

**CONSOLIDATED SUSTAINABILITY
REPORT
OF CNTEE TRANSELECTRICA S.A.
2025**

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A message from the Board – our commitment to sustainability

Dear shareholders, investors and partners,

In 2026, Transelectrica will mark nine years since the publication of its first non-financial report, consolidating a tradition of transparency and accountability in reporting on its sustainability performance. For seven consecutive years, the Company has published its Sustainability Report in accordance with the international GRI (Global Reporting Initiative) standards, reflecting its ongoing commitment to open, rigorous communication that is aligned with best practice in the field.

This report, covering the 2025 financial year, represents the second reporting period in accordance with the requirements of Directive (EU) 2022/2464 – transposed into national law by Ministry of Finance Order No. 85/2024 – and the European Sustainability Reporting Standards (ESRS). This development reflects Transelectrica's commitment to incorporating the requirements of a complex and coherent regulatory framework, capable of highlighting in a structured manner the economic, social and environmental impact of its activities and its concrete contribution to achieving the European objectives regarding the transition to a sustainable economy.

The 2025 reporting year therefore marks the consolidation of the transition to the new European regulatory framework on sustainability, established by Directive (EU) 2022/2464. This is also the second year in which the Report has been subject to a compliance audit. These initiatives underscore the Company's firm commitment to transparency, rigour and alignment with the European Union's strategic objectives in the areas of sustainability and responsible finance.

Against the current backdrop of the energy transition and European regulatory requirements, Transelectrica's strategic role as Romania's sole transmission system operator is of increasing importance in ensuring the security and stability of the national electricity system. Adopting a sustainable development model, in line with European standards and the latest legislative directives, is a priority in order to address the complex challenges of the energy transition.

The contemporary view of modern life involves key processes in which electricity plays a fundamental role in economic development and social well-being. Through our mission, we contribute not only to the country's energy security, but also to improving quality of life and to the transition towards a sustainable economy, in line with European sustainable development goals.

Preparing a sustainability report in accordance with the new reporting framework is a key responsibility for any company seeking to demonstrate transparency, integrity and commitment to the principles of sustainable development. This initiative meets legal requirements and helps to build trust among stakeholders – including investors, authorities, employees and local communities – whilst also positioning Transelectrica as a responsible leader in its sector. In this context, through a tailored action plan, Transelectrica is integrating compliance requirements into

the Company's strategy and operations, contributing to long-term sustainable development and supporting the transition to a sustainable and resilient business model.

Compliance with the European Sustainability Reporting Standards (ESRS). Transelectrica is strengthening its reporting processes by fully aligning with the European Sustainability Reporting Standards (ESRS), adopting an integrated approach to the social, environmental and economic impact of the Company's activities. Our reporting highlights the dual significance of the data – its relevance both to decision-makers within the Company and to stakeholders. This initiative reflects our commitment to the ambitious targets set out in the European Green Deal and the 'Fit for 55' initiative, demonstrating our determination to support the transition to a greener and more sustainable future through transparency, accountability and operational excellence.

(E) Environment – Investment in infrastructure and green technologies. The strategic objectives set by Transelectrica for the period 2024–2028 aim to improve the Company's performance and enhance the efficiency of its operational activities in its role as Romania's transmission and system operator. In order to achieve these objectives, a major investment programme in the electricity transmission network infrastructure is required, involving the deployment of low-carbon and energy-efficient technologies. To support the energy transition, the European Union has made funding mechanisms available for the development and modernisation of the energy sector. To this end, over the past three years, Transelectrica has taken a proactive approach and initiated specific procedures to access European funds allocated to energy infrastructure. To date, the Company has signed 11 funding agreements under the Upgrade Fund, totalling €537 million, a funding agreement under Romania's Recovery and Resilience Plan (PNRR) – REPowerEU Chapter, worth a total of €52 million, and a financing agreement under the Sustainable Development Programme (PDD), worth a total of €50 million. With a total value of €639 million, this funding will be used to carry out projects to modernise and expand the electricity transmission network in line with the latest performance standards. Information regarding this funding is available on the Company's website, in the section dedicated to the Upgrade Fund (<https://www.transelectrica.ro/web/tel/fondul-pentru-modernizare>).

The sustainability report highlights both the Company's commitment to accelerating sustainable and long-term processes in the energy sector and to gradually achieving the European climate neutrality targets for 2030 and 2050.

(S) Social – Commitment to social responsibility. By promoting diversity, equity and equal access to opportunities, Transelectrica aims to be a force for positive change in society. The company is committed to an ambitious set of goals designed to promote sustainable development and lay the foundations for a fair and responsible economy. To this end, Transelectrica is actively involved in supporting initiatives that assist local communities and promote inclusion, education and wellbeing. Through its CSR activities, the Company is committed to investing in social programmes to support the younger generation and nurture talent, whilst also strengthening strategic partnerships designed to create a sustainable, long-term impact.

(G) Corporate governance. Transelectrica adheres to corporate governance standards appropriate for a company listed on the regulated market of the Bucharest Stock Exchange. The implementation of standards leads to a transparent and well-founded decision-making process. At the same time, the Company reaffirms its commitment to the community and sustainability by integrating social and environmental objectives into its business strategy, thereby contributing to the sustainable and responsible development of the energy sector's future.

In the current climate, the adoption and implementation of clear mechanisms for monitoring progress and consistent reporting to stakeholders will strengthen transparency and trust, and ensure that we fulfil our responsibilities. This commitment is underpinned by a robust governance framework and the pursuit of economic development opportunities through sustainability.

Transelectrica reaffirms its commitment to upholding ESG principles, placing sustainability, social responsibility and corporate governance at the heart of the Company's long-term development strategy. Through concrete initiatives and transparent reporting, the Company actively contributes to the transition towards a sustainable energy system, supports the development of local communities and ensures governance based on integrity and performance. As a responsible leader and trusted partner in the energy sector, Transelectrica adheres to the highest international standards and has a vital strategic mission: to ensure the safety of the National Electricity System, thereby laying the foundations for a sustainable future.

THE MANAGEMENT BOARD

Ștefăniță MUNTEANU
Chairman of the Board

Cătălin Constantin
NADOLU
Board Member

Vasile-Cosmin NICULA
Board Member

Florin Cristian TĂTARU
Board Member

Statement by the responsible persons

Transelectrica's 2025 Sustainability Report, prepared in accordance with the European sustainability reporting standards (ESRS – European Sustainability Reporting Standards), fully complies with the requirements of Directive (EU) 2022/2464, transposed into national law by Order of the Ministry of Public Finance No. 85/2024, as well as the provisions of the Taxonomy Regulation (EU) 2020/852. This report provides a detailed, accurate and truthful overview of the Company's sustainability performance, accurately reflecting the social, environmental and economic impact of its activities. At the same time, the document underscores Transelectrica's commitment to transparency and accountability, highlighting the measures implemented to support sustainable development and help consolidate the Company's position as a leader in the sustainable energy transition.

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CHAPTER I

ESRS 2

Presentations of general information

1. General guidelines for preparing the sustainability report (BP-1)

Compliance with European legislation and regulations. The National Electricity Transmission Company “Transelectrica” S.A. (hereinafter “Transelectrica”, “the Company”) is publishing its ninth Sustainability Report (hereinafter also referred to as “the Report”) for the period 1 January to 31 December 2025. The 2025 reporting year marks the second year of compliance with the new regulatory framework established by Directive (EU) 2022/2464¹, which strengthens sustainability reporting requirements and aligns them with the European Sustainability Reporting Standards (ESRS)² (European Sustainability Reporting Standards).

In this regard, the Transelectrica Group’s Sustainability Report for the 2025 reporting year has been prepared in accordance with the requirements of the European Sustainability Reporting Standards (ESRS). These standards provide a common, structured and transparent framework for presenting information on the impacts, risks and opportunities associated with sustainability issues, ensuring that reporting is aligned with the European Union’s requirements on transparency and corporate accountability. Furthermore, the Sustainability Report complies with the provisions of Regulation (EU) 2020/852 on taxonomy with regard to the assessment of the Company’s economic activities’ contribution to the environmental objectives set at European level. Through this approach, the reporting provides a coherent basis for understanding how Transelectrica integrates sustainability considerations into its operations and for assessing the progress made towards aligning with relevant European policies and initiatives, including the European Green Deal and the ‘Fit for 55’ legislative package.

The Sustainability Report serves as a key reference document through which the Transelectrica Group presents, in a structured and transparent manner, its performance in the ESG areas (environmental, social and governance), as well as how the principles of sustainable development are integrated into the Group’s operations. The reporting process enables a coherent presentation of the results achieved and the initiatives implemented, providing stakeholders with a clear overview of the impacts, risks and opportunities associated with the activities carried out.

Through this approach, the Report highlights Transelectrica’s contribution to energy transition objectives, environmental protection, community relations and the implementation of sound corporate governance practices. Adherence to best reporting practices helps to strengthen a framework of accountability and transparency, reflecting how sustainability considerations are taken into account in both the Group’s strategic processes and day-to-day operations.

Methodology and structure. The report is structured to provide a coherent and comprehensive overview of the economic, social and environmental impacts associated with the activities carried out by the Transelectrica Group. Its content is prepared in accordance with the principles of relevance, comparability, accuracy and transparency, ensuring the consistency of the reported information and its usefulness to stakeholders.

¹ Directive (EU) 2022/2464 on corporate sustainability reporting, known as the Corporate Sustainability Reporting Directive (CSRD), has been transposed into national law by Ministry of Finance Order No. 85/2024 (OMF 85/2024).

² Set out in detail in Delegated Regulation (EU) 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards.

The process of collecting and consolidating data is based on internal mechanisms designed to ensure the reliability, traceability and integrity of the information presented. The ESG indicators included in the report were selected following a double materiality analysis (DMA), which identified high-priority issues for the Company and its main stakeholder groups, thereby supporting an approach focused on impact, results and informed decision-making.

Consolidated sustainability statements. As at 31 December 2025, the Transelectrica Group's scope of consolidation includes two subsidiaries included in the consolidated financial statements, namely the Company for Telecommunications and Information Technology Services in Electricity Transmission Networks "TELETRANS" S.A. (Teletrans) and the Company for Maintenance Services of the Electricity Transmission Network "SMART" S.A. (Smart). These entities are consolidated in the Group's financial reporting, reflecting their operational contribution in the areas of electricity transmission infrastructure maintenance and IT&C/telecommunications services related to transmission networks.

The subsidiary, the Electricity and Natural Gas Market Operator "OPCOM" SA (Opcom) is not included in the scope of consolidation, as it operates under a management regime regulated by ANRE, and Transelectrica does not exercise direct effective control over its decision-making mechanisms.

Consequently, the Sustainability Report is prepared on a consolidated basis at Group level, in accordance with the requirements of the ESRS Standards, with the scope of consolidation aligned with that used for the consolidated financial statements.

Coverage of the value chain in the sustainability statement. The sustainability report covers the upstream and downstream value chain to the extent that the related activities, commercial and operational relationships generate significant impacts, risks or opportunities from an environmental, social and governance perspective, as identified through the double materiality analysis carried out in accordance with the ESRS Standards. The upstream value chain mainly comprises equipment and service providers, as well as subcontractors involved in the operation, maintenance and development of the electricity transmission infrastructure.

The downstream value chain consists of the provision of electricity transmission, system operation and balancing services to distribution operators and other energy market participants, with end users being regarded as indirect beneficiaries of these services, in accordance with Transelectrica's role as transmission and system operator. Coverage of the value chain is provided in proportion to the Group's level of control, influence and access to information, and any limitations are set out in the relevant sections of the Report.

Exceptions. The Group has not made use of the option to omit information relating to intellectual property, know-how or the results of innovation, nor has it made use of the exemption regarding the disclosure of information on imminent developments or matters under negotiation, as provided for in Article 19a(3) and Article 29a(3) (3) of Directive 2013/34/EU.

Audit of the Sustainability Report. The reporting process for the 2025 financial year includes the continuation of the independent verification of sustainability information, marking the second consecutive year in which this process has been subject to a formal external assessment. The purpose of this stage is to assess the consistency and coherence of the data provided, as well as the mechanisms used to collect and consolidate it, in relation to the applicable requirements.

The assessment carried out by an independent third party helps to strengthen the Group's framework for transparency and accountability and provides stakeholders with an additional level of confidence regarding the accuracy and consistency of the information disclosed.

Overall, the framework for drafting this document reflects how environmental, social and governance (ESG) considerations are integrated into the Transelectrica Group's day-to-day operations and decision-making processes, in accordance with European sustainability reporting standards. The information presented is structured in such a way as to facilitate an understanding of the relevant impacts, risks and opportunities associated with the activities carried out, in line with the European Union's objectives regarding the energy transition and climate neutrality.

2. Presentations of information relating to specific circumstances (BP-2)

Changes to the preparation or presentation of sustainability information. Specific circumstances. From 2024, the Transelectrica Group has adopted the new European sustainability reporting framework, in accordance with the provisions of Directive (EU) 2022/2464 and Delegated Regulation (EU) 2023/2772, which establish the European Sustainability Reporting Standards (ESRS). This alignment marked a paradigm shift in the way non-financial information is prepared and presented, replacing the previous format, which had been used for seven consecutive years, based on the Global Reporting Initiative (GRI) international standards.

The report for the 2025 financial year marks the second year of reporting under the ESRS and reflects the strengthening of internal processes for the collection, validation and governance of sustainability data. As a result of this transition, certain information is presented in a different format from previous reports, and comparability with prior periods may be limited for certain indicators, particularly those for which the ESRS requirements differ substantially from the approaches used previously.

An additional specific circumstance relating to the 2025 reporting period is the change of the auditor responsible for verifying the sustainability information. This change has led to methodological adjustments, including changes to the way in which certain indicators, such as the carbon footprint, are calculated or estimated, as a result of the application of different interpretations or verification procedures. Where such adjustments affect the presentation, comparability or level of detail of the reported information, they shall be explicitly disclosed and explained in the relevant sections of the report, to ensure a proper understanding of the changes that have taken place.

Specifically, the differences between the initial carbon footprint figure for 2024 and the recalculated figure for 2024 are due to changes in the methodology and the calculation factors/indices used, and do not in themselves reflect a change in operational activity during the reference period.

Time horizon. When preparing the Sustainability Report, the Transelectrica Group adopts a clearly defined timeframe for analysing and reporting on sustainability issues, in line with the Group's financial and strategic practices. Consequently, for the short-term time horizon, the reporting period used in the entity's financial statements is applied. The medium-term time horizon covers the period from the end of the short-term reporting period and extends up to five years. The long-term timeframe includes any projections and targets extending beyond this five-year period, reflecting Transelectrica's long-term sustainability commitments and strategies. This

approach ensures the consistency and comparability of the reported information, facilitating the integration of sustainability objectives into Transelectrica's strategic planning.

Notwithstanding these definitions, for certain specific energy efficiency measures, the Transelectrica Group applies timeframes tailored to the nature of the investments and the associated implementation cycles. In this context, the medium-term timeframe is set at between 2 and 3 years, corresponding to the time required to implement and assess the effectiveness of the projects, whilst the long-term timeframe is defined as between 3 and 6 years, taking into account the technical complexity, the lifespan of the assets and the gradual impact of these investments on operational and energy performance. This approach applies exclusively to these measures and does not affect the use of standard ESRS definitions for the other reporting areas.

Value chain analysis. At present, the Transelectrica Group does not have a formalised methodology for collecting and estimating data relating to the upstream and downstream value chain. Where estimates are required, these are based on indirect sources and reasonable assumptions, with the level of accuracy being influenced by the availability of data. The Group aims to progressively improve the accuracy of the information reported as the ESRS framework and internal processes mature.

At the same time, the Transelectrica Group intends to gradually develop a methodology for estimating value chain data, based on the principles of proportionality, prudence and transparency, without affecting the comparability of current reporting.

With regard to Scope 3 emissions and the categories included in Scope 3, the reported figures are estimates based on databases and calculation factors, without the collection of primary data directly from actors in the value chain; the approach applied and the sources used are set out in detail in Chapter II – ESRS E1.

Sources of uncertainty in estimates and results. As part of the sustainability reporting process, certain quantitative information is determined on the basis of estimates and assumptions that involve an inherent degree of uncertainty. In the context of limited assurance, these estimates are based on judgements considered reasonable at the reporting date and on the information available, without seeking to achieve a level of precision comparable to that associated with reasonable assurance. Consequently, the reported results may be subject to change in future periods as a result of changes to assumptions, data sources or the methodologies used. Further details on the methodologies and assumptions used for climate indicators (including GHG emissions) are set out in Chapter II – ESRS E1.

The disclosure of information arising from other legislation or generally accepted sustainability reporting standards

As Romania's sole transmission and system operator, and a company listed on the Bucharest Stock Exchange (BVB), Transelectrica operates within a strictly regulated framework that requires compliance with numerous national and European legislative acts. The Transelectrica Group is also aligning its reporting with international best practices, thereby enhancing the transparency and comparability of its ESG performance. This integrated approach reflects the Group's commitment to providing relevant and reliable information to investors, regulators and other stakeholders, demonstrating its responsibility in the transition towards a sustainable, efficient and resilient energy system.

Accordingly, the applicable standards and legislation specific to the Transelectrica Group's field of activity are incorporated and presented in the Sustainability Report, where relevant. These include both national regulations and the European directives and regulations applicable to the energy sector, corporate governance and sustainability reporting, ensuring compliance with legal requirements and transparency towards stakeholders.

Including information via links

The Transelectrica Group's Sustainability Report includes references to supplementary documents and relevant sources, where necessary, to provide a detailed context and a better understanding of the information presented. The report also refers to other relevant thematic standards, particularly in the environmental, social and governance (ESG) areas, thereby ensuring full alignment with the ESRS requirements and sector-specific regulations for the energy sector. This approach enables stakeholders to access comprehensive information and conduct an in-depth analysis of the Group's sustainability performance.

Application of the transitional provisions in accordance with ESRS 1

In the 2025 financial year, the Transelectrica Group applies the provisions of Delegated Regulation (EU) 2025/1416³, which amends Delegated Regulation (EU) 2023/2772, including the phased-in timetable set out in Appendix C to ESRS 1, and shall apply, where permitted, the transitional provisions regarding the temporary omission of disclosures for the thematic standards listed as the 'List of disclosure requirements that are phased in'.

For the sake of transparency and ease of tracking, the disclosure requirements that are being phased in and the application of transitional provisions will be explicitly highlighted within each relevant section/requirement of the report (where applicable), through appropriate notes and cross-references, so that readers can quickly identify the deferred items, the level of detail available and how these will be progressively completed in future reporting periods.

3. Governance (GOV 1–5)

The role of administrative, management and supervisory bodies (GOV-1)

Transelectrica is a Romanian legal entity, incorporated as a public limited company governed by a dual board structure comprising a Management Board, under the supervision of a Supervisory Board, in accordance with Companies Act No. 31/1990⁴, with all the Company's activities being conducted in compliance with the principles of corporate governance and the regulations specific to entities listed on the Bucharest Stock Exchange. With regard to the regulation of activities, this is carried out, on the one hand, pursuant to primary legislation, with the Company conducting its business in accordance with the Electricity and Natural Gas Act No. 123/2012⁵, and, on the other hand, on the basis of secondary legislation issued by ANRE – taking the form of licences, establishment authorisations, tariff methodologies (such as revenue cap for transmission and cost-plus for system operation, tariffs, framework contracts, procedures and others).

³ Delegated Regulation (EU) 2025/1416 amending Delegated Regulation (EU) 2023/2772 as regards the postponement of the date of application of the reporting requirements for certain undertakings.

⁴ The Companies Act No. 31/1990 sets out the general legal framework governing the operation of Transelectrica as a public limited company.

⁵ The Electricity and Natural Gas Act No. 123/2012 regulates the organisation and operation of the national energy sector, setting out the specific responsibilities of the transmission system operator (TSO).

Since 29 August 2006, the shares issued by Transelectrica have been traded on the regulated market administered by the Bucharest Stock Exchange, in the Premium category, under the ticker symbol TEL. In this context, the Company applies the transparency and disclosure standards applicable to the capital market, including the principles of the BVB Corporate Governance Code; the statement of compliance with these standards is reviewed annually and included in Transelectrica's Annual Report.

In accordance with the legal framework and the Company's articles of association, the Company's governance structure comprises three bodies: The Management Board (executive management body), the Supervisory Board (supervisory and control body) and the General Meeting of Shareholders (deliberative and decision-making body).

The Board. According to the Memorandum of Association, the Management Board consists of five members, appointed by the Supervisory Board for a term of four years, following a selection procedure. Supervisory Board has decided, by Decision No. 39 of 30 September 2024, to appoint the following persons to the positions of members of the Transelectrica Management Board, with effect from 3 October 2024: Victor Moraru, Ștefăniță Munteanu, Cătălin Constantin Nadolu, Vasile Cosmin Nicula and Florin-Cristian Tătaru. At the same time, the Supervisory Board appointed Mr Ștefăniță Munteanu as Chairman of the Management Board also known as and Chief Executive Officer – “CEO” – of Transelectrica.

Following the completion of the recruitment and selection process for candidates for the positions of members of the Supervisory Board and members of the Management Board, in accordance with legal provisions, the General Ordinary Shareholders Meeting approved, by General Ordinary Shareholders Meeting Resolution No. 1/15 January 2025, the key performance indicators resulting from the Management Plan adopted by the Company's two statutory bodies. Furthermore, by Decision No. 13 of 22 December 2025, the General Shareholders Meeting approved the amendment of the key performance indicators following the provisions of Law No. 158/2025 amending and supplementing Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises.

Throughout their term of office as members of the Company's Supervisory Board or Management Board, appointees must meet the eligibility criteria and must not be in any of the situations of incompatibility set out in the applicable law or the relevant provisions of the Articles of Association. In connection with this obligation, the Company is entitled to request from the members of the Board/Management Board such reasonable assurances as are necessary regarding compliance with these obligations.

The composition and diversity of the Management Board

	2024	2025
Number of members holding executive positions	5	5
Number of non-executive members	Not applicable	Not applicable
The percentage of board members in leadership roles	100%	100%
The gender breakdown of the Board (calculated as the average ratio of female to male members of the Board)	5 men (0% women)	5 men (0% women)
The percentage of independent members of the Management Board	Not applicable	Not applicable

The expertise and skills of the members of the Management Board

No. it.	Name	Position	Experience relevant	Date Of appointment	Articles of association
1.	Ștefăniță MUNTEANU	Chairman Management Board	<ul style="list-style-type: none"> - Bachelor's degree from the Faculty of Management and Marketing at the Romanian-American University - Experience in management, the energy sector, marketing, sales and strategy - Experience in managing and coordinating initiatives and projects aimed at strengthening organisational culture and optimising internal processes of operation 	3 October 2024 - 29 February 2028	Supreme Court Decision No. 39 of 30 September 2024
2.	Florin Cristian TĂTARU	Member Management Board	<ul style="list-style-type: none"> - Graduate of the Faculty of International Economic Relations – ASE Master's Degree – Health System Management, University of Bucharest, Faculty of Sociology and Social Work - Master's degree – Public Policy and European Integration, SNSPA, Faculty of Political Science - Master's degree – Banking and Capital Markets, Babeș-Bolyai University, Cluj-Napoca - MBA in Energy, ASE - Experience in banking, finance and management, public and corporate finance, public policy, the energy sector, European affairs, and leadership 	3 October 2024 - 29 February 2028	Supreme Court Decision No. 39 of 30 September 2024
3.	Cătălin Constantin NADOLU	Member Management Board	<ul style="list-style-type: none"> - Bachelor of Laws – Faculty of Law, "A.I.Cuza" Police Academy, Bucharest - Master's degree – European Public Administration, SNSPA, Faculty of Public Administration - Professional experience in local and central government, as well as managerial experience and skills in areas of strategic importance within the energy sector – investment, technical operations or maintenance of electricity transmission networks 	3 October 2024 - 29 February 2028	Supreme Court Decision No. 39 of 30 September 2024
4.	Victor MORARU	Member Management Board	<ul style="list-style-type: none"> - Bachelor of Laws, "Nicolae Titulescu" University - Master's degree – Business Law, "Nicolae Titulescu" University - Professional experience in local and central government 	3 October 2024 - 29 February 2028	Supreme Court Decision No. 39 of 30 September 2024
5.	Vasile Cosmin NICULA	Member	<ul style="list-style-type: none"> - Bachelor's degree in Finance, Accounting and Administration, Bucharest University of Economic Studies (ASE), Faculty of Finance, 		Supreme Court Decision No. 39

No. it.	Name	Position	Experience relevant	Date Of appointment	Articles of association
		Management Board	Insurance, Banking and Stock Exchanges - Specialisation in Public Organisation Management, West University, Timișoara - PhD in Economics, Bucharest University of Economic Studies Experience in executive management, public administration, budgetary and fiscal legislation, and international relations - Tax consultancy and tax assessments, management duties at the Romanian Court of Auditors	3 October 2024 - 29 February 2028	of 30 September 2024
		CFO from 8 November 2024			

*The CVs of the members of the Management Board can be found on the Company's website, under the 'About Us – Management Board' section (<https://www.transelectrica.ro/web/tel/directorat>).

Supervisory Board. According to the Memorandum of Association, the Supervisory Board consists of seven members⁶, appointed following a selection process, for a term of four years. The members of the Supervisory Board are appointed by the General Meeting of Shareholders, in accordance with the provisions applicable to companies admitted to trading, and are selected in accordance with the provisions of Government Emergency Ordinance No 109/2011 on the corporate governance of public enterprises. The Ordinary General Meeting of Shareholders appointed, by Resolution No. 1 of 28 February 2024, the following persons as members of the Supervisory Board for a term of four years, commencing on 1 March 2024 and ending on 29 February 2028: Păun Costin-Mihai, Atanasiu Teodor, Vasilescu Alexandru-Cristian, Zezeanu Luminița, Dascăl Cătălin-Andrei, Orlandea Dumitru-Virgil, Rusu Rareș Stelian.

The composition and diversity of the Supervisory Board

	2024	2025
Number of members holding executive positions	0	0
Number of non-executive members	7	7
The proportion of Board members with supervisory responsibilities	100%	100%
The gender breakdown of the Supervisory Board (calculated as the average ratio of female to male members of the Supervisory Board)	14.29% women 85.71% men	14.29% women 85.71% men
The percentage of independent members of the Supervisory Board	6 out of 7 – (85.71%)	6 out of 7 – (85.71%)

The expertise and skills of the members of the Supervisory Board

No. it.	Name	Position	Experience relevant	Term of office	Articles of association
1.	Cătălin Andrei DASCĂL	SB Chairman	- Bachelor of Laws - Legal experience in the public sector and the private sector - Lawyer and insolvency practitioner	1 March 2024 - 29 February 2028	Resolution of the General Meeting of Shareholders

⁶ The Chair of the Supervisory Board is elected by its members.

No. it.	Name	Position	Experience relevant	Term of office	Articles of association
					No. 1 of 28 February 2024
2.	Costin Mihai PĂUN	SB member	<ul style="list-style-type: none"> - PhD in Electrical Engineering, graduate of the Polytechnic University of Bucharest, Faculty of Power Engineering - Master's in Business Administration – Financial and Banking Management - Experience gained in roles within the energy sector, both nationally and internationally, in the fields of electricity transmission, distribution and generation - Experience in designing, managing and implementing European and international projects (in the energy sector) <p>He has contributed to new solutions in innovation and scientific research initiatives.</p>	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024
3.	Teodor ATANASIU	SB member	<ul style="list-style-type: none"> - Graduate of the Faculty of Mechanical Engineering at the Polytechnic Institute of Cluj-Napoca - Experience in the fields of management and finance, competitiveness management and customer relationship management 	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024
4.	Alexandru Cristian VASILESCU	SB member	<ul style="list-style-type: none"> - Licență ca inginer constructor al Universității Tehnice de Construcții, București - Master's degree in Construction Project Management, PhD candidate at the Polytechnic University of Bucharest - Experience in advisory and management roles within the public sector 	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024
5.	Luminița ZEZEANU	SB member	<ul style="list-style-type: none"> - Graduate of the Faculty of Accounting and Management Information Systems at the Bucharest University of Economic Studies - Postgraduate studies – International Business at London Metropolitan University, UK - Experience in developing and securing funding for projects through European funds and in the field of public administration 	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024
6.	Dumitru Virgil ORLANDEA	SB member	<ul style="list-style-type: none"> - Graduate of the “Carol I” National Defence University, Bucharest, College of Resource and Procurement Management, “Lucian Blaga” University of Sibiu - Master's degree in Tourism and Services Integration - Master's degree in Management and Marketing Strategies and Policies – Faculty of Economics. - Master's degree in Human Resource Management within the Law Enforcement System – “Al.I.Cuza” Police Academy, Bucharest - Experience in the energy sector 	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024
7.	Rareș Cristian RUSU	SB member	<ul style="list-style-type: none"> - Bachelor's degree in Political Science from the Faculty of Political Science and Public Administration at Babeș-Bolyai University, Cluj-Napoca - Bachelor's degree in Law from the Faculty of Law at “Dimitrie Cantemir” University, Cluj-Napoca - Master's degree in Energy Engineering from the Technical University of Cluj-Napoca - Management experience, experience in central and local government 	1 March 2024 – 29 February 2028	Resolution of the General Meeting of Shareholders No. 1 of 28 February 2024

*The CVs of the members of the Supervisory Board can be found on the Company's website, in the 'About Us' section – Supervisory Board (<https://www.transelectrica.ro/web/tel/consiliu-de-supraveghere>).

The Supervisory Board has the exclusive role of supervising and monitoring the management of the Company by the Management Board, and its responsibilities include:

- (a) exercises control over the way in which the Management Board manages the Company;
- (b) reviews the income and expenditure budget and the investment programme for the financial year to be approved by the general meeting of shareholders;
- (c) carries out any duties laid down by the relevant specific legislation governing the administration of public enterprises;
- (d) determines the composition and number of members of the Management Board;
- (e) appoints and dismisses the members of the Management Board and determines their remuneration;
- (f) verifies that the activities carried out in the name and on behalf of the Company comply with the law, the articles of association and the resolutions of the general meeting of shareholders;
- (g) submit a report on the supervisory activities carried out to the general meeting of shareholders at least once a year;
- (h) represents the Company in its dealings with the Management Board;
- (i) approves the Management Board's internal rules;
- (j) audits the Company's financial statements;
- (k) examines the report of the members of the Management Board;
- (l) proposes to the general meeting the appointment and dismissal of the auditor, as well as the minimum duration of the audit contract.

Furthermore, in accordance with the Company's Memorandum of Association, certain transactions may only be carried out with the Board's approval.

The Supervisory Board comprises the Audit Committee, the Nomination and Remuneration Committee, the Investment and Energy Security Committee, and the Risk Management Committee.

The Audit Committee assists the Supervisory Board in fulfilling its responsibilities in the areas of financial reporting, internal control and risk management. With regard to its responsibilities relating to financial reporting and statutory audit, the Audit Committee: monitors the financial reporting process at Company level and the statutory audit of the annual financial statements (including the consolidated financial statements); reviews the effectiveness of financial reporting, and supports the Board in monitoring the reliability and integrity of the financial information provided by the Company (including the consolidation criteria). With regard to its responsibilities relating to internal management control, the Audit Committee: monitors the effectiveness of the Company's internal control, internal audit and risk management systems; regularly reviews the effectiveness of internal control and the risk management system; proposes to the Board the control, verification and reporting procedures necessary to exercise essential oversight of the way in which the Management Board runs the Company; verifies compliance with non-financial reporting obligations at Company level.

The Nomination and Remuneration Committee makes proposals for the appointment of members of the Supervisory Board and members of the Management Board; it draws up and submits proposals to the Supervisory Board regarding the selection procedure for members of the Supervisory Board, members of the Company's Management Board and other management positions; it makes proposals regarding the remuneration of members of the Company's Management Board and other management positions, in accordance with the general remuneration limits approved by the General Meeting of Shareholders.

The Investment and Energy Security Committee advises on and monitors the implementation of the Strategy and the Investment Plan for the medium, short and long term; advises and consults with members of the Board and members of the Management Board, within the framework of and in line with the Company's Strategy and the Rules of Procedure; advises on and monitors the implementation of measures to maintain and enhance energy security in relation to the Company's activities.

The Risk Management Committee is a body that was recently established following the amendment of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises.

Audit Committee	Nomination and Remuneration Committee	Committee on Investment and Energy Security	Risk Management Committee
ZEZEANU Luminița – Chairman	VASILESCU Alexandru-Cristian - Chairman	PĂUN Costin-Mihai - Chairman	ATANASIU Teodor ATANASIU - Chairman
ATANASIU Teodor	DASCĂL Cătălin-Andrei	DASCĂL Cătălin Andrei	VASILESCU Alexandru-Cristian
RUSU Rareș Stelian Rareș	ORLANDEA Dumitru Virgil	ZEZEANU Luminița	DASCĂL Cătălin-Andrei
PĂUN Costin-Mihai	ZEZEANU Luminița	ATANASIU Teodor	RUSU Rareș Stelian Rareș
VASILESCU Alexandru-Cristian	ATANASIU Teodor	ORLANDEA Dumitru Virgil	ORLANDEA Dumitru Virgil
	PĂUN Costin-Mihai		

The General Meeting of Shareholders – is the deliberative and decision-making body of Transelectrica, with specific powers and responsibilities expressly provided for by the applicable legislation and the Articles of Association. The General Meeting of Shareholders may be an ordinary or an extraordinary meeting; its powers are governed both by the applicable legislation and by the Company's statutory documents. All shareholders have the right to participate and vote, thereby ensuring a transparent and fair decision-making process.

The Romanian State holds a 58.6882% stake, represented by the General Secretariat of the Government, which also acts as the supervisory public authority within the meaning of Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, with the remainder being shares held by institutional investors and private individuals, traded on the Bucharest Stock Exchange. The company falls under the authority of the General Secretariat of the Government.

Transelectrica's shareholding structure

Shareholder	2024		2025	
	Shares	Percentage	Shares	Percentage
THE ROMANIAN STATE, through the General Secretariat of the Government	43.020.309	58,6882	43.020.309	58,6882
PAVAL HOLDING	4.753.567	6,4848	4.753.567	6,4848
NN/NN Pensii S.A.F.P.A.P. Privately Managed Pension Fund S.A.	4.007.688	5,4673	4.007.688	5,4672
Other legal entity shareholders	16.442.683	22,4311	16.839.437	22,9724
Other individual shareholders	5.078.895	6,9286	4.682.141	6,3874

TOTAL	73.303.142	100	73.303.142	100
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** The register of shareholders and the shareholding history are held by Depozitarul Central SA*

At Company level, the organisational framework for risk management is implemented in accordance with the legislation in force, namely SGG Order No. 600/2018 approving the Code of Internal Management Control for Public Entities and Operational Procedure TEL-10.00 Risk Management. In this context, Transelectrica has established a Risk Management Team (EMRC), a Monitoring Committee for the implementation of the Internal Management Control System, and the Technical Secretariat of the Monitoring Committee for the implementation of the Internal Management Control System (CM SCIM), all with clearly defined roles and responsibilities. The role of senior management in monitoring, managing and overseeing impacts, risks and opportunities (IROs), including those relating to sustainability, is exercised through formal governance mechanisms, with operational responsibility delegated to these internal structures, under the supervision of the Management Board and, where appropriate, the Supervisory Board's advisory committees.

The Internal Management Control Monitoring Committee reports to the Board through detailed annual/periodic reports on the status of impacts, risks and opportunities, highlighting, where appropriate, the persistence of risks, the emergence of new risk factors and the effectiveness of the control measures implemented. On the one hand, these reports provide an up-to-date overview of ongoing risks and the emergence of new risk factors, ensuring a swift and effective response to any malfunctions on the part of management and control bodies, and, on the other hand, assess the effectiveness of the control measures implemented, helping to minimise negative impacts on operational and financial stability and maximise opportunities.

The Management Internal Control Monitoring Committee monitors the extent to which general and specific objectives are being met, constantly assessing the progress of the measures implemented, the effectiveness of the strategies adopted and their alignment with the Company's strategic directions, thereby ensuring effective risk management and maximising opportunities for improving organisational performance.

Within Transelectrica, reporting lines are clearly defined to ensure an efficient flow of information and decision-making at both strategic and operational levels, in accordance with documented procedures. The advisory committees report directly to the Supervisory Board, providing support in analysing and advising on key issues relating to corporate governance and the Company's strategy. The internal management control committees submit reports to the Management Board and to the Supervisory Board's advisory committees, thereby helping to strengthen the Company's control and risk management system.

Furthermore, key strategic objectives such as energy efficiency, employee health and safety, service quality and other essential sustainability considerations are incorporated into the mandates of the management and supervisory bodies. These are formalised through the approval of the terms of reference by the General Meeting of Shareholders and through the conclusion of addenda to the contracts of appointment of the members of the Management Board and the Supervisory Board. These addenda include key performance indicators (KPIs) relating to social, environmental and governance (ESG) factors, which must be met and monitored throughout the duration of the contract.

Transelectrica's administrative, management and supervisory bodies, together with senior executive management, oversee the setting of targets relating to significant impacts, risks and

opportunities by integrating these into governance and performance management mechanisms. The relevant targets are reflected in the strategic and operational objectives (set out in the Management Plan), including the performance indicators/KPIs approved by the General Meeting of Shareholders. Progress is monitored through regular reports to the Management Board and the Supervisory Board, which include the status of action implementation, the level of achievement of the agreed indicators, and any deviations or risks of non-compliance; on this basis, the management bodies may request corrective measures, resource adjustments or plan revisions, ensuring continuous oversight and constant alignment between targets, risks and management decisions.

Within Transelectrica, the expertise and skills required to oversee and manage sustainability issues are available and are being progressively strengthened. The company has a dedicated sustainability reporting department, which coordinates the collection, analysis and validation of data from the relevant departments and supports the process of aligning with ESRS requirements and applicable national regulations. At the same time, specialist expertise is supported by internal departments with specific responsibilities (e.g. environment, health and safety, risk management, human resources, governance).

The information flow is organised in such a way that relevant sustainability-related materials (reporting requirements, methodologies, data coverage, compliance risks and proposed measures) are forwarded to the Management Board and, where appropriate, to the Supervisory Board, to inform decision-making and oversee the reporting process. Through this structure, the Company is gradually strengthening its ability to monitor sustainability issues and integrate them into its internal processes, in line with the development of its reporting framework.

The skills and expertise available within Transelectrica are aligned with the significant impacts, risks and opportunities identified through the double materiality analysis, supporting both their assessment and the related reporting. Technical, environmental and health and safety expertise helps to understand the impacts associated with the operation and development of transport infrastructure, whilst risk management, compliance and governance capabilities contribute to the assessment of regulatory and internal control risks and to the integration of ESG considerations into relevant processes. In addition, human resources expertise supports the handling of social and material issues, within the scope of the established roles and responsibilities.

By 2025, no dedicated sustainability training programme had been implemented for the statutory bodies and all the units involved in reporting. However, during the current year, the Company plans to conduct market research into relevant programmes and courses in the field of sustainability (including ESRS and ESG reporting) and to take the necessary steps to participate in such courses, both for representatives of the Management Board and the Supervisory Board, and for the entities and structures directly involved in the reporting process, depending on the identified needs and available resources.

Teletrans branch. Teletrans was established by Transelectrica General Meeting of Shareholders Resolution No. 13 of 4 December 2002 and operates as a telecommunications and information technology provider, delivering specialist services to Transelectrica and the telecommunications market. The company is incorporated as a public limited company under a unitary management system, in accordance with Companies Act No. 31/1990.

Teletrans comprises 4 agencies, 3 centres and 12 branch offices, which are entities without legal personality and whose activities are coordinated centrally. Teletrans provides monitoring, operation and maintenance services for IP systems (process control), TC and TI, installation and

commissioning of equipment, systems and software, software design and development, technical support, consultancy, staff training, research and other services in the field of IP, TC and TI for Teletrans and for the liberalised telecommunications market in Romania.

Teletrans is a subsidiary of Transelectrica (sole shareholder), and its main business objective is to provide telecommunications and information technology (IT&C) services to its parent company.

In order to comply with the relevant legal obligations, General Meeting of Shareholders launched the selection process for three directors in December 2024, in accordance with Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises; three directors were appointed in November for a four-year term. On 19 December 2024, one of the three directors resigned from their post, thereby triggering a new selection process to fill the three vacant positions. In December 2025, the recruitment process was finalised with the appointment of three new directors on a permanent basis.

Teletrans is governed by the General Meeting of Shareholders and the Board of Directors, which comprises five members appointed by the General Meeting of Shareholders, in accordance with the legislation on corporate governance of public enterprises. Executive management is provided by the Chief Executive Officer and the Financial Director, who are appointed in accordance with Government Emergency Ordinance No. 109/2011.

The composition of the Board of Directors during 2025 was as follows:

Full name	Term of office	Status	Independent/ non-independent
Victor Andrei DIMITRIU (Chairman)	13 November 2024 – 12 November 2028	Permanent	Independent
Decebal BĂESCU (<i>acting on behalf of the Chief Executive Officer</i>)	13 November 2024 – 12 November 2028	Permanent	Independent
Maria Roberta DOLOIU	9 December 2024 – 08 May 2025 (5 months)	Provisional	Independent
	9 May 2025 - 8 July 2025 (2-month extension of term)	Provisional	Independent
Mirela IONESCU	9 December 2024 – 08 May 2025 (5 months)	Provisional	Independent
	9 May 2025 - 8 July 2025 (2-month extension of term)	Provisional	Independent
	3 December 2025 – 12 November 2028	Permanent	Independent
Liviu Calin BUTNARIU	25 April 2025 – 24 September 2025 (5 months)	Provisional	Independent
	25 September 2025 – 24 November 2025 (2-month extension of term)	Provisional	Independent
Alin ENE	3 December 2025 – 12 November 2028	Permanent	Independent
Veronica SOARE	3 December 2025 – 12 November 2028	Permanent	Independent

The composition of the Board of Directors as at the date of this report is as follows:

- 4 non-executive members appointed following the selection process (permanent)

- 1 permanent executive director, to whom the Board of Directors has delegated the management of the Company for a term of office running from 11 April 2025 to 12 November 2028.

The company is represented by the Chief Executive Officer (appointed following the selection process for the Chief Executive Officer), who, at the time of this report, is an executive director.

- Women make up 40% of the Board of Directors.
- All members of the Board of Directors are independent.

Three advisory committees operate within the Board of Directors: The Nomination and Remuneration Committee, the Audit Committee and the Risk Management Committee.

Nomination and Remuneration Committee	Established on 11 December 2024
DIMITRIU Victor-Andrei – Chairman	Board of Directors' Decision No. 52 of 8 December 2025
Veronica SOARE	
Mirela Ionescu	
ENE Alin	
Audit Committee	Established on 11 December 2024
Mirela Ionescu – Chair	Board of Directors' Decision No. 52 of 8 December 2025
DIMITRIU Victor-Andrei	
Veronica SOARE	
ENE Alin	
Risk Management Committee	Established on 11 December 2024
ENE Alin – Chair	Board of Directors' Decision No. 52 of 8 December 2025
DIMITRIU Victor-Andrei	
Mirela Ionescu	
Veronica SOARE	

The Nomination and Remuneration Committee organises training sessions for board members, draws up proposals for the remuneration of directors and senior management in accordance with the remuneration policy issued by AMEPIP, and supports the board in assessing its own performance as well as that of the executive management.

The *Risk Management Committee* shall ensure that control activities are consistent with the risks generated by the activities and processes subject to control, identify, analyse, evaluate, monitor and report on identified risks, the plan of measures to mitigate or anticipate them, other measures taken by the executive management. It is also responsible for assessing the solvency of the public enterprise, taking into account its usual duties and obligations, and reports to, or where appropriate makes proposals to, the board of directors or the supervisory board.

The Audit Committee performs the duties set out in Article 65 of Law No. 162/2017.

Smart branch. Smart was established in 2001 by Government Decision No. 710 of 19 July. 2001 on the establishment of the subsidiary Societatea Comercială pentru Servicii de Mentenanță a

Rețelei Electrice de Transport S.C. “Smart” S.A. through the reorganisation of certain activities within the National Electricity Transmission Company “Transelectrica” S.A.

The Company’s main activities include carrying out inspections and repairs on primary equipment within electricity networks, resolving incidents involving electrical installations, providing services in the energy sector, and the small-scale manufacture of electrical equipment.

Smart comprises eight secondary offices with the status of branches, without legal personality. Smart is a subsidiary of Transelectrica (sole shareholder), and its main business activity is the repair of electrical equipment (carrying out inspections, repairs and fault rectification on primary and secondary equipment in electricity networks, providing services in the energy sector, and the small-scale production of electrical equipment).

In order to comply with the relevant legal obligations, the General Meeting of Shareholders initiated the process of selecting directors in 2024, in accordance with Government Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises; in December, three directors were appointed for a four-year term. In February 2025, a new selection procedure was launched to fill the two remaining vacancies, and in December 2025, following a decision by AMEPIP, the selection procedure was restarted.

Smart is governed by the General Meeting of Shareholders and the Board of Directors, comprising five members⁷, appointed by the General Meeting of Shareholders in accordance with the legislation on corporate governance of public enterprises. Executive management is the responsibility of the Chief Executive Officer.

The composition of the Board of Directors during 2025 was as follows:

Full name	Term of office	Status	Independent/ non-independent
Raluca Cristina ISPIR (Chair)	23 December 2024 – 22 December 2028	Permanent	Non-independent
Decebal BĂESCU	23 December 2024 – 22 December 2028	Permanent	Independent
Gheorghe BOLINTINEANU (acting on behalf of the Chief Executive Officer)	23 December 2024 – 22 December 2028	Permanent	Independent
Ion BUCUR	21 February 2025 – 20 July 2025 (5 months)	Provisional	
	21 July 2025 – 20 September 2025 (2-month extension of term)	Provisional	
Adrian-Cristian CONSTANTIN	2 April 2025 – 01 September 2025 (5 months)	Provisional	Independent
	2 September 2025 – 01 November 2025 (2-month extension of term)	Provisional	Independent

The composition of the Board of Directors as at the date of this report is as follows:

- 2 non-executive members, appointed following a selection process (permanent)

⁷ At the time of this report, the Board of Directors consists of three members; the terms of the interim members have expired, and the selection process to fill the two vacant positions is currently underway.

- 1 permanent executive director, to whom the Board of Directors has delegated the management of the company for a term of office running from 6 June 2025 to 22 December 2028.

The company is represented by the Chief Executive Officer (appointed following the selection procedure for the post of Chief Executive Officer), who, at the time of this report, is an executive director.

- Women make up 33.3% of the Board of Directors.

Three advisory committees operate within the Board of Directors: The Nomination and Remuneration Committee, the Audit Committee and the Risk Management Committee.

Nomination and Remuneration Committee	Established on 24 December 2024
ISPIR Raluca Cristina	Board of Directors' Decision No. 44 of 24 December 2024
Decebal BĂESCU	
Audit Committee	Established on 24 December 2024
ISPIR Raluca Cristina	Board of Directors' Decision No. 44 of 24 December 2024
Decebal BĂESCU	
Gheorghe Bolintineanu	
Risk Management Committee	Established on 24 December 2024
ISPIR Raluca Cristina	Board of Directors' Decision No. 44 of 24 December 2024
Decebal BĂESCU	
Gheorghe Bolintineanu	

The Nomination and Remuneration Committee organises training sessions for Board members, draws up proposals for the remuneration of directors and senior management in accordance with the remuneration policy issued by AMEPIP, and assists the Board in assessing its own performance and that of the executive management.

The Risk Management Committee shall ensure that control activities are consistent with the risks generated by the activities and processes subject to control, identify, analyse, evaluate, monitor and report on identified risks, the plan of measures to mitigate or anticipate them, other measures taken by the executive management. It is also responsible for assessing the solvency of the public enterprise, taking into account its usual duties and obligations, and reports to, or where appropriate makes proposals to, the board of directors or the supervisory board.

The Audit Committee performs the duties set out in Article 65 of Law No. 162/2017.

The governance arrangements between Transelectrica and its subsidiaries (Teletrans and Smart). The governance arrangements between Transelectrica and its subsidiaries, Teletrans and Smart, are structured within a clearly defined governance framework, through which the parent company exercises control in accordance with the principles of corporate governance and the applicable regulations.

Strategic decisions concerning the aforementioned subsidiaries are taken by the Transelectrica Management Board, which is responsible for deciding how to cast votes at the subsidiaries' general meetings of shareholders.

The Board also sets out the key guidelines for their management and has the power to appoint and remove the directors of the subsidiaries and to determine their remuneration. As regards the management of subsidiaries, their directors operate on the basis of clearly defined objectives, set out in the Letter of Expectations and the Management Plan.

At present, within the management and supervisory bodies involved in the governance of the Transelectrica Group, the specific skills and expertise required for in-depth oversight of sustainability issues (e.g. setting and monitoring targets, the transition plan and advanced ESRS requirements) are not yet available in a comprehensive and systematic manner. In this context, the Group intends, in the coming period, to carry out market research to identify options for accessing the necessary expertise (specialised training, dedicated programmes and/or external support), as well as taking steps to develop the relevant skills both at the level of the Management Board and the Supervisory Board, and within the key structures involved in reporting and managing ESG issues. The aim is to gradually strengthen this capacity for monitoring and planning in the area of sustainability so that, within a maximum of three years, the Company will have an adequate level of expertise to consistently support its sustainability strategy, targets and associated plans.

Information provided to the company’s administrative, management and supervisory bodies, and the sustainability issues addressed by them (GOV-2)

Within Transelectrica, the Management Board and, where applicable, the Supervisory Board and relevant committees are informed of significant impacts, risks and opportunities (IROs), the progress made in fulfilling the due diligence obligation, and the results and effectiveness of the policies, actions, indicators and targets adopted. Reporting is carried out through the structured risk management process governed by Operational Procedure TEL-10.00, under which the Risk Management Team and the Management Internal Control Monitoring Committee (established by Management Board Decision No. 210/2024) collect and consolidate information submitted by organisational units, including annual reports and periodic reports on significant risks, the plan for implementing control measures and their status. In addition, in 2025 the Board approved a procedure for aggregating, validating and verifying the information required for sustainability reporting, with the involvement of specialist departments, and throughout the year regular reports were produced on the achievement of the objectives and indicators set out in the Management Plan.

The structured risk management process

The organisational framework for risk management	The information and reporting process	Risk-informed decision-making
Operational Procedure TEL-10.00 Risk Management – ensures the identification, assessment, management and monitoring of risks	Regular reports on significant risks – submitted to the Board of Directors and the Chair of the Monitoring Committee	Assessing and prioritising risks to determine the Company’s risk profile and risk tolerance limit
The Committee for Monitoring Internal Management Control, established by Management Board Decision No. 210/2024, coordinates the process of updating objectives, managing risks and monitoring performance	The implementation plan for control measures addressing significant risks, approved by the Management Board – forwarded to the departments responsible for implementation	Establishing the necessary measures to manage significant risks and monitoring their implementation
The Risk Management Team (led by the Deputy Chief Risk Officer) – ensures that risks are reported to the Company’s Management Board	The report on the implementation of the risk management process is drawn up on the basis of the annual reports of the organisational units and is submitted to the Monitoring	Reports to the Corporate Governance, Investor Relations and Representation Department regarding the information required for sustainability reports

	Committee for review and to the Management Board for approval	
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Transelectrica’s management is regularly informed of significant sustainability-related impacts, risks and opportunities through:

- **Integrated Risk Management System**, which ensures that potential losses are identified and addressed before they materialise.
- **annual and periodic reports** on the risk profile and the control measures implemented.
- **regular assessments of environmental impacts** and the preventive measures taken to mitigate them.

Information is provided by the Integrated Management Directorate and other specialist departments, and reporting takes place at least once a year or whenever necessary, depending on how risks develop. The Management Board and the Supervisory Board incorporate these key considerations into their decision-making processes, ensuring:

- strategic alignment – overseeing and implementing measures to minimise environmental impact and mitigate associated risks;
- assessment of major transactions – rigorous analysis of environmental and sustainability implications prior to strategic decision-making;
- proactive risk management – the effective monitoring and control of key risk factors, including climatic, operational and financial risks.

In addition, Transelectrica is taking proactive measures, such as:

- **investment in infrastructure modernisation to reduce environmental impact;**
- **the adoption of more sustainable technologies**, such as equipment with low pollutant emissions.

In 2025, no new strategic risks associated with ESG issues were identified beyond those already included in the risk register and monitored through existing mechanisms. The sustainability risk analysis has demonstrated that these risks are effectively managed through the control measures and monitoring mechanisms implemented across the Company, in accordance with corporate governance requirements and applicable regulations.

As part of the oversight and decision-making process, management bodies analyse, where appropriate, the trade-offs between operational objectives, compliance requirements and potential environmental and social impacts, within the framework of supporting documentation and internal approvals, within the limits of the information available and their established responsibilities. Compromises are examined on a case-by-case basis, depending on the subject matter, in the supporting documents and during the approval process (e.g. investment projects, maintenance, procurement, compliance). As a rule, the analysis seeks to strike a balance between operational continuity and safety, cost, deadlines, compliance requirements and potential environmental/social impacts (e.g. field works: scheduling works or selecting routes/solutions to minimise environmental impact, within the limits of technical and regulatory feasibility).

As with Transelectrica, within the Company’s subsidiaries, the structured risk management process plays a key role in keeping management informed, ensuring an effective and proactive approach to identifying, assessing and monitoring risks. The mechanism implemented provides transparency and visibility regarding significant risks, thereby facilitating the integration of risk management into strategic decision-making processes.

Integrating sustainability performance into incentive schemes (GOV-3)

The remuneration policy for Transelectrica's executive and non-executive directors was approved by General Ordinary Shareholders Meeting Resolution No. 4 of 29 April 2025. Furthermore, by Resolution No. 3 of 1 April 2025, the General Meeting of Shareholders approved the general limits on remuneration and other benefits to be granted by Transelectrica to members of the Management Board, including fixed remuneration, variable remuneration and other benefits granted to them.

The remuneration policy is publicly available on the Company's website at the following link: <https://www.transelectrica.ro/web/tel/GeneralMeetingofShareholders;jsessionid=EA22038BE07934DF97780E3EE344E895>.

The incentive schemes implemented at Transelectrica are structured in accordance with applicable legislation, corporate governance standards and the principles of transparency and performance. The remuneration policy sets out the applicable general framework and describes the responsibilities of decision-makers in determining and approving remuneration and other benefits.

The structure of incentives and the mechanism linking them to performance. Members of the Supervisory Board receive a fixed monthly allowance, set by the General Meeting of Shareholders, with no variable component, whilst members of the Management Board receive a fixed monthly allowance and a variable component of remuneration, determined by the Supervisory Board within the maximum limits set by the General Meeting of Shareholders, in accordance with the applicable provisions, including Government Emergency Ordinance No. 109/2011.

The remuneration package for members of the Management Board consists of two main components:

- *fixed component* – remuneration that reflects the complexity of the role, the responsibilities involved and market standards for similar executive positions;
- *variable component* – directly linked to the achievement of financial, non-financial and ESG (environmental, social and governance) performance indicators, designed to incentivise the achievement of the Company's strategic objectives.

The variable component of remuneration is linked to the extent to which certain key performance indicators (KPIs) – set out in the 2024–2028 Management Plan, with annual targets and calculation formulas – are achieved. Performance assessment KPIs are assessed annually, and the results are used by the Supervisory Board to determine the variable component, in accordance with the approved framework.

The KPIs are divided into three categories: **financial indicators**, **non-financial indicators** and **non-commercial indicators**. The set of KPIs also includes relevant sustainability elements, such as: **internal electricity consumption** (with annual reduction targets), **the establishment of risk management policies** (maintaining the relevant tools/framework) and **the pay gap between female and male employees** (with annual reduction targets), alongside safety and skills development indicators (training and training hours). Through this structure, the incentive scheme ensures that management performance is aligned with operational objectives and relevant environmental, social and governance considerations.

In the Management Plan for the period 2024–2028 (hereinafter “the Management Plan”), Transelectrica undertakes to play an active role in achieving the objectives set out in national legislation and European directives on renewable energy, such as ‘Fit for 55’ and the ‘Green Deal’, initiatives that are essential for the European Union’s energy transition. In this context, **Transelectrica is committed to helping implement the measures needed to reduce carbon emissions, integrate renewable energy sources and modernise the energy infrastructure**, adapting to the substantial changes that will reshape the European Energy System in the coming years.

To support this transition and ensure compliance with European targets, significant investment is required in advanced low-carbon technologies, the integration of renewable energy sources, the optimisation of energy efficiency and the modernisation of the electricity grid infrastructure. These investments are essential for adapting the National Energy System to new sustainability requirements and for strengthening Romania’s role within the European energy market.

The management plan sets out Transelectrica’s strategic direction, reaffirming its vital role both in ensuring national energy security and stability and in facilitating the integration of electricity generation capacity from renewable sources. In this context, the Management Plan sets out the programmes, resources and timetable for actions, including implementation deadlines and responsible parties, through which the management strategy is implemented, thereby ensuring that all strategic objectives and the agreed performance criteria and indicators are met.

From the Management Plan a series of strategic objectives and a set of key performance indicators have been established to facilitate the achievement of Transelectrica’s strategic objectives and the requirements for operational efficiency, sustainability and safety of the national energy system. These indicators are divided into several key categories, namely: financial indicators – 9, non-financial indicators – 10 and a non-commercial indicator – 1, as shown in the table below:

It. no.	Objective/Performance indicators	Calculation formula	M.U.	Target values for performance indicators				
				2024	2025	2026	2027	2028
	Indicators							
	Financial indicators							
1	Capital expenditure ratio	Capital expenditure*100/Total assets	%	5.56%	5.57%	5.58%	5.59%	5.60%
2	The degree of implementation of the Annual Investment Plan as a percentage of the figures set out in the Investment Plan approved by the General Shareholders Meeting	Proposed calculation formula: Investments made*100/Planned investment budget	%	90%	91%	92%	93%	94%
3	Dividend payout ratio (in accordance with the provisions of Government Ordinance 64/2001)	Dividends paid*100/Net profit	%	50%	50%	50%	50%	50%
4	Current liquidity ratio	Current assets/Current liabilities	no.	1.03	1.04	1.05	1.06	1.07
5	Interest coverage ratio	Profit before interest and	no.	3.50	4.00	4.50	5.00	5.50

		corporation tax / interest expense						
6	Asset turnover ratio	Net turnover*100/Average value of total assets	no.	0.50	0.52	0.53	0.54	0.55
7	Return on assets (ROA)	Net profit*100/Total assets	%	2.04%	2.05%	2.06%	2.07%	2.08%
8	Outstanding payments to the State Budget	The amount of arrears (debts) owed to the state budget at the end of the period (financial year)	RON	0.0	0.0	0.0	0.0	0.0
9	Reducing Arrears	The amount of arrears at the end of the period (financial year)	RON	0.0	0.0	0.0	0.0	0.0
	Non-financial indicators		M.U.	2024	2025	2026	2027	2028
1	Degree of Implementation of the Annual Maintenance Plan (ESG)	Maintenance work carried out*100/Maintenance work scheduled in the Maintenance Plan each year	%	90%	90%	90%	90%	90%
2	Customer retention rate	(Total number of customers at the end of the period – Number of new customers) * 100 / Total number of customers at the start of the period	%	100%	100%	100%	100%	100%
3	Customer satisfaction score	Total number of 4- and 5-star ratings in period t * 100 / Total number of ratings in period t	%	75%	75%	75%	75%	75%
4	Average number of training hours per employee (ESG)	Total number of training hours/Total number of employees	no.	16.00	18.00	18.50	19.00	19.50
5	Number of safety training sessions (ESG)	The total number of safety training sessions carried out during the year	no.	4.50	5.00	5.00	5.00	5.00
6	The number of meetings of the Supervisory Board	Number of meetings of the supervisory board carried out during the reporting year	no.	8	10	12	14	16
7	Number of committee meetings	The number of committee meetings (CNR, Audit Committee, Risk Committee) held during the reporting year	no.	8	10	12	14	16
8	Number of Executive Committee meetings	The number of Executive Committee meetings held during the reporting year	no.	36	38	40	42	46
9	Domestic electricity consumption (ESG)	Internal energy consumption at RET stations and offices	MWh	46.500	46.400	46.300	46.200	46.100
10	Establishing risk management policies (ESG)	Is there a risk management tool?		YES	YES	YES	YES	YES
	Non-commercial		M.U.	2024	2025	2026	2027	2028

	indicators							
1	The gender pay gap (GPG)	The average monthly salary of female employees*100 / average monthly salary of male employees	%	0.75%	0.50%	0.25%	0.00%	0.00%

Within the Management Plan, performance indicators relevant to environmental, social and governance aspects are clearly marked with the designation 'ESG', to enable their rapid identification and the separate tracking of their contribution to sustainability objectives. This makes it easier to link the indicators to the material topics identified through the double materiality analysis and to the relevant sections of the sustainability report, ensuring clear traceability between the targets set, performance monitoring and reporting to stakeholders.

By including relevant sustainability KPIs in the set of indicators used to determine the variable component of the Management Board's remuneration, Transelectrica aims to align managerial accountability with operational objectives and with governance, efficiency and performance requirements in the area of sustainability.

Performance assessed against specific sustainability targets and/or impacts. Performance at Transelectrica is assessed against specific sustainability targets, as reflected in a series of non-financial and non-commercial indicators that influence the variable component of the remuneration of the members of the Management Board. These include **reducing internal electricity consumption** (RET stations and offices), with annual targets of 46,400 MWh for 2025, 46,300 MWh for 2026, 46,200 MWh for 2027 and 46,100 for 2028, as well as **reducing the gender pay gap**, with targets of 0.50% for 2025, 0.25% for 2026 and 0% for 2027 and 2028. In addition, the aim is to **maintain the risk management framework** (a 'Yes' indicator), as a governance element relevant to operational continuity and the reduction of vulnerabilities. By incorporating these indicators into the incentive scheme, the Company aims to align managerial accountability with ESG objectives and to monitor progress towards the targets set.

These objectives reflect Transelectrica's commitment to ESG principles (environmental, social and governance) and modern sustainability requirements, and have a direct impact on organisational performance and social responsibility.

Sustainability-related performance indicators are included in the remuneration policy and are used to determine the variable component of the remuneration of the members of the Management Board, through the KPIs set out in the Management Plan. These include, where applicable, internal electricity consumption, the maintenance of the risk management framework, and the gender pay gap. These indicators are used as operational KPIs within the incentive scheme (not merely as benchmarks), helping to monitor progress towards achieving the relevant ESG objectives.

By incorporating these elements into its remuneration policy, Transelectrica is creating a mechanism to hold management accountable, thereby encouraging the implementation of effective measures to reduce environmental impact, optimise operational processes and improve social equity. This approach reflects the company's commitment to ESG principles and the sustainability requirements set out in European and national regulations.

The proportion of variable remuneration that depends on sustainability-related targets/outcomes is included in the component relating to non-financial and non-commercial KPIs, which accounts for 25% of the set of indicators used to determine the variable component. This component

includes sustainability-related targets, such as internal electricity consumption and the gender pay gap, as well as the maintenance of the risk management framework.

Teletrans. The Management Plan resulted in a series of strategic objectives and a set of benchmark key performance indicators designed to support the achievement of the company’s strategic objectives and the requirements related to operational efficiency, sustainability, and the security of the national power system. These indicators are structured into two essential categories, namely: financial indicators – 5 and non-financial indicators – 5. The non-financial indicators are presented in the table below, while those relevant to environmental, social, and governance matters are specifically marked with the designation “ESG”:

Key Financial Performance Indicators	Percentage	Calculation Formula	M.U.	2025	2026	2027	2028
Average Number of Training Hours per Employee (ESG)	10%	Total number of training hours / Total number of employees	no.	18	19	20	21
Implementation of an Employee Safety System (ESG)	10%	Existence and continuous updating of an employee safety system	YES/NO	YES	YES	YES	YES
Establishment of Risk Management Policies (ESG)	5%	Management and monitoring of the company’s risks	YES/NO	YES	YES	YES	YES
Total Value of the Remuneration Package	10%	Total value in accordance with the applicable legislation	YES/NO	As per legislation	As per legislation	As per legislation	As per legislation
Achievement of the SLA (Service Level Agreement) target within the National Transmission Operator	15%	(SLA level achieved / SLA level committed to) × 100	%	90%	91%	92%	93%

Smart. The Management Plan resulted in a series of strategic objectives and a set of benchmark key performance indicators designed to support the achievement of the company’s strategic objectives and the requirements related to operational efficiency, sustainability, and the security of the national power system. These indicators are structured into two essential categories, namely: financial indicators – 8 and non-financial indicators – 3 (5 performance indicators). The non-financial indicators are presented in the table below, while those relevant to environmental, social, and governance matters are specifically marked with the designation “ESG”:

Category of Non-Financial Indicators*	Non-Financial Performance Indicators	Percentage	Calculation Formula	M.U.	Target			
					2025	2026	2027	2028
Operational indicators related to employees	Average Number of Training Hours per Employee (ESG)	10%	Total number of training hours / Number of employees	no.	40	40	40	40

	Implementation of an Employee Safety System (ESG)	10%	Existence of the safety system	YES/NO	YES	YES	YES	YES
Indicators related to corporate governance	Number of Board of Directors Meetings	10%	Number of Board of Directors meetings held in a year	no.	18	18	18	18
	Establishment of Risk Management Policies (ESG)	5%	Establishment of the risk management framework	YES/NO	YES	YES	YES	YES
Indicators related to REPowerEU	Compliance with the milestones committed to under REPowerEU (ESG)	15%	Compliance with the committed milestones	YES/NO	YES	YES	YES	YES

Approval and updating of incentives. The variable component of the remuneration of the members of the Management Board is determined by the Supervisory Board, within the limits and under the general conditions approved by the General Meeting of Shareholders, in accordance with the Memorandum of Association and the applicable legal framework. The variable component is awarded annually, based on the extent to which the objectives set out in the management plan have been achieved and the degree to which the key performance indicators approved by the General Meeting of Shareholders, as set out in the annex to the mandate agreement, have been met.

Teletrans branch. As at the reporting date, the Board of Directors comprises five members appointed in accordance with the applicable procedures. Of these, two members have terms of office set for the full four-year period, whilst for the other three members the term of office is aligned with the remaining duration of the initial terms of the directors appointed in 2024, in order to ensure continuity of governance. Teletrans’ management plan was approved by Board of Directors Decision No. 22 of 25 April 2025, and the related performance indicators (including those relating to sustainability) were approved by General Meeting Resolution No. 14/05.06.2025, in accordance with the provisions of Government Emergency Ordinance No. 109/2011.

Smart branch. At the time of writing, three members of the Board of Directors have been appointed for a four-year term, and a selection process is currently underway to fill the vacant positions. Smart’s management plan was approved by Board of Directors’ Decision No. 24 of 1 August 2025, and the related performance indicators (including those relating to sustainability) were approved at the General Meeting of Shareholders No. 11/10.11.2025, in accordance with the provisions of Government Emergency Ordinance No. 109/2011.

Statement on the due diligence process (GOV-4)

Transelectrica implements an integrated management framework that supports a systematic approach to quality, the environment, and occupational health and safety, and contributes to the management of risks and opportunities relevant to sustainability. The integrated management system is implemented through internal procedures and controls and is underpinned by

certifications in accordance with the SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR ISO 45001:2023 standards.

Between 16 and 20 June 2025, the integrated management system underwent a Surveillance II external audit, carried out by SRAC CERT SA, which was concluded with Audit Report No. 25952/23 June 2025.

The Transelectrica Group’s due diligence process regarding sustainability issues is structured in stages aimed at integrating relevant criteria into its strategy and business model, consulting with stakeholders, assessing impacts and risks, implementing response measures, and monitoring their effectiveness.

Progress made and the monitoring of the sustainability objectives and targets set are tracked through internal reporting mechanisms and relevant key performance indicators (KPIs), where these have been defined, including through regular reports on the status of action implementation and the achievement of the targets set. With regard to the processes, policies and procedures that impact ESG reporting, Transelectrica ensures that the relevant controls are in place, and where deficiencies are identified, these are analysed, corrective measures are established and, where appropriate, measures to prevent recurrence (e.g. procedural clarifications, responsibilities, training and/or adjustments to verification workflows), aspects reflected in the relevant sections of the Report.

The key elements of the due diligence process	The relevant section of the sustainability report
Integrating due diligence into governance, strategy and the business model	ESRS 2 SBM-1 – Strategy, business model and value chain ESRS 2 GOV-1/GOV-2 – Roles and reporting to statutory bodies
Identifying and prioritising affected stakeholders and engaging with them	ESRS 2 SBM-2 – Stakeholders’ interests and perspectives (processes for engaging stakeholders and incorporating feedback)
Identifying and assessing significant impacts, risks and opportunities	ESRS 2 IRO-1 – processes for identifying and evaluating IROs ESRS 2 IRO-2 – requirements covered and applicability
Preventing, mitigating, remedying or halting negative impacts (actual or potential)	ESRS E1–E5, ESRS S1–S4 and ESRS G1 – policies, actions, resources and measures for material topics (where applicable, depending on the topics identified as significant)
Remedial mechanisms and channels for reporting concerns or making complaints (where applicable)	ESRS S1–S4 and ESRS G1 – remedial processes and channels for raising concerns (where applicable, in accordance with the relevant thematic requirements)
Monitoring the effectiveness of actions and reporting on progress against targets	ESRS 2 MDR-T (where targets exist) and the relevant thematic sections (E1–E5, S1–S4, G1) – monitoring progress; (where applicable) ESRS 2 GOV-5 – internal controls on reporting
Internal controls and quality assurance of data used in reporting (including improvements)	ESRS 2 GOV-5 – risk management and internal controls relating to sustainability reporting; (where applicable) the methodological sections of ESRS 2 BP-1/BP-2 (estimates, uncertainties, transitions)

** This mapping explains how and where the stages of the due diligence process are reflected in sustainability reporting, for information purposes only, without imposing any additional behavioural requirements.*

Teletrans Branch has designed, documented and implemented an Integrated Management System for quality, the environment, and occupational health and safety in accordance with the requirements of the following reference standards: SR EN ISO 9001:20015– Quality Management Systems. Requirements.” - for quality; SR EN ISO 14001:2015 “Environmental management systems. “Specifications and User Guide” – for the environment; SR EN ISO 45001:2023 (Occupational Health and Safety Management System) and the Information Security Management System at executive level, in accordance with the requirements of ISO/IEC 27001:2018.

Smart Branch has designed, documented and implemented an Integrated Management System for quality, the environment, and occupational health and safety in accordance with the requirements of the following reference standards: SR EN ISO 9001:20015– Quality Management Systems. Requirements.” - for quality; SR EN ISO 14001:2015 “Environmental management systems. “Specifications and user guide” – for the environment; SR EN ISO 45001:2023 - Occupational Health and Safety Management System.

Risk management and internal controls relating to sustainability reporting (GOV-5)

Scope, main features and components. Transelectrica manages the risks and internal controls associated with sustainability reporting as part of its Integrated Risk Management System, with the aim of ensuring compliance and the quality of the reported information (completeness, accuracy, traceability) in relation to the ESRS requirements and applicable regulations. The framework complies with the requirements of SGG Order No. 600/2018 and is implemented through Operational Procedure TEL-10.00 Risk Management.

The main components of the risk management and internal control processes and systems relating to sustainability reporting include:

- *The Monitoring Committee for the Implementation of the Internal Management Control System (CM SCIM)*, which oversees the risk management process and the reporting of risks to the Management Board;
- *The Enterprise Risk Management Team (EMRC)*, which analyses and prioritises significant risks at Company level;
- *Implementation plan for control measures addressing significant risks*, reviewed and approved annually.

With regard to risks in the value chain, the availability of primary data provided directly by upstream and/or downstream entities is currently limited; consequently, assessments are based on reasonably available information and, where appropriate, on estimates. The Transelectrica Group aims to progressively improve the quality and traceability of data across the value chain for future reporting.

The approach adopted with regard to risk assessment. Relevant risks are identified and assessed annually and whenever there are significant changes to the operational or regulatory environment. The assessment is carried out using a risk matrix based on an evaluation of probability and impact, each rated on a scale of 1 to 3 (low/medium/high). The risk level is derived from combining (for example, by multiplying) the two scores, and the result is used to prioritise risks, set the risk tolerance limit, and define control measures, responsibilities and implementation deadlines.

The main risks and the associated mitigation strategies/controls. The main categories of risk monitored include technical and operational risks (e.g. stability of the national electricity system, faults, system malfunctions), climate and environmental risks (e.g. extreme events, emissions and environmental compliance), compliance and regulatory risks (legislative changes/ESRS requirements) and cybersecurity risks. Mitigation strategies and controls have been established for these, such as: continuous monitoring of operational parameters, preventive/predictive maintenance programmes, digitalisation of monitoring, alert procedures and regular testing, internal/external audits, monitoring of regulatory requirements, and IT security measures (testing, updates, encryption, training).

The main features of the risk management and internal control system				
<p>Proactive approach – Transelectrica identifies, assesses and monitors risks before they materialise, ensuring that preventive measures are put in place</p>	<p>Integration into the business strategy – The risk management system is aligned with the company’s strategic objectives, contributing to informed decision-making</p>	<p>Regulatory compliance – The risk management system complies with the requirements of national and European legislation, including SGG Order No. 600/2018 on internal management control</p>	<p>Ongoing monitoring and reporting – regular risk assessments are carried out, and the results are reported to the Management Board and the Supervisory Board</p>	<p>Adaptability – The risk management system allows risk management strategies to be adjusted in line with changes in the environment, regulations and technological developments</p>

The risk register is an essential tool within the risk management process, serving to identify, assess and monitor risks that may affect the achievement of Transelectrica’s strategic objectives. It provides a clear and well-structured overview of significant risks, enabling an analysis of their impact and likelihood of occurrence, as well as the establishment of control measures and mitigation strategies. At Transelectrica, the Risk Register is updated regularly and used to inform risk management decisions, ensuring transparency and compliance with applicable regulations.

Technical and operational risks	Loss of stability in the National Power System (NPS)	<p>- <i>Mitigation strategies:</i> Continuous monitoring of operational parameters, modernisation of critical infrastructure, and implementation of measures to balance energy supply and demand</p> <p>- <i>Related checks:</i> 24/7 operational dispatch, regular equipment testing, implementation of advanced network management systems</p>
	Damage to installations and equipment	<p>- <i>Mitigation strategies:</i> Preventive and predictive maintenance programme, use of modern, highly reliable equipment, digitalisation of equipment monitoring processes</p> <p>- <i>Related checks:</i> Regular technical inspections, implementation of an early-warning system for the early detection of faults</p>
	Malfunctions in operating systems and platforms	<p>- <i>Mitigation strategies:</i> Implementation of redundant solutions for critical systems, and regular testing and updating of IT platforms</p> <p>- <i>Related controls:</i> Simulations and stress tests, cybersecurity audits</p>
Climate and environmental risks	The impact of climate change on energy infrastructure	<p>- <i>Mitigation strategies:</i> Increasing the resilience of infrastructure through the use of materials and equipment capable of withstanding extreme weather conditions, and investment in modernisation and technological upgrading.</p> <p>- <i>Related checks:</i> Regular assessments of climate risks, and the implementation of an action plan for adapting to climate change.</p>

	Greenhouse gas emissions and compliance with environmental regulations	<ul style="list-style-type: none"> - <i>Mitigation strategies</i>: Reducing energy losses by upgrading the grid, promoting renewable energy, and implementing solutions to monitor and reduce emissions - <i>Related checks</i>: Monitoring and reporting of greenhouse gas emissions, implementation of energy sustainability policies
Compliance and regulatory risks	Failure to comply with European and national regulations in the fields of energy and the environment	<ul style="list-style-type: none"> - <i>Mitigation strategies</i>: Continuous monitoring of legislative changes, aligning company strategies with European sustainability requirements - <i>Related controls</i>: Internal and external audits, active cooperation with regulatory authorities
Security and cyber risks	Security breaches in critical infrastructure	<ul style="list-style-type: none"> - <i>Mitigation strategies</i>: Strengthening IT security and data protection, and implementing advanced systems to prevent cyber attacks - <i>Related controls</i>: Regular penetration tests, continuous updating of security systems
	Information security and the protection of cyber infrastructure	<ul style="list-style-type: none"> - <i>Mitigation strategies</i>: Encryption of sensitive data, training employees in cybersecurity, partnerships with IT security experts - <i>Related controls</i>: Implementation of an information security management system

The risks identified in this chapter, the mitigation strategies and the associated controls are detailed for each material topic and subtopic and represent the outcome of the double materiality analysis, carried out in accordance with the ESRS Standards.

Incorporation of the findings of the risk assessment. Transelectrica systematically incorporates the findings of its risk assessments into its strategic, operational and financial decision-making processes, thereby ensuring proactive management of uncertainties and alignment with sustainability and regulatory requirements. The results of the risk assessment are used to refine and update the Company’s strategy, enabling the identification of emerging risks and the opportunities associated with them.

At the same time, Transelectrica incorporates the findings of its risk assessment into its operational processes, using an integrated risk management system that includes the identification and classification of risks, the implementation of corrective and preventive measures, and the continuous monitoring of risk factors. The findings of the risk assessment are regularly reported to the Board, which decides on the necessary adjustments to the business strategy and long-term planning.

Incorporating the findings of the risk assessment into Transelectrica’s strategy and operations helps to strengthen the Company’s resilience, ensure operational stability and improve economic and environmental efficiency. This process enables a sustainable and adaptable approach to emerging risks, whilst supporting the energy transition and sustainable development goals.

Further information on how Transelectrica incorporates the findings of the risk assessment can be found both in the section on ‘Impacts, significant risks and significant opportunities and their interaction with the strategy and business model (SBM-3)’, and in the chapter corresponding to each relevant thematic ESRS.

Regular reporting to the administrative, management and supervisory bodies. Relevant findings regarding risks and internal controls are consolidated by the EMRC/CM SCIM and reported at least annually to the Management Board and, where appropriate, to the Supervisory

Board/relevant committees, through regular updates and reports. These reports support decisions on prioritising actions, allocating resources and monitoring progress.

With regard to risk management and internal controls relating to sustainability reporting, the Company, along with its subsidiaries Teletrans and Smart, operates in a dynamic environment characterised by significant challenges in terms of sustainability, the energy transition and the digitalisation of critical infrastructure. In this context, the main risks identified at group level relate to issues that have a direct impact on operational resilience and continuity.

The main risks identified at the Teletrans and Smart subsidiaries are reflected in the list of significant impacts, risks and opportunities (IRO) resulting from the double materiality analysis. Consequently, the risks relevant to the subsidiaries' operations were taken into account in the materiality assessment process and are addressed in the report to the extent that they relate to the material topics and the applicable ESRS requirements, ensuring consistency between the Group's perspective on risks and the thematic presentations in the sustainability report.

Teletrans branch. At Teletrans, during 2025, risks were reassessed and managed in accordance with the provisions of the internal procedure 'Risk Management Code TLT-PS-02', drawn up in accordance with SGG Order No. 600/2018 on the approval of the Code of Internal Management Control for Public Entities and the quality standards ISO 9001:2015, environmental management ISO 14001:2015, and occupational health and safety ISO 45001:2023. For the year 2025, the Teletrans Risk Register did not record any risks; however, the process remains in place and is used for reassessments whenever relevant changes occur.

The findings of the risk assessment are incorporated by consolidating them (records/action plans) within the internal management control mechanism, subject to internal analysis and validation and, where appropriate, reflected in operational planning and decisions. Regular reporting is carried out through the internal channels set out in the procedure (including updates/reports on the risk management process) to senior management, and at the governance level, the Board of Directors is supported by the Audit Committee and the Risk Management Committee, which monitor and assess, where appropriate, risks and control measures and may request clarifications or updates. The relevant findings are also used to provide information to Transelectrica as part of the process of consolidating sustainability reporting at Group level.

Mitigation measures for critical projects (digitalisation / cybersecurity / DNSH). For REPowerEU/PNRR investments (e.g. data centres and IT&C equipment), Teletrans specifies the application of DNSH requirements, 'ECO' configurations, high energy efficiency (UPS/air conditioning) and the reduction of consumption/CO₂ – as measures to mitigate the environmental risks/impacts and improve energy efficiency associated with the projects.

Smart branch. At Smart, risk management and internal controls are supported by the internal management control framework and dedicated departments (Internal Audit, Financial Management Control, Integrated Quality-Environment-HSE Management – management control), which focus on compliance, process effectiveness and risk prevention/control. Smart operates an Integrated Management System (quality-environment-health and safety) backed by certifications, which is used as a mechanism for process control and continuous improvement. The findings of the risk assessment and internal audits are incorporated into the management cycle through regular reviews (including management reviews), action plans and updates to the registers, leading, where necessary, to re-planning and adjustments to controls. Regular reporting is carried out through internal channels to senior management (the Chief Executive Officer) and, where appropriate, to the Board of Directors, depending on the nature and significance of the

findings; relevant information is also provided to Transelectrica as part of the process of consolidating sustainability reporting at Group level. The main risks are:

- **environmental risks and climate change:** extreme weather events, such as storms, floods or high temperatures, can affect the electricity transmission network, resulting in additional costs for repairs and maintenance; Furthermore, inefficient management of waste resulting from maintenance activities may lead to compliance risks and potential penalties from environmental authorities;
- **Operational and energy efficiency risks:** Equipment wear and tear and the need to modernise the electricity transmission infrastructure represent a significant operational risk. The use of older equipment can lead to increased resource consumption and reduced operational efficiency; furthermore, the transition to renewable energy sources requires infrastructure upgrades and the implementation of technological solutions that may entail costs and operational challenges;
- **social and human resources risks:** another critical issue for Smart is the shortage of specialists in the energy sector; high competition in the labour market may make it difficult to attract and retain qualified staff, thereby affecting the Company's ability to implement strategic projects and meet ever-changing technological requirements.

Environmental inspections + contingency plans (annual simulation) and specific measures. Assessment of environmental aspects (criteria/indicators), identification of emergency situations and development of a prevention and response plan, which is simulated annually; examples of situations (oil/fuel spills/leaks) and measures (providing staff with biodegradable absorbent material), plus environmental management programmes with reduction/monitoring plans and restoration measures (ecological restoration). Within its environmental management programs, the Company establishes measures for monitoring, reducing, and remedying impacts, including, where necessary, works for the restoration of affected land and the ecological rehabilitation of the sites concerned, depending on the nature and extent of the identified impact.

4. Strategy, business model and value chain (SBM-1)

The Company's position within the national and European context

Transelectrica was established by Government Decision No. 627 of 13 July 2000, as part of the reorganisation of Compania Națională de Electricitate SA (CONEL). This restructuring led to the division of CONEL into four independent entities, each with a distinct role within the energy sector: Transelectrica – the electricity transmission and system operator; Electrica – responsible for distribution; Hidroelectrica and Termoelectrica – specialising in electricity generation. The aim of this restructuring was to improve the efficiency and modernise the national energy sector, bring it into line with European market requirements, and strengthen Transelectrica's critical role in ensuring the security and stability of the National Energy System (NES).

Consequently, transmission and system services have been completely separated from electricity generation, distribution and supply activities, ensuring a clear and efficient operational structure.

Under the law, the transmission of electricity is a public service of national and strategic importance. In its capacity as a transmission and system operator, Transelectrica operated under Licence No. 161/2000 for the provision of electricity transmission services, system services and the administration of the balancing market. Furthermore, following the expiry of Licence No. 161/2000 in 2025, by Decision No. 2505/02.12.2025, the President of ANRE approved the granting of Licence No. 2706/02.12.2025 for the provision of electricity transmission services, as well as system balancing services, for a period of 25 years⁸.

Transelectrica holds a concession for assets belonging to the state's public domain, namely the national electricity transmission network (RET), as it is a public utility company. The concession for the RET and the land on which it is situated was granted for a period of 49 years under Concession Agreement No. 1/29 June 2004, concluded between the Ministry of Economy and Trade, as the granting authority, and Transelectrica, as the concessionaire.

From a technical perspective, the National Energy System (NES) operates as an integrated infrastructure and is managed centrally by the sole transmission and system operator, Transelectrica. Within the electricity value chain, Transelectrica plays a central role as the transmission and system operator – a regulated natural monopoly – with the mission of providing the public service of electricity transmission whilst ensuring the operational safety of the national power system, under non-discriminatory access conditions for all users.

European policies on energy and environmental protection, implemented through legislative packages adopted at EU level, are aimed at strengthening energy security, improving energy efficiency, decarbonising the energy sector through the integration of renewable energy sources, and developing advanced energy storage solutions.

Transelectrica's collaboration with the regulatory authorities regarding the implementation of new projects that incorporate sustainability measures

In the electricity sector, Romania has approved plans in three main areas that are aligned with European policies on energy and combating climate change (the European Green Deal, the Fit-for-55 package, the Net-Zero Industry Act, the Renewable Energy Directive, the Electricity Market Design Reform, the Action Plan for Grids, etc.):

- **integration of RES (Renewable Energy Sources):** an objective set out in the National Integrated Plan for Energy and Climate Change (PNIESC);
- **reducing greenhouse gas emissions:** the timetable for the decarbonisation of the electricity generation sector (Government Emergency Ordinance No. 108/2022);
- **the integration of the single European electricity market:** Action plan to increase the cross-border interconnection capacity of Romania's electricity transmission network in accordance with the provisions of Article 15 of EU Regulation No 943/2019.

In light of the above, Transelectrica's **Ten-Year RET Development Plan** is the key strategic document that sets out the Company's investment efforts in its capacity as Romania's electricity transmission system operator (TSO), with a view to providing coherent support for the three nationally approved strategic directions and plans.

⁸ The specific conditions are set out in the annex to ANRE Decision No. 2505 of 2 December 2025, the text of which is also available online on the Transelectrica website (<https://www.transelectrica.ro/web/tel/licente-si-autorizatii>).

The RET Development Plan for 2024–2033 was approved by ANRE by Decision No 2715 of 17 December 2024. The plan includes sections covering investments in transport infrastructure designed to integrate new generation capacity in the Dobrogea and Moldova regions (primarily renewable energy sources and nuclear power), as well as increasing Romania's cross-border interconnection capacity with neighbouring states, including those that are EU members (the latter relates to the commitments undertaken in the aforementioned Action Plan).

As part of the process of reviewing and approving the RET Development Plan, ANRE ensures that the investments proposed by Transelectrica are in line with the strategic directions established at national level in the electricity sector and are sufficient and implemented in a timely manner to meet the objectives set out in the national plans. Following the approval of the RET Development Plan, ANRE monitors the progress of the investments set out in the plan.

With particular regard to the objective of increasing interconnection capacity, ANRE monitors the progress made by Transelectrica in increasing cross-border interconnection capacity and in adhering to the timetable for increasing cross-border capacity set out in the action plan. Transelectrica requested and obtained annual exemptions from ANRE between 2020 and 2025 for failing to meet the approved trajectory for the gradual increase in interconnection capacity with neighbouring EU Member States, whereby annual interconnection targets were set that were lower than those provided for in the approved action plan. Derogation procedures require prior consultation with all relevant regulatory authorities across the EU, in order to assess any adverse effects that granting a derogation at Member State level might have on the European market and on the targets set for other Member States. Deviating from the action plan approved by the Romanian government is not a one-off or isolated occurrence. Similarly, many other TSOs in the EU have requested exemptions from the action plans of their respective Member States. The procedure for granting those exemptions involved consultation with the other regulatory authorities in the EU, including ANRE.

Key categories of services provided. Transelectrica carries out regulated activities, primarily as a transmission and system operator, providing services related to the operation of the National Power System, including:

- the public electricity transmission service (operation, maintenance and development of the electricity transmission network);
- system services (reliable and stable system operation);
- management of the balancing market and related services (specific operational roles, including capacity measurement/allocation, where applicable);
- infrastructure and critical control centre functions (DEN/DET, EMS/SCADA) and associated operational support.

Given the nature of the Company, no significant services were introduced or discontinued during 2025.

Key markets. The Company operates in the regulated market for transmission and system services and in operational segments/markets related to its functions (for example, markets and mechanisms associated with balancing and interconnections). The main categories of service beneficiaries include relevant stakeholders in the energy sector (e.g. distribution operators, market participants, where applicable), within the regulatory framework established by ANRE. There were no significant changes in the markets/customer groups served during the period 2025.

Categories of services offered			Electricity markets	Customer categories
The National Grid Transmission and System Operator	Balancing Market Operator – OPE	Metering operator for the wholesale electricity market – OMEPA Metering Division	Administration of electricity markets	End customers – consumers
The electricity transmission network infrastructure	Balancing market platform	The metering system	The capacity allocation market for interconnection lines	
The dispatch infrastructure (EMS/SCADA – Energy Management System / Supervisory Control and Data Acquisition) being implemented within the Operational Unit – the National Energy Dispatch Centre (DEN) and the five Regional Dispatch Centres (DET)			The technology and systems services market	
Allocation of capacity on interconnection lines			Balancing market	
Green certificates			The spot market	
			The intraday market	
			The centralised market for bilateral electricity contracts	
			+The green certificate market	

Number of employees by geographical area

Number of Group employees by geographical region			
	Area	2024	2025
Transelectrica	Executive	503 people	492 people
	DEN	189 people	189 people
	STT Bacău	142 people	141 people
	STT Bucharest	198 people	195 people
	STT Cluj-Napoca	151 people	154 people
	STT Constanta	169 people	170 people
	STT Craiova	184 people	182 people
	STT Pitești	150 people	150 people
	STT Sibiu	155 people	159 people
	STT Timisoara	185 people	186 people
	TOTAL		2026 people
Teletrans	Executive	132	31 people
	Bacau	21	18 people
	Craiova	21	21 people

	Timisoara	19	19 people
	Cluj	10	18 people
	Constanta	9	9 people
	Pitesti	10	8 people
	Sibiu	20	11 people
	TOTAL	242 people	235 people
Smart	Executive	87 people	62 people
	SM Bacău	51 people	51 people
	SM Bucharest	32 people	63 people
	SM Cluj	54 people	55 people
	SM Constanta	73 people	70 people
	SM Craiova	70 people	72 people
	SM Pitești	71 people	69 people
	SM Sibiu	87 people	84 people
	SM Timisoara	75 people	74 people
		TOTAL	600 people
GROUP	TOTAL CONSOLIDATED	2868 people	2853 people

Breakdown of total revenue

OMFP		thousand RON	thousand RON
Types of activities	Income	31.12.2024	31.12.2025
Activities permitted to generate a profit:	Operating income: transmission and other revenue from the energy market: regulated tariff, other revenue from the energy market, interconnection	2,086,656	2,272,788
Activities permitted to generate a profit: Other income	Operating income: other income	280,518	102,172
Non-profit activities	Income from system services	571,078	564,253
Non-profit activities	Income from the balancing market	4,965,724	2,676,211
	Total	7,903,976	5,615,424

IFRS 8		thousand RON	thousand RON
Types of activities	Income	31.12.2024	31.12.2025
Activities permitted to generate a profit:	Operating income: transmission and other revenue from the energy market: regulated tariff, other revenue from the energy market, interconnection	2,086,656	2,272,788
Activities permitted to generate a profit: Other income	Operating income: other income	178,498	101,248
Non-profit activities	Income from system services	571,078	564,253
Non-profit activities	Income from the balancing market	4,965,725	2,676,211
	Total	7,801,956	5,614,500

Sustainability targets for services, customers, geographical areas and stakeholder relations. Sustainability targets are set out in strategic and planning documents (e.g. The RET Development Plan 2024–2033 and the Management Plan 2024–2028), and where quantified, they include KPIs and deadlines.

As part of the Electricity Transmission Network (RET) Development Plan for the period 2024–2033 – <https://www.transelectrica.ro/ro/web/tel/planul-de-dezvoltare-ret-2024-2033>, Transelectrica has identified a series of strategic investment projects aimed at modernising, expanding and increasing the efficiency of the electricity transmission infrastructure. These projects contribute to the security of supply for consumers, the integration of renewable energy sources (RES), the expansion of interconnection capacity and the reduction of grid losses.

At the same time, Transelectrica has set clear sustainability targets, which are included in the key performance indicators (KPIs) of the Management Plan and cover both energy efficiency and social equity.

Sustainability targets by service category	Electricity transmission service	Reducing transmission network losses	In accordance with the RET Development Plan 2024–2033
		Reducing internal energy consumption in power stations and administrative buildings	A reduction to 46,400 MWh for 2025, 46,300 MWh for 2026 and 46,200 MWh for 2027, in accordance with the KPIs set out in the Management Plan
		Increasing interconnection capacity with European energy systems	In accordance with the RET Development Plan 2024–2033
	System and balancing services	Optimising the National Grid's balancing mechanism through digital technologies and automation	In accordance with the RET Development Plan 2024–2033
		Implementation of smart grid solutions and the digitalisation of dispatch operations	In accordance with the RET Development Plan 2024–2033
	Sustainability targets by geographical area	Moldova	Integration of output from new power stations
Dobrogea		Integration of output from new power stations	In accordance with the RET Development Plan 2024–2033
South-West Region		Integration of power station output	In accordance with the RET Development Plan 2024–2033
Western Region (Banat, Crişana, Transylvania)		Increasing interconnection capacity and integrating generation from renewable energy sources	In accordance with the RET Development Plan 2024–2033
Muntenia and Bucharest-Ilfov		Integration of output from new power stations	In accordance with the RET Development Plan 2024–2033
Sustainability targets in relation to stakeholders	All stakeholders	Alignment with reporting in accordance with ESRS standards and the requirements of the European Taxonomy	In accordance with the RET Development Plan 2024–2033

		Increasing the uptake of training in sustainability and digitalisation	In accordance with the RET Development Plan 2024–2033
	Angajați	Reducing the gender pay gap	0.50% for 2025, 0.25% for 2026 and 0% for 2027, in accordance with the KPIs set out in the Management Plan

Assessment of significant services/markets in relation to sustainability objectives (gap assessment). A formal ‘gap analysis’ of significant services/markets in relation to sustainability objectives is currently being developed. For the 2025 report, the assessment is primarily qualitative, based on aligning the objectives and projects in the RET Development Plan/Management Plan with the identified thematic areas (including infrastructure resilience, energy efficiency, climate adaptation, governance and social aspects). The company plans to strengthen the methodological framework for quantitative assessments in the coming financial years.

The subsidiaries Teletrans and Smart generate added value for Transelectrica through their specialised activities, which are fundamental to the safety, reliability and operational efficiency of the national electricity transmission grid.

Teletrans, as a telecommunications and information technology operator, provides critical solutions for the digitalisation and security of Transelectrica’s infrastructure, supporting the continuous operation and optimisation of the national power system. Communications infrastructure and ICT services contribute to the stability and modernisation of the digital infrastructure in the energy sector.

Among the services provided by Teletrans to Transelectrica, those relating to the operations of the National Energy Dispatch Centre (DEN) constitute a distinct category. The strategic nature of DEN’s activities has also extended to IT&C services, with the aim of ensuring greater availability and providing services 24 hours a day, 7 days a week. To ensure the continuity of these services, Teletrans has organised its operations accordingly, with dedicated staff at each UNO DEN site (both at the National Energy Dispatch Centre and at the Regional Energy Dispatch Centres), operating on a 24-hour shift basis at these locations.

Providing high-availability IT&C services for the National Energy Dispatch Centre (DEN) is a key pillar in the transition towards a sustainable, digitalised and resilient energy system. The continuous operation of these services supports the efficient management of energy flows, contributing to the integration of renewable energy sources into the National Grid and to the optimisation of energy consumption. At the same time, by implementing advanced monitoring and cybersecurity solutions, Teletrans ensures the protection of critical infrastructure against emerging risks, maintaining the stability of the electricity grid and reducing the environmental impact.

On the other hand, Smart was established primarily to provide essential maintenance and repair services for the national energy infrastructure, playing a strategic role in ensuring the safety and continuity of the National Energy System (NES).

Smart carries out maintenance and repairs on Transelectrica’s facilities, thereby contributing directly to the resilience and operational continuity of the National Power System (NPS). This business model is underpinned by investments in predictive maintenance technologies, the

digitalisation of operational processes and resource optimisation, all of which are essential for managing sustainability-related risks.

Through its maintenance, repair and technical support services, Smart helps to reduce operational risks and improve the efficiency of the electricity grid. It also implements predictive maintenance technologies and digital solutions to optimise maintenance work and minimise environmental impact.

Strategic elements relevant to sustainability: future challenges, key solutions/projects. As part of its business model, Transelectrica actively contributes to the energy transition and the EU's sustainability goals, with the following priorities:

- the modernisation and expansion of transport infrastructure to facilitate the integration of renewable energy sources;
- increasing the resilience of infrastructure to climate and operational risks;
- improving energy efficiency through digitalisation and the implementation of automation solutions;
- reducing process losses and indirect emissions through investment in advanced equipment and infrastructure modernisation;
- developing interconnection capacity to improve the stability and security of the NES.

Transelectrica is implementing an integrated management system to ensure the efficient collection and management of the resources required for its operation and development.

Collection of resources and data	Development of infrastructure and technical solutions	Ensuring contributions through investment and corporate governance
Data on energy consumption, network losses, greenhouse gas emissions and infrastructure performance are collected using advanced digital systems (such as SCADA)	Investment projects for the modernisation and expansion of the network, included in the RET Development Plan 2024–2033	Transelectrica is accessing European and national funding for infrastructure development (the Upgrade Fund, RePowerEU)
Suitability analyses and forecasts of energy demand are carried out in order to anticipate investment needs	Smart grid technologies, voltage regulation devices and energy flow optimisation solutions are being implemented	We maintain an ongoing dialogue with stakeholders, including authorities, investors, local communities and strategic partners, to ensure transparency and efficiency in project development.
We maintain collaborative relationships with distribution operators and energy producers to ensure better integration of renewable energy sources	Pilot projects are being developed for digital networks (DigiTEL Alba Iulia, DigiTEL Green) to improve infrastructure monitoring and operational safety	

Transelectrica's business model is therefore built on the principles of efficiency, energy security and sustainability, and plays a vital role in the energy transition and the integration of renewables. Through a well-structured value chain and a proactive approach to the development of infrastructure and digital solutions, Transelectrica is consolidating its position as a strategic operator of the National Electricity System (NES), supporting the objectives of decarbonisation and modernisation of Romania's energy sector.

Description of the business model and value chain

Transelectrica acts as the transmission and system operator for Romania's national electricity system. The role of the TSO is defined by EU legislation and Romania's national electricity

legislation, including the secondary regulations issued by ANRE in its capacity as the national regulatory authority for the energy sector. Under national legislation, the transmission of electricity constitutes a public service of national interest. Operators of public services in the energy sector are subject to authorisation by ANRE. Transelectrica is subject to a set of public service obligations at national level, as laid down in legislation, its licence and other regulations issued by ANRE (e.g. the performance standard for the electricity transmission service and the system service). Other types of activities subject to authorisation within the electricity value chain include generation, distribution, storage, supply, trading, aggregation and the operation of centralised electricity markets. Transelectrica does not operate within these segments of the electricity sector, but participates in joint technical and commercial mechanisms alongside operators active in these segments, with a view to ensuring the functionality and efficiency of the entire sectoral framework within the electricity market.

From the perspective of the European requirements applicable to TSOs regarding the assurance of independence from the commercial interests of other participants/players in the energy market (generators, suppliers, traders, etc.) in accordance with the sectoral governance established at EU level, Transelectrica is certified under the 'ownership unbundling' model.

Transelectrica holds a monopoly at national level, being the only entity currently licensed to transmit electricity. Although EU and Romanian legislation contain provisions that do not preclude the existence of other entities acting as transport operators, to date no transport operator licences have been issued to other entities in Romania.

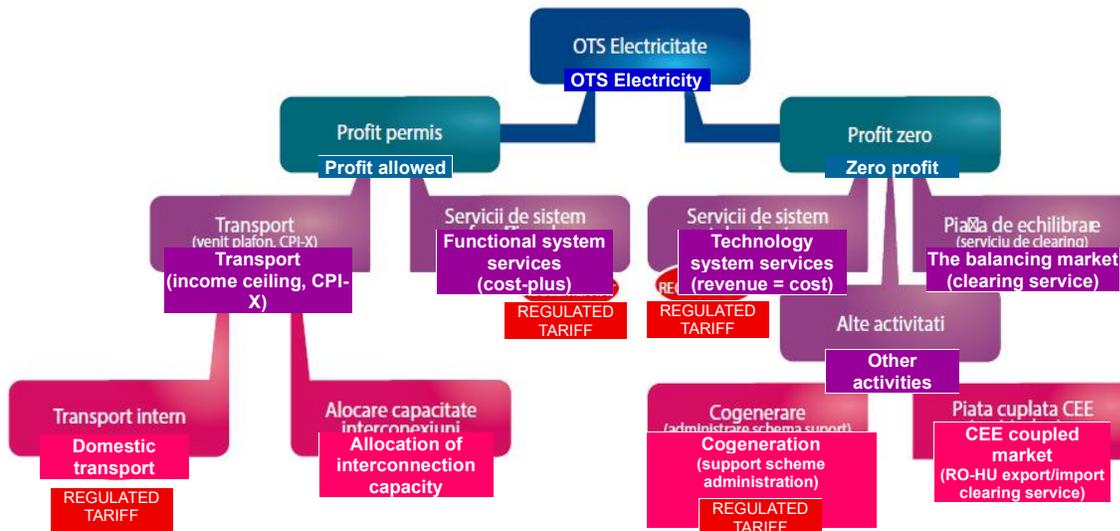
The strategy. Transelectrica's strategy is aligned with European decarbonisation targets, focusing on the modernisation of energy infrastructure, the integration of renewable energy sources and the improvement of energy efficiency. The company plays a key role in the energy transition, with its main priorities being the safe operation of the National Energy System (NES), investment in sustainable technologies and the digitalisation of operational processes.

Transelectrica's sustainability strategy therefore aims to optimise resource consumption, reduce its carbon footprint and adapt its infrastructure to new technological and climate-related requirements.

The business model. As part of its business model, Transelectrica contributes to the safe and efficient operation of the energy system by operating, maintaining and developing the transmission infrastructure and associated system functions. These contributions are supported by investments in modernisation and digitalisation, specialised human resources, operational capabilities (dispatching/monitoring) and institutional collaboration with authorities and system partners (including ANRE and ENTSO-E).

The collection and development of information relating to these contributions is based on internal monitoring and reporting mechanisms (e.g. operational and measurement systems, regular reports from the responsible units, performance indicators/KPIs), and the quality of the information is ensured through internal controls, checks/validations at the level of specialist functions and, where appropriate, through external verification as part of the limited assurance process.

Transelectrica operates under a regulated regime, deriving its revenue from transmission tariffs and system services set by ANRE. The company plays a key role in facilitating the integration of renewable energy sources, the digitalisation of the energy infrastructure and the reduction of environmental impact through investments in grid modernisation and advanced control and monitoring technologies.



**The tariffs charged by Transelectrica in connection with the regulated activities covered by the licence issued by ANRE are controlled by the Romanian state through the regulations established by ANRE. Given Transelectrica's monopoly position at national level, the Company's profitability is constrained by the ANRE regulatory framework through specific methodological guidelines applicable to the setting of regulated tariffs.*

*** Transelectrica has not declared any unregulated activities to ANRE.*

Current and anticipated benefits for customers, investors and other stakeholders.

Transelectrica, as Romania's sole transmission system operator (TSO), has made significant progress in modernising and developing the national electricity transmission infrastructure. Through a strategy focused on operational efficiency, the integration of renewable energy sources and sustainability, the Company delivers key benefits to customers, investors and other stakeholders, as follows:

1. Benefits for customers
 - improving the security and stability of the energy supply – modernising critical infrastructure and implementing digital systems;
 - facilitating the transition to renewable energy – integrating renewable energy generation and feeding a greater amount of green energy into the grid;
 - reducing transmission losses and optimising energy consumption – modernising substations and power lines, and installing modern voltage regulation equipment.
2. Benefits for investors
 - financial stability and predictability – a stable regulatory framework that ensures a predictable return on investment; access to European funds (the Upgrade Fund, RePowerEU) supports the implementation of investment projects without putting pressure on operational costs;
 - increasing the Company's value through strategic investments – over €639 million has been allocated to modernising the network, with major projects in interconnection, digitalisation and the integration of renewable energy;
 - increased transparency – the adoption of the European Sustainability Reporting Standards (ESRS) provides investors with greater insight into a company's ESG performance.
3. Benefits for other stakeholders (authorities, communities, employees)

- contribution to national energy security – increasing interconnection capacity helps to stabilise prices on the energy market, thereby benefiting both consumers and national authorities;
 - improving energy efficiency and protecting the environment – modernising infrastructure reduces the environmental impact;
 - promoting equity and diversity in the workplace – reducing the gender pay gap is a priority, with the aim of eliminating it entirely by 2027.
4. Expected benefits in the medium and long term
- for customers – a more stable, efficient and better-integrated network with renewable energy;
 - for investors – a more resilient company with robust governance aligned with ESG objectives.
 - for public authorities and communities – a modernised infrastructure that supports national energy transition and energy security objectives.

Progress towards these benefits is monitored, where appropriate, using operational and performance indicators (e.g. implementation of maintenance/investment plans, energy efficiency indicators, customer relationship indicators).

In terms of customer performance indicators, the category focuses on the retention rate—an indicator of the stability of commercial relationships and confidence in the services provided—and the satisfaction score, which reflects customers’ perceptions and experiences regarding the company’s performance. These indicators help to monitor operational efficiency and social responsibility, thereby reinforcing a sustainable and performance-oriented business model.

Customer retention rate

Category	Indicator	Raw data	Formula
Customer-related indicators	Customer retention rate	Total number of clients Number of new customers	$\text{Rata de retenție a clienților}_t = \frac{\text{număr de clienți}_t - \text{număr de clienți noi}_t}{\text{număr de clienți}_{t-1}}$

Indicator	2024	2025	2026	2027	2028
Customer retention rate	100%	100%	100%	100%	100%

Customer satisfaction

Category	Indicator	Raw data	Formula
Customer-related indicators	Customer satisfaction score	Total number of 4 and 5 ratings received (5 being the highest score) Total number of reviews	$\text{Scor de satisfacție clienți}_t = \frac{\text{total număr evaluări de 4 și 5}_t}{\text{total număr evaluări}_{t-1}}$

Indicator	2024	2025	2026	2027	2028
Customer satisfaction score	75.00%	75.00%	75.00%	75.00%	75.00%

Resource and Performance Management. Transelectrica is focusing on improving its operational and financial performance by implementing resource-saving and energy-efficiency policies, reducing losses, and introducing innovative solutions to integrate renewable energy more effectively into the grid.

In this regard, Transelectrica reports on resource management, the efficiency of their use and their environmental impact, including the use of performance monitoring technologies and measures to reduce the impact on biodiversity and the environment.

Stakeholder relationship management. Transelectrica must maintain an ongoing dialogue with stakeholders, including regulatory authorities, investors, consumers and environmental groups, to ensure that its operations comply with sustainability standards and regulations and meet their expectations. Transelectrica takes a responsible approach to engaging with and communicating with stakeholders.

Financial sustainability and corporate governance. Transelectrica must ensure long-term financial sustainability by implementing responsible financial practices and ensuring sound corporate governance. These are essential for maintaining a balance between profitability and social and environmental responsibility.

In this regard, Transelectrica places particular emphasis on transparent reporting, complying with the ESRS requirements and thereby ensuring a clear understanding of its sustainability performance.

Characteristics of the upstream and downstream value chains and the company's position within the value chain. Transelectrica plays a central role in the electricity value chain, within the transmission and system operations segment, operating under a regulated regime. As regards key commercial partners, Transelectrica works with a wide range of commercial partners and strategic partners who contribute to the operation, maintenance and development of the national electricity transmission infrastructure. These stakeholders play a vital role in ensuring the continuity and stability of NES, forming an integral part of the Company's value chain.

Upstream, the relevant interaction involves equipment and service providers and subcontractors who contribute to the modernisation and maintenance of the infrastructure. Downstream, the value chain consists of the provision of transmission and system services to distribution operators and other energy market participants, with end users being the indirect beneficiaries of these services, within the scope of the Company's role.

1. **Equipment and service providers** ensure the supply of essential resources for the operation, modernisation and security of the electricity transmission network. They form an integral part of the Group's operational processes, contributing to the achievement of strategic objectives and to maintaining the stability of the National Power System (NPS).

Suppliers play a vital role in expanding and modernising electricity transmission capacity by supplying state-of-the-art equipment. They help to reduce technical losses and optimise energy consumption, ensuring that the transport infrastructure operates more efficiently. At the same time, by delivering solutions that comply with European standards, suppliers are helping Transelectrica to meet regulatory requirements and make the transition to a more sustainable and efficient energy system.

2. **Subcontractors and construction workers** contribute directly to the development, modernisation and maintenance of the electricity transmission infrastructure. Their work

is essential to ensuring the continuity and security of the National Power System (NPS), making them key players in the Group's supply and operations chain.

Transelectrica Group's suppliers and partners play an active role in the development of the electricity grid, facilitating the integration of an increasing number of renewable energy sources into the National Power System. By supporting projects to expand interconnections with the energy networks of neighbouring countries, they help to enhance regional energy security and stability.

3. **End users.** The Group's relationship with customers and end users is defined by the provision of critical electricity transmission and balancing services, thereby facilitating access to a secure, reliable and sustainable grid.

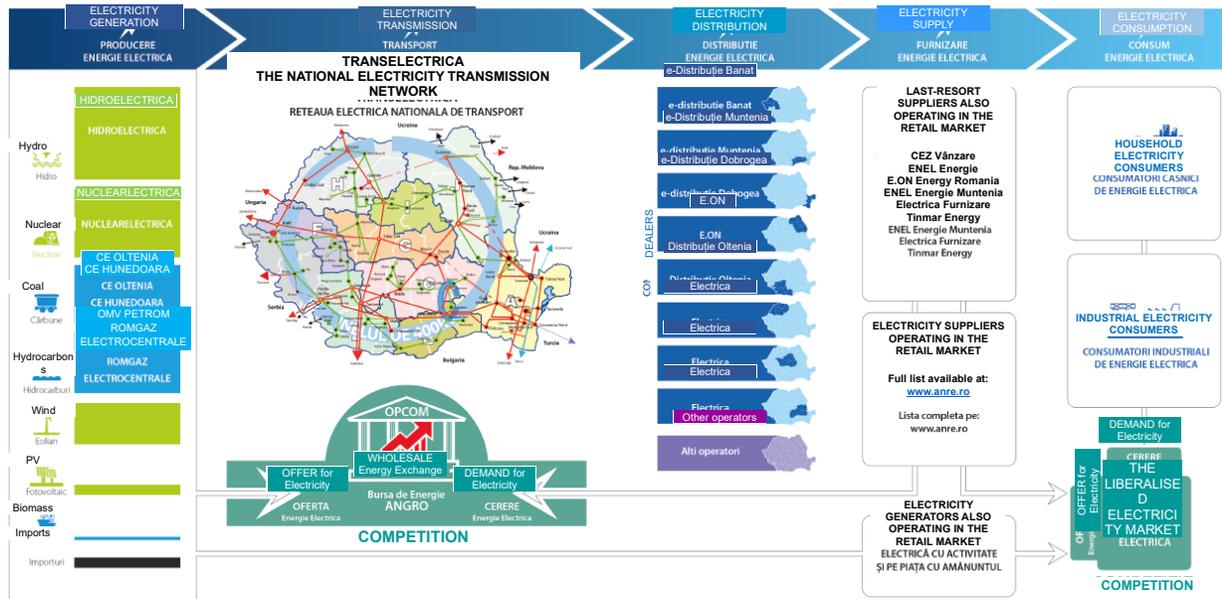
End users are all electricity consumers who benefit indirectly from the transmission and balancing of energy carried out by Transelectrica. End users are covered in the section 'Consumers and end users – ESRS S4'.

In conclusion, from an ESRS perspective, the Transelectrica Group's value chain consists of an extensive network of commercial stakeholders involved in Transelectrica's activities, each playing a vital role in the operation and development of the National Power System. By integrating these partners into the value chain, the company ensures Romania's energy security, improves operational efficiency and facilitates the transition to a sustainable energy system, in line with European decarbonisation and digitalisation objectives.

On the other hand, the route from producer to consumer comprises several specialised segments – energy generation (power stations of various types), energy transmission via high-voltage lines (Transelectrica – a regulated activity), energy distribution via high-voltage (at a lower voltage than that of the transmission operator), medium-voltage and low-voltage lines (a regulated activity) and energy supply (for which there is a regulated market and a free market). In addition, there is also trading activity, which involves buying and selling energy on various specialist markets.

Given Transelectrica's central role in the national energy infrastructure, the value chain identified within Transelectrica comprises the activities that generate value throughout the entire electricity transmission process, from generation to end consumers. These activities must be assessed from the perspective of economic, social and environmental sustainability.

The value chain therefore comprises activities that ensure an efficient, sustainable and responsible flow of energy from producers to consumers:



- a) **Energy production.** Although Transelectrica does not generate electricity, it is essential that it works in partnership with energy producers (conventional power stations, hydroelectric power stations, wind farms, solar farms, etc.) to ensure that the energy generated is efficiently integrated into the national grid. Sustainability considerations at this stage include compliance with environmental regulations and managing the impact on natural resources.
- b) **Electricity transmission.** Transelectrica transmits electricity via the high-voltage grid. Sustainability considerations at this stage include investment in infrastructure, the modernisation and maintenance of the electricity grid, energy efficiency and grid security. These activities are essential for ensuring reliable and sustainable energy transmission, as well as for minimising energy losses during transmission.
- c) **Distribution and delivery to consumers.** Although Transelectrica is not directly responsible for final distribution, it ensures the transmission of electricity to distribution operators, who will then supply it to end users. Ensuring a smooth transition between energy transmission and distribution to end users is essential.

In this regard, sustainability considerations require Transelectrica to work with distributors to support the transition to cleaner and more resource-efficient energy sources.

5. The interests and views of stakeholders (SBM-2)

Transparency and effective communication are essential pillars in building trustworthy partnerships, strengthening business relationships and ensuring strategic alignment between the parties involved.

The Transelectrica Group strictly adheres to the commitments it has made to investors, shareholders and all stakeholders, ensuring a transparent, open and consistent communication framework. Through sound corporate governance and responsible practices, the Group aims to strengthen stakeholder confidence by providing relevant and up-to-date information, thereby fostering a sustainable relationship based on professionalism, integrity and predictability.

Identifying and selecting interested parties

As part of our sustainability-focused management strategy, it is essential to engage a diverse range of stakeholders, whose expectations influence the Transelectrica Group’s activities, contribute to the achievement of its objectives and may, in turn, be affected by its decisions and operations.

Stakeholder groups play a vital role in supporting and ensuring the sustainable development of the Transelectrica Group, contributing both to its long-term stability and to the validation and implementation of its strategies and plans. The relationship between the Transelectrica Group and these stakeholders can only function effectively if their expectations and needs are taken into account and met to a reasonable extent. In this way, a mechanism of mutual support is created, whereby the Transelectrica Group receives support, whilst its partners maintain their trust in and commitment to the organisation.

As part of the annual review for the current reporting period, the Transelectrica Group has reaffirmed the stakeholder categories used in the previous year’s Sustainability Report.

As regards Transelectrica, the list of stakeholder categories remains unchanged from last year, as no changes have been identified that would require the introduction of new categories (e.g. structural changes to the business model, major reorganisations of the value chain, regulatory changes creating new categories of stakeholders, significant changes to the scope of activity or the type of projects).

Stakeholder category	Level of influence	Expectations	Terms of collaboration	Purpose	Stakeholder / User of the Sustainability Report
Shareholder	High	Operational performance; Financial stability and long-term profitability; Ensuring the security and resilience of critical infrastructure;	Active participation in the decision-making process (General Shareholders Meeting); Regular monitoring and reporting; Alignment of investment strategies	Ensuring sustainable and profitable growth; Maximising the return on investment; Maximising the return on investment;	User of the Sustainability Report
Integrated Management System	High	Sustainable financial and operational performance; Accelerated modernisation and digitalisation; Human resources development and retention;	Strategic decision-making and long-term planning; Performance monitoring and optimisation; Communication and transparency	The development and modernisation of energy infrastructure; The transition to a digitalised and sustainable	Indirect impact (performance liability, exposure to operational risk/ reputation-related)

Stakeholder category	Level of influence	Expectations	Terms of collaboration	Purpose	Stakeholder / User of the Sustainability Report
		Effective collaboration with stakeholders;	towards investors and stakeholders;	energy system; Enhancing operational resilience and security;	
Employees	High	Job security and stability; Modern working conditions and operational safety; A competitive salary package and attractive benefits; Professional development and opportunities for advancement;	Individual employment contract (CIM); Ensuring optimal health and safety conditions at work; Performance appraisal and reward system; Training and mentoring programmes;	Ensuring the safety and efficiency of the NES; Contributing to the modernisation and digitalisation of the energy infrastructure;	Affected – Working conditions, health and safety, professional development
Partners / Other TSOs in Europe	High	Interconnectivity and optimal interoperability; Exchange of best practices and technological innovation; Cyber security and the protection of critical infrastructure;	Active participation in international networks and associations; Partnerships in research and development projects; Transfer of know-how and best practices;	Creating an integrated and resilient European energy system; Strengthening the resilience of critical infrastructure;	Users of the Sustainability Report
ANRE	High	Compliance with regulations and energy legislation; Optimisation of the operation of the National Energy System (NES); Development and modernisation of energy infrastructure;	Establishing the regulatory and compliance framework; Regular monitoring and auditing; Approval of strategic investments; Ongoing reporting and information sharing;	Consumer protection and tariff transparency; Ensuring a secure and stable energy system; Enhancing the resilience of energy infrastructure;	User of the Sustainability Report
ASF/BVB	High	Robust corporate governance and compliance with capital market regulations; Transparency and accurate financial reporting;	Transparency and ongoing communication with investors (publication of periodic and interim reports); Compliance with regulations and reporting standards;	Creating a transparent business environment that is attractive to investors; Maintaining financial stability and the Company's value;	User of the Sustainability Report

Stakeholder category	Level of influence	Expectations	Terms of collaboration	Purpose	Stakeholder / User of the Sustainability Report
The Company's subsidiaries	High	Clear contracts and financial stability; Fair cooperation;	Service contracts and service level agreements (SLAs); Collaboration – Transfer of know-how and implementation of best practices;	Cost optimisation and improved operational efficiency; Digitalisation and securing of the energy transmission network;	Affected – Contractual stability, operational performance
Suppliers / Contractors	High	Stability and predictability in contractual relationships; Transparency in the procurement process; Adherence to payment terms and conditions; Flexibility and effective communication;	Transparent and competitive procurement processes; Contractual relationships	Building a sustainable and resilient supply chain	Affected – Delivery times, quality, compliance
Government	High	Ensuring national energy security; Developing and modernising energy infrastructure; The energy transition; Contributing to economic growth and job security;	Regulation and supervision by the Ministry of Energy and ANRE; Collaboration on strategic projects;	Ensuring a secure and sustainable energy system; Developing a modern energy infrastructure; Supporting economic development and the labour market;	User of the Sustainability Report
Energy market participants	High	Efficient operation and stability in electricity transmission; Fair and transparent access to transmission infrastructure; Fair tariffs and cost predictability; Development of interconnections and access to external markets;	Transparent allocation of transmission capacity; Providing a clear regulatory and reporting framework;	Ensuring a stable and competitive energy market; Facilitating the transition to a sustainable energy system; Increasing market transparency and accessibility;	Those affected – Access to infrastructure, prices, tariffs
Electricity producers / suppliers	High	The development and adaptation of the RET in line with industry trends, ensuring the system's suitability and	Transparent grid connection procedures; Collaboration with producers and distributors to adjust production;	Optimising infrastructure to support the development of the energy market	Affected – Network security, continuity of supply

Stakeholder category	Level of influence	Expectations	Terms of collaboration	Purpose	Stakeholder / User of the Sustainability Report
		maintaining operational safety			
International organisations/institutions (ENTSO-E, regional centres, etc.)	Average	Compliance with agreed obligations; Contributing to the development of policies and strategies adopted at ENTSO-E level; Adopting a sustainable operating model;	Active participation in ENTSO-E and regional centres; Exchange of information and best practices;	Improving the security and resilience of transmission networks; Ensuring a stable and integrated European energy system;	Users of the Sustainability Report
Trade unions	Average	Protecting employees' rights, ensuring fair working conditions and fostering a stable and motivating organisational environment	Negotiation and updating of the Collective Bargaining Agreement (CCM); Social dialogue and regular meetings; Involvement of trade unions in strategic decisions regarding human resources;	Creating a safe and motivating working environment; Stability and the protection of employees' rights;	Users of the Sustainability Report
Banks, financial institutions	Average	Financial stability and predictability; Adherence to financial commitments and fiscal discipline; Transparency in financial reporting and compliance with regulations;	Securing funding for strategic investments; Management of accounts and financial instruments	Optimising financing costs and managing capital efficiently; Developing long-term strategic financial partnerships;	Users of the Sustainability Report
Mass-media	Average	Transparency and rapid access to relevant information; Proactive and open communication with the press; Transparency in the event of	Publishing reports and press releases; Availability for interviews and official statements; Prompt	Increasing transparency and public trust; Preventing misinformation;	User of the Sustainability Report

Stakeholder category	Level of influence	Expectations	Terms of collaboration	Purpose	Stakeholder / User of the Sustainability Report
		crises or operational incidents;	management of crisis situations;		
NGOs	Small (with a tendency to grow in the new European context)	Adherence to the principles of sustainability and environmental protection; Transparency in strategic decisions and infrastructure investments; Public consultation and open dialogue with civil society; Respect for social rights and consideration of the impact on local communities;	Regular dialogue and consultation; Collaboration; Partnerships for environmental and social projects; Participation in international events and conferences;	Reducing environmental impact and protecting biodiversity; Promoting social responsibility and supporting local communities;	Affected – Social and environmental impact
The population (end consumers)	Small	Security and continuity of electricity supply; Keeping transmission and system tariffs as low as possible	Transparency and regular updates;	Ensuring a reliable and secure energy system; Stability of electricity costs;	Affected – Service continuity, prices, energy quality

The aim of engaging with stakeholders is to gather and validate information relevant to decision-making, anticipate risks and improve performance, including in reporting. The outcomes of the dialogue are taken into account by incorporating them into the double materiality assessment, the updating of risks and control measures, the establishment or adjustment of relevant policies and actions, and, where appropriate, strategic planning and the content of the Sustainability Report.

With regard to stakeholder consultation, the Transelectrica Group operated on two complementary levels in 2025:

I. Integrated Stakeholder Feedback System (SIF-PI)

The first phase was the **Integrated Stakeholder Feedback System (SIF-PI)**, through which the Transelectrica Group gathered opinions, comments and reports from all categories of stakeholders.

To this end, the Company has posted on its website (*Investor Relations section – Current Reports – 2025 Archive*, 09.10.2025, respectively https://www.transelectrica.ro/documents/10179/18229990/28+RC+Feedback+sustainability+report_p.pdf/7a309d0d-67aa-44eb-a0f8-a1b66cd4723f?version=1.0), the standard feedback form

and launched the invitation to public consultation on the Sustainability Report for the 2024 financial year via a Current Report published on 09.10.2025.

II. Specific consultation on ESG-related topics

The second phase focused on **specific consultation on ESG-related topics**, for which the Transelectrica Group has published a dedicated form on the Company's website, accessible to all stakeholders (section *Home* – *All news* – https://web.transelectrica.ro/noutati/lista_noutati.html). This form enabled stakeholders to express their views on the materiality of ESG issues, and the findings have been incorporated into the process of updating the double materiality analysis and into this Sustainability Report. The form has been published on the Company's website, where it is accessible to all interested parties without restriction, to ensure easy access to the consultation process.

Consequently, in 2025, the Transelectrica Group gathered and analysed the views of the main stakeholder groups through the public consultation accompanying the reporting process and via the questionnaire on ESG material issues, which was used to update the double materiality analysis. The aggregated results indicated a consistent focus on the continuity and security of the NES and on accelerating the modernisation/digitalisation of infrastructure, alongside environmental and social issues that were predominantly rated as moderate–significant or significant–very significant (e.g. energy efficiency/internal consumption, management of potentially polluting substances such as SF6 and waste; health and safety at work, work–life balance, social dialogue; ethical culture, corruption prevention and whistleblower protection).

These views were analysed as part of the due diligence process and/or the materiality assessment and were used to validate and, where appropriate, adjust the priorities in the double materiality analysis; they are reflected in the description of the impacts, significant impacts, risks and opportunities (IRO-1) and in the presentation of elements relevant to the strategy and business model in the sustainability report.

During the reporting period, the Transelectrica Group did not make any major structural changes to its strategy or business model driven solely by the interests and views of stakeholders, given that the Company's activities are predominantly regulated, and strategic directions are established through applicable planning and governance instruments (e.g., the RET Management Plan and Development Plan). However, feedback received through consultation channels is taken into account, particularly with a view to clarifying priorities, improving transparency and strengthening ESG performance reporting and monitoring processes.

In this context, the Group plans to gradually strengthen the way in which it incorporates relevant feedback into its internal processes (for example, when updating its double materiality analysis, defining or updating indicators, and planning actions relating to material issues).

As part of its planned additional measures, the Transelectrica Group intends to gradually formalise the processes for gathering and consolidating stakeholder feedback and to improve the mechanisms for reporting this internally over the course of the coming reporting periods, subject to available resources and changes in reporting requirements. These measures may lead to a more structured relationship with certain categories of stakeholders and to greater traceability of how their comments are reflected in reporting and, where appropriate, in actions, without anticipating any significant changes to the business model at this stage.

The Management Board and the Supervisory Board are informed of the views and interests of the affected stakeholders, as they relate to sustainability impacts, through this Sustainability Report.

As regards Teletrans and Smart, the list of stakeholder categories remains unchanged from last year, as no changes have been identified that would require the introduction of new categories (e.g. structural changes to the business model, major reorganisations of the value chain, regulatory changes creating new categories of stakeholders, significant changes to the scope of activity or the type of projects).

Teletrans		
Stakeholder category	Terms of collaboration	Stakeholder / User of the Sustainability Report
Transelectrica	Dividend distribution and maximising return on invested capital Ensuring transparency regarding the Company's activities Maintaining the level of achievement of profitability indicators	User of the Report (and indirect exposure via performance/dividends)
Stakeholders	Guidelines for stakeholder relations	Users of the Report
Company	Business continuity and the provision of services in accordance with the agreed quality standards Sustainable development, whilst maintaining profitability Transparency in decision-making and procedures	Affected
The most important client – Transelectrica	Ensuring the optimal functioning of the IT&C component of the parent company's operations Ensuring the smooth running of contractual relationships Continuously adapting the service package to new technological developments or legislative changes Crisis management	Directly affected (availability/quality of IT&C services)
Clients	Ensuring the availability and quality of the services provided in accordance with the agreed terms Streamlining contractual relationships	Directly affected (service quality/continuity)
The National Authority for Communications Administration and Regulation (ANCOM)	Compliance with the obligations arising from the licence issued Compliance with quality and performance standards for the services provided Participation in regulatory and standardisation initiatives Ensuring transparency in operations	Report user (regulation/compliance)
The Romanian State, represented by the General Secretariat of the Government, acting as the supervisory authority	The operation of the IT&C infrastructure supporting the national electricity transmission network and the system operator in a manner that ensures efficiency, security and profitability Implementation of the provisions of the SGG, and submission of all requested reports, analyses and documents.	Report user (regulation/compliance)
Agency for the Monitoring and Evaluation of the Performance of Public Enterprises (AMEPIP)	Compliance with corporate governance legislation for public enterprises	Report user (regulation/compliance)

Employees	Implementation of a human resources policy based on performance management Ensuring the professional development of employees by establishing coherent career paths and professional development programmes Incentivising employees financially through profit-sharing based on performance criteria	Directly affected (working conditions / development / remuneration)
Contractual partners (suppliers, service providers, etc.)	Streamlining procurement and contracting procedures Ensuring transparency in accordance with legal provisions Promoting principles of business ethics	Affected (contractual relationships / requirements / deadlines)

Smart				
Category	Key stakeholders	Interest in Smart	Engagement methods used	Stakeholder / User of the Sustainability Report
Regulatory and government authorities	ANRE, the Ministry of Energy, European bodies	Compliance with current legislation, energy network security, energy sustainability	Regular meetings, official reports, public consultations	Users of the Report (monitoring/compliance)
Shareholders and the parent company	Transelectrica	Financial and operational performance, efficiency of infrastructure maintenance and modernisation	Activity reports, strategic meetings, financial presentations	Report user (and indirect impact via performance/contracting)
Employees	Technical and administrative staff, trade unions	Working conditions, safety, opportunities for professional development	Internal surveys, training sessions, trade union meetings	Directly affected (working conditions/health and safety/development)
Suppliers and partners	Companies providing equipment, IT services and consultancy	Stability of commercial relations, compliance with contracts, quality of deliveries	Regular meetings, performance reviews, contract negotiations	Affected (contractual relationships/requirements/ deadlines)
Local communities and the general public	Residents of areas affected by the Smart project, environmental NGOs	Impact on the environment and the community, project transparency	Public consultation sessions, communication platforms, leaflets and local information	Affected (local environmental/social impact); Report users (for information purposes)
Academic and research institutions	Universities, research centres	Developing innovative technologies, promoting energy efficiency	Partnerships for research projects, work placements and joint conferences	Users of the Report (primarily)

6. Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM-3)

A description of the significant impacts, risks and opportunities. The significant impacts, risks and opportunities identified through the materiality assessment (DMA) relate primarily to Transelectrica's role as a transmission system operator and to the management of critical infrastructure (RET, substations/overhead lines, dispatch centres and IT/OT systems). In the area of its own operations, these focus in particular on: environmental impacts associated with the operation and maintenance of facilities (accidental pollution/management of substances and waste), impacts on biodiversity and land use resulting from construction works and the presence of infrastructure (including potential effects on species), as well as social impacts/risks related to occupational health and safety, skills and adaptation to digitalisation. In terms of risks, the relevant factors include operational and service continuity risks (malfunctions, breakdowns, extreme weather events), as well as compliance and regulatory risks.

With regard to cyber security risks, at the Teletrans subsidiary, the risk reassessment carried out in 2025 did not result in any risks being recorded in the 2025 Risk Register; consequently, cyber security risk does not appear as a separate risk in the company's register.

This situation is explained by the absence of any significant incidents recorded during the period under review and by the existence of a control and compliance framework (including the Information Security Management System – ISO/IEC 27001:2018, alongside the management systems in place), which helps to keep risks within manageable limits. In addition, the digitalisation and modernisation components (PNRR–REPowerEU), which include elements dedicated to cybersecurity and DNSH measures, support the strengthening of capabilities and the reduction of exposure.

At Group level, however, the matter remains under review through business continuity, cyber security and internal control mechanisms, and will be reassessed should there be any significant changes to the threat landscape, incidents or regulatory requirements.

In the upstream value chain, significant IROs are concentrated in relationships with contractors and suppliers involved in construction, maintenance, equipment and services (including the availability of treatment/recycling solutions and the risk of non-compliance with environmental and safety standards), as well as in technological dependencies relating to digitalisation and security.

In the downstream chain, risks and opportunities manifest themselves through their impact on the provision of transmission and system services to distribution operators and market participants and, indirectly, on end users, particularly in terms of service continuity and quality, the integration of renewable energy generation, and the modernisation and digitalisation of infrastructure and operational data exchanges.

The current and anticipated effects of IRO. The significant impacts, risks and opportunities identified through the DMA are already influencing – and are expected to continue to influence – investment prioritisation, maintenance planning, the digitalisation and securitisation of critical infrastructure (RET/DEN/IT-OT), as well as compliance within a highly regulated framework. Currently, these effects are reflected in the growing need to modernise, expand and strengthen the grid in order to integrate renewable energy sources and maintain operational safety, as well as in the need to strengthen cybersecurity measures and the digital capabilities required for operations and data exchange.

Within the value chain, these effects manifest themselves in the form of dependencies on suppliers/contractors (equipment, works, IT&C services) and increased requirements for coordination with system stakeholders (generators, DSOs, market participants) to ensure service continuity and the stability of the National Electricity System.

Transelectrica Group's response is primarily incremental (not a structural change to the regulated business model) and consists of reinforcing the strategic directions already adopted: accelerating investment programmes, digitalisation and cybersecurity, risk management and compliance, including through planning mechanisms (the Management Plan/RET Development Plan) and by monitoring performance via KPIs (e.g. internal electricity consumption and social targets such as reducing the pay gap), which are also used in the decision-making process. Looking ahead, the Group intends to continue along these lines through key modernisation and digitalisation projects, by strengthening internal controls and risk management, and by making targeted adjustments to policies and operational/contractual requirements, where necessary to address significant impacts and risks or to capitalise on opportunities (e.g. green finance and resilience projects).

Significant impacts of the Group. With regard to significant impacts, the Transelectrica Group has identified both positive and negative impacts, which stem primarily from its role as a transmission system operator and from its management of critical infrastructure (transmission networks, substations, overhead power lines, dispatch centres and IT/OT systems).

(i) Effects on people and the environment. The positive impacts are reflected in the contribution to the security and continuity of the energy supply, the facilitation of the integration of renewable energy sources, and the improvement of operational efficiency and system resilience. Negative impacts may affect the environment and people through the occupation or fragmentation of habitats and changes in land use associated with infrastructure and construction works, potential effects on biodiversity, as well as risks of accidental pollution and the management of substances and waste resulting from maintenance and interventions. In social terms, significant impacts are associated in particular with health and safety at work (e.g. exposure/accidents) and, where applicable, with temporary local effects in communities caused by the works (e.g. disruption, traffic, noise).

(ii) Link to the strategy and business model. These impacts are directly linked to the Group's strategy and regulated business model: the operation, maintenance and development of the transmission network and the provision of system services are essential activities for fulfilling the TSO's mandate, whilst the modernisation/digitalisation of infrastructure and the expansion of interconnection capacity are strategic directions that can amplify positive impacts (resilience, integration of renewables), but may also generate negative impacts associated with investment works (e.g. land use/biodiversity), if not managed appropriately.

(iii) Expected timeframes. Unintended negative impacts (e.g. environmental incidents, operational safety incidents) are generally short-term in nature, whereas infrastructure-related impacts (land use, biodiversity, fragmentation) can have medium- and long-term effects. The positive impacts associated with investment, modernisation and digitalisation (resilience, integration of renewables, efficiency) are mainly realised in the medium to long term, depending on investment and implementation cycles.

(iv) The nature of the connection through business activities and relationships. The Transelectrica Group is affected by significant impacts primarily through its own activities (infrastructure operation, maintenance and development; dispatch) and, in certain cases, through business relationships within the value chain (suppliers and contractors involved in construction

works, maintenance, equipment and IT&C services; subsidiaries supporting critical maintenance/telecommunications/training activities). The nature of these relationships is particularly relevant to the social and environmental impacts associated with work carried out by third parties, and to compliance and data/service quality risks; for this reason, they are taken into account when assessing and managing significant impacts, risks and opportunities.

Current financial effects. Based on the assessments available at the reporting date, the Transelectrica Group has identified that certain significant impacts, risks and opportunities may have current financial effects on the financial position, financial performance and cash flows, and may, in certain scenarios, give rise to a significant risk of adjustment to the carrying amounts of certain assets and/or liabilities in the next annual reporting period. These include, but are not limited to: (i) the exposure of infrastructure to extreme weather events and adverse climatic conditions, with potential implications for repair/maintenance costs, asset availability and, where applicable, their valuation; (ii) regulatory developments and compliance requirements with a potential impact on investments and the schedule for the replacement/modernisation of equipment and installations; (iii) cyber security risks associated with IT/OT infrastructure and critical systems, with potential effects on operational continuity and response/remediation costs.

The current financial effects and the associated accounting treatment of these items are reflected, where appropriate, in the financial statements for the period, depending on the nature and occurrence of the events (for example, through operating expenses, investments, adjustments or asset valuations), and the assessment of the risk of adjustments to carrying amounts is reviewed periodically as part of internal risk management processes and during financial closings. Should any relevant developments or events arise in the future, the Group will update the disclosures in the report and the references to the relevant notes in the financial statements accordingly.

The anticipated financial impact of significant risks and opportunities. In the 2025 financial year, Transelectrica applies the transitional provisions set out in Appendix C to ESRS 1 (as amended by Delegated Regulation (EU) 2025/1416) and, consequently, it omits entirely the disclosure of information regarding the anticipated financial effects of significant risks and opportunities on the financial position, financial performance and cash flows in the short, medium and long term, as a full quantification is not reasonably available at this stage. The company will gradually develop its capacity to assess and quantify these effects, including by linking them to investment plans and planned sources of funding, as internal processes and available data mature.

The resilience of Transelectrica's strategy and business model is analysed in terms of its ability to maintain the continuity of public transmission and system services, to manage the significant impacts and risks identified through the double materiality analysis, and to capitalise on the opportunities associated with the energy transition. The analysis is primarily qualitative, given the regulated nature of the activity and its role as critical infrastructure, and takes into account both internal factors (asset condition, operational and maintenance capabilities, digitalisation and cybersecurity, human resources and skills) and external factors (regulatory developments, extreme weather events, the pace of renewable energy integration, regional interconnection requirements and access to finance). This assessment draws on information from internal risk management and internal control processes (the risk register, action plans and periodic reports), as well as from relevant strategic documents (the RET Management Plan and Development Plan), in order to assess the robustness of existing measures and the need for adjustments.

The time horizons applied are in line with the ESRS definitions. In the short term, resilience is primarily underpinned by operational and control mechanisms (dispatching, maintenance, safety and continuity measures) and by the ability to respond to acute risks. In the medium term, resilience depends on the implementation of investment and modernisation programmes, the strengthening of digital and cybersecurity capabilities, and adaptation to regulatory requirements and climate risks. In the long term, resilience depends on the rate at which assets are renewed, the development of interconnections, and the adaptation of infrastructure to structural changes in the energy system (electrification, large-scale integration of renewable energy sources, flexibility and storage). At this stage, the Transelectrica Group does not provide an aggregate quantification of resilience; the analysis will be progressively refined, including through the development of quantitative indicators and ranges, as internal processes mature and data becomes available.

Significant changes in the IRO compared with the previous reporting period. Compared with the previous reporting period, the set of material IROs has been revised following an update to the double materiality analysis. Following a reassessment of materiality, the criteria applied and the available information, the list of material IROs was narrowed down by removing items that no longer met the materiality thresholds and by consolidating similar topics, in order to more accurately reflect the high-priority areas for the Company and its stakeholders.

To clarify the distinction between the standardised ESRS requirements and entity-specific additional disclosures, the Transelectrica Group states that significant IROs identified are reported primarily through the disclosure requirements set out in the relevant ESRS (ESRS 2 and applicable thematic standards). Where certain significant IROs are not adequately covered by the standardised requirements or require contextualisation specific to the role of a transmission system operator, the Group provides additional entity-specific disclosures, solely to supplement the understanding of the context, without superseding the mandatory requirements of the ESRS.

Comparison table of materials		
Theme 2024/2025	Theme 2025/2026	Explanations
Climate change – adapting to climate change	Climate change – adapting to climate change	-
Climate change – climate change mitigation	Climate change – climate change mitigation	-
Climate change - Efficiency	Climate change - Efficiency	-
Air pollution	Air pollution	According to the 2025 DMA, no significant air emissions have been identified; relevant risks may be associated with losses of insulating gases (SF6). Air pollution is limited and generated by auxiliary activities. The Company continuously monitors atmospheric emissions through contracts with specialized companies.

Water pollution	-	According to the DMA 2025, no significant operational discharges into water bodies have been identified; the relevant risks relate to accidental spills that may affect the soil and, in isolated cases, groundwater. To avoid duplication, these are reported under the consolidated heading 'Soil pollution' (E2) and through incident prevention/management measures, without a separate 'Water pollution' subsection in 2025/2026.
Soil pollution	Soil pollution	-
Water and marine resources – water consumption	-	According to the DMA 2025, ESRS E3 (Water and marine resources) is immaterial (monitoring), as there are no IROs on the shortlist; water consumption, abstraction and discharge are not significant to the business model. Consequently, this issue will not be addressed in 2025/2026 (it will continue to be monitored and reviewed annually).
Biodiversity and ecosystems – Key factors directly influencing the decline in biodiversity (Climate change)	-	According to the updated DMA, in the current year the sub-topic "climate change" is no longer treated separately under ESRS E4, as it was no longer identified as a distinct material sub-topic for biodiversity; climate-related effects are addressed predominantly under ESRS E1, while E4 retains the more direct impacts that are more specific to Transelectrica's activities.
Biodiversity and ecosystems – Drivers of direct impact on the decline in biodiversity (Land-use change)	-	According to the DMA 2025, the sub-theme in ESRS E4 – 'Land-use change' (a key driver of direct impacts on biodiversity loss) – was assessed as non-material (under monitoring), as no significant IROs associated with it were identified in the shortlist. Under Transelectrica's business model, works and investments mainly involve modernisation and technological upgrades at existing sites and along existing corridors, and situations that would involve significant changes in land use are limited and are managed through the applicable authorisation framework (approvals/permits and environmental conditions), without exceeding the materiality thresholds established for reporting.
Biodiversity and ecosystems - Pollution	Biodiversity and ecosystems - Pollution	-
-	Biodiversity and ecosystems – Impacts on the condition of species – Species population size	The topic is material in the current year following the explicit identification of the impact of overhead power lines on avifauna, through collision and electrocution risks, with a potential effect on the population size of the affected species; in the previous year, this impact was not treated separately.
Circular economy – Resource inputs, including resource use	Circular economy – Resource inputs, including resource use	-

Circular economy – Resource flows associated with products and services	Circular economy – Resource flows associated with products and services	-
Circular economy - Waste	Circular economy - Waste	-
In-house workforce - Working conditions (Safe workplaces)	In-house workforce - Working conditions (Safe workplaces)	-
Own workforce - Working conditions (Working hours)	-	According to the DMA 2025, the materiality for S1 is determined primarily by occupational health and safety and skills; issues relating to working hours are considered to be addressed through the legal framework and existing mechanisms.
Own workforce – Working conditions (Fair pay)	-	According to the DMA 2025, the materiality for S1 is primarily determined by occupational health and safety and skills; issues relating to fair pay are considered to be addressed through the existing legal framework and mechanisms.
Own workforce – Working conditions (Social dialogue)	-	According to the DMA 2025, the materiality for S1 is determined primarily by occupational health and safety and skills; social dialogue issues are considered to be addressed through the legal framework and existing mechanisms. In 2025/2026, the information is presented in an integrated manner (e.g. under requirement S1-8 / HR processes), without a separate sub-section in the comparative table.
In-house workforce – Working conditions (Freedom of association, the existence of works councils, and workers' rights to information, consultation and participation)	-	According to the DMA 2025, no significant IROs specific to freedom of association or works councils have been identified (these are covered by labour legislation and current practices). In 2025/2026, this topic is addressed in the context of governance and employee engagement processes, without a separate presentation on the sub-sub-theme.
Own workforce – Working conditions (Collective bargaining, including the proportion of workers covered by collective agreements)	-	According to the DMA 2025, collective bargaining is a stable issue, covered by collective agreements and the legal framework, with no significant variations or risks identified in the IRO's shortlist. In 2025/2026, the relevant information is reported on an aggregate basis (S1–8), which is why this sub-theme is not detailed separately.
In-house workforce - Working conditions (Work-life balance)	In-house workforce - Working conditions (Work-life balance)	-
In-house workforce - Working conditions (Health and safety)	In-house workforce - Working conditions (Health and safety)	-
In-house workforce – Equal treatment and equal opportunities for all (Gender equality and equal pay for work of equal value)	-	According to the DMA 2025, no significant IROs specific to gender equality and equal pay for work of equal value have been identified

In-house workforce – Equal treatment and opportunities for all (Training and skills development)	In-house workforce – Equal treatment and opportunities for all (Training and skills development)	--
In-house workforce – Equal treatment and opportunities for all (Employment and inclusion of people with disabilities)	-	According to the DMA 2025, no significant IROs specific to the employment and inclusion of people with disabilities have been identified
In-house workforce – Equal treatment and opportunities for all (Measures against violence and harassment in the workplace)	-	According to the DMA 2025, no significant IROs specific to measures against violence and harassment in the workplace have been identified
In-house workforce – Equal treatment and opportunities for all (Diversity)	In-house workforce – Equal treatment and opportunities for all (Diversity)	-
In-house workforce - Other employment-related rights (Privacy)	-	According to the DMA 2025, privacy has not given rise to any material IROs; it is managed as a compliance requirement (GDPR, IT/HR policies) and not as a separate ESRS reporting topic. It will therefore not be addressed in 2025/2026.
Workers in the value chain – Working conditions (Safe workplaces)	-	According to the DMA 2025, no significant IROs specific to safe working conditions for workers in the value chain have been identified; materiality for S2 is determined primarily by occupational health and safety.
Workers in the value chain – Working conditions (Working hours)	-	According to the DMA 2025, no significant IROs specific to the working hours of workers in the value chain have been identified; materiality for S2 is determined primarily by occupational health and safety.
Workers in the value chain – Working conditions (Fair wages)	-	According to the DMA 2025, no significant IROs specific to fair wages for workers in the value chain have been identified; materiality for S2 is determined primarily by occupational health and safety
Workers in the value chain – Working conditions (Social dialogue)	-	According to the DMA 2025, S2 is material in terms of the risk of non-compliance within the value chain; however, social dialogue with suppliers/contractors is not within its direct control and was not considered relevant for reporting purposes. The issue is addressed through contractual clauses and due diligence, with no specific disclosures in 2025/2026.
Workers in the value chain – Working conditions (Freedom of association, including the existence of works councils)	-	According to the DMA 2025, the sub-theme of freedom of association/works councils for workers in the value chain is not material, given the nature of the contractual relationships and the absence of any significant identified IROs. Monitoring is carried out through compliance requirements

		included in the selection and evaluation of contractors.
Workers in the value chain – Working conditions (Collective bargaining)	-	According to the DMA 2025, no material IROs relating to collective bargaining have been identified for workers in the value chain, and the availability of data is reasonably limited. In 2025/2026, the approach will be based on contractual requirements and compliance mechanisms, without separate reporting.
Workers in the value chain – Working conditions (Health and safety)	Workers in the value chain – Working conditions (Health and safety)	-
Workers in the value chain – Equal treatment and equal opportunities for all (Gender equality and equal pay for work of equal value)	-	According to the DMA 2025, the material IRO for S2 focuses on contractors’ basic compliance (SSM/environment), not on specific indicators relating to gender equality and pay at supplier level. Consequently, it will not be addressed in 2025/2026 (monitoring through procurement criteria/due diligence, where relevant).
Workers in the value chain – Equal treatment and opportunities for all (Training and skills development)	-	According to the DMA 2025, training and skills development are primarily relevant to the company’s own workforce (S1), whilst for workers in the value chain, this sub-theme is not relevant from the perspective of control and available data. In 2025/2026, this is not reported separately.
Workers in the value chain – Equal treatment and opportunities for all (Employment and inclusion of people with disabilities)	-	According to the DMA 2025, the sub-theme of the inclusion of people with disabilities in the value chain is not material (lack of significant IROs and limited influence over suppliers’ internal practices). It will therefore not be addressed in 2025/2026.
Workers in the value chain – Equal treatment and opportunities for all (Measures against violence and harassment in the workplace)	-	According to the DMA 2025, no material IROs relating to violence and harassment in the workplace within the value chain have been identified. Monitoring is carried out through a code of conduct, contractual clauses and reporting mechanisms, with no specific disclosures in 2025/2026.
Workers in the value chain – Equal treatment and opportunities for all (Diversity)	-	According to the DMA 2025, diversity issues are material for the organisation’s own workforce (S1), whilst for the value chain they are classified as immaterial (limited control and no significant IROs). In 2025/2026, this is not reported separately.
Workers in the value chain – Other employment-related rights (Privacy)	-	Under the DMA 2025, confidentiality for workers in the value chain is not a material sub-theme of the ESRS; it is addressed through confidentiality clauses and data

		protection requirements in contracts. It will not be addressed in 2025/2026.
Affected communities – Economic, social and cultural rights of communities (Land-related impacts)	Affected communities – Economic, social and cultural rights of communities (Land-related impacts)	-
Affected communities – The economic, social and cultural rights of communities (Security-related impacts)	-	According to the DMA 2025, security-related impacts are not material as a sub-theme of the ESRS;
Affected communities – Civil and political rights of communities (Freedom of expression)	-	According to the DMA 2025, S3 relates to economic, social and cultural rights (land-related/security impacts), whilst civil and political rights (e.g. freedom of expression) have not been identified as material human rights issues relevant to the Group’s activities. It will therefore not be addressed in 2025/2026.
Affected communities – Civil and political rights of communities (Freedom of assembly)	-	According to the DMA 2025, interactions with communities mainly concern impacts relating to land and safety; no significant IROs regarding restrictions on freedom of assembly have been identified. Consequently, it will not be addressed in 2025/2026.
Affected communities – Civil and political rights of communities (Impact on human rights defenders)	-	According to the DMA 2025, no contexts or activities have been identified that pose significant risks to human rights defenders. The 2025/2026 report focuses on the material S3 impacts (land/safety).
Consumers and end-users – Impacts relating to information for consumers and/or end-users (Privacy)	-	According to the DMA 2025, ESRS S4 is non-material (monitoring), as there are no IROs on the shortlist; furthermore, the business model is predominantly B2B/regulated, with no direct interaction with end consumers within the meaning of the ESRS. In 2025/2026, this will not be reported separately (monitoring will continue through operational processes).
Consumers and end-users – Impacts relating to information for consumers and/or end-users (Freedom of expression)	-	According to the DMA 2025, ESRS S4 is non-material (monitoring), and no relevant IROs have been identified in relation to the freedom of expression of consumers/end-users. In 2025/2026, this will not be reported separately, as it will be monitored through operational channels (business continuity/communication).
Consumers and end-users – Impacts relating to information for consumers and/or end-users (Access to information)	-	According to the DMA 2025, ESRS S4 is non-material (monitoring), and access to (high-quality) information for consumers/end-users has not been assessed as a material IRO. In 2025/2026, this will not be reported separately (annual monitoring and review).
Professional conduct - Corporate culture	Professional conduct - Corporate culture	-

Professional conduct – Protection of whistleblowers	Professional conduct – Protection of whistleblowers	-
Professional conduct – Managing supplier relationships, including payment practices	-	According to the DMA 2025, G1 relates to professional conduct (integrity, anti-corruption, protection of whistleblowers); the management of supplier relationships and payment practices did not give rise to any material IROs. In 2025/2026, these are covered by internal controls and procurement procedures, with no specific disclosures.
Professional conduct – Corruption and bribery – Prevention, detection, including training	Professional conduct – Corruption and bribery – Prevention, detection, including training	-
Professional conduct – Corruption and bribery – Incidents	Professional conduct – Corruption and bribery – Incidents	-

7. Management of impacts, risks and opportunities (IRO-1, IRO-2, MDR-P, MDR-A, MDR-M, MDR-T)

Description of the process for identifying and assessing significant impacts, risks and opportunities (IRO-1)

In accordance with the ESRS requirements regarding the management of significant impacts, risks and opportunities, Transelectrica has developed a structured process for identifying, assessing and monitoring these, based on a double materiality analysis and the principles of due diligence.

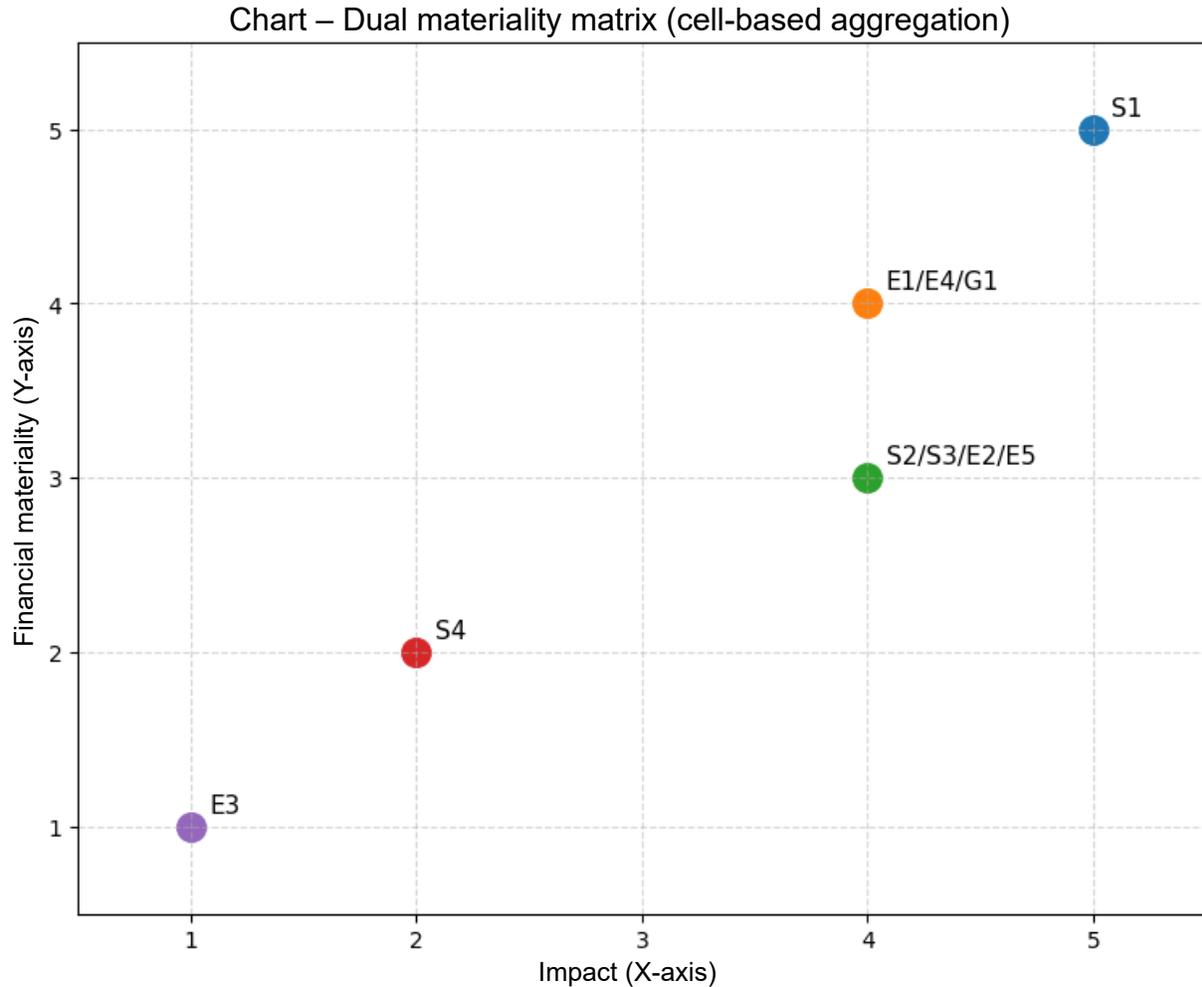
At Group level, a risk- and opportunity-based approach is a key element of the integrated management system. This approach conserves resources, maximises operational efficiency and ensures the organisation is well-positioned to meet future challenges. The process of identifying and assessing impacts, risks and opportunities within Transelectrica is based on the following methodologies and assumptions:

Double materiality analysis	Assessment of the likelihood and severity of impacts	The adoption of international standards
The impacts on the environment and people (impact materiality) and the financial effects on the Company (financial materiality) are assessed	Quantitative and qualitative methods, including scenario modelling and risk analysis, are used to determine the significance of each impact	The impact assessment is carried out in accordance with ISO 14001:2015 (environmental management), ISO 45001:2023 (occupational health and safety) and the ESRS Standards
The analysis covers both the risks that could lead to negative consequences and the opportunities that could bring strategic and operational benefits	Factors relating to regulation, climate change, social sustainability and corporate governance are taken into account	

The final matrix

Caption:

- **P1 – Priority 1** (materially high)
- **P2 – Priority 2** (materially average)
- **M – Monitoring**



Materiality threshold	Financial materiality threshold
Priority 1 scoring: 13–16, inclusive – raised material	10,000,000 RON
Priority 2 score: 9–12, inclusive – average material	5,000,000 - 9,999,999 RON
Monitoring score: 4–8, inclusive – are treated at the monitoring level, low level	>5,000,000 RON

Stakeholder feedback was taken into account during the update of the double materiality analysis by collating and discussing the results in internal meetings with the relevant departments. During the evaluation phase, the comments received were used as a means of validation, and where themes received the highest scores in stakeholder feedback, these were given priority in the scoring process and in finalising the list of significant issues/IROs.

Significance thresholds and classification criteria (low/medium/high) are used to prioritise IROs and to determine which ones are treated as significant in reporting, in conjunction with the double materiality analysis. The assessment of financial risks and opportunities is carried out over short-, medium- and long-term time horizons, in accordance with the ESRS definitions, and the assumptions used are reviewed annually or whenever relevant changes in the context arise.

The process of identifying and assessing potential and actual impacts on the environment and people within the Transelectrica Group is carried out using a structured approach comprising several key stages. Firstly, an analysis of high-risk areas is carried out, focusing on activities that generate significant impacts—such as electricity transmission, which can affect biodiversity and greenhouse gas emissions, the management of SF6-containing equipment, a gas with high global warming potential, and the construction and maintenance of the high-voltage grid, which can lead to deforestation or accidental pollution. Another important step is the analysis of direct and indirect impacts, in which the Transelectrica Group assesses both the effects of its own operations and those resulting from its collaborations with partners in the value chain.

The Transelectrica Group is analysing operational, environmental and social impacts in order to identify the financial risks and opportunities that may arise as a result. This approach incorporates:

- the link between risks and operational dependencies – for example, dependence on strategic resources, such as SF6-based equipment, gives rise to financial risks due to potentially stricter regulations or replacement costs;
- impact on the value chain – risks relating to the supply of critical equipment may lead to delays in infrastructure investment and may affect financial performance;
- the interdependence between sustainability and economic performance – climate-related risks, such as extreme weather events, can affect the electricity grid and lead to additional maintenance and repair costs;
- opportunities arising from the energy transition – increasing the share of renewable energy in the grid and developing smart infrastructure bring long-term benefits in terms of reducing losses and optimising energy transmission.

An overview of the process for identifying, assessing, prioritising and monitoring potential and actual impacts. The process of identifying, assessing, prioritising and monitoring potential and actual impacts on people and the environment is based on the principle of due diligence and is integrated into the double materiality analysis. In practice, this includes: (1) identifying activities and situations that generate an impact (operations, maintenance, investments), (2) assessing actual and potential impacts, (3) prioritising negative/positive impacts and determining material aspects for reporting, and (4) monitoring through internal mechanisms (reporting, KPIs where defined, registers/action plans), with periodic review and updating in line with changes in context.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS E1	Climate change	Adapting to climate change		risk	Climate change and extreme weather events – such as storms or droughts – can affect the stability of infrastructure, impacting local ecosystems and creating operational risks
		Climate change mitigation Climate change mitigation		opportunity	Increasing access to sustainable finance: adopting measures to reduce environmental impact can facilitate

					access to European funds and green financing schemes
		Mitigating climate change		opportunity	Technological innovation: developing high-performance/advanced solutions for emissions control and pollution management can position the company as a leader in sustainability within the energy sector
		Mitigating climate change		impact	Positive impact: reducing pollution and protecting the environment by monitoring emissions and using less polluting technologies
		Mitigating climate change		opportunity	Technological opportunities: investment in cleaner and safer technologies, helping to reduce the environmental impact; the adoption of innovative solutions for managing greenhouse gas emissions
		Mitigating climate change		impact/opportunity	Reducing GHG emissions: by developing renewable energy infrastructure, Transelectrica is helping to achieve Romania's and the EU's climate targets
		Mitigating climate change		risk	Additional costs: the need to implement new, less polluting technologies; investments that may lead to higher operating costs
		Mitigating climate change		opportunity	The implementation of pollution monitoring and prevention solutions may improve environmental performance and alignment with European standards.
		Efficiency		risk	Technological risks: should strategic investments be delayed or fail, Transelectrica could face difficulties in achieving its energy efficiency and emissions reduction targets
		Efficiency		opportunity	Reducing operational costs: optimising energy consumption and implementing energy-efficient technologies will reduce costs in the long term
ESRS E2	Pollution	Soil pollution		impact	Impact on the soil: accidental spills of insulating oil and fuels from electrical equipment or machinery may contaminate the soil

		Soil pollution		risk	Technological/operational risks: equipment failures that may lead to accidental leaks of hazardous substances, affecting compliance with environmental legislation
		Soil pollution		impact	Impact on the soil – accidental spills of mineral oils, SF6, hazardous chemicals or other industrial waste can contaminate the soil, affecting local ecosystems and the quality of natural resources
		Soil pollution		impact	Soil pollution – accidental spills of industrial oils, fuels and chemicals used in equipment can contaminate the soil, affecting biodiversity and ecosystems
		Soil pollution		risk	Operational and environmental risks: accidental leaks of hazardous substances (e.g. oils, SF6), with a negative impact on the environment
ESRS E4	Biodiversity and ecosystems	Factors determining the direct impact on biodiversity loss	Land use change, freshwater use change and marine use change	impact	Fragmentation of natural habitats – the construction and maintenance of overhead power lines (OPLs) and substations require deforestation and land alterations, which can affect the continuity of habitats for various species of animals and plants
				impact	Impact on biodiversity – the generation of hazardous waste or materials that are slow to degrade can affect natural habitats, particularly in areas where construction and maintenance work is taking place
			Pollution	impact	Noise and electromagnetic pollution – the generation of noise and electromagnetic fields from high-voltage power lines may affect wildlife behavior and the quality of natural habitats.
			Population size of the species	impact	Bird collisions and electrocution – Power lines pose a danger to migratory birds and other species that use flight paths, as there is a risk of collisions or electrocution

ESRS E5	Circular economy	Resource inputs, including resource use		opportunity	Improving the efficiency of maintenance activities through environmentally friendly practices – such as optimising service routes, using recyclable materials and promoting the circular economy – can reduce operational costs and environmental impact.
		Resource inputs, including resource use Waste		impact	High resource consumption and economic losses – inefficient waste disposal can lead to financial losses and the inappropriate use of resources, undermining the Company's economic sustainability
		Resource inputs, including resource use		risk	Supply chain risks – the availability of effective solutions for recycling and recovering waste materials may be limited, which makes it difficult to implement sustainable practices within the company
		Resource outputs related to products and services		risk	Financial and operational risks – the high costs of storing and treating hazardous waste, as well as managing decommissioned equipment, may have a negative impact on the Company's budget
		Waste		risk	Environmental risks – improper management of waste from decommissioned equipment (e.g. conductors, insulators, oil-filled transformers) may have adverse effects on local ecosystems
		Waste		risk	Risks of non-compliance with legislation – changes to waste management regulations may impose stricter requirements for recycling and disposal, necessitating additional investment to ensure compliance
		Waste		risk	Reputational and image risks – poor waste management, involving incidents of pollution or failure to comply with environmental regulations, can damage the public's perception of the company and result in penalties from the authorities

ESRS S1	In-house workforce	Working conditions	Secure jobs	impact/risk	Negative impacts: potential workplace accidents, operational pollution, operational disruptions, adverse effects on biodiversity in areas with electrical infrastructure
				impact	Positive impact: improving employee safety through safer working conditions and the prevention of workplace accidents
			Work-life balance	risk	Staff shortages in certain technical fields – if working conditions are not attractive, it may become difficult to recruit and retain the specialists who are essential to the system's operation
				opportunity	Creating a more attractive and inclusive working environment – modernising workplace infrastructure, adopting flexible policies and supporting a healthy work-life balance can improve employee satisfaction
			Health and safety	risk	Health and safety at work – the technical nature of the work involves high operational risks, which necessitates strict measures to protect employees and improve working conditions
				impact	The need to comply with strict health and safety standards at work – national and European regulations require compliance with specific rules for the prevention of workplace accidents and occupational diseases
				opportunity	Improving health and safety standards – by introducing new technologies, modern protective equipment and prevention programmes, accidents and occupational illnesses can be reduced
				opportunity	Continuous improvement of workplace safety and increased operational efficiency
				impact	The impact of working conditions on productivity and employee satisfaction – a safe, ergonomic and well-organised working environment contributes

					to staff motivation and retention, whilst inadequate conditions can lead to a decline in performance and increased absenteeism
				impact/risk	Negative impacts: potential workplace accidents, accidental pollution, operational disruptions, adverse effects on biodiversity in areas with electrical infrastructure
		Equal treatment and equal opportunities for all	Training and skills development	impact	The impact of digitalisation on the workplace – the introduction of new technologies can change the way we work, requiring adaptation to automated processes and the use of modern equipment
				opportunity	Improving efficiency through digitalisation and automation – reducing repetitive manual tasks and utilising advanced technologies can optimise processes and improve workplace safety
			Diversity	opportunity	Promoting diversity and enhancing our appeal as an employer – Implementing programmes focused on inclusion and equal opportunities can help attract and retain a diverse and talented workforce
				impact	Ensuring equal treatment and equal opportunities for all employees contributes to an organisational culture based on respect, diversity and inclusion
ESRS S2	Workers in the supply chain	Working conditions	Health and safety	risk	Integrity, anti-corruption, reputational risk, legal compliance, potential impact on investments and the cost of capital
ESRS S3	Affected communities	The economic, social and cultural rights of communities	Impacts relating to soil	risk	Risks relating to relations with local communities – changes to the environment may lead to social discontent and opposition from communities affected by energy infrastructure

			Impacts relating to soil	impact	Impact on the environment and community land – The construction of high-voltage power lines and substations can affect communities through land take, changes to the landscape and potential nuisances (e.g. background noise or concerns about electromagnetic fields). These impacts are managed through public consultation, environmental studies and measures to minimise disruption, in order to safeguard the quality of life in local communities
G1	Professional conduct	Corporate culture		risk	Integrity, anti-corruption, reputational risk, legal compliance, potential impact on investments and the cost of capital
		Protection of whistleblowers			
		Corruption and bribery	Prevention, screening, including training		
			Incidents		
Entity-specific	Pollution		Air pollution	risk	Legal risks: exceeding the statutory noise limits or failing to comply with environmental protection regulations may result in penalties from the authorities
	Professional conduct	Corporate culture		risk	Loss of Integrated Management System certification

(i) *Focusing on high-risk areas/activities.* The process focuses primarily on activities and factors that may give rise to an increased risk of adverse effects, such as the operation and maintenance of transport infrastructure, modernisation/expansion works, the management of substances with potential environmental impact (e.g. specific equipment), as well as on relevant geographical/technical contexts (e.g. areas sensitive in terms of biodiversity, areas exposed to extreme weather events, sites with environmental constraints or in close proximity to communities).

(ii) *Addressing the impacts arising from its own operations and business relationships.* The analysis covers impacts in which the Group is involved both through its own operations (operation, dispatch, maintenance, investment) and as a result of its business relationships (e.g. contractors/subcontractors for works, suppliers of equipment and services), to the extent that these relationships may contribute to adverse effects on people or the environment.

(iii) *Consultation with stakeholders and external experts.* The results of the stakeholder consultation are incorporated into the double materiality analysis through a process of collation, structuring and reflection in the final assessment. The comments received are collected and aggregated, then categorised under the relevant themes (in line with the ESRS/AR16 framework), so that they can be compared with the preliminary list of impacts, risks and opportunities and with the available internal information. On this basis, the feedback is used to validate and, where

necessary, adjust the materiality assessment (for example, to confirm priorities, clarify exposures and fill in gaps), and the results are reflected in the double materiality matrix and in the final list of material IROs underpinning the reporting.

(iv) Setting priorities and thresholds/criteria. Negative impacts are prioritised based on severity (including magnitude, scope and difficulty of remediation, where applicable) and the relative likelihood of potential impacts; positive impacts are assessed based on magnitude/scope and likelihood. To identify material issues for reporting purposes, qualitative and quantitative thresholds and criteria are used, including an internal rating scale (e.g. 1–3 for likelihood and impact) and classification rules (low/medium/high), which support the final selection of material topics/impacts and the prioritisation of response measures.

An overview of the process used to identify, assess, prioritise and monitor risks and opportunities. The process used by the Transelectrica Group to identify, assess, prioritise and monitor risks and opportunities with financial implications is integrated into the Group's risk management framework and is aligned with the double materiality analysis. In operational terms, this involves: identifying sources of risk and opportunity associated with regulated transmission and system activities; assessing their potential impact on the financial position, financial performance and cash flows; prioritising them according to significance; and monitoring them through risk registers, action plans and periodic reporting, with annual review and whenever relevant changes in the context occur.

(i) The link between impacts/dependencies and financial risks/opportunities. The Transelectrica Group takes into account the link between its impacts and dependencies (for example, dependence on critical infrastructure and the safe operation of the National Electricity System, IT/OT technological dependencies, dependencies on suppliers and contractors, exposure to extreme weather events and regulatory requirements) and the financial risks/opportunities that may arise from these (e.g. additional maintenance and remediation costs, investment delays, increases in CAPEX/OPEX, compliance obligations, penalties/downtime, and opportunities for financing and modernisation). This correlation is established as part of the double materiality assessment and is updated in line with developments in the operational and regulatory environment.

(ii) Assessing the likelihood, magnitude and nature of the effects. The assessment of financial significance is carried out by evaluating the likelihood of occurrence and the magnitude of the potential financial effect, as well as its nature (impact on regulated revenues, operating costs, investments, provisions, operational continuity), using qualitative criteria and thresholds and, where possible, quantifications or ranges. An internal risk matrix is used for prioritisation (e.g. a 1–3 scale for probability and impact), and the resulting classification (low/medium/high) informs decisions on control measures and resource allocation.

(iii) Prioritising sustainability risks in relation to other risks. Sustainability risks are incorporated into the overall risk register and assessed using the same methodological framework as the other risk categories (technical, operational, financial, compliance and security), so that prioritisation reflects the comparability of risk levels and risk tolerance across the Group. Depending on the outcome of the assessment, risks are prioritised and control measures, responsible parties and deadlines are established; monitoring is carried out through regular reports to management and, where appropriate, to the relevant statutory bodies.

The decision-making process and related internal control procedures for the identification, assessment and management of IROs are integrated into the governance framework and the internal management control system of the Transelectrica Group. Assessments and proposals are initiated at the level of specialist units, in accordance with the applicable procedures (including TEL-10.00 Risk Management for Transelectrica, TLT-PS-02 Risk Management for Teletrans and PS 16.00 of the Integrated Management System for Smart), are consolidated into registers and action plans and are subject to approval/review within the responsible units (e.g. EMRC/CM SCIM), before being submitted to executive management for a decision. Internal controls include checks on the completeness and traceability of information, the validation of assumptions and risk classifications, the approval of action plans and the monitoring of their implementation, as well as regular reporting on progress to management.

Integrating the identification, assessment and management of sustainability impacts and risks into overall risk management. At present, the process of identifying and assessing sustainability-related risks is primarily addressed within the Group's general risk management framework, to the extent that these risks may affect business continuity, compliance or financial performance. Impacts (as defined by the ESRS) are analysed separately as part of the double materiality exercise and sustainability reporting, and the relevant conclusions are used, where appropriate, to inform internal processes and to calibrate control measures. The full and systematic integration of the impact perspective into overall risk management processes is currently being consolidated and will be developed gradually, so that sustainability assessments are reflected more consistently in the overall risk profile and in prioritisation and monitoring processes.

Integrating the identification, assessment and management of sustainability opportunities into overall management processes. At present, the identification and assessment of sustainability-related opportunities are primarily addressed within planning and development processes (e.g. investment, modernisation and digitalisation), as well as through the double materiality exercise and sustainability reporting. The Group intends to gradually strengthen the way in which relevant opportunities are identified and tracked, so that they are reflected more consistently in internal planning and monitoring processes as the reporting framework and internal practices mature.

Input parameters. The process utilises internal data (operational and technical information, risk management records and reports, and data from support functions such as HR, procurement and compliance) and, where appropriate, external sources (regulatory requirements, relevant public information and input from stakeholder consultation). The scope of the analysis covers the relevant activities of the entity itself and, where applicable and reasonably available, the relevant business relationships. Assumptions are established on the basis of the information available at the time of the assessment, using internal criteria (e.g. classification scales/thresholds), and are reviewed periodically in line with changes in the context and improvements in the data.

Review of the materiality assessment process. The process for identifying and assessing material issues and determining their materiality was revised in 2025 following an update to the double materiality analysis, through the refinement of assessment criteria and information collection/validation processes, which also led to a consolidation of the list of material topics/issues compared with the previous reporting period. The significance assessment is scheduled to be reviewed at least annually, as part of the reporting cycle, and whenever there are

relevant changes to the operational or regulatory environment or to the business model that may influence the results of the analysis.

Detailed information on the impacts, risks and opportunities identified for each material topic is set out in the relevant chapter of each thematic ESRS.

Thematic ESRS	Sustainability issues - Sustainability Report 2025			
	Theme	Sub-theme	Sub-sub-theme	Explanatory note
ESRS E1	Climate change	Adapting to climate change		Discussed in the Report
		Mitigating climate change		Discussed in the Report
		Efficiency		Discussed in the Report
ESRS E2	Pollution	Air pollution		Discussed in the Report
		Water pollution		Not applicable
		Soil pollution		Discussed in the Report
		Pollution of living organisms and food resources		Not applicable
		Substances that give cause for concern		Covered in the Report
		Substances that give rise to particular concern		Not applicable
		Microplastics		Not applicable
ESRS E3	Water resources and marine resources	Water resources	Water consumption	Not applicable
			Water abstraction	Not applicable
			Water discharge	Not applicable
		Marine resources	The discharge of water into the oceans	Not applicable
			The extraction and use of marine resources	Not applicable
ESRS E4	Biodiversity and ecosystems	Factors determining a direct impact on the decline in biodiversity	Climate change	Not applicable
			Land use change, freshwater use change and marine use change	Discussed in the Report
			Direct exploitation	Not applicable
			Invasive alien species	Not applicable
			Pollution	Discussed in the Report
			Other	Not applicable
		Impacts on the status of species	Population size of the species	Discussed in the Report
			The risk of species becoming extinct worldwide	Not applicable
		Impacts on the extent and condition of ecosystems	Soil degradation	Not applicable
			Desertification	Not applicable
			Soil waterproofing	Not applicable

Thematic ESRS	Sustainability issues - Sustainability Report 2025			
	Theme	Sub-theme	Sub-sub-theme	Explanatory note
		Impacts on and dependencies on ecosystem services		Not applicable
ESRS E5	Circular economy	Resource inputs, including resource use		Covered in the Report
		Resource outputs related to products and services		Covered in the Report
		Waste		Covered in the Report
ESRS S1	In-house workforce	Working conditions	Secure jobs	Covered in the Report
			Working time	Not applicable
			Fair wages	Not applicable
			Social dialogue	Not applicable
			Freedom of association, the existence of works councils, and workers' rights to information, consultation and participation	Not applicable
			Collective bargaining, including the proportion of workers covered by collective agreements	Not applicable
			Work-life balance	Discussed in the Report
			Health and safety	Covered in the Report
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Not applicable
			Training and skills development	Covered in the Report
			Employment and inclusion of people with disabilities	Not applicable
			Measures to combat violence and harassment in the workplace	Not applicable
			Diversity	Discussed in the Report
		Other employment-related rights	Child labour	Not applicable
			Forced labour	Not applicable
Suitable housing	Not applicable			
Confidentiality	Not applicable			
ESRS S2	Workers in the value chain	Working conditions	Secure jobs	Not applicable
			Working time	Not applicable
			Fair wages	Not applicable
			Social dialogue	Not applicable

Thematic ESRS	Sustainability issues - Sustainability Report 2025					
	Theme	Sub-theme	Sub-sub-theme	Explanatory note		
			Freedom of association, including the existence of works councils	Not applicable		
			Collective bargaining	Not applicable		
			Work-life balance	Not applicable		
			Health and safety	Covered in the Report		
		Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Not applicable		
			Skills training and development	Not applicable		
			Employment and inclusion of people with disabilities	Not applicable		
			Measures to combat violence and harassment in the workplace	Not applicable		
			Diversity	Not applicable		
		Other employment-related rights	Child labour	Not applicable		
			Forced labour	Not applicable		
			Suitable housing	Not applicable		
			Water and sanitation	Not applicable		
			Confidentiality	Not applicable		
		ESRS S3	Affected communities	The economic, social and cultural rights of communities	Suitable housing	Not applicable
					A balanced diet	Not applicable
					Water and sanitation	Not applicable
Impacts relating to soil	Covered in the Report					
Security-related impacts	Not applicable					
The civil and political rights of communities	Freedom of expression			Not applicable		
	Freedom of association			Not applicable		
	The impact on human rights defenders			Not applicable		
The rights of indigenous peoples	Free, prior and informed consent			Not applicable		
	Self-determination			Not applicable		
	Cultural rights			Not applicable		
ESRS S4	Consumers and end users	Impacts relating to information for consumers and/or end-users	Confidentiality	Not applicable		
			Freedom of expression	Not applicable		
			Access to (high-quality) information	Not applicable		

Thematic ESRS	Sustainability issues - Sustainability Report 2025				
	Theme	Sub-theme	Sub-sub-theme	Explanatory note	
		The personal safety of consumers and/or end-users	Health and safety	Not applicable	
			A person's safety	Not applicable	
			Child protection	Not applicable	
		Social inclusion of consumers and/or end-users	Non-discrimination	Not applicable	
			Access to products and services	Not applicable	
			Responsible marketing practices	Not applicable	
ESRS G1	Professional conduct	Corporate culture		Discussed in the Report	
		Protection of whistleblowers		Discussed in the Report	
		Animal welfare		Not applicable	
		Political engagement and lobbying activities		Not applicable	
		Supplier relationship management, including payment practices		Not applicable	
		Corruption and bribery	Prevention, screening, including training		Discussed in the Report
			Incidents		Covered in the Report

ESRS disclosure requirements covered by the company's sustainability statement (IRO-2)

List of disclosure requirements that have been met in the sustainability report:

Standard	Presentation requirements	Relevant data points	Page number
ESRS 2	BP-1 – General guidelines for preparing the sustainability report	5(a), 5(b) and 5(c)	p. 7
	BP-2 – Disclosure of information relating to specific circumstances	9(a), 9(b), 10(a), 10(d), 11(a), 13(a), 13(b), 13(c), 15, 16, 17(a), 17(b), 17(c), 17(d), 17(e)	p. 9
	GOV-1 – The role of administrative, management and supervisory bodies	21(a), 21(c), 21(d), 21(e), 22(a), 22(b), 22(c)(i), 22(c)(ii), 22(c)(iii), 22(d), 23(a), 23 (b)	p. 11
	GOV-2 – Information provided to the company's administrative, management and supervisory bodies, and the sustainability issues addressed by them	26(a), 26(b), 26(c)	p. 24
	GOV-3 – Integrating sustainability performance into incentive schemes	29(a), 29(b), 29(c), 29(d), 29(e)	p. 26
	GOV-4 – Statement on the due diligence process	30, 32	p. 31
	GOV-5 – Risk management and internal controls relating to sustainability reporting	36(a), 36(b), 36(c), 36(d), 36(e)	p. 33

Standard	Presentation requirements	Relevant data points	Page number
	SBM-1 – Strategy, business model and value chain	40(a)(i), 40(a)(ii), 40(a)(iii), 40(b), 40(e), 40(f), 40(g), 42(a), 42(b), 42(c)	p. 37
	SBM-2 – Stakeholders' interests and views	45(a)(i), 45(a)(ii), 45(a)(iii), 45(a)(iv), 45(a)(v), 45(b), 45(c)(i), 45(c)(ii), 45(c)(iii), 45(d)	p. 50
	SBM-3 – Significant impacts, risks and opportunities, and how they interact with the strategy and business model	48(a), 48(b), 48(c)(i), 48(c)(ii), 48(c)(iii), 48(c)(iv), 48(d), 48(f), 48(g), 48(h)	p. 59
	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities	53(a), 53(b)(i), 53(b)(ii), 53 (b)(iii), 53(b)(iv), 53(c)(i), 53(c)(ii), 53(c)(iii), 53(d), 53(e), 53(f), 53(g), 53(h)	p. 68
	IRO-2 – ESRS disclosure requirements covered by the company's sustainability report	56, 59	p. 82
	MDR-P Policies – Policies adopted to manage material sustainability issues	65(a), 65(b), 65(c), 65(d), 65(e), 65(f)	p. 88
	MDR-A Actions – Actions and resources relating to material sustainability issues	68(a), 68(b), 68(c), 68(d), 68(e), 69(a), 69(b), 69(c)	p. 91
	MDR-M – Indicators relating to material sustainability issues	75, 77(a), 77(b)	p. 95
	MDR-T Targets – Monitoring the effectiveness of policies and actions through targets	80(a), 80(b), 80(c), 80(d), 80(e), 80(f), 80(g), 80(h), 80(i), 80(j)	p. 99
	ESRS E1 Climate change	GOV-3 – Integrating sustainability performance into incentive schemes	13
E1-1; The transition plan for climate change mitigation		14, 16(a), 16(b), 16(c), 16(d), 16(e), 16(h), 16(i), 16(j), 17	p. 107
SBM-3 – Significant impacts, risks and opportunities, and how they interact with the strategy and business model		18, 19(a), 19(b), AR 7(b), 19(c), AR 8(b)	p. 111
IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities		20(a), AR 9, 20(b), AR 11(a) AR 11 (b), AR 11 (c), AR 11 (d), 21, 20 (c), AR 12 (a), AR 12 (b), AR 12 (c), AR 12 (d), AR 15	p. 114
E1-2; Policies relating to climate change mitigation and adaptation		24, 25	p. 115
E1-3; Actions and resources relating to climate change policy		28, 29(a), AR 19(d), 29(b), AR 21, 29(c)(i), 29(c)(ii), 29(c)(iii), 16(c)	p. 116
E1-4; Targets relating to climate change mitigation and adaptation		33	p. 128
E1-5; Energy consumption and the energy mix		37, 41, 42, 43	p. 132
E1-6; Gross GHG emissions from categories 1, 2 and 3, and total GHG emissions		37, 41, 42, 43	p. 132
E1-7; GHG removals and GHG emission reduction projects funded through carbon credits		Not applicable	N/A
E1-8; Setting the domestic carbon price	Not applicable	N/A	
E1-9; The anticipated financial impacts of significant physical and transition risks and potential climate-related opportunities	Application of Regulation (EU) 2025/1416	p. 142	

Standard	Presentation requirements	Relevant data points	Page number
ESRS E2 Pollution	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities	11(a), 11(b), AR 9	p. 143
	E2-1; Policies relating to pollution	14, 15(a), 15(b), 15(c), AR 12	p. 145
	E2-2; Actions and resources relating to pollution	18, 19, AR 13, AR 15	p. 146
	E2-3; Pollution-related targets	23(c), 25	p. 149
	E2-4; Air, water and soil pollution	30(a), 30(b), 30(c), 31	p. 150
	E2-5; Substances of concern and substances of very high concern	Not applicable	N/A
	E2-6; The anticipated financial effects of the impacts, risks and opportunities associated with pollution	Application of Regulation (EU) 2025/1416	p. 152
ESRS E3 Water and marine resources	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities	This is not a material issue under the DMA	N/A
	E3-1; Policies relating to water and marine resources	This is not a material issue under the DMA	N/A
	E3-2; Actions and resources relating to water and marine resources	This is not a material issue under the DMA	N/A
	E3-3; Targets relating to water and marine resources	This is not a material issue under the DMA	N/A
	E3-4; Water consumption	This is not a material issue under the DMA	N/A
	E3-5; The anticipated financial effects of the impacts, risks and opportunities associated with water and marine resources	This is not a material issue under the DMA	N/A
ESRS E4 Biodiversity and ecosystems	SBM–3 Significant impacts, risks and opportunities, and their interaction with the strategy and business model	16(a)(i), 16(a)(ii), 16(a)(iii)	p. 153
	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities	17(a), 17(b), 17(c), 17(d), 17(e)(i), 17(e)(ii), 17(e)(iii), 19(a), 19(b)	p. 154
	E4-1; The transition plan and the integration of biodiversity and ecosystems into the strategy and business model	13(a), 13(b), 13(c), 13(d), 13(e), 13(f)	p. 157
	E4-2; Policies relating to biodiversity and ecosystems	22, 23(a), 23(b), 23(c), 23(d), 23(e), 23(f), 24(a)	p. 159
	E4-3; Actions and resources relating to biodiversity and ecosystems	27, 28(a), 28(b)(i), 28(b)(ii), 28(b)(iii), 28(c)	p. 160
	E4-4; Targets relating to biodiversity and ecosystems	31, 32(a)(i), 32(a)(ii), 32(a)(iii), 32(b), 32(c), 32(d), 32(e), 32(f)	p. 162

Standard	Presentation requirements	Relevant data points	Page number
	E4-5; Impact indicators relating to biodiversity and changes in ecosystems	38	p. 163
	E4-6; The anticipated financial impacts of risks and opportunities related to biodiversity and ecosystems	Application of Regulation (EU) 2025/1416	p. 164
ESRS E5 Resource use and the circular economy	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks and opportunities	11(a), 11(b)	p. 165
	E5-1; Policies relating to resource use and the circular economy	14, 15(a), 15(b)	p. 166
	E5-2; Actions and resources relating to resource use and the circular economy	19, 20(a), 20(b), 20(c), 20(d), 20(e), 20(f)	p. 168
	E5-3; Targets relating to resource use and the circular economy	23, 24(a), 24(b), 24(c), 24(d), 24(e), 24(f), 25, 27	p. 170
	E5-4; Resource inputs	30, 31(a), 31(b), 31(c), 32, AR 25	p. 171
	E5-5; Resource outputs	37(a), 37(b), 37(c), 37(d), 38(a), 38(b), 39, 40	p. 172
	E5-6; The anticipated financial effects of the impacts, risks and opportunities associated with resource use and the circular economy	Application of Regulation (EU) 2025/1416	p. 178
ESRS S1 In-house workforce	SBM–3 Significant impacts, risks and opportunities, and their interaction with the strategy and business model	14(a), 14(b), 14(c), 14(d), 14(e), 14(f)(i), 14(f)(ii), 14(g)(i), 14(g)(ii), 15, 16	p. 191
	S1-1; Policies relating to the in-house workforce	19, 20(a), 20(b), 20(c), 21, 22, 23, 24(a), 24(b), 24(c), 24(d)	p. 196
	S1-2; Processes for engaging with the workforce and employee representatives regarding the impacts	27(a), 27(b), 27(c), 27(d), 27(e), 28	p. 199
	S1-3; Processes for addressing negative impacts and the channels through which staff can raise their concerns	32(a), 32(b), 32(c), 32(d), 32(e), 33	p. 200
	S1-4; The adoption of measures addressing significant impacts on the workforce and approaches to managing significant risks and pursuing significant opportunities relating to the workforce, as well as the effectiveness of these actions	37, 38(a), 38(b), 38(c), 38(d), 39, 40(a), 40(b), 41, 43	p. 202
	S1-5; Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities	46, 47(a), 47(b), 47(c)	p. 206
	S1-6; Characteristics of the company's employees	50(a), 50(b), 50(c), 50(d)(i), 50(d)(ii), 50(e), 50(f), 51	p. 209

Standard	Presentation requirements	Relevant data points	Page number
	S1-7; Characteristics of non-salaried workers within the enterprise's own workforce	55(a), 55(b)(i), 55(b)(ii), 55(c)	p. 213
	S1-8; Coverage of collective bargaining and social dialogue	Not applicable	N/A
	S1-9; Diversity indicators	66(a), 66(b), AR 71	p. 213
	S1-10; Fair wages	Not applicable	N/A
	S1-11; Social protection	Not applicable	N/A
	S1-12; People with disabilities	Not applicable	N/A
	S1-13; Indicators of training and skills development	83(a), 83(b)	p. 215
	S1-14; Health and safety indicators	88(a), 88(b), 88(c), 88(d), 88(e)	p. 218
	S1-15; Indicators of work-life balance	93(a), 93(b), 94,	p. 220
	S1-16; Remuneration indicators (pay gap and total remuneration)	Not applicable	N/A
	S1-17; Incidents, complaints and serious human rights issues	Not applicable	N/A
ESRS S2 Workers in the value chain	SBM-3 Significant impacts, risks and opportunities, and their interaction with the strategy and business model	11(a)(i), 11(a)(ii), 11(a)(iii), 11(a)(iv), 11(b), 11(c), 11(d), 11(e), 12, 13	p. 223
	S2-1; Policies regarding workers in the value chain	16, 17 (a), 17 (b), 17 (c), 18, 19	p. 225
	S2-2; Processes for engaging with workers in the value chain regarding impacts	22(a), 22(b), 22(c), 22(d), 22(e), 23	p. 226
	S2-3; Processes for addressing negative impacts and the channels through which workers in the value chain can raise their concerns	27(a), 27(b), 27(c), 27(d), 28, 29	p. 228
	S2-4; The adoption of measures addressing significant impacts on workers in the value chain, and approaches to managing significant risks and pursuing significant opportunities relating to workers in the value chain, as well as the effectiveness of these actions	32(a), 32(b), 32(c), 32(d), 33(a), 33(b), 33(c), 34(a), 34(b), 35, 36, 38	p. 229
	S2-5; Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities	41, 42(a), 42(b), 42(c)	p. 232
ESRS S3 Affected communities	SBM-3 Significant impacts, risks and opportunities, and their interaction with the strategy and business model	9(a)(i), 9(a)(ii), 9(a)(iii), 9(a)(iv), 9(b), 9(c), 9(d), 10, 11	p. 232
	S3-1; Policies relating to affected communities	14, 16(a), 16(b), 16(c), 17	p. 236
	S3-2; Processes for engaging with affected communities regarding impacts	21(a), 21(b), 21(c), 21(d), 22, 24	p. 240

Standard	Presentation requirements	Relevant data points	Page number
	S3-3; Processes for addressing negative impacts and the channels through which affected communities can voice their concerns	27(a), 27(b), 27(c), 27(d), 28, 29	p. 241
	S3-4; The adoption of measures addressing significant impacts on affected communities and approaches to managing significant risks and pursuing significant opportunities relating to affected communities, as well as the effectiveness of these actions	31, 32(a), 32(b), 32(c), 32(d), 33(a), 33(b), 33(c), 34(a), 34(b), 35, 36, 38	p. 243
	S3-5; Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities	41, 42(a), 42(b), 42(c)	p. 245
ESRS S4 Consumers and end-users	SBM-3 Significant impacts, risks and opportunities, and their interaction with the strategy and business model	This is not a material issue under the DMA	N/A
	S4-1; Policies on consumers and end-users	This is not a material issue under the DMA	N/A
	S4-2; Processes for engaging with consumers and end-users regarding impacts	This is not a material issue under the DMA	N/A
	S4-3; Processes for addressing negative impacts and channels through which consumers and end-users can raise their concerns	This is not a material issue under the DMA	N/A
	S4-4; The adoption of measures addressing significant impacts on consumers and end-users, and approaches to managing significant risks and capitalising on significant opportunities relating to consumers and end-users, as well as the effectiveness of such measures	This is not a material issue under the DMA	N/A
	S4-5; Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities	This is not a material issue under the DMA	N/A
ESRS G1 Professional conduct	GOV-1 The role of the administrative, management and supervisory bodies	5(a), 5(b)	p. 247
	G1-1; Policies on professional conduct and corporate culture	7, 9, 10(a), 10(c), 10(e), 10(g), 10(h)	p. 248
	G1-2; Supplier relationship management	This is not a material issue under the DMA	N/A
	G1-3; Prevention and detection of corruption and the giving or taking of bribes	18(a), 18(b), 18(c), 20,	p. 251
	G1-4; Incidents of corruption or the giving or taking of bribes	24 (a)	p. 253

Standard	Presentation requirements	Relevant data points	Page number
	G1-5; The exercise of political influence and lobbying activities	This is not a material issue under the DMA	N/A
	G1-6; Payment methods	This is not a material issue under the DMA	N/A

The Transelectrica Group has identified the material information to be disclosed by aligning the results of the double materiality analysis (material IROs) with the reporting requirements set out in the applicable ESRS standards and with the principles on materiality set out in ESRS 1. In this process, the Transelectrica Group used qualitative and quantitative criteria and thresholds to determine which information is essential for understanding the significant impacts, risks and opportunities.

Policies adopted to manage material sustainability issues (MDR-P Policies)

The transition to a clearly defined policy – Sustainability Policy

At Transelectrica, the policies adopted to manage significant sustainability issues are set out in a series of framework and strategic documents, which establish both the Company’s technical and sustainability objectives and its ethical and integrity guidelines.

Although there is no sustainability policy in the strict sense for the 2025 reporting year, due to the specific nature of the business, the key elements of Transelectrica’s policies are integrated into the Company’s overall strategy and reflected in key documents such as: Energy Efficiency Policy, RET Development Plan 2024–2033, Management Plan 2024–2028, Statement on Quality, Environmental, Health and Safety Management Policy, Statement on Risk Management Policy, Code of Ethics and Professional Conduct, Anti-Fraud and Anti-Corruption Policy and Corporate Social Responsibility Policy, the Anti-Fraud and Anti-Corruption Policy and the Corporate Social Responsibility Policy, providing a regulatory framework for internal responsibilities. In addition, The Smart Grid Policy and the Research and Innovation Strategy, available on the Company’s website (www.transelectrica.ro), highlight the Transelectrica Group’s strategic focus on the energy transition and digitalisation.

Consequently, **pending the adoption of a sustainability policy in the strict sense, we have mapped out the main policies** set out in the framework and strategic documents (RET Development Plan, Management Plan 2024–2028, etc.), thereby ensuring a clear framework for addressing sustainability issues. Although these policies do not follow the traditional structure of a separate policy document, they contain strategic objectives, guidelines for action and concrete measures, and are fundamental to the implementation of sustainability principles within the Group’s operations. Therefore, **until a sustainability policy is adopted as a single document, we will treat the mapped policies**, as they set out the guidelines for energy efficiency, GHG emissions reduction, infrastructure modernisation and the integration of renewable sources, thereby contributing to the achievement of our sustainability objectives.

All policies adopted by the Transelectrica Group are designed to ensure strict compliance with the applicable legal requirements and to reflect international best practice. These framework documents establish not only a set of rigorous internal standards, but also a management system

that complies with European and global standards, promoting transparency, accountability and sustainability across all the Group's operations.

Transelectrica Group's policies cover several aspects of sustainability, enabling cross-references between the environmental, social and governance sections. The Group structures its policies according to their impact on key areas of sustainability, thereby ensuring a coherent and integrated approach.

Policy Document /	Key content: objectives, target IROs, monitoring	Scope / exclusions	Senior level (highest)	Third-party standards / initiatives
The RET Development Plan 2024–2033	Upgrade/expansion of the transmission network, interconnections, enhancing resilience and integrating renewable energy sources; typical IROs: E1 (adaptation/mitigation/efficiency), E4 (land use/biodiversity), E2/E5 (pollution/construction waste), S3 (local impacts, where applicable). Monitoring: investment programme, project stages, internal reports/progress indicators.	The Company's investment and maintenance activities; limitations: it does not control production, distribution or supply.	Executive management, through the technical/investment departments, in accordance with internal procedures.	Regulatory requirements applicable to the sector (ANRE) and technical/operational obligations; TSO/ENTSO-E best practices, where applicable.
Management Plan 2024–2028	Strategic objectives + KPIs (including ESG indicators where defined); typical IROs: E1 (efficiency/consumption), S1 (SSM/training, where applicable), G1 (governance/ethics, where applicable). Monitoring: regular reports on the achievement of objectives/KPIs.	Applies to the Management Board and the Supervisory Board; limitations: subject to the regulatory framework and approved budgets.	Executive management, through the departments responsible for implementation and monitoring, in accordance with internal procedures.	The applicable legal framework (e.g. Government Emergency Ordinance No. 109/2011) and the relevant ESRS requirements (where applicable).
Energy efficiency policy	Reducing internal consumption and improving efficiency; reducing CPT in RET; IRO: E1 (efficiency + impact on costs and performance). Monitoring: measuring consumption and KPIs (where defined).	Own operations (stations, offices, equipment); exclusions: consumption outside direct operational control.	The executive management, through the relevant technical/energy departments.	Correlation with ESRS E1.
Smart Grid Policy (2018–2027)	Digitalisation, automation, flexibility, efficiency and reliability; IRO: E1 (efficiency), energy transition opportunities, cyber/IT-OT risks and opportunities (linked to GOV-5). Monitoring: programmes, projects (e.g. DigiTEL) and internal indicators.	In-house infrastructure and processes; limitations: dependence on suppliers/technologies	The executive management, through the relevant IT&C and technical departments.	TSO best practices, relevant technical standards (where applicable).
Statement on Quality,	Integrated framework for quality/environment/health	In-house activities; implementation through	The executive management,	SR EN ISO 9001:2015, SR

Environmental and Health and Safety Policy	and safety; IRO: E2/E5 (pollution/waste), S1/S2 (health and safety), E1 (efficiency – where applicable). Monitoring: audits, inspections, non-conformities and corrective/preventive actions.	internal procedures and requirements for contractors, where applicable.	through the department responsible for SMI and the relevant specialist units.	EN ISO 14001:2015 and SR ISO 45001:2023
Statement on risk management policy	Identification, assessment and monitoring of risks; IRO: operational risks, compliance, climate/cyber (where applicable). Monitoring: risk register, action plan, regular reporting.	At company level: gradual integration of the impact perspective into risk management (where appropriate).	The executive management, through its dedicated departments (e.g. EMRC/CM SCIM), in accordance with the internal framework.	Order SGG 600/2018; ESRS GOV-5 (alignment).
Code of Ethics and Professional Conduct	Principles of conduct, integrity, compliance; IRO: G1 (corporate culture), prevention of misconduct. Monitoring: internal compliance and control mechanisms.	Internal policy for employees and, where applicable, for contractors (through contractual clauses).	Executive management, through the relevant departments (compliance/human resources), in accordance with internal procedures.	Best practices in integrity; applicable legal requirements.
Anti-Fraud and Anti-Corruption Policy	Anti-fraud/anti-corruption: G1 (prevention, reporting, checks). CSR: S1/S3 (employees, communities). Monitoring: internal controls, reports	Anti-fraud: the company and relevant parties (suppliers, contractors) through contractual clauses, where applicable. CSR: community programmes and projects, where appropriate.	Executive management, through the relevant departments (compliance, audit), in accordance with internal procedures.	Anti-corruption legislation; ESRS G1/S1/S3 (alignment).
Corporate Social Responsibility (CSR) Policy	Social/community programmes; IRO: S1/S3 (as applicable). Monitoring: internal reports on projects/results, as appropriate.	CSR programmes/projects; limitations: subject to approved budgets and priorities.	Executive management, through the relevant departments, in accordance with internal procedures.	CSR best practices, where applicable; ESRS S1/S3 requirements (where applicable).

**Policies for each relevant ESRS topic, including core content, targeted IROs and monitoring mechanisms, are presented in sections E1–E5, S1–S4, and G1 of the ESRS report, in accordance with the requirements of the ESRS standards, to ensure a clear and consistent presentation, avoiding redundancy of information.*

Transelectrica Group policies are drawn up by the relevant departments and approved by senior management; responsibility for ensuring compliance with, monitoring and implementing these policies lies with both the departments that draft them and the bodies that approve them, through the management and control mechanisms at their disposal.

Taking stakeholders’ interests into account when formulating policies. At present, relevant policies are primarily established and updated on the basis of applicable legal and regulatory

requirements, operational priorities and internal planning documents. Where relevant, the information gathered from stakeholder dialogue and the double materiality analysis may be used as contextual elements to gradually adjust policies, although there is not yet a formalised mechanism through which these interests are systematically integrated into all policies.

Availability of policies to stakeholders. All of Transelectrica Group’s internal policies are published on the intranet and are accessible to all employees and departments involved in their implementation. At the same time, some of the policies and framework documents are publicly available on the Company’s website, whilst others are for internal use only and are not published. For the sake of transparency, each relevant thematic standard in the report specifically sets out the applicable policies and their status (public/internal), as well as how they can be accessed by the relevant stakeholders.

The Teletrans and Smart subsidiaries define and implement their own internal policies, tailored to the specific nature of their activities. By developing its own regulatory frameworks, each subsidiary ensures its decision-making autonomy in managing its specific activities, whilst maintaining consistency with the general guidelines established at group level.

Actions and resources relating to material sustainability issues (MDR-A actions)

To ensure the effective implementation of its sustainability policies, Transelectrica is taking concrete action and allocating dedicated resources to manage significant sustainability issues, in accordance with the requirements of the ESRS standards. These actions are organised around three main areas: environmental, social and governance, each of which is addressed through specific initiatives designed to improve the Company’s sustainable performance.

ESRS / AR16 (IRO 2025)	Key Action and 2025 planned	Expected outcome / link to targets	Area (activities / geography / value chain / stakeholders)	Horizon	Resolution	Change compared to 2024
E1 (mitigation, adaptation, energy)	Continuation of infrastructure modernisation and expansion programmes and measures to enhance resilience to extreme weather events (in line with investment plans).	Increasing the resilience of NES/RET and facilitating the integration of SRE; reducing the risks of outages and the costs associated with extreme events.	In-house operations; national (RET/stations/LEA), coordination with system stakeholders.	M–L	Where applicable: restoration work/post-incident remedial work in accordance with the relevant procedures.	Continuity and consolidation compared to 2024; progress reported in sections E1/SBM.
E1 (energy efficiency)	Energy efficiency measures and reduction of internal consumption (stations/offices)	Contributes to KPI targets (e.g. 46,400 MWh/2025 etc.) and to reducing the energy impact.	Own operations; national; stakeholders : investors/AN RE (via reporting).	S–M	Not applicable.	Defined KPIs/targets; progress reported annually against 2024.

	+ consumption monitoring.					
E2 (soil, water, air)	Implementation of programmes and procedures for the prevention and management of accidental pollution (including actions in accordance with PO TEL 29.03/29.04 and emergency response under PO TEL 29.11).	Reducing the likelihood of incidents and limiting their impact; improving compliance and operational control.	In-house operations + contractors; RET sites; areas where work is being carried out; stakeholders : authorities, communities .	S–M	Yes, where applicable: remedial/clean-up/restoration measures in accordance with procedures and legal requirements.	Strengthening by 2024 through the use of procedures and reporting.
E2 (entity-specific disclosures , where applicable)	Monitoring of compliance and operational measures to mitigate the effects (where appropriate).	Reducing the risk of non-compliance and exposure to penalties/reputational damage.	In-house operations; national; stakeholders : authorities / ANRE, communities .	S	Yes, where appropriate (corrective measures).	Development based on events; qualitative presentation.
E4	Integration of environmental and biodiversity requirements into projects and works (avoidance, minimisation or restoration, as appropriate).	Minimising the impact on habitats and land; ensuring projects comply with environmental requirements.	In-house operations + contractors; sensitive areas; stakeholders : authorities, communities , NGOs.	M–L	Yes, where applicable: site restoration / environmental compensation in accordance with the approvals.	Progress towards the 2024 target as projects advance; thematic reporting.
E5	Improving waste management (collection, recovery/recycling, traceability).	Reducing the risks of non-compliance and the associated costs; improving management efficiency.	In-house operations + contractors; national; stakeholders : authorities, suppliers.	S–M	Yes, where applicable (corrective actions for non-conformities).	Continuity with 2024; progress reported annually.
E5	Measures to improve operational efficiency (e.g. predictive maintenance / digitalisation) to reduce resource consumption and wastage.	Efficiency gains, reduced losses/costs; support for operational performance.	In-house operations; national; stakeholders : market participants/ investors.	M	Not applicable.	Improvement compared to 2024 as projects are implemented.
S1	Health and safety programmes, training and	Reducing health and safety risks, enhancing skills; contributing to	In-house operations; all geographical	S–M	Not applicable.	Continuity and consolidation looking ahead to 2024;

	accident prevention measures + skills development (including digitalisation).	training KPIs/training hours (where defined).	areas; stakeholders : employees, trade unions.			progress to be reported annually.
S2	Introduction/strengthening of health and safety requirements for contractors (clauses, training, checks).	Reducing the risk of non-compliance and incidents within the value chain.	Upstream: contractors / suppliers; location: construction sites / projects.	S–M	Yes, as appropriate (contractual/procedural remedy).	Further consolidation by 2024 as requirements evolve.
S3	Management of local impacts associated with the works (site organisation, site restoration, communication, where applicable).	Reducing the impact on communities and reputational/legal risks.	Operations + contractors; affected communities in work zones.	S–M	Yes, where applicable: remedial/compensatory measures in accordance with the relevant authorisations/legislation.	Progress by project; thematic reporting.
G1	Strengthening practices relating to supplier relations (including contractual terms and conditions, ethical standards and, where applicable, payment practices).	Reducing conduct and compliance risks; improving the traceability of supplier relationships.	Upstream: suppliers/contractors; stakeholders : partners, investors.	S–M	Not applicable.	Consolidation by 2024; regular reporting.

Note: The above actions have been selected to reflect the material IROs identified in the 2025 double materiality analysis. Full details are set out in the thematic sections of the ESRS.

As regards the implementation of new projects or studies, these are carried out in accordance with the procedures set out in PO TEL 29.04 – Development of environmental management programmes and PO TEL 29.03 – Establishment, implementation and maintenance of objectives relating to quality, the environment, and health and safety at work. These procedures set out the necessary actions, responsibilities and deadlines, thereby ensuring that environmental objectives and targets are met.

Furthermore, PO TEL 29.11 – Emergency preparedness and response capacity in the fields of environmental protection, health and safety at work – sets out the procedures and responsibilities for: identifying potential emergencies and accidents that may have a harmful impact on the

environment, health and safety at work; determining appropriate mitigation and response actions for such situations; preventing or reducing the associated adverse impacts on the environment and personnel.

The Transelectrica Group allocates both financial resources (for investment, modernisation, operation, maintenance, compliance and training) and non-financial resources (in-house expertise, implementation capacity through specialist departments and, where appropriate, contractors/suppliers) to the implementation of these measures. Funding is provided through internal budgeting and planning mechanisms and, where applicable, by accessing relevant funding sources and programmes; the terms and environmental/social objectives associated with such instruments are set out, where applicable, in the relevant sections of the report. The implementation of certain actions may depend on preconditions such as budget approval, obtaining permits/authorisations, market availability, and regulatory or funding developments; these factors are monitored as part of internal planning and risk management processes.

The amounts relating to the financial resources allocated during the reporting period for the implementation of sustainability-related actions are reflected in the Group's budgets and financial performance and are presented, where applicable, in the financial statements under the main relevant categories (e.g. capital expenditure, operating expenses and staff costs), as well as in the explanatory notes regarding investment projects and sources of funding.

At present, the Transelectrica Group does not have an aggregate estimate of the future financial resources allocated to the implementation of sustainability-related actions across the entire action plan, as these depend on the annual/multi-annual approvals of budgets and investment programmes, the maturity of the project portfolio and, where applicable, the securing of the necessary funding and approvals/authorisations. Consequently, the Group takes a qualitative approach to future financial resources, stating that the implementation of these actions is supported by internal planning and budgeting processes and will be detailed as approved and documented information becomes available.

With regard to Transelectrica's subsidiaries, measures relating to material sustainability issues are addressed in this section.

Teletrans branch. The measures taken by Teletrans are set out in Investment 5. The digitisation, optimisation and modernisation of the national electricity transmission network, funded under the National Recovery and Resilience Plan (PNRR), Component C16. REPowerEU and approved by the Council Implementing Decision amending the Implementing Decision of 29 October 2021 approving the assessment of Romania's Recovery and Resilience Plan No 15833/23 of 5 December 2023, which includes the following investments:

1) Under investment 5.c – Optimisation of the communications network and establishment of a data centre – Teletrans, a subsidiary of Transelectrica

“Network Traffic Analyser Systems”. The procurement of IT equipment is expected to have a negligible impact on the environmental objective: Prevention and control of pollution in the air, water or soil, taking into account direct and indirect effects throughout the life cycle.

2) Under investment 5.c – Optimisation of the communications network and establishment of a data centre – Teletrans, a subsidiary of Transelectrica.

“Data Centre”. The equipment proposed for the new containerised data centre will be selected and configured in accordance with the provisions of the ‘Do No Significant Harm’ (DNSH) analysis.

The air-conditioning units will maintain an optimal indoor climate without significant influence from the outdoor climate, keeping the microclimatic conditions, temperature and humidity within Zone A1 as defined by ASHRAE 2021. The equipment to be installed will be fitted with an ECO mode, with an estimated negligible environmental impact, both direct and indirect, throughout its entire life cycle. As a result, CO2 emissions will be reduced, along with electricity consumption.

The construction technologies and materials to be used will be eco-efficient and will help to optimise operating costs throughout the entire life cycle. Both the power conversion and uninterruptible power supply (UPS) equipment and the air-handling equipment (precision air-conditioning units) will offer high energy efficiency.

3) Under investment 5.c – Optimisation of the communications network and establishment of a data centre – Teletrans, a subsidiary of Transelectrica.

IT&C network equipment. The procurement of IT equipment is expected to have a negligible impact on the environmental objective of preventing and controlling air, water or soil pollution, taking into account both direct and indirect effects throughout the product lifecycle.

These address a key component of the National Energy System (NES): Cyber security – a prerequisite for the optimal functioning of the NES and for ensuring resilience against cyberattacks, which have been growing in scale across Europe in recent times.

Smart branch. At the Smart level, initiatives addressing key sustainability issues focus on operational efficiency, reducing environmental impact and workplace safety. Key measures that have been implemented include:

- predictive maintenance and digitalisation – the use of advanced technologies to monitor infrastructure and optimise interventions, thereby reducing resource consumption and emissions associated with transport and repair operations;
- sustainable waste management – implementing processes for the recycling and controlled disposal of materials resulting from maintenance and repair activities;
- employee health and safety – the implementation of strict occupational health and safety standards, ongoing training and measures to prevent workplace accidents;
- biodiversity conservation – Measures to restore the environment following maintenance work, minimising the impact on natural habitats.

Indicators relating to material sustainability issues (MDR-M)

The indicators used by the Transelectrica Group to assess performance and effectiveness are presented in the report exclusively for the material topics identified through the double materiality analysis, in accordance with the ESRS requirements applicable to these topics. For each material topic, the relevant indicators (quantitative and/or qualitative) are defined and explained in the relevant sections of the report, together with the associated methodologies, significant

assumptions and limitations, so as to enable an understanding of how significant impacts, risks and opportunities are monitored.

With regard to this section, the non-financial governance indicators used to monitor the functioning of the management and supervisory bodies are highlighted, namely: the number of meetings of the Supervisory Board, the number of meetings of the committees established at the level of the Supervisory Board, and the number of meetings of the Management Board, as supporting elements for the supervision and internal control associated with material matters.

The number of meetings of the Supervisory Board.

Category	Indicator	Raw data	MU	Formula
Indicators relating to corporate governance	Number of meetings of the supervisory board committee supervisory	The number of participants at the steering committee meetings	No.	$Num\bar{a}rul\ \acute{s}edin\tilde{t}elor\ consiliului\ de\ supraveghere_t$ = $Num\bar{a}rul\ \acute{s}edin\tilde{t}elor\ consiliului\ de\ supraveghere\ sus\tilde{t}inut$ – $a\ lungul\ anului_t$

Indicator	2024	2025	2026	2027	2028
The number of meetings of the supervisory board	8	10	12	14	16

Methodology: the indicator is determined on the basis of internal records of meeting notices and minutes.

Number of meetings of the committees established within the Supervisory Board

Category	Indicator	Raw data	MU	Formula
Indicators relating to corporate governance	Number of committee meetings	The number of participants at committee meetings	No.	$Num\bar{a}rul\ comitetelor\ intrunite_t$ = $Num\bar{a}rul\ comitetelor\ sus\tilde{t}inute\ de$ – $a\ lungul\ anului_t$

Indicator	2024	2025	2026	2027	2028
Number of committee meetings	8	10	12	14	16

Methodology: the indicator is calculated on the basis of internal records (notices of meetings, minutes).

Number of Management Board meetings

Indicator	2024	2025	2026	2027	2028
The number of meetings of the Management Board	36	38	40	42	46

Methodology: determined on the basis of internal records (diary/notices of meetings/minutes).

Non-financial performance indicators relating to governance, such as the number of Supervisory Board meetings, the number of meetings of the committees established under the Supervisory Board, and the number of Management Board meetings, are essential for assessing the effectiveness of decision-making, transparency and the functioning of the corporate governance

system within the Transelectrica Group. These indicators reflect the level of involvement of the management bodies in the strategic and operational management of the Group.

Where certain indicators have not yet been adopted, the Transelectrica Group will explain the reasons for this and, where applicable, provide an estimated timeframe for their implementation.

Performance indicators for the financial incentivisation of TSOs through tariffs

Methodology for establishing performance indicators relating to the development of an electricity network that promotes energy efficiency and the integration of electricity generated from renewable sources (hereinafter referred to as the KPI Methodology) was approved by ANRE Presidential Order No. 59/29 July 2025.

The KPI Methodology sets out the indicators by which ANRE will assess the TSO's performance in developing an electricity network that promotes energy efficiency and the integration of electricity generated from renewable sources.

The KPI methodology forms the basis for applying a financial reward/penalty mechanism for the TSO via the transmission tariff, as provided for in the methodology for setting the transmission tariff approved by ANRE for the period 2025–2029. The incentive mechanism operates by increasing or decreasing the regulated rate of return on assets recognised in the tariff.

The indicators used to assess the OTS's annual performance are grouped into three categories:

A. Indicators reflecting the quality of the electricity transmission service:

The indicators in this category are calculated on the basis of the values recorded by the indicators monitored in accordance with the performance standard for electricity transmission and system services approved by ANRE via Order No. 12/2016. The indicators selected from the performance standard are drawn from the groups *Use of the transmission network* (the INDLIN indicator – line unavailability, and the INDTRA indicator – transformer unavailability), *Transmission service continuity* (the ENS indicator – energy not delivered to consumers/not taken from power stations) and *Technical quality of electricity* (indicators relating to voltage remaining within permissible limits).

B. Indicators reflecting the integration of electricity generation from renewable sources and energy storage facilities:

1. **NPd** - The proportion of technical connection notices (TCNs) issued by the TSO for the connection of new generation sites to renewable energy generation units, relative to the number of connection applications of this type registered by the TSO [%]
2. **PPd** - The proportion of the total power approved for evacuation via ATRs issued by the TSO for the connection of new generation sites to renewable energy generation units, relative to the total power requested in connection applications of this type registered by the TSO [%]
3. **NStoc** - The proportion of ATRs issued by the TSO for the connection of new energy storage units, relative to the number of connection requests of this type registered by the TSO [%]

4. **PStoc** - The proportion of the total power approved for discharge via ATRs issued by the TSO for the connection of new energy storage units, relative to the total power requested in connection applications of this type registered by the TSO [%]

C. Indicators reflecting the level of digitalisation of electricity networks.

The indicators in this category are:

1. **ST** – The proportion of automated substations or connection points that allow remote operation, operate without on-site staff and are monitored via the CTSI, relative to the total number of substations or connection points managed by the TSO [%]
2. **Lin** – The proportion of high-voltage power lines equipped with real-time parameter monitoring systems, as a percentage of the total number of power lines managed by the TSO [%]. The indicator relates to the implementation of technology that enables the use of the Dynamic Line Rating method, which offers the advantage of making better use of the transmission capacity of power lines.
3. **Transformer** - The proportion of transformers equipped with real-time parameter monitoring systems, relative to the total number of transformers in operation under the TSO's management [%]. The implementation of real-time transformer monitoring systems brings benefits both in terms of operational safety and the economic efficiency of operations, by enabling a better assessment of the technical condition of transformers and, consequently, the need for maintenance work.

Monitoring of Category C indicators will begin in 2027. Between 2025 and 2026, analyses and studies will be carried out to establish the targets against which the aforementioned indicators will be calculated annually.

In accordance with the Methodology for setting tariffs for the electricity transmission service, approved by ANRE Presidential Order No. 68 of 17 September 2024, the value of the RRR (regulated rate of return on assets) may be increased or decreased by 0.5 percentage points, depending on the level of performance achieved by the TSO in developing an electricity network that promotes energy efficiency and the integration of electricity generated from renewable sources. Performance will be measured using a composite indicator calculated by aggregating the aforementioned indicators, applying a weighting system to the individual values of the indicators.

With regard to subsidiaries, the indicators relating to material sustainability issues are addressed in this section.

Teletrans branch. Teletrans' telecommunications expertise will be utilised in the coming years in the implementation of the EU-funded REPOWER EU project and the launch of a major data centre, which will enable the upgrading of traditional colocation services and the expansion of the customer base in this sector.

Smart branch. Generally, within the Smart framework, performance indicators are established alongside specific objectives and the description of operational processes, and are discussed during management review meetings. Indicators relating to material sustainability issues:

- customer satisfaction, feedback;

- for work carried out under the ANRE certificate – indicator: annual customer satisfaction rate (arithmetic mean of the satisfaction scores for contracts completed during the reference period) – calculated in accordance with ANRE Order No. 45 of 7 September 2016;
- monitoring of employees' health – medical tests and check-ups in accordance with Government Decision 355 – Indicator: No. of employees monitored / No. of employees * 100 [%];
- Tendering and contracting – indicator: accepted tenders resulting in an order or contract / tenders submitted to the client * 100 [%];
- Non-conformity resolution rate – indicator: resolved non-conformities / identified non-conformities × 100 [%];
- Audit programme completion rate – indicator: audits carried out/planned audits × 100 [%];
- degree of implementation of various control programmes – indicator: controls carried out/controls planned × 100 [%];
- Overall completion rate of training programmes – indicator: programmes completed/approved programmes × 100 [%];
- calibrated measurement and monitoring equipment, verified during the period in question – indicator: Calibrated and verified EMMs / EMMs scheduled for calibration and verification * 100 [%];
- the effectiveness of measures to address risks and opportunities – indicator: overall risk level ≤ benchmark;
- Waste management – indicator: number of waste types collected / number of waste types eligible for separate collection * 100.

Monitoring the effectiveness of policies and actions through targets (MDR-T targets)

For the 2025 financial year, the Transelectrica Group sets out measurable and time-bound targets where these have been established for the material issues identified through the double materiality analysis, as well as the indicators used to monitor progress. For certain material matters, in the absence of quantified targets that have been reasonably established at the reporting date, the Group presents the information available and develops targets progressively as data, methodologies and internal processes are refined. Where, for certain requirements or data points, there is the option of phased implementation in accordance with Appendix C (as amended by Delegated Regulation (EU) 2025/1416), this is applied on a case-by-case basis and indicated in the relevant sections of the report.

Data points from cross-cutting standards and thematic standards derived from other EU legislation

The requirement to submit information and the corresponding data point	SFDR reference ⁹	Reference in Pillar 3 ¹⁰	The reference in the Regulation on Reference indices ¹¹	EU Reference from Climate Law ¹²
ESRS 2 GOV-1 Gender diversity within management bodies, point 21(d)	Indicator No. 13 in Table 1 from annex 1		Delegated Regulation (EU) 2020/1816 of the Commission ¹³ , Annex II	
ESRS 2 GOV-1 Percentage of members of the management bodies who are independent, point 21(e)			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence process, point 30	Indicator No. 10 in Table 3 in Annex 1			
ESRS E1-1 The transition plan for the realization of climate neutrality by 2050, paragraph (14)				Regulation (EU) 2021/1119, Art. 2 Paragraph (1)
ESRS E1-4 Greenhouse gas emission reduction targets, point 34	Indicator No. 4 in Table 2 in Annex 1	Section 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking portfolio – Transition risk associated with climate change: indicators for alignment	Delegated Regulation (EU) 2020/1818, Article 6	
ESRS E1-5	Indicator No. 5 in			

⁹ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1).

¹⁰ Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation, 'CRR') (OJ L 176, 27.6.2013, p. 1).

¹¹ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

¹² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

¹³ Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

The requirement to submit information and the corresponding data point	SFDR reference ⁹	Reference in Pillar 3 ¹⁰	The reference in the Regulation on Reference indices ¹¹	EU Reference from Climate Law ¹²
Fossil fuel consumption broken down by source (sectors only) with a significant impact (on climate change) para. 38	Table 1 and indicator no. 5 in Table 2 in Annex 1			
ESRS E1-5: Energy consumption and energy mix point 37	Indicator No. 5 in Table 1 in Annex 1			
ESRS E1-5 The energy intensity associated with activities in sectors with a high climate impact, paragraphs (40) to (43)	Indicator No. 6 in Table 1 in Annex 1			
ESRS E1-6 Gross values from 1, 2, 3 and total emissions of GHG, point 44	Indicators 1 and No. 2 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking portfolio – Transition risk associated with climatic: quality of credit exposures depending on the sector, by issue and by remaining maturity	Delegated Regulation (EU) 2020/1818, Article 5 paragraph (1), Article 6 and Art. 8 para. (1)	
ESRS E1-6 Intensity of gross GHG emissions, paragraphs (53) to (55)	Indicator No. 3 in Table 1 in Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking portfolio – Transition risk associated with climate change: indicators for alignment	Delegated Regulation (EU) 2020/1818, Art. 8 para. (1)	
ESRS E1-7 GHG removals and carbon credits, point 56				Regulation (EU) 2021/1119, Art. 2 para. (1)
ESRS E1-9 The benchmark index portfolio's exposure to			Delegated Regulation (EU) 2020/1818,	

The requirement to submit information and the corresponding data point	SFDR reference⁹	Reference in Pillar 3¹⁰	The reference in the Regulation on Reference indices¹¹	EU Reference from Climate Law¹²
physical climate-related risks, point 66			Annex II to Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-9 Breakdown of monetary values according to acute and chronic physical risk, point 66(a) ESRS E1-9 Location of assets significant assets that are subject to significant physical risk, point 66(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, points 46 and 47; Template 5: Banking portfolio – Physical risk associated with climate change: exposures subject to physical risk.		
ESRS E1-9 Breakdown of the carrying amount of assets property classified by energy efficiency class point 67(c)		Article 449a of The Regulation (EU) No 575/2013; The Regulation for implementation (EU) 2022/2453 of Commission point 34; Form 2: Banking portfolio – The risk of transition related to climate change: Loans secured by real estate – Energy efficiency of the security interest.		
ESRS E1-9 The portfolio's exposure to climate-related opportunities – 69 points			Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E2-4 The quantity of each pollutant listed in Annex II to the E-PRTR Regulation (European Pollutant Release and Transferred) into the air, water and soil, item 28	Indicator No. 8 in Table 1 in Annex 1 Indicator No. 2 in Table 2 in Annex 1 Indicator No. 1 in Table 2 in Annex 1 Indicator No. 3 in Table 2 in Annex 1			
ESRS E3-1 Water resources and marine resources, point 9	Indicator No. 7 in Table 2 in Annex 1			

The requirement to submit information and the corresponding data point	SFDR reference⁹	Reference in Pillar 3¹⁰	The reference in the Regulation on Reference indices¹¹	EU Reference from Climate Law¹²
ESRS E3-1 Specific policy item 13	Indicator No. 8 in Table 2 in Annex 1			
ESRS E3-4 Total recycled and reused water – point 28 (c)	Indicator No. 6.2 from Table 2 in annex 1			
ESRS E3-4 Total water consumption in m ³ per net income from in-house operations item 29	Indicator No. 6.1 from Table 2 in annex 1			
ESRS E4-2 Practices or policies sustainable with land use/agriculture point 24(b)	Indicator No. 11 in Table 2 of Annex 1			
ESRS E5-5 Non-recycled waste point 37(d)	Indicator No. 13 in Table 2 of Annex 1			
ESRS E5-5 Hazardous waste and radioactive waste, point 39	Indicator No. 9 in Table 1 of Annex 1			
ESRS S1-1 Commitments regarding human rights policy, paragraph (20)	Indicator No. 9 in Table 3 and indicator no. 11 in Table 1 of Annex I			
ESRS S1-1 Due diligence policies regarding issues covered by the International Labour Organisation's Core Conventions 1–8 paragraph (21)			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 The workplace accident prevention policy or accident management system, point 23	Indicator No. 1 in Table 3 of Annex I			
ESRS S1-3 mechanisms for handling of complaints point 32(c)	Indicator No. 5 in Table 3 of Annex I			
ESRS S1-14 The number of deaths and the number and rate of accidents related to work, point 88(b) and (c)	Indicator No. 2 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14	Indicator No. 3 in			

The requirement to submit information and the corresponding data point	SFDR reference⁹	Reference in Pillar 3¹⁰	The reference in the Regulation on Reference indices¹¹	EU Reference from Climate Law¹²
Number of days lost as a result of injuries, accidents, deaths or illnesses, point 88 item (e)	Table 3 of Annex I			
ESRS S1-16 The pay gap among genders of the unadjusted form, point 97(a)	Indicator No 12 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 An excessive level of the ratio between the CEO's remuneration and that of workers, point 97(b)	Indicator No. 8 in Table 3 of Annex I			
ESRS S1-17 Incidents of discrimination, point 103(a)	Indicator No. 7 in Table 3 of Annex I			
ESRS S1-17 Non-compliance with the UN guidelines on business and human rights and OECD guidelines point 104(a)	Indicator No 10 in Table 1 and indicator No 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12 para. (1)	
ESRS S2-1 Commitments regarding the policy in the field of human rights, point 17	Indicator No. 9 in Table 3 and indicator No 11 in Table 1 of Annex 1			
ESRS S2-1 Policies concerning workers in the value chain, point 18	Indicators 11 and No. 4 in Table 3 of Annex 1			
ESRS S2-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 19	Indicator No. 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12 para. (1)	
ESRS S2-1 Due diligence policies in regarding the issues covered by the International Labour Organisation's Core Conventions 1-8 point 19			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Aspects relating to	Indicator No. 14 in Table 3 of Annex 1			

The requirement to submit information and the corresponding data point	SFDR reference⁹	Reference in Pillar 3¹⁰	The reference in the Regulation on Reference indices¹¹	EU Reference from Climate Law¹²
human rights and incidents relating to its value chain in upstream and downstream item 36				
ESRS S3-1 Commitments regarding the policy in the field of human rights, item 16	Indicator No. 9 in Table 3 of Annex 1 and indicator No. 11 in Table 1 of annex 1			
ESRS S3-1 Failure to comply with the UN guidelines on business and human rights, the ILO principles or OECD guidelines item 17	Indicator No. 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12 Paragraph (1)	
ESRS S3-4 Aspects and incidents on human rights, paragraph 36	Indicator No. 14 in Table 3 of Annex 1			
ESRS S4-1 Policies regarding consumers and end users, point 16	Indicator No. 9 in Table 3 and indicator No 11 in Table 1 of Annex 1			
ESRS S4-1 Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Indicator No. 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12 para. (1)	
ESRS S4-4 Aspects and incidents on human rights, point 35	Indicator No. 14 in Table 3 of Annex 1			
ESRS G1-1 The UN's Convention against corruption point 10(b)	Indicator No. 15 in Table 3 of Annex 1			
ESRS G1-1 Protection of whistleblowers point 10(d)	Indicator No. 6 in Table 3 in Annex 1			
ESRS G1-4 Fines for breach of the laws on anti-corruption and the giving or taking of bribery, point 24(a)	Indicator No. 17 in Table 3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II	

The requirement to submit information and the corresponding data point	SFDR reference⁹	Reference in Pillar 3¹⁰	The reference in the Regulation on Reference indices¹¹	EU Reference from Climate Law¹²
ESRS G1-4 Anti-corruption standards and the giving and taking of bribery, point 24(b)	Indicator No. 16 in Table 3 of Annex 1			

CHAPTER II

ESRS E1 – E5 – Environmental aspects

1. Climate change (E1 1–9)

Integrating sustainability performance into incentive schemes (GOV-3)

By resolution of the General Meeting of Shareholders No. 1 of 15 January 2025¹⁴, the shareholders approved the key performance indicators (KPIs) and their weightings used to assess performance and determine the variable component of the remuneration of the members of the Management Board.

The Supervisory Board receives a fixed allowance with no variable component; consequently, 0% of the remuneration recognised in the current period is linked to performance considerations.

The Board receives fixed and variable remuneration, with the variable component determined on the basis of approved KPIs, structured as follows: 75% financial KPIs and 25% non-financial/non-commercial KPIs.

Climate-related considerations are incorporated through the energy efficiency indicator ‘Internal electricity consumption (RET stations and offices)’, which accounts for 3% of the variable component.

Furthermore, although the KPI ‘Implementation of the Annual Maintenance Plan’ does not explicitly refer to the Sustainability Plan or climate targets, it can be regarded as an indicator that contributes indirectly to sustainability (operational resilience). The indicator is included in the incentive scheme as a non-financial/non-commercial KPI, accounting for 10%; its climate relevance is indirect, through the prevention of faults, optimisation of network operation, reduction of energy losses and mitigation of vulnerabilities to extreme weather events, as well as by facilitating the integration of renewable sources into a secure and stable system.

At present, Transelectrica does not explicitly link remuneration to GHG emission reduction targets reported under E1-4 (tCO₂e/Scope 1–3); the link to climate is indirect, through the reduction of operational energy consumption (the internal consumption indicator).

Therefore, the percentage of the recognised remuneration linked to climate considerations: CS: 0% and the Management Board: 3% of the variable component, based on the KPI “*internal electricity consumption*”.

The Climate Change Mitigation Transition Plan (E1-1)

Although Transelectrica does not, at the time of reporting, have a formalised transition plan in the form of a dedicated document, the Company is implementing its strategies for mitigating climate change and enhancing resilience through approved and implemented planning tools and programmes, primarily:

¹⁴ Pursuant to the provisions of Law No. 158/2025 amending and supplementing Government Emergency Ordinance No. 109/2011, by Resolution No. 13 of 22 December 2025, the General Meeting of Shareholders approved the key performance indicators resulting from the Management Plan, initially approved by General Meeting Resolution No. 1/2025.

- (i) *The RET Development Plan 2024–2033* – which sets out the projects required for the development of the RET and their timetable, subject to approval by the General Meeting of Shareholders and submitted to ANRE for approval following a public consultation;
- (ii) *The Programme of Measures to Improve Energy Efficiency (2025)*, which sets out guidelines and measures to reduce network losses, optimise flows and digitise operations.

At the same time, the Company is considering the formalization of such a transition plan in a dedicated document. To this end, the market will be explored and the necessary steps will be initiated to define the optimal approach, so that the adoption of a formalized transition plan may be achieved within an estimated timeframe of approximately 3 years.

Compatibility with limiting global warming to 1.5 °C. During the reporting period, Transelectrica did not set quantitative targets for reducing GHG emissions within the meaning of requirement E1-4, so a formal assessment of the compatibility of the targets with limiting global warming to 1.5°C (Paris Agreement) is not applicable. However, the company aims to align its modernisation, digitalisation and energy efficiency initiatives with the decarbonisation targets set at European level, through projects that support the integration of renewable energy sources, the reduction of losses and the reduction of the climate impact of its operations.

Decarbonisation levers and key actions (including technologies). Transelectrica is implementing a number of measures to mitigate climate change and improve operational efficiency:

- **the integration of renewable energy sources** and facilitating their connection to the transmission grid;
- **promoting energy efficiency** through measures to optimise energy consumption and reduce network losses;
- **upgrading infrastructure and using climate-resilient technologies and materials**, thereby preventing equipment damage in extreme conditions;
- **monitoring and assessing climate-related risks** to the electricity grid, and taking measures to prevent faults and outages;
- **preventive maintenance and digital monitoring** to reduce operational risks caused by climate change;
- **reducing greenhouse gas (GHG) emissions** through the use of pressurised, sealed equipment and the monitoring of sulphur hexafluoride (SF₆) leaks, a potent greenhouse gas, whilst also complying with European legislation on the phasing out of this gas.

The main measures identified to support the climate transition include: reducing network losses through rewiring and upgrading substations, and the use of modern control devices (e.g. FACTS) to optimise power flows, digitise operations through energy management platforms and modernise EMS/SCADA systems, expand online monitoring and introduce smart grid solutions (including Dynamic Line Rating), as well as support the development of RES-related storage. As part of its project portfolio, Transelectrica is also implementing low-carbon technologies, including non-SF₆ (low-emission gases) in the flagship DigiTEL Green project (Mostiștea), alongside energy efficiency solutions (nZEB buildings, natural oils) and advanced digitalisation (including AI/robotics/drones for technical surveillance).

Investments/funding to support the transition (with figures). The implementation of these priorities is supported by investment from the portfolio of projects aimed at developing and digitising the RET. The consolidated overview of DTEETN projects (the Technical, Energy

Efficiency and New Technologies Directorate within Transelectrica) shows the total approved/updated value of the portfolio (approx. (1.61 billion RON) and includes projects relevant to climate transition and resilience (e.g. smart grid online monitoring, digital substations, DigiTEL Green, synchronous phase systems, line upgrades), along with their implementation stages and corresponding funding percentages.

It. no.	Name of investment projects	NACE CODE	Project stage TP/SF/CS/PT/Construction	Total approved/updated amount [RON]	Funding [%]	Estimated commissioning [year]
1	Optimisation of the operation of the existing 400 kV LEA in the NES, used in interconnection and for power evacuation from the Cernavodă nuclear power plant and the renewable energy plants in Dobrogea, by installing on-line monitoring systems (SMART GRID type);	35.13	Execution	49,457,200.00	99.25	2026
2	Pilot Project – Upgrade of the 220/110/20 kV Alba Iulia substation as a digital substation	35.13	Tender for works	661,245,754.00	34.45	2029
3	DigiTEL Green pilot project - Retrofitting of the 220/110/20 kV Mostiștea substation into a digital substation with reduced environmental impact;	35.13	Tender for works	464,780,169.46	51.76	2029
4	National Phasor Data System connected to the International Phasor Data Exchange (IPDE)	35.13	Purchase	7,995,627.00	100.00	2026
5	DigiTEL Power Lines of the Future Pilot Project - Transition of the 400 kV Isaccea-Tulcea West LEA from single circuit to double circuit.	35.13	SF+CS	335,000,000.00	100.00	2029
6	Optimising the operation of overhead power lines by extending the DigiTEL Smart Lines online monitoring system;	35.13	CS	91,502,826.50	100.00	2029
				1,609,981,576.96 RON approx. €320 million	80.91	

At the same time, *The Programme of Measures to Improve Energy Efficiency (2025)* sets out the measures implemented and associated investment costs, as well as estimated annual energy savings (energy efficiency indicators), including for Commissioning projects from August 2024 to August 2025.

A. Energy efficiency through the reduction of electricity consumption associated with internal station services:

No. it.	Name of the measure implemented (commissioning August 2024 – August 2025)	NACE CODE	The cost of the measure (Investment cost) (thousands of RON)	Annual energy savings (toe*)
1	Improving the operational reliability of the Argeş–Vâlcea grid area, construction of the 400 kV Arefu substation and installation of a 400 MVA, 400/220 kV transformer	35.13	83,375.75	17.20
2	Upgrade to 400 kV on the Porțile de Fier – Reșița – Timișoara – Săcălaz – Arad line – Phase I Reșița 400/220/110 kV substation	35.13	170,000.00	15.14

* *The level of savings is based on estimates, as no relevant comparative data has yet been recorded.*

B. Energy efficiency through the reduction of electricity consumption associated with the CPT in the RET:

It. no.	Name of the measure implemented (Commissioning August 2024 – August 2025)	NACE CODE	Cost of the measure (Investment cost) (thousand RON)	Annual energy savings (toe**)
1	Increasing the transmission capacity of the 220 kV Stejaru-Gheorgheni-Fântânele power line	35.13	49,371.19	50.05
2	LEA 400kV d.c. (1c.e) Gutinaș – Smârdan – Commissioning stage	35.13	30,737.79	33.54
3	220 kV double-circuit power line Ostrovu Mare – RET	35.13	30,737.79	4.73
4	Increasing the transmission capacity of the 400 kV Bucharest South–Pelicanu section (8 km)	35.13	6,505.62	4.82

* *The level of savings is generally based on estimates, as no relevant comparative data has yet been recorded.*

‘Locked’ GHG emissions – qualitative supplement (suitable for OTS). Given the nature of Transelectrica’s assets (transmission infrastructure), the risk of ‘stranded emissions’ differs from that in industries with fossil fuel assets; however, there are potential sources of emissions associated with operations and equipment (e.g. the use of insulating gases). In this context, the Company aims to modernise its technology and reduce the climate impact of its infrastructure, including through the introduction of non-fossil fuel technologies₆ in pilot projects and through measures to reduce losses and optimise network operation, which can alleviate transition pressures and associated risks.

Alignment with the taxonomy (revenue/CapEx/OpEx). Information regarding eligibility/alignment with the taxonomy (revenue/CapEx/OpEx) is presented in the section

dedicated to EU Taxonomy reporting, and the investment plans underpinning the transition are set out in the *RET Development Plan 2024–2033*.

Integrating these actions into the Company’s development strategy. The transition objectives are integrated into the Company’s investment strategy and planning through the *RET Development Plan 2024–2033*, which includes the projects necessary for the development of the RET and their scheduling over time, having been drawn up in accordance with legal obligations/licensing requirements and in line with European planning (TYNDP ENTSO-E), as well as through energy efficiency programmes that underpin measures and investments to reduce losses and optimise operations.

Progress in implementation. Progress in implementation is monitored through the stages of the projects in the investment portfolio, as well as through the estimated Commissioning deadlines and the corresponding funding percentages for the projects, based on regular internal reports on the stages (SF/CS/PT/execution), Commissioning deadlines and funding structure.

Adoption of a transition plan. As Transelectrica does not, at the time of reporting, have a formalised transition plan in the form of a dedicated document, the Company is assessing the advisability of formalising such a plan by consolidating, within a single framework, the strategies and measures already implemented through the *RET Development Plan 2024–2033* and through energy efficiency programmes. The timetable for adopting a dedicated transition plan will be set once the internal assessment stages have been completed and alignment with the ESRS requirements and developments in the applicable regulatory framework has been achieved.

Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM-3)

Transelectrica faces significant challenges, but also strategic opportunities, in the energy transition. Through the effective management of financial, technological and climate-related risks, the Company aims to maximise the value of its investments in infrastructure, energy efficiency and digitalisation, thereby strengthening its position as a modern and sustainable transport operator. The adaptation and modernisation strategies are implemented through approved and implemented planning instruments and programmes, primarily via the *2024–2033 RET Development Plan* and the *Programme of Measures to Improve Energy Efficiency (2025)*.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS E1	Climate change	Adapting to climate change		climate-related physical risk	Climate change and extreme weather events – such as storms or droughts – can affect the stability of infrastructure, impacting local ecosystems and creating operational risks
		Climate change mitigation Climate change mitigation		opportunity	Increasing access to sustainable finance: adopting measures to reduce environmental impact can facilitate access to European funds and green financing schemes
		Mitigating climate change		opportunity	Technological innovation: developing high-performance/advanced solutions for emissions control and pollution management can position the company as a leader in sustainability within the energy sector

		Mitigating climate change		impact	Positive impact: reducing pollution and protecting the environment by monitoring emissions and using less polluting technologies
		Mitigating climate change		opportunity	Technological opportunities: investment in cleaner and safer technologies, helping to reduce the environmental impact; the adoption of innovative solutions for managing greenhouse gas emissions
		Mitigating climate change		impact/opportunity	Reducing GHG emissions: by developing renewable energy infrastructure, Transelectrica is helping to achieve Romania's and the EU's climate targets
		Mitigating climate change		climate-related transition risk	Additional costs: the need to implement new, less polluting technologies; investments that may lead to higher operating costs
		Mitigating climate change		opportunity	The implementation of pollution monitoring and prevention solutions may improve environmental performance and alignment with European standards.
		Efficiency		climate-related transition risk	Technological risks: should strategic investments be delayed or fail, Transelectrica could face difficulties in achieving its energy efficiency and emissions reduction targets
		Efficiency		opportunity	Reducing operational costs: optimising energy consumption and implementing energy-efficient technologies will reduce costs in the long term

Classification of significant climate-related risks: physical risks versus transition risks. As part of its climate risk identification process, Transelectrica classifies significant climate-related risks as follows:

(i) *Climate-related physical risks* – associated with the increased frequency and severity of extreme weather events (storms, strong winds, high temperatures, freeze-thaw cycles, drought), which may affect the integrity, availability and performance of the RET infrastructure (lines, substations, critical equipment), with an impact on service continuity, operational safety and repair costs.

(ii) *Climate-related transition risks* – associated with evolving regulatory requirements and decarbonisation policies, the need for accelerated integration of renewable energy sources and grid modernisation/digitalisation, as well as technological and implementation risks (delays/failures in strategic projects) that may affect the achievement of energy efficiency targets, loss reduction and compliance with sustainability requirements.

During the reporting period, the resilience assessment was qualitative in nature and did not, as of the reporting date, include a climate risk analysis (based on RCP/SSP-type climate scenarios) or dedicated financial modelling related thereto. The Company acknowledges the usefulness of such an exercise for testing the resilience of its strategy and for providing a more robust basis for assessing climate-related risks. Consequently, Transelectrica is considering initiating the necessary steps to carry out a climate risk analysis based on climate scenarios within an estimated timeframe of approximately three years. Until then, the planning elements used will remain those integrated into the RET Development Plan and the related operational programmes.

With regard to setting GHG emission reduction targets (E1, E2, E4), Transelectrica did not set any quantitative GHG emission reduction targets within the reporting period in accordance with

requirement E1-4; consequently, there is no formal alignment of the E1-4 targets with climate and business scenarios.

The resilience of the strategy and business model to climate change

The scope of the resilience analysis. The resilience analysis applies to the electricity transmission network and associated critical infrastructure, including substations, high-voltage lines, telecommunications and network control systems, as well as the operational, maintenance and investment processes that underpin service continuity.

How and when the analysis is carried out. During the reporting period, the resilience analysis was carried out as part of the climate risk assessment within the framework of operational governance and investment planning (the RET Development Plan and energy efficiency programmes). The analysis was qualitative in nature and did not include quantified climate scenarios; the conclusions were used to prioritise modernisation, digitalisation and energy efficiency measures, as well as to strengthen preventive maintenance and monitoring measures.

Results of the resilience analysis. The results indicate that the main vulnerabilities are linked to the exposure of certain segments of the RET to extreme events (storms, high temperatures, freeze-thaw cycles), with potential effects on operational availability and safety. At the same time, transition risks highlight the need to accelerate modernisation and digitalisation, as well as investment in the integration of renewable energy sources and the reduction of losses, alongside the risk associated with delays in the implementation of strategic projects. In response, the Company is prioritising a portfolio of projects and measures that support resilience and the transition: the digitalisation of substations and operations, expanding online monitoring and smart grid solutions, optimising flows and reducing losses, as well as the gradual adoption of low-carbon technologies (including pilot projects with non-SF₆ solutions).

The ability to adapt the strategy and business model in the short, medium and long term. Although no quantitative analysis has been carried out on a scenario-by-scenario basis, Transelectrica is assessing the flexibility of its strategy and business model through operational and investment measures, broken down by time horizon:

- a) *In the short term*, the company can adapt its operations by strengthening preventive maintenance, increasing digital monitoring and diagnostics, prioritising interventions in high-risk areas, and implementing energy efficiency measures with immediate effect (including reducing internal consumption and losses, where applicable).
- b) *In the medium term*, The Company is adjusting its strategy through the investment portfolio set out in the RET Development Plan and modernisation/digitalisation projects (digital substations, online monitoring/smart grid, synchronous condensers, cable replacement and other investments to increase network capacity and flexibility), whilst also taking into account the integration of RES. This approach enables upgrades and modernisation and reduces the risk of associated disruptions and losses.
- c) *In the long term*, adaptability relies on asset lifecycle planning and upgrades that enhance the structural resilience of the network and flexibility for the energy transition (including the integration of emerging technologies and the gradual reduction of dependencies on technologies with high climate impact, where appropriate).

With regard to ongoing access to finance and the cost of capital, Transelectrica aims to maintain an investment portfolio that qualifies for 'green'/sustainable financing mechanisms and instruments, through projects that contribute to modernisation, energy efficiency and digitalisation, as well as by aligning its reporting with sustainability requirements.

With regard to its portfolio of products and services, Transelectrica, as a transmission operator, is adapting its role by expanding the network's capacity and the operational capabilities required to integrate renewable energy sources and increase the system's flexibility. For the workforce, the transition involves developing skills in digitalised operations, data-driven maintenance and the use of new technologies; these needs are being addressed progressively by aligning internal skills with the implementation of projects.

Description of the processes for identifying and assessing significant impacts, risks and opportunities (IRO-1)

The processes for identifying and assessing climate-related impacts, risks and opportunities (IRO) are carried out as part of the overall process described in ESRS 2 – IRO-1, including through the double materiality analysis conducted with management involvement (internal meeting), with the aim of ensuring a relevant representation of the material issues that influence the company's strategy and its environmental impact.

Furthermore, for the climate theme (E1), the process is implemented through the relevant internal structures and workflows (RET operations, maintenance, investment/planning, energy efficiency, integrated/environmental management and risk management), and the results are used to prioritise modernisation, digitalisation and energy efficiency measures (including in annual energy efficiency programmes and investment planning).

Impacts on climate change. The impacts on climate change are analysed by reference to the sources of GHG emissions relevant to the company's own operations, based on the emissions inventory reported in accordance with E1-6, as well as by identifying areas for action (energy efficiency, reduction of internal consumption/losses, and management of equipment and substances with climate-changing potential).

During the reporting period, Transelectrica did not set GHG targets in accordance with E1-4; the process is currently being consolidated to enable the definition, in future periods, of measurable targets and trajectories based on data, methodologies and internal governance mechanisms.

Climate-related physical risks – identification and assessment. Transelectrica identifies relevant short-, medium- and long-term climate hazards and carries out a preliminary screening of the exposure of its assets and activities, focusing on the types of hazards affecting the electricity transmission infrastructure (temperature, wind, water and, where applicable, solid-state phenomena), in both chronic and acute forms (e.g. heatwaves, storms, freeze-thaw cycles, drought, heavy rainfall/local flooding).

The time horizons used are aligned with the useful life of assets and with capital planning and allocation cycles: short-term (1–3 years), medium-term (4–10 years) and long-term (>10 years). The assessment of exposure and vulnerability is carried out primarily on a qualitative basis, by evaluating the probability, magnitude and duration of hazards and their potential impact on infrastructure availability, service continuity, response times and recovery costs.

During the reporting period, the exposure and sensitivity assessment did not include systematic geospatial mapping at coordinate/NUTS level for all assets and supply chains, nor was it informed by high-emission climate scenarios (e.g. (SSP5-8.5/NGFS), but relied primarily on qualitative analysis and operational information.

Transition risks and opportunities – identification, exposure and sensitivity. Transelectrica identifies short-, medium- and long-term transition risks and opportunities by analysing regulatory and policy developments (decarbonisation, energy efficiency, integration of renewable energy sources), technological requirements (modernisation/digitalisation, flexibility), market dynamics and stakeholder expectations.

The use of climate scenario analysis. During the reporting period, Transelectrica did not use a formal analysis based on climate scenarios (neither high-emissions scenarios for physical risks nor 1.5°C scenarios for the transition) to support the identification and assessment of short-, medium- and long-term risks and opportunities. The company is considering the gradual development of the methodology in future reports, including the integration of climate scenario components and increased geospatial granularity, as data becomes available.

Policies relating to climate change mitigation and adaptation (E1-2)

Transelectrica outlines the policies through which it manages the significant impacts, risks and opportunities associated with climate change (mitigation and adaptation), in line with the overall policy framework set out in ESRS 2 (MDR-P). As at the reporting date, the approach is structured around a set of policies and framework documents that set out guidelines, responsibilities and monitoring mechanisms, including:

- a) *planning documents and operational investment programmes* (e.g. The RET Development Plan 2024–2033; energy efficiency programmes);
- b) *Policy/Statement for the Integrated Management System* (quality–environment–health and safety);
- c) *risk management policy*, which supports the integration of climate risks into governance and processes.

The policies and framework documents used by Transelectrica to manage significant climate-related IROs are implemented through internal procedures, management roles and responsibilities, annual programmes and regular monitoring (including via KPIs where these have been defined). The policies apply primarily to the organisation’s own operations (RET and operations/maintenance/investment activities) and, where relevant and feasible, include requirements for relations with suppliers/contractors (upstream value chain), through compliance and contractual/procedural requirements. In particular:

- a) *Policies for the Integrated Management System* (quality–environment–OHS) include commitments regarding environmental protection, pollution prevention, continuous improvement and compliance, forming the internal framework through which relevant environmental impacts are managed, including those associated with climate-relevant activities (e.g. interventions/works, incident prevention, compliance).
- b) *The risk management policy* establishes a framework for identifying, assessing and managing risks, including climate-related risks (physical and transition risks), through a proactive approach, with defined responsibilities and internal control mechanisms.
- c) *Operational and investment policies and programmes* (described in the environment chapter) support the energy transition through modernisation/digitalisation, loss reduction and energy efficiency, as well as the management of transition risks (regulatory requirements, technologies, financing).

The areas covered by Transelectrica's policies. Transelectrica's policies and framework documents cover the following areas:

- a) *climate change mitigation* – through energy efficiency policies and measures (reducing internal consumption and minimising losses), technological upgrades and initiatives aimed at reducing the climate impact of operations (including the management of insulating gases where relevant);
- b) *adaptation to climate change* – by integrating climate risks into risk management and through operational and investment measures aimed at enhancing infrastructure resilience (preventive maintenance, digital monitoring, upgrades to the electricity transmission network);
- c) *energy efficiency* – through the energy efficiency policy/programme and associated measures (internal consumption, CPT, upgrades, monitoring), as reflected in internal and annual programmes and reports;
- d) *use of energy from renewable sources* – For Transelectrica, this area primarily concerns its role as a TSO in integrating RES into the transmission grid; the direct use of energy from renewable sources for its own consumption applies to the extent that it is relevant and implemented;
- e) *others* – climate-related support policies, such as: risk management (including business continuity), compliance requirements, governance and internal control, as well as the integrated management framework (quality–environment–HSE).

Actions and resources relating to climate change policies (E1-3)

In accordance with ESRS 2 MDR-A, Transelectrica outlines the key actions (implemented during the reporting period and planned) and the resources allocated to manage the significant impacts, risks and opportunities associated with climate change mitigation and adaptation. These measures are implemented through energy efficiency programmes and the investment portfolio for the modernisation and digitalisation of the electricity transmission network (including smart grid projects and digital substations), which are integrated into the investment planning process and monitored through internal reports on progress, deadlines and funding.

In 2025, Transelectrica implemented a series of strategic initiatives to optimise energy consumption and align with energy efficiency targets, including:

- supporting the implementation of the STARES project, which aims to build photovoltaic power stations (PPS) and energy storage facilities (ESF) to supply the Company's stations' internal services, with funding from non-repayable sources;
- updating the chapter on Energy Efficiency and New Technologies in the RET Development Plan for the period 2024–2033, reflecting the latest developments and regulations in the field;
- assessing energy efficiency components within ongoing investment projects, to ensure a sustainable and energy-optimised infrastructure;
- the annual preparation of the “*Energy Efficiency Improvement Programme*”, which sets out short-, medium- and long-term measures to reduce consumption and improve operational performance;
- completing the “*Energy Consumption Declaration*” and the “*Energy Analysis Questionnaire*”, based on the previous year's energy consumption, in accordance with the requirements of national and European regulations.

Key actions during the reporting year and planned actions. Mitigation measures are presented by decarbonisation levers relevant to a transport operator (reduction of losses, energy efficiency, digitalisation and operational flexibility), whilst adaptation measures aim to increase the infrastructure's resilience to extreme weather events.

Mitigation – decarbonisation measures:

- *reducing losses and optimising network operations* through the modernisation of lines and substations and through investments that increase capacity and energy efficiency (including measures with estimated energy savings);
- *digitalization and online monitoring (smart grid)* to optimize operating regimes and reduce operational risks (e.g.: online monitoring projects for 400 kV overhead lines, national synchrophasor system, digital stations);
- *low-carbon technologies* (where technically feasible), including pilot projects aimed at reducing environmental impact and non-SF₆ solutions in retrofitting projects.

Adaptation – building resilience (examples of actions):

- upgrades and modernisation measures that enhance the resilience of the infrastructure;
- preventive maintenance and enhanced technical supervision through digitalisation/monitoring (as supporting measures to reduce vulnerabilities to extreme weather events).

Nature-based solutions (NBS): during the reporting period, no significant nature-based mitigation actions were identified that could be reported as a key lever for decarbonisation in Transelectrica's (TSO) activities; the approach focuses on modernisation, energy efficiency and digitalisation.

The results of mitigation measures. The results of mitigation measures are primarily monitored using energy indicators (estimated energy savings/reductions in consumption), which form the basis for determining the associated reductions in emissions from energy consumption.

During the reporting period, the Energy Efficiency Programme provides examples of measures that have been implemented (Commissioning August 2024–August 2025), with estimated investment costs and annual savings (toe) for both internal consumption at substations and CPT within the RET.

The reduction in GHG emissions (tCO₂e) associated with these energy savings is consistently quantified using the methodology and emission factors employed in the emissions inventory (E1-6). At present, GHG reductions are tracked at the inventory level, and the full breakdown 'by action' (tCO₂e achieved/projected for each measure) is being addressed in stages, as data and traceability between projects/measures and reported emissions are consolidated.

Resources – CapEx and OpEx and their correlations

- *CapEx (capital expenditure):* the resources allocated for the implementation of these measures are reflected in the portfolio of projects for the development and digitalisation of the RET. The consolidated overview of DTEETN projects indicates a total approved/updated value for the portfolio of approximately 1.61 billion RON, including projects relevant to climate transition and resilience (smart grid online monitoring, digital substations, DigiTEL Green, synchronisers, line upgrades), with estimated stages, funding percentages and PIFs.
- *OpEx (operating expenses):* Operating expenses relating to the implementation and operation of activities (e.g. maintenance, services, monitoring, day-to-day operations) are managed through operational budgets and annual programmes; the detailed breakdown

is reflected in the financial statements under the headings and notes relating to operating and maintenance expenses.

The capital and operating expenses relating to the actions described are recognised in the Company's financial statements, in accordance with the applicable accounting policies, under the items relating to investments and operating expenses. The correlation of these figures with the key performance indicators set out in Delegated Regulation (EU) 2021/2178 (Taxonomy KPIs regarding eligible and aligned revenue/CapEx/OpEx) is presented in the section dedicated to EU Taxonomy reporting. Where applicable, the medium- and long-term investment plan (CapEx plan) supporting the implementation of these actions is also presented in the EU Taxonomy reporting, in line with the Company's internal investment planning tools.

Short-, medium- and long-term energy efficiency measures

Investments. During the reporting period and as part of the implementation of the 2024–2033 Transmission System Development Plan, Transelectrica is prioritising investments that support the expansion of cross-border interconnection capacity and the strengthening of interconnectivity with the networks of neighbouring countries, in line with ENTSO-E planning. In parallel, the projects in the PDRET aim to strengthen the grid to integrate new generation capacity from the Dobrogea and Moldova regions (predominantly RES and nuclear), facilitating the energy transition and ensuring safe and stable operation. In addition, the Company is carrying out modernisation and digitalisation projects to optimise workflows and reduce specific losses and consumption, with positive effects on operational efficiency and the reliability of the electricity transmission network.

These priorities are supported by the Annual Energy Efficiency Improvement Programme (short-, medium- and long-term measures), drawn up in accordance with the applicable legal obligations and reflected in internal planning documents (Administration Plan/Management Plan).

PLANNED ENERGY-EFFICIENCY MEASURES,								
including repairs and modernisation or refurbishment work								
<i>Short-term measures that are either free of charge or involve minimal costs, and do not require major investment</i>								
1	Description of the measure	Application deadline – 2025	Estimated recovery time	The cost of implementing the measure	Energy saving		Cost savings	Specific energy-saving cost
			[years]	[thousand RON]	[MWh/year]	[toe / year]	[thousands of RON / year]	[RON/MWh]
	Upgrade of the 400/110 kV Pelicanu substation	2025	10	106,822.53	46	3.96	21.78	2,322,228.91
	220 kV double-circuit power line Ostrovu Mare – RET – Phase I	2025	8	62,100.00	55	4.73	26.04	1,129,090.91

Improving the reliability of the power supply to consumers in the southern part of Bucharest connected to the 400/220/110/10 kV Bucharest South substation	2025	9.4	60,000.00	125	17.2	94.69	359,876.75
Upgrade to 400 kV on the Pořtile de Fier – Reřita – Timiřoara – Săcălaz – Arad line – Phase I 400/220/110 kV Reřita substation	2025	8	170,000.00	176	15.14	83.33	965,909.09
LEA 400kV d.c. (1c.e) Gutinas – Smardan	2025	11	324,467.22	390	33.54	184.64	863,974.36
TOTAL		9.28	723,389.75	792	74.56	410.47	1,128,216.00
Estimated energy savings				0.08%			

<i>Medium-term measures, spanning 2 to 3 years, aimed at an investment programme</i>							
Description of the measure	Application deadline	Estimated recovery time	The cost of the investment	Energy saving		Cost savings	Specific energy-saving cost
		[years]	[thousand RON]	[MWh/year]	[toe / an]	[thousand RON / year]	[RON / MWh]
Upgrade of the 400/110/20 kV Smărdan substation	2026	7.5	136,390.00	87	7.48	41.19	1,567,701.15
Refurbishment of Isaccea 400 kV substation - Phase II	2026	11.5	128,200.00	100	8.6	47.34	1,282,000.00
2 Installation of two modern means of reactive power compensation in 400/220/110/20kV Sibiu Sud and 400/220/110/20 kV Bradu substations;	2026	7.09	261,000.00	45	3.87	21.3	5,800,000.00
Upgrade of the 220kV Brazi Vest – Teleajen power line to 400kV – Stalpu, including the procurement of a 400MVA 400/220/20kV transformer and extension works to the associated	2026	16	44,000.00	35	3.01	16.57	1,257,142.86

400kV and 220kV substations at the 400/220/110kV Brazi Vest substation - LOT 1 - 400 kV Brazi Vest overhead line – Teleajen – Stalpu								
Upgrade of the 220/110 kV Calafat substation	2026	15.3	68,850.00	73	6.28	34.56	943,150.68	
Installation of two modern means of reactive power compensation in 400/220/110/20kV Sibiu Sud and 400/220/110/20 kV Bradu substations;	2026	7.09	261,000.00	45	3.87	21.3	5,800,000.00	
Installation of photovoltaic power plants (PVP) and electricity storage facilities, intended to supply internal services at the CNTEE 'Transelectrica' SA substations	2026	8	114,000.00	11,500.00	989	5,444.56	9,913.04	
Replacement of Transformer No. 4 – 250 MVA, 400/110 kV at the 400/110 kV Draganesti Olt substation	2026	13.5	25,000.00	25	2.15	11.84	1,000,000.00	
The 220 kV Ostrovu Mare substation	2027	7	80,994.00	35	3.01	16.57	2,314,114.29	
Procurement and installation of a 100 MVar shunt reactor at the Portile de Fier 400 kV substation	2027	9	30,000.00	56	4.82	26.51	535,714.29	
Improving the reliability of the power supply to consumers in the north-eastern part of Bucharest connected to the 220/110/10 kV Fundeni substation	2027	9.4	95,100.00	80	6.88	37.88	1,188,750.00	

Upgrading the 220 kV Brazi Vest – Teleajen – Stalpu overhead line to 400 kV, including the procurement of a 400 MVA 400/220/20 kV substation and extension works to the associated 400 kV and 220 kV substations, at the 400/220/110 kV Brazi Vest substation – LOT 1 – 400 kV Brazi Vest – Teleajen – Stalpu overhead line; LOT 2 – Extension of the Brazi Vest substation (including 400 MVA transformer)	2027	16	118,000.00	95	8.17	44.98	1,242,105.26
The 400 kV Stâlpu Substation and the modernisation of the 110 kV and medium-voltage bays at the Stâlpu Substation	2027	7	128,000.00	125	10.75	59.18	1,024,000.00
Upgrading the Porțile de Fier– Reșița– Timișoara– Săcălaz–Arad line to 400 kV, phase II: LEA 400kV d.c. Reșița – Timișoara – Săcălaz	2027	2.7	200,000.00	250	21.5	118.36	800,000.00
TOTAL		9.79	1,690,534.00	12,551.00	1079.39	5942.15	1,768,899.40
Estimated energy savings				1.09%			

<i>Long-term measures, spanning 3 to 6 years, aimed at an investment programme</i>								
3	Description of the measure	Application deadline	Estimated recovery time	The cost of the investment	Energy saving		Cost savings	Specific energy-saving cost
			[years]	[thousand RON]	[MWh/year]	[toe / an]	[thousand RON / year]	[RON / MWh]

Upgrading the 220 kV Brazi Vest – Teleajen – Stalpu overhead line to 400 kV, including the procurement of a 400 MVA 400/220/20 kV transformer and extension works at the associated 400 kV and 220 kV substations, at the 400/220/110 kV Brazi Vest substation – the 400 kV Teleajen substation and refurbishment of the 110 kV substation	2028	16	162,000.00	95	8.17	44.98	1,705,263.16
Pilot Project – Upgrade of the 220/110/20 kV Alba Iulia substation as a digital substation	2029	11	414,342.93	150	12.9	71.02	2,762,286.20
Upgrading of the 110 kV Timișoara 110 kV substation and upgrading to 400 kV of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis, phase II: The 400 kV Timișoara substation	2028	8.6	212,000.00	50.58	4.35	23.95	4,191,379.99
Transition of the Porțile de Fier - Anina - Reșița - Timișoara - Săcălaz - Arad axis to 400 kV. 400 kV Timișoara–Arad transmission line (Phase III)	2028	12	1,855,000.00	125	10.75	59.18	14,840,000.00
Installation of the AT1 400 MVA, 400/220 kV unit at the 400/220 kV Roșiori substation + Installation of the control and protection system at the 400/220 kV Roșiori substation	2028	12	101,550.00	95	8.17	44.98	1,068,947.37
LEA 400kV d.c. (1ce) Constanta	2028	12	134,600.00	125	10.75	59.18	1,076,800.00

Nord – Medgidia Sud								
Upgrade of the 110 kV Medgidia Sud substation	2028	19	91,810.00	35	3.01	16.57	2,623,142.86	
Upgrade of the 110 kV Arad substation and the upgrade to 400 kV of the Porțile de Fier–Anina–Reșița–Timișoara–Săcălaz–Arad line. Arad 400 kV Substation (Phase III)	2029	12	61,670.00	50	4.3	23.67	1,233,400.00	
Increasing the transmission capacity of the 220 kV Gutinaș–Dumbrava overhead line	2029	9	46,500.00	40	3.44	18.94	1,162,500.00	
Increasing the transmission capacity of the 220 kV Dumbrava–Stejaru overhead line	2029	9	21,100.00	40	3.44	18.94	527,500.00	
Increasing the transmission capacity of the 220 kV Fântânele–Ungheni power line	2029	9	12,800.00	40	3.44	18.94	320,000.00	
Installation of Circuit 2 of the 400 kV DC transmission line Gutinaș – Smârdan	2029	5	179,000.00	80	6.88	37.88	2,237,500.00	
Optimisation of voltage regulation and power quality parameters by installing FACTS equipment in Gutinaș and Roșiori substations	2029	15	486,290.00	210	18.06	99.42		
220/110 kV substation for feeding into the 220 kV Baia Mare–Iernut overhead line at RED (Dej or Cuzdrioara)	2029	15	37,325.00	75	6.45	35.51	497,666.67	
Replacement of Transformer 1 and Transformer 7 at Cluj Est station	2030	9.5	86,340.00	50				

Upgrade of the 220/110/20 kV Fântânele substation	2030	18	27,800.00	43	3.7	20.36	646,511.63
400/110 kV Bistrița substation, feeding into the 400 kV Suceava–Gădălin overhead line within the RED	2030	15	71,000.00	60	5.16	28.41	1,183,333.33
400 kV Porțile de Fier–Djerdap transmission line, circuit 2	2030	9	17,500.00	65	5.59	30.77	269,230.77
Construction of the 400 kV Nadab–Bekescaba overhead line, circuit 2, and associated works at the 400 kV Nadab substation	2030	7	16,000.00	65	5.59	30.77	246,153.85
400/110 kV transformer on Calea Aradului	2030	16	27,470.00	35	3.01	16.57	784,857.14
Upgrading of the 400/110 kV Dârste substation	2030	16	97,550.00	45	3.87	21.3	2,167,777.78
Installation of a new 400/110 kV transformer at Medgidia Sud	2030	11.5	30,500.00	45	3.87	21.3	677,777.78
Installation of a new 400/110 kV transformer at Smârdan	2030	9.5	30,500.00	45	3.87	21.3	677,777.78
Replacement of the 2,400/110 kV transformer at Smârdan substation	2030	9.5	9,300.00	45	3.87	21.3	206,666.67
Reconstruction of the 220 kV Turnu Magurele–Ghizdaru overhead line	2030	9	41,500.00	40	3.44	18.94	1,037,500.00
Re-routing of the 220 kV Turnu Magurele–Craiova Nord overhead line	2030	9	73,500.00	40	3.44	18.94	1,837,500.00
Relocation of the 220 kV Bucharest South – Ghizdaru overhead line (excluding the Mostistea connection)	2030	9	73,000.00	40	3.44	18.94	1,825,000.00

Upgrading of the 220 kV Urechești–Târgu Jiu Nord–Poroșeni–Baru Mare–Hășdat transmission line	2030	9	46,000.00	40	3.44	18.94	1,150,000.00
Reconstruction of the 220 kV Porțile de Fier–Reșița overhead line	2030	9	68,400.00	60	5.16	28.41	1,140,000.00
LEA 400kV d.c. (1ce) Constanta Nord – Medgidia Sud		12	138,200.00	125	10.75	59.18	1,105,600.00
Replacement of ATs and transformers in electrical substations (phase 3)	2030	9.5	51,000.00	50	4.3	23.67	1,020,000.00
Replacement of the 220/110 kV Stupărei substation	2030	12	19,560.00	45	3.87	21.3	434,666.67
400 kV Porțile de Fier–Djerdap transmission line, circuit 2	2030	9	17,500.00	65	5.59	30.77	269,230.77
Construction of the 400 kV Nadab–Bekescaba overhead line, circuit 2, and associated works at the 400 kV Nadab substation	2030	7	16,000.00	65	5.59	30.77	246,153.85
Increasing the transmission capacity of the 220 kV Fântânele–Ungheni power line	2030	9	12,800.00	40	3.44	18.94	320,000.00
Replacement of the 220/110 kV Stupărei substation	2030	12	19,560.00	45	3.87	21.3	434,666.67
TOTAL		11.19	4,806,967.93	2,363.58	198.97	1,095.34	1,527,258.56
Estimated energy savings				0.20%			

Summary of planned measures	Estimated recovery time	Investment cost	Energy saving		Cost savings	Specific energy-saving cost
			[years]	[thousands of RON]		

1	Short-term measures that are either free of charge or involve minimal costs, and do not require major investment	9.28	723,389.75	792	74.56	410.47	1,128,216.00
2	Medium-term measures, spanning 2 to 3 years, aimed at an investment programme	9.79	1,690,534.00	12,551.00	1,079.39	5,942.15	1,768,899.40
3	Long-term measures, spanning 3 to 6 years, aimed at an investment programme	11.19	4,806,967.93	2,363.58	198.97	1,095.34	1,527,258.56
TOTAL		10.1	7,220,891.68	15,706.58	1,352.92	7,447.96	1,474,791.32

Energy efficiency projects – new technologies and digitalisation

European strategies for the energy transition aim to increase the share of energy from renewable sources and modernise networks using advanced technologies, so that the electricity system operates more efficiently, flexibly and securely. In this context, it is essential for Transelectrica to accelerate technological innovation, as the development and adoption of new technologies for network equipment, as well as the use of digital modelling and operational tools, contribute to optimising energy flows, reducing losses and improving the energy performance of the national electricity transmission network.

In addition to digitalisation, the energy efficiency portfolio includes technical measures that have a direct impact on losses and consumption (e.g. rewiring, FACTS/compensation equipment, solutions for in-house services – including PV+storage – and energy management platforms/EMS-SCADA).

Projects of interest concerning the use of new technologies that have an impact on operational and energy efficiency		
Equipment/devices for regulating active power flows (congestion control)	infoTehnic applications (infoStații_BDU, infoLEA, Measurements, ITI, etc.) + technical database + interoperability	National Power Market Operator (PMU) connected to the IPDE
It optimises the distribution of power flows across corridors, reducing congestion and the need to 'reroute' flows via longer or less efficient paths.	It improves the quality and availability of technical data on assets, enabling better planning of maintenance and investments (replacing components with high failure rates, reducing unplanned interventions).	It enhances real-time visibility of the system (status, stability, oscillations), enabling operation closer to technical limits in a safe manner, without excessive margins that can lead to inefficiencies.
It reduces technical losses by avoiding sub-optimal flow patterns and ensuring that the network operates within its most efficient operating ranges.	It supports data-driven operational and maintenance decisions (settings, operating modes, prioritisation of tasks), which indirectly help to reduce losses and internal consumption.	It improves the early detection of instabilities and incidents, reducing the risk of failures or outages and the need for 'conservative' preventive measures (which can increase losses).
It reduces the need for costly operational measures (rescheduling/restrictions), thereby improving the efficiency of the National Grid's operation in the context of renewable energy integration.	Interoperability with other applications reduces errors and processing times, improves coordination and contributes to the efficiency of operational and asset management processes.	It supports the integration of renewable energy sources and cross-border coordination (through data exchange), which can reduce congestion and optimise flows in interconnected networks.

The impact of the measures is tracked by monitoring consumption and energy indicators (including M&T and M&V tools to quantify savings), and where applicable, specific KPIs are defined for internal services and CPT.

Environment. At Transelectrica, PO TEL 29.04 is used when implementing new projects or studies – Development of environmental management programmes and PO TEL 29.03 – Establishment, implementation and maintenance of quality, environmental and occupational health and safety objectives, procedures comprising actions, responsible parties and deadlines designed to ensure the achievement of environmental objectives and targets.

At the same time, an annual "Environmental Management and Protection Programme" is drawn up, setting out the actions and work required to achieve the Company's environmental objectives and targets, including deadlines, the necessary resources and the staff responsible for implementing the programme. The development and use of this programme is important for the implementation, maintenance and improvement of the Company's environmental management system. The activities and work included in the programme are described in detail in ESRS E2-2 – Actions and resources relating to pollution.

Transelectrica defines and implements preventive and corrective measures with the aim of reducing the environmental impact of its facilities and activities. The diversity of environmental conditions at each site of RES installations (overhead power lines, substations and connection points, buildings) gives rise to specific environmental impacts at various stages (design, construction, operation and decommissioning) of each installation. Consequently, preventive and

corrective measures are defined on a case-by-case basis, taking into account the specific conditions at each site.

The main actions and measures taken to prevent and/or limit the environmental impact:

- preparing documentation and submitting applications for the authorisation or reauthorisation of the Company's facilities in relation to environmental protection and water management
- carrying out construction or maintenance work on domestic and/or storm water drainage networks; installing oil-water separators on oil-filled equipment tanks and storage platforms; installing septic tanks; constructing concrete platforms for the temporary storage of equipment and waste; maintenance of oil or SF6 equipment to prevent leaks; painting of overhead power line (OPL) poles in colours appropriate to the landscape; clearing/maintenance of safety corridors for OPLs; restoration/landscaping of the site to its original condition (upon completion of works).
- procurement of services relating to:
 - i. monitoring the quality of wastewater at the Company's plants and offices and proposing solutions to reduce pollution in accordance with the requirements set out in environmental and water management permits;
 - ii. monitoring of atmospheric pollutant emissions (noise, electric and magnetic fields, pollutant emissions, ozone concentrations); the values obtained for the parameters measured were analysed and interpreted, leading to conclusions regarding pollutant emission levels and compliance with the limit values permitted by law;
 - iii. the collection, sorting, transport and recovery/disposal of waste.

Maintenance. A sustainable approach to maintenance aims to optimise the entire life cycle of equipment, from procurement to decommissioning. Implementing the concept of sustainability in maintenance work represents a long-term advantage that benefits both the Company and the environment.

The importance of the concept of sustainability in maintenance work stems from:

- *reducing environmental impact:* through the use of recycled materials, reduced resource consumption and proper waste management, maintenance activities can make a significant contribution to protecting the environment;
- *the efficient use of funds allocated to maintenance activities:* a sustainable approach can lead to the efficient use of funds allocated to maintenance in the long term, by extending the service life of equipment, reducing the number of interventions and optimising resource consumption;
- *Improving the company's image:* companies that adopt sustainable practices are perceived as being more socially responsible and can attract customers and investors who are mindful of their environmental impact.

Targets relating to climate change mitigation and adaptation (E1-4)

During the reporting period, Transelectrica did not set any quantitative targets for reducing GHG emissions as required by E1-4. Instead, the Company uses non-GHG targets and process targets to manage significant climate-related impacts, risks and opportunities, particularly in the areas of energy efficiency and operational resilience. At the same time, Transelectrica is considering developing the necessary framework for defining and adopting quantifiable GHG emission reduction targets aligned with the objectives of the Paris Agreement to limit global warming to

1.5°C. To this end, the Company will analyse the available methodological options and initiate the necessary steps, with a view to adopting such targets within an estimated timeframe of approximately three years.

1. Energy efficiency – operational targets (mitigation, indirect):

The Management Plan sets out multi-year targets for reducing internal electricity consumption (MWh) as an environmental indicator relevant to reducing the carbon footprint associated with energy consumption.

Targets for domestic electricity consumption

Category	Indicator	MU	2025	2026	2027	2028
Environmental indicators	Domestic consumption of ¹⁵ electricity	MWh	45,849	45,207	44,574	43,950

This indicator has a direct impact on the Company’s carbon footprint. Reducing domestic energy consumption through energy efficiency measures helps to cut greenhouse gas emissions. Furthermore, using renewable energy sources for self-consumption can support the transition to a more sustainable energy model.

2. Governance and risk management – process objective

Transelectrica maintains as a governance objective the existence and implementation of an internal risk management framework (including the integration of relevant climate risks), to support the identification, assessment and management of physical and transition risks, thereby contributing to operational continuity and long-term resilience.

Risk management policy objectives

Indicator	2025	2026	2027	2028	2029
Establishing risk management policies	YES	YES	YES	YES	YES

This indicator reflects the maintenance, implementation and regular updating of the internal risk management framework (including the integration of relevant climate risks) throughout the term of office.

Risk management policies are essential for adapting to climate change, as they enable the Company to identify, assess and mitigate risks associated with extreme weather events, such as storms, heatwaves or temperature fluctuations that may affect energy infrastructure. Incorporating climate risks into business and operational strategies contributes to the company’s long-term resilience.

3. Adaptation/resilience – operational performance targets (indirect climate link)

The company aims to maintain a high level of implementation of the Annual Maintenance Plan, with a target of at least 90% annual completion (2024–2028). Although this indicator is not a GHG

¹⁵ Own electricity consumption.

target, it supports the resilience of the RET infrastructure by preventing damage, reducing vulnerability to extreme weather events and limiting energy losses associated with incidents and sub-optimal operation. The Transelectrica Group is assessing the relevance of selecting 2024 as the baseline year.

Category	Indicator	Raw data	Formula
Non-financial 1	<i>Degree of implementation of the PAM</i>	<i>Maintenance carried out as part of the annual maintenance plan</i>	$\text{Grad realizare PAM} = \frac{\text{Activități de mentenanță realizate} * 100}{\text{Activități planificate în Planul de mentenanță anual}}$

Indicator	2024	2025	2026	2027	2028
Implementation of the PAM	90.0%	90.0%	90.0%	90.0%	90.0%

Although the extent to which the maintenance plan is implemented is indirectly linked to climate change, it plays a vital role in preventing failures and optimising the operation of energy infrastructure, thereby helping to increase the resilience of the electricity transmission system. Through rigorous and efficient maintenance, the risks associated with extreme weather events are reduced, energy losses are minimised, and the continuity and reliability of the supply to consumers are ensured. At the same time, a well-maintained transport system can facilitate the integration of renewable energy sources, supporting the transition to a more sustainable energy mix and thereby contributing, indirectly, to mitigating climate change.

At the same time, Transelectrica is taking concrete steps to reduce its environmental impact, including modernising infrastructure, optimising energy efficiency and implementing measures to reduce emissions (see Actions and resources related to climate change policies (E1-3) - Short-, medium- and long-term energy efficiency measures, highlighting the energy savings resulting from the investments made).

As the impact analysis and assessment process progresses, relevant indicators and measurable targets will be defined, in line with sustainability requirements and relevant European regulations.

However, in order to help mitigate climate change, the Group aims, as set out in the RET Development Plan:

- reducing greenhouse gas emissions – implementing measures to prevent and reduce SF₆ and CO₂ emissions;
- modernisation of energy infrastructure – investment in equipment and materials with a low environmental impact, which helps to reduce emissions and improve energy efficiency;
- optimising energy losses – implementing advanced technological solutions to reduce corona discharge losses and improve the efficiency of the transmission network;
- integration of renewable energy sources into the grid – developing solutions to increase the capacity to integrate energy from renewable sources, thereby reducing dependence on fossil fuels.

In line with European trends, the modernisation and technological upgrading initiatives aim to introduce equipment that has a lower environmental impact. Greenhouse gas emissions are prevented and reduced through the use of closed/sealed pressurised equipment, by ensuring that equipment maintenance is carried out according to schedule, and also by monitoring emissions.

From the perspective of RET maintenance, the energy efficiency of the electricity transmission network is a key objective for the Company and for society as a whole. The judicious application of the concept of energy efficiency, in conjunction with other concepts (such as the use of modern technologies in maintenance work and the optimisation of safety stock, etc.), can lead to the efficient use of funds allocated to maintenance, improved network reliability and a reduced environmental impact.

Energy efficiency is influenced by a number of factors, including the condition of the equipment, the configuration of the electrical network and weather conditions. Electrical equipment that has reached the end of its service life or has not been maintained in accordance with regulations can lead to significant energy losses. Furthermore, the configuration of the electricity transmission network plays a key role, with factors such as the length of overhead lines, operating voltage, and the type and number of conductors having a direct impact on energy losses. Furthermore, adverse weather conditions, such as frost or storms, can affect the network's performance and increase energy losses.

To support climate change mitigation and adaptation to its effects, it is essential to implement effective measures for the maintenance of energy infrastructure. A proactive approach, based on preventive maintenance and the use of advanced technologies, contributes significantly to reducing energy losses, improving operational efficiency and minimising the environmental impact. By optimising maintenance processes and updating diagnostic strategies, the resilience of electricity networks to extreme weather conditions can be improved, whilst ensuring a more responsible use of resources.

The proposed targets aim not only to improve operational efficiency, but also to demonstrate a long-term commitment to the sustainability of the energy sector.

- reducing energy losses through preventive maintenance – implementing and regularly carrying out maintenance services and works in accordance with technical regulations (NTI-TEL-R-001-2007), eliminating non-conformities and hotspots that contribute to energy losses;
- improving energy efficiency through proactive maintenance strategies – implementing a maintenance strategy that focuses on preventive maintenance, thereby reducing the risk of accidental breakdowns and minimising the need for corrective actions, which involve high energy consumption;
- optimising maintenance processes through the use of advanced technologies – implementing modern diagnostic methods, such as multispectral inspection, thermal imaging, chromatography and online monitoring of complex installations, to prevent faults and optimise equipment performance;
- increasing the resilience of the energy infrastructure to climate change – ensuring a more stable and sustainable electricity grid by implementing advanced maintenance practices that reduce the system's vulnerability to extreme weather events;
- reducing the carbon footprint by improving the efficiency of maintenance processes – optimising the resources used in maintenance activities, thereby reducing energy consumption and helping to achieve decarbonisation targets.

By implementing the concept of energy efficiency, the following objectives can be achieved:

- cost reduction – active energy losses (recorded both at substations and, in particular, on overhead power lines) represent direct costs for the Company. By reducing these losses, significant savings can be achieved;
- reducing environmental impact – by reducing energy losses, the greenhouse gas emissions associated with electricity generation are also reduced.

Energy consumption and the energy mix (E1-5)

Transelectrica is adopting an active strategy to improve the efficiency of its own energy consumption, in line with national and European regulations and sustainability targets. To this end, the Company submits annually the Total Energy Consumption Declaration and the Energy Analysis Questionnaire (submitted to the regulatory authority for the previous year), as well as the Energy Efficiency Improvement Programme, which includes short-, medium- and long-term measures to optimise the use of resources.

Total energy consumption in our own operations (MWh)

Transelectrica’s energy consumption is dominated by **electricity**, broken down as follows:

- **Technological self-consumption (CPT)** in the RET, calculated as the difference between the energy fed into and the energy withdrawn from the RET (monitored in accordance with ANRE Order No. 12/2016);
- **Electricity consumption for overheads** (internal services at RET stations and administrative offices).

The table below provides a comparative overview of the CPT indicator in the RET network for the period 2024–2025.

Year	2024	2025*
Technological self-consumption in the RET (GWh)	949	883

CPT – developments and regulatory incentives. For own technological consumption (CPT) and for the TSO’s electricity consumption other than CPT (internal consumption – consumption by internal services at RET substations and consumption at administrative offices), the ANRE regulatory framework provides for financial incentives aimed at reducing consumption. For own technological consumption (CPT), decreasing percentage targets set by ANRE apply for the purpose of recognising costs in the transmission tariff.

Breakdown of total consumption by source: fossil fuels / nuclear / renewable. Transelectrica draws up and submits annually to the competent authority (ANRE) the “*Declaration of total annual energy consumption*” and the “*Energy Analysis Questionnaire for the energy consumer*”, as well as the Annual Energy Efficiency Improvement Programme, as part of the obligations applicable to large energy consumers.

During the reporting period, energy consumption relating to the company’s own operations was dominated by electricity purchased from the grid, for which a full breakdown by primary source (fossil / nuclear / renewable) is typically determined in specific reports to the regulatory authority, based on the information available at the time of reporting and the applicable methodologies.

A breakdown of energy consumption from fossil fuels. Transelectrica operates in an economic sector classified as having a high climate impact. The company breaks down energy consumption in its specific reports to ANRE (“*Annual Total Energy Consumption Declaration*” and “*Energy Analysis Questionnaire for the energy consumer*”), where fuel consumption is collected and reported by category.

Energy consumption and energy mix (MWh)	2024	2025
(1) Fuel consumption of coal and coal-based products (Mwh)	-	-
(2) Fuel consumption from crude oil and petroleum products (MWh)	8.346	8.215
(3) Natural gas fuel consumption (MWh)	440	571
(4) Fuel consumption from other fossil sources (Mwh)	-	-
(5) Consumption of electricity, heat, steam and cooling purchased or obtained from fossil sources (Mwh)	280.720	295.199
(6) Total energy consumption from fossil sources (calculated as the sum of rows 1 to 5) (Mwh)	289.507	303.985
Share of fossil sources in total energy consumption (%)	30,04%	32,94%
(7) Consumption from nuclear sources (MWh)	182.946	191.774
Share of consumption from nuclear sources in total energy consumption (%)	18,99%	20,78%
(8) Consumption of fuel from renewable sources, including biomass (including bio-based industrial and municipal waste, biogas, hydrogen from renewable sources, etc.) (Mwh)	-	-
(9) Consumption of electricity, heat, steam and cooling purchased or obtained from renewable sources (Mwh)	491.165	427.217
(10) Consumption of energy from renewable sources, other than fuels, from own production (MWh)	-	-
(11) Total energy consumption from renewable sources (calculated as the sum of rows 8 to 10) (Mwh)	491.165	427.217
Share of renewables in total energy consumption (%)	50,97%	46,29%
Total energy consumption (calculated as the sum of rows 6,7 and 11) (Mwh)	963.617	922.976

The Group does not use PPA-type contracts and has not separately purchased or sold certificates of origin unbundled from electricity.

Furthermore, the Group does not use biomass for energy generation, and therefore no biogenic CO₂ emissions were generated under Scope 2.

Energy intensity (total energy consumption per net income) – sectors with a high climate impact. Transelectrica provides information on energy intensity, defined as follows: total energy consumption (MWh) relative to net revenue. In accordance with ESRS requirements, the indicator is calculated solely on the basis of:

- *numerator*: total energy consumption associated with activities in high-impact sectors (MWh);
- *denominator*: net revenue from the transmission service + net revenue from the balancing market (RON) + net revenue from system services.

	2024	2025
Total energy consumption (MWh)	963.617	922.976
of which: activities with a high climate impact (MWh)	963.617	922.976
Net revenues used for calculating GHG intensity (RON thousands)	7.623.458	5.513.251
Net income (other) (RON thousands)	-	-
Total net income (in financial statements) (RON thousands)	7.623.458	5.513.251
Energy intensity (MWh/ RON thousand net revenues)	0,13	0,17

Gross GHG emissions from categories 1, 2 and 3, and total GHG emissions (E1-6)

Indicators included in Scope 1, Scope 2 and Scope 3, and calculation methodologies

<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2025>

Scope 1

According to the definition set out in European regulations, Scope 1 refers to direct greenhouse gas (GHG) emissions from sources that are directly owned or controlled by an organisation. In accordance with European regulations and EFRS standards, the definition can be summarised as follows:

- **Direct emissions:** This refers to emissions resulting from physical processes (e.g. the combustion of fossil fuels, industrial processes) that take place in facilities or vehicles owned and operated by the organisation.
- **Direct control:** Emissions from sources over which the organisation has operational control and/or ownership.

Consequently, we have chosen to include the following indicators relevant to Transelectrica in Scope 1, together with the corresponding calculation methodologies:

- **Emissions generated by fuel consumption across the vehicle fleet**
 - Calculated using the DEFRA methodology; 2025
 - Basic formula: Emissions (tCO₂e) = Fuel consumption (litres) × Emission factor (kg CO₂/litre)/1000
- **Emissions resulting from the use of SF₆ (leaks into the atmosphere)**
 - Calculated using the DEFRA methodology; 2025
 - Basic formula: Emissions (tCO₂) = Mass of SF₆ emitted (during installation, use and disposal) (kg) × Emission factor (kg CO₂/kg)/1000
- **Fugitive emissions resulting from air conditioning equipment (refrigerant leakage)**
 - Calculated using the DEFRA 2025 methodology.
 - Basic formula: Emissions (tCO₂e) = Mass of fugitive emissions (during installation, use, and disposal) (kg) × Emission factor (kg CO₂/kg) / 1,000

- **Emissions resulting from gas consumption under supply contracts with third parties**
 - Calculated by taking into account the natural gas consumption specified in the supply contracts and applying specific emission factors, in accordance with the DEFRA methodology; 2025
 - Basic formula: Emissions (tCO₂e) = Consumption (m³) × Emission factor (kg CO₂e/m³)/1000

Scope 2

Scope 2 refers to indirect greenhouse gas emissions resulting from an organisation's consumption of purchased energy, such as electricity or gas produced by an external source. In accordance with European regulations and EFRS standards, the definition can be summarised as follows:

- **Indirect emissions:** These are not generated directly by the organisation's activities, but result from the production of the energy it consumes.
- **Energy procurement:** This includes electricity, heat or steam generated outside the organisation but consumed in the course of its activities.
- **Responsibility:** The organisation is responsible for reporting these emissions, even if it does not actually produce them, because its choices regarding energy sources influence the overall climate impact.

We have therefore chosen to include the following indicators relevant to Transelectrica in Scope 2:

- **Emissions resulting from the use of electricity for internal process consumption –** for the calculation of emissions, the national, common emission factor was selected, namely Market-Based and, respectively, Location-Based
 - Calculated by taking into account the amount of energy purchased for CPT by Transelectrica and using the DEFRA methodology; 2025
 - Basic formula: Emissions (tCO₂e) = Energy consumed (MWh) × national emission factor (kg CO₂e/MWh)/1000
- **Emissions resulting from electricity consumption under supply contracts with third parties –** for the calculation of emissions, the emission factors corresponding to each supplier's respective energy label were used
 - Calculated by taking into account the electricity consumption specified in the supply contracts and applying specific emission factors, in accordance with the DEFRA methodology; 2025
 - Basic formula: Emissions (kg CO₂e) = Consumption (MWh) × Emissions factor (kg CO₂e/MWh).

Scope 3

Scope 3 refers to all indirect greenhouse gas emissions that occur as a result of the Group's activities and do not originate from sources that are directly owned or controlled. In accordance with European regulations and EFRS standards, the definition can be summarised as follows:

- **Extended indirect emissions:** These include emissions resulting from the organisation's value chain, the production of goods and services, transport, distribution, product use, right through to waste treatment and other related activities.
- **External sources:** Unlike Scope 1 and Scope 2, the sources of Scope 3 emissions are not directly owned or controlled by the organisation, but its activities have a significant influence on these emissions.
- **Important for a comprehensive assessment:** By including Scope 3 emissions, organisations can gain a more comprehensive picture of their environmental impact, highlighting opportunities to reduce emissions across the entire value chain.

Scope 3 emissions were calculated in accordance with the GHG Protocol Corporate Value Chain (Scope 3) Standard, using a combination of methods depending on data availability. No primary data were used for the calculation of Scope 3 emissions. All estimates were made using spent-based methods.

The Scope 3 categories, upstream, relevant to the Transelectrica Group are:

- **Category 1.** Purchased goods and services – The category includes upstream (i.e., base-to-gate) emissions from the production of products purchased or purchased by the Group in the reporting year. Products include both goods (tangible products) and services (intangible products).
- **Category 2.** Capital goods purchased - The category includes all upstream emissions (i.e., start-to-end) from the production of capital goods purchased or purchased by the Group in the reporting year. Emissions from the Group's use of capital goods are accounted for either for purpose 1 (e.g. for fuel use) or purpose 2 (e.g. for the use of electricity) rather than for purpose 3. Products include both goods (tangible products) and services (intangible products).
- **Category 3.** Fuel and energy activities not included in Scope 1 or 2 – The category includes emissions related to the production of fuels and energy purchased and consumed by the Group in the reporting year that are not included in Scope 1 or 2
- **Category 4.** Upstream transmission and distribution - The category includes emissions from:
 - Transport and distribution of products purchased in the reporting year, between the Group's Tier 1 suppliers and its own operations in vehicles that are not owned or operated by the Group (including multimodal transport where multiple carriers are involved in the delivery of a product, but excluding fuel and energy products)
 - Third-party transmission and distribution services purchased by the Group in the reporting year
 (either directly or through an intermediary), including inbound logistics, outbound logistics (e.g. of products sold) and third-party transport and distribution between the Group's own facilities
- **Category 5.** Waste generated from operations – includes emissions from waste treatment resulting from maintenance and refurbishment

- **Category 6.** Business travel – includes emissions resulting from business travel and the transport of employees for professional activities by means of transport not owned by the Company (air transport)**Category 7.** Employee commuting - Category includes emissions from transporting employees between their homes and workplaces

The categories of Purpose 3, downstream, relevant to the Tranelectrica Group are:

- **Category 13.** Downstream leased goods - The category includes emissions from the exploitation of assets held by the Group (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or 2. This category applies to landlords (i.e. businesses that receive payments from tenants).
- **Category 15.** Investments - The category includes scope 3 emissions associated with the Group's investments in the reporting year, which are not already included in scope 1 or scope 2.

Five Purpose 3 categories were not included in the 2025 inventory: 3.8 Upstream leased assets, 3.9 Downstream transportation, 3.10 Processing of products sold, 3.12 Treatment of products sold at the end of their life cycle, and 3.14 Franchises. The exclusion is determined by their lack of relevance to the current business model.

The calculation methodologies for Scope 3 emissions for each category were as follows:

Category 1

The indirect emissions generated as a result of the production processes of goods or the provision of services purchased by the subsidiaries of the Tranelectrica Group were calculated on the basis of the expenses recorded in the accounts. The calculation was made using the emission factors published by CEDA.

- Basic formula: Emissions (tCO₂e) = Expenditure by type of goods/services (RON) x CEDA emission factor (kg CO₂e/ RON)/ 1000

Category 2

The indirect emissions generated from the production processes of goods or the provision of services purchased by the subsidiaries of the Tranelectrica Group were calculated on the basis of the capitalized expenses recorded in the accounts. The calculation was made using the emission factors published by CEDA.

Basic formula: Emissions (tCO₂e) = Capitalized expenditure by type of goods/services (addition of tangible/intangible fixed asset in the year) (RON) x CEDA emission factor (kg CO₂e/ RON)/ 1000.

Category 3

Emissions were calculated individually for the fuels used (diesel, petrol and natural gas) and for electricity, using the following emission factors:

1. For fossil fuels (diesel, petrol and natural gas), the upstream emissions (WTT) were calculated using the emission factors published by DEFRA for the year 2025.

Basic formula: Emissions (tCo2e) = Consumption (liters or m3) x Emission factor (kg Co2/litre)/ 1000

2. The calculation of the upstream emissions (WTT) associated with the extraction and transmission of raw material for the production of electricity lost in the transmission and distribution network (WTT) was carried out by the two recommended methods 'location based' and 'market based', using the emission factor calculated on the basis of the calculation formula published by DEFRA in the aforementioned own methodology, starting from the value of the national emission factor for 2024.

Basic formula: Emissions (tCo2e) = (National emission factor (g/ kWh) x 0.2419)/ 1,000,000

3. The calculation of the upstream emissions (WTT) associated with the extraction and transmission of raw materials for electricity purchased by the subsidiaries of the Tranelectrica Group for own consumption, was carried out by both methods of

recommended calculation 'location based' and 'market based', using the emission factor calculated on the basis of the calculation formula published by DEFRA in its own methodology. using the latest available value of supplier-specific emission factors from energy label purchases (2024)

Basic formula: Emissions (tCo2e) = Σ (Supplier-specific emission factor (g/kWh) x 0.2419)/ 1,000,000

Categories 4, 6 and 7

The indirect emissions generated by the upstream transmission and distribution, the business trips of the employees of the subsidiaries of the Tranelectrica Group, as well as their commute were calculated on the basis of the expenses recorded in the accounts 624 "Expenses with the transport of goods and personnel" and 625 "Expenses with travel, secondments and transfers". The calculation was made using the emission factors published by CEDA.

- Basic formula: Emissions (tCO2e) = Expenditure in the year (RON) x CEDA emission factor (kg CO2e/ RON)/ 1000

Category 5

The emissions resulting from waste management operations carried out by specialized companies were calculated using the emission factors published by DEFRA in 2025, for each category of waste generated by the subsidiaries of the Tranelectrica Group, taking into account the method of disposal and recovery for each individual.

- Basic formula: Emissions (tCo2e) = Mass (tonnes) x Emission factor (kg Co2e/tonne)

Category 13

The indirect emissions generated by the downstream leased goods were calculated on the basis of the revenues recorded in the accounts 624 'Expenditure on the transport of goods and personnel' and 625 'Expenditure on travel, secondments and transfers'. The calculation was made using the emission factors published by CEDA.

- Basic formula: Emissions (tCO₂e) = Revenue in the year (RON) x CEDA emission factor (kg CO₂e/ RON)/ 1000

Category 15

Indirect emissions generated by the Group's investment in other companies that do not enter consolidation and that can be found in the list of financial assets in the consolidated financial statements. The calculation was made using the emission factors published by CEDA.

- Basic formula: Emissions (tCO₂e) = Σ (% of Group ownership in the company in the reporting year x Affiliate's turnover in the reporting year (RON) x CEDA emission factor (kg CO₂e/ RON)/ 1000)

Methodological changes and comparability

In 2025 the calculation methodology for Scope 1, Scope 2 and Scope 3 has been modified compared to the previous year and the emission sources have been reconsidered, as desired:

- For scope 1 and 2 the IPCC guidelines have been replaced by the DEFRA database;
- For Scope 3, in 2025 the categories 3.1 Purchased goods and services, 3.2 Capital goods, 3.3 Fuel/energy activities (excl. S1, S2), 3.7 Employee commute, 3.13 Downstream leased assets and 3.15 Investments were also calculated;
- Category 3.4 Upstream transmission and distribution has been reconsidered and the IPCC guidelines have been replaced with the CEDA database
- For categories 3.5 Waste generated in operations and 3.6 Business travel, the IPCC guides have been replaced by DEFRA

The motivation for the change was determined by the higher sectoral granularity and more representative emission factors for the reporting year, in line with the GHG Protocol recommendations. The data for 2024 have been recalculated with the same methodology, so that the 2024 - 2025 series is comparable, without discontinuities.

No biogenic CO₂ emissions were recorded in any category. At the time of reporting, no significant events materially influencing the emissions inventory have been identified.

Table relating to emissions broken down for each element taken into account in the calculation of Transelectrica's Scopes

	2024 reported	2024 Reported	2025	% 2025/2024
Category 1 GHG emissions				
Gross GHG emissions category 1 emissions (tCO ₂ equivalent)	234.624	5.282	5.477	104%
Percentage of Category 1GHG emissions from regulated emissions trading schemes (%)	0%	0%	0%	0%

Category 2 GHG emissions				
Location-based gross Category 2 GHG emissions (tCO2 equivalent)	11.919	164.431	164.298	100%
Market-based gross GHG emissions Category 2 (tCO2 equivalent)	11.919	164.431	164.454	100%
Significant GHG Category 3 emissions				
1. Purchased goods and services	-	33.579	10.548	31%
2. Capital goods	-	65.727	68.050	104%
3. Fuels and energy-related activities (not included in category 1 or category 2)	-	164.431	40.510	25%
4. Upstream transmission and distribution	11.832.045	355 *)	338*)	95%
5. Waste generated during operations	524	823.796	1.229.290	149%
6. Business Travel		-	-	0%
7. Employee commute	59	-	-	0%
8. Upstream leased assets		-	-	0%
9. Downstream transport		-	-	0%
10. Processing of Sold Products		-	-	0%
11. Use of Sold Products		-	-	0%
12. Treatment of products sold at the end of their life cycle		-	-	0%
13. Downstream leased assets		26	37	139%
14. Franchise				
15. Investments		405.788	348.590	86%
Total GHG emissions				
Total GHG emissions (site-based) (tCO2 equivalent)	12.079.171	1.663.416	1.867.138	112%
Total GHG emissions (market-based) (tCO2 equivalent)	12.079.171	1.663.416	1.867.294	112%

*) The value is estimated using the spend-based method and relates to categories 3.4 Upstream transportation and distribution, 3.6 Business travel, and 3.7 Employee commuting.

GHG emissions intensity

GHG emissions intensity is calculated as the ratio between total gross emissions (Scopes 1, 2 and 3) and the company's net revenue.

	2024 (tCO2e)	Intensitatea emisiilor 2024	2025 (tCO2e)	Intensitatea emisiilor 2025	Intensitatea emisiilor % 2025/ 2024
Scope 1	5.282	0,00069	5.477	0,00099	1,43
Scope 2 - Location based	164.431	0,02157	164.298	0,02980	1,38
Scope 2 - Market based	164.431	0,02157	164.454	0,02983	1,38
Scope 3	1.493.703	0,19594	1.867.138	0,33866	1,73

	2024	2025
Net income from activities with high climate impact (RON thousand)	7.623.458	5.513.251
Net income (other) (RON thousands)	-	-
Total net income (in financial statements) (RON thousands)	7.623.458	5.513.251

GHG removals and GHG emission reduction projects funded by carbon credits (E1-7)

In 2025, Transelectrica did not develop projects that generate GHG removals or storage (tCO₂e) in its own operations and did not contribute to such projects in the upstream or downstream value chain. Furthermore, Transelectrica has not funded mitigation projects outside the value chain through the purchase or cancellation of carbon credits, nor has it made public any claims regarding

Upgrade, digitalisation and energy efficiency projects (e.g. reducing CPT, CEF-type projects + storage for internal services, optimising flows through smart-grid technologies) lead to reductions in gross emissions by reducing energy consumption and are presented in E1-3 (Actions and resources) and reflected in E1-6 (GHG emissions), and do not fall under E1-7.

Setting the domestic carbon price (E1-8)

Given the specific nature of its operations, the Company requires a detailed internal analysis, as well as the approval of ANRE, in its capacity as the regulatory authority. Transelectrica does not currently apply any internal carbon pricing schemes. However, Transelectrica intends to examine in detail, in the future, the possibility of implementing a robust and transparent methodology designed to reflect the future risks and costs associated with carbon emissions.

This process requires a period of analysis and consultation; consequently, implementation in accordance with the ESRS cannot be carried out for a number of reasons:

- *the need for a detailed internal analysis* – given the specific nature of its activities, Transelectrica must assess the impact of such a system on its operations, investment strategies and regulated tariffs;
- *the need for ANRE approval* – as a transmission and system operator in the electricity sector, Transelectrica is subject to the regulations imposed by ANRE. Any domestic carbon pricing mechanism could have implications for transmission tariffs and, consequently, for consumers and the energy market. Therefore, dialogue with the regulatory authority is required in order to reach a clear agreement on the feasibility and applicability of such a system;
- *the complexity of the methodology* – ESRS standards require rigorous reporting that is aligned with European climate impact accounting practices. Developing a robust and transparent methodology that accurately reflects the future risks and costs associated with carbon emissions requires time to define the relevant indicators, test the models and align with international best practice;
- *the lack of an existing internal framework* – at present, Transelectrica does not have an internal carbon pricing system, which means it has to build this mechanism from scratch. This process involves putting together a dedicated team, establishing a methodology, testing and validating it, and integrating it into decision-making and reporting processes;

- *alignment with the legislative framework and national policies* – developments in European and national legislation on carbon pricing and the integration of ESG considerations into the energy sector must be taken into account. The premature implementation of such a system, without a clear regulatory framework at national level, could give rise to uncertainty and financial risks for the Company.

Consequently, the setting of a domestic carbon price will be addressed in the coming period, but in a prudent and phased manner to ensure compliance with current standards and regulations.

Furthermore, the subsidiaries Teletrans and Smart do not currently apply internal carbon pricing systems.

The anticipated financial impacts of significant physical and transition risks and potential climate-related opportunities (E1-9)

In the 2025 reporting year, Transelectrica identified significant climate risks (physical and transition risks) and potential opportunities as part of its risk management and materiality analysis processes. However, during the reporting period, the Company does not have a robust financial quantification of the anticipated effects that meets the qualitative characteristics of useful information (comparability, verifiability and fair presentation), as a comprehensive methodology has not yet been implemented for: (i) geospatial mapping of assets' exposure to climate-related risks, (ii) monetary valuation of exposed assets/revenues across different time horizons, and (iii) integration of climate scenarios into financial modelling. Consequently, reporting for E1-9 is provided on a qualitative basis, in line with the phased-in approach set out in Appendix C to ESRS 1, as amended by Delegated Regulation (EU) 2025/1416.

Significant physical risks – anticipated financial impact. Physical risks (such as extreme weather events) can have financial consequences through damage to assets, operational disruptions, increased maintenance and repair costs, and potential additional investment to enhance resilience. In 2025, the Company does not provide monetary values or percentages of assets or net revenue exposed to physical risk (acute/chronic) in the short, medium and long term, nor does it disclose the location of exposed assets at the required level of detail, as these elements are currently undergoing methodological development and data collection/validation.

Significant transition risks – anticipated financial implications. Transition risks may have financial implications in the form of compliance costs, the need to accelerate modernisation and digitalisation investments, project delay risks, potential changes in the cost of capital, and possible accounting obligations or adjustments depending on regulatory and technological developments. In 2025, the Company does not disclose monetary values or percentages of assets/revenues exposed to short-, medium- and long-term transition risks, does not provide a breakdown of the carrying amount of property assets by energy efficiency class, and does not quantify potential liabilities associated with the transition, as the methodology and data required for a credible quantification are currently under development.

Reconciliation with the financial statements. In 2025, as the Company does not report monetary measurements of assets, income or liabilities exposed to climate-related risks, reconciliation with line items or explanatory notes in the financial statements does not apply. The company will include reconciliations in future periods, as and when the figures become available.

Climate-related opportunities – anticipated financial impacts. Transelectrica believes that climate-related opportunities can arise primarily from the modernisation and digitalisation of

infrastructure, the reduction of losses, increased energy efficiency, access to sustainable financing, and the role played in the integration of renewable energy sources. For the year 2025, the Company does not quantify the financial effects of the opportunities (cost savings or changes in revenue), as such a quantification would not, at this stage, meet the qualitative characteristics of useful information.

2. Pollution (E2 1–6)

Description of the processes for identifying and assessing significant impacts, risks and opportunities (IRO-1)

The process of identifying and assessing significant impacts, risks and opportunities relating to pollution is carried out in accordance with internal risk management and environmental protection procedures, based on applicable national and European regulations. The aim of the process is:

- a) identifying potential sources of pollution associated with its own operations and, where relevant and feasible, with the upstream and downstream value chain;
- b) assessment of exposure and potential effects on soil, water and air;
- c) the definition and implementation of prevention, mitigation and control measures;
- d) regularly monitoring and updating the measures and the risk register, with a view to continuously improving environmental performance.

Methodologies, assumptions and tools used in the evaluation process			
Risk and impact analysis	Environmental audits and assessments	Environmental management plans	Monitoring and reporting
Standardised procedures for identifying risks associated with operational activities, including those arising from the maintenance, modernisation and expansion of infrastructure	Regular environmental audits to identify sources of pollution, associated risks and the measures required to prevent negative environmental impacts	The plans set out measures to prevent and reduce pollution, such as the installation of oil-water separators, waste management and the optimisation of resource consumption	Transelectrica operates a system for the continuous monitoring of pollutant emissions and environmental impact, using validated measurement equipment and technologies
Analysis of emitted pollutants (e.g. SF ₆ , flue gas emissions, chemical leaks), as well as the effects on biodiversity and natural resources	Measurements of air, water and soil quality in operational areas, in accordance with national and European regulations	Environmental monitoring programme, with regular reports on compliance with legal requirements	The data collected is analysed and included in the risk register and the annual sustainability and compliance reports

To provide a clear and relevant perspective on Transelectrica's activities, performance, and the impacts it generates, the Group carried out the double materiality assessment in accordance with the requirements of the sustainability standards, through a process that combined internal assessment with consideration of the results of dialogue and consultations with relevant stakeholders. In this context, management representatives actively participated, during an internal working session, in the identification and assessment of the key matters influencing both

the business strategy and the Group's impact on the environment and society, the analysis being complemented by relevant information derived from stakeholder interactions and consultation mechanisms.

Transelectrica has reviewed its sites and business activities to identify the actual and potential impacts, risks and opportunities relating to pollution. The Group defines and implements preventive and corrective measures with a view to minimising the environmental impact of its facilities and operations. The diversity of environmental conditions at each site of RES installations (overhead power lines, substations and connection points, buildings) gives rise to specific environmental impacts at various stages (design, construction and operation) of each installation; consequently, measures are defined on a case-by-case basis, taking into account the conditions prevailing at each site.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS E2	Pollution	Soil pollution		impact	Impact on the soil: accidental spills of insulating oil and fuels from electrical equipment or machinery may contaminate the soil
		Soil pollution Air pollution		risk	Technological/operational risks: equipment failures that may lead to accidental leaks of hazardous substances, affecting compliance with environmental legislation
		Soil pollution		impact	Impact on the soil – accidental spills of mineral oils, SF6, hazardous chemicals or other industrial waste can contaminate the soil, affecting local ecosystems and the quality of natural resources
		Soil pollution		impact	Soil pollution – accidental spills of industrial oils, fuels and chemicals used in equipment can contaminate the soil, affecting biodiversity and ecosystems
		Soil pollution		risk	Operational and environmental risks: accidental leaks of hazardous substances (e.g. oils, SF6), with a negative impact on the environment

According to the double materiality analysis, The Transelectrica Group has identified significant impacts and risks related to soil pollution, mainly associated with the operation and maintenance of the RET infrastructure, as well as modernisation activities and field works (e.g. potential accidental spills of oils/fuels, management of substances and waste, site activities). During the reporting period, no major pollution incidents were recorded; however, the Group treats these matters as material due to their potential nature, compliance obligations and the need to prevent impacts on soil, water and air.

Sites where pollution may be a material issue (own operations and the value chain).

Following the materiality assessment, issues relating to pollution may be particularly relevant to:

- **electrical substations** and associated platforms (oil-containing equipment, retention areas, oil-water separators, rainwater/wastewater management);
- **LEA corridors** and field intervention areas (vegetation maintenance work, access for machinery, ad hoc repairs);

- **temporary construction sites** (site management, temporary storage, construction and installation works);
- **offices/workshops/warehouses** (waste management, materials/consumables, utilities).

The volume of installations managed by Traselectrica			
81 electrical substations	8,834.4 km of overhead power lines (OPL)	216 main processing units with a total capacity of 38,058 MW	
1 substation – 750 kV	3.1 km – 750 kV	2 × 1250 MVA	2 × 63 MVA
38 substations – 400 kV	4915.2 km – 400 kV	2 × 500 MVA	9 × 40 MVA
42 substations – 220 kV	3875.6 km – 220 kV	22 × 400 MVA	24 × 25 MVA
	40.4 km – 110 kV	31 × 250 MVA	1 × 20 MVA
		81 × 200 MVA	32 × 16 MVA
		1 × 100 MVA	9 × 10 MVA

Within the value chain, relevant issues may arise in particular in relation to contractors carrying out works and to operators authorised to collect, transport, recover or dispose of waste.

Policies relating to pollution (E2-1)

Pollution is addressed as an essential element in the environmental policies of the Traselectrica Group, given its potential impact on the environment and public health, in line with the findings of the double materiality analysis.

In this context, the Company's management has established an environmental policy as an integral part of its overall policy, aimed at implementing environmental management throughout the organisation and across all activities, by promoting an organisational culture focused on environmental protection and sustainable development.

Traselectrica has adopted the Policy Statement on Quality, Environmental, Health and Safety Management, with the aim of maintaining an effective environmental management system, preventing and reducing pollution, ensuring compliance with national and European regulations and the continuous improvement of environmental performance.

The Risk Management Policy Statement also applies to pollution-related matters, as it covers the identification, analysis and management of operational and environmental risks that may affect the Company's operations, including risks associated with the operation, maintenance and modernisation of infrastructure.

Furthermore, the policies and investment priorities set out in the RET Development Plan 2024–2033, as well as policies on energy efficiency and grid digitalisation (smart grid), include measures aimed at reducing the pollution footprint through infrastructure modernisation, the use of equipment with a low environmental impact, and the strengthening of operational control (monitoring, maintenance, leak prevention, waste management).

The company implements and maintains an Integrated Management System for quality, the environment and occupational health and safety, in accordance with the highest international standards: SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR EN ISO 45001:2023. This

system ensures legal compliance, process optimisation and a reduced environmental impact, thereby establishing a responsible and sustainable operating model.

Policies relating to pollution apply primarily to the company's own operations (power stations, overhead power lines, premises and operations/maintenance/upgrading activities) and, where applicable, include requirements for the upstream and downstream value chain (suppliers, contractors and authorised waste operators), through procedural/contractual requirements and compliance obligations.

With regard to its own operations and value chain, Transelectrica's policies address the following key aspects:

- **mitigating negative impacts on air, water and soil (prevention and control)** – measures to prevent contamination and control potential sources of pollution, including through oil–water separators, rainwater/wastewater management, waste management (including hazardous waste) and requirements for site activities (organisation, temporary storage, dust/noise, compliance);
- **reducing/replacing substances of concern** – applying legal requirements regarding hazardous substances and minimising their use wherever possible, including by choosing low-impact solutions/equipment and through strict control of handling, storage and traceability;
- **incident prevention and emergency response** – procedures for the prevention of and response to accidental pollution (notification, containment/isolation, collection and remediation), training of staff and contractors, and investigation of incidents to prevent recurrence.

Through this approach, Transelectrica aims to reduce its environmental footprint and improve its environmental performance, in line with European guidelines on pollution prevention and control (“Towards Zero Pollution for Air, Water and Soil”), through modernisation, operational control and the strengthening of environmental governance.

Actions and resources relating to pollution (E2-2)

Transelectrica is implementing an Integrated Management System that includes strict requirements regarding quality, environmental protection, and occupational health and safety. To this end, the Company ensures that it maintains certification in accordance with the international standards SR EN ISO 9001:2015 for quality management, SR EN ISO 14001:2015 for environmental management, and SR EN ISO 45001:2023 for occupational health and safety. Compliance with these requirements ensures a sustainable operating environment, reducing the environmental impact of our activities and ensuring optimal working conditions for our employees.

Key actions and resources (MDR-A). In 2025, measures to prevent and control pollution focused on:

- maintaining compliance through environmental permits and water management;
- monitoring of environmental factors and control of potential sources of pollution at stations/LEA and on construction sites;
- waste management (including hazardous waste) through traceability and authorised operators;

- incident prevention (retention/containment, oil-water separators, response procedures). The resources included operational expenditure and investments in environmental protection and training/audit activities.

Planned actions. The company continues to implement the measures set out in the Environmental Management Programme and in its maintenance and investment programmes, including the expansion and modernisation of spill prevention equipment, improved monitoring, and the strengthening of environmental requirements for contractors, in line with the specific characteristics of each site and project.

The activities and tasks included in the Environmental Management and Protection Programme				
Measurements and monitoring	Measures to reduce air pollution	Waste management and soil protection	Reducing the impact on water bodies	Monitoring the impact on biodiversity
Monitoring of electromagnetic fields		Implementation of waste collection and recycling systems (metal, plastic, paper, end-of-life electrical equipment)	Installation of oil-water separators on equipment containing insulating oils	Clearing and maintenance work on power line safety corridors must only be carried out outside the growing season and after the end of the bird nesting season
Assessment of noise levels generated by electrical substations and high-voltage power lines	Reducing SF6 emissions through preventive maintenance and replacing old equipment with new technologies	Disposal of hazardous substances in accordance with environmental regulations	Preventing accidental spills of oils and chemicals through preventive maintenance measures	Installing devices on the protective conductors of overhead power lines with features that make them visible to birds in order to prevent collisions
Monitoring of soil and wastewater quality	The use of low-emission vehicles (Euro 5 and Euro 6)	Temporary storage of used equipment on specially designed concrete platforms	The construction or maintenance of sewerage networks for domestic wastewater and/or stormwater	Installation of bird deterrent devices to prevent the risk of electrocution
Monitoring of environmental components in protected areas crossed by power lines		Restoration/reclamation of the site to its original condition (following completion of the works)		

Classification of actions within the pollution mitigation hierarchy (AR 13). The actions under the Environmental Management Programme can be categorised as follows:

- **avoid (prevention at source)** – authorisations, design/site organisation requirements, control of the handling/storage of substances, elimination of non-compliant practices;
- **reduce (minimisation)** – oil-water separators, preventive maintenance to limit leaks, monitoring and measurements, waste management and the use of low-emission equipment/vehicles;

- **remediation/restoration** – the restoration or rehabilitation of land following works and remedial measures in the event of an incident, to minimise the impact on soil and water.

Actions within the value chain. In areas where pollution impacts or risks are caused or exacerbated by activities carried out by third parties, Transelectrica implements control measures throughout the value chain, in particular by:

- environmental requirements included in procurement documents and contracts (compliance obligations, waste management, incident prevention, handling of substances);
- the use of authorised operators for the collection, transport, recovery and disposal of waste, and ensuring documentary traceability;
- on-site inspections, where appropriate, to ensure compliance with environmental requirements at the construction site.

Allocated resources. To manage pollution effectively, Transelectrica allocates significant resources to environmental protection infrastructure and activities, installing oil-water separators and septic tanks at its substations, alongside gas filtration systems and pollution monitoring stations. These measures help to reduce the environmental impact and ensure compliance with regulations on the protection of natural resources.

In 2025, total expenditure on environmental protection, included in operating, maintenance and investment costs, amounted to 9,156,087 RON (approximately 1,795,839 euros), distributed across the Regional Transport and Executive Branches.

Total expenditure on environmental management and protection for 2025 has been estimated at 11,480,470 thousand RON excluding VAT, allocated to the Regional Transport Branches and the Executive.

The identified objectives regarding environmental management	
Compliance with environmental and water management legislation	Reducing the environmental impact
Reducing the impact on soil and groundwater	Environmental prevention of hazardous natural phenomena
Prevention of and protection against forest fires	Compliance with legal requirements regarding the transport of hazardous and non-hazardous waste within Romania
Conservation of biodiversity and habitats	Protection of natural resources and conservation of biodiversity
Waste management	Compliance with the requirements of SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR EN ISO 45001:2023
Reducing the impact on air quality and the climate	Prevention and reduction of pollution of surface water, groundwater and soil
Preventing pollution of surface water and groundwater through wastewater treatment	Prevention and reduction of air pollution

Landscape restoration	Calculation of emissions and payment of AFM charges for emissions from stationary sources
Improving waste management	

The facilities managed by the Company (transformer and connection substations, overhead power lines, offices, etc., whether authorised or in the process of being authorised or re-authorised) operate in accordance with legal requirements regarding environmental protection, with a 100% authorisation rate (8 environmental permits).

The company is constantly investing in upgrading its infrastructure, with the aim of reducing energy losses and using low-emission equipment, thereby reducing the environmental footprint of its operations. Solutions are also being developed for the recycling and recovery of waste, integrating the principles of the circular economy into its operational processes. To this end, Transelectrica carries out environmental protection works included in both its Maintenance Programme and its Investment Programme, thereby ensuring that the environmental performance of its infrastructure is maintained and improved.

To ensure compliance and continuous improvement, Transelectrica maintains its SR EN ISO 14001:2015 certification for environmental management. The company undergoes regular external audits to assess its compliance with national and European regulations and its adherence to the requirements of the standard. At the same time, the Company carries out studies and research aimed at environmental protection, which are incorporated into the approved Study and Research Plan, with the aim of identifying the most effective technological solutions for reducing environmental impact.

Through this combination of actions and resources, Transelectrica aims to manage the material risks identified in the double materiality analysis relating to pollution, maintain compliance and reduce its pollution footprint in its own operations and, where relevant, throughout the value chain.

Pollution-related targets (E2-3)

Following the double materiality analysis, soil pollution is identified as the material issue for Transelectrica under ESRS E2. Consequently, the targets set out below focus primarily on the prevention and control of soil pollution (requirement 23(c)), particularly in the context of the operation and maintenance of RET infrastructure and modernisation works, where potential risks of accidental oil/fuel spills and improper management of substances/waste may arise.

During the reporting period, Transelectrica had not yet set aggregate quantitative targets of the “kg of pollutant per year” type for pollution; however, it monitors the effectiveness of its policies and actions through operational and compliance targets (MDR-T), which are tracked via the Integrated Management System, the conditions set out in the relevant permits, internal checks and external audits.

Targets for soil pollution	Target description	Mandatory / Voluntary
Prevention of soil pollution incidents	Maintaining the target “0 major soil contamination incidents” and systematically investigating any	Voluntary, backed by legal obligations

	events or incidents with the potential to cause pollution, in order to prevent recurrence (applicable to stations, works and field operations).	
Monitoring of leaks and potential sources	Maintaining and, where appropriate, expanding on-site containment measures (platforms, retention basins/tanks, controlled storage areas) and preventive maintenance checks for oil-containing equipment and machinery, in order to reduce the likelihood of accidental spills.	Mandatory, voluntary by extension
Traceability of waste relevant to soil	100% traceability and handover to authorised operators for the waste generated (including hazardous waste), as well as controlled temporary storage to prevent soil contamination.	Mandatory
Compliance with the conditions set out in the site/works permits	Ensuring compliance with the conditions set out in environmental permits and the requirements applicable to the works, with regard to the prevention of soil pollution (monitored through inspections and audits).	Mandatory

Although air pollution and water emissions were assessed as immaterial according to the double materiality analysis (DMA), they are still managed through compliance requirements and internal procedures; in practice, the Company monitors these factors where applicable and/or required by permits, including through periodic measurements and operational checks (e.g. monitoring of environmental parameters and the operation of relevant systems), to prevent non-compliance and limit potential impacts. Furthermore, substances of concern are not classified as hazardous under the DMA, but are managed in accordance with the applicable legal framework governing their handling, storage, labelling and traceability, with a view to preventing any adverse effects on the environment.

Air, water and soil pollution (E2-4)

In accordance with the applicable legal requirements and the Integrated Management System, Transelectrica assesses and manages potential impacts on air, water and soil, taking into account the specific nature of its electricity transmission and dispatch activities.

According to the double materiality analysis, soil pollution is a material issue under ESRS E2 for the Company, being primarily associated with the risk of accidental spills (insulating oil, fuels and other substances used in operations/maintenance) and modernisation/field works. Air pollution and emissions to water are assessed as **immaterial** under the DMA, but are managed through compliance and monitoring where applicable.

E-PRTR pollutants (Reg. (EC) No 166/2006). Given that Transelectrica's activities do not involve industrial processes covered by Regulation (EC) No 166/2006, the Company does not report aggregate figures for E-PRTR pollutants emitted into the air, water or soil.

The Company's operations may give rise to fugitive emissions in the context of construction works (airborne dust) and combustion emissions associated with vehicles, generators and heating systems, as well as accidental emissions associated with handling/use. The Company has

contracts with specialist firms for the continuous monitoring of air and water, in accordance with national legal provisions.

Emissions of sulphur hexafluoride (SF6) do not exceed the annual limit permitted by law.

In 2025, no major pollution incidents were recorded.

The company does not report aggregate figures for E-PRTR pollutants released into the air, water or soil at the facility level for the year 2025.

Microplastics. In 2025, Transelectrica did not identify the generation or use of microplastics as a material stream within its own operations; consequently, no quantities are reported for this indicator.

Context: historical development, methodologies and data collection

Changes over time. With regard to the physical aspect (soil), the Company aims to prevent incidents internally and control potential sources of contamination (oily equipment, machinery, temporary storage areas), as well as to implement the associated technical and operational measures. In 2025, no major incidents of soil pollution were recorded.

Measurement methodologies. With regard to soil pollution, the approach is primarily preventative and focused on operational control, based on inspections/checks, preventative maintenance, containment measures, controlled waste management and procedures for responding to accidental spills. Laboratory analyses (soil/wastewater) are carried out where applicable and/or required by permits or in response to specific circumstances.

For air and water (non-physical parameters under the Water Framework Directive), monitoring is carried out primarily for compliance purposes, through periodic measurements and operational checks, where applicable and/or required by permits (e.g. monitoring the operation of relevant systems and certain environmental parameters).

Data collection and reporting. Transelectrica is implementing a systematic process to monitor potential sources of pollution at site level, in accordance with the conditions set out in its environmental and water management permits. Monitoring is documented through measurement reports, environmental assessment forms and branch-level monitoring reports; based on the results, action plans are drawn up, specifying deadlines and responsible parties. The company submits regularly/annually to the competent authorities (the Environmental Protection Agency, the National Environmental Guard, the National Administration of Romanian Waters) relevant data on compliance and monitoring, in line with legal requirements and the findings of inspections, as applicable.

Note on methodologies (direct measurement vs estimates). Where direct measurements are not available (e.g. certain diffuse emissions associated with temporary construction site or transport activities), the Company uses operational assessments and compliance requirements for control and prevention; at this stage, no aggregated quantitative estimates at ESRS level are reported for E-PRTR pollutants.

Contextual information (DMA): air and water (intangible, but managed). Although air pollution and water emissions are assessed as immaterial under the DMA, they are managed through compliance requirements and internal procedures, and the Company monitors the relevant factors

where applicable and/or required by permits, in order to prevent non-compliance and limit potential impacts.

The anticipated financial effects of the risks and opportunities associated with pollution (E2-6)

In the 2025 reporting year, the Transelectrica Group is applying the phased-in approach for requirement E2-6, in accordance with ESRS 1, Appendix C, as amended by Delegated Regulation (EU) 2025/1416. Consequently, the Group can, at this stage, primarily present qualitative information regarding the anticipated financial effects of the impacts, risks and opportunities related to pollution, as the methodology and data required for robust quantification (e.g. monetary valuations of site-specific exposures, incident scenarios, probability/impact estimates and asset-level reconciliation) are currently being finalised.

Risks associated with pollution – anticipated financial effects (qualitative). According to the double materiality analysis, for the Transelectrica Group, pollution (with a focus on soil pollution) may have financial implications in the short, medium, and long term:

- ***in the short term***, these may arise through ongoing prevention and compliance costs, such as permitting, monitoring, maintenance of leak prevention equipment, waste management, and audits, as well as remediation costs in the event of accidental pollution incidents;
- ***in the short to medium term***, non-compliance risks may materialise, including fines or penalties, project delays, and additional costs generated by the implementation of measures required by the authorities;
- ***in the medium and long term***, financial effects may arise from the need to invest in technologies and equipment with a lower environmental impact, aimed at reducing the likelihood of incidents and the associated costs.

At this stage, Transelectrica does not quantify the “anticipated financial effects” in monetary terms (e.g. asset/revenue exposures, impact ranges), as such quantification would not yet consistently meet the qualitative characteristics of useful information (comparability and verifiability) and will be developed in stages in future reports.

Operating and capital expenditure relating to major incidents and storage facilities. In accordance with the exemption set out in ESRS 1 (Appendix C), the Company presents separately information on operating and capital expenditure incurred during the reporting period in connection with major incidents and deposits, where applicable.

- ***Major pollution incidents (2025):*** During the reporting period, no major pollution incidents were recorded; consequently, the operating/capital expenditure associated with major incidents amounts to 0 RON for 2025.
- ***Landfills (landfills/facilities relevant to pollution, where applicable):*** in 2025, no operating or capital expenditure associated with “landfills” as defined by the data point (e.g. waste landfills operated by the Group) was identified.

Expenditure on pollution prevention and control. Although this does not quantify the “anticipated effects”, Transelectrica highlights the resources used for pollution prevention and

control: environmental protection expenditure (included in operating, maintenance and investment costs) in 2025 of 9,156,087 RON (\approx 1,795,839 euros).

3. Biodiversity and ecosystems (E4 1–6)

Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM–3)

Transelectrica's activities, in its capacity as a transmission system operator, involve an extensive infrastructure (overhead lines, substations and associated works) and direct interaction with the land and habitats through which they pass. In line with the results of the double materiality analysis and the IROs identified for ESRS E4, the Company acknowledges the existence of significant potential impacts and risks on biodiversity and ecosystems, associated primarily with:

- habitat fragmentation resulting from land use and vegetation management within safety corridors (clearing/selective removal);
- the interaction between infrastructure and birdlife, including the risk of collision and electrocution in migration routes;
- the impacts associated with the works (e.g. waste generation and management, and the risk of accidental pollution), particularly in areas that are sensitive in terms of biodiversity.

The interaction between these IROs and the business strategy/model is reflected, during the reporting period, through the integration of biodiversity requirements into the planning and execution of works and into the operation of the RET: the use of regulatory documents and permits as a management tool, the implementation of measures required by the competent authorities depending on the site, and the application of measures to avoid or reduce impact (e.g. scheduling works outside sensitive nesting periods, using devices to increase the visibility of power lines and reduce the risk of collision/electrocution, and restoring sites after works). These opportunities are linked to modernisation and the adoption of technical and operational solutions that reduce the impact on ecosystems and the risks of non-compliance or delays, with long-term economic benefits.

Significant sites, activities with a negative impact and sensitive areas. Based on the identified IROs (habitat fragmentation, waste/non-biodegradable materials, risks of accidental pollution, bird collisions/electrocution), the sites of significance for biodiversity within our own operations are mainly associated with:

- *LEA corridors* that cross or are in the vicinity of areas sensitive to biodiversity and/or migration routes (for example, areas mentioned in the report: Banat, Dobrogea, the Danube Delta);
- *electrical substations* and associated platforms located in the vicinity of natural habitats/protected areas;
- *temporary construction sites* and fieldwork areas associated with modernisation and maintenance works in the vicinity of sensitive areas.

Activities with a negative impact on sensitive areas – vegetation management in safety corridors (clearing/removal), maintenance works and field interventions, modernisation/construction and site organisation (including waste generation/management), as well as infrastructure operation in migration areas (risk to birdlife).

Breakdown by impacts/dependencies and ecological status:

- *identified impacts (in line with the IRO)* – habitat fragmentation; temporary disturbances caused by works; risks to birdlife (collision/electrocution); impacts associated with waste and accidental pollution in the context of the works;
- *dependencies* – soil stability and the integrity of ecosystems, which may influence the risks of erosion and landslides, as well as access for intervention;
- *ecological status/baseline* – assessed at project/works level, through specific studies and opinions (where applicable), depending on the type of habitat and protection regime (protected natural areas/Natura 2000 sites).

Sensitive areas and competent authorities – sensitive areas include protected natural areas and/or Natura 2000 sites that are crossed by or affected by projects or works. The relevant competent authorities are, as appropriate, the environmental protection authorities (the Environmental Protection Agency, the National Agency for Environmental Protection), the authority responsible for protected natural areas (the National Agency for Protected Natural Areas) and the administrators/caretakers of protected areas (for example, the Danube Delta Biosphere Reserve Administration for the Delta area).

Note on data maturity (2025): The lists of power line corridors and substations can be found in the 2024–2033 RET Development Plan. For the 2025 reporting year, the Company has not yet consolidated the comprehensive list of sites, complete with standardised identifiers and breakdowns by environmental status for each site, into a centralised portfolio-level inventory; this consolidation is planned to be carried out in phases, given the large number of sites.

Description of the processes for identifying and assessing significant impacts, risks and opportunities (IRO-1)

Transelectrica follows a structured process to identify and assess the impacts, risks, dependencies and opportunities relating to biodiversity and ecosystems, with the aim of minimising the negative effects of the operation and development of the electricity transmission network and integrating environmental requirements into project planning and implementation. The process is integrated into the double materiality analysis and risk management and is based on project-related environmental documentation (impact studies, appropriate assessments, permits/authorisations), monitoring activities, and operational measures implemented during operation and maintenance.

Identifying and assessing actual and potential impacts (own operations and the value chain). Transelectrica identifies and assesses actual and potential impacts on biodiversity, prioritising its own operations (power lines, substations, maintenance and modernisation works) and, where relevant and feasible, the value chain (contractors carrying out works, equipment/service suppliers, waste operators). The assessment includes: mapping of protected areas/sensitive areas (where required by the projects), identification of habitats and vulnerable

species (particularly birdlife), and analysis of potential impacts such as habitat fragmentation, temporary disturbance at the construction site, and the risks of collision and electrocution.

As of the reporting date, the process of mapping protected areas and sensitive areas relevant to the Group's activities is in the process of being finalized, and the consolidated information regarding their location, as well as the relevant habitats and vulnerable species, will be progressively integrated into the assessment and reporting process, in accordance with the applicable requirements of ESRS E4, including AR7–AR8.

Identifying and assessing dependencies on biodiversity and ecosystem services.

Transelectrica assesses dependencies on ecosystems insofar as these may affect the safety and continuity of the RET's operation. Relevant dependencies include, for example: the stability of land and vegetation (which may affect the risks of erosion and landslides, as well as access for emergency response), the regulatory functions of ecosystems (e.g. soil stabilisation, natural drainage) and environmental conditions that may exacerbate operational vulnerabilities in sensitive areas. At this stage, the assessment of dependencies is primarily qualitative and is carried out as part of the environmental documentation for projects and in the operational risk analysis; the development of a more systematic assessment of ecosystem services (including those that have been or are likely to be disrupted) is being addressed in phases.

The impact on vegetation is determined by the permanent or temporary occupation of land and the removal of vegetation exceeding a certain height from the safety zones around RET installations, in order to prevent fires. This impact may only be significant in protected areas.

Identifying and assessing physical and transition risks, as well as opportunities (based on impacts and dependencies). With regard to the assessment of risks associated with biodiversity and ecosystems, Transelectrica implements a risk management system that enables the anticipation and management of potential adverse effects.

During the design phase, the preventive and corrective measures for a facility are determined on the basis of environmental impact assessments, appropriate evaluations and the environmental management plan, thereby ensuring an integrated approach to the protection of biodiversity and ecosystems. These measures are essential for minimising the fragmentation of natural habitats, reducing the risks of soil and water pollution, and protecting vulnerable species in areas affected by infrastructure. Applying these principles during construction enables the environmental impact to be managed from the very start of the project, helping to maintain ecological balance and ensure compliance with nature conservation regulations.

Based on the identified impacts and dependencies, Transelectrica assesses:

- *physical risks associated with biodiversity* (e.g. land instability/erosion in the vicinity of infrastructure, events affecting vegetation that may increase the need for intervention);
- *transition risks*, linked to changes in regulatory requirements and rising expectations regarding biodiversity protection (e.g. stricter requirements for works in protected areas, additional conditions, potential delays/compliance costs);
- *opportunities*, through infrastructure modernisation and the implementation of technical solutions that reduce the impact on biodiversity (e.g. bird protection devices, scheduling works during optimal periods, low-impact technologies/solutions), thereby reducing the risks of non-compliance and the costs associated with incidents/delays.

Systemic risks. At this stage, Transelectrica recognises, in qualitative terms, that biodiversity loss and ecosystem degradation can have systemic effects (for example, increased vulnerability to extreme events, deterioration of soil stabilisation functions, and increased regulatory pressures and land-use restrictions). A dedicated quantitative analysis of systemic risks related to biodiversity was not carried out during the reporting period and is to be developed in stages.

By implementing this comprehensive process of identifying, assessing and integrating IROs, Transelectrica is reinforcing its commitment to environmental protection and ensuring the sustainable development of its infrastructure, thereby helping to maintain ecological balance and adhere to industry best practices.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS E4	Biodiversity and ecosystems	Factors determining the direct impact on biodiversity loss	Land use change, freshwater use change and marine use change	impact	Fragmentation of natural habitats – the construction and maintenance of overhead power lines (OPLs) and substations require deforestation and land alterations, which can affect the continuity of habitats for various species of animals and plants
				impact	Impact on biodiversity – the generation of hazardous waste or materials that are slow to degrade can affect natural habitats, particularly in areas where construction and maintenance work is taking place
			Pollution	impact	Noise and electromagnetic pollution – the generation of noise and electromagnetic fields from high-voltage power lines may affect wildlife behaviour and the quality of natural habitats.
			Population size of the species	impact	Bird collisions and electrocution – Power lines pose a danger to migratory birds and other species that use flight paths, as there is a risk of collisions or electrocution

Consultations with affected communities and the avoidance of impacts on ecosystem services

Relevant consultations are primarily incorporated through the approval and authorisation processes (including, where appropriate, public information and consultation) and through interaction with the competent authorities and the managers of protected areas. During the reporting period, no separate consultations were conducted that were dedicated exclusively to biodiversity assessments, apart from the regulatory processes associated with the projects/works. However, the Company has gathered feedback from stakeholders through general consultation mechanisms on material ESG issues (questionnaire available online on the Transelectrica website under the Home section – All news – https://web.transelectrica.ro/noutati/lista_noutati.html), which also included issues relevant to biodiversity and ecosystems.

Where there is a likelihood of adverse impacts on sensitive areas or affected communities (for example, through temporary access restrictions, fieldwork, or disruption to local ecosystem services), the Company implements avoidance or mitigation measures as set out in regulatory documents and environmental management plans (e.g. scheduling works outside sensitive periods, site restoration, measures for birdlife). If impacts cannot be completely avoided, the

Company aims to minimise them and implement mitigation measures to maintain the functionality of priority ecosystem services, in accordance with the conditions set out.

Sites in sensitive areas and mitigation measures. Transelectrica operates an extensive infrastructure (overhead power lines and substations) covering the whole of Romania; Consequently, there are network sites located within or in the vicinity of areas that are sensitive from a biodiversity perspective (e.g. protected natural areas and/or Natura 2000 sites), including areas that may coincide with natural habitats and bird migration routes. Activities associated with these sites (operation, maintenance, vegetation management in safety corridors and modernisation works) may give rise to potential impacts such as habitat fragmentation, temporary disturbance to species and risks to birdlife (collision/electrocution), which are of greater relevance in protected areas and during sensitive periods (nesting/migration). During the reporting period, the Company manages these potential impacts through the conditions set out in regulatory documents and through operational measures tailored to each site or project.

As of the reporting date, the process of inventorying, mapping, and consolidating the list of locations where Transelectrica's infrastructure interacts with or is situated near biodiversity-sensitive areas is in the process of being finalized. This phased approach is driven by the extensive scale of the RET, the territorial distribution of the infrastructure, and the need to correlate the information available from regulatory documentation, site analyses, and relevant sources concerning protected natural areas and Natura 2000 sites. As this process is finalized, the Company will integrate into its reporting the consolidated information regarding the relevant sites, in accordance with the applicable requirements of ESRS E4.

The need to implement mitigation measures. In the case of projects/works and, where applicable, activities carried out in sensitive areas, Transelectrica assesses the need for measures to mitigate the impact on biodiversity within the framework of the applicable regulatory processes, including through an environmental impact assessment (EIA) and/or an appropriate assessment for Natura 2000 sites, in accordance with the relevant legislation. Avoidance, mitigation and/or compensation measures are established and implemented where required by regulatory acts and the conditions imposed by the competent authorities, in line with the conservation objectives set out in the Birds Directive (2009/147/EC) and the Habitats Directive (92/43/EEC). Examples of such measures include scheduling works outside sensitive periods, minimising disruption on site, restoring sites after works have been completed, and implementing technical measures to reduce the risk to birdlife (e.g. visibility/anti-collision devices), depending on the specific characteristics of the site and the protected area.

The transition plan and the integration of biodiversity and ecosystems into the strategy and business model (E4-1)

The resilience of the strategy and business model. Transelectrica incorporates sustainability principles and measures to protect biodiversity and ecosystems into its strategy and business model, particularly in the design, operation and maintenance of the electricity transmission network infrastructure. During the reporting period, the Company does not have a formal, quantified analysis of its resilience to biodiversity-related risks (such as scenarios or monetary indicators), but it carries out a qualitative assessment based on operational experience, regulatory

requirements and the conditions set out in the environmental regulations applicable to projects and works.

Assessment of resilience to physical, transition and systemic risks. Transelectrica's business model (as a transmission and system operator) depends on the availability of land and the operation of infrastructure along extensive corridors, including in the vicinity of sensitive areas. The relevant risks are:

- *physical* (e.g. land instability/erosion, phenomena affecting vegetation and access for intervention);
- *transitional* (tightening of regulatory requirements for works in protected areas/Natura 2000 sites, additional conditions, potential delays and compliance costs);
- *systemic* (ecosystem degradation that exacerbates vulnerabilities and land-use restrictions).

Resilience is supported by incorporating environmental requirements into project design and operations, and by measures to avoid or reduce impacts (e.g. bird protection devices, scheduling works outside sensitive periods, site restoration, waste management).

The scope of the resilience analysis. The qualitative assessment focuses primarily on the organisation's own operations (LEA, stations, maintenance and modernisation works). Relevant aspects of the value chain are addressed in particular in relation to contractors carrying out works and authorised waste operators, through compliance requirements and on-site control measures.

Main assumptions. The assessment is based on the assumption that: (i) the network will continue to operate and expand against a backdrop of stricter environmental requirements, (ii) part of the infrastructure will cross or be located in the vicinity of sensitive areas, (iii) the main pressures will relate to vegetation management, ground works and risks to birdlife, and (iv) compliance through permits/authorisations and the implementation of mitigation measures remain the primary mechanisms for maintaining resilience.

Time horizons used. Transelectrica uses time horizons aligned with its operational and investment planning: short-term (1–3 years), medium-term (4–10 years) and long-term (>10 years), taking into account the lifespan of assets and infrastructure modernisation cycles.

Results of the resilience assessment (qualitative). The results of the assessment indicate that the strategy and business model are resilient insofar as: (i) biodiversity requirements are integrated from the design stage onwards (EIA/appropriate assessment), (ii) operational measures are implemented to mitigate impacts (e.g. restricting works during sensitive periods, measures for birdlife, site restoration), and (iii) mechanisms for control and continuous improvement are in place (procedures, audit, monitoring). The main vulnerabilities relate to projects/works in sensitive areas and can lead to delays and additional costs if mitigation measures are not planned in advance.

Stakeholder involvement. Stakeholder engagement takes place primarily through regulatory and approval processes (including, where appropriate, public consultation) and through interaction with the competent authorities and the managers of protected areas. During the reporting period, the Company did not conduct any separate dedicated consultations; where relevant, the conditions and recommendations arising from the applicable procedures are incorporated into the work plans and mitigation measures.

Policies relating to biodiversity and ecosystems (E4-2)

The protection of biodiversity and the conservation of ecosystems are integrated into Transelectrica's policies, given the interaction between the RET infrastructure and the land and habitats it crosses, as well as the IROs identified in the double materiality analysis (e.g. habitat fragmentation through vegetation management and ground works, risks to birdlife from collision/electrocution, impacts associated with waste and risks of accidental pollution in the context of works). The relevant policies are implemented through the Integrated Management System and through operational and investment requirements derived from the planning of the development and modernisation of the RET.

Transelectrica does not, as of the reporting date, have a separate document entitled "Biodiversity Policy." However, the relevant requirements regarding biodiversity protection for operational sites owned, leased, or managed by the Company, located within or near biodiversity-sensitive areas, are covered through the Policy Statement on Quality, Environmental, Health and Safety Management, which includes commitments to environmental protection, the prevention and reduction of impacts on ecosystems, and compliance with national and European regulations. The statement on risk management policy also applies to biodiversity issues, as it covers the identification and management of operational and environmental risks relevant to habitats and species, including in the context of maintenance and modernisation works.

As part of its infrastructure development and modernisation policies (in accordance with the RET Development Plan 2024–2033), as well as its policies on energy efficiency and network digitalisation (smart grid), the Company aims to reduce its environmental footprint and integrate avoidance and mitigation measures, such as: optimising technical solutions and routes where possible, scheduling works outside periods sensitive to wildlife, implementing technical measures to reduce the risk to birdlife, and the controlled management of waste resulting from works.

Transelectrica has not, as of the reporting date, adopted a separate "anti-deforestation" policy; however, vegetation management activities and, where applicable, tree clearing within safety corridors are carried out in a controlled manner as part of major maintenance works, through specialized companies, within the limits necessary for the safe operation of the infrastructure and in compliance with legal requirements, the conditions set out in applicable permits and authorizations, the technical documentation of the works, and the environmental protection measures imposed for each site or project.

The Integrated Management System (SR EN ISO 9001:2015, SR EN ISO 14001:2015, SR EN ISO 45001:2023) supports the implementation of these policies through procedures, roles and responsibilities, training, audits and continuous improvement.

Specific elements relating to biodiversity and ecosystems

In addition to ESRS 2 MDR-P, Transelectrica states that its policies:

- aim, in particular, to avoid and mitigate the main pressures on biodiversity relevant to energy transmission activities (land use and habitat fragmentation, interaction with birdlife, and the effects of field works), as well as to integrate conservation requirements arising from regulatory acts (environmental impact assessment/appropriate assessment), where applicable;

- are implemented to manage the impacts identified as relevant in the DMA, including habitat fragmentation in safety corridors, collision/electrocution risks for birds, and impacts associated with construction works (waste, accidental pollution);
- take into account dependencies on ecosystem functionality (land stability, natural conditions that influence operational vulnerabilities) and address physical and transition risks (stricter regulatory requirements for works in sensitive areas, additional conditions, potential delays/costs), as well as opportunities to mitigate risks through modernisation and low-impact technical solutions;
- support traceability throughout the value chain; at this stage, traceability relevant to biodiversity is primarily ensured through procedural/contractual requirements for work carried out by third parties (contractors) and for waste streams (authorised operators), including through compliance documentation, records and on-site checks, where applicable; The Company aims to progressively strengthen traceability requirements for components and services with a potential material impact on biodiversity, depending on relevance and feasibility;
- require compliance with conservation conditions, the monitoring required by regulatory acts and the implementation of avoidance/mitigation measures, in areas where infrastructure intersects with protected areas, although Transelectrica does not manage 'production' ecosystems (such as forestry or agriculture) with a view to maintaining or improving biodiversity; at this stage, the Company does not report aggregate biodiversity gains/losses at corporate level; these are addressed at project/permit level where applicable;
- address the social consequences of the impacts; policies take into account the social consequences of the impacts on biodiversity through compliance requirements, measures to minimise disruption during works, and the management of stakeholder relations within regulatory processes (including public consultation where appropriate), taking into account potential effects on local communities (e.g. temporary access restrictions, disruption during works, land use).

Actions and resources relating to biodiversity and ecosystems (E4-3)

Transelectrica manages its activities and projects in a responsible manner, so as to minimise the impact on habitats and protected species in natural areas. To this end, the Company takes proactive measures right from the early stages of projects. In cases where the impact on biodiversity cannot be completely eliminated, mitigation measures are implemented to reduce the effects on ecosystems. In addition, land affected by infrastructure works is subject to ecological restoration processes, thereby ensuring that the natural balance is restored and the integrity of the environment is maintained.

In order to maintain the favourable conservation status of species and habitats of Community interest, Transelectrica has taken the following measures when carrying out maintenance and repair work:

- the installation of devices on the protective conductors of overhead power lines with features that make them visible to birds in order to prevent collisions;
- the installation of bird deterrents to prevent the risk of electrocution;

- carrying out tree felling and maintenance work on power line safety corridors only outside the growing season and after the end of the birds' nesting season;
- prohibiting Company staff and contractors from any form of harvesting, capturing, killing, destroying or harming specimens in their natural habitat, at any stage of their life cycle; the deliberate damage, destruction and/or removal of nests and/or eggs from the wild; the damage or destruction of breeding or resting sites;
- controlled disposal of waste so as not to endanger wildlife.

To deter birds from the overhead power line area, bird deterrent devices have been fitted to the pylons, above the insulator strings, to prevent birds from perching on the pylons (this protects both the birds from electrocution and the insulators from potential damage), and in the migration corridors, 'deflectors' (devices that prevent birds from perching on the power line conductors) or coloured panels, which usually mimic the appearance of birds of prey, have been installed on the power line conductors to reduce bird strikes on the power lines.

To help conserve the endangered Danube falcon, artificial nesting boxes have been installed on high-voltage pylons as follows:

- at STT Timișoara: 34 nests;
- at STT Bucharest: 19 nests;
- at STT Constanța: 31 nests.

Artificial nests are, in fact, metal or wooden boxes that have been placed on high-voltage pylons, as the Saker Falcon prefers nests that offer a good view of its territory and favourable feeding grounds nearby. It is necessary to place the nests on artificial structures, such as high-voltage pylons, as there are no longer any tall, solitary trees on farmland and pastures (their traditional nesting sites).

The installation of artificial nests forms part of the project 'Conservation of the Saker Falcon in north-eastern Bulgaria, Hungary, Romania and Slovakia', a multinational project funded by the EU, with the importance of protecting and conserving the species recognised at EU level.

Each Regional Transport Branch has an environmental inspector who is responsible for monitoring compliance with the conditions set out in the environmental permit and for the ongoing monitoring of the requirements of the SR ISO EN 14001:2015 Environmental Management System standard.

At company level, PO TEL 29.04 is used when implementing new projects or studies – Development of environmental management programmes and PO TEL 29.03 – Establishment, implementation and maintenance of quality, environmental and occupational health and safety objectives, procedures comprising actions, responsible parties and deadlines designed to ensure the achievement of environmental objectives and targets.

Application of the hierarchy of mitigation measures. The actions are aligned with the mitigation hierarchy as follows:

- mitigation: scheduling works outside sensitive periods; avoiding practices that have a direct impact on wildlife (explicit prohibitions for staff/contractors);

- minimisation: anti-collision/anti-electrocution devices; management of waste and site activities;
- restoration/rehabilitation: restoring sites/land following works, where appropriate (returning the area to its original condition and stabilising it);
- compensation/coverage.

Compensatory measures for biodiversity loss. During the reporting period, Transelectrica did not use biodiversity offsets as the primary tool in its action plans. The measures implemented are primarily aimed at prevention, minimisation and restoration, and where conservation measures are implemented (for example, artificial nesting boxes for the Saker Falcon), these are treated as mitigation measures and conservation support, in line with the applicable project conditions/requirements.

Local traditional knowledge and nature-based solutions. During the reporting period, Transelectrica did not formally incorporate local traditional knowledge as a distinct element in the planning of its activities. Nature-based solutions are implemented, where appropriate, through post-construction land restoration/rehabilitation measures and vegetation management in safety corridors, in accordance with regulatory requirements and environmental standards.

Biodiversity and ecosystem targets (E4-4)

During the 2025 reporting period, Transelectrica has not yet set quantitative targets (with numerical indicators and a trajectory) for biodiversity and ecosystems, due to operational complexity and the need to consolidate data at portfolio level (sites/sensitive areas/impact indicators). However, the Company monitors the effectiveness of its policies and actions through a set of operational and compliance targets (MDR-T), tracked via regulatory processes (appropriate assessment), the conditions set out in permits/authorisations and operational checks, with a focus on identified impacts and risks (habitat fragmentation, risks to birdlife, impacts associated with works – waste/accidental pollution).

Conformity/process targets (MDR-T)			
Incorporating biodiversity requirements into projects/works	Reducing the risk to birdlife	Restoration of sites following works	Monitoring the impacts associated with the works
Ensuring that biodiversity requirements and avoidance/mitigation measures are included in the documentation and work plans for projects/works that cross or are in the vicinity of sensitive areas (including conditions resulting from the EIA and/or the	Maintaining and, where relevant, extending the application of technical and operational measures to reduce the risk of collision or electrocution (e.g. visibility and anti-collision devices, bird-deterrent equipment, time restrictions on works during sensitive periods).	Ensuring the restoration/rehabilitation of sites temporarily affected by works (restoring them to their original condition, stabilising the ground), in accordance with the requirements set out in the relevant regulations and environmental management plans.	Implementation of waste management and accidental pollution prevention requirements in works carried out in-house or by contractors, with checks and documentary traceability, to limit indirect impacts on biodiversity.

appropriate Natura 2000 assessment).			
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Environmental thresholds and impact allocations. During the reporting period, Transelectrica did not apply quantified environmental thresholds or any company-wide methodology for allocating ‘impact budgets’ to set targets. These elements will be assessed as a consolidated database and an internal methodology for quantifiable targets are developed.

Alignment with the Kunming-Montreal Framework / EU 2030 Strategy / national policies. The process targets aim to ensure compliance with applicable nature conservation requirements (including the Natura 2000 framework) and the integration of avoidance/mitigation measures into projects; At this stage, the Company does not declare quantified targets formally aligned with Kunming-Montreal or the EU 2030 Strategy, and will analyse this alignment when setting quantitative targets.

Link to impacts/dependencies/risks/opportunities. The process targets are directly linked to the IROs identified for E4 (habitat fragmentation, birdlife, impacts associated with works) and to operational dependencies (land stability and access for interventions), and are applied as a priority to the project’s own operations and, where relevant, to the value chain (contractors).

Geographical area. The targets apply to Transelectrica’s operations throughout Romania, with a focus on sites/projects located near areas of biodiversity significance (protected areas/Natura 2000 sites and identified migration routes).

Compensatory measures for biodiversity loss. During the reporting period, the Company did not use biodiversity offsets as a basis for setting targets; the approach focuses on avoidance, minimisation and restoration/rehabilitation, in accordance with regulatory requirements.

The level in the mitigation hierarchy. The targets are primarily allocated to the ‘avoidance’ and ‘minimisation’ categories (incorporating biodiversity requirements and measures for birdlife) and the ‘restoration/rehabilitation’ category (restoring sites following works). Offsetting/coverage is not used as the basis for the 2025 targets.

Impact indicators relating to biodiversity and ecosystem changes (E4-5)

In the 2025 reporting year, Transelectrica does not yet report aggregated quantitative indicators on impacts on biodiversity and ecosystem changes, as the necessary data (including the centralised inventory of sites within or near sensitive areas and area/fragmentation parameters) are primarily managed at project level and have not yet been consolidated into a unified ESRS reporting system at portfolio level.

Number and area of sites in sensitive areas. The company has identified that some infrastructure sites (power lines/substations) may be located within or in the vicinity of areas of biodiversity significance (protected areas/Natura 2000 sites). As of 2025, Transelectrica has not yet provided the number and area (ha) of these sites at a consolidated level, as the demarcation and aggregation of areas is being carried out in stages, based on environmental documentation and geospatial (GIS) data relating to the projects. The company intends to consolidate this information for future reporting purposes.

Indicators for land-use change and connectivity. In the current reports, the relevant impacts identified are mainly associated with land use and the interventions required for safety corridors, which may lead to local changes and habitat fragmentation. As of 2025, the Company does not yet report quantitative indicators for land cover conversion or structural/functional connectivity (including fragmentation), as there is not yet a consolidated internal methodology or a comparable dataset (e.g. covering 1–5 years) for the systematic measurement of these indicators at portfolio level. The indicators will be analysed and introduced in stages, with priority given to sites in sensitive areas, as the inventory of sites and relevant geospatial data are consolidated.

The anticipated financial impacts of risks and opportunities related to biodiversity and ecosystems (E4-6)

For the 2025 reporting year, Transelectrica is applying the phased introduction provided for in Delegated Regulation (EU) 2025/1416: information relating to ESRS E4-6 may be omitted in the first year, or alternatively, the requirement may be met by reporting only qualitative information for the first three years. Consequently, the Company provides below a qualitative assessment of the anticipated financial effects, as there is not yet a methodology or a consolidated dataset at portfolio level to enable robust quantification (such as monetary exposures by location, probabilities/scenarios, and reconciliation with the financial statements).

Risks – anticipated financial impact (qualitative). In line with the double materiality analysis and the IROs identified for E4 (e.g. habitat fragmentation, risks to birdlife, impacts associated with construction works/waste, and risks of accidental pollution affecting ecosystems), the main anticipated financial impact channels are:

- **compliance and authorisation costs:** additional requirements in sensitive areas (studies, assessments, conditions imposed, monitoring), including costs of implementing avoidance/mitigation measures (e.g. works planning, measures for birdlife, site restoration);
- **operational and investment costs:** implementation/maintenance of technical and operational solutions to mitigate impact (anti-collision/anti-electrocution devices, vegetation management, waste management);
- **project risks (time/cost):** potential delays in projects/works due to regulatory requirements, seasonal restrictions (nesting/migration) or additional measures imposed;
- **potential remediation costs and penalties:** in the event of incidents (e.g. accidental pollution during works), remediation costs and the risk of penalties/fines may arise, as well as reputational risks.

As of 2025, the Group does not quantify these effects in monetary terms, as such a quantification would not yet consistently meet the qualitative characteristics of useful information (comparability, verifiability, faithful representation).

4. Resource use and the circular economy (E5 1–6)

Description of the processes for identifying and assessing significant impacts, risks and opportunities (IRO-1)

As part of its double materiality analysis and internal risk and environmental management processes (Integrated Management System, including SR EN ISO 14001:2015), the Transelectrica Group has assessed the significant impacts, risks and opportunities related to resource inputs, resource outputs and waste generated by the operation, maintenance, modernisation and decommissioning of the RET infrastructure. The process aims both to reduce resource consumption and maintain the value of materials throughout the entire life cycle of assets, as well as to prevent the negative effects associated with waste and material flows.

Review of assets and activities (in-house operations and value chain) – methodologies, assumptions and tools. The Group reviews its assets and activities to identify actual and potential IROs within its own operations and, where relevant, within the upstream and downstream value chain (suppliers and contractors, and authorised operators for waste collection, transport, recovery and disposal). The examination typically includes:

- **resource inputs:** assessment of the consumption of material resources used in the RET and in construction works (e.g. metals and conductors, insulators, equipment/assemblies, industrial oils and other relevant substances), as well as of auxiliary consumption associated with maintenance and construction-installation activities;
- **resource and waste outputs:** identification of waste streams resulting from operation, maintenance, modernisation and decommissioning (including end-of-life equipment, materials, packaging, waste oils and other hazardous/non-hazardous waste), including methods for separate collection, temporary storage, recovery/recycling and disposal;
- **risks and opportunities:** analysing supply chain risks (availability of recycling/recovery solutions, treatment/disposal costs), non-compliance and reputational risks, and opportunities for efficiency improvements (extending the service life of equipment, reuse, increasing material recovery, optimising routes/work and adopting modern technologies).

The assessment methodology is predominantly qualitative, based on (i) applicable legal requirements (including the national framework on waste management), (ii) internal procedures and checks/audits within the EMS (SR EN ISO 14001:2015), and (iii) internal operational and administrative data, such as records of procurement and materials management, waste registers/records and traceability documents (handover to authorised operators), supplemented, where applicable, by information from project documentation and the environmental management plans relating to the works.

IROs are identified through a systematic analysis of the material and waste streams associated with the operation, maintenance, modernisation and decommissioning of RET assets, using internal data (procurement/management/waste records) and information from project documentation, where applicable.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS E5	Circular economy	Resource inputs, including resource use		opportunity	Improving the efficiency of maintenance activities through environmentally friendly practices – such as optimising service routes, using recyclable materials and

					promoting the circular economy – can reduce operational costs and environmental impact.
		Resource inputs, including resource use		impact	High resource consumption and economic losses – inefficient waste disposal can lead to financial losses and the inappropriate use of resources, undermining the Company’s economic sustainability
		Waste			
		Resource inputs, including resource use		risk	Supply chain risks – the availability of effective solutions for recycling and recovering waste materials may be limited, which makes it difficult to implement sustainable practices within the company
		Resource outputs related to products and services		risk	Financial and operational risks – the high costs of storing and treating hazardous waste, as well as managing decommissioned equipment, may have a negative impact on the Company’s budget
		Waste		risk	Environmental risks – improper management of waste from decommissioned equipment (e.g. conductors, insulators, oil-filled transformers) may have adverse effects on local ecosystems
		Waste		risk	Risks of non-compliance with legislation – changes to waste management regulations may impose stricter requirements for recycling and disposal, necessitating additional investment to ensure compliance
		Waste		risk	Reputational and image risks – poor waste management, involving incidents of pollution or failure to comply with environmental regulations, can damage the public’s perception of the company and result in penalties from the authorities

Consultations (particularly with affected communities). During the reporting period, Transelectrica did not hold any consultations with affected communities specifically on the topic of “*resource use and the circular economy*”. However, feedback from stakeholders was gathered through general consultation and communication channels, including the public questionnaire on material topics (available on the Transelectrica website under the Home section – All news – https://web.transelectrica.ro/noutati/lista_noutati.html), accessible to all stakeholders. These tools also addressed issues relevant to the circular economy (e.g. resource use, waste) and were accessible to a range of stakeholders, including representatives of the local community. In addition, feedback is incorporated, where appropriate, through the regulatory and communication processes associated with projects/works, as well as through operational interaction with the competent authorities, contractors and authorised waste management operators.

Policies relating to resource use and the circular economy (E5-1)

The efficient use of resources and the adoption of circular economy principles are key priorities for the Transelectrica Group, having a direct impact on the sustainability of its operations and compliance with environmental regulations. As the Group’s operations involve high consumption of materials and the generation of waste resulting from equipment maintenance, modernisation

and decommissioning, the integration of sustainable practices is crucial for optimising costs, reducing our environmental footprint and protecting natural resources. By applying the principles of the circular economy, the Transelectrica Group aims to reduce the consumption of raw materials, reuse and recycle materials, and minimise the waste generated, thereby contributing to a more efficient and responsible operational model. This approach not only supports the transition to a greener energy system, but also provides a sustainable framework for the long-term development of TEN-E infrastructure.

In this context, Transelectrica has adopted the Policy Statement on Quality, Environment, Health and Safety Management, which includes clear commitments to the efficient use of resources, the prevention of waste and the integration of circular economy principles into its operations. Through this approach, the Company aims to maintain an effective environmental management system, reduce the environmental impact of its infrastructure and optimise the use of resources through sustainable practices.

The statement on risk management policy also applies to issues relating to resource use and the circular economy, as it includes principles concerning the identification and management of operational and environmental risks that may affect the efficiency of material consumption and waste management. The Transelectrica Group adopts a proactive approach to risk management, which involves preventing and reducing waste of resources, minimising environmental impact and integrating sustainable materials management solutions. The document highlights the need to monitor the environmental impact of activities, including by optimising the processes involved in the procurement, use and recycling of the resources required for the operation and maintenance of the electricity transmission infrastructure.

As part of the Infrastructure Development and Upgrade Policy (in accordance with the RET Development Plan 2024–2033), the Energy Efficiency Policy and the Smart Grid Policy, Transelectrica is implementing measures designed to optimise the use of resources and support the transition to a circular economy. These measures include adopting sustainable technological solutions to reduce material and energy consumption, implementing strategies for the recycling and reuse of equipment within the electricity network, and the efficient management of waste generated by maintenance and modernisation activities. Solutions are also being implemented to reduce energy losses, optimise the consumption of natural resources and introduce efficient processes for the procurement and use of materials, so as to minimise the environmental impact and extend the service life of electrical infrastructure equipment.

The company implements and maintains an Integrated Management System covering quality, the environment, and occupational health and safety, in line with the highest international standards. To this end, the requirements of SR EN ISO 9001:2015 for quality management, SR EN ISO 14001:2015 for environmental management and SR ISO 45001:2023 for occupational health and safety are applied. By integrating these standards, Transelectrica ensures that it complies with legal and environmental regulations, optimises the use of resources, minimises the environmental impact of waste, and actively contributes to the transition towards a sustainable and responsible operational model.

In summary, Transelectrica's policies cover the following areas, where relevant: (a) the transition from the use of virgin resources to secondary resources, by promoting the reuse of components where possible and increasing the recovery and recycling of materials resulting from works; (b) the sustainable procurement and use of renewable resources, through compliance requirements

and responsible procurement criteria applicable to suppliers/contractors, as well as by favouring solutions and materials with a low environmental impact, within the limits of the technical requirements applicable to critical infrastructure.

Actions and resources relating to resource use and the circular economy (E5-2)

Transelectrica is firmly committed to protecting the environment and implementing sustainable practices at every stage of its operations. Through a proactive approach, the Company takes all necessary measures to minimise its environmental impact, implementing effective solutions for the responsible management of resources, waste reduction and pollution prevention.

To this end, the Transelectrica Group incorporates the principles of the circular economy and energy efficiency into its operational strategy by optimising material consumption, reusing equipment and recycling resources wherever possible. Through careful monitoring, technological modernisation and alignment with the highest international environmental standards, the Group ensures that every action it takes contributes to a sustainable, efficient and environmentally friendly energy system.

Transelectrica draws up an annual “Environmental Management and Protection Programme” which sets out the actions and work required to achieve the Company’s environmental objectives and targets, including deadlines, the necessary resources and the staff responsible for implementing the programme. The development and use of this programme is important for the implementation, maintenance and improvement of the Company’s environmental management system. The activities and work included in the programme are described in detail in ESRS E2-2 – Actions and resources relating to pollution.

The company is implementing measures to improve resource efficiency, reduce waste and promote a circular economy model. As part of its infrastructure maintenance and modernisation processes, Transelectrica adopts technologies and materials with a longer service life, thereby minimising the need for frequent equipment replacement and reducing the amount of waste generated.

At the same time, Transelectrica is complying with Government Emergency Ordinance No. 92/2021 on waste management, with a view to applying the waste management hierarchy, which includes prevention, reuse, recycling and recovery of materials. The company aims to minimise waste disposal by promoting processes through which used components are reintroduced into the operational cycle.

Transelectrica is supporting the transition to a circular economy by modernising its infrastructure and adopting advanced technologies that enable the reuse of equipment and extend its lifespan.

To ensure the efficient use of resources, Transelectrica employs monitoring and reporting systems that enable the analysis of the environmental impact of its operations. By obtaining ISO SR EN 14001:2015 certification, the company demonstrates its commitment to responsible resource management and reducing its environmental impact.

Actions relating to resource use and the circular economy		
Optimising the use of resources in operational activities	Responsible waste management	Performance monitoring and reporting
The use of energy-efficient equipment, which contributes to operational efficiency and reduces material consumption	The collection, sorting and recycling of hazardous and non-hazardous waste, including batteries, end-of-life electrical equipment and waste oil	Monitoring and reporting systems that enable the analysis of the environmental impact of operations
Installation of concrete platforms for the storage of decommissioned equipment, so that it can be reused or recycled efficiently	Recycling ferrous and non-ferrous metals through partnerships with recycling companies	SR EN ISO 14001:2015 certification demonstrates a commitment to responsible resource management and reducing environmental impact
Implementing strategies to reduce water consumption, whilst closely monitoring the use of this essential resource at all the Company's stations and offices	Preventing soil and water pollution through the use of oil-water separators for the management of accidental spills	

The actions and resources described cover:

- improving the efficiency of technical materials usage by extending the service life of equipment, optimising operations and monitoring water consumption; at this stage, the Transelectrica Group does not report separately on measures relating to critical raw materials and rare earths, but will assess the appropriateness of such a distinction based on its relevance to the equipment portfolio;
- the use of secondary raw materials is primarily supported by increasing the rate of recovery/recycling of materials generated from construction works; as of 2025, the Company has not yet set specific targets for integrating recycling into procurement, beyond the applicable technical requirements;
- design principles and the selection of solutions with a long service life and potential for reuse or recycling are incorporated, where feasible, into modernisation and maintenance activities, helping to reduce the need for frequent replacements and increase recovery at the end of the life cycle;
- circular practices include measures to retain value (maintenance, repairs, reuse where possible, component recovery and material recovery), as well as end-of-life measures (recycling/recovery by authorised operators);
- throughout the value chain, the Group applies procedural and compliance requirements for contractors and uses authorised operators for waste management, ensuring documentary traceability and reducing the risk of improper waste generation or management;
- waste management is carried out in accordance with the waste hierarchy, prioritising prevention, reuse, recycling and recovery, whilst disposal is carried out in a controlled manner, in accordance with regulations.

The transmission of electricity does not generate any process-related waste; waste arises from maintenance, capital works and administrative activities. Waste is generated by construction and

maintenance activities, as well as by human activity. The volume of waste varies from year to year, depending on the scale of investment and maintenance work.

The quantities of waste generated are recorded in the waste register, and the data are included in the annual environmental report for each organisational unit. The total amount of waste generated by the Group in 2025 was:

Year	Waste generated (t)	Recycled waste (t)	Waste disposed of (t)	Stored waste (t)	Waste management indicator: waste disposed of, recycled/waste generated
2024	10.341,65	8.550,89	3.174,29	2.670,22	113.38 %
2025	22.081,09	16.011,03	7.168,57	7.164,46	104.97%

For the recovery and/or disposal of waste, Transelectrica has contracts in place with authorised waste management operators, in accordance with the regulations in force. For each type of waste generated, specific recovery and/or disposal solutions are established, thereby ensuring compliance with legal requirements and minimising the environmental impact.

Types of waste	Quantities generated in 2024		Quantities generated in 2025	
Hazardous waste	4334 t	41.91%	906.19 t	4.12%
Non-hazardous waste	6008 t	58.09%	21.173,74,50 t	95.88%
Total	10342 t	100%	22.081,09 t	100%

Through these initiatives and resources, Transelectrica aims to reduce resource consumption, increase material recovery and strengthen circular economy practices, in line with legal requirements and the Company's sustainability objectives.

Targets relating to resource use and the circular economy (E5-3)

During the 2025 reporting period, Transelectrica has not yet set aggregate quantitative targets (with numerical values and trajectories) for resource use and the circular economy, given the need to consolidate data at portfolio level (resource inputs, resource/waste outputs, flows by material type) and to align internal methodologies. However, the Company monitors the effectiveness of its policies and actions through a set of operational and compliance targets (MDR-T), which are tracked via the Integrated Management System (SR EN ISO 14001:2015), management and traceability records, and environmental reports.

Process/compliance targets (MDR-T)			
T1 – Improving waste management (inputs/outputs)	T2 – Traceability and compliance for waste	T3 – Extending the service life of equipment and reducing material waste	T4 – Incorporating circularity requirements into works and procurement (where feasible)
Consistent application of the waste hierarchy, prioritising prevention, reuse and	Maintaining documentary traceability and using authorised operators for collection, transport, recovery and	Incorporating value retention practices (maintenance, repairs and reuse where possible) into maintenance and	Where possible and compatible with technical and safety requirements, the inclusion of

recovery/recycling, and ensuring controlled treatment/disposal where recovery is not possible.	disposal, including internal checks and records, to minimise the risks of non-compliance and incidents.	modernisation processes, in order to reduce the need for frequent replacement and the consumption of primary raw materials.	requirements regarding reuse/recycling and waste management in working documents and in dealings with contractors.
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Matching the targets to the required fields. The targets described relate to resource inputs and resource outputs (including waste), as follows:

- *circular design*: in 2025, no specific circular design targets have been set at product level; however, sustainability criteria and the potential for reuse/recycling are incorporated, where feasible, into upgrades and technical solutions;
- *increasing the rate of circular use of materials*: Targets T1–T3 support increased recovery and recycling of materials resulting from construction works;
- *reduction of primary raw materials*: Target T3 aims to reduce waste and the need for replacement by extending product lifespans and reusing items where possible;
- *sustainable procurement and renewable resources*: no specific targets for renewable resources have been set for 2025; procurement issues are addressed through compliance requirements and responsible procurement, where applicable;
- *Waste management*: Targets T1–T2 focus on preparation for proper treatment, traceability and the use of authorised operators.
- *Other aspects*: incorporating circularity requirements into projects and relations with contractors (Target T4).

Level in the waste hierarchy. Targets T1–T2 are primarily allocated to the following stages: prevention, preparation for reuse, recycling/recovery, and controlled disposal (where recovery is not possible), in accordance with the waste hierarchy.

Mandatory or voluntary. The targets relating to traceability, compliance and waste management (T1–T2) are, for the most part, mandatory, stemming from legal requirements concerning waste management and compliance with environmental regulations. The targets relating to value retention and the integration of circularity (T3–T4) are voluntary and are aimed at improving operational performance and efficiency, within the limits of technical and safety requirements.

Resource inputs (E5-4)

In line with the double materiality analysis and the IROs identified for ESRS E5, the resource inputs relevant to Tranelectrica are primarily associated with the maintenance, modernisation and expansion of the RET infrastructure, as well as day-to-day operations (offices and substations), and may influence both resource consumption and waste generation, as well as associated life-cycle costs.

Description of resource inputs. The main categories of resource inputs into the company's own operations and, where relevant, into the upstream value chain include:

- *technical products and materials* used in construction and maintenance work (e.g. metals and conductors, insulators and components for substations/overhead lines, construction materials, oils and other substances relevant to equipment);
- *packaging* accompanying deliveries of equipment and materials, where applicable;
- *water*, used primarily for operational purposes at offices and stations (and, where applicable, for ancillary activities);
- *tangible fixed assets* (assets and components installed or replaced within the infrastructure), which represent significant material flows at the level of investment and modernisation projects;
- *critical raw materials and rare earths*: in 2025, the Transelectrica Group does not report these components separately in its resource inputs, as there is not yet a consolidated classification at portfolio level; an analysis of their relevance will be developed in stages, depending on the composition of the equipment purchased and the data available.

Quantitative data (tonnes/kg) on the materials used. In the 2025 reporting year, Transelectrica has not yet provided aggregated quantitative data in tonnes/kg regarding: (a) the total weight of the products and materials used, (b) the percentage of sustainable biological materials and the associated certification schemes, and (c) the weight/percentage of reused components or secondary materials used, as the data is currently managed at project/procurement/management level and is not consolidated into a standardised ESRS methodology for aggregate reporting. The Group aims to gradually improve the collection and standardisation of this data in future reports.

Calculation methods, measurements versus estimates and assumptions. Data on resource inputs is currently collected mainly from internal records (procurement, stock management, project documents and acceptance reports), and for certain categories (e.g. water) from operational records relating to consumption. In the absence of portfolio-level consolidation for ESRS reporting in 2025, the Company does not yet use a standardised methodology for converting these records into the required quantitative indicators (tonnes/kg, percentages of secondary/biological materials). In the next stage, Transelectrica will develop an internal methodology to establish the data sources, conversion rules and key assumptions (including how to account for annual variations caused by investment and maintenance volumes).

Resource outputs (E5-5)

The transmission of electricity does not directly generate waste, but waste is produced as a by-product of construction, maintenance and administrative activities. During infrastructure modernisation and electrical network maintenance work, various types of waste are generated, including construction materials, end-of-life equipment, industrial oils and packaging. Furthermore, the human activity carried out at the Group's stations and offices contributes to the generation of household waste and office waste.

The amount of waste generated varies from year to year, depending on the volume of investment and maintenance work. During periods involving large-scale infrastructure refurbishment and modernisation projects, there is an increase in the volume of materials taken out of service, whereas in years with reduced operational activity, the volume of waste is lower.

The Transelectrica Group implements strategies for the efficient management of this waste, focusing on recycling, reuse and recovery, in accordance with the principles of the circular economy and current legislation.

No. it.	Type of waste	Code of HGR 856/2002	Use		Remove	
			Recycling	Co-incineration	Cremation	Storage
1	Plastics (personnel equipment)	07 02 13	-	-	x	-
2	Other unspecified waste	07 02 99	-	-	x	-
3	Waste printer toner cartridges	08 03 18	x	-	-	-
4	Hydraulic mineral oils	13 01 10*	x	-	-	-
5	Synthetic engine, transmission and lubricating oils	13 02 06*	x	-	-	-
6	Other engine, gear and lubricating oils	13 02 08*	-	-	x	-
7	Non-chlorinated mineral oils for insulation and heat transfer	13 03 07*	x	-	-	-
8	Sludge from oil-water separators	13 05 02*	-	-	x	-
9	Oily water from oil-water separators	13 05 07 *	-	-	x	-
10	Paper and cardboard packaging	15 01 01	x	-	-	-
11	Plastic packaging	15 01 02	x	-	-	-
12	Metal packaging	15 01 04	x	-	-	-
13	Absorbent materials contaminated with hazardous substances	15 02 02*	-	-	x	-
14	Protective clothing	15 02 03	-	-	x	-
15	Scrap tyres	16 01 03	x	-	-	x
16	Lead batteries	16 01 06*	x	-	-	-
17	Oil filters	16 01 07*	x	-	-	x
18	Brake pads	16 01 12	x	-	-	x
19	Ferrous metals	16 01 17	x	-	-	-
20	Non-ferrous metals	16 01 18	x	-	-	-
21	End-of-life equipment containing hazardous components	16 02 13*	x	-	-	-
22	Waste electrical and electronic equipment (WEEE)	16 02 14	x	-	-	x
23	Components removed from decommissioned equipment	16 02 16	x	-	-	-
24	Lead-acid batteries	16 06 01*	x	-	-	-
25	Alkaline batteries	16 06 04	x	-	-	-
26	Rechargeable batteries	16 06 05	x	-	-	-
27	Rechargeable batteries	16 06 05	x	-	-	-

No. it.	Type of waste	Code of HGR 856/2002	Use		Remove	
			Recycling	Co-incineration	Cremation	Storage
28	Tiles and ceramic materials (Porcelain insulators)	17 01 03	-	-	-	x
29	Demolition waste	17 01 07	x	-	-	-
30	Wood	17 02 01	x	-	-	-
31	Glass	17 02 02	x	-	-	-
32	Plastics	17 02 03	x	-	-	-
33	Copper, bronze, brass	17 04 01	x	-	-	-
34	Aluminium	17 04 02	x	-	-	-
35	Iron and steel	17 04 05	x	-	-	-
36	Metal alloys (cast iron)	17 04 07	x	-	-	-
37	Al-Cu (cables)	17 04 11	x	-	-	-
38	Mixed construction and demolition waste	17 09 04	-	-	-	x
39	Sharp objects	18 01 01	-	-	x	x
40	Infectious sharps waste	18 01 03*	-	-	x	x
41	Medicines	18 01 09	-	-	-	x
42	Rubber	19 12 04	-	-	x	-
43	Paper and cardboard	20 01 01	x	-	-	-
44	Textiles	20 01 11	x	-	-	-
45	Fluorescent tubes and other mercury-containing waste	20 01 21*	x	-	-	x
46	Scrapped electrical and electronic equipment	20 01 36	x	-	-	-
47	Plastics	20 01 39	x	-	-	-
48	Metal	20 01 40	x	-	-	-
49	Mixed municipal waste	20 03 01	-	-	x	x
50	Sludge from septic tanks	20 03 04	-	-	-	x

Methodology and data sources. The waste data is derived from waste records and environmental reports at the level of organisational units, consolidated at company level. Waste is classified by type in accordance with the national list (HGR 856/2002) and the applicable legal requirements, and quantities are determined primarily through measurements/weighing upon handover to authorised operators (traceability documents), supplemented, where necessary, by operational estimates for internal stocks/flows.

Hazardous and non-hazardous waste

Transelectrica strictly adheres to the waste hierarchy, with the primary focus being on preventing waste generation. To achieve this objective, regular staff information programmes are being implemented, alongside other control and monitoring tools. Where it is not possible to prevent waste generation, efforts are made to minimise the amount of waste produced by identifying

options for reuse, recycling and energy recovery, without disrupting operational processes or compromising the safety of the electricity transmission network.

As a result of the activities carried out, both hazardous and non-hazardous waste is generated, arising from infrastructure maintenance, modernisation works and administrative activities. Changes in waste volumes are influenced by annual investment and maintenance projects. Waste streams are continuously monitored to ensure compliance with the requirements of Government Emergency Ordinance No. 92/2021 on waste management and the implementation of optimal solutions for collection, recycling, disposal or recovery.

Below is a summary of the quantities of waste managed, broken down by waste type: non-hazardous/hazardous, including the quantities generated, recovered, disposed of and remaining in stock for the year 2025.

Crt. no.	Type of waste name	code	Generate	Capitaliz ation	Co-incinerati on	Delete	Storage	Initially stored	Stored End
			tons	Recic.		Inciner ation			
1	Skin	02 01 02	0.004	0	0	0	0	0.0152	0.0192
2	Plastics (personal equipment)	07 02 13	0.012	0	0	0	0	0.518	0.53
3	Other unspecified wastes	07 02 99	0.272	0	0	0	0	0.316	0.588
4	Waste Printer Toner	08 03 18	0.207	0	0	0.207	0	0	0
5	Hydraulic mineral oils	13 01 10*	0.0927	0	0	0	0	0.1133	0.206
6	Used engine oil	13 02 06*	0.082	0	0	0	0	0.5161	0.5981
7	Engine worn out	13 02 08*	0.1938	0.111	0	0	0	0.306	0.3888
8	Used oil	13 03 07*	106.0124	121.28	26.537	0	0	221.5389	179.7343
9	Sludge from water-oil separators	13 05 02*	1.765	0	0.56	0.68	0.38	0	0.145
10	Oil from oil/water separators	13 05 06*	0.39	0	0	0.39	0	0	0
11	Oily water from oil/water separators	13 05 07*	30.385	0	0	2.285	28.1	0	0
12	Paper and cardboard packaging	15 01 01	3.085	3.085	0	0	0	0	0
13	Plastic packaging	15 01 02	2.65	2.7451	0	0	0	0.1221	0.027
14	Metal packaging	15 01 04	0.525	0.525	0	0	0	0	0
15	Absorbents contaminated with hazardous substances	15 02 02*	0.021	0	0	0	0	0.482	0.503
16	Protective clothing	15 02 03	0.725	0	0.303	0.327	0	0.759	0.854
17	Used tyres	16 01 03	0.115	0.008	0.115	0	0	0.008	0
18	Oil filters	16 01 07*	0.005	0	0	0	0	0.022	0.027
19	Ferrous metals	16 01 17	0	0	0	0	0	0.05	0.05

Crt. no.	Type of waste name		Generate	Capitalization		Delete		Initially stored	Stored End
20	Scrapped equipment containing hazardous components	16 02 13*	735.303	829.906	0	0	0	789.94	695.337
21	Scrapped electrical and electronic equipment (WEEE) /	16 02 14	264.97345	1058.085	0	0	0	1439.1523	646.04065
22	Hazardous components disassembled from scrapped equipment	16 02 15*	0	0	0	0	0	0.16	0.16
23	Dismantled components from scrapped equipment	16 02 16	7.3497	7.7263	0	0	0	6.1655	5.7889
24	Composite insulators	16 03 04	0	0	0	0	0	0.082	0.082
25	Pb batteries	16 06 01*	31.833	31.864	0	0	0	6.8735	6.8425
26	Alkaline batteries	16 06 04	0.0017	0.0017	0	0	0	0.0059	0.0059
27	Batteries/Accumulators	16 06 05	0.2004	0.2	0	0	0	0.001	0.0014
28	Concrete	17 01 01	12729.73	12729.73	0	0	0	0	0
29	Porcelain insulators	17 01 03	0.044	0.004	0	0	0	95.756	95.796
30	Demolition waste	17 01 07	4831.32	0	0	0	4831.32	0	0
31	Wood	17 02 01	0.5399	0	0.275	0	0	0.299	0.5639
32	Glass	17 02 02	0.06	23.558	0	0	0	50.146	26.648
33	Plastic	17 02 03	0.061	0	0	0	0	0	0.061
34	With	17 04 01	0.0908	1.4495	0	0	0	1.4088	0.0501
35	Al	17 04 02	20.21962	27.6662	0	0	0	24.1044	16.65782
36	Iron	17 04 05	685.3295	744.3763	0	0	0	804.25979	745.213
37	Cast iron (am. metallic)	17 04 07	167.09783	174.4685	0	0	0	674.6348	667.26413
38	Ol-Al (cables)	17 04 11	66.907	97.332	0	0	0	102.045	71.62
39	Earth and stones	17 05 04	16.5	16.5	0	0	0	0	0
40	Asbestos-containing building materials	17 06 04	0.046	0	0	0	0	0.6889	0.7349
41	Sanitary waste	18 01 01	0.0043	0	0	0.0043	0	0	0
42	Infectious-stinging medical waste	18 01 03*	0.0393	0	0	0.0407	0	0.0014	0
43	Medical waste	18 01 09	0.0025	0	0	0.0025	0	0	0
44	Rubber	19 12 04	0.0514	0	0	0.03	0	0.1283	0.1497
45	Paper	20 01 01	19.374	18.487	0	0	0	0.195	1.082
46	Textile	20 01 11	0.1138	0	0	0	0	0.1606	0.2744
47	Fluorescent tubes	20 01 21*	0.0471	0.0372	0	0	0	0.2779	0.2878
48	One,	20 01 33*	0.021	0.011	0	0	0	0	0.01

Crt. no.	Type of waste name		Generate	Capitalization		Delete		Initially stored	Stored End
49	Scrapped electrical and electronic equipment	20 01 36	2.942	2.942	0	0	0	0.021	0.021
50	Plastics	20 01 39	0.335	0.331	0	0	0	0.008	0.012
51	Metals	20 01 40	0.252	0.11	0	0	0	0.0015	0.1435
52	Municipal waste	20 03 01	552.429	0	0	0.048	552.381	0	0
53	Sludge from septic tanks	20 03 04	1701.935	0	0	0	1744.135	99.1	56.9
	TOTAL		21981.6952	15892.54	27.79	4.0145	7156.316	4320.38319	3221.418

Waste generated	2025	2024
Total amount of waste generated (tonnes)	22,081	10,342
Waste diverted from disposal (tonnes)	15,983	8,551
Preparation for reuse (tonnes)	0	0
Hazardous Waste Recycling (tonnes)	984	4,552
Recycling of non-hazardous waste (tonnes)	14,999	3,999
Waste destined for disposal (tonnes)	7,196	3,174
incineration with energy recovery, hazardous waste (tonnes)	3	0
incineration with energy recovery, non-hazardous waste (tonnes)	1	504
Storage (tons)	7,164	2,670
Other disposal operation (tonnes)	28	0
Quantity of non-recycled waste (tonnes)	6,098	1,791
Percentage of non-recycled waste (%)	28%	17%
Hazardous waste generated in the reporting year (tonnes)	907	4,334
Total amount of radioactive waste generated (tonnes)	-	-

To ensure the efficient management of waste generated by Group's activities, clear procedures have been put in place, in compliance with current regulations on environmental protection and the circular economy.

The first step in this process is to identify and classify waste by drawing up a detailed list of the types of materials generated by the Group's operations. This includes both hazardous waste, arising from the use of industrial oils or end-of-life electrical equipment, and non-hazardous waste, such as construction debris, packaging and household waste from administrative premises.

The waste is then collected and temporarily stored in specially designated areas, in accordance with legal requirements and under safe conditions, to prevent any risk of soil, water or air contamination. This stage is essential for the proper management of waste streams and the optimisation of recovery processes.

Following collection, the waste is transported to authorised facilities under contracts entered into with specialist operators. Depending on the type of waste, it is either recovered through recycling or reuse, or disposed of under controlled conditions in accordance with environmental regulations.

Responsible waste management also involves keeping records of waste management by monitoring and reporting the quantities generated, recovered and disposed of.

In addition, the Transelectrica Group regularly submits the necessary reports to the relevant authorities, ensuring transparency and compliance with environmental regulations.

Through these measures, Transelectrica is reinforcing its commitment to the sustainable management of resources and the implementation of circular economy principles, reducing its environmental impact and optimising the use of materials across all operational processes.

The anticipated financial effects of the impacts, risks and opportunities associated with resource use and the circular economy (E5-6)

Given that 2025 marks Transelectrica's second reporting year in accordance with ESRS standards and that the requirements are being implemented in phases, the Company is taking a cautious approach to presenting the anticipated financial impacts relating to resource use and the circular economy. In accordance with the provisions of Delegated Regulation (EU) 2025/1416 on the phased introduction of certain requirements, the Transelectrica Group may, at this stage, provide predominantly qualitative information, as there is not yet a consolidated internal methodology or a set of comparable portfolio-level data to enable robust and verifiable quantification (such as monetary exposures, impact ranges and reconciliation with financial statements).

However, the Transelectrica Group is conducting a qualitative assessment of the main channels through which financial impacts relating to E5 may arise, in particular: (i) compliance and operational costs associated with waste management and traceability; (ii) potential fluctuations in the costs and availability of recovery/disposal solutions depending on the services market and regulatory changes; (iii) investment and maintenance costs for extending the service life of equipment and optimising consumption; and (iv) opportunities for medium-term efficiency gains through reducing waste, increasing material recovery and improving the predictability of waste management costs.

The Transelectrica Group will continue to progressively develop the internal framework required to estimate and subsequently quantify these financial impacts, by consolidating data on resource inputs and outputs, waste streams and associated costs, and by harmonising assessment methodologies, so that future disclosures are comprehensive, comparable and aligned with ESRS requirements.

CHAPTER III

EU taxonomy (in accordance with the ESRS and EU Regulation 2020/852) (ESRS E1 – E5)

This chapter describes the information disclosed by the Transelectrica Group pursuant to Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852) for the financial year ended 31 December 2025. The information complies with the reporting requirements under Article 8 of the Taxonomy Regulation and the subsequent Delegated Regulations: Commission Delegated Regulation (EU) 2021/2178, Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2022/1214, Commission Delegated Regulation (EU) 2023/2485, Commission Delegated Regulation (EU) 2023/2486 and Commission Delegated Regulation (EU) 2026/73.

The table below presents the proportion of Taxonomy-aligned (A1), Taxonomy-eligible (A2) and Taxonomy-non-eligible (B) economic activities of the Transelectrica Group, in accordance with Article 8(2) of the Taxonomy Regulation.

Transelectrica Group	Proportion of economic activities eligible for the taxonomy and ineligible in total turnover, CapEx and OpEx – Financial Year 2025			
KPIs	Total (RON thousands)	Eligible and aligned activities (A1):	Eligible and non- aligned activities (A2):	Ineligible activities (B):
Turnover (thousands of lei)	5.513.252		5.513.252	-
Capital expenditures (CapEx) (thousands of lei) - According to 2844/2016	863.338		757.510	105.828
Capital expenditures (CapEx) (thousands of lei) - According to IFRS	862.413		757.510	104.903
Operational expenses (OpEx) (thousands of lei)	82.078		44.536	37.542

Assessment of compliance with Regulation (EU) 2020/852

In the context of the transition to a sustainable economy, the EU Taxonomy represents an essential framework for classifying economic activities that contribute to the environmental objectives established at European level. In accordance with Regulation (EU) 2020/852 and the related delegated regulations, this classification system helps companies, investors and decision-makers identify activities that support sustainability and improve reporting transparency.

Criteria for environmentally sustainable economic activities. For the purpose of determining the degree of environmental sustainability of an investment, an economic activity qualifies as environmentally sustainable where that economic activity:

- (a) contributes substantially to one or more of the following environmental objectives:

- climate change mitigation;
- climate change adaptation;
- the sustainable use and protection of water and marine resources;
- the transition to a circular economy;
- pollution prevention and control;
- the protection and restoration of biodiversity and ecosystems.

(b) does not significantly harm any of the environmental objectives;

(c) is carried out in compliance with the minimum safeguards, namely procedures implemented by an undertaking carrying out an economic activity in order to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and those set out in the International Bill of Human Rights;

(d) complies with the technical screening criteria.

The European framework on sustainable finance and environmental information transparency has continued to evolve and, through Commission Delegated Regulation (EU) 2026/73, the European Commission updated the reporting requirements laid down in Article 8 of Regulation (EU) 2020/852 by simplifying the content and presentation of information relating to environmentally sustainable economic activities, as well as by adjusting certain technical screening criteria relevant to the application of the EU Taxonomy. Although the new regulation applies from 1 January 2026, it also provides for the possibility of maintaining the previous framework for the financial year beginning in 2025; however, Transelectrica will apply the updated requirements for the 2025 reporting year.

This regulation introduces the 10% materiality threshold; accordingly, non-material activities must be excluded from the analysis, namely activities that cumulatively generate less than 10% of turnover, capital expenditure (CapEx) or operating expenditure (OpEx).

For the 2025 reporting year, based on the compliance assessment performed, Transelectrica reports the relevant economic activities as Taxonomy-eligible but not Taxonomy-aligned. This presentation reflects the fact that, although the activities fall within the scope of the Taxonomy, compliance with all technical criteria required for their qualification as aligned activities has not been demonstrated at this stage, in particular from the perspective of the DNSH requirements related to the climate change adaptation objective and of the minimum safeguards. This analysis was also revisited for 2024 and, following a reassessment of the technical criteria and minimum safeguards, the Group concluded that activity 4.9 CCM Electricity transmission and distribution is only eligible. This does not affect the tabular reporting for the current year.

Accordingly, the 2025 reporting provides a transparent picture of the share of Transelectrica's eligible activities and of the current stage of their alignment with the EU Taxonomy, under the revised framework introduced by Commission Delegated Regulation (EU) 2026/73.

In the process of reviewing and analysing the degree of eligibility and alignment of Transelectrica's activities with the Taxonomy, the following steps were performed:

- a) classification and grouping of Transelectrica's economic activities;
- b) analysis of the eligibility of the identified activities;
- c) assessment of compliance with the technical criteria established by Commission Delegated Regulation (EU) 2021/2139 for contribution to the environmental objectives of climate change mitigation and climate change adaptation, and by Commission Delegated Regulation (EU) 2023/2486 for contribution to the environmental objectives relating to the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems;
- d) analysis of the DNSH principle ("Do No Significant Harm"). Activities must not cause significant harm to the other EU environmental objectives defined in Regulation (EU) 2020/852;
- e) verification of compliance with the minimum social safeguards.

The environmental objectives and targets established at Transelectrica level aimed at maintaining a high-performing environmental management system and preventing and reducing pollution, so that the impact of the electricity transmission network and of the Company's activities on the environment remains within the limits of national and European requirements.

These objectives and targets were achieved through the actions included in the annual Environmental Management Programme for reducing air, water and soil pollution, reducing noise and vibration levels, improving waste and wastewater management, restoring the natural environment following maintenance/modernisation/retrofitting works, protecting fauna and flora, and monitoring environmental factors.

Among Transelectrica's main objectives relevant to the Taxonomy, we recall in particular:

- the provision of electricity transmission and system services at a level that meets customers' requirements and expectations and the performance standards defined in regulations and contracts;
- the optimisation of the operation of the electricity transmission network infrastructure in order to ensure the quality of transmitted electricity in accordance with ENTSO-E requirements and the Technical Code of the RET, while limiting the negative impact on the environment to a level permitted at European level;
- ensuring access to the RET for participants, as support for the wholesale electricity market, in a transparent, impartial and non-discriminatory manner;
- the development and modernisation of the RET, in line with users' needs;
- supporting the development and diversification of the domestic and regional electricity market with a view to integration into the European market;
- making a major contribution to ensuring the sustainable development of the national economy.

Following the assessment, in accordance with the legislative requirements, we identified the Group's main activity as being eligible under the EU Taxonomy, which means that it falls within the economic sectors considered essential for the transition to sustainability.

Transelectrica aims to provide the public service for all users of the transmission network, ensuring access to the transmission networks for any applicant that meets the legal requirements.

The Group's main activity is electricity transmission (the transmission and dispatching of electricity, and the organisation and administration of the electricity market), in accordance with CAEN code 3512. Consequently, the main activity corresponds to activity 4.9 – Electricity transmission and distribution (the construction and operation of transmission systems that transport electricity in the extra high-voltage and high-voltage interconnected system), as provided for in Commission Delegated Regulation (EU) 2021/2139.

An economic activity qualifies as an activity that contributes substantially to one or more environmental objectives where it directly enables a substantial contribution by other activities to one or more of those objectives, provided that the economic activity: (a) does not lead to a lock-in of assets that undermines long-term environmental objectives, taking into account the economic lifetime of those assets; and (b) has a substantial positive environmental impact, based on life-cycle considerations.

Following the review of the criteria by the specialised departments, the identified activity does not meet all the requirements to be classified as aligned in accordance with Article 3(a) and (b) of Regulation (EU) 2020/852.

For the determination of the turnover, CapEx and OpEx indicators, we analysed revenues, investments and operating expenses in conjunction with the requirements of the Taxonomy Regulation. In this way, we ensure that no activity is double counted.

None of our activities contributes to more than one environmental objective and, therefore, no disaggregation of the key performance indicators is required.

Contextual information on the Turnover KPI

From the perspective of the Turnover KPI, through our own assessment of the eligibility of the activities performed, in accordance with the CAEN codes included in the articles of association and in line with the provisions of Regulation (EU) 2020/852 establishing a framework to facilitate sustainable investment, at the level of the Transelectrica Group, 100% of the main electricity transmission activity (code 4.9 CCM) was identified as Taxonomy-eligible. The Turnover KPI was determined by dividing Taxonomy-eligible turnover by total turnover.

The denominator of the Turnover KPI is based on the net turnover recognised in the consolidated financial statements prepared in accordance with Order 2844/2016, as well as IFRS, for the financial year ended 31 December 2025, based on the accounting policies presented in Note 3 "Accounting policies – r) Revenue".

Turnover, amounting in total to RON 5,513,252 thousand, is reconciled with the consolidated financial statements prepared in accordance with Order 2844/2016, as well as IFRS, for the financial year ended 31 December 2025, Note 22 – Operating revenue. There were no changes during the year in the structure of turnover.

Contextual information on the CapEx KPI

From the perspective of the CapEx KPI, in accordance with the Taxonomy Regulation, the CapEx denominator includes additions to property, plant and equipment (IAS 16), intangible assets (IAS 38) and finance leases (IFRS 16).

Through our own assessment of the investments made in accordance with the provisions of Regulation (EU) 2020/852 establishing a framework to facilitate sustainable investment, at the level of the Transelectrica Group, investments related to the eligible revenue-generating activity (CapEx type A) were identified – 4.9 CCM Electricity transmission and distribution.

The denominator includes additions to tangible and intangible fixed assets during the financial year under consideration before depreciation, amortisation and any remeasurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible and intangible fixed assets resulting from business combinations.

The numerator is equal to the portion of capital expenditure included in the denominator that: **(a)** relates to assets or processes associated with Taxonomy-aligned economic activities; **(b)** forms part of a plan to expand Taxonomy-aligned economic activities or to enable Taxonomy-eligible economic activities to become Taxonomy-aligned.

Main investment categories:

1. Investments in transmission network infrastructure:

- Modernisation and expansion of electricity transmission infrastructure.
- Development of high-voltage substations and lines.
- Integration of renewable sources into the grid.

2. Digitalisation and automation:

- Implementation of smart grids.
- SCADA systems, IoT and technologies for efficient network monitoring.
- Control centres and energy flow optimisation platforms.

3. Energy efficiency and sustainability:

- Reduction of technological losses in the network.
- Energy storage systems and consumption balancing solutions.
- Projects for compliance with environmental requirements.

4. Other regulated investments:

- Support assets required for the efficient operation of the network.

The investments made during 2025 were not aligned.

Other Taxonomy-relevant investments (CapEx type C)

- Activity 6.5 “Transport by motorcycles, passenger cars and light commercial vehicles” consists of the acquisition of N1, M1 or electric vehicles – this represents 3.78% of total additions during the year.
- Activity 7.1 “Construction of new buildings” consists of the construction of a production and storage hall and a building with a social-administrative function – this represents 0.16% of total additions during the year.
- Activity 7.3 “Installation, maintenance and repair of energy efficiency equipment”, where mainly air-conditioning systems were recorded – this represents 0.87% of total additions during the year.

The CapEx KPI is equal to Taxonomy-eligible CapEx (numerator) divided by total CapEx (the denominator must include intangible assets, tangible assets, right-of-use assets and additions resulting from business combinations) and is recognised in the financial statements prepared in accordance with IFRS for the financial year ended 31 December 2025, based on the accounting policies presented in Note 3 “Accounting policies – b) Tangible assets and d) Intangible assets”.

Capital expenditure, amounting in total to RON 863,338 thousand, is reconciled with the consolidated financial statements prepared in accordance with Order 2844/2016, by adding the “Additions” lines from Note 5 “Property, plant and equipment”, the “Additions” lines from Note 6 “Right-of-use assets under lease contracts” and the “Acquisitions” lines from Note 7 “Intangible assets”.

Capital expenditure, amounting in total to RON 862,413 thousand, is reconciled with the consolidated financial statements prepared in accordance with IFRS, by adding the “Additions” lines from Note 5 “Property, plant and equipment”, the “Additions” lines from Note 6 “Right-of-use assets under lease contracts” and the “Acquisitions” lines from Note 7 “Intangible assets”. Acquisitions during the year vary depending on the investment plan.

Contextual information on the OpEx KPI

The OpEx KPI is defined as Taxonomy-eligible OpEx (numerator) divided by total OpEx. The expense accounts for external services (maintenance and repair expenses, royalty expenses, and expenses for services performed by third parties) are recognised in the financial statements prepared in accordance with Order 2844, respectively IFRS, for the financial year ended 31 December 2025.

The operating expenses relating to the OpEx indicator analysed for Taxonomy purposes are included in the amounts presented in the trial balance under accounts 6021 “Auxiliary materials expenses”, 6024 “Spare parts expenses”, 6028 “Other consumable materials expenses”, 603 “Inventory items expenses”, 611 “Repairs to buildings, equipment, machinery and others”, 612 “Rental expenses”, 615 “Professional training expenses” and 628 “Other expenses for services performed by third parties”.

Total OpEx consists of non-capitalised direct costs relating to research and development, building renovation measures, short-term leases, maintenance and repairs, and any other direct expenditure related to the day-to-day servicing of assets, property, plant and equipment.

The numerator of the OpEx KPI represents the operating expenses associated with Taxonomy-eligible economic activities (OpEx type A), namely Activity 4.9 CCM “Electricity transmission and distribution” – the recorded expenses comprise maintenance and repair expenses, IT expenses dedicated to the maintenance of tangible fixed assets, professional training expenses and short-term rental expenses. The amount is identified through the use of analytical accounting accounts. Expenses related to the routine maintenance of property, plant and equipment include periodic inspections, replacement of worn parts, cleaning and disinfection materials, and maintenance services required to maintain the efficient operation of equipment and the upkeep of buildings.

Other Taxonomy-relevant expenses (OpEx type C)

- Activity 6.5 “Transport by motorcycles, passenger cars and light commercial vehicles” consists of expenses related to the repair and maintenance of N1, M1 or electric vehicles – this represents 3.78% of total additions during the year.
- Activity 7.1 “Construction of new buildings” consists of the construction of a production and storage hall and a building with a social-administrative function – this represents 0.32% of total OpEx during the year.
- Activity 7.3 “Installation, maintenance and repair of energy efficiency equipment”, where mainly expenses related to servicing air-conditioning systems were recorded – this represents 1.15% of total OpEx during the year.

The structure of expenses did not undergo substantial changes during the year.

Table 1 Proportion of Turnover, CapEx and OpEx generated by products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – information provided as at 31 December 2025 (summary of key performance indicators – KPI)

Financial year 31.12.2025														
Key performance indicators (KPIs) (1)	Total (2)	Taxonomically eligible proportion activities (3)	Taxonomy-aligned activities (4)	Taxonomy-aligned activities (5)	The breakdown by environmental objectives of activities aligned with the Taxonomy					Facilitation of the Facilitation Inactivity(12)	Prty deactivit idetransity (13)	Activitiesnot assessed as material(14)	Taxonomy-aligned activities inthe previous financial year (31.12.2024) (15)	Taxonomy-aligned propor tities in the previous financial year (31.12.2024) (16)
					Climate change mitigation(6)	Adaptation to climate change(7)	Water (8)	Circular economy(9)	Pollution (10)					
Text	thousand RON	%	LEI/RON	%	%	%	%	%	%	%	%	%	thousand RON	%
Turnover	5,513,252	100.00%	0	0%									0	%
CapEx - according to 2844/2016	863,338	87.74%	0	0%									0	0%
CapEx - according to IFRS	862,413	87.84%	0	0%									0	0%
OPEX	82,078	54.26%	0	0%									0	0%

Table 2 – Proportion of Turnover generated by products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – information provided as at 31 December 2025 (breakdown by activity)

Key performance indicators (KPIs) reported Turnover													
Financial year 31.12.2025													
Economic Activities (1)	Code (2)	Taxonomy-eligible KPIs (Proportion of/CapEx eligible for taxonomy) (3)	Taxonomy-aligned KPIs (Monetary Value in Turnover / CapEx / OpEx) (4)	Taxonomy-aligned KPIs (Taxonomy-aligned Proportion of Turnover, CapEx, OpEx) (5)	Environmental objective of taxonomy-aligned activities						Facilitation activity (12)	Transition Activities(13)	Proportion of taxonomy-aligned activities in taxonomy-eligible activities (14)
					Climate change mitigation (6)	Adaptation to climate change (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)			
Text		%	LEI/RON	%	%	%	%	%	%	%	(E - where applicable)	(T - where applicable)	%
Transmission and distribution of electricity	4.9 CCM	100.00%		%									0%
Sum of alignments per goal													
Total KPI Turnover		100.00%											0%

Table 2 – Proportion of CapEx generated by products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – information provided as at 31 December 2025 (breakdown by activity) – in accordance with Order 2844/2016

Key performance indicators (KPIs) reported CapEx													
Financial year 31.12.2025													
Economic Activities (1)	Code (2)	Taxonomy-eligible KPIs (Proportion of/CapEx eligible for taxonomy) (3)	Taxonomy-aligned KPIs (Monetary Value in Turnover / CapEx / OpEx) (4)	Taxonomy-aligned KPIs (Taxonomy-aligned Proportion of Turnover, CapEx, OpEx) (5)	Environmental objective of taxonomy-aligned activities					Facilitation activity (12)	Transition Activities(13)	Proportion of taxonomy-aligned activities in taxonomy-eligible activities (14)	
					Climate change mitigation (6)	Adaptation to climate change (7)	Water (8)	Circular economy (9)	Pollution (10)				Biodiversity (11)
Text		%	LEI/RON	%	%	%	%	%	%	(E - where applicable)	(T - where applicable)	%	
Urban and suburban transport, road passenger transport	4.9 CCM	82.93%											0%
Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	3.78%											0%
Construction of new buildings	7.1 CCM	0.16%											0%
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	0.87%											0%
Sum of alignments per goal													
Total CapEx KPIs		87.74%	0	0%									0%

Table 2 – Proportion of CapEx generated by products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – information provided as at 31 December 2025 (breakdown by activity) – in accordance with IFRS

Key performance indicators (KPIs) reported CapEx													
Financial year 31.12.2025													
Economic Activities (1)	Code (2)	Taxonomy-eligible KPIs (Proportion of/CapEx eligible for taxonomy) (3)	Taxonomy-aligned KPIs (Monetary Value in Turnover / CapEx / OpEx) (4)	Taxonomy-aligned KPIs (Taxonomy-aligned Proportion of Turnover, CapEx, OpEx) (5)	Environmental objective of taxonomy-aligned activities						Facilitation activity (12)	Transition Activities(13)	Proportion of taxonomy-aligned activities in taxonomy-eligible activities (14)
					Climate change mitigation (6)	Adaptation to climate change (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)			
Text		%	LEI/RON	%	%	%	%	%	%	%	(E - where applicable)	(T - where applicable)	%
Urban and suburban transport, road passenger transport	4.9 CCM	83.02%											0%
Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	3.79%											0%
Construction of new buildings	7.1 CCM	0.16%											0%
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	0.87%											0%
Sum of alignments per goal													
Total CapEx KPIs		87.83%	0	0%									0%

Table 2 – Proportion of OpEx generated by products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – information provided as at 31 December 2025 (breakdown by activity)

OPEX reported key performance indicators (KPIs)												
Financial year 31.12.2025												
Economic Activities (1)	Code (2)	Taxonomy-eligible KPIs (Proportion of/CapEx eligible for taxonomy) (3)	Taxonomy-aligned KPIs (Monetary Value in Turnover / CapEx / OpEx) (4)	Taxonomy-aligned KPIs (Taxonomy-aligned Proportion of Turnover, CapEx, OpEx) (5)	Environmental objective of taxonomy-aligned activities					Facilitation activity (12)	Transition Activities(13)	Proportion of taxonomy-aligned activities in taxonomy-eligible activities (14)
					Climate change mitigation (6)	Adaptation to climate change (7)	Water (8)	Circular economy (9)	Pollution (10)			
Text		%	LEI/RON	%	%	%	%	%	%	(E - where applicable)	(T - where applicable)	%
Urban and suburban transport, road passenger transport	4.9 CCM	52.79%										
Transport by motorcycles, passenger cars and light commercial vehicles	6.5 CCM	0.32%										
Installation, maintenance and repair of energy efficiency equipment	7.3 CCM	1.15%										
Sum of alignments per goal												
Total KPI OPEX		54.26%	0	0%								0%

CHAPTER IV
Corporate Social Responsibility
ESRS S1–S4

1. In-house workforce (S1 1-17)

Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM–3)

Transelectrica operates a critical national infrastructure, primarily of a technical nature, in which the continuity and safety of the public service depend directly on the availability and skills of the workforce.

At the same time, the Group's operational resilience is underpinned by subsidiaries with complementary roles, which extend the Company's critical capabilities. On the one hand, Teletrans acts as a telecommunications and information technology operator for Transelectrica and the telecommunications market, providing essential services for the operation, maintenance and development of IT&C systems (including components relevant to the monitoring and security of critical infrastructure), which makes the availability of specialist IT&C and cybersecurity skills crucial to business continuity. On the other hand, Smart provides maintenance, inspections, repairs and interventions on equipment within the electricity transmission networks, including incident response and specialised technical services; given the nature of its operations (technical field work, interventions and activities requiring authorisation/certification), reliance on a skilled workforce and a strong health and safety culture is directly linked to people's safety and the continuity of the NES's operation.

Consequently, the actual and potential impacts on the workforce identified during the IRO-1 process are intrinsically linked to the business strategy and model in two ways:

Impacts arising from or related to the strategy or business model

- *the need for a skilled and experienced workforce* stems directly from the role of the TSO and the complexity of operations and maintenance (including field work, high-voltage work, working at height, and variable weather conditions);
- *occupational health and safety (OHS)* has a significant impact, determined by the nature of operations, with potential consequences for employees in the absence of robust controls;
- *digitalisation/automation (Smart Grid, smart systems, digital tools)* has a significant impact on working practices (reorganisation of activities, new skills, changes in roles and processes);
- *Equal treatment and diversity* are key to the organisation's effective functioning and its appeal as an employer, particularly in a tight labour market.

Impacts that underpin the strategy and contribute to its adaptation

- The IROs relating to the shortage of skilled staff, the retention of key personnel and skills resilience influence strategic decisions regarding investment in training, educational partnerships, retention schemes and succession planning;
- Health and safety regulations and working conditions influence both the way operational activities are planned and investments in equipment, procedures, training and monitoring, in order to reduce risks and ensure the continuity of the NES;
- Digital transformation roadmaps influence the direction of organisational change (skills, culture, processes) so that the technological transition can be implemented without compromising operational performance and without posing additional risks to employees.

The relationship between risks/opportunities and strategy/business model. Significant risks and opportunities arise from the business model’s reliance on human capital. At the same time, the way work is organised (including working hours) affects productivity, job satisfaction and absenteeism, with direct implications for operational capacity.

- **Risks:** shortage of skilled staff, difficulties in retaining key staff, occupational accidents and illnesses, resistance to change in the implementation of digitalisation, as well as vulnerabilities caused by extreme weather conditions for fieldwork. Attractive working conditions, together with the overall remuneration package, have a direct impact on recruitment and retention in critical technical roles.
- **opportunities:** improving efficiency and safety through digitalisation and automation; upskilling through continuous training; creating a more attractive and inclusive working environment; and enhancing organisational performance by strengthening the health and safety culture and talent management practices.

These elements are reflected in the IRO table for in-house staff (Impacts–Risks–Opportunities), which underpins management and reporting priorities.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS S1	In-house workforce	Working conditions	Secure jobs	impact/risk	Negative impacts: potential workplace accidents, accidental pollution, operational disruptions, adverse effects on biodiversity in areas with electrical infrastructure
				impact	Positive impact: improving employee safety through safer working conditions and the prevention of workplace accidents
			Work-life balance	risk	Staff shortages in certain technical fields – if working conditions are not attractive, it may become difficult to recruit and retain the specialists who are essential to the system’s operation
				opportunity	Creating a more attractive and inclusive working environment – modernising workplace infrastructure, adopting flexible policies and supporting a healthy work-life balance can improve employee satisfaction
		Health and safety	risk	Health and safety at work – the technical nature of the work involves high operational risks, which necessitates strict measures to protect employees and improve working conditions	

				impact	The need to comply with strict health and safety standards at work – national and European regulations require compliance with specific rules for the prevention of workplace accidents and occupational diseases
				opportunity	Improving health and safety standards – by introducing new technologies, modern protective equipment and prevention programmes, accidents and occupational illnesses can be reduced
				opportunity	Continuous improvement of workplace safety and increased operational efficiency
				impact	The impact of working conditions on productivity and employee satisfaction – a safe, ergonomic and well-organised working environment contributes to staff motivation and retention, whilst inadequate conditions can lead to a decline in performance and increased absenteeism
				impact/risk	Negative impacts: potential workplace accidents, accidental pollution, operational disruptions, adverse effects on biodiversity in areas with electrical infrastructure
		Equal treatment and equal opportunities for all	Training and skills development	impact	The impact of digitalisation on the workplace – the introduction of new technologies can change the way we work, requiring adaptation to automated processes and the use of modern equipment
				opportunity	Improving efficiency through digitalisation and automation – reducing repetitive manual tasks and utilising advanced technologies can optimise processes and improve workplace safety
			Diversity	opportunity	Promoting diversