RON 231 million, recorded an increase of RON 8% million and mainly include:

- sundry debtors (RON 135 million), of which:
    - late payment penalties calculated for defaulting customers, amounting to RON 80 million (of which RON 25.85 million are penalties related to the support scheme).
- The highest late payment penalties were recorded by customers: Romelectro (RON 24.5 million), RAAN (RON 16.9 million), Electromontaj (RON 12.7 million), CET Govora (RON 9.6 million), OPCOM (RON 3.9 million), Total Electric Oltenia (RON 3.3 million), Multiservice G&G SRL (RON 2.2 million), Petprod (RON 1.9 million), ISPE Proiectare și Consultanță (RON 1.1 million), Romenergy Industry (RON 0.6 million).
- compensation owed by suppliers for non-delivery of electricity: Arelco Power (RON 0.99 million), Enol Grup (RON 2.54 million) and Next Energy Partners (RON 8.39 million).
  - the receivable to be recovered from OPCOM representing the VAT related to the contribution in kind to the share capital of the subsidiary in the amount of RON 4.52 million.
  - Deferred expenses in the amount of RON 15 million represented mainly by domestic and international contributions (RON 7.9 million), OTC (RON 4.2 million), insurance policies (RON 1.7 million) and others;
  - other social receivables in the amount of 3 million representing sick leave paid by the employer to employees, amounts to be recovered from the National Health Insurance House, according to the legislation in force.

**Advances to suppliers** paid as at December 31, 2024 represented by debtor suppliers for services rendered in the amount of RON 770 million increased significantly compared to December 2023 when they amounted to RON 152 million.

The balance represents mainly amounts from transactions related to the price coupling mechanism (for ICP - Interim Coupling Project and SDAC - Single Day-ahead Coupling the amount of RON 685 million, and for SIDC - Single Intraday Coupling the amount of RON 83 million).

*The kick-off of the successful SDAC Single Day-ahead Coupling SDAC Single Day-ahead Coupling took place on October 28, 2021 and is the result of the cooperation between the Designated Electricity Market Operators (DSOs) and the Transmission System Operators (TSOs) of Bulgaria and Romania, namely IBEX EAD, OPCOM SA, ESO EAD and Transelectrica. The aim of the SDAC is to create a single pan-European cross-border day-ahead energy market.*

*As the transfer agent for Romania's bidding zone, NPG CO. Transelectrica SA has the role of settling the energy traded between OPCOM SA and IBEX.*

*The launch of Flow Based Market Coupling in the Core region on 08 June 2022 represented the transition from ICP - Interim Coupling Project to FBMC - Flow Based Market Cuupling, optimizing the European electricity market for 13 countries: Austria, Belgium, Croatia, Czech Republic, France, Germany, Hungary, Luxembourg, the Netherlands, Belgium, Croatia, the Czech Republic, Germany, Hungary, the Netherlands, Poland, Romania, Slovakia, Slovenia, and the Netherlands.*

*Within the FBMC project, Transelectrica has the role of both Shipper (Transfer Agent) and CCP - Central Counterparty. As CCP, the Company has the task of transferring the financial flows generated by the electricity flows as a result of the coupling process.*

**The VAT to be recovered** in the amount of RON 272 million is related to the tax returns for the period September-December 2024, of which up to the date of this report, the amount of RON 143 million has been collected, representing the VAT claimed for refund for the months of September and October 2024.

**Impairment adjustments** existing in the balance at December 31, 2024, calculated for trade receivables and related penalties, amount to RON 196 million. The highest are recorded for JAO (RON 30 mln), CET Govora (RON 24.6 mln), Romelectro (RON 24.5 mln), Arelco Power (RON 14.5 mln), Total Electric Oltenia SA (RON 14.2 mln), Romenergy Industry (RON 13.5 mln), Elsaco Energy (RON 9.3 mln), OPCOM (RON 8.8 mln), RAAN (RON 8.5 mln), Next Energy Partners (RON 8.4 mln).

## Equity and liabilities

**Non-current liabilities** in the amount of RON 878 million as at December 31, 2024 decreased by 4% compared to the amount recorded as at December 31, 2023, which was RON 918 million.

### Interest-bearing liabilities

At December 31, 2024, the amount of non-current borrowings decreased from December 31, 2023 primarily due to repayments under existing loan agreements.

At the same time, the amount of current borrowings decreased by 1% compared with the same period last year.

The Company has concluded credit agreements with Banca Comercială Română and Banca Transilvania for a period of 12 months to finance the bonus support scheme for high-efficiency cogeneration, respectively for the financing of the Company's working capital.

As of December 31, 2024 both credit lines have been used during the year and by December 31, 2024 the credit lines have been replenished.

**Current liabilities** increased by 67%, from RON 2,376 million at December 31, 2023 to RON 3,978 million at December 31, 2024, mainly due to an increase in trade and other payables.

Impact on the evolution of trade liabilities:

- **suppliers on the energy market** which increased by RON 912 million and recorded a balance amounting to RON 2,253 million at December 31, 2024 compared to RON 1,341 million at December 2023.

This was mainly influenced by:

The increase in *the balance of liabilities related to operating activities* by RON 905 million was influenced by the supply and demand pricing model for electricity market coupling. The implicit allocations, in which capacity and energy are simultaneously provided for, were strongly influenced by changes in the price of electricity on the European power exchanges.

Suppliers on the electricity market are mainly represented by MAVIR, IBEX, Hidroelectrica SA, OMV PETROM, OPCOM, CIGA Energy SA, S Complexul energetic Oltenia SA, Joint Allocation Office, Bursa Romana de Mărfuri, Electrica Furnizare SA. At December 31, 2024, their share in the total energy suppliers is 86.30%.

- *the increase in the balance "balancing market liabilities"* by RON 95 million was mainly determined by the increase in the volume of transactions recorded on the balancing market in the fourth quarter of 2024 compared to the fourth quarter of 2023.

- the decrease in the liabilities related to the support scheme to suppliers (producers) by RON 87 million was determined both by the decrease in the value of the monthly bonus for high efficiency cogeneration in December 2024 compared to December 2023, and by the payments made to RAAN in May and June 2024 for the cogeneration bonus withheld from payment, according to enforceable civil decisions rendered by the Bucharest Court of Appeal.

- **suppliers of fixed assets** decreased by 20 million RON due to the payments due,
- **Suppliers other activities** also decreased by RON 13 million, being mainly represented by the category of liabilities related to services rendered by third parties not yet due.
- **"other liabilities"** increased by RON 730 million, from a balance of RON 637 million at December 31, 2023 to RON 1,366 million at December 31, 2024.

The **"other liabilities"** structure is as follows:

- *sundry creditors* in the amount of RON 385 million (increased by RON 73 million compared to December 31, 2023) and are mainly represented by the net position of the support scheme for high efficiency cogeneration, debt position (RON 363.2 million), contracts for solution studies for connection to ETG (RON 14.3 million), royalty for Q4 2024 (RON 1.6 million),
- *Creditor customers* as of December 31, 2024 in the amount of RON 835 million (increased by RON 588 million compared to December 31, 2023) and mainly

Table31 : Cash flow

Thousand lei	2024	2023	2022		24/23
<b>Operational activity</b>					
Cash flow before changes in working capital	789	630	537	▲	159,1
Changes in working capital	55	76	11	▼	(20,4)
Interest and taxes paid	(31)	(36)	(70)	▲	4,6
<b>Net cash from operating activities</b>	<b>813</b>	<b>670</b>	<b>478</b>	<b>▲</b>	<b>143,3</b>
<b>Investment activity</b>					
Acquisition of tangible and intangible assets	(674)	(439)	(462)	▼	(235,4)
Proceeds from investment activity	53	125	12	▼	(72,3)
Shares held in SELENE CC	0,0	0,	0,	▼	(0,2)
Dividends received	16	2	2	▲	13,8
<b>Cash used in investment activity</b>	<b>(606)</b>	<b>(312)</b>	<b>(448)</b>	<b>▼</b>	<b>(294,2)</b>
<b>Financing activity</b>					
Repayments of non-current borrowings	(24)	(24)	(24)	▼	(0,13)
Current borrowings repayments	(49)	(68)	0	▲	18,88
Use of working capital credit line	49	0	68	▲	48,7
Building lease payments	(11)	(11)	(11)	▼	(0,07)
Dividends paid	(21)	(52,0)	-	▲	31,4
<b>Cash used in financing activity</b>	<b>(55)</b>	<b>(154)</b>	<b>33</b>	<b>▲</b>	<b>98,8</b>
<b>Net decrease in cash and cash equivalents</b>	<b>152</b>	<b>204</b>	<b>63</b>	<b>▼</b>	<b>(52,0)</b>
<b>Cash and cash equivalents at January 1</b>	<b>519</b>	<b>315</b>	<b>252</b>	<b>▲</b>	<b>204,2</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>672</b>	<b>519</b>	<b>315</b>	<b>▲</b>	<b>152,2</b>

represent amounts received in advance in transactions related to price coupling mechanisms in the amount of RON 830, RON 9 million (*ICP-Interim Coupling Project, SIDC-Single Intraday Coupling, SDAC-Single Day-ahead Coupling, FBMC-Flow Based Market Coupling*), from OPCOM (RON 559.7 million), IBEX (RON 174.9 million), MAVIR (RON 38.7 million), Bursa Romana de Mărfuri (RON 49.3 million) and JAO (RON 8.3 million)

- *the liability for fixed assets related to the rights of use of leased assets - buildings*, in accordance with IFRS 16 - Leases, amounted to RON 6.6 million,
- *other liabilities* in the amount of RON 140 million are mainly represented by guarantees of good payment of electricity market contracts concluded by Transelectrica in the amount of RON 111 million and VAT not chargeable during the reporting period in the amount of RON 29 million.

**Provisions** decreased by RON 33 million at December 31, 2024 compared to December 31, 2023 and by RON 36 million compared to December 31, 2022.

#### ➤ Equity capital

Shareholders' equity increased mainly due to the recording in retained earnings of the net profit amounting to RON 592 million, realized as at December 31, 2024.

Thus, the equity at the end of 2024 amounted to RON 5,821 million compared to RON 5,190 million at December 31, 2023.

Table 32: Economic and financial indicators according to Regulation 5/2018 ASF

Indicator	Calculation formula	2024	2023	2022
<b>Profitability indicators</b>				
EBITDA in total sales	$\frac{\text{EBITDA}}{\text{Turnover}}$	12%	12%	15%
EBITDA in equity	$\frac{\text{EBITDA}}{\text{Shareholders' equity}}$	16%	11%	22%
Gross profit rate	$\frac{\text{Gross profit}}{\text{Turnover}}$	8%	5%	10%
Rate of return on capital	$\frac{\text{Net profit}}{\text{Shareholders' equity}}$	10%	4%	13%
<b>Liquidity indicators</b>				
Current liquidity indicator	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1,13	1,13	1,03
Quick liquidity indicator	$\frac{\text{Current assets} - \text{Inventories}}{\text{Current liabilities}}$	1,12	1,11	1,02
<b>Risk indicators</b>				
(1) Debt ratio indicator*	$\frac{\text{Borrowed capital}}{\text{Equity capital}}$	0,67%	1,38%	4,4%
(2) Leverage ratio indicator*	$\frac{\text{Borrowed capital}}{\text{Committed capital}}$	0,66%	1,36%	4,3%
Interest coverage %	$\frac{\text{EBIT}}{\text{Interest expenses}}$	80,38	29,60	62,33
<b>Activity indicators</b>				
Debit turnover speed - customers	$\frac{\text{Average customer balance}^{**} \times \text{number of days}}{\text{Turnover}}$	51,58	79,37	57,88
Non-current assets turnover speed	$\frac{\text{Turnover}}{\text{Non-current assets}}$	1,23	0,80	1,33

\* Within the leverage ratios, borrowed capital includes current borrowings, non-current borrowings and other similar short- and non-current borrowings/liabilities related to building leases under IFRS16.

\*\*Customers contributing to the turnover (energy, balancing, other customers, billing customers) have been taken into account in the calculation of the average balance. The values corresponding to customers: uncertain, market coupling mechanism, cogeneration scheme and overcompensation have not been included in the average balance.

Table 33: Performance indicators - Management Plan, according to OGMSR nr.1/15.01.2025

No.	Objective/Performance Indicators	U.M.	Achieved value	Target
I	<b>Financial indicators</b>		<b>Year 2024</b>	<b>Target 2024</b>
I.1	Capital expense rate	%	6,24%	5,56%
I.2	Degree of Achievement of the Annual Investment Plan	%	98%	90%
I.3	Dividend payment rate (in accordance with the provisions of OG 64/2001)	%	50%	50%
I.4	Current liquidity ratio	No.	1,13	1,03
I.5	Interest cover rate	No.	80,38	3,50
I.6	Asset turnover rate	No.	0,80	0,50
I.7	Return on Assets ROA	%	5,49%	2,04%
I.8	Outstanding payments to the State Budget	lei	0,0	0,0
I.9	Reducing Arrears	lei	0,0	0,0
II	<b>Non-financial indicators</b>	U.M.	<b>Achieved 2024</b>	<b>Target 2024</b>
II.1	Degree of Implementation of the Annual Maintenance Plan	%	97%	90%
II.2	Customer retention rate	%	100%	100%
II.3	Customer satisfaction score	%	96%	75%
II.4	Average number of training hours per employee	No.	16,58	16,00
II.5	Number of safety trainings	No.	4,50	4,50
II.6	Number of meetings of the Supervisory Board	No.	28	8
II.7	Number of Committee meetings	No.	32	8
II.8	Number of Directorate Committee meetings	No.	40	36
II.9	Internal electricity consumption*	MW/h	47.765	46.500
II.10	Setting risk management policies	YES/NO	FROM	FROM
III	<b>Non-commercial indicators</b>	U.M.	<b>Achieved 2024</b>	<b>Target 2024</b>
III.1	Pay gap between male and female employees	%	4,9%	0,75%

\*Indicator The Company's internal electricity consumption is composed of consumption of internal station services 43,252.46 MWh, respectively consumption of headquarters 4,512.09 MWh.



## 12. Regulated electricity transmission tariffs

### General Framework

The model currently applied in Romania is the revenue cap.

The model involves the regulation of the total revenue allowed to the transmission system operator and includes the objectives of ensuring the necessary prerequisites for the efficient operation of the transmission service and maintaining the financial viability of the operator in order to adequately remunerate the financiers and maintain access to finance.

The model contains mechanisms to incentivize operational efficiency and a financial return framework based on the operator's investment control (regulated asset base) and a regulated rate of return based on the operator's estimated average cost of funding.

The pricing of electricity transmission services is carried out by regulatory periods. Regulatory periods are multi-year tariff regulation cycles (currently 5 years), during which a tariff calculation methodology is applied<sup>2</sup> and for which a complete set of parameters is predetermined over the horizon of the respective periods for the actual calculation of tariffs.

Setting tariff parameters on multi-year horizons provides a high level of predictability and visibility of Transelectrica's investments, operational costs and revenues.

Within a regulatory period, tariffs are reviewed annually and remain valid for periods of 12 months from the date of approval (tariff years).

Differences between the forecast and actual values of the tariff calculation parameters for a given tariff year shall be compensated by means of ex-post corrections implemented in the tariff in subsequent tariff years or at the beginning of the immediately following regulatory period.

For certain specific components of the regulated cost base that are subject to caps, the overrun of the forecast level of those costs is not compensated. Also in the case of certain cost components, the realized savings are partially retained by Transelectrica.

The set of calculation parameters is approved by ANRE and includes:

- costs of day-to-day operation of the service: controllable and uncontrollable operation and maintenance costs, own technological consumption,

internal network congestion, costs and revenues related to the mechanism of financial compensation of electricity transits within ENTSO-E;

- service development costs: planned investments in the transmission network, depreciation schedule based on regulated service durations, return on invested capital determined on the basis of a regulated rate of return applied to the regulated asset base;
- the amount of chargeable electricity.

Transmission tariffs are invoiced on the basis of the quantities of active electricity fed into/removed from the public electricity grids on the territory of Romania, excluding imports/exports.

Transelectrica charges a transmission tariff for injection into the public electricity grids (tariff component TG) and for extraction from the public electricity grids (tariff component TL).

TG does not apply to electricity produced by power plants with small installed capacity up to 5 MW. Also the TG shall not apply to imported electricity. TL does not apply to exported electricity.

In accordance with the provisions of the Methodology for setting the tariffs for the electricity transmission service, approved by the Order of the President of ANRE no.171/2019, with subsequent amendments and additions, of the Government Emergency Ordinance no.27/2022 on the measures applicable to end customers in the electricity and natural gas market in the period April 1, 2022 - March 31, 2023 and for amending and supplementing some normative acts in the energy sector, the transmission tariff applied in 2024 was set, starting January 1.

<sup>2</sup> The methodology currently applied is the one approved by ANRE Order no. 171/2019 with subsequent amendments and additions.

## Tariffs valid until 2024

## I) The transmission tariff applied in 2024

109/2023, approved the average tariff for the transmission service, the components of the transmission tariff for the introduction of electricity into the grid (T<sub>Gp</sub>) and the extraction of electricity from

Table34 : Transportation fares

the grid (T<sub>L</sub>), the tariff for system service and the regulated price for reactive electricity, practiced by NPG CO. Transelectrica S.A., valid from January 01, 2024, as shown in the table below:

Electricity transmission	u.m.	Tariff in force from January 01, 2024	Main component - in force from January 01, 2024	Additional OTC costs component - effective January 01, 2024	Tariff applied from April 01 - December 31, 2023	Main Component - from April 1 to December 31, 2023	Additional OTC costs component - in the period April 01 - December 31, 2023	Difference (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(3)/(6)
<b>Average tariff</b>	Lei/MWh	<b>31,67</b>	<b>30,41</b>	<b>1,26</b>	31,20	28,61	2,59	1,51%
TGp (main grid injection subcomponent)	Lei/MWh	<b>3,82</b>	<b>3,35</b>	<b>0,47</b>	4,04	3,35	0,69	
TL (net extraction component)	Lei/MWh	<b>27,72</b>	<b>26,94</b>	<b>0,78</b>	27,44	25,50	1,94	

The main elements that led to the increase in the tariff applied from January 1, 2024 are: the downward trend in consumption and the effect of inflation.

#### TGT sub-component on OTC for additional transits of electricity from 110 kV electricity grids

By ANRE President Order no.109/2023, the TGT sub-component on OTC related to additional transits of

electricity from the 110 kV electricity grids, corresponding to the quota allocated to electricity producers that own power plants with installed capacity exceeding 5 MW and that introduce electricity into the grid area of the concessionary distribution operator, valid from January 01, 2024, as per the table below:

Economic operator	Activity i)	Tariff from January 01, 2024 (Lei/MWh), of which:
National Electricity Transmission Company "Transelectrica" - S.A	TGT sub-component relating to the OTC for additional transits of electricity from the 110 kV electricity grids, corresponding to the quota assigned to electricity producers that own power plants with an installed capacity of more than 5MW and that introduce electricity into the grid area of the concessionary distribution operator Distribuție Energie Oltenia S.A	<b>2,53</b>
	TGT sub-component regarding the OTC related to the additional transits of electricity from the 110 kV electricity grids, corresponding to the share attributed to electricity producers that own power plants with an installed capacity of more than 5MW and that introduce electricity into the grid area of the concessionary distribution operator Retele Electrice Dobrogea S.A. (previous name E - Distribuție Dobrogea S.A.)	<b>3,95</b>

i) In accordance with the applicable regulatory framework, the costs of OTC caused by additional transits of energy in the networks of the concessionary distribution system operators at the 110 kV voltage level are recovered by the concessionary distribution system operators from the transmission system operator and from the electricity generators through the transmission system operator, in shares established in proportion to the quantities of electricity injected into the distribution networks by the transmission system operator and by the electricity

generators owning and operating plants connected to the respective distribution networks.

The transmission system operator pays to the distribution system operators both its own share (considered as transmission cost) and the producers' share (for which the transmission system operator intermediates the cash flow between producers and distribution system operators). The transmission system operator recovers the amounts paid to the distribution operators corresponding to the producers' share from the producers owning power plants with an installed capacity of more than 5MW connected to the

respective distribution networks, by applying the newly introduced subcomponent in the structure of the injection transmission tariff, i.e. the TGT.

#### Events after the reporting period on electricity transmission service tariffs

68/2024 approved the *Methodology for setting the tariffs for the electricity transmission service* (the methodological framework applicable in the regulatory period V 2025-2029). Thus, based on the provisions of the above-mentioned *Methodology*, ANRE approved by Order No. 99/2024 the values of tariffs for the electricity transmission service valid from January 1, 2025, the

values of the annual investment plans of the National Company for the Transmission of Electricity "Transelectrica" - S.A. corresponding to the fifth regulatory period (2025 - 2029), broken down by financing sources, as well as the mandatory minimum amount for the total investments made from own sources for the fifth regulatory period and the mandatory minimum amounts for the investments made in the electricity transmission network from own sources corresponding to the fifth regulatory period, for the National Company for the Transmission of Electricity "Transelectrica" - S.A., according to the tables below:

Table35 : Feed-in Tariff (TG)

	Tariff from January 01, 2025 (lei/MWh), according to ANRE Order no. 99/20.12.2024, of which:	Tariff component corresponding to the OTC regulated income to be recovered from producers (C_OTC_P) (RON/MWh)	Tariff component corresponding to the capitalized additional OTC regulatory income to be recovered from producers (C_OTC_S_P) (lei/MWh)
Feed-in Tariff (TG)	3,29	2,84	0,45

Table36 : Feed-in Tariff (TL)

	Tariff from January 01, 2025 (lei/MWh), according to ANRE Order no. 99/20.12.2024, of which:	Tariff component corresponding to nonOTC regulated income (CT_nonOTC) (RON/MWh)	Tariff component corresponding to the OTC regulated income recovered from final customers (C_OTC_C)) (lei/MWh)	Tariff component corresponding to the capitalized additional OTC regulated revenue to be recovered from final customers (C_OTC_S_C) (RON/MWh)
Feed-in Tariff (TL)	33,03	24,01	7,73	1,29

Table 37: Values of annual investment plans, fifth regulatory period, by financing source

Funding source	U.M	Total	2025	2026	2027	2028	2029
Own funds <sup>1</sup>	lei	1.519.247.619	160.578.744	183.502.139	219.155.662	487.452.699	468.558.375
Revenue from cross-border capacity allocation	lei	415.251.209	129.807.692	91.873.571	33.211.246	141.047.120	19.311.580
Non-reimbursable funds <sup>2</sup>	lei	1.038.824.182	30.441.599	49.487.165	340.002.866	395.407.522	223.485.030
TOTAL	lei	2.973.323.010	320.828.036	324.862.875	592.369.774	1.023.907.341	711.354.984

<sup>1</sup> The value of the Regulated Rate of Return (RRR) of the invested capital, expressed in real terms, before taxation, for the 5th regulatory period is 6.94% (established by ANRE Order no.55/2024);

<sup>2</sup> An incentive of 0.5 percentage points above the regulated rate of return shall be applied for fixed assets related to investments in RETs made from own funds within projects co-financed by non-reimbursable European funds, put into operation in the fifth regulatory period. It will be granted when the correction of the capital costs related to the Va regulatory period is carried out, in accordance with the provisions of the Methodology for setting tariffs for the electricity transmission service.

The mandatory minimum values for the total investments made from own sources for the fifth regulatory period and the mandatory minimum values for the investments made in the electricity transmission

network from own sources corresponding to the of the fifth regulatory period for the National Company for Electric Power Transmission "Transelectrica" - S.A. are set out in the table below.

	U.M	Total	2025	2026	2027	2028	2029
Mandatory minimum amount for own-source investment for the fifth regulatory period (real terms 2024)		1.374.845.978					
Mandatory minimum amount of investment in the electricity transmission network from own sources for each year of the fifth regulatory period (real terms 2024)*	lei	1.291.360.576	136.491.933	155.976.818	186.282.312	414.334.794	398.274.618

\*When the amount of investments in the network made from own sources exceeds the mandatory minimum amount, ANRE shall apply to the exceeded amount an incentive of 1% above the approved RRR

Other key elements of the linearized revenues approved by ANRE for the period V of regulation (2025-2029):

- Estimated regulated value BAR on 31.12.2024 (01.01.2025) - 3.179.231.936 lei. With the

realization of the correction for the year 2024, the above mentioned value will be modified.

- The values of controllable operating and maintenance costs for each year of the fifth regulatory period are shown in the following table:

OPEX Controllable	U.M	2025	2026	2027	2028	2029
Costs subject to efficiency**	lei	290.564.114	287.658.473	284.781.889	281.934.070	279.114.729
Personnel costs	lei	429.397.593	450.867.472	473.410.845	497.081.387	521.935.456
R&D costs	lei	-	1.250.000	1.250.000	1.250.000	1.250.000

\*\*99/2024, until March 1, 2025, the National Electricity Transmission Company "Transelectrica" - S.A. has the obligation to submit to the National Energy Regulatory Authority, for the year 2025, the breakdown of controllable operating and maintenance costs subject to efficiency, which are the basis for the tariffs approved by this order, by categories "Maintenance costs" and "Other costs".

The OTC targets approved by ANRE for the 5th regulatory period are presented in the table below. The ex-ante purchase price of electricity to cover the OTC in the 5th regulatory period, approved by ANRE, is in the

amount of 584.81 lei/MWh (real terms 2024). This price may be regularized according to the evolution of prices on the energy market.

	U.M	2025	2026	2027	2028	2029
OTC target	%	2,29	2,26	2,24	2,21	2,19

## II) Tariff for the purchase of system services applied in 2024

By ANRE Orders no.116/2023, no.15/2024 and no.57/2024 was approved the tariff for the purchase of system services practiced by NPG CO. Transelectrica SA valid for the periods:

- January 01 - May 31, 2024;
- June 01 - August 31, 2024;
- September 1 - December 31, 2024.

The main elements that led to the increase in the tariff applied from January 1 to May 31, 2024 are:

- Increased costs for purchasing system services;
- Decrease negative correction;

- Decrease in chargeable quantity.

The positive and negative adjustments of the tariff in the period June 1 - December 31, 2024, were made based on the fulfillment of the provisions of Art.22 and Art.23 of the *Methodology for establishing the tariff for the purchase of system services*, approved by ANRE Order no.116/2022. The aforementioned articles provide as follows:

- Art.22 In order to avoid the subsequent recording of a significant level of corrections due to changes in the purchase prices and/or the quantities of system services purchased



referred to in Article 2, the TSO shall calculate, for the first quarter and for the first semester of a tariff period t-1, respectively, the difference between the revenues and costs realized and those forecast, plus the amount of the unpaid corrections related to the previous period/periods, and shall submit the calculation to ANRE on May 1 and August 1 of the year t-1, respectively;

- Art.23 In the event that the TSO finds that the value determined in accordance with the provisions of Article 22 shows a variation of more than "5% of the forecasted revenues for the same period, it is obliged to submit to

Table38 : Tariff for purchasing system services

ANRE the request for revision of the tariff for the purchase of system services, which shall include the value determined in accordance with the provisions of Article 22, valid until the end of the *tariff* periods.

Thus, following the interim verifications at the end of the first quarter and first semester of 2024 of the situation of costs and revenues related to the system services activity, ANRE adjusted accordingly the tariff amount for the period June 01 - December 31, 2024.

The tariff values applied in 2024 are shown in the table below:

System Service	u.m.	Tariff applied from June 01 - December 31, 2023 ANRE Order 67/2023	Tariff applied from January 01 - May 31, 2024 ANRE116/2023 Order	Difference (%)	Tariff applied from June 01 to August 31, 2024 ANRE15/2024 Order	Difference (%)	Rate applied from September 01 to December 31 2024 Order ANRE57/2024	Difference (%)
(1)	(2)	(3)	(4)	(5)=(4)/(3)	(6)	(7)=(6)/(4)	(8)	(9)=(8)/(6)
Average tariff	lei/MWh	6,64	9,17	38,1%	12,84	40,02%	11,51	-10,36%

#### Events after the reporting period concerning the tariff for the purchase of system services

Based on the provisions of *the Methodology for establishing the tariff for the purchase of system services*, approved by ANRE Order no.116/2022, NPG CO. Transelectrica SA submitted to ANRE the proposal and the rationale for the tariff for the purchase of system services starting January 1, 2025. In view of the aforementioned and following the analysis of the elements of the tariff substantiation, ANRE informed NPG CO. Transelectrica SA that the amount of the tariff for the purchase of system services is maintained at the current level approved by ANRE Order no.57/2024, i.e. 11.51lei/MWh.

### 13. Disputes

The most important litigations impacting the Company are set out below:

- **RAAN**

In case file no. **9089/101/2013**, on 19.09.2013, the Mehedinți Court ordered the opening of general insolvency proceedings against RAAN.

On 09.03.2015, the Mehedinți Court confirmed the reorganization plan of the debtor Autonomous Regie for Nuclear Activities proposed by the insolvency administrator Tudor&Asociatii SPRL and voted by the General Meeting of Creditors according to the minutes of 28.02.2014.

On 14.06.2016, the opening of bankruptcy proceedings against RAAN was ordered.

NPG CO. Transelectrica SA filed an objection to the supplementary table of claims, which was the subject of file no. 9089/101/2013/a152 against the debtor RAAN, as the judicial liquidator did not enter a claim in the amount of 78,096,209 lei on the grounds that "it does not appear as being due in RAAN's accounting records." Moreover, the insolvency liquidator considered that the request to enter the amount of RON 78,096,209 in the table was submitted out of time, as it related to the period 2011 - 2013, which is why the statement of claim should have been submitted at the time of the opening of the insolvency proceedings, i.e. on 18.09.2013. By Judgment 163/20.06.2019, the solution of the Mehedinți District Court: the plea of forfeiture was admitted. The main action as well as the related appeal were admitted in part. Obliges the defendant to pay the plaintiff the amount of 16,950,117.14 lei claim arising in the course of the proceedings, ordering its entry in the creditors' list established against the debtor RAAN with this amount. The other related claims were rejected. Pursuant to Article 453(2) of the Code of Civil Procedure, the defendant is ordered to pay the applicant 1,000 lei costs. With appeal. Delivered in open court. Document Judgment 163/20.06.2019. Transelectrica appealed within the legal term. At the hearing of 06.11.2019, the Craiova Court of Appeal ordered the dismissal of Transelectrica's appeal as unfounded. Final decision. Judgment 846/06.11.2019.

In the bankruptcy case of RAAN registered under no. 9089/101/2013, NPG CO. Transelectrica SA was entered in the creditor's estate with the following claims: 2,162,138.86 lei + 16,951,117.14 lei.

Hearing for the continuation of the procedure for the collection of claims, valuation of assets and other liquidation operations: **26.03.2025**.

There are also other cases between RAAN and Transelectrica that are at various stages of judgment. RAAN's actions against NPG CO. Transelectrica SA deriving from contract no. C137/08.04.2011.

*Case file no. **28460/3/2017** - Subject of the case: order the undersigned to pay the total amount of 12,346,063 lei. CAB decision 27.09.2021: Suspends the hearing of the appeal until the final resolution of case file no. 28458/3/2017, case file no. 26024/3/2015. Decision of 23.05.2022: Dismisses as unfounded the request to reinstate the case. The appeal is stayed. At the hearing on 20.05.2024 the appeal was allowed, the judgment appealed against was modified to the effect that: the claim was allowed. Orders the defendant to pay to the plaintiff the amount of 12,346,063.10 lei, representing the principal debt and penalties, with right of appeal. Decision 806/20.05.2024. Transelectrica filed an appeal, without time limit.*

*Case file no. **3694/3/2016** - Claims 15,698,721.88 lei. Trial date on 08.11.2021: the case was adjourned until the final resolution of Case file no. 26024/3/2015 and Case file no. 28458/3/2017. Decision of 03.06.2024: the appeal was allowed, the judgment appealed against was reversed in its entirety, to the effect that: the claim was allowed. The defendant was ordered to pay to the plaintiff the sum of 12,727,101.99 lei, representing the countervalue of the bonus and regularization of the pre-settlement of the overcompensation for which invoices series SRTF were issued, as well as the sum of 2,917,619.81 lei, representing late payment penalties related to the principal debt, for which invoices series SRTF were issued, with right of appeal. Decision 898/03.06.2024. Transelectrica lodged an appeal, without time limit.*

- **REȘIȚA MUNICIPALITY**

Case file no. **2494/115/2018\*\***, registered at the Court of Caras Severin.

The subject-matter of the case: by means of the application, the plaintiff Reșița Municipality seeks an order that the defendant Transelectrica SA pay the following amounts: 2,129,765.86 lei, representing the rent for the area of land temporarily occupied from the forest fund for 2015; 2,129,765.86 lei, representing the rent for land for 2016; 2,129,765.86 lei, representing the rent for land for 2018; legal interest from the due date until the actual payment.

Decision of the CS Tribunal: Suspend the judgment on the application brought by the plaintiff Municipality of Reșița, through the Mayor, against the defendant Transelectrica, regarding the claims, pursuant to Article 413 paragraph (1), item 1 of the Civil Procedure Code. With appeal while the suspension of the course of the trial lasts, to the higher court. Document: Order - Stay of proceedings 22.03.2021.

The suspension of the judgment of the case was ordered until the final resolution of case file no. 3154/115/2018\* of the Caras Severin Court

At the hearing of 02.03.2023, the judgment on the application brought by the plaintiff Municipality of Reșița, against the defendant Transelectrica, was suspended. With right of appeal throughout the stay of the proceedings.

At the hearing of 27.06.2024 it was ordered to communicate to the expert a copy of the notes of the meeting, located on pages 172-174, submitted by the defendant Transelectrica SA. A copy of the clarifications submitted by the plaintiff Municipality of Reșița in response to the request made by the expert was ordered to be communicated to the expert.

On 19.09.2024, the plaintiff's request for adjournment of the case was granted and a copy of the expert's report was ordered to be served on him. The discussion on the final fee for the expert's report was postponed until both parties had studied it. The hearing of the case was adjourned to 10.10.2024, in the absence of the expert's report.

On 10.10.2024, the plaintiff and the defendant were ordered to pay the expert's fees of 1000 lei each, and an additional expert's report was ordered.

At the hearing of 12.12.2024, a new term of judgment was granted in order to study the supplementary expert's report and to formulate any objections by the parties' representatives.

At the hearing of **27.02.2025**, the court rejects the plea of prescription of the right to bring an action regarding the claims consisting in the rent for 2015 and the plea of lateness of the filing of the amendments to the action, pleaded by the defendant Transelectrica S.A. It qualifies the plea of res judicata as a substantive defense relating to the positive effect of res judicata. Dismisses the action brought by the defendant Municipality of Reșița against the defendant Transelectrica S.A. With a right of appeal within 30 days of communication.

- **ANAF**

**File No 8993/299/2018** in which the Company challenged the enforcement of the enforceable title No 13540/22.08.2017, which is based on Tax Decision No F-MC 439/30.06.2017 issued by ANAF - General Directorate for the Administration of Large Taxpayers

Summary judgment: Grant the appellant's writ of summons for a stay of proceedings. Pursuant to Article 413 para. (1) para. 1 of the Civil Procedure Code, suspends the proceedings until the final resolution of the **casefile no. 1802/2/2018**, pending before the Bucharest Court of Appeal, Administrative and Fiscal Disputes VIII Division. With appeal for the entire duration of the suspension, the appeal to be filed at the District 1 Court of Bucharest. Delivered in open court. Document: Decision - Suspension 17.04.2018.. Trial date: **17.04.2025**.

**Case file no. 1802/2/2018** - At the hearing on 20.10.2020 - summary judgment: the applications were upheld in part.

Annulled in part Decision No 122/13.03.2018 on the resolution of the appeal against Tax Decision No F-MC 439/30.06.2017 issued by ANAF - General Directorate for the Settlement of Appeals and on 12.07.2017 by ANAF - General Directorate for the Administration of Large Taxpayers, as well as the Tax Inspection Report No F-MC 222 concluded on 30.06.2017, which was the basis for the issuance of the tax decision, to the effect that:

- ✓ cancels the obligation to pay corporation tax in the amount of 18,522,280 lei, VAT in the amount of 5,694,636 lei and the related tax accessories in the amount of 48,436,653 lei, tax obligations established for the 349 special tax invoices found to be missing from the applicant's management.
- ✓ removes the non-deductible character in the calculation of the taxable profit of the amount of 27,001,727 lei, representing the technological system services invoiced by the energy suppliers, considered non-deductible following the tax inspection and the obligation to pay the main and accessory tax claims related to this amount.
- ✓ removes the non-deductibility of the amount of 343,629.91 lei representing 'weed removal services' from the calculation of taxable profit and the obligation to pay the main and accessory tax claims in relation to this amount.
- ✓ removes the non-deductible character for the calculation of taxable profit of the amount of 230,685.491 lei, representing the expenses for promotional and protocol products and the

obligation to pay the main and accessory tax claims related to this amount.

- ✓ removes the non-deductible nature of the VAT in the amount of 46,417.1 lei, relating to the amount of 343,629.91 lei, representing 'weed removal services' and the obligation to pay the principal and accessory tax claims in relation to this amount.
- ✓ removes the non-deductible nature of the VAT in the amount of 37,693.88 lei relating to the amount of 230,685.49 lei, representing expenses on promotional and protocol products and the obligation to pay the principal and accessory tax claims in relation to that amount.
- ✓ removes the mention regarding the obligation of the Sibiu Transmission Branch of CNTEE Transelectrica S.A. to record the amount of 576,846.80 lei as taxable income, no later than 30.06.2010, the date on which the audited unit was accepted as a creditor with this amount, the mention regarding the character of taxable income for the calculation of profit of the amount of 576,846.80 in accordance with the provisions of Article 19 para. 1 of Law no. 571/2003 on the Fiscal Code with subsequent amendments and additions, in conjunction with point 23 letter d of GD 44/2004 containing the Methodological Norms for the application of Law no. 571/2003, the chapter on income tax, respectively Chapter VII on the function of accounts of Order no. 3055 of 29 October 2009 approving the Accounting Regulations in accordance with European directives and the obligation to pay the main and accessory tax claims in relation to this amount.
- ✓ removes from the minutes the finding made with regard to the "determination of deductible value added tax lower than that recorded by the applicant, thus resulting in a difference in the amount of 13,141 lei" (Annex No 15) and the obligation to pay the principal and accessory tax claims in relation to this amount.
- ✓ abolishes the obligation to pay penalties for late payment which have a penal legal status, calculated for a period of more than 6 months from the date of commencement of the tax inspection, in respect of the principal tax liabilities which have been upheld by the court by the present judgment, as determined by Tax Decision No.F-MC 439/30.06.2017, issued on 12.07.2017, by ANAF - DGAMC, Tax Decision No. F-MC 439/30.06.2017, issued by ANAF - DGAMC and by Decision No. 122/13.03.2018, on the

settlement of the appeal lodged against Tax Decision No. F-MC 439/30.06.2017, issued by ANAF - Directorate General for Dispute Resolution.

The other provisions of Decision No 122/13.03.2018 on the settlement of the appeal against Tax Decision No F-MC 439/30.06.2017 are maintained. The remainder of the claims are rejected as unfounded.

Dismisses as unfounded the application for an order that the costs of the proceedings be paid in the form of a stamp duty. Orders the defendants, jointly and severally, to pay the applicant's costs in the sum of 4 000 lei, representing the fee for the expert's report in the accounting and tax field, in proportion to the admissibility of the application.

Transelectrica and ANAF filed an appeal in March 2022. **Decision of 24.05.2022:** Rejects as unfounded the request for clarification and supplementing of the operative part. Admit the application for rectification of the material error in that the amounts of money by way of principal and accessory tax liabilities in respect of the 349 tax invoices, as set out in the contested tax decision, are to be mentioned as correct. Orders that the material error be corrected by removing the incorrect name of the applicant from the contested judgment.

The parties appealed. ICCJ hearing: **13.12.2023.**

On **13.12.2023 ICCJ** stayed its ruling, on 20.12.2023 the court admitted the appeals filed by the Plaintiff Transelectrica, the Defendant General Directorate for the Administration of Large Taxpayers and the Defendant National Agency for Tax Administration against the civil decision no.382 of 20 October 2020, delivered by the Bucharest Court of Appeal - Administrative and Tax Litigation VIII Division. Partially quashed the decision under appeal and, on appeal: dismissed the request for annulment of the decision on the resolution of appeal No 122/13.03.2018 and of the Tax Decision No. F-MC 439/30.06.2017 with regard to: - the non-deductibility of expenses in the amount of 343,629.91 lei, representing "weed removal services" and related VAT; - the non-deductibility of expenses in the amount of 230.685, representing the value of goods of a promotional and protocol nature and the related VAT; - the obligation to pay penalties for late payment which have a penalty legal regime, calculated for a period of more than 6 months from the date of commencement of the tax inspection. Fixed the amount of the costs to which the Defendants were jointly and severally liable at the amount of 6,000 lei, representing the fee for the expert's report in the field of accounting and taxation. Upheld the other



provisions of civil decision no. 382 of 20 October 2020. Upheld the appeals filed by the Plaintiff Transelectrica and the Defendant Directorate-General for the Administration of Large Taxpayers against civil decision no. 134 of 24 May 2022, delivered by the Bucharest Court of Appeal - Administrative and Tax Litigation VIII Division. Partially quashed civil decision No 134 of 24 May 2022 and, on remittal: granted in part the request for clarification and supplement to the operative part of civil decision No 382 of 20 October 2020, brought by the Plaintiff Transelectrica. It ordered to supplement the operative part of the civil decision no.382 of 20 October 2020 with the following: - annulled also the Tax Inspection Report no. . F-MC 222/30.06.2017 insofar as the Tax Decision no. F-MC 439/30.06.2017 was annulled; - annulled the main tax liabilities established for 2005 and the related accessory ones, as the right of the tax body to establish such liabilities was time-barred; - annulled the tax administrative acts regarding the non-deductibility of the expenses with the benefit share of SMART. Removed the references to the amounts of corporation tax and ancillary charges annulled in respect of the 349 tax invoices from both the decision correcting the material error and the main decision. Upheld the other provisions of civil decision No 134 of 24 May 2022. ordered the Appellants - Defendants to pay to the Appellant - Plaintiff Transelectrica the amount of 200 lei in respect of the costs of the appeal. Final. Decision 6169/20.12.2023

The Company has legally recovered certain amounts (additional payment obligations established by the tax assessment decision no. F-MC 439/30.06.2017) executed in 2017 by ANAF, on the basis of the enforceable title no. 13540/22.08.2017, according to the civil judgment no. 6169/2023, pronounced on December 20, 2023, by the ICCJ - Administrative and Tax Litigation Section and communicated to the Company on May 15, 2024.

- **CONAID COMPANY SRL**

finding of unjustified refusal to conclude an Addenda to the connection contract ETG C154/2012 and claims in the amount of 17.216.093,43 lei, the damage suffered and 100.000 euro, the countervalue of the estimated unrealized benefit.

At the hearing of **03.01.2024**, the TMB admits the plea of limitation of the substantive right to bring an action, raised in the statement of claim. Dismisses the claim as time-barred. With appeal within 30 days of service. Judgment 4/2024. Company SRL appealed, trial date set for **March 27, 2025**.

- **OPCOM**

Case No 22567/3/2019 - Subject-matter of the case: action for damages at common law.

Order the defendant OPCOM SA to pay the amount of 4,517,460 lei, related to the invoice series TEL 16 AAA no. 19533/29.07.2016, representing the VAT countervalue, related to the contribution made by CNTEE Transelectrica SA to the share capital of OPCOM SA, issued on the basis of the Loan Agreement no. 7181RO/2003, commitment for the financing of the investment project "Electricity Market Project".

Order the defendant OPCOM SA to pay the amount of 1.293.778,27 lei related to the invoices TEL 19 T00 no.17/28.01.2019 and TEL 19 T00 no. 131/10.07.2019 representing the legal penalty interest, calculated for non-payment on time of the invoice series TEL 16 AAA no. 19533/29.07.2016.

Suspends the proceedings until the final resolution of the case 31001/3/2017, concerning the action for annulment of the Opcom AGM decision (to which Transelectrica is not a party and in which on 01.02.2021 the appeals filed were dismissed, the decision being final).

The TMB's decision Admits the plea of limitation. Dismiss the action as time-barred. With right of appeal within 30 days of communication, to be filed with the Bucharest Court, VI Civil Division. Pronounced by making the decision available to the parties through the court registry. Document: Decision 3021/03.12.2021. To date the judgment in this case has not been written. After the drafting and communication of Civil Judgment No. 3021/03.12.2021, the Company will be able to appeal against this judgment. Transelectrica has filed an appeal.

Decision of the CAB according to Decision no.1532/12.10.2022: Dismiss the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11,325.21 lei by way of costs. With appeal within 30 days from the communication. Transelectrica has appealed against Civil Decision No 1532/12.10.2022 of the CAB. . On 19.09.2023 at the ICCJ the appeal was admitted, the decision 1532/12.10.2022 was annulled and the case was sent for a new trial to the same court. Definitive. Decision 1640/19.09.2023.

New case **22567/3/2019\*** the case was remitted for retrial. At the hearing of February 18, 2025, the appeal was dismissed as unfounded. The appellant-plaintiff was ordered to pay the respondent-defendant the sum of 28,777.79 lei by way of costs. With the right to

appeal within 30 days of communication. Decision 235/18.02.2025.

File no. **24242/3/2021** - Bucharest Court, Civil Division VI - Re: The applicant OPCOM requests a declaration of nullity of the deed - contribution in kind.

On **07.11.2023** TMB solution in brief: the objection of inadmissibility was qualified as a substantive defence. The claim was dismissed as unfounded. With a right to appeal within 30 days of communication to the parties, Decision 2600/07.11.2023.

OPCOM appealed. At the hearing on March 13, 2025, the appeal was dismissed as unfounded and the plaintiff was ordered to pay to the State the amount of 179,550.57 lei representing the court stamp duty. With appeal within 30 days of communication. Decision 423/13.03.2025

#### • GRAND VOLTAGE

Case file no. **17976/3/2021**, registered before the Bucharest District Court, is the subject of the application for a writ of summons, by which the plaintiff Grand Voltage seeks an order that the defendant NPG CO. Transelectrica SA be ordered to pay compensation for the damage caused to the undersigned in the amount of 8,331.444,60 lei as a result of the culpable non-performance of the obligations related to Works Contract No. C 111/23.05.2018 on "Connection of 100kV Isaccea - Varna OHL and 400 kV Isaccea-Dobruja OHL in 400 kV Medgidia Sud Station Stage II-LEA 400kV d.c. Connections Medgidia Sud Station".

The solution on 25.07.2022 according to Judgment 1812: dismiss the action as unfounded. With the right to appeal within 10 days of communication. The appeal shall be filed with the Bucharest Tribunal - Section VI, under penalty of nullity. The judgment is not drafted.

Grand Voltage appealed. At the hearing of 17.07.2024, the plea of lack of legal standing of the appellant - plaintiff Association Voltage Operation (Former Grand Voltage SRL) - Doko Shpk through the leader of the association Voltage Operation, an exception raised by the respondent - defendant Transelectrica SA with regard to the appeal, was rejected as unfounded.

The CAB allowed the appeal and partially altered the judgment of the General Court in that: it ordered the defendant to pay the applicant the sum of 904,267.6 lei. Upholds the remainder of the judgment of the first instance. Final. Judgment 1885/11.12.2024. The amount has been paid.

#### • COURT OF AUDITORS

Following an audit carried out in 2017, the Court of Auditors ordered certain measures to be implemented by the Company as a result of certain deficiencies found during this audit. The Company lodged several appeals against the measures ordered by the Court of Auditors of Romania (CoA) by Decision No. 8/27.06.2017, requesting their annulment, as well as against the Closing No. 77/03.08.2017, registered at the Company's registry under No. 29117/08.08.2017, respectively the Audit Report No. 19211/26.05.2017. The appeals were pending before the Bucharest Court of Appeal, among which **case file no. 6581/2/2017** regarding the annulment of the findings under item 6 as well as the measure ordered under item II.9, at the judgment term of 31.03.2023: According to the minutes of 29.03.2023, case file no. 6581/2/2017 was versioned in the 12th Fund of the VIIIth Administrative and Tax Litigation Section under no. **6581/2/2017\*** The short solution: In order to give the parties the opportunity to submit written submissions and to deliberate, the judgment is postponed to the following terms 31.03.2023, 13.04.2023, 28.04.2023, 12.05.2023.

At the hearing on 26.05.2023 the application was granted. Partially annulled the Order No. 77/03.08.2017, with regard to the rejection of item 6 of Complaint No. 26140/17.07.2017, Decision No. 8/27.06.2017 with regard to the findings in item 6 and the measure ordered in item 11.9, and the Inspection Report No. 19211/26.05.2017 in respect of the findings at item 3.2. Orders the defendant to pay the applicant's costs in the total amount of RON 10,450, representing the court stamp duty and the court expert's fees. Appeal within 15 days of notification. Decision 920/26.05.2023.

Transelectrica's appeal dismissed as unfounded on January 23, 2025. Final decision no.288/2025.

- **2153/2/2021** is the annulment of the administrative act issued as a result of the control carried out by the CCR between January and July 2020, which ordered 10 measures to be implemented by the Company contained in Decision No. 15/2020.

At the hearing on 10.12.2021, the CAB dismisses the Company's application to intervene. Transelectrica filed an appeal dismissed as unfounded on 07.03.2024. Final decision no.1319/2024.

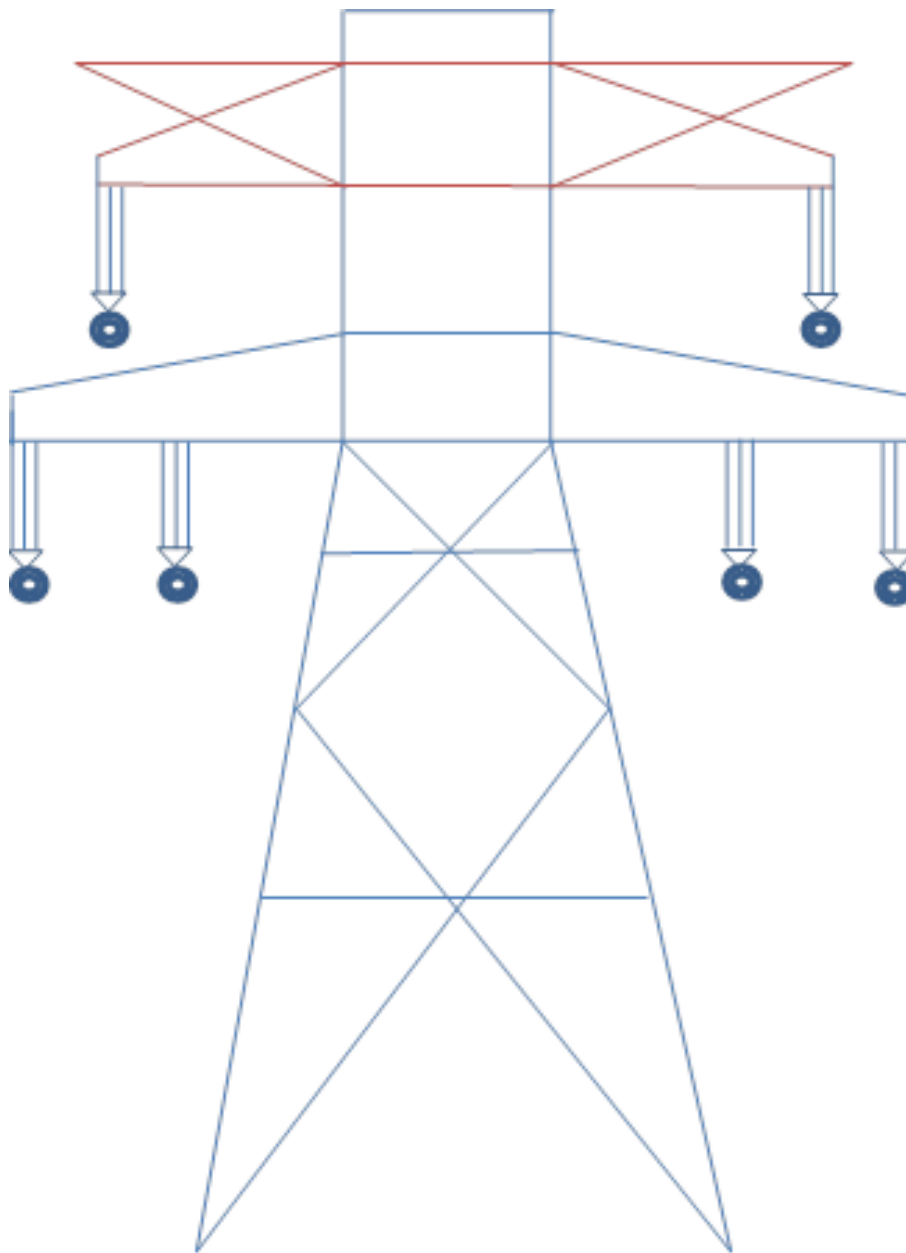
#### - OTHERS

The company is involved in significant litigation, in particular for debt recovery (e.g. Total Electric Oltenia SA, Autonomous Regie for Nuclear Activities, Energy

Holding SRL, UGM Energy Trading SRL, CET Iași, CET Bacău, CET Govora, Nuclearelectrica, CET Brașov, Elsaco Energy SRL, Arelco Power SRL, Opcom, Menarom PEC SA Galați, Romelectro SA, Transenergo Com SA, ENNET GRUP SRL MULTISERVICE G&G S.R.L., ICCO Energy SRL, Aderro GP Energy, PET Communication, ISPE, Grand Voltage SRL, EXPLOCOM GK SRL and others).

The Company recorded impairment adjustments for customer and other receivables in litigation and for customers in bankruptcy.

The Company is also involved in litigation with former members of the Directorate and the Supervisory Board in respect of the contracts of mandate entered into between the Company and them. The Company has made a provision for these disputes.







**Report**  
**Corporate governance and**  
**social responsibility**





14. Corporate governance

Corporate governance rules

With the listing of its shares on the regulated market of the Bucharest Stock Exchange ("BVB"), the Company has adopted the principles of the BVB Corporate Governance Code. In compliance with the BVB requirements, Transelectrica has made public to investors the revised Corporate Governance Regulation of the Company.

The objective is to improve and strengthen the elements and principles of corporate governance to protect shareholders and their rights and to comply with transparency requirements.

The Corporate Governance Regulation is an extremely important tool for the Company and has, in particular, the purpose of bringing together in a single document, in a summarized form, the main existing rules and regulations already applied by the Company. The core elements of this Corporate Governance Regulation are access to information for investors and the protection of shareholders' rights.

The Company has adopted a transparent culture and an effective model of corporate governance, the relevant internal supporting documents and the Company's behavior are aligned with the new requirements imposed by the BVB Corporate Governance Code. The reporting obligations under the new BVB Corporate Governance Code are included in the periodic reporting.

The document is drafted in accordance with the principles set out in the BVB's Corporate Governance Code and can be found on the website [www.transelectrica.ro](http://www.transelectrica.ro), in the Investor Relations/Corporate Governance/Corporate Governance Code section.

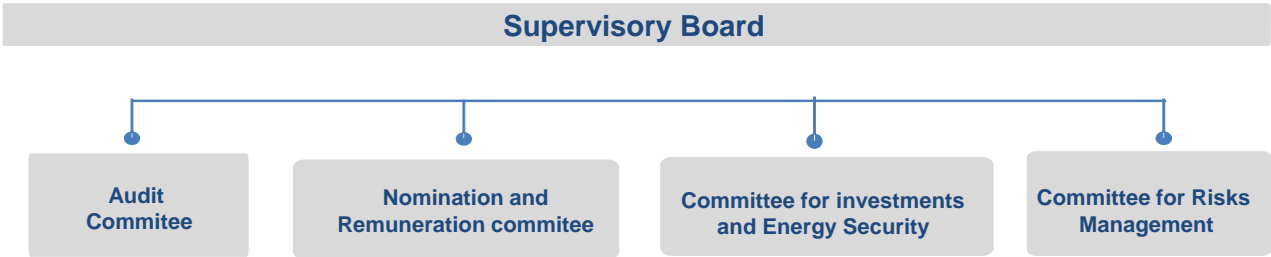
Other applicable documents

The Company complies with the provisions of the primary and secondary legislation applicable to the capital market, as well as with the regulations of the BVB and other bodies, respecting and applying all the

provisions of the legislation of companies and public enterprises, including internal regulations and documents of the Company relevant in this field, including:

- Law no.24/2017 on issuers of financial instruments and market operations, republished, with subsequent amendments and additions;
- ASF Regulation no. 5/2018 on issuers of financial instruments and market operations, as amended and supplemented;
- BUCHARAREST Stock Exchange Code BUCHARAREST Corporate Governance Code;
- The Corporate Governance Code and the set of Anti-Corruption Principles elaborated by AmCham Romania, which are international reference standards for a healthy business climate;
- Company Law no.31/1990, republished, with subsequent amendments and additions ("Law no.31/1990");
- GEO no. 109/2011 on the corporate governance of public enterprises, as amended and supplemented ("GEO no.109/2011");
- The listing undertaking, whereby Transelectrica, at the Initial Public Offering (in 2006), undertook to respect the rights of security holders and to ensure equal treatment for all holders of securities of the same type and class;
- Restated Articles of Incorporation of the Company (the "Articles of Incorporation");
- Updated Regulation on the organization and functioning of the Supervisory Board;
- Updated internal rules of the Directorate;
- The Code of Professional Ethics, binding for all structures of the organization, which presents the ethical rules of conduct that establish and regulate the corporate values, responsibilities, obligations and business conduct on which the organization has developed.

Figure35 : Structure of the Supervisory Board on December 31, 2024



## Supervisory Board

(hereinafter also referred to as "CS")

The composition of the Supervisory Board on December 31, 2024 was as follows:

- Cătălin-Andrei Dascăl - Chairman
- Teodor Atanasiu - Member
- Costin-Mihai Păun - Member
- Alexandru-Cristian Vasilescu - Member
- Rareș-Stelian Rusu - Member
- Luminița Zezeanu - Member
- Dumitru-Virgil Orlandea -

According to the Articles of Association, the SC is composed of seven members, appointed for a maximum period of four years and subject to dismissal at any time by the General Meeting of the Company's Shareholders ("GMS").

All members are non-executive, the management of the Company being vested, by law and the Articles of Association, in the Directorate. The SC members may meet at any time, but in any case at least once every three months.

The company bears the costs of the professional liability insurance of the SC members. The amount of the sum insured and the insurance premium have been set by resolution of the GMS.

In 2024, the SC met whenever the interests of the Company required debates on matters within its competence.

## Election of Supervisory Board members by cumulative voting

At the request of the shareholders representing, individually or jointly, at least 10% of the subscribed and paid-up share capital, the Directorate shall convene a mandatory GMS with the election of SC members on the agenda by cumulative voting.

Any shareholder holding less than 10% of the subscribed and paid-up share capital may make proposals in writing to the Directorate for the application of the cumulative voting method within 15 days of

the date of the publication in the Official Journal of Romania, Part IV, of the convocation of the general meeting of shareholders that has on its agenda the election of the SC members. In this case, the application of the cumulative voting method for the election of SC members shall be subject to the vote of the General Meeting of Shareholders.

By the cumulative voting method, each shareholder has the right to allocate his cumulative votes -

obtained by multiplying the votes held by any shareholder, according to the shareholding, by the number of members to be elected to the SC - to one or more persons proposed for election to the Supervisory Board.

In exercising cumulative voting shareholders may cast all cumulative votes for one or more candidates. To the right of each candidate shareholders shall indicate the number of votes cast.

If the cumulative voting method is applied, the SC members in office on the date of the general meeting will be automatically included on the list of candidates for the election of SC members together with the candidates proposed by the shareholders.

All candidates on the list of candidates will be put to a shareholder vote at the GMS.

Members of the SC in office at the date of the General Assembly who are not reconfirmed by cumulative voting as members of the SC shall be considered removed from office by decision of the General Assembly.

The term of office of the SC members in office on the date of the general meeting of shareholders at which cumulative voting was applied shall continue in case of their reconfirmation by cumulative voting.

In the event that two or more persons proposed for election to the SC obtain the same number of votes, the person who has been voted by a greater number of shareholders shall be declared elected as member.

The criteria for the election of SC members where two or more proposed persons obtain the same number of cumulative votes cast by the same number of shareholders shall be determined by the general meeting of shareholders and specified in the minutes of the general meeting.

During 2024 SC members were not elected by cumulative voting

## Remuneration of the Supervisory Board

For the period January 1 - February 28, 2024, the members of the Supervisory Board had a fixed gross monthly gross compensation of 17,926 lei gross/month, according to the GMS Decision no. 6/18 August 2022.

As of March 1, 2024, the remuneration of the SC members is 28,223 lei gross/month, according to the GMS Decision no. 1/28 February 2022.

## Powers of the Supervisory Board

The main tasks of the Supervisory Board are:

- exercise control over the way the Directorate runs the Company,
- checks the income and expenditure budget and the investment program for the financial year submitted for approval to the general meeting of shareholders,
- carries out any tasks laid down by the special legislation applicable in the field of public enterprise management,
- determine the structure and number of members of the Directorate,
- appoint and dismiss members of the Directorate and set their remuneration,
- verifies that the activity carried out in the name and on behalf of the Company complies with the law, the articles of incorporation and the resolutions of the general meeting of shareholders,
- report at least once a year to the general meeting of shareholders on the supervisory activity carried out,
- represents the Company in dealings with the Directorate,
- approves the internal rules of the Directorate,
- audits the Company's financial statements,
- checks the report of the members of the Directorate,
- propose to the general meeting the appointment and dismissal of the financial auditor and the minimum duration of the audit contract,
- approves the Company's transactions with affiliated parties in the cases and under the conditions provided by law.

However, in exceptional cases, when the Company's interest so requires, the Supervisory Board may convene a general meeting of shareholders and certain types of operations may only be carried out with the consent of the Supervisory Board. These are as follows

- the purchase of products, services and works, irrespective of duration, with a value of more than 5.000.000 euro,
- operations for the provision of transmission service, system services and wholesale electricity market management, operations for the collection of contribution for high efficiency cogeneration, operations for the payment of bonus and refund of overcompensation/undue bonus, operations for connection to the ETG, realization of coexistence conditions, site clearance and execution of these works,

technical consultancy and project management, related to these works, operations of sale-purchase of the land necessary for the realization of the new installations according to the ETG connection contracts, as well as the land necessary for the access roads to these installations, operations of constitution in favor of the Company of rights of use and easement, of surface, of use, of use, of affectation in any way on the land affected by the new installations according to the ETG connection contracts, as well as any other operations to be carried out for the proper performance of the Company's main activity in accordance with the regulations in force, with a value of more than 10.000.000,

- initiating, settling, pursuing, exercising, abandoning claims, litigation, arbitration, with a value of more than 500.000 euro,
- commitments involving significant obligations on the part of the Company, with the exception of the operations referred to in the first two points, with a value of more than 5,000,000 euro,
- any act free of charge, including any sponsorship and donations offered by the Company, with an individual value of more than 100.000 lei,
- establishment or closure of secondary establishments of the Company, in the country or abroad (branches, representative offices, agencies or other such units without legal personality),
- amendments to the organizational structure (organizational chart) of the Society and to the Rules of organization and functioning.

At the same time, the members of the Supervisory Board owe a duty of diligence and loyalty to the Company and fulfill this duty if at the time of making a business decision they are reasonably entitled to believe that they are acting in the best interests of the Company. The Supervisory Board, in the exercise of its essential powers of control over the manner in which the Directorate conducts the Company, as well as of the verification of the activity carried out in the name of and on behalf of the Company, has the right and the duty to determine in relation to the Directorate and the Company the control, verification and reporting procedures it deems necessary for the fulfillment of these duties.

At the same time, it is the Directorate's duty to ensure the reporting procedures and organizational conditions necessary for the Supervisory Board to carry out its control and verification duties.

### Advisory Committees

On 31.12.2024, four advisory committees are set up at the level of the Supervisory Board:

- *Audit Committee;*
- *Nomination and Remuneration Committee;*
- *Committee on Investment and Energy Security.*
- *Risk Management Committee*

Decisions in advisory committees shall be taken by majority vote. In the event of a ballot, the Chairman of the committee shall have the casting vote.

According to the approved rules of organization and functioning, at least one member of each committee created must be an independent director, within the meaning of company law, capital market legislation and regulations. As regards the audit committee, the majority of the members must be independent directors.

Any member of an advisory committee may convene a meeting of the committee of which it is a member. The notice convening the meetings of the Advisory Committees shall be sent to each Committee member in writing, by fax or by electronic mail to the e-mail address and fax number of that Committee member.

### **Powers of the Committees of the Supervisory Board**

The main tasks of the committees of the Supervisory Board according to the area of activity are:

#### ***Nomination and Remuneration Committee***

- makes proposals for membership of the Supervisory Board and the Directorate,
- elaborates and makes proposals to the Supervisory Board regarding the selection procedure for the members of the Supervisory Board, the members of the Company's Directorate and for other management positions,
- make proposals on the remuneration of the members of the Company's Directorate and other management positions, within the general remuneration limits approved by the General Meeting of Shareholders,
- organizes training sessions for SC members;
- formulates remuneration proposals for the position of member of the Supervisory Board and member of the Directorate, in compliance with the remuneration policy submitted by AMEPIP;
- assist the Board in assessing its own performance as well as the performance of the executive management

### ***Audit Committee***

The Audit Committee assists the Supervisory Board in fulfilling its responsibilities in the areas of financial reporting, internal control and risk management.

Audit Committee tasks related to financial reporting and statutory audit:

- monitors the financial reporting process at Company level,
- monitors the statutory audit of the annual financial statements and consolidated annual financial statements,
- regularly reviews the effectiveness of financial reporting,
- verify and monitor the independence of the statutory auditor or audit firm and, in particular, the provision of additional services to the audited entity,
- make recommendations to the Council on the appointment of the external auditor (statutory auditor or audit firm) of the Company on the selection, appointment, re-appointment and replacement of the external auditor, as well as the terms and conditions of its remuneration,
- monitor the independence and objectivity of the external auditor, in particular by monitoring the rotation of partners in the audit firm,
- receive and consider the external auditor's report on significant matters arising from the statutory audit and, in particular, on material weaknesses in internal control relevant to the financial reporting process,
- assists the Board in monitoring the credibility and integrity of the financial information provided by Company, in particular by reviewing the relevance and consistency of the accounting standards applied by the Company (including the consolidation criteria).

Tasks of the Audit Committee in the field of managerial internal control:

- monitor the effectiveness of the Company's internal control, internal audit, as appropriate, and risk management systems,
- regularly review the effectiveness of the internal control and risk management system adopted by the Company,
- ensures that the audit reviews carried out and the audit reports produced as a result thereof are in accordance with the audit plan approved at Company level,
- propose to the Board the control, verification and reporting procedures necessary for the exercise of the essential powers of control over



the way in which the Directorate manages the Company, as well as the verification of the activity carried out in the name and on behalf of the Company,

- verifies the fulfillment of non-financial reporting obligations at Company level,
- performs the duties set out in Article 65 of Law no.162/2017 on the statutory audit of annual financial statements and consolidated annual financial statements and amending some normative acts.

#### **Committee on Investment and Energy Security**

- consulting and monitoring the implementation of the Company's medium, short and non-current Strategy and Investment Plan,
- advising and consulting with the members of the Supervisory Board, the members of the Directorate and the executive management of the Company, within and in correlation with the Company's Strategy and ROF, without prejudice to the responsibility of the members of the Supervisory Board, the members of the Directorate and other persons who according to Applicable Law have responsibilities relating to the management and supervision of the Company,
- consulting and monitoring the implementation of actions related to maintaining and increasing energy security of the Company's activities.

#### **Risk Management Committee**

109/2011 of 2023, which ensures the consistency of control activities with the risks generated by the activities and processes subject to control, identifies, analyzes, evaluates, monitors and reports the identified risks, the plan of measures to mitigate or anticipate them, other measures taken by the executive management.

The committee is also responsible for measuring the solvency of the Company, a public undertaking, in relation to its usual duties and obligations, and informs or, where appropriate, makes proposals to the Supervisory Board

#### **Activity of the SB committees in 2024**

In the year 2024, 22 (twenty-two) meetings of the *Nomination and Remuneration Committee* were held during which the members of the Nomination and Remuneration Committee prepared the Report of the Nomination and Remuneration Committee for the year 2023 and carried out the necessary procedures for the selection of the members of the Company's Directorate.

Proposals and recommendations were also made for the position of provisional member of the Company's Directorate.

In 2024, 9 (nine) meetings of the *Audit Committee* were held, during which the Interim Financial Statements for the financial year 2023 were audited, the Income and Expenditure Budget for 2024 and the estimates for the years 2025-2026 were audited. The Report of the Audit Committee of the Supervisory Board of NPG CO. Transelectrica SA for the year 2023 on the Company's internal control and significant risk management systems was prepared and the Company's separate/consolidated financial statements for the year 2023 were verified, accompanied by the Financial Auditor's Report.

#### **Directorate**

Composition of the Directorate as at 31.12.2024:

- Ștefăniță MUNTEANU - Chairman
- Victor MORARU -Member
- Cătălin-Constantin NADOLU - Member
- Vasile-Cosmin NICULA - Member
- Florin Cristian TĂTARU- Member

#### **Organization of the Directorate**

The members of the Directorate are appointed and dismissed by the Supervisory Board. One of the members of the Directorate is appointed by the Supervisory Board as Chairman of the Directorate (alternatively also referred to as Chief Executive Officer - "CEO" - of the Company), who convenes and chairs the meetings of the Directorate and is also responsible for the proper organization of the Directorate's activity as a collective management body, in order to fulfill the duties and responsibilities that are incumbent on it under the applicable law and the Articles of Association.

The number of members shall be determined by the SC, provided that that number shall not be less than three and not more than seven, the number of members being always odd. One member of the Directorate will be appointed as the Chairman of the Directorate (alternatively also referred to as the Chief Executive Officer - "CEO" - of the Company).

#### **Remuneration of the Directorate**

During the period January 1, 2024 - December 31, 2024, the members of the Directorate had a fixed gross monthly gross fixed indemnity of 55,050 lei gross/month.

#### **Powers and duties of the Directorate**

The Directorate carries out all necessary and useful acts for the realization of the Company's object of

activity, except those reserved by law for the Supervisory Board and the General Meeting of Shareholders, the management of the Company being its exclusive responsibility under the Applicable Law.

The Directorate exercises its powers under the control of the Supervisory Board and has the following duties:

- to provide the Supervisory Board, at least once every 3 (three) months, with written reports on the Company's management, the Company's activity and the possible development of the Company
- to ensure at the Company level the reporting procedures and organizational conditions necessary for the fulfillment of the control and verification tasks entrusted to the Supervisory Board.

The Directorate manages the Company, approves all operations within the Company, other than those falling within the competence of the General Meeting of Shareholders, and represents the Company in dealings with third parties and in court.

The main duties of the Directorate, carried out under the supervision of the Supervisory Board (SB), are:

- establishes the strategy, development policies, accounting policies and financial control system of the Company and approves the financial planning,
- approves the organizational structure (organizational chart) of the Company and the rules of organization and functioning with the agreement of the SC,
- submit annually to the General Meeting of Shareholders the report on the Company's activity, the financial statements for the previous year, the draft budget and the investment program of the Company for the current year,
- to conclude legal acts with third parties in the name and on behalf of the Company, in compliance with the provisions of the Articles of Association on joint signature and in compliance with the matters reserved to the competence of the General Meeting of Shareholders or the Supervisory Board,
- hires and dismisses, determines the duties and responsibilities of the Company's personnel, in accordance with the Company's personnel policy,
- negotiates the Collective Bargaining Agreement at the Company level, as well as its addenda, together with the employees' representatives,

- performs all acts and takes all necessary and useful measures for the management and fulfillment of the Company's object of activity, except those reserved by law or by the Articles of Incorporation for the general meeting of shareholders and the Supervisory Board.

In this respect, the Directorate approves the operations at the level of the Company, other than those provided for in the competence of the GMS, with the obligation to obtain the SC's consent for the types of operations for which the law or the Articles of Association provide for such consent,

- approves the mandates of the Company's representatives at the general meetings of the shareholders of the Company's subsidiaries and informs the SC, on a quarterly basis, about the mandates granted to them,
- approves with the BoD's consent the establishment or dissolution of secondary establishments (branches, representative offices, agencies or other similar establishments without legal personality),
- approves the conclusion by the Company of legal acts in the nature of a partnership contract governed by the Civil Code when the result is not an entity with separate legal personality as well as the approval of the Company's participation as a member in domestic or international organizations,
- exercise any powers prescribed by law or delegated by the general meeting of shareholders pursuant to law,
- carries out any tasks laid down by the special legislation applicable in the field of public enterprise management,
- carry out the decisions of the general meeting of shareholders.

The Directorate shall inform the General Meeting of Shareholders at least twice a year of the following types of operations:

- the purchase of products, services and works, irrespective of duration, with a value of more than 5.000.000 euro,
- initiating, settling, pursuing, exercising, abandoning claims, litigation, arbitration, with a value of more than 500.000 euro,
- commitments involving significant obligations on the part of the Company, amounting to more than EUR 5,000,000,
- loans, irrespective of duration, under EUR 50,000,000,
- guarantees for loans under EUR 50,000,000.

The Directorate is required to obtain the consent of the Supervisory Board for certain types of operations, for which the Directorate is able to approve the operation only after obtaining the consent of the Supervisory Board.

In the event of a refusal, the Directorate will also have the possibility to request the consent of the Ordinary General Meeting of Shareholders, which will decide in accordance with the law.

### General Meeting of Shareholders

The GMS is the governing body of Transelectrica, which decides on the Company's activity and economic policy. It can be ordinary or extraordinary, its specific attributions being set out in the Articles of Association.

With the listing of its financial instruments on the regulated market administered by the BVB, the Company undertook the obligation to respect the rights of the holders of the financial instruments issued and to ensure them a fair treatment.

This ensures that all holders of securities of the same class of securities are treated equally, with all securities of the same type and class giving holders equal rights.

Each share confers rights on the holder, as laid down in the Constitution:

- voting rights at the GMS (one share = one vote),
- the right to elect and be elected to governing bodies,
- the right to share in the distribution of profits (dividend rights).

Ownership of the share certifies adherence to the Constitution.

All shareholders have the right to attend the GMS, to exercise their voting rights and to express their views during the debates.

The Ordinary General Meeting of Shareholders has the following duties and powers:

- discusses, approves or amends the annual financial statements on the basis of the reports presented by the Directorate, the Supervisory Board and the financial auditor,
- approves the profit distribution and sets the dividend,
- elect and dismiss members of the Supervisory Board,
- appoints and dismisses the financial auditor and determines the minimum duration of the financial audit contract,

- set the general remuneration limits for members of the Directorate,
- fix the remuneration of the members of the Supervisory Board for the current financial year,
- gives its opinion on the management of the members of the Directorate and the members of the Supervisory Board, assesses their work and discharges them from their duties, in accordance with the law,
- decide on legal action against members of the Directorate and members of the Supervisory Board, as the case may be, for damages caused to the Company,
- establishes the revenue and expenditure budget and the investment program for the financial year submitted for approval,
- decide on any matter within its competence under the applicable law,
- analyzes the reports of the Supervisory Board on the work carried out,
- decides on the pledge or lease of one or more units of the Company.

The Extraordinary General Meeting of Shareholders shall meet whenever it is necessary to decide on the following matters:

- changing the legal form of the Company,
- moving the Company's headquarters,
- change of the Company's object of activity,
- increase the Company's share capital,
- reducing the Company's share capital or replenishing it by issuing new shares,
- mergers with other companies,
- the division of the Company,
- early dissolution of the Company,
- conversion of shares from one class to another,
- conversion of registered shares into bearer shares or bearer shares into registered shares,
- conversion of bonds from one class into another class or into shares,
- bond issuance,
- the conclusion of acts of acquisition, disposal, exchange or pledging as collateral of assets belonging to the Company's fixed assets, the value of which exceeds, individually or in aggregate, during a financial year, 20% of the total accounting value of the Company's fixed assets less receivables,
- any amendments to the Constitution or any other resolution for which the approval of the GMS is required.

In addition to the powers and duties mentioned above or by law, the Extraordinary General Meeting of Shareholders decides on the following matters:

- realization by the Company as a lender of any type of loans or loan obligations,
- setting up or participating in the setting up of entities with separate legal personality, whether for pecuniary or non-pecuniary purposes, as well as participation in the share capital of other companies,
- taking out loans, with a duration of 5 years or more, with a value equal to or greater than EUR 50,000,000,
- the provision of guarantees with a value of EUR 50,000,000 or more,
- setting the minimum amount of the sum insured and the maximum amount of the insurance premium for the professional liability insurance of the members of the Supervisory Board and the members of the Directorate respectively.

The Company makes every effort to facilitate shareholders' participation in GMS meetings, encourages dialog between shareholders and members of the Supervisory Board and/or members of the Directorate, and the full exercise of their rights. The General Shareholders' Meeting is the real mechanism for the exercise of all shareholders' rights. The convening notice becomes public within 24 hours from the moment of convening the GMS on the BVB website, on the Company's website [www.transelectrica.ro](http://www.transelectrica.ro), and on the ASF's website, and in the Official Gazette within a maximum of 4 days and in the press within a maximum of 5 days from the convening notice. Similarly, the materials subject to debate are published, in accordance with the agenda and legal deadlines. Each convocation of the GMS includes the location, date and time at which the meeting will be held on the first convocation, the address of the place where the meeting will be held, and the date, time and place of the second convocation.

The convocation of the GMS shall explicitly state the subjects to be debated and the reasons for them. The rules of organization and conduct for each GMS and the procedures for attending the meetings shall be explicitly set out directly in the convocation so that they are known to all shareholders wishing to attend the meeting.

The Company encourages shareholder participation at the GMS and takes all measures to facilitate this. As the materials for discussion are published on the website [www.transelectrica.ro](http://www.transelectrica.ro) Investor Relations / GMS section, shareholders are encouraged to ask questions on the agenda items.

The access of shareholders entitled to participate in the GMS shall be permitted simply by proving their

identity, in the case of individual shareholders, by means of their identity card or, in the case of legal persons and represented individual shareholders, by means of the power of attorney given to the individual representing them.

For shareholders who are unable to attend, the Company provides the possibility to vote:

- a) by representation, on the basis of a special power of attorney;
- b) by mail;
- c) at a distance.

At the GMS, shareholders will also be able to vote electronically, in accordance with Law no. 455/2001 on electronic signature, as amended and supplemented, as well as with the ASF regulations. The related forms (postal voting form and special proxy form), both in Romanian and in English, are also posted on the website [www.transelectrica.ro](http://www.transelectrica.ro) Investor Relations/GMS section.

The resolutions adopted at the GMS are disseminated on the day of the meeting, by means similar to those previously presented for the convocation. The voting results are published on the Company's website no later than 15 days after the date of the GMS.

In order to provide shareholders with relevant information in real time, the Company has created a special section on its website, [www.transelectrica.ro](http://www.transelectrica.ro), called Investor Relations, which is easily accessible and constantly updated. The page is structured in such a way that it contains all the information required by security holders: including information related to the GMS. The GMS is convened by the Directorate, whenever necessary, in accordance with the law. In exceptional cases, when the interests of the Company so require, the Supervisory Board may also convene an GMS.

GMSs are held in Romanian.

### Internal Control

Within the Company, internal control is the set of policies and procedures designed and implemented by management and personnel to achieve the overall objectives.

The term 'managerial internal control' emphasizes the responsibility of all hierarchical levels for keeping under control all internal processes carried out to achieve general and specific objectives.

Within Transelectrica, the Monitoring Commission operates in accordance with the provisions of the



OSGG no. 600/2018 on the approval of the Code of Internal Managerial Control of Public Entities.

The mission of the internal managerial control activity is to ensure the administrative control within the Company, in order to fulfill the Company's tasks at an appropriate level of quality, established in accordance with its own mission, in conditions of regularity, effectiveness, legality, economy and efficiency.

In order to improve the internal managerial control system, the Monitoring Committee coordinates the process of updating the general and specific objectives, the risk management process, the performance monitoring system, the status of procedures and the monitoring and reporting system, respectively the reporting to the Directorate.

Internal management control has as main objectives:

- increasing the efficiency and effectiveness of the Company's operations
- ensuring the reliability of internal and external information
- compliance with applicable legislation, regulations and internal policies
- ensuring a climate based on the identification, understanding and control of risks, contributing to the achievement of

With regard to the status of implementation and development of the internal management control system in within the Company, at the level of 2024 the Program for the Development of the Internal Management Control System was developed and updated in several stages:

- Internal Management Control System Development Program, Revision 1, elaborated on 24.04.2024
- Internal Management Control System Development Program, Revision 2, elaborated on 13.09.2024
- Internal Management Control System Development Program, Revision 3, elaborated on 18.12.2024

Also, in order to increase the level of implementation of the internal managerial control standards within the Company, the following documents have been developed:

#### **Standard 1- Ethics and integrity**

- Methodology for corruption risk management within Transelectrica
- System procedure on preventive measures within Transelectrica

#### **Standard 2- Duties, functions, tasks**

- Operational Procedure - Preparation, registration and dissemination of decisions within Transelectrica

#### **Standard 5 -**

- List of Transelectrica's general objectives
- List of general and specific objectives

#### **Standard 6 - Planning**

- Operational Procedure Organization and conduct of operational meetings

#### **Standard 8 - Risk Management**

- Risk Register 2024, Transelectrica for significant risks at Company level
- Report on the risk management process and performance monitoring at Transelectrica in 2023
- Table C12 - Prioritization of significant risks at Company level
- 2024 Control measures implementation plan for significant risks at Company level
- Reporting to the Company's Directorates, respectively to ANRE

#### **Standard 9 - Procedures**

- System procedure - Development of documented procedures
- System procedure - Granting of bonuses and bonuses in Transelectrica

#### **Standard 11 - Business Continuity**

- System procedure on Ensuring business continuity management

#### **Standard 12 - Information and communication**

- Operational procedure - Internal and external communication activity

#### **Standard 14 - Accounting and Financial Reporting**

- Operational procedure - Preparation of the Company's separate financial statements

#### **Standard 15 - Evaluation of the internal control system**

The Company periodically analyzes the centralized situation regarding the stage of implementation and development of the internal managerial control system, in this regard, the Company has developed the Questionnaire for self-assessment of the stage of implementation of the internal managerial control standards, the Summary of the results of self-assessment and the Report on the managerial control system

The achievement of the objectives in 2024 was carried out by applying internal managerial control in establishing the means of achievement and the responsible structures within the Company (directorates, departments, services, territorial transport branches).

As a perspective for the year 2025, among the objectives assumed according to the Program for the Development of the Internal Management Control System, we can mention:

#### ***Standard 1 - Ethics and integrity***

- Updating and disseminating the Code of Ethics and Professional Conduct to all personnel

#### ***Standard 2 - Duties, functions, tasks***

- Reviewing and updating the system procedure for sensitive functions, drawing up the list of sensitive functions and the employees holding them

#### ***Standard 11 - Business Continuity***

- Inventory of disruptive situations

#### ***Standard 13 - Document Management***

- Development of a system procedure on document management at the Company level in order to establish and implement a unified process for receiving, recording, circulating, dispatching, filing and archiving documents

#### ***Standard 15 - Evaluation of the internal control system***

- Elaboration of the self-assessment questionnaire on the state of implementation of the internal management control standards, the summarized situation of the self-assessment results and the report on the management control system.

Building a solid managerial internal control system is the creation and implementation of a set of mechanisms and procedures able to help both the company's top management and its employees to establish concrete and complete coordinates in the development and consolidation of the company on the market

Building a well performing SCIM is a long-term process that requires significant efforts from all the Company's personnel and, in particular, from the senior management.

#### **Public internal audit**

The company has organized its public internal audit activity through its own structure since 2004. In accordance with the Organizational and Functional Structure in force and in compliance with Law no. 672/2002 on public internal audit, the "Public Internal Audit" (API) structure is subordinated to the Supervisory Board.

At the level of the Company, the audit activity is carried out on the basis of its own rules, endorsed by the higher hierarchical body (General Secretariat of the Government) with no. 1911/11.06.2014. Out of the five subsidiaries of the Company, only in three of them public internal audit activity is organized and carried out (Opcom SA, Smart SA, Teletrans SA). In Formenerg SA and Icemenerg Service SA, public internal audit activity is not organized and is carried out by the Internal Public Audit (API) structure within the Company.

At one of the entities (Icemenerg Service) the public internal audit is not functioning, although it is set up by the higher hierarchical body, as Icemenerg Service is in bankruptcy proceedings, no public internal audit missions have been performed in the last years, this being the cause of the non-functioning of the public internal audit provided by the higher hierarchical body.

#### **Role**

- Providing advice and assurance on the effectiveness of risk management, control and governance systems, contributing to added value and providing recommendations for improvement;
- assisting the Company's management in achieving its objectives and providing objective and detailed assessments of the legality, regularity, efficiency, economy and effectiveness of the activities and operations carried out.

#### **Regulations and principles governing the activity**

- Law no. 672/2002 on public internal audit, with subsequent additions;
- general rules on the exercise of public internal audit activity (GD no.1086/2013);

- the code of ethical conduct for internal auditors, which aims to create the ethical framework necessary for the internal audit profession;
- The internal audit charter sets out the position of the internal audit structure within the public entity, defines the scope of public internal audit, the rights and obligations of internal auditors;
- organizational independence within the Company, so as not to be subject to interference of any kind, from the setting of audit objectives, the actual performance of the specific work and the communication of the results of the audit;
- the individual objectivity, competence, professional awareness and continuing professional development of the auditors;
- the integrity, duty of confidentiality and political neutrality of internal auditors.

### ***Planning public internal audit work***

The annual planning is established on the basis of the "Multiannual Public Internal Audit Plan, following the analysis of the associated risks and requests from the members of the Supervisory Board.

Given that the risks associated with the activities are generated by the economic and social environment in which the Company's activities are carried out, there is a need to periodically reassess the risks in order to monitor their dynamics.

Also, in order to carry out an informed risk analysis, but also to reduce the degree of subjectivity of the risk analysis, it is considered necessary to use well-defined risk analysis criteria, with an explanation of how the risk analysis is actually carried out and how the risk score is established.

The risk analysis criteria used in annual and multi-annual planning are:

- the likelihood of the risk;
- the severity of the consequences of the event (level of impact).

### ***Public internal audit activity***

In 2024, 19 public internal audit assignments were carried out at the Company level, of which 17 assurance and 2 ad-hoc assignments.

These covered the following areas:

- two ad-hoc missions, to the Corporate Governance, Investor Relations and Representation Directorate and the Human Resources Directorate;

- financial-accounting in two missions;
- human resources in two missions;
- specific functions in twelve missions;
- public procurement, a mission.

No advisory missions were carried out during the year

A report was prepared for the audit work carried out in 2024 and submitted to the higher hierarchical body (General Secretariat of the Government).

Taking into account the Methodological Norms on the exercise of public internal audit of the Company, the results of implementation, the progress made in the implementation of the recommendations reported by the audited entity/structure are periodically analyzed. The progress in the implementation of the recommendations is reported annually to the Company's management and to the public internal audit team of the higher hierarchical body.

During 2024, 89 recommendations were made, including:

- 4 recommendations partially implemented (in the process of implementation), for which the implementation deadline has not been exceeded;
- 52 recommendations not implemented, of which:
  - 15 recommendations for which the implementation deadline has not been exceeded;
  - 37 recommendations overdue.

At the level of the internal public audit structure of the Company, the Quality Assurance and Improvement Program has been developed, the last update was made on 10.12.2020.

In accordance with the provisions of point 2.3.7. of Annex no. 1 of GD no. 1086/2013, a quality assurance and improvement program (PAIC) shall be developed at the level of the public internal audit structure for all aspects of internal audit, allowing a continuous control of its effectiveness.

The internal audit quality assurance and improvement program should ensure that the internal audit activity is carried out in accordance with the rules, guidelines and the Code of Ethical Conduct for Internal Auditors and contribute to the

improvement of the work of the public internal audit capability.

Public Internal Audit through its assurance and advisory missions adds value to the activities and supports management in maintaining effective internal control and achieving the objectives set

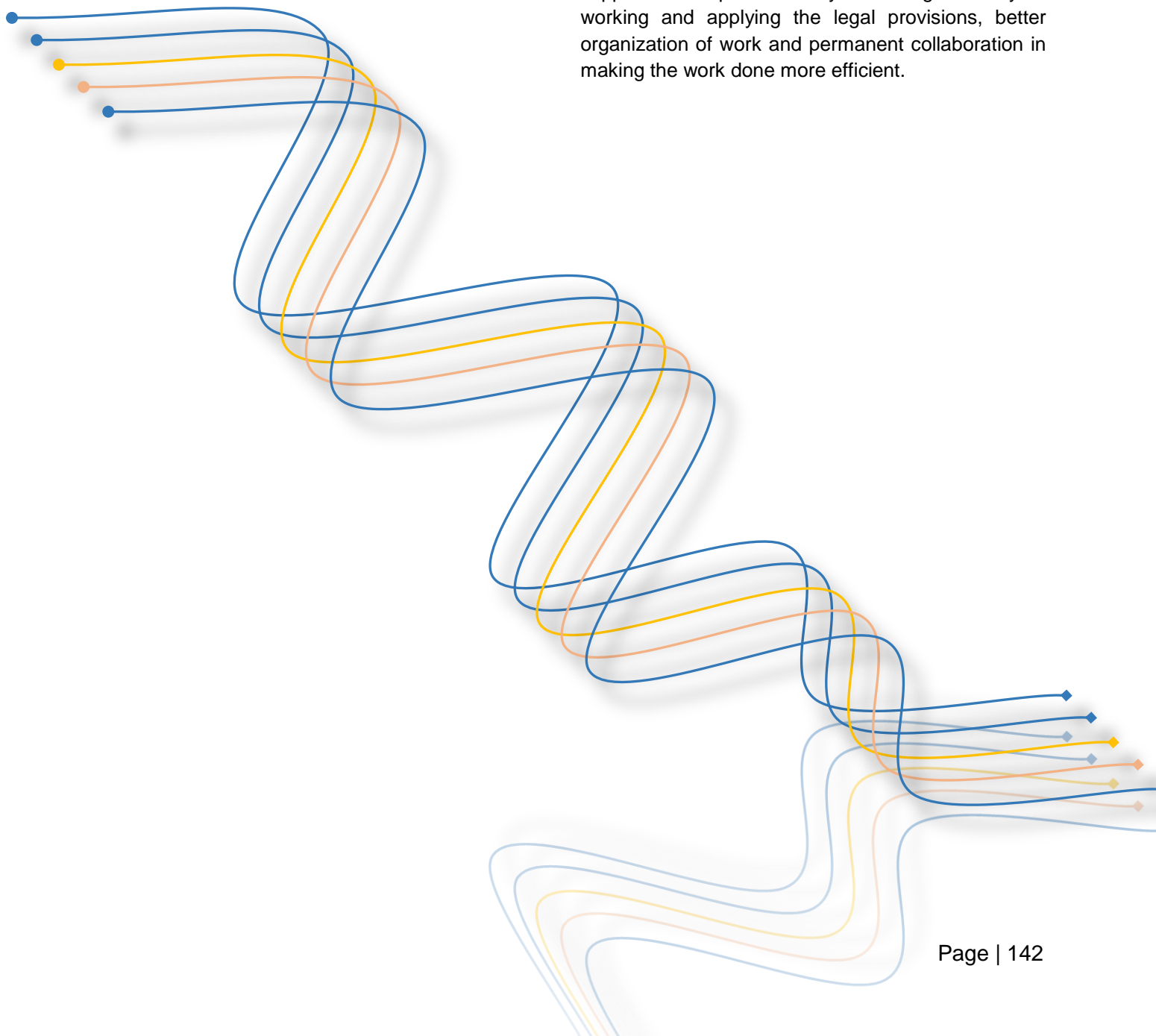
The vision for public internal auditing takes into account:

- Ensuring continuous, uniform and quality-standardized training required to obtain national attestation certificates for internal auditors,
- the need for permanent methodological collaboration and guidance between the internal public audit structure at the highest hierarchical level (the General Secretariat of the Government) and the Internal Public Audit of the Company.

The public internal audit, through the activities it carries out, adds value both by assessing the internal control system and analyzing the risks associated with auditable activities, and by the recommendations contained in the report drawn up and forwarded in order to ensure that the Company's objectives are achieved. These recommendations led the audited structures to refine their activities and improve their internal control system, so that significant progress has been noted from one audit to another.

Monitoring activities are oriented towards the added value created by public internal audit in supporting the achievement of the Company's objectives.

Considering the involvement of the personnel of the audited structures and their managers in the implementation of the recommendations issued, it can be said that the public internal audit has supported the personnel by reviewing the way of working and applying the legal provisions, better organization of work and permanent collaboration in making the work done more efficient.





## Declaration of compliance with the BVB Corporate Governance Code

Provisions of the Code		Respect	Partially respects (Reason for non-compliance)
<b>Section A - Responsibilities [ of the Supervisory Board]</b>			
A.1.	TEL must have internal Supervisory Board (SB) rules of procedure which include the terms of reference/responsibilities of the SB and the key management functions of TEL, and which apply, inter alia, the General Principles in Section A.	The SC of TEL carries out its activity and has the attributions/competences established on the basis of the legislation in force, the Constituent Act, the <u>Regulation of organization and functioning of the SC</u> posted on the Company's website: <a href="https://admportal.transelectrica.ro/documents/10179/100731/ROF+CS_24.10.2023.pdf/e6821301-e95b-4959-8c0f-44f65431c659">https://admportal.transelectrica.ro/documents/10179/100731/ROF+CS_24.10.2023.pdf/e6821301-e95b-4959-8c0f-44f65431c659</a>	
A.2.	Provisions for the management of conflicts of interest should be included in the rules of the SC. In any case, SC members must notify the SC of any conflicts of interest that have arisen or may arise and abstain from participating in discussions (including by non-attendance, unless non-attendance would prevent the formation of a quorum) and from voting on a decision on the matter giving rise to the conflict of interest in question.	These aspects are also stipulated in detail in the <u>Rules of Functioning and Organization of the SC</u> - section 5.	
A.3.	The SC must have at least five members.	The seven-member SC <b>Details - in the Corporate Governance section of the Annual Report</b>	
A.4.	Not less than two non-executive members of the SC shall be independent. Each independent member of the BoG must make a declaration at the time of his/her nomination for election or re-election, as well as at the time of any change in his/her status, indicating the grounds on which he/she is considered to be independent in character and judgment.	In the recruitment process related to the selection procedure regulated by GEO 109/2011, candidates are required to submit an affidavit of their independent status (attached to the application documents). All seven SC members have completed and submitted declarations of independence.	
A.5.	Other relatively permanent professional commitments and obligations of an SC member, including executive and non-executive positions on the Boards of not-for-profit companies and institutions, should be disclosed to shareholders and potential investors prior to nomination and during his/her term of office.	Details - in the Declarations of Interests posted on the Company's website, Human Resources section; <a href="https://www.transelectrica.ro/web/tel/declaratii-de-avere">https://www.transelectrica.ro/web/tel/declaratii-de-avere</a> ; or <a href="https://admportal.transelectrica.ro/web/tel/transparenta-ordin-guvern">https://admportal.transelectrica.ro/web/tel/transparenta-ordin-guvern</a> ,	
A.6.	Any member of the SC must disclose to the SC information on any relationship with a shareholder holding directly or indirectly shares representing more than 5% of all voting rights. This obligation covers any relationship that may affect the member's position on matters decided by the SC.	The information is required from any SC member at the date of appointment by signing the declaration of compliance with the provisions of art. 40 of the Articles of Association in application of art. 34 of Law no. 123/2012;	
A.7.	TEL should appoint a Secretary of the SC responsible for supporting the work of the Council.	The composition of the SC Secretariat was appointed by SC Decision no. 46/2022 and the persons who worked in the Secretariat in 2023 were: Ionela Chelu and Irina Răcănel.	
A.8.	The Corporate Governance Statement will inform whether a Board evaluation has taken place under the leadership of the Chair or Nominating Committee and, if so, summarize the key actions and changes resulting from it. TEL must have a policy/guideline on CS evaluation including the purpose, criteria and frequency of the evaluation process.	TEL, as a <i>public undertaking</i> , is subject to the provisions of art.30 paragraph (7) and art.34 paragraph (2) of GEO 109/2011 <i>on the corporate governance of public undertakings</i> , as regards the evaluation of members of the management bodies. The evaluation procedure necessarily relates to the financial and non-financial performance indicators, which have been recently approved by the General Meeting of Shareholders' Resolution No. 1/15.01.2025.	
A.9.	The corporate governance statement should contain information on the number of SC and committee meetings held during the last year, the attendance of directors (in person and in absentia) and a report by the SC and committees on their activities	In 2024, the Supervisory Board held 28 meetings, at which all or, as the case may be, a majority of the members were present or represented. There were 9 Audit Committee meetings, 22 meetings of the Nomination and Remuneration Committee and one meeting of the Investment and Energy Security Committee	
A.10.	The corporate governance statement should include information on the exact number of independent members of the SC.	<b>All seven SC members have completed and submitted declarations of independence.</b>	

Provisions of the Code		Respect	Partially respects (Reason for non-compliance)
A.11.	The SC of TEL should set up a nomination committee of non-executive members, which will lead the procedure for nominations of new members to the SC and make recommendations to the SC. The majority of the members of the nomination committee must be independent.	The Nomination and Remuneration Committee is constituted within the Supervisory Board, with its tasks and responsibilities detailed in the ROF of the SC. <b>Details - in the Corporate Governance section of the Annual Report</b> Most members of the Nomination and Remuneration Committee are independent.	
<b>Section B - Risk management and internal control system</b>			
B.1	The SC must establish an audit committee of which at least one member must be an independent non-executive director. The majority of the members, including the chair, must have proven appropriate qualifications relevant to the functions and responsibilities of the committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience. In the case of Premium Class companies, the audit committee must consist of at least three members and the majority of the audit committee members must be independent.	The Audit Committee is set up within the Supervisory Board, with its tasks and responsibilities detailed in the ROF of the SC. The Audit Committee has five non-executive members. All five members of the Audit Committee have completed and submitted declarations of independence. TEL, as a <i>public undertaking</i> , is subject to the provisions of Article 34 of GEO 109/2011 <i>on the corporate governance of public undertakings</i> , as regards the committees whose establishment is mandatory within the Board. Thus, the Audit Committee and the Risk Management Committee are constituted separately within the Board. <b>Details - in the Corporate Governance section of the Annual Report</b>	
B.2.	The chairman of the audit committee must be an independent non-executive member.	The members of the Supervisory Board, and consequently the members of the committees, are non-executive. All seven SC members have completed and submitted declarations of independence.	
B.3.	As part of its responsibilities, the audit committee must carry out an annual assessment of the internal control system.	Details in the Annual Report of the Audit Committee - OGMS Material related to the meeting to approve the Annual Financial Statements, published in the GMS section of the Company's website.	
B.4.	The evaluation should consider the effectiveness and comprehensiveness of the internal audit function, the adequacy of risk management and internal control reporting to the Audit Committee of the Board, the timeliness and effectiveness with which executive management addresses deficiencies or weaknesses identified by internal control and the presentation of relevant reports to the Board.	Details - in the Report of the Audit Committee and of the Risk Management Committee of the Supervisory Board of NPG CO. "Transelectrica" S.A. (TEL) for the year 2024 on the Company's internal control and significant risk management systems - GMS section on the Company's website, i.e. <a href="https://www.transelectrica.ro/web/tel/aga">https://www.transelectrica.ro/web/tel/aga</a> ,	
B.5.	The audit committee should assess conflicts of interest in relation to transactions of the company and its subsidiaries with related parties.	According to the Articles of Incorporation of the National Electricity Transmission Company "Transelectrica"-SA and in application of the provisions of Law no.24/2017, the Supervisory Board analyzes and approves <i>significant transactions</i> with related parties. The SC is required to follow the implementation at the Company's level of approval and implementation procedures for transactions concluded by the Company, or its subsidiaries, with related parties, as such persons are defined by the capital market legislation and regulations, as well as best practices to ensure substantial procedural fairness of transactions with related parties (self transactions), using for this purpose the criteria established or recommended by the capital market legislation and regulations.	
B.6.	The audit committee should assess the effectiveness of the internal control system and the risk management system.	Details - in the Report of the Audit Committee and of the Risk Management Committee of the Supervisory Board of NPG CO. "Transelectrica" S.A. (TEL) for the year 2024 on the Company's internal control and significant risk management systems (Material related to the annual meeting of the OGMS/29.04.2025 having on the agenda the approval of the annual Financial Statements)	
B.7.	The Audit Committee shall monitor the application of generally accepted legal and internal auditing standards. The Audit	Details - in the Report of the Audit Committee and of the Risk Management Committee of the Supervisory Board of	

Provisions of the Code		Respect	Partially respects (Reason for non-compliance)
	Committee should receive and evaluate the reports of the internal audit team.	NPG CO. "Transelectrica" S.A. (TEL) for the year 2024 on the Company's internal control and significant risk management systems (Material related to the annual meeting of the OGMS/29.04.2025 having on the agenda the approval of the annual Financial Statements)	
B.8.	Whenever the Code refers to reports or reviews initiated by the Audit Committee, these should be followed by regular (at least annually) or ad-hoc reports to be submitted to the Council thereafter.	Details - in the Report of the Audit Committee and of the Risk Management Committee of the Supervisory Board of NPG CO. "Transelectrica" S.A. (TEL) for the year 2024 on the Company's internal control and significant risk management systems (Material related to the annual meeting of the OGMS/29.04.2025, having on the agenda the approval of the Annual Financial Statements)	
B.9.	No shareholder may be given preferential treatment over other shareholders in connection with transactions and agreements entered into by the company with shareholders and their affiliates.	The Company shall ensure equal treatment for all holders of securities of the same type and class and shall provide them with all necessary information to enable them to exercise their rights.	
B.10.	The SC must adopt a policy to ensure that any transaction of TEL with any of its closely associated companies that is equal to or greater than 5% of TEL's net assets (as reported in the latest financial report) is approved by the SC following a binding opinion of the SC's audit committee and fairly disclosed to shareholders and potential investors, to the extent that such transactions fall within the category of events subject to the reporting requirements.	According to the Articles of Incorporation of the National Electricity Transmission Company "Transelectrica"-SA and in application of the provisions of Law no.24/2017, the Supervisory Board analyzes and approves <i>significant transactions</i> with related parties. At the same time, in order to fulfill the reporting obligations under Art. 144 lit. B paragraph (4) of Regulation no. 5/2018 of ASF on issuers of financial instruments and market operations, in conjunction with the provisions of Article 92 <sup>3</sup> of Law 24/2017 on issuers of financial instruments and market operations, TEL's financial auditor performs semi-annually the analysis of transactions with affiliates.	In addition, the SC envisages to issue, during 2025, a separate document on the <i>Policy on significant related party transactions</i>
B.11.	Internal audits must be carried out by a structurally separate division (internal audit department) within TEL or by engaging an independent third party.	The internal public audit activity at the Company is carried out by its own audit structure, separately, directly subordinated to the Supervisory Board.	
B.12.	In order to ensure the fulfillment of the core functions of the internal audit department, the internal audit department must functionally report to the SC through the audit committee. For administrative purposes and as part of management's obligations to monitor and mitigate risks, it should report directly to the Managing Director.	In application of the legal provisions and in accordance with the TEL Organization Chart, the public internal audit structure reports to the Supervisory Board - Audit Committee and the relevant information is also made available to the Directorate.	
<b>Section C - Just Reward and Motivation</b>			
C.1.	TEL must publish on its website the remuneration policy and include in the annual report a statement on the implementation of the remuneration policy during the annual period under review.	In accordance with the regulations in force, the Company informs the General Meeting of Shareholders annually through the Nomination and Remuneration Committee Report / Remuneration Report. Details - in the Annual Report, Corporate Governance section, including on the Company's website, the Terms of Reference, GMS/Corporate Governance section; Remuneration policy - material Annual OGMS on 29.04.2024	
<b>Section D - Adding Value through Investor Relations</b>			
D.1.	TEL must organize an Investor Relations service - indicating to the general public the responsible person(s) or organizational unit. In addition to the information required by legal provisions, TEL must include on its website a section dedicated to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including:	Transelectrica has specialized organizational entities for both Investor Relations and Shareholder Relations ( <a href="#">contact</a> ). Dates and information can be found at <a href="https://www.transelectrica.ro/web/tel/relatii-investitori">https://www.transelectrica.ro/web/tel/relatii-investitori</a> ,	
D.1.1	Main corporate regulations: articles of incorporation, procedures for general meetings of shareholders;	Please consult the TEL website, <a href="https://www.transelectrica.ro/regulament-de-guvernanta-corporativa">https://www.transelectrica.ro/regulament-de-guvernanta-corporativa</a> , and the GMS Procedure can be found at Notice of convocation/completion of convocation, Investor Relations/GMS section.	
D.1.2	Professional CVs of the members of TEL's governing bodies, other professional	Public documents on the TEL website, under Investor Relations/Corporate Governance/Supervisory Board and	

Provisions of the Code			Respect	Partially respects (Reason for non-compliance)
		engagements of SC members, including executive and non-executive positions on boards of directors of companies or non-profit institutions;	Directorate - <i>Biographical Notes and CVs</i> ; <a href="https://www.transelectrica.ro/web/tel/guvernanta-corporativa">https://www.transelectrica.ro/web/tel/guvernanta-corporativa</a> ).	
	D.1.3	Current reports and periodic reports (quarterly, half-yearly and annual) - at least those referred to in point D.8 - including current reports with detailed information on non-compliance with this Code;	Relevant documents can be found on the TEL website, Investor Relations section, Current Reports and Regular Reports tab, link: <a href="https://www.transelectrica.ro/web/tel/relatii-investitori">https://www.transelectrica.ro/web/tel/relatii-investitori</a> ;	
	D.1.4	Information on general meetings of shareholders: agenda and information materials; the procedure for electing Board members; the arguments supporting the proposed candidates for election to the Board, together with their professional CVs; shareholders' questions on agenda items and the company's responses, including resolutions adopted;	The documents are available on the TEL website, Investor Relations/GMS section, link: <a href="https://www.transelectrica.ro/web/tel/aga">https://www.transelectrica.ro/web/tel/aga</a> ,	
	D.1.5	Information on corporate events, such as the payment of dividends and other distributions to shareholders, or other events leading to the vesting or limitation of a shareholder's rights, including deadlines and the principles applied to such transactions. Such information shall be disclosed in a timely manner to enable investors to make investment decisions;	The documents are available on the TEL website, Investor Relations section, link <a href="https://www.transelectrica.ro/web/tel/relatii-investitori">https://www.transelectrica.ro/web/tel/relatii-investitori</a> ;	
	D.1.6	Name and contact details of a person who will be able to provide relevant information on request;	<a href="mailto:relatii.investitori@transelectrica.ro">relatii.investitori@transelectrica.ro</a> , Mihaela GRAMA - contact number: +40.21.303.59.48 Investor Relations: Adrian ȘUȚA - contact number: +40.21.303.56.67, public data and on the TEL website, link: <a href="https://www.transelectrica.ro/web/tel/contact-ri">https://www.transelectrica.ro/web/tel/contact-ri</a> ,	
	D.1.7	TEL presentations (e.g. investor presentations, quarterly results presentations, etc.), financial statements (quarterly, half-yearly, annual), audit reports and annual reports.	The documents are available on the TEL website, Investor Relations section, link: <a href="https://www.transelectrica.ro/web/tel/rapoarte-periodice">https://www.transelectrica.ro/web/tel/rapoarte-periodice</a> ,	
D.2	TEL will have a policy on the annual distribution of dividends or other benefits to shareholders, proposed by the Directorate and adopted by the Supervisory Board, in the form of a set of guidelines that TEL intends to follow with respect to the distribution of net profit. The principles of the annual distribution policy to shareholders will be published on TEL's website.		The distribution of the Company's profit is carried out in accordance with the provisions of GEO 64/2001 on the distribution of profit in national companies, national companies, commercial companies with full or majority state capital, as well as in independent authorities.	
D.3	TEL will adopt a policy in relation to forecasts, whether publicly disclosed or not. Forecasts refer to quantified conclusions of studies aimed at establishing the overall impact of a number of factors over a future period (so-called hypotheses): by its nature, this projection has a high level of uncertainty, the actual results may differ significantly from the forecasts initially presented. The forecasting policy will determine the frequency, the time horizon and the content of the forecasts. If published, forecasts may only be included in annual, half-yearly or quarterly reports. The forecasting policy will be published on the Company's website.		The Company's activity is regulated by the National Energy Regulatory Authority.	.
D.4.	The rules of the GMS must not restrict shareholders' participation in the GMS and the exercise of their rights. Amendments to the Rules will take effect, at the earliest, as from the next GMS;		TEL respects all rights and ensures fair treatment of holders of issued financial instruments, irrespective of the number of shares held, and continuously strives to achieve effective, active and transparent communication in order to ensure that shareholders exercise their rights in an equitable manner;	
D.5.	The external auditors shall be present at the general meeting of shareholders when their reports are presented at such meetings.		There are no procedural limitations in this regard.	



Provisions of the Code		Respect	Partially respects (Reason for non-compliance)
D.6.	The SC will provide the annual general meeting of shareholders with a brief assessment of the internal control and significant risk management systems, as well as opinions on matters to be decided by the general meeting	OGMS material for the meeting of April 29, 2025 - Report of the Audit Committee and the Risk Management Committee of TEL's SC for the year 2024 on the Company's significant internal control and risk management systems	
D.7.	Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation by the Council. Accredited journalists may also attend the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	Accredited journalists may also attend the general meeting of shareholders provided they give prior notice (to facilitate access).	
D.8.	The quarterly and half-yearly financial reports will include information in both Romanian and English on the key factors influencing changes in the level of sales, operating profit, net profit and other relevant financial indicators, both quarter-on-quarter and year-on-year.	Relevant documents can be found on the TEL website, Investor Relations/Periodic Reports section, link <a href="https://www.transelectrica.ro/web/tel/relatii-investitori">https://www.transelectrica.ro/web/tel/relatii-investitori</a> ;	
D.9.	TEL will organize at least two meetings/teleconferences with analysts and investors each year. Information presented on these occasions will be published in the investor relations section of TEL's website on the date of the meetings/teleconferences.	According to TEL's annual Financial Communication Calendar, approved and submitted to capital market institutions, BVB and ASF, the Company has scheduled four meetings in 2024 with financial analysts, investment advisors, brokers and investors to present financial results <ul style="list-style-type: none"> <li><a href="https://admportal.transelectrica.ro/ro/web/tel/calendar-financiar">https://admportal.transelectrica.ro/ro/web/tel/calendar-financiar</a></li> </ul>	
D.10	If TEL supports different forms of artistic and cultural expression, sports, educational or scientific activities and considers that their impact on TEL's innovativeness and competitiveness is part of its mission and development strategy, it will publish its policy on its activity in this field.	The document is available on the TEL website, section About us/ Corporate Social Responsibility, link: <a href="https://www.transelectrica.ro/web/tel/responsabilitate-sociala-corporativa">https://www.transelectrica.ro/web/tel/responsabilitate-sociala-corporativa</a> Information related to this section can be accessed by consulting the 2024 Annual Periodic Reporting documents.	

## 15. Corporate Social Responsibility

### Corporate social responsibility policy

Any modern organization is assessed not only on its economic performance, management quality and communication policy, but also on its contribution to the social life of the community of which it is part.

Social Responsibility is a management process through which the Company wants to contribute to the development of a sustainable and performing Romanian society.

Social responsibility towards the community is as important as success in business, and that is why the Company has been considering during 2023 linking its Corporate Social Responsibility policy with the social issues of the community where it operates, getting involved in solving social problems and supporting increased access to education in disadvantaged areas.

The company considers the interests of society and is responsible towards employees, shareholders, the community and the environment.

Social responsibility is an integral part of the company's business strategy and contributes to strengthening its market position and maintaining its reputation.

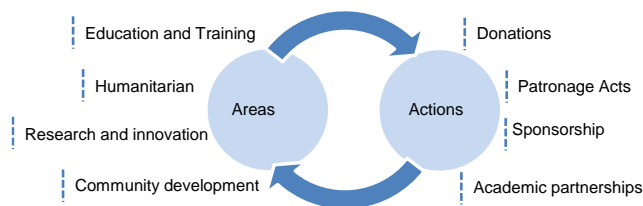
Figure36 : CSR policy - dialog with stakeholders



### CSR areas and actions

Social Responsibility is a management process through which Transelectrica wishes to contribute to the development of a sustainable and performing Romanian society. Our vision in the field of Corporate Social Responsibility is to promote national values such as innovation, team spirit, respect for diversity and commitment. These underpin our performance.

Through its corporate social responsibility policy, the Company focuses on the following areas and actions contained in a long-term strategy:



### Education and training

*Objective: To support young people studying in the energy field in their educational and professional development.*

Young people are the most important asset for Romanian society. We are active in the university environment through partnerships with student associations and other initiatives.

- We collaborate with energy faculties by equipping research laboratories and providing scholarships to students.
- We offer energy students the opportunity to participate in Transelectrica's activities in the form of technical visits to the company.

### Humanitarian actions

*Objective: Sponsoring associations that support people with medical needs, from underprivileged areas and low-income families or in need of long-term medical treatment.*

People are at the center of our concerns and we always try to help the disadvantaged.

Among those who can benefit from our support are the associations that support them

### Environment

*Objective: To ensure the protection and improvement of the quality of the environment and to promote activities leading to selective collection for recycling.*

Corporate social responsibility could also be perceived as being based on personal social responsibility, on each individual's concern and willingness to build his or her existence in close connection with the environment, in the context of the values promoted by the company.

Our environmental policy embodies our commitment to conduct all our specific activities in a responsible manner, giving due consideration to environmental impacts and sustainable development.



This includes environmental protection and environmental protection is a prerequisite for sustainable development. The existing requirements and demands at EU level require a new approach to global environmental issues, in terms of environmental impacts and pressures and all the consequences of socio-economic development. Specifically, we want corporate social responsibility actions to have as their main component, regardless of their final direction, environmental aspects and ways in which the environmental impact of our activities can be significantly reduced.

### **Social responsibility towards employees**

*The Company's objective with regard to social responsibility towards employees involves providing support to both the Company's employees and their families in case of major health problems.*

### **Corporate volunteering**

*Objective: To realize volunteer actions in order to solve community problems.*

Employer Supported Volunteering is any effort by the Company to encourage its employees to participate in volunteer activities in the community and to support them in their involvement efforts.

The Company's executive management encourages and supports the participation of employees as volunteers in various actions and fundraising

campaigns and proposes concrete projects in which they offer their time and dedication to improve employee relations through team activities.

### **Project eligibility criteria**

Transelectrica will support only those projects or organizations that can ensure the achievement of the objectives set by the Corporate Social Responsibility strategy, mentioned above.

Transelectrica also wishes to support projects/organizations with which it shares the same values and which prove to be beneficial to society.

Company sponsorships can NOT be accessed by:

- Political parties or organizations whose activity is assimilated to that of a political party;
- Public institutions, excluding educational institutions (school, kindergarten, university, etc.), museums, hospitals and other cultural and health institutions based in Romania;
- Natural or legal persons subject to a conflict of interest;
- Profit-making organizations/institutions;
- Natural or legal persons who have been declared in a previous sponsorship situation;
- Beneficiaries who are in receivership, liquidation, winding-up, liquidation or suspended;
- Beneficiaries/organizations that have been convicted of a crime;
- Beneficiaries/organizations that have been declared in a situation of breach of a previous grant and/or donation and/or sponsorship contract with Transelectrica;
- Persons who are affiliated or whose relatives up to the third degree are affiliated to political parties or any other organization with whose activity they are assimilated.

In accordance with Article XIV of GEO no. 2/2015, amending and supplementing certain normative acts and other measures, it is provided that the economic operators referred to in Article 1 of Government Ordinance no. 26/2013 on the strengthening of financial discipline at the level of some economic operators in which the State or territorial administrative units are sole or majority shareholders or directly or indirectly hold a majority stake, approved with additions by Law no. 47/2014 (category to which the Company belongs), who grant donations and sponsorships in cash, in accordance with the legislation in force, comply with the following ceilings when granting them:

- minimum 40% of the approved amount in the medical and health field;
- a minimum of 40% of the amount approved, in the fields of education, training, social and cultural areas for equipment, services, actions or any other activities related to these fields, including national programs;
- a maximum of 20% of the amount approved, for other actions and activities, including for supplementing those referred to in the first points.

### Sponsorship policy

The sponsorship criteria established by the Company are:

- **Transparency:** The sponsorship must be transparent, its beneficiary must be known, and the purpose for which it will be used must be disclosed and verifiable;
- **Purpose:** The amount donated must contribute to a purpose relevant to the sector described above;
- **Cost:** The cost required to implement the project/action subject to sponsorship must be justified and itemized;
- **Reputation/trustworthiness of the beneficiary:** As far as possible, an assessment of the integrity of the beneficiary will be carried out;
- **Sponsorship strategic framework:** Sponsorships must correspond to Transelectrica's strategy;
- **Benefits offered to the Company:** the Beneficiary must offer Transelectrica opportunities of visibility and reciprocity in business with financial impact;
- **Previous relations with Transelectrica:** Positive previous experience positively influences the evaluation of the new application.

The sponsorship or donation is evaluated by the Company according to the evaluation criteria.

- The Beneficiary must submit a concise report to the Corporate Social Responsibility Service after the end of the Donation/Sponsorship process, mentioning all tangible results implemented by the Beneficiary.
- The company should generally monitor the following:
  - Follow the written contract and company policies;
  - Reaching sponsorship or donation targets;
  - Good management and record keeping;
  - Submission of reports;
  - Benefits for the Company and the community.

All sponsorship/donation requests must be made in writing and addressed to the Corporate Social Responsibility Service, including the following details:

- Name of the organization/ beneficiary, telephone number, address and contact person;
- Purpose of the action/ program/ event for which support is requested, including background information;
- Amount needed;
- Results to be achieved through the support provided;
- Benefits resulting from the support.

Consequently, Transelectrica, part of public life, has certain duties towards society.

Community involvement is necessary not only to ensure our commercial success, but also to gain the respect of the communities in which we operate, contributing to the development of a sustainable and performing Romanian society.

That's why the projects we choose to get involved in must go beyond the business area and get as close as possible to the needs of people and the environment in order to be able to actively participate in improving the quality of life and living standards.

Our commitment is to support strategic partnerships in these areas and to convince, by example, employees, customers or even business partners to join us.

### Main CSR projects in 2024

In 2024, we have chosen to continue our involvement in areas such as education and training, humanitarian and environmental action, and employee responsibility.

The total amount for sponsorship, patronage, corporate social responsibility, scholarships, etc. amounted to 4.657.700 lei, according to the approved rectified budget of expenses and revenues for the year 2023.

Expenditures for the year 2024, have been distributed over the following areas:

- Medical and health: 2.323.500 lei, (including the amount of financial aid granted to people diagnosed with various medical conditions)
- Education, teaching, social and sport: 1.933.000 lei
- Other activities: 1.155.500 lei.

The company has decided to grant financial aid amounting to 1,968,500 lei to 56 people diagnosed with various medical conditions, to cover treatment costs.

In the year 2024, Transelectrica continued the social responsibility actions initiated in recent years and got



involved in new programs, becoming more and more visible and constant, being side by side with associations, non-governmental organizations and educational institutions with an energy/technical profile.

The total value of sponsorship contracts in the fields of education, education, social and sports in 2024 was 1,933,000 lei.

Consequently Transelectrica, as part of public life, has certain duties towards society. Involvement in the community is necessary not only to ensure our commercial success, but also to gain the respect of the communities in which we operate, contributing to

the development of a sustainable and efficient Romanian society.

In 2025, Transelectrica will implement its CSR policy in order to achieve the set objectives, supporting disadvantaged groups and young people, while taking into account the quality of education and environmental impact.

As in the previous year, another priority of the year 2025 is to support the young generation by involving them in professional development through scholarships for both students and pupils with outstanding results from educational units with an energy profile and by equipping the research laboratories of faculties or schools.

## Environmental responsibility

The protection of the environment is an important objective for the Company with a view to its sustainable and sustainable development. Thus, the environmental protection policy is an integral part of the general policy, with the objectives of maintaining an efficient environmental management system, preventing and reducing pollution, complying with national and European legal requirements and sustainable development.

The environmental objectives for the year 2023 aimed at maintaining an efficient environmental management system, preventing and reducing pollution so that the impact of the electric transmission grid on the environment is within the limits of national and European requirements. The objectives were achieved through preventive and corrective actions included in the annual environmental management program.

In order to achieve its objectives, the Company has taken measures to reduce the environmental impact both in the operating activity and in the maintenance and investment activities, which involved construction - erection works, so that in 2023 no particular environmental protection problems were reported.

### Description of the impact of ETG on the environment

High-voltage electrical installations consisting mainly of overhead power lines and transformer and connection substations are installations with a significant impact on the environment due to both the technical complexity of the installations and the areas of land occupied and lengths of tens or even hundreds of kilometers, usually over several counties.



Under normal operating conditions, no pollutants are released into the environment. Some polluting chemicals may be accidentally released into the environment in the event of equipment malfunctions, faulty operation, damage or during construction and maintenance works.

The identification and assessment of environmental aspects for technology and construction are carried out from the first design phase. On this basis, the environmental management plan (for construction, operation and decommissioning of the installation) is drawn up, including the program of measures for pollution prevention and impact reduction and the monitoring program of environmental factors

Environmental issues related to construction are divided into those:

- the **physical** ways in which they manifest themselves (effects):
  - soil disturbance through new driveways, stripping and excavation

- the occupation of land for the organization of building sites, including warehouses
- damage to flora through systematic clearing of vegetation
- damage to wildlife (habitat fragmentation, electrocution, etc.)
- bird disturbance (through the construction of air obstacles in the flight path)
- generation of waste (porcelain, glass, concrete, metals, used oil, packaging, rubble, etc.)
- the impact on the population and wildlife through the noise produced by the machines used, means of transportation, etc.
- the impact on people and wildlife through noise from the corona effect at high-voltage installations
- land occupation with OHL routes and station locations
- damage to flora through systematic clearing of vegetation
- damage to wildlife (habitat fragmentation, electrocution, etc.)
- damage to birds and aircraft (air obstacles in the flight path, collision, electrocution, etc.)
- danger of electrocution or burns by contact with or falling OHL near or crossing roads, railroads, water, buildings, etc.
- fire hazard due to damage to insulation or accidental touching of conductors by objects or dry vegetation
- the effects on people and wildlife of noise and vibration caused by the operation or vibration of ETG elements
- the sound and light effects of the Corona phenomenon
- electromagnetic field disturbances to radio and television systems
- electromagnetic field influences on telecommunications installations or other electrical networks at crossings and in their vicinity
- the effects of electromagnetic fields on living things.

➤ **chemical ones** which can be listed:

- soil and/or water pollution through accidental spills of fuel, oil and other chemicals
- air pollution by:
  - flue gas emissions (SOx, COx, NOx, NOx, VOC, particulate matter) from heating installations or means of transport
  - Sulphur hexafluoride (SF6) emissions - accidental leaks during gas handling or due to equipment failures
  - dust emissions from construction and assembly work
  - emissions of volatile organic compounds from paints and thinners, etc.
  - ozone and nitrogen oxides - corona effect at high voltage
  - sulfuric acid vapors - from batteries.
- soil and/or water pollution through accidental spills of fuel, oil and other chemicals
- air pollution by:
  - flue gas emissions (SOx, COx, NOx, NOx, VOC, particulate matter) from heating installations or means of transport
  - Sulphur hexafluoride (SF6) emissions - accidental leaks during gas handling or due to equipment leaks

➤ **socio-economic** such as disruption of social activities, including population displacement

➤ the **visual and psychological** ones through landscape disturbance and fear caused by the proximity and the visual and sound effects of the ETG.

The company has taken measures to prevent pollution and reduce environmental impact both in operation and in maintenance and investment activities, which involve construction - erection, so that in 2024 no particular environmental protection problems were reported.

In terms of environmental impact in 2024:

- no accidental pollution with significant environmental impact;
- no environmental complaints;
- 71.54% of the waste generated was disposed of/recovered and the remaining waste was stored.

## Impact indicators

Table39 : Area occupied by power lines and substations

Entity	Without safety zone [m2] Stations	OHL	With safety zone [m2] Stations	READ
<b>Total 2024</b>	3.995.286	2.709.056	7.093.750	551.312.906
<b>Total 2023</b>	3.988.066	2.893.289	7.137.572	551.176.743
<b>Total 2022</b>	3.988.066	2.893.289	7.137.572	551.176.743

**Sources of soil, groundwater and land pollution**

From the normal operation of the ETG installations, no noxious emissions are discharged to soil, groundwater or terrestrial waters. Accidental pollution may occur due to failure/ leakage of equipment containing hazardous substances or electrically insulating oil or faults in the oil regeneration/ feed/discharge systems to/from the equipment.

Oil/vehicle fuel spills from machinery and means of transportation may also occur during construction and maintenance works (oil spilled into the environment has been contained with absorbent, biodegradable soil).

**Sources of air pollution****Direct emissions**

During the construction, maintenance and normal operation of the ETG installations, no significant quantities of pollutants are released into the atmosphere.

During construction, maintenance and normal operation of ETG installations the following emissions to the atmosphere may result: particulate matter - during construction works, flue gases - from vehicles, generators and thermal power plants, ozone in negligible quantities (Corona effect), sulphur hexafluoride - due to equipment leaks or improper handling of the gas.

Combustion gases (SO<sub>x</sub>, CO<sub>x</sub>, NO<sub>x</sub>, NO<sub>x</sub>, VOCs, particulates, etc.) may be generated in fires or explosions.

High-voltage power lines generate atmospheric pollution of ozone and nitrogen oxides as a result of corona discharges around active conductors, especially in wet weather. The additional contribution of these pollutants to the existing background is not major and cannot lead to exceedances of the legal information threshold values, beyond which there is a risk to human health.

**Wastewater sources**

No technological wastewater results from the electricity transmission process. Wastewater generated on the site of the ETG installations is *domestic wastewater* from human activity (discharged directly into the city sewer or drained and transported to an urban wastewater treatment plant or locally discharged to micro sewage treatment plants and discharged to land or land water), *rainwater* collected in oil-filled equipment sumps and concrete platform sumps for the storage of waste and equipment (may contain oil from leaks) which is mechanically treated in oil-water separators and discharged to the municipal sewer or drained and transported to a municipal waste water treatment plant or discharged to land or land water in compliance with the maximum allowable limits for pollutants discharged to the environment.

**Waste generation**

No waste is directly generated from the electricity transmission activity. Waste results from construction, maintenance and human activity. The amounts of waste vary from year to year, depending on the amount of investment and maintenance work.

The waste generated was disposed of/valorized with authorized firms.

**Electromagnetic field generated by ETG installations**

Transformer/connection substations and 220kV and 400kV overhead power lines have relatively little impact on neighborhoods, existing only around ETG installations. Much of the disturbing effects are due to electrical induction (in ungrounded metallic objects or structures) and interference phenomena.

The constructive solutions adopted for the realization of high-voltage power lines and substations ensure adequate protection against the effects of exposure of living organisms to the electromagnetic field and minimize the impact of these installations on the environment.

According to studies conducted by specialized institutions in the vicinity of 220kV and 400kV overhead lines, the electric field strength decreases

with distance, so that at a distance of about 25-30 m from the axis of the line, the field strength is zero.

Table40 : Waste management

An	Waste generated (t)	Recovered waste (t)	Waste disposed of (t)	Stored waste (t)	Waste management indicator: waste disposed, recovered/waste generated
2024	10.341,65	8.550,89	3.174,29	6.048,96	71,54%
2023	6.061,9	2.117,5	2.653,8	1.290,6	78,70%
2022	10.174,6	7.622,1	1.887,4	665,2	93.46%

### Noise pollution

During the construction period noise may be generated due to the execution of works and the operation of equipment and vehicles. During operation, noise pollution is due to noise produced by the operation, vibration of ETG installations or corona discharges in the space around active conductors.

The noise level produced by the Corona effect at a distance of 25 m from the active conductor varies between 53 dB in rainy weather and 33 dB in fair weather.

### Impact on wildlife

The impact on wildlife is particularly significant on birds, manifested by collision or electrocution by ETG installations in migration corridors or protected areas.

The main migration corridors of different types of birds were identified in the Banat, Dobrogea and Danube Delta areas.

### • Impact on vegetation

The impact on vegetation is determined by the permanent or temporary occupation of land and the removal of vegetation above a certain height from the safety zones of ETG installations to avoid fires. This impact can only be significant in protected areas.

### Measures taken to prevent and/or limit environmental impacts.

The main measures carried out during 2024 to prevent and/or limit environmental impacts were on:

- *execution works of:*
  - construction or maintenance of sewerage networks for domestic wastewater and/or rainwater;
  - fitting oil-water separators to oil equipment tanks and storage platforms;
  - construction of concrete platforms for temporary storage of equipment and waste;
  - maintaining equipment with oil or SF6 to prevent leaks;

- painting overhead power line (OPL) poles in colors appropriate to the landscape;
- Clearing/maintenance of OHL safety corridors;
- restoration/landscaping of land to bring it back to its (initial) condition after completion of works.
  - *procurement of services on:*
- monitoring the quality of wastewater from the Company's stations and premises and proposing solutions to reduce pollution in accordance with the requirements of environmental and water management permits;
- assessment of the influence of installations in the Electric Transmission Grid on air quality by monitoring emissions of pollutants into the atmosphere;
- waste collection, sorting, transportation and recovery/disposal.
  - *Elaboration of environmental management plans for maintenance, refurbishment / modernization projects.*



## 8.5 million Environmental protection

Total environmental protection expenses, included in operating, maintenance and investment expenses, amounted to RON 8.5 million (about 1.7 million euro).

### Compliance with legal requirements

The objectives under the Company's management (272 objectives: transformer and connection substations, overhead power lines, headquarters, etc., authorized or in the process of authorization/re-authorization) are operating in compliance with the legal requirements on environmental protection, the authorization level being 99.63% (9 environmental authorizations). Maintenance and investment works were executed in compliance with the legal and regulatory requirements (environmental permits and/or agreements and water management permits, as appropriate).



The waste generated was managed according to legal requirements and disposed of/valorized with authorized companies, and at the same time, 28 lei was paid to the Environmental Fund. All measures ordered by the regulatory and control authorities in the field of environmental protection and management have been fulfilled.

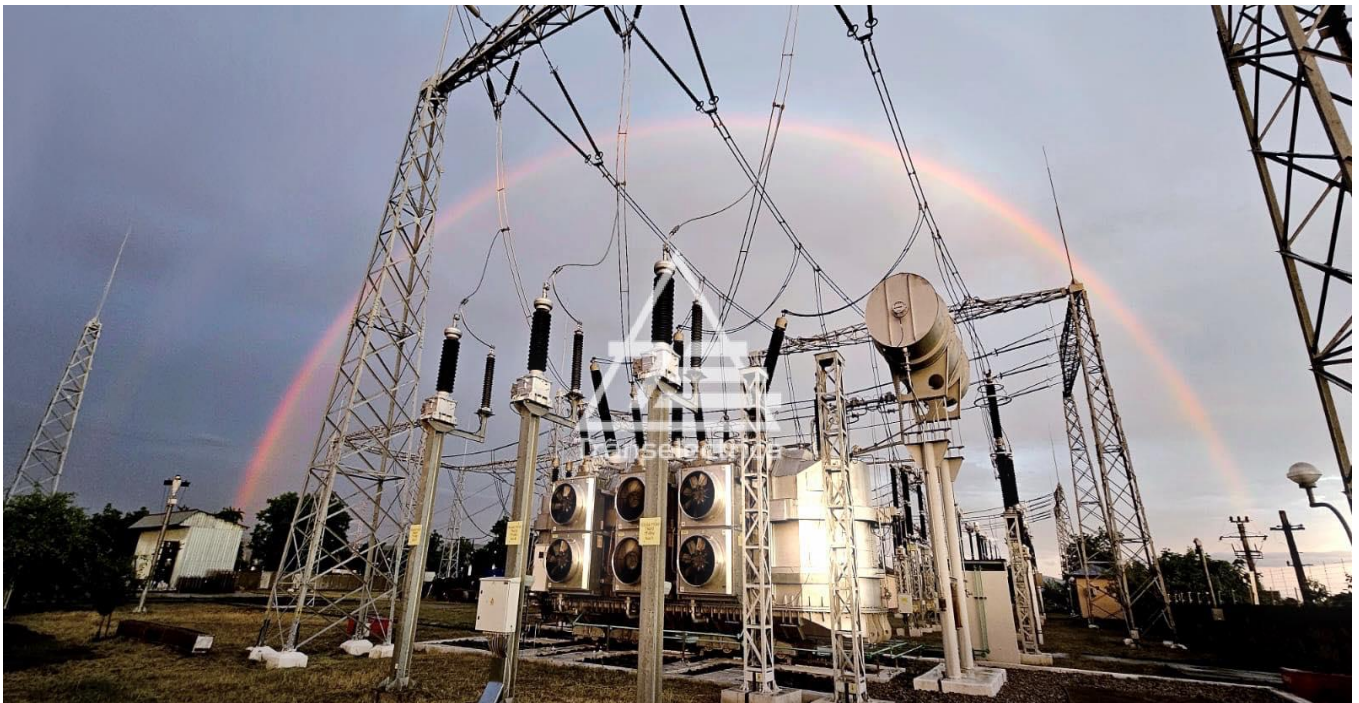
The environmental factors (air, water, soil, noise, electromagnetic field, waste) were monitored according to the requirements of the environmental and water management regulatory documents;

All environmental information has been reported correctly and on time in accordance with legal, regulatory and control requirements.

#### Proposed activities in

The main services and works to prevent and/or limit environmental impacts proposed for 2025 include:

- cleaning services and periodic technical inspection of petroleum product separators in electrical substations;
- services for updating the technical documents necessary for the renewal of water management authorizations for Transelectrica SA objectives;
- maintenance and repair services at biological treatment plants for domestic wastewater;
- services for the collection, transportation and recovery/disposal of waste resulting from the works (WEEE, insulation waste, etc);
- restoration of the natural environment affected by the works carried out in the Company's objectives;
- works to maintain the OHL safety lanes;
- maintenance and repair works to prevent loss of FS<sub>6</sub>;
- septic tank emptying services from the Company's stations;
- studies and research on wastewater quality monitoring in the Company's plants and premises.





## Annexes

## Annex 1 - Articles of Associations amended in 2024

- As of the date of this report, there are no amended articles of incorporation in 2024.

## Annex 2 - Appointment/revocation certificates issued in 2024

### Directorate

- According to SC Decision no.11/21.03.2024
  - The members of the Supervisory Board, pursuant to art III of Law no.187/2023 on amending and supplementing Government Emergency Ordinance no.109/2011 on the corporate governance of public enterprises, as amended and supplemented, have decided to extend for a period of 2 months, starting from 25.03.2024 and until 25.05.2024, the terms of office of the following provisional members of the Directorate: Ștefăniță Munteanu, Cătălin Constantin Nadolu, Florin Cristian Tătaru and Bogdan Toncescu, but not later than the finalization of the selection procedure according to the provisions of GEO 109/2011 if the procedure is finalized within this interval.
- According to SC Decision no.23/22.05.2024
  - The members of the Supervisory Board took note of the fact that on May 24, 2024 the terms of office of the provisional members of the Company's Directorate ended by adjournment and decided to appoint as provisional members of the Directorate Mr. Ștefăniță Munteanu, Mr. Cătălin Constantin Nadolu, Mr. Florin Cristian Tătaru and Mr. Bogdan Toncescu, with a term of office of 5 months starting from May 25, 2024, but the term of office shall not exceed the date of completion of the selection procedure for the members of the Company's Directorate, under the conditions of GEO no. 109/2011 on the corporate governance of public enterprises, approved with subsequent amendments and additions, if the procedure will be finalized within this interval
- According to SC Decision no.39/30.09.2024
  - The members of the Supervisory Board have decided, in accordance with its statutory and legal powers, in view of the final report of the recruitment and selection process of candidates for the position of member of the Directorate of N.P.G. CO. Transelectrica S.A, to appoint, as of October 3, 2024, as Members of the Directorate, Florin-Cristian Tătaru, Victor Moraru, Ștefăniță Munteanu, Cătălin-Constantin Nadolu and Vasile-Cosmin Nicula. The appointment was made in accordance with the provisions of Art. (4)-(8) and (11) of GEO no. 109/2011 on the corporate governance of public enterprises, following the selection procedure of candidates for the positions of members of the Directorate of NPG CO. Transelectrica SA, pursuant to Article 23 of the Articles of Association.  
  
At the same meeting, in accordance with the provisions of Article 23 para. (1) of the Articles of Association of the National Electricity Transmission Company "Transelectrica"-SA, the Supervisory Board elected Ștefăniță MUNTEANU as Chairman of the Directorate, alternatively referred to as Chief Executive Officer - "CEO" of the National Electricity Transmission Company "Transelectrica" SA.  
  
The term of office of the members of the Directorate is from October 3, 2024 until February 29, 2028.
- According to SC Decision no.45/08.11.2024
  - The members of the Supervisory Board decided to delegate the duties of Chef Financial Officer (CFO) to Mr. Vasile Cosmin Nicula.

### Supervisory Board

- 1/28.02.2024, the following members of the Supervisory Board of the Company were appointed for a term of office of four years, starting March 01, 2024 and until February 29, 2028: PĂUN Costin-Mihai, ATANASIU Teodor, VASILESCU Alexandru-Cristian, ZEZEANU Luminița, DASCĂL Cătălin-Andrei, ORLANDEA Dumitru Virgil, RUSU Rareș Stelian.
- According to SC Decision no.9/04.03.2024
  - The members of the Supervisory Board elected Mr. Dascăl Cătălin Andrei as Chairman of the Supervisory Board.
- According to SC Decision no.39/29.08.2024
  - The members of the Supervisory Board took note of the withdrawal, as of August 19, 2024, of Mr. Rusu Rareș Stelian from the Nomination and Remuneration Committee of the Supervisory Board.

## Annex 3 - Major contracts concluded by the company in 2024

REPORT according to EGMSR no. 4/29.04.2015 on the contracts signed in 2024 for the procurement of goods, services and works, the value of which is higher than 500.000 Euro/purchase (for the procurement of goods and works) and 100.000 Euro/purchase (for services) respectively

No.	Contract Number	Subject of the Contract	Durati on	Value		Contract type	Legal Basis	Procureme nt Procedure
			Months	Thousa nd Lei	Tho usa nd Euro			
0	1	2	3	4	5	6	7	8
1	C 562/2024	Strategic services/works managed by NPG CO. Transelectrica SA	36	338.108	0	Services	Law 99/2016+ GD 394/2016	Competitive negotiation
2	C 360/2024	Power Quality Monitoring System	132	37.820	0	Delivery	Law 99/2016+ GD 394/2016	Open tender
3	EN 4/4083/2024	Replacement of TRAF0 4-250 MVA, 400/110 kV in 400/110 kV station Dragănești Olt	34	25.058	0	Works	Law 99/2016+ GD 394/2016	Open tender
4	C 351/2024	Voluntary health insurance services for NPG CO. Transelectrica SA personnel (framework agreement)	36	12.493	0	Services	Law 99/2016+ GD 394/2016	Open tender
5	C 325/2024	Digitel green pilot project - upgrading of the 220/110/20 kV Mostiștea substation to a digital substation with reduced environmental impact (design)	14	1.925	0	Services	Law 99/2016+ GD 394/2016	Open tender
6	BA 13/2024	Cleaning services at the objectives of STT Bacău and DET	36	1.828	0	Services	Law 99/2016+ GD 394/2016	Open tender
7	EN 5/4188/2024	Cleaning services at STT Pitesti objectives	36	1.432	0	Services	Law 99/2016+ GD 394/2016	Open tender
8	C 345/2024	Cleaning services for buildings within NPG CO. "Transelectrica" SA - Executive	24	1.026	0	Services	Law 99/2016+ GD 394/2016	Open tender
9	SB 9/2024	Mowing and vegetation removal services in order to prevent fires in substations managed by STT Sibiu	36	792	0	Services	Law 99/2016+ GD 394/2016	Open tender
10	TM 52/2024	Cleaning services in stations and STT Timișoara lot 1 - Timiș county	24	709	0	Services	Law 99/2016+ GD 394/2016	Open tender
11	TM 35/2024	Mowing and vegetation removal services in order to prevent fires in electrical substations managed by STT Timișoara	24	588	0	Services	Law 99/2016+ GD 394/2016	Open tender
12	C 812/2024	Transition of the Porțile de Fier - Resita - Timișoara - Săcălaz - Arad axis to 400 KV, phase II: 400 KV d.c. Resita - Timișoara - Săcălaz power line	22	199.990	0	Works	Law 99/2016+ GD 394/2016	Open tender
13	C 698/2024	RC OHL 400 KV Cernavodă - Gura Ialomiței, circuit 1, ST. 65 - 196	36	29.913	0	Works	Law 99/2016+ GD 394/2016	Open tender



No.	Contract Number	Subject of the Contract	Durati on	Value		Contract type	Legal Basis	Procureme nt Procedure
			Months	Thousa nd Lei	Tho usa nd Euro			
14	C 701/2024	Modernization of the electronic messaging system within NPG CO. Transelectrica SA	60	26.982	0	Delivery	Law 99/2016+ GD 394/2016	Open tender
15	C 868/2024 AC C 351/2024	Sub-contract no. 1 to framework agreement C 351/28.05.2024 "Voluntary health insurance services for NPG CO. Transelectrica SA personnel"	12	3.439	0	Services	Law 99/2016+ GD 394/2016	Re-offer
16	CB 31/2024	Replacement of the heating and air-conditioning installation in the administrative building of the ST Bucharest headquarters	12	3.180	0	Works	Law 99/2016+ GD 394/2016	Open tender
17	C 826/2024	DOMESTIC AND INTERNATIONAL PASSENGER AIR TRANSPORT SERVICES (FRAMEWORK AGREEMENT)	24	2.034	0	Services	Law 99/2016+ GD 394/2016	Simplified procedure
18	C 825/2024	RCA and CASCO insurance services for motor vehicles owned by NPG CO. transelectrica SA	12	1.601	0	Services	Law 99/2016+ GD 394/2016	Open tender
19	CR 725/2024	Maintenance services of OHL crossing lanes in areas with tree vegetation	24	1.096	0	Services	Law 99/2016+ GD 394/2016	Open tender
20	C 811/2024	Professional indemnity insurance services for members of the Supervisory Board and the Directorate of NPG CO. transelectrica SA (including chairmen)	12	725	0	Services	Law 99/2016+ GD 394/2016	Simplified procedure
21	C 918/2024	Upgrade of the 110 kV Timișoara 110 kV substation and transition to 400 kV of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: 400 kV Timișoara substation	42	206.591	0	Works	Law 99/2016+ GD 394/2016	Open tender
22	C 1152/2024	Overhead Power Line (O.h.L.) 400kV double circuit (d.c.) with 1 equipped single circuit (1 e.c.) Constanța Nord - Medgidia Sud	30	134.534	0	Works	Law 99/2016+ GD 394/2016	Open tender
23	CR 1131/2024	Specialized guarding, monitoring and rapid intervention services at S.T.T. Craiova's objectives for a duration of 36 months	36	16.152	0	Services	Law 99/2016+ GD 394/2016	Open tender
24	C 903/2024	Refurbishment of 110 kV Medgidia Sud substation - equipment	12	14.498	0	Delivery	Law 99/2016+ GD 394/2016	Negotiation without prior invitation
25	C 1195/2024	Automotive fuel for the vehicle fleet, diesel generators and other tools and equipment belonging to NPG CO. "Transelectrica" SA	36	12.084	0	Delivery	Law 99/2016+ GD 394/2016	Open tender
26	BC 54/2024	Increasing the transmission capacity of the 400 kV South Bucharest - Gura Ialomiței OHL (design)	21	5.320	0	Services	Law 99/2016+ GD 394/2016	Open tender
27	BC 53/2024	Reconductoring of the 220 kV d.c OHL South Bucharest - Ghizdaru (design)	19	4.641	0	Services	Law 99/2016+ GD 394/2016	Open tender

No.	Contract Number	Subject of the Contract	Durati on	Value		Contract type	Legal Basis	Procurement Procedure
			Months	Thous and Lei	Thous and Euro			
28	BC 55/2024	220 kV Turnu Măgurele - Ghizdaru (design)	19	3.350	0	Services	Law 99/2016+ GD 394/2016	Open tender
29	BC 50/2024	Cleaning services in the administrative headquarters, operating centers and power stations belonging to the Bucharest Branch	36	1.708	0	Services	Law 99/2016+ GD 394/2016	Open tender
30	BA 9/2024	Mowing and vegetation removal services in order to prevent fires in the electrical substations managed by STT Bacău	24	637	0	Services	Law 99/2016+ GD 394/2016	Open tender
31	TM 26/2024	Upgrading of 110 kV Săscălaz substation and transition to 400kV of the Porțile de Fier-Anina-Reșița-Timișoara-Săscălaz -Arad 400kV Săscălaz substation (Stage III) - (Design)	12	654	0	Services	Law 99/2016+ GD 394/2016	Open tender
32	SB 6/2024	Cleaning services in administrative offices and transformer station buildings STT Sibiu	36	1.471	0	Services	Law 99/2016+ GD 394/2016	Open tender
33	CR 211/2024	Operational headquarters DET Craiova - updating and completion of technical and economic documentation on the construction and equipping of the headquarters	8	530	0	Services	Law 99/2016+ GD 394/2016	Open tender
34	C 172/2024	Subscription for user license and technical support for electricity market modeling software	24	-	160	Services	Law 99/2016+ GD 394/2016	Competitive Negotiation
35	TM 21/2024	Maintenance services for buildings managed by STT Timișoara	24	757	0	Services	Law 99/2016+ GD 394/2016	Open tender
36	CR 141/2024	Mowing and vegetation removal services in order to prevent fires in electrical substations managed by STT Craiova	24	534	0	Services	Law 99/2016+ GD 394/2016	Open tender
37	CB 9/2024	Mowing, pruning and vegetation removal services in order to prevent fires in electrical substations managed by BUCHAREST Bucharest	24	773	0	Services	Law 99/2016+ GD 394/2016	Open tender
38	C 695/2024	220/110 kV Calafat substation modernization	24	65.277	0	Works	Law 99/2016+ GD 394/2016	Open tender
39	C 233/2024	Stâlpu 400 kV substation and modernization of 110 kV and medium voltage cells in Stâlpu substation - Equipment	24	32.124	0	Delivery	Law 99/2016+ GD 394/2016	Negotiation without Prior Invitation
40	C 98/2024	Development of dedicated software to determine reserve quantities using the probabilistic method	12	6.000	0	Delivery	Law 99/2016+ GD 394/2016	Open tender
41	C 95/2024	RC OHL 400 kV Mintia - Arad	48	49.014	0	Works	Law 99/2016+ GD 394/2016	Open tender

## Annex 4 - List of Transelectrica subsidiaries

- Company for Electricity Transmission Grid Maintenance Services "SMART" SA - J40/ 8613/ 2001 - Bucharest, Bulevardul General Gheorghe Magheru nr. 33, sector 1, code 010325,
- Operator of the Electricity and Natural Gas Market "OPCOM" SA - J40/ 7542/2000 - Bucharest, Bulevardul Hristo Botev nr. 16-18, sector 3, code 030236, [www.opcom.ro](http://www.opcom.ro);
- "TELETRANS" SA - J40/ 12511/ 2002 - Bucharest, Bulevardul Hristo Botev 16-18, sector 3, code 030236,
- Company "FORMENERG" SA - J40/ 2265/ 2002 - Bucharest, Bulevardul Gheorghe Șincai nr. 3, sector 4, code 040311, [www.formenerg.ro](http://www.formenerg.ro);

### List of persons affiliated to the company

Company subsidiaries:

- SMART
- OPCOM
- TELETRANS
- FORMENERG

## Annex 5 - Significant Transactions

All contracts concluded with affiliated persons with a value of more than EUR 50,000 have been reported through Current Reports, as required by law.

Taking into account the information included in the Current Report, having as subject "Contract concluded with the subsidiary OPCOM S.A.", disseminated on December 21, 2022 through the capital market institutions, pursuant to Article 108 of Law no. 24/2017 in conjunction with Article 2091 of Regulation no. 5/20181, the Company has submitted to the attention on January 4, 2024, the updated information related to the year 2024 regarding the contract that "Transelectrica" S.A. concluded with OPCOM S.A. for the purchase of electricity to cover the needs of its own technological consumption (OTC) for the year 2024, through the Mechanism for the Centralized Purchase of Electricity (MACEE) provided in the Annex to GEO no. 153/2022.

Details of this contact can be found on the Company's website under Investor Relations/ Current Reporting.

## Annex 6 - Disputes

As at December 31, 2024, the Company was involved in the following disputes with a value in excess of EUR 100,000 (RON 497,410 at the BNR exchange rate)

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
1	41911/3/2014  41911/3/2014*  Alin Vladulescu	Bucharest Tribunal  CAB  ICCJ	Complainant : Transelectrica Defendant I. SC Gallup Organization Romania SRL Defendant II. Stelian Baicusi and others	Claims	4.958.587,72 lei	Dismisses the appeals as unfounded. Orders the appellant-claimant to pay the appellant-defendant, Gallup Organization Romania SRL, the amount of 6,250 lei as litigation costs (representing a reduced attorney's fee). With the right to file a recourse within 30 days of communication. Pronounced in public session today, 18.12.2017. Document: Judgment 2269/2017 18.12.2017. TEL filed a recourse on 26.03.2018. The case is under filter procedure at the High Court of Cassation and Justice (ICCJ). Dismisses, as unfounded, the recourse filed by the defendant The Gallup Organization Romania SRL against Decision No. 2269 of 18 December 2017 of the Bucharest Court of Appeal - Section V Civil. Admits the recourse filed by the claimant, the National Electric Energy Transport Company Transelectrica SA, against the same decision. Partially overturns the decision with respect to the appeals filed by the claimant, the National Electric Energy Transport Company Transelectrica SA, and the defendants Adrian Băicuși and Mihaela Măciuceanu against Judgment No. 6508 of 17 October 2016 of the Bucharest Tribunal - Section VI Civil, referring to the solution given to the subsidiary claim. Maintains the other provisions of the contested decision. Orders the claimant, the National Electric Energy Transport Company Transelectrica SA, to pay 10,000 lei in litigation costs for the recourse to the defendant, The Gallup Organization Romania SRL, reduced pursuant to Article 451 paragraph 2 of the Civil Procedure Code. Final. Summary of the Bucharest Court of Appeal's ruling: Dismisses the main appeal and the incidental appeal as unfounded. With the right to file a recourse within 30 days of communication. The recourse shall be submitted to the Bucharest Court of Appeal, Section V. Judgment 1560/2019 09.10.2019.
2	2177/99/2012/a40 2177/99/2012  Alin Vladulescu	Iasi Tribunal	CET SA Iasi - insolvent debtor Transelectrica SA - Creditor	Insolvency proceedings	the amount of <b>1.935.308,24 lei</b> registered in the creditors' list	Dismisses the recourses filed by the contesting appellants. Control hearing set for 21.05.2019. Summary ruling: Invalidates the judicial reorganization plan of the debtor S.C. CET S.A. (CENTRALA ELECTRICĂ DE TERMOFICARE IAȘI), headquartered in Iași, Calea Chișinăului no. 25, registered with the Trade Registry under No. J22/677/2002, CUI 14718982. Pursuant to Article 107 paragraph 1 letter B of Law No. 85/2006 on insolvency proceedings, orders the initiation of the general bankruptcy proceedings against the debtor S.C. CET S.A. (CENTRALA ELECTRICĂ DE TERMOFICARE IAȘI), headquartered in Iași, Calea Chișinăului no. 25, registered with the Trade Registry under No. J22/677/2002, CUI 14718982. Pursuant to Article 107 paragraph 2 of the Insolvency Law, provisionally appoints as liquidator the judicial administrator MANAGEMENT REORGANIZATION LIQUIDATION IAȘI S.P.R.L., headquartered in Iași, Aleea Nicolina no. 82, Iași County, registered with the Professional Companies Registry under No. 0120/31.12.2006, which shall fulfill the duties stipulated in Article 25 of the law. Pursuant to Article 107 paragraph 2 of the Insolvency Law, orders the dissolution of the debtor company and the revocation of the debtor's right of administration. Sets the maximum deadline for handing over management to the judicial liquidator, along with the list of acts and operations carried out after the opening of the proceedings, on 21.03.2014. Orders notification of the initiation of bankruptcy proceedings to the debtor, creditors, and



No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						<p>the Trade Registry Office attached to the Iași Tribunal, for registration purposes, by publication in the Insolvency Proceedings Bulletin.</p> <p>Sets the deadline for filing claims arising during the proceedings on 25.04.2014.</p> <p>Sets the deadline for verifying claims arising during the proceedings, drafting, posting, and communicating the supplementary table of claims on 26.05.2014.</p> <p>Sets the deadline for filing objections to claims arising during the proceedings at least 10 days before 24.06.2014.</p> <p>Sets the hearing date for resolving objections to claims arising during the proceedings on 24.06.2014.</p> <p>Sets the deadline for drafting and posting the final consolidated table of claims on 24.06.2014.</p> <p>Pursuant to Article 113 of the Insolvency Law, orders the sealing of the debtor's assets, the unavailability of real estate, shares, and the performance of other liquidation operations.</p> <p>Document: Interim Judgment 17.09.2014.</p> <p>Proceedings continuation date: 18.06.2025.</p> <p>Registered claims in the creditors' list: 2,162,138.86 lei + 16,951,117.14 lei.</p> <p>On 19.09.2013, the Mehedinți Tribunal ordered the initiation of general insolvency proceedings against RAAN.</p> <p>On 09.03.2015, the Mehedinți Tribunal confirmed the reorganization plan of the debtor Regia Autonomă Pentru Activități Nucleare, proposed by the judicial administrator Tudor &amp; Asociații SPRL and approved by the General Assembly of Creditors as per the minutes of 28.02.2014.</p> <p>On 14.06.2016, bankruptcy proceedings were ordered against RAAN.</p> <p>Proceedings continuation date: 26.03.2025</p>
3	9089/101/2013 Mihail Tanasuica	Mehedinti Tribunal	RAAN - debtor in bankruptcy Transelectrica SA - Creditor	Insolvency/re organization/ bankruptcy procedure	Application for registration in the creditors' list with the amount of 89.360.986,06 lei.	<p>Receivables registered in the creditors' fund: 2,162,138.86 lei + 16,951,117.14 lei On 19.09.2013, TMH ordered the opening of general insolvency proceedings against RAAN</p> <p>On 09.03.2015, the Mehedinți Tribunal confirmed the reorganization plan of the debtor, the Autonomous Regie for Nuclear Activities, proposed by the insolvency administrator Tudor &amp; Asociații SPRL and approved by the General Meeting of Creditors as per the minutes of 28.02.2014. On 14.06.2016, the opening of bankruptcy proceedings was ordered against RAAN. Deadline for continuation of the procedure: 26.03.2025</p>
4	6473/111/2013 Alin Vladulescu	Court of Bihor	SC Electrocentrale Oradea - insolvent debtor Transelectrica SA - Creditor	insolvency proceedings	Application for inclusion in the creditors' list with the amount of 641.673,13 lei	<p>Under Article 107 para. 1 lit. B) of the Law on Insolvency Proceedings, orders the opening of the bankruptcy proceedings of the debtor SC Electrocentrale S.A. Temporarily appoints CITR - Filiala Bihor SPRL as judicial liquidator, with registered office in Oradea, 24 Roman Ciorogariu Street, who will perform the duties provided for in Article 25 of the law, with remuneration to be determined later, depending on the report. Pursuant to Article 107 paragraph 2 of the Law on Insolvency Proceedings, orders the dissolution of the debtor company and the termination of the debtor's right of administration. Sets January 18, 2018, as the maximum trial date for handing over the management to the liquidator, together with the list of acts and operations carried out after the opening of the proceedings.</p> <p>Pursuant to Article 61 and Article 109 of the Law on Insolvency Proceedings, orders the notification of the opening of proceedings to the debtor, creditors, and the Commercial Register Office of the Bihor Court, through the Insolvency Proceedings Bulletin, for registration under Article 61 of the Law on Insolvency Proceedings. Sets February 26, 2018, as the trial date for filing claims arising in the course of the proceedings. Fixes the trial date for verification of claims, drawing up, displaying, and communicating the</p>

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						<p>supplementary table of claims at March 16, 2018. Fixes March 28, 2018, as the trial date for settling any appeals and April 11, 2018, as the trial date for displaying the final consolidated table of claims. Fixes the trial date for the hearing of the case for April 11, 2018, room 66, at 9 a.m. Orders the liquidator to set the trial date of the meeting of creditors and to convene the debtor's creditors. Orders the liquidator to send notices to all creditors. Orders the judgment to be communicated to the courts within whose jurisdiction the debtor's registered office is located, as well as to all banks where the debtor has open accounts.</p> <p>Pursuant to Article 113 of the Law on Insolvency Proceedings, orders the sealing of the debtor's assets and the performance of the other liquidation operations. Enforceable. With appeal within 30 days from the date of communication, to be lodged with the Bihor Tribunal.</p> <p>Document: Interim Decision 14/2018 10.01.2018  Trial date: 06.02.2019 - Type of solution: Postpone the case  Short solution: Inventory and valuation of debtor's assets  Document: Closure of the meeting 06.02.2019  Trial date: 17.04.2019 - Type of solution: Law 85/2006 on Insolvency  Summary solution: Admits the claim filed by the creditor Vinter loan against the judicial liquidator CITR - Filiala Bihor SPRL. Resets the creditor within the time limit for filing the statement of claim. Orders the liquidator to examine the creditor's statement of claim. Enforceable. With appeal within 30 days of communication, to be lodged with the Bihor Tribunal.  Document: Interim Decision 483/2019 17.04.2019  Trial date: 09.04.2025</p>
5	4328/110/2013 Alin Vladulescu	Bacau Tribunal	CET SA Bacau - insolvent debtor Transelectrica SA - Creditor	insolvency proceedings	Application for entry in the creditors' list with the amount of 1.484.636,78 lei	Trial date for continuation of the procedure: 12.06.2025
6	29322/3/2014 Alin Vladulescu	Bucharest Tribunal	SC ENNET GRUP SRL - insolvent debtor NPG CO. Transelectrica SA - Creditor	insolvency proceedings	Application for entry in the creditors' list with the amount of 3.277.527,03 lei	Trial date for continuing the procedure: 12.05.2025
7	1867/90/2010 Alin Vladulescu	Valcea Tribunal	SC Total Electric Oltenia SA	insolvency proceedings - joint stock companies - at the debtor's request	Entered in the creditors' list 14.085.415,27	Summary solution: To continue the proceedings with a view to realizing the debtor's assets. Trial date: 28.05.2025
8	36755/3/2018 Alin Vladulescu	Bucharest Tribunal CAB	A:Conaid CompanySRL P: Transelectrica	Claims and finding of unjustified refusal to conclude an additional act against	17.216.093,43 lei, loss suffered and 100.000 euro, estimated unrealized profit	Rejects the request for an increase in the expert's fees, submitted by exp. Chirilă Adelaida Adriana Adriana, as unfounded. Admits the plea of limitation of the substantive right to bring proceedings, raised in the statement of claim. Dismisses the claim as time-barred. With appeal within 30 days of communication. The appeal shall be filed with the Bucharest Tribunal, Civil Section VI. Pronounced by making the solution available to the parties by the court clerk, today, 03.01.2024. Document: Decision 4/2024 03.01.2024

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
				Racord ETGC154/2012		Conaid appealed. No trial date set.
9	8207/62/2011 Alin Vladulescu	Brasov Tribunal	CET SA Brasov - insolvent debtor Transelectrica SA - Creditor	insolvency proceedings	Entered in the creditors' list with the amount of 4.303.741,44 lei	Short solution: For the collection of the adjudication price for the assets adjudicated by the Municipality of Braşov, under the conditions approved by the creditors, for continuing the actions of valuing the remaining assets in the debtor's property, for continuing the actions to solve the environmental issues of the company, and for resolving the litigations in which CET Braşov SA is involved, the control term is set for 03.06.2025.
10	909/3/2022 Alin Vladulescu	Bucharest Tribunal	Romelectro SA - insolvent debtor  Transelectrica SA - Creditor	insolvency proceedings	Application for entry in the creditors' list for amount of 432,176,033.45 lei. Claim of 222,107,951.26 lei + 28,919,142.68 euro claim rejected. <b>The accepted claim is 67,028,218.66 lei</b> , claim entered subject to conditions, dc. RON 50,852,888,888.78 - representing guarantees for the advance granted and GBE, RON 15,225,030.97 + 192,127.07, claim reciproca related to the mutual claims in the pending files. Amount 10.796,51 lei - accepted claim.	Short solution: Rejects the requests to defer the discussion of the exception of premature filing of the bankruptcy procedure applications registered on 16.08.2023 and 12.09.2023, along with the resolution of the appeal subject to case no. 909/3/2022/a54, and implicitly rejects the requests to discuss the application for bankruptcy to the same term given for the resolution of the appeal in case no. 909/3/2022/a54, as unfounded. Admits the exception of premature filing for the applications registered on 16.08.2023 and 12.09.2023, aimed at opening the bankruptcy procedure against the debtor company ROMELECTRO S.A., raised ex officio by the court regarding both applications. Rejects the applications registered on 16.08.2023 and 12.09.2023, aimed at opening the bankruptcy procedure against ROMELECTRO S.A., filed by creditor ELECTROMONTAJ S.A., as prematurely filed. Acknowledges the withdrawal of the bankruptcy procedure application filed by creditor ELECTROMONTAJ S.A. on 29.05.2023. The decision may be appealed within 30 days from the communication of the judgment through publication in the Bulletin of Insolvency Procedures, which will be filed at the Bucharest Tribunal, Civil Section VII. Pronounced today, 11.10.2023, by making the solution available to the parties through the court's registry. Document: Interim Judgment 4247/2023 11.10.2023  Term for continuation of procedure: 01.04.2025
11	12108/3/2023 Mihail Tanasuica	Bucharest Tribunal  CAB	A: Radu Bugica  P: Transelectrica	FYEO Pretentariaries 2015	129.295 lei, cval OAVT 419.022 lei + legal interest rate + inflation index update	Rejects, as unfounded, the exception of the prescription of the right to action concerning the first claim. Admits, in part, the exception of the prescription of the right to action concerning the second claim. Rejects the exception of res judicata regarding the third claim as unfounded. Admits, in part, the lawsuit. Orders the defendant to pay the claimant the amount of 129,295 lei representing the owed debt, which will be updated with the inflation index on the date of actual payment, and the legal interest calculated according to Article 3 para. 2 ind. 1 of Government Ordinance no. 13/2011 from the due date until the actual payment date of the debt. Orders the defendant to pay the claimant the amount of 462 lei as inflation adjustment for the amount granted to the claimant. Rejects, as time-barred, the request regarding the remaining claims under the second claim. Orders the defendant to pay the claimant 8,834 lei for legal costs in case no. 35885/3/2018, which will be updated with the inflation index on the date of actual payment, and the legal interest calculated according to Article 3 para. 2 ind. 1 of Government Ordinance no. 13/2011 from 18.11.2021 until the actual payment of the debt. Orders the defendant to pay the claimant 18,398.96 lei for legal costs. Rejects the remaining claims as unfounded. The decision

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						may be appealed within 30 days from communication. The appeal request must be filed at the Bucharest Tribunal. Pronounced today, 28.05.2024, by making the solution available to the parties through the court's registry. Document: Judgment 1378/2024 28.05.2024 The parties have appealed. Trial date: 20.03.2025
12	909/3/2022/a59  Alin Vladulescu	Bucharest Tribunal	Romelectro SA - insolvent debtor  Transelectrica SA - Creditor	insolvency proceedings	Contestation of claims on the preliminary table (National Company for Electricity Transmission Transelectrica SA)  10.195.849,56 lei	Rejects the appeal against the measure included in the activity report published in B.P.I. no. 8546/08.05.2024, filed by the appellant COMPANIA NAȚIONALĂ DE TRANSPORT AL ENERGIEI ELECTRICE "TRANSELECTRICA" S.A., against the respondent EURO INSOL S.P.R.L., in its capacity as judicial administrator of the debtor ROMELECTRO S.A., and the creditors' committee composed of: DIRECȚIA GENERALĂ DE ADMINISTRARE A MARILOR CONTRIBUABILI, BANCA DE EXPORT-IMPORT A ROMÂNIEI EXIMBANK S.A., and CEC BANK S.A., as unfounded. Rejects the appellant's request for the award of judicial costs representing the court fee, as unfounded. The decision may be appealed within 7 days from the communication of the judgment through publication in the Bulletin of Insolvency Procedures, which will be filed at the Bucharest Tribunal, Civil Section VII. Pronounced today, 30.10.2024, by making the solution available to the parties through the court's registry. Document: Judgment 5224/2024 30.10.2024
13	7226/3/2016 Mihail Tanasuica	Bucharest Tribunal	Defendant: Energy Holding Complainant : Transelectrica	Claims	1.073.561,72 lei	Admits, in part, the restricted and modified lawsuit. Orders the defendant to pay the claimant the sum of 1,050,000 lei, as payment for services rendered according to invoice no. 6080 of 23.11.2015, and the sum of 14,129.79 lei as late payment penalties. Orders the defendant to pay the claimant the sum of 14,916.48 lei as legal costs. The decision may be appealed within 30 days from communication. The appeal must be filed at the Bucharest Tribunal, Civil Section VI. Document: Judgment 5375/2016 16.09.2016 Appeal filed. Suspended. Reinstated for case termination under Article 75 of the Insolvency Law. Trial date for ruling: 26.06.2018 Short solution: Admits the appeal. Partially annuls the contested decision. Ends the legal action concerning the payment of the sum of 7,573.96 lei as late payment penalties in invoice no. 3590/27.02.2016 and the sum of 1,857.97 lei as late payment penalties in invoice no. 17773/17.02.2016. The decision may be appealed within 30 days from communication. The appeal request must be filed at the Bucharest Court of Appeal - Civil Section VI, under the penalty of nullity. Pronounced in public session today, 26.06.2018. Document: Judgment 1367/2018 26.06.2018.
14	3694/3/2016 Mihail Tanasuica	Bucharest Tribunal CAB  ICCJ	Complainant: RAAN Defendant: Transelectrica	Claims	15.698.721,88 lei	Summary judgment: The application is dismissed as unfounded. With appeal within 30 days of communication. The application for appeal shall be filed at the Bucharest Tribunal, 6th Civil Section. Pronounced in public session today, 11.06.2020. Document: Decision 630/2020 11.06.2020 CFiltru trial date: 27.03.2025 Admits the application for a stay of proceedings. 1 para. 1 of the Code of Civil Procedure, <b>suspends the hearing of the appeal until the final resolution of Case file no. 26024/3/2015 and Case file no. 28458/3/2017.</b> With right of appeal throughout the stay. The appeal shall be filed with the Bucharest Court of Appeal, Section VI Civil. Pronounced in public session, today, 08.11.2021.Document: Incheiere - Suspendare 08.11.2021



No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						<p>Solution in brief: Rejects the request to reinstate the case as unfounded. Document: Order - Suspension 09.05.2022 Court date; 03.06.2024</p> <p>The CAB's solution: The appeal is allowed. Amends the judgment appealed from in its entirety to the effect that: Admits the claim. Orders the defendant to pay to the applicant the amount of 12,727,101.99 lei, representing the amount of bonus and regularization of the ante-overcompensation for which invoices SRTF series no. 1500031 dated 24.04.2015, SRTF series no. 1500033 dated 22.05.2015, SRTF series no. 1500036 dated 22.06.2015, SRTF series no. 1521311 dated 23.07.2015, SRTF series no. 1500041 dated 17.08.2015, SRTF series no. 1500045 dated 23.09.2015, SRTF series no. 1521339 dated 26.10.2015 and SRTF series no. 1521282 dated 8.04.2015, as well as the amount of RON 2,917,619.81, representing late payment penalties related to the principal debit, for which invoices SRTF series no. 1500059 dated 31.12.2015 and SRTF series no. 1500060 dated 31.12.2015 were issued. With a right of appeal within 30 days of communication. The appeal shall be filed with the Bucharest Court of Appeal - Section VI Civil. Pronounced, today, 03.06.2024, and made available to the parties through the court registry. Document: Decision 898/2024 03.06.2024 Transelectrica appealed</p>
15	1396/90/2016  Mihail Tanasuica	Valcea Tribunal	Transelectrica - creditor CET Govora - debtor		28.200.440,31 lei	<p>NPG CO. Transelectrica SA has been entered in the Preliminary Table with a claim totaling 28,200,440.31 lei, according to the request made by our company. We mention that the receivable in the amount of 21,962,243.71 lei, representing the principal debit and penalties related to invoice no. 8116/08.04.2016, is entered under the suspensive condition of the pronouncement of a final court decision in favor of ANRE in case file no. 2428/2/2014 pending before the Bucharest Court of Appeal, having as its object the annulment of ANRE decision no. 738/28.03.2014. The claim was rejected definitively on 16.05.2022</p> <p>The creditors' meeting convened on 28.06.2018 to vote on the reorganization plan of CET Govora SA voted for its approval, which was followed by its confirmation by the Valcea Court. NPG CO. Transelectrica SA voted "against" the approval of the reorganization plan proposed by the insolvency administrator, because:</p> <ul style="list-style-type: none"> <li>- In case of approval of the reorganization plan proposed by the insolvency administrator Euro Insol SPRL, the unsecured claims will be reduced to zero and will not be paid according to the payment schedule, so Transelectrica SA and other unsecured creditors will not collect any money.</li> <li>- Also, according to the plan, if the debtor CET Govora SA enters bankruptcy proceedings, Transelectrica SA and other unsecured creditors will not receive any money.</li> </ul> <p>Trial date for continuation of the procedure: 05.09.2024</p> <p>By civil judgment no. 1247/22.07.2020 pronounced in case file no. 35346/3/2019, communicated on 28.06.2021, the Bucharest Tribunal rejected the action of CET Govora SA, as unfounded, finding that in the case in point the amount of 3,368,965.82 lei was rightfully set off, according to art. 17 para. 5 of ANRE Order no. 116/2013 with part of the claim of NPG CO. Transelectrica SA, considering that at the date of opening of the insolvency proceedings (May 9, 2016) the conditions provided by law regarding the legal set-off (art. 1617 Civil Code) were fulfilled. Trial date: 27.02.2025</p>
16	1196/93/20	Ilfov	Transelectrica -	Claims	3.422.293,07 lei	Trial date for judgment: 20.09.2016

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
	16 Mihail Tanasuica	Tribunal	Claimant UGM Energy Trading - Defendant			On the basis of Article 75 paragraph 1 of Law no.85 of 2014 on insolvency, the suspension of the judgment is declared.
17	1705/93/2016 Mihail Tanasuica	Ilfov Tribunal	UGM Energy Trading SRL - insolvent debtor	Claims	3.515.687,51 lei	29.06.2016 - opening of general insolvency proceedings, The claim in the amount of RON 3,515,687.51, representing the value of invoices issued by our company, as a result of providing services in favor of the debtor UGM Energy Trading S.R.L., calculated until 29.06.2016, the date of opening of the general insolvency proceedings, was admitted; the claims in the amount of RON 200 and RON 41,331.59 claimed by our company as stamp duty were rejected. I filed an objection to the table within the legal deadline. Summary judgment: The appeal is dismissed as unfounded. With the right to appeal within 7 days from the communication. The appeal shall be filed with the Ilfov Tribunal. Pronounced in public session on 23.02.2017.Document: Decision 511/2017 23.02.2017 On 03.08.2017, the Tribunal ordered the opening of bankruptcy proceedings. <b>Trial date for continuation of proceedings 08.05.2025</b>
18	4452/3/2017 Lucian Anton	Bucharest Tribunal	C:Transelectrica and others D: Arelco Power SRL	Bankruptcy procedure	20.996.030,49 lei	Admitted claim 20.041.519,94 lei, with the mention that the amount of 954.510,55 lei was extinguished by compensation. Initially, the amount requested and admitted was 21,025,161 lei <b>Trial date for continuation of the procedure: 14.03.2025</b>
19	1372/3/2017 Lucian Anton		C : Transelectrica D:Transenergo Com	Insolvency procedure	6.850.000,98 lei	The claim was admitted, but with the following observations: The amount of RON 1983.36 (compensated) is subtracted from the total amount; RON 69808.42, of which RON 48642.11 the claim settled by TEL through SGB execution and the amount of RON 21,166.31, the claim considered current, countervalue invoices issued after the date of opening of the insolvency proceedings. In summary: Based on Article 139 of Law 85/2014, confirms the reorganization plan of the debtor S.C. TRANENERGO COM S.A., proposed by the special administrator. With appeal within 7 days from the communication of the judgment by publication in the Insolvency Proceedings Bulletin, to be filed with the Bucharest Tribunal - 7th Civil Section. Pronounced in public session today 03.02.2021. Document: interim decision 469/2021 03.02.2021 <b>Trial date for continuation of the reorganization plan procedure: 30.04.2025</b>
20	345/40/2017 Lucian Anton	Tribunal Botosani	A: Transelectrica P: Elsaco Energy SRL	Claims	9.198.673,80 lei	On the basis of Article 75 of Law No. 85/2014 in relation to Article 412 NCPC, suspends the judgment of the case. With appeal throughout the stay. Delivered in open court, today, September 26, 2017. Document: Order - Stay of proceedings 26.09.2017 Pursuant to Article 75 of Law No 85/2014, the action is dismissed. With appeal. Pronounced by making the judgment available to the parties through the court registry. Document: Decision 26/2024 03.06.2024
21	10085/3/2017 Mihail Tanasuica	Bucharest Tribunal	A: Electromontaj SA Q: SMART SA Transelectrica SA	Claims	121099,16 euro, cval. Lack of use of intervention poles 100.000 euro, income that could have been obtained from the exploitation of poles	Summary: The application is granted in part, as specified. Orders the defendant, Societatea pentru Servicii de Mentenanță a rețelei Electrice de Transport SMART SA, to pay to the applicant the sum of EUR 121 099,16 in lei equivalent at the BNR exchange rate on the date of payment, by way of compensation for loss of use. Dismisses the other claims brought against the defendants as unfounded. Orders the defendant, Societatea pentru Servicii pentru Servicii de Mentenanță a rețelei Electrice de Transport SMART SA, to pay to the applicant the sum of 25 116,10 lei by way of costs. Order the applicant to pay to Transelectrica the sum of 1 500 lei by way of costs. With appeal within 30 days of communication. The appeal shall be lodged with the Bucharest Tribunal, Civil Section VI.

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						Pronounced in public session today, 09.08.2024. Document: Decision 2100/2024 09.08.2024
22	3052/99/2017 Mihail Tanasuica	Iasi Tribunal	Debtor: Fidelis Energy SRL	Insolvency procedure	2.219.985 lei, cval. invoices + 200 lei, cval. judicial stamp duty	The claim was entered in the Preliminary Table with the amount of 2.219.985 lei. The amount of 200 lei, i.e. stamp duty, was not entered. Postpones the case and grants a trial date of <b>15.05.2025</b> for further proceedings.
23	14733/3/2017 Mihail Tanasuica	Bucharest Tribunal  Bucharest Court of Appeal	Debtor: Energy Holding SRL	Insolvency procedure	1.199.910,16 lei, invoices and judicial stamp duties, expert accountant fees	We were entered in TP with the amount of 1.179.545,28 lei, cval. Invoices, being rejected the amount of 20.364,88 lei, legal stamp duty and accountant fees. I filed an appeal against the preliminary table for the rejected amount. The appeal was rejected as unfounded. Deadline for appeal 22.03.2018. Dismisses the appeal as unfounded. Final <b>Trial date 14.04.2025</b>
24	28460/3/2017 Mihail Tanasuica	TMB  CAB  ICCJ	A: RAAN  P: Transelectrica		Action on claims 12.346.063,10 lei (bonus Nov 15 - Apr 16; regularization of 2015 bonus; late payment penalties)	Summary judgment: The application brought by the applicant Autonomous Regie for Nuclear Activities against the defendant National Power Grid Company Transelectrica SA is dismissed as unfounded. Dismisses, as unfounded, the parties' application for costs. With right of appeal within 30 days of communication. The appeal shall be filed with the Bucharest Tribunal - 6th Civil Section. Pronounced today, June 24, 2020, and made available to the parties through the court registry. Document: Decision 777/2020 24.06.2020 RAAN has filed an appeal. Hearing for judgment: 27.09.2021 Pursuant to art. 413 para. 1 p. 1 NCPC suspends the hearing of the appeal until the final resolution of case file no. 28458/3/2017 no. 26024/3/2015. With appeal throughout the stay. Document: Injunction - Stay 27.09.2021 Summary judgment: Dismisses the application for the case to be reinstated as unfounded. The appeal is stayed. Appeal throughout the stay. Delivered in open court today, 23.05.2022. Document: Order - Stay 23.05.2022 Trial date for judgment: 20.05.2023 The CAB's solution: The appeal is allowed. Amends the judgment under appeal to the effect that: Admits the claim. Orders the defendant to pay the plaintiff the sum of 12,346,063.10 lei, representing the principal debt and penalties. With the right to appeal within 30 days of notification, to be lodged with the Bucharest Court of Appeal, Section VI. Pronounced by making the solution available to the parties through the court registry, today, 20.05.2024. Document: Decision 806/2024 20.05.2024 We have appealed.
25	<b>4478/118/2024</b>	TCT	A: PET Communication  P: Transelectrica	No right of the defendant to invoice penalties	3093205,83 lei	Trial date for judgment: 07.11.2024 Electro-energetic expertise is performed  <b>Trial date for judgment: 03.04.2025</b>
26	32612/3/2017 Mihail Tanasuica (handed over to Ciprian Paduraru)	Bucharest Tribunal	Biol Energy		Insolvency procedure Application for registration in the creditors' list with the amount of 566.511,73 lei	The claim was entered in the Preliminary Table of Claims. <b>Trial date for continuing the procedure: 27.03.2025</b>

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27	4328/110/2013 Alin Vladulescu	Bacau Tribunal	C: Transelectrica D: CET Bacau		Bankruptcy proceedings Application for entry in the creditors' list with the amount of 1.484.636,78 lei	Entered in the creditors' list with the amount of 1.484.636,78 lei. <b>Trial date for continuation: 12.06.2025</b>
28	8993/299/2018 Alin Vladulescu	Sector 1 District Court	Respondent: Transelectrica Appellee: ANAF - DJAMC		challenge to execution of ENFORCEMENT FILE 13328043/61/90/1/2017/267761 - 30.08.2017/267764 - 31.08.2017 SUSPENSION OF ENFORCEMENT 47092295 lei + 44.730.885 lei.	Trial date for judgment: 17.04.2018 Operative part of the judgment On the basis of Article 413 para. (1) item 1 of the Civil Procedure Code suspends the judgment until the final resolution of case file no. 1802/2/2018, pending before the Bucharest Court of Appeal, Section VIII Administrative and Tax Disputes. With appeal for the entire duration of the suspension, the appeal application to be filed at the District 1 Bucharest District Court. . Pronounced in public session. Document: Closing - Suspension 17.04.2018 <b>Trial date: 17.04.2025</b>
29	29270/3/2024 Mihail Tanasuica	Bucharest Tribunal	A: Electrical assembly P: Transelectrica	Full request. dispositive civil judgment pron in case nr. 25896/3/2024		Admitted the plea of lateness. Admit the application to refer the case to the CCR.
30	7539/3/2017 Lucian Anton	Bucharest Tribunal	D: KDF Energy C: Transelectrica		Insolvency procedure Application for registration in the creditors' list with the amount of lei 1.040.138,18 lei	Debt registered in the creditor's list. Judgment date: 11.03.2025 Brief solution. (1) of Law No. 85/2014 on insolvency prevention and insolvency proceedings, close the insolvency proceedings against the debtor KDF Energy SRL in view of the completion of the reorganization plan. Pursuant to Article 179 of Law No. 85/2014, the judgment closing the proceedings will be notified to the General Directorate of Public Finances Bucharest and the Bucharest Trade Register Office of the Bucharest Court of Bucharest, for the purpose of making the entry. This judgment shall be notified to all the creditors of Affichage Romania SRL's debtor by publishing it in the Insolvency Proceedings Bulletin. Executor. With appeal within 7 days from the communication of the judgment by publication in the Insolvency Proceedings Bulletin. Document: Decision 1304/11.03.2025
31	4480/118/2024	TCT	A: PET Communication P: Transelectrica	Cancellation of the found document.		Suspended pending the outcome of case file no. 4478/118/2024
32	3153/115/2018 3153/115/2018**** Alin Vladulescu	Court of Caras Severin CA Timisoara ICCJ	A: Transelectrica P: Ciudanovita Commune		Claims 527.336,7 lei + legal interest	Admit the plea of illegality raised by the appellant Compania Națională de Transport a Energia Electrice "Transelectrica" SA. Declares Article 1 para. 12 of GD no. 841 of 07.10.2015 with regard to the condition of handing over the land subject to "payment of the value of the loss of growth caused by the exploitation of timber before the age of technical exploitability and the costs of reinstallation of forest vegetation and its maintenance until the achievement of the stand". Admit the appeal filed by the appellant-claimant National Power Grid Company "Transelectrica" SA, in its own name and on behalf of the Timișoara Transmission Branch in contradiction with the respondent-defendant Comuna Ciudanovița through the Mayor against civil judgment no. 998/26.06.2019, rendered by the Caras-Severin Court of First Instance in case file no. 3153/115/2018**. Changes the appealed judgment in its entirety, to the effect that: Admits the action brought by the plaintiff National Power Grid Company "Transelectrica" SA, in its



No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
						<p>own name and on behalf of the Timișoara Transmission Branch against the defendant Comuna Ciudanovița through the Mayor. Orders the defendant to repay the sum of RON 527 336,7 to the applicant and to pay the statutory interest on that sum from the date on which the applicant made the payments until the date on which the defendant repays them. Orders the defendant to pay the sum of RON 20 615,85 to the appellant by way of costs. The appeal shall be lodged under penalty of nullity with the Court of Appeal Timișoara.</p> <p>Delivered in public session today, September 30, 2021. Document: Decision 176/2021 30.09.2021 Ciudanovița Commune appealed.</p> <p>On 19.01.2023, the High Court of Cassation and Justice remained in pronouncement, ruling by Decision No. 56/19.01.2022 as follows: "Admit the appeal filed by the defendant Commune Ciudanovița against the civil decision No. 176 of September 30, 2021 of the Court of Appeal Timișoara, Civil Section I. <u>Partially quashes the appealed decision and remands the case for retrial to the same Court of Appeal only as regards the award of statutory interest on the principal debt. Upholds the remainder of the decision. The judgment is final.</u></p> <p><u>In the second retrial, the Timișoara Court of Appeal remained in judgment on 09.04.2024, postponing the judgment to 23.04.2024, when it ordered by Decision No. 104/2024 as follows: "Admit the appeal filed by the appellant-claimant National Power Grid Company "Transelectrica" SA, in its own name and on behalf of the Timișoara Transmission Branch in contradiction with the respondent-defendant Comuna Ciudanovița through the Mayor against civil judgment no. 998/26.06.2019, rendered by the Caras-Severin Court of First Instance in case file no. 3153/115/2018". Amends the appealed judgment in part, in the sense that it partially admits the action brought by the plaintiff Compania Națională de Transport a Energia Electrice "Transelectrica" SA, in its own name and on behalf of the Timișoara Transmission Branch against the defendant Comuna Ciudanovița through the Mayor. Orders the defendant to repay the sum of RON 527 336,7 to the applicant and to pay the statutory interest on that sum from the date of the application for judgment until the date of actual repayment. Orders the defendant to pay the sum of RON 20 615,85 to the appellant by way of costs. With a right of appeal within 30 days of notification, which must be lodged with the Court of Appeal of Timișoara.</u> Pronounced by making the judgment available to the parties through the court registry, today, April 23, 2024."</p> <p>Ciudanovița Commune appealed.</p>
33	2494/115/2018** Alin Vladulescu	Court of Caras Severin	A: Municipality of Resita P: Transelectrica		Claims 17.038.126,88 lei, representing rents for the years 2015, 2016, 2018, 2019, 2020, 2021, 2022 and 2023, plus the legal penalty interest rate	<p>The parties' representatives are granted a new time-limit in order to study the supplementary expert's report and to formulate any objections. The case is adjourned until 13.02.2025, at 09.30 a.m., the parties having been notified of that date. Delivered in open court today, 12.12.2024. Document: Closure of sitting 12.12.2024</p> <p>At the hearing of 27.02.2025 Solution in brief: Rejects the plea of prescription of the right to bring an action regarding the claims consisting in the rent for the year 2015 and the plea of lateness of the filing of the amendments to the action, pleaded by the defendant NPG CO. "Transelectrica" S.A. Qualifies the plea of res judicata as a substantive defense relating to the positive effect of res judicata. Dismisses the application brought by the defendant Municipality of Reșița against the defendant National Power Grid Company 'Transelectrica' S.A. With right of appeal within 30 days of communication.</p>

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34	22567/3/2019  Lucian Anton	Bucharest Tribunal  CAB	R Transelectrica Q: OPCOM		Claims - common law action - contribution made by NPG CO. Transelectrica SA to the share capital of OPCOM SA, issued on the basis of Loan Agreement no. 7181RO/2003, commitment for the financing of the investment project "Electricity Market Project". <b>4.517.460 lei +1.293.778,27 lei</b>	Document: Decision 150/2025 27.02.2025 The action is dismissed as time-barred. With the right to appeal within 30 days of communication, to be lodged with the Bucharest Tribunal, Section VI Civil. Pronounced by making the judgment available to the parties through the court registry, today, 03.12.2021.Document: Decision 3021/2021 03.12.20212021. TEL appealed, Dismisses the appeal as unfounded. Orders the appellant to pay the respondent the sum of 11,325.21 lei by way of costs. With appeal within 30 days of communication. Pronounced today, October 12, 2022, by making the solution available to the parties through the court registry. Document: Decision 1532/2022 12.10.2022. Transelectrica appealed on 13.12.2022. Trial date 19.09.2023 Decision 1640/2023 Admit the main appeal filed by the appellant-claimant Compania Natională de Transportă al Transportiei Energiei Electrice "TRANSELECTRICA" S.A. and the cross-appeal filed by the respondent-appellant Operatorul Pieteii de Energie Electrică si Gaze Naturale "OPCOM" S.A. against the civil decision no. 1532 of October 12, 2022, rendered by the Bucharest Court of Appeal - Fifth Civil Section, which it reverses and sends the case for a new trial to the same court. Final. CAB hearing: 04.02.2025 Dismisses the appeal as unfounded. Orders the appellant-claimant to pay to the respondent-defendant the sum of 28,777.79 lei by way of costs. With the right to appeal within 30 days of communication, to be lodged with the Bucharest Court of Appeal, Fifth Civil Section. Pronounced today, 18.02.2025, by making the solution available to the parties through the court registry. Document: Decision 235/2025 18.02.2025
35	24242/3/2021 Lucian Anton	TMB  CAB	R OPCOM SA  Q: TEL	Action for a declaration of NULLITY OF CONTRIBUTION	4.517.460 lei	TMB solution : It qualifies the plea of inadmissibility as a substantive defense. Dismisses the application as unfounded. The parties have the right to appeal within 30 days from the date of communication, the appeal to be filed at the Bucharest Tribunal, Section VI Civil. Pronounced today, 07.11.2023, on the basis of Article 396 paragraph 2 of the Civil Code, by making the solution available to the parties at the court registry. Document: Decision 2600/2023 07.11.2023 Appeal Trial date : 13.02.2025 At the hearing of 13.03.2025 Summary judgment: Dismisses the appeal as unfounded. Orders the plaintiff to pay to the State the amount of 179,550.57 lei representing the judicial stamp duty. With appeal within 30 days from the date of communication, the appeal to be filed with the Bucharest Court of Appeal - Fifth Civil Section. Decision 423/2025 13.03.2025
36	1642/62/2024  Alin Vladulescu	T.Brasov	R : Transelectrica P : Aderro GP Energy	insolvency	Statement of claim for the amount of 672.535,61 lei	For the continuation of the proceedings, the resolution of the appeals to the preliminary list of creditors and the drawing up of the final list, according to Art. 59 para. 3 of Law no. 85/2014, sets the administrative date for control on <b>30.04.</b>
37	23847/299/2013*  Lucian Anton	District Court Sector 1 Bucharest	-Mitropolia Olteniei <b>appellant Claimant</b>	Payment of compensation for lack of use of land	1.800.000 lei	Rejects the plea of res judicata as unfounded. Dismisses the plea of lack of standing to bring proceedings as unfounded. Dismisses the plea of lack of standing to bring proceedings as unfounded. Declares that, by judgment of October 17, 2014, the court took note of the applicant's discontinuance of the first head of claim and dismissed the plea of lack of time. Dismisses the claim as unfounded. Notes that the applicant will claim

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		Bucharest Tribunal  Fourth Civil Section	-Transelectrica <b>Respondent Defendant</b>			costs separately and that the defendant is not claiming any costs. Appeal within 30 days of notification. The notice of appeal shall be filed at the District Court of Bucharest. Pronounced in public session, today, 06.07.2017. Document: Decision 5550/2017 06.07.2017 Dismisses the appeal as unfounded. With the right to appeal within 30 days from the date of communication, the appeal to be filed with the Bucharest Tribunal. Pronounced by the court clerk's office, today, 08.12.2020. Document: Decision 3074/2020 08.12.2020 <b>Mitropolia Olteniei filed an appeal and invoked the exception of unconstitutionality, the case being sent to the Constitutional Court.</b>
38	3083/3/2020 Mihail Tanasuica	Bucharest Tribunal/CA B/ ICCJ	A:Nuclearelectrica P: Transelectrica		Claims 1,290,533,533.156 lei cval negative imbalance + 182,251.94 lei, legal interest rate	Summary judgment: The application is granted. Orders the defendant to pay to the plaintiff the amount of 1,290,533.156 lei by way of compensatory damages, to pay the updating of this amount with the inflation rate from 27.09.2018 until the date of actual payment, to pay the amount of 182.251,94 lei representing legal penalty interest calculated from 27.09.2018 until 31.01.2020, as well as to the further payment of the legal penalty interest, calculated from 01.02.2020 until the date of actual payment. Orders the defendant to pay to the plaintiff the sum of 23,441.66 lei by way of legal costs, consisting of stamp duty. Dismisses the defendant's claim for payment of costs as unfounded. Appeal within 30 days of notification. The notice of appeal is to be lodged with the Bucharest Tribunal - Sixth Civil Section. Pronounced today, 22.12.2020, by the court clerk's office. Document: Decision 2698/2020 22.12.2020 TEL appealed, which was allowed. The appeal is allowed. Partially alters the judgment under appeal, in so far as it: Dismisses the claim as unfounded. Upholds the judgment of the first instance dismissing as unfounded the defendant's claim for costs. Orders the respondent-claimant to pay to the appellant-defendant the sum of EUR 20 591,66 by way of costs of the appeal. With appeal within 30 days from the date of communication, the appeal application to be filed at the Bucharest Court of Appeal - Section VI Civil. Decision 1927/2021 25.11.2021 Nuclearelectrica filed an appeal, which was stayed pending the resolution of the action to annul the order. Trial date 12.10.2022 Pursuant to Article 413 para. (1) pct. 1 C.proc.civ., suspends the judgment of the appeal lodged by the appellant-claimant SOCIETATEA NAȚIONALĂ NUCLEARELECTRICA S.A. against the civil decision no. 1927/A/25.11.2021, pronounced by the Bucharest Court of Appeal - Section VI Civil, until the final resolution of case file no. 2659/2/2020, pending before the High Court of Cassation and Justice - Administrative and Tax Litigation Section. Definitive.
39	640/121/2020 Mihail Tanasuica	Galati Tribunal	C:Transelectrica D: Menarom PEC SA Galati		Statement of claim 1.195.792,13 lei	The claim has been entered in the creditors' list. According to Art. 59 para. 3 of Law no. 85/2014 finds that the insolvency administrator has submitted to the case file: - the minutes of the creditors' meeting no. 93/27.12.2024, no. 5/10.01.2025; - the activity reports no. 71/22.10.2024, no. 79/07.11.2024, no.90/10.12.2024; - the minutes of the auction no. 69/16.10.2024; - the minutes of the direct award no. 76/04.11.2024; - the report on the financial situation no.2/09.01.2025. In order to continue the procedure, it sets a hearing for the receiver to submit the documents on the activity carried out - 23.04.2025 and an <b>administrative hearing for control - 29.04.2025</b> . Document: Resolution 17.01.2025
40	1598/62/20	T.Brasov	R : Transelectrica	Claims	658.165,25 lei	Admit the request for the issuance of a payment order, submitted by the creditor National Power Grid Company Transelectrica S.A., against the debtor Aderro GP Energy S.R.L. It

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	24  Alin Vladulescu		P : Aderro GP Energy			issues the payment order, requiring the debtor to pay the creditor, within 30 days from the date of communication of this order, the amount of 582,788.27 lei, representing the value of services rendered, contractual penalties of 75,376.98 lei calculated for the period 01.04.2022-31.12.2023, and thereafter, until the principal debt is fully paid. Orders the debtor to pay the creditor the amount of 300 lei, by way of court costs. Enforceable. The debtor has the right to apply for annulment within 10 days from the date of communication, the application to be lodged with the Brasov Tribunal. Pronounced by making the solution available to the parties through the court registry, today, 01.11.2024 Document: Decision 285/2024 01.11.2024
41	25896/3/2020 Mihail Tanasuica	Bucharest Tribunal	A: Electrical assembly P: Transelectrica		Claims-OUG 114/2018 the payment of the amount of 9.493.221,76 lei (initially, in the introductory request, the amount of 2.500.000 lei) representing the additional costs incurred by Electromontaj as a result of the extension of the duration of fulfillment of the Contract of Works no. C229/29.10.2015, for reasons independent of the Contractor's fault for the works carried out until June 2020. b)payment of the amount of 27.540.369,99 lei (initial estimated amount of .500.000 lei representing additional costs generated by the extension of the dur. C229/29.10.2015, due to reasons independent of the contractor's fault, for the works that will be carried out starting with July 2020 and until the completion of the works. c)conclusion of an AA to Contr. nr. C229/29.10.15 having as object the update of the price of the Contract with the additional costs generated by the extension of the duration of the Contract of Works no. d)payment of the costs occasioned by this dispute	Dismisses the action as unfounded. With right to appeal within 10 days of communication. The appeal shall be lodged with the Bucharest Tribunal, 6th Civil Section. Pronounced today, 18.01.2024, by placing the solution at the disposal of the parties through the clerk's office. Document: Decision 53/2024 18.01.2024 Electromontaj appealed on 11.06.2024 Trial date for judgment: 08.11.2024  CAB rejected the appeal as unfounded, ICCJ ordered the transfer of the case to the CA Craiova and the annulment of the CAB decision
42	5965/3/2024  Constantin Ovreiu	TMB	R : Transelectrica  P: ISPE Intervenient ISPE PC	Claims	1.040.720 lei	Trial date for judgment: 19.02.2025 Based on Art. 75 para. (I) of Law no. 85/2014 in relation to Art. 412 para. (I) pct. 8 C.proc.civ. suspends the judgment of the application and sends the file to the Archives Department, in order to keep it in the records of suspended cases. With a right of appeal throughout the period of suspension of the proceedings, to be lodged with the Bucharest Tribunal - Second Administrative and Tax Litigation Section. Pronounced today, 26.02.2025. The stay of the proceedings shall be made available to the parties through the court registry. Document: closure - suspension 26.02.2025



No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
43	22368/3/2021 Valeriu Cernea	Bucharest Tribunal  CAB	A: Romelectro P: Transelectrica		Claims - GEO 114/2018 2.275.653,22 lei	Date of judgment: 10.06.2022. Summary judgment: The application is dismissed as unfounded. With appeal within 10 days of communication. The appeal shall be filed with the Bucharest Tribunal - 6th Civil Section. Pronounced by making the judgment available to the parties through the court registry, today, 24.06.2022. Romelectro has appealed. The appeal is dismissed as unfounded. Final. Pronounced by the Clerk of the Court's office, today, February 29, 2024. Document: Decision 358/2024 29.02.2024
44	30801/3/2021 Constantin Ovreiu	Bucharest Tribunal	A: Romelectro P: Transelectrica		Claims—OUG114/2018 2.271.075,23 lei	Fixes the Trial date for the submission of the expert's report on <b>04.04.2025</b> , at 10:00,
45	17976/3/2021 Lucian Anton	Bucharest Tribunal  CAB	A: Grand Voltage P: Transelectrica		Obligation of the defendant Transelectrica to compensate the damage caused to the undersigned in the amount of 8.331.444,60 lei as a result of the culpable non-fulfillment of the obligations related to the Works Contract No. C 111/23.05.2018 on " <i>Connection of the 100kV Isaccea - Varna and 400 kV Isaccea-Dobruja power lines in the 400 kV Medgidia Sud station - Phase II - 400kV power line d.c. Medgidia Sud station connections</i> ".	TMB Dismisses the action as unfounded. CAB The appeal is allowed. Partially alters the judgment of the General Court to the effect that: Orders the defendant to pay the applicant the sum of 904,267.6 lei. Upholds the remainder of the judgment of the first instance. Final. Pronounced today, 11.12.2024, the judgment being made available to the parties by the Court Registry. Document: Decision 1885/2024 11.12.2024 The amount has been paid.
46	8193/3/2022 Constantin Ovreiu	Bucharest Tribunal	A: Times Serv P: Transelectrica		Claims - GEO 114/2018 2.437.253,31 lei cval labor cost	Trial date: 21.03.2025 Administration of expert evidence
46a	8442/3/2022 Constantin Ovreiu	Bucharest Tribunal	A: Times Serv P: Transelectrica		execution of administrative contract - the claimant requests 1.429.832,43 lei, without VAT, representing additional costs	Trial date 16.09.2022 The objection of joinder is upheld. Refers the case-file to the panel first responsible for dealing with Case No 8193/3/2022, namely the 12th Merits panel, with a view to joining Case No 8442/3/2022 to Case No 8193/3/2022. With appeal together with the merits. Pronounced, today, 16.09.2022, by making the solution available to the parties by the court registry. Document: Final judgment (divestiture) 16.09.2022
47	8440/3/2022 Alin Vladulescu	Bucharest Tribunal	A: Times Serv P: Transelectrica		Enforcement ctr.adm. - 1.On the first point, the plaintiff requests "to order TEL to pay the amount of 2,437,253.31 lei excluding VAT, which represents the difference in labor costs paid following the entry into force of GEO 114/2021, according to the reasons that we will set out in detail herein and the attached centralized statement". 2.On the second point, the plaintiff requests "TEL to oblige the court, by supplementing the consent of the defendant, to conclude an Addendum, obliging the defendant to conclude with	<b>Trial date for judgment: 02.09.2025</b>

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					the undersigned an Addendum to the works contract no. C 80/2018, as a result of the increase in the gross minimum wage per country guaranteed in payment in the field of construction, for the additional costs related to the increase in the gross minimum wage per country guaranteed in payment in the field of construction and until the contract is finalized". 3.In item three, the plaintiff requests "Transelectrica to pay the amount of 276.401,58 lei as late payment penalties, until the payment and extinction of the principal debit	
48	5507/2/2022 Valeriu Cernea	CA Bucharest declined to Harghita Tribunal	A: Transelectrica  P: EXPLOCOM GK SRL	Claims cv	2.287.992 lei, representing the value of 13619 CV	Trial date for judgment: 07.05.2025
49	37352/3/2021  C-tin Ovreiu	Bucharest Tribunal  Galati Tribunal  CA Galati  ICCJ	R : Transelectrica  P : Next Energy Partners	Claims	8.395.132,23 lei + legal interest	Admit the claim in part. Orders the defendant Next Energy Partners S.R.L. to pay to the applicant National Power Grid Company Transelectrica S.A.: - the amount of 3,557,200.134 lei as compensatory amount, as well as the legal penalty interest calculated from 28.10.2021 until full payment of the compensatory amount; - the amount of 1,228,640.11 lei by way of compensation, as well as the legal penalty interest calculated from 28.10.2021 until full payment of the compensation. Orders the defendant Next Energy Partners S.R.L. to pay the applicant, National Power Grid Company Transelectrica S.A., the sum of 53,247 lei by way of costs. With appeal within 30 days of notification, to be lodged with the Tribunalul Galați. Pronounced today, 05.12.2023, the solution will be made available to the parties through the court registry.Document: Decision 251/2023 05.12.2023.The parties have appealed. Decision of the CA GI: Dismisses as unfounded the appeal filed by the plaintiff Compania Națională de Transportă al Energiei Electrice Transelectrica SA. Admit the appeal brought by the defendant Next Energy Partners SRL, alter the judgment appealed against in its entirety and, on remand, dismiss the application for judgment as unfounded. Orders the respondent, Compania Națională de Transport de Energiei Electrice Transelectrica SA, to pay to the appellant Next Energy Partners SRL the sum of RON 141 147,56, representing costs on the merits and on appeal. With appeal within 30 days of communication. The appeal shall be filed with the Galati Court of Appeal. Pronounced by putting the solution at the disposal of the parties through the court registry today, 2.10.2024. Document: Decision 242/2024 02.10.2024 TEL appealed. No Trial date set at the ICCJ
50	23887/3/2022 23887/3/20	TMB CAB	A:Transelectrica Q: Grand Voltage and Omniasig	Claims	25.107.776,95 lei, damages + 4.150.451,31 lei, performance guarantee	Dismisses the action brought against the defendant ASOCIAREA GRAND VOLTAGE SRL - DOKO SH.P.K (ACTUALA VOLTAGE OPERATION SRL), as being brought against a person without legal capacity to use legal proceedings; Dismisses the defendant's

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	22/a2 Lucian Anton					application for costs as unfounded Dismisses the action brought against the defendant OMNIASIG VIENNA INSURANCE GROUP SA as time-barred. Orders the applicant to pay to the defendant OMNIASIG VIENNA INSURANCE GROUP SA the costs in the amount of RON 15 000. With the right to appeal within 10 days of notification, to be lodged with the Tribunal of Bucharest, Sixth Civil Division. Pronounced by making the solution available to the parties through the court registry, today, 28.06.2024. Document: Decision 1813/2024 28.06.2024 TEL has appealed Trial date for judgment: 31.01.2025 The appeal is dismissed as unfounded. Final. Pronounced by the clerk of the court today, 31.01.2025. Document: Decision 132/2025 31.01.2025
51	15561/3/2022 C-tin Ovreiu	Bucharest Tribunal	A: SMART SA P: Transelectrica	Enforcement of administrative contract - claims	<b>the amount of RON 4,467,108</b> , representing the amount of tax liabilities related to the increased income as a result of the increase in the tax base resulting from the adjustment of income for the years 2014, 2015 and 2016 + court costs.	Trial date for judgment: 15.05.2025 For an amicable settlement.
52	2082/3/2020 Lucian Anton	Bucharest Tribunal	D: SC ENOL GRUP SA C: Transelectrica	L 85/2014 Insolvency procedure. Statement of claim	2.514.312 lei	Pursuant to Article 139 of Law no. 85/2014 on insolvency proceedings, confirms the reorganization plan of the debtor's activity, proposed by the special administrator. Sets the hearing for the continuation of the proceedings for 09.09.2024, 09.00 a.m., for when the creditors shall be summoned by BPI. With appeal, within 7 days from the communication of the judgment by publication in the Insolvency Proceedings Bulletin, to be filed with the Bucharest Tribunal, 7th Civil Section. Pronounced today, 09.02.2024, by making the solution available to the parties through the court registry. Document: interim judgment 311/2024 09.02.2024 <b>Trial date 21.03.2025</b>
53	29270/3/2024 Mihail Tanasuica	Bucharest Tribunal	A: Electrical assembly P: Transelectrica	Full request. dispositive civil judgment pron. in casenr. 25896/3/2024		Admits the plea that the application is time-barred. Admit the application to refer the case to the CCR.
54	6580/117/2024 Mihail Tanasuica	Cluj Tribunal	A: Electrogrup Cluj P: Transelectrica	Procurement contract execution	"1.To oblige TEL to conclude an additional act to the Works Contract No. C5 of May 19, 2021, having as object the extension of the contractual duration by the days of delay resulting from the execution of the contract that are not the fault of the Executor, provisionally estimated at 616 days; 2.Order TEL to reimburse the amounts paid as penalties on the basis of invoices no. 114 of March 29, 2024 (paid by Payment Order no. 13065/25.06.2024) and no. 296 of June	Trial date for judgment: 14.03.2025

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
					25, 2024 (paid by Payment Order no. 15424/23.07.2024) issued by the defendant, in the total amount of 2,164.304,25 RON as undue payment, plus the legal interest due from the date of their payment until the date of restitution, (i) in principal, as a result of the defendant's obligation to conclude an additional act to Works Contract no. C5 of May 19, 2021, having as object the extension of the contractual duration by the days of delay resulting from the execution of the contract which are not the Executor's fault and (ii) in the alternative, as a result of the finding that the days of delay charged by Transelectrica are not the Executor's fault; 3.Obligation TELla payment of damages, representing prejud. suffered by the claimant due to delays, provisionally estimated at 595.550 lei and	
55	Arbitration File ARB-5724  191/2/2024 CAB  Alin Vladulescu	Vienna Court of Arbitration  CAB-act annul	A: Goicea Adrian  P:TRANSELECTRIC A	Claims	By means of Request for Arbitration 5724 Goicea Adrian (RO) VS. TEL (RO), Mr. Goicea Adrian Goicea requested that Transelectrica SA be ordered to pay the following amounts:- 186.384 lei (37.843,00 euro), which would represent. compens. de non-competition, according to art.5.2.3 and art.9.1 final paragraph of the Mandate Contract no.C234/30.09.2020, plus the legal interest of 32,227.84 lei (6,543.00 euro), calculated for the period 22.06.2021 - 10.01.2023, and thereafter, until the date of payment. - 605.748 lei (122.990 euro), which would represent the compensation related to the gross monthly gross fixed indemnity remaining until the end of the mandate, according to art.9.2 A and art.9.1 letter a) of the Mandate Contract no.C234/30.09.2020, plus the legal interest of 104.740,47 lei (21.266,00	On 08.12.2023 was registered at Transelectrica SA, under no.58392/08.12.2023 - the arbitral award <b>pronounced on 04.12.2023</b> following the settlement of the arbitration claim ARB-5724 Goicea Adrian (RO) vs. Transelectrica (RO). By its Award the Arbitral Tribunal ordered the following: "- Admit in its entirety the claim of the Plaintiff <b>Adrian Goicea</b> against the Defendant <b>Compania Națională de Transport de Energiei Electrice Transelectrica S.A.</b> and order the Defendant to pay to the Plaintiff <b>the amount of 186,384 RON</b> representing the non-competition compensation according to the Contract to which is added the legal penalty interest at the level of the reference interest rate plus 8 percentage points, in the <b>amount of 54.551,79 RON calculated until October 18, 2023, to which shall be added the legal penalty interest at the reference interest rate plus 8 percentage points</b> , the amount of which shall be calculated in lei (RON), in accordance with art. 3 para. (2 index 1) of OG no. 13/2011, for the amount of RON <b>186,384, starting from October 19, 2023 and continuing until the full and effective payment of the amount representing the non-competition compensation according to the Contract.</b> - Admit in its entirety the claim of the Plaintiff <b>Adrian Goicea</b> against the Defendant <b>Compania Națională de Transport al Energiei Electrice Transelectrica S.A.</b> and obliges the Defendant to pay the Plaintiff the amount of <b>605.748 RON</b> representing the termination compensation for the gross monthly gross fixed indemnities remaining until the end of the mandate according to the Contract. - Admit in part the claim of the Plaintiff <b>Adrian Goicea</b> against the Defendant



No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
					<p>euro), calculated for the period 22.06.2021- 10.01.2023, and further, until the date of payment.</p> <p>- 46.596 lei (9.461,00 euro), which would represent the variable component of the remuneration for the year 2020, according to Annex 2 to the Addendum no.1 to the Mandate Contract no. Amended its claims, requesting the following amounts:</p> <p>-186.384 lei (37.843,00 euro), which would represent. C234/30.09.2020, plus the legal interest of 32.258,05 lei (6.753,00 euro), calculated for the period 22.06.2021 - 13.01.2023, as well as thereafter, until the date of payment.</p> <p>- 605.748 lei (122.990 euro), which would represent the compensation related to the gross monthly gross fixed indemnity remaining until the end of the mandate, according to art.9.2 A and art.9.1 lit.a) of the Mandate Contract no.C234/30.09.2020, plus the legal interest of 108.088,68 lei (21.946,00 euro), calculated for the period 22.06.2021 - 13.01.2023, and further, until the date of payment.</p> <p>46.596 lei (9.461,00 euro), which would represent. the variable component of the remuneration for the year 2020, according to Annex 2 to the Addendum no.1 to the Mandate Contract no.</p>	<p><b>Compania Națională de Transport de Energiei Electrice Transelectrica S.A.</b> regarding the legal interest related to the amount representing the termination indemnity related to the fixed gross monthly gross indemnities remaining until the end of the term of office according to the Contract and orders the Defendant to pay the Plaintiff <b>the legal penalty interest at the reference interest rate plus 8 percentage points, the amount of which shall be calculated in RON, according to art. 3 para. (2, index 1) of OG no. 13/2011, for the amount of 605.748 RON, starting from the date of this Arbitral Award and continuing until the full and effective payment of the amount representing the termination compensation according to the Contract.</b></p> <p>- Admit in its entirety the claim of the Plaintiff <b>Adrian Goicea</b> against the Defendant <b>Compania Națională de Transport al Energiei Electrice Transelectrica S.A.</b> and obliges the Defendant to pay to the Plaintiff <b>the amount of 46,596 RON</b> representing the variable component according to the Contract <b>to which is added the legal penalty interest at the level of the reference interest rate plus 8 percentage points, in the amount of 13.472,63 RON calculated until October 18, 2023, to which shall be added the legal penalty interest at the reference interest rate plus 8 percentage points, the amount of which shall be calculated in lei (RON), in accordance with art. 3 para. (2 index 1) of OG no. 13/2011, for the amount of 46,596 RON, starting from October 19, 2023 and continuing until the full and effective payment of the amount representing the variable component according to the Contract.</b></p> <p>- Dismisses in its entirety the claim of the Plaintiff <b>Adrian Goicea</b> against the Defendant <b>Compania Națională de Transport de Energiei Electrice Transelectrica S.A.</b> regarding the updating of the amounts requested by the Plaintiff with the inflation rate.</p> <p>- Orders the Defendant <b>Compania Națională de Transport de Energiei Electrice Transelectrica S.A.</b> to pay to the Claimant <b>Adrian Goicea</b> as reimbursement of the Claimant's costs and expenses of the present arbitration proceedings <b>the amount of 38.756 RON (VAT included) and the amount of 6.936,07 EUR (VAT included).</b></p> <p>- Orders the Defendant <b>Compania Națională de Transport de Energiei Electrice Transelectrica S.A.</b> to bear its own costs and expenses in the present arbitration proceedings.</p> <p>- All other claims, requests and defenses made by the Parties are rejected and this Arbitral Award concludes and resolves the arbitral proceedings on the merits."</p> <p><b>Admits the plea of lack of functional jurisdiction of the Ninth Administrative and Tax Litigation Section. Refers the case to the Fifth Civil Section of the Bucharest Court of Appeal. No appeal. Pronounced today, 18.04.2024, by making the solution available to the parties through the court registry.</b></p>
56	ARB - 5726 825/2/2024 CAB	Vienna Court of Arbitration  CAB-act annul	A: Comănescu Jean-Valentin	Claims	By means of Request for Arbitration ARB-5726 Comanescu (RO) vs. Transelectrica S.A. (RO), Mr. Comanescu Jean-Valentin Comanescu requested that TEL be ordered to pay	<p><i>On 03.01.2024 was registered at Transelectrica SA, with no.205/03.01.2024 - the arbitral award pronounced on 22.12.2023 following the settlement of the arbitration claim ARB-5726 Comanescu (RO) vs. Transelectrica S.A. (RO).</i></p> <p>The Arbitral Tribunal ordered the following:"Obligation of the Respondent Compania Națională de Transport de Energiei Electrice - Transelectrica S.A. <b>to pay to</b></p>

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
	Alin Vladulescu	ICCJ	P:TRANSELECTRIC A		<p>the following amounts:</p> <ul style="list-style-type: none"> <li>-186,384 lei (37,764.00 euro), which would represent non-compete compensation, in accordance with art. 5.2.3 and art. 9.1 final paragraph of the CTR of Mandate no. C239/30.09.2020, plus the legal interest of 32,227.84 lei (6,530.00 euro), calculated for the period 22.06.2021 - 19.01.2023, and thereafter, until the date of payment.</li> <li>- 605,748 lei (122,733 euro), which would represent the gross monthly gross fixed allowance remaining until the end of the term of office, in accordance with art. 9.2 A and art. 9.1 letter a) of the Ctr of Mandate C239/30.09.2020, plus the legal interest of 104,740.47 lei (21,222.00 euro), calculated for the period 22.06.2021- 19.01.2023, and thereafter, until the date of payment.</li> <li>- 46,569 lei (9,441.00 euro), which would represent the variable remuneration comp. for the year 2020, according to Annex 2 to AA no.1 to the CTR of Mandate C239/30.09.2020, plus the legal dob.Legal of 7,891.64 lei (1,599.00 euro), calculated for the period 06.07.2021 - 19.01.2023, and further, until the date of payment.At the same time, Mr. Comănescu Jean-Valentin Comănescu requested that TEL be ordered to pay the arbitration costs.</li> </ul>	<p>the Claimant Comănescu Jean-Valentin Comănescu <b>the non-competition compensation in the amount of 186.384,00 lei</b> (the equivalent in Euro - 37.764,00 Euro, at the exchange rate of Băncii Naționale a României on 19.01.2023, 1 Euro= 4,9355 lei), <b>updated with the inflation rate</b>, as well as the <b>legal interest calculated from the settlement date</b> (June 22, 2021) <b>until the date of full payment</b>, calculated in accordance with art. 3 alin. (2<sup>1</sup>) of OG no. 13/2011 and art. 4 of Law 72/2013.</p> <ul style="list-style-type: none"> <li>- Ordering the Defendant Compania Națională de Transport de Energii Electrice - Transelectrica S.A. <b>to pay</b> to Comănescu Jean-Valentin the <b>compensation for the gross monthly gross fixed allowances remaining until the end of his term of office in the amount of 605,748.00 lei</b> (equivalent in euro 122.733,00 Euro, at the exchange rate of the National Bank of Romania on 19.01.2023, 1 Euro= 4,9355 lei), <b>updated with the inflation rate, and the legal interest calculated from the due date</b> (June 22, 2021) <b>until the date of full payment</b>, calculated according to art. 3 alin. (2<sup>1</sup>) of OG no. 13/2011 and art. 4 of Law 72/2013.</li> <li>- Ordering the Defendant Compania Națională de Transport de Energii Electrice - Transelectrica S.A. <b>to pay</b> to Comănescu Jean-Valentin the <b>variable component of the remuneration for 2020 in the amount of 46.596,00 lei</b> (equivalent in Euro 9.441,00 Euro, the exchange rate of the National Bank of Romania on 19.01.2023, 1 Euro - 4,9355 lei), <b>updated with the inflation rate</b>, as well as the <b>legal interest calculated from the due date</b> (June 22, 2021) <b>until the date of full payment</b>, calculated in accordance with art. 3 para. (2<sup>1</sup>) of OG no. 13/2011 and art. 4 of Law 72/2013.</li> <li>- Ordering the Defendant Compania Națională de Transport de Energii Electrice - Transelectrica S.A. to pay to Comănescu Jean-Valentin the Claimant's arbitration costs consisting of VIAC administrative fees, including the arbitrator's fee, in the amount of <b>8.178,03 Euro</b>, the file registration fee in the amount of <b>1.500 Euro</b>, plus the lawyer's fee in the amount of <b>58.611,07 lei.</b>"</li> </ul> <p>The CAB solution: Dismisses the claim as unfounded. Orders the plaintiff to pay 5000 lei in costs. With appeal within 30 days of communication to be filed with the Bucharest Court of Appeal. Pposed 26.04.2024. Document: Decision 50/2024 26.04.2024</p> <p>TEL appealed</p> <p><b>Dismisses as unfounded the appeal lodged by the appellant-claimant COMPANIA NAȚIONALĂ DE TRANSPORT AL'ENERGIEI ELECTRICE TRANSELECTRICA SA against the civil judgment no. 50 of April 26, 2024, rendered by the Bucharest Court of Appeal - Fifth Civil Section, against the respondent-defendant COMĂNESCU JEAN VALENTIN COMĂNESCU. Orders the appellant to pay the sum of 5,950 lei, by way of costs in favor of the respondent-defendant. Definitive. Civil Decision No 2091/07.11.2024</b></p>

No.	File No	Court	Parties to the dispute and quality	Subject matter	Amount in dispute	Current state of the dispute
57	Arbitration - 5768  7331/2/2024 - CAB  Alin Vladulescu	Court of Arbitration Vienna  CAB	A: Stanciu Marius Viorel  P:TRANSELECTRIC A	Claims	By application ARB-5768 Stanciu Marius Viorel (RO) vs. TEL - Mr. Stanciu Marius Viorel requested to order TEL to pay the total amount of 4,390,618.73 lei (equivalent to the amount of 883,833.30 EUR), composed as follows: - RON 714,164.26, representing non-competition compensation, according to art.5.2.3 of the CTR de Mandat, updated with the inflation index. - 187.649,649,11 lei, representing the legal interest penalized on the previous debit, calculated until 25.09.2023 - 2.794.110,57 lei, which would represent the compensation for the termination of the contract, according to clause 9.2 of the CTR of Mandate, updated with the inflation index, the total amount being made up of the amount of RON 2,416,562.36, corresponding to the gross monthly fixed indemnities remaining until the end of the mandate and the amount of RON 377,548.27, which would represent the variable component of the remuneration for the fulfillment of the performance criteria and objective - 694.694,79 lei, representing the legal penalty for the previous debit, calculated until 25.09.2023. Totodată, Mr. Stanciu Viorel-Marius Stanciu Viorel-Marius requested to order TEL to pay the legal interest applied to the principal amounts mentioned above, further until the date of actual payment.	By Arbitral Award dated 21.10.2024 issued in the ARB case file no. 5768, the Arbitral Tribunal ordered as follows:"Admit the claim filed by Claimant Stanciu Marius-Viorel and orders as follows (i) obliges the Respondent to pay to the Claimant the gross amount of RON 743,352.62 representing the non-competition compensation pursuant to Clause 5.2.3 of the Mandate Contract No. C477 dated 23.11.2020 updated with inflation and orders that the actual payment of this amount to the Claimant shall be made at its net value with the application of Clause 6.5 of the Mandate Contract No. C477 dated 23.11.2020; (ii) order the Defendant to pay to the Claimant the legal penalty interest calculated at the BNR reference interest rate plus 8 percentage points corresponding to the net amount of the non-competition compensation not updated with inflation, as it will be determined in accordance with clause 6.5 of the Mandate Contract no. C477 dated 23.11.2020, from the due date (25.06.2021) until the effective date of payment; (iii) obliges the Defendant to pay to the Plaintiff the gross amount of RON 2,879,598.63 (made up of RON 2,491,049.99 representing the fixed component; RON 76,435.56 representing the variable component for the year 2020; and RON 312,113.07 representing the variable component for the year 2021) as damages for the wrongful revocation of the mandate under Clause 9.2.B of the Contract of Mandate no. C477 dated 23.11.2020 updated with inflation and orders that the effective payment of these amounts to the Claimant shall be made at their net value with the application of Clause 6.5 of the Contract of Mandate no. C477 dated 23.11.2020; (iv) order the Defendant to pay to the Plaintiff the penalty interest calculated at the BNR reference interest rate plus 8 percentage points corresponding to the net amount of damages for the no-fault revocation of the mandate not updated with inflation, as they will be determined in accordance with clause 6.5 of the Mandate Contract No. C477 dated 23.11.2020, from the due date (25.06.2021 for the fixed component; 07.07.2021 for the variable component for 2020; 13.05.2022 for the variable component for 2021) until the effective date of payment; (v) orders the Respondent to pay to the Claimant the amount of 88,677.91 Lei; 23,971.63 Euro as arbitration costs. (vi) Any other claims or demands of the Parties are rejected." <i>Cancellation action hearing: 07.03.2025</i>
58	44380/3/2024 Mihail Tanasuica	TMB	A: OPCOM  P: Transelectrica	claims	2.914.065,21 lei, cval balancing market services cf. Contract C707/2022 Legal interest Obligation to conclude AA no. 4	In the preliminary procedure. TEL must file a complaint.

## Annex 7 - Glossary of terms

"ANRE"	National Electricity Regulatory Authority
"BAR"	Regulated asset base
"BVB"	BUCHARAREST, the operator of the regulated market on which the Shares are traded
"CCM"	Collective Bargaining Agreement concluded at Company level
"EEC"	European Economic Community
"EEC"	Aeolian Power Plant
"CEF"	Photovoltaic Power Plant
"CET"	District Heating Power Plant
"CHEAP"	Pumped storage hydropower plant
"CNE"	Nuclear power plant
"Company", "NPG CO."	National Electricity Transmission Company "Transelectrica"- SA
"OTC"	Own technological consumption
"CS"	Supervisory Board
"CSR"	Corporate responsibility
"d. c."	Double circuit
"DEN"	National Energy Dispatcher
"EBIT"	Operating profit before interest and income tax
"EBITDA"	Operating profit before interest, income tax, Depreciation and amortization
"EBT"	Operating profit before income tax
"EMS-SCADA"	Main dispatching infrastructure (Energy Management System - Supervisory Collection And Data Acquisition)
"ENTSO-E"	European Network of Transmission System Operators for Electricity
"ENS"	Energy not delivered to consumers
"Euribor, Libor, Robor"	Interbank interest rates
"Formenerg"	FORMENERG SA
"Group"	The company and its subsidiaries
"HG 627/ 2000"	Government Decision No 627/2000 on the reorganization of the National Electricity Company - S.A., published in the Official Gazette No 357 of 31 July 2000
"GD"	Government Decision
"Icemenerg Service"	Subsidiary Company "ICEMENERG-SERVICE" Bucharest,
"IFRS"	International Financial Reporting Standards
"ISO"	Independent System Operator
"ITO"	Independent Transport Operator
"KPI"	Key Performance Indicator
"OHL"	Overhead power lines
"Leu" or "Lei" or "RON"	Romania's official currency
"MO"	Official Gazette of Romania
"GO"	Government Ordinance
"ONRC"	National Trade Register Office
"OPCOM"	Romanian Electricity Market Operator OPCOM SA
"TSO"	Transmission System Operator



"GEO"	Government Emergency Ordinance
"pa"	Per anum
"PCCB"	Centralized Market for Bilateral Contracts
"PCR"	The agreed Price Coupling of Regions (Price Coupling of Regions) for the future model of the Single European Electricity Market
"EP"	Balancing Market
"PCI"	Projects of Common Interest
"DAM"	Day-Ahead Market
"ETG"	Electricity Transmission Grid, electricity network of national and strategic interest with nominal line voltage greater than 110 kV
"NES"	National Electric Power System
"Smart"	Company for Maintenance Services of the Electricity Transmission Grid SMART SA
"SSF"	Functional system service
"SST"	Technology System Service
"TEL"	Stock market indicator for Transelectrica
"Teletrans"	Society for Telecommunication and Information Technology Services in Electric Transmission Networks TELETRANS SA
"TSR"	Total shareholder return
"EU"	European Union
"u.m."	Unit of measurement
"USD" or "US dollars"	US dollar, the official currency of the United States of America
"WACC"	Weighted Average Cost of Capital



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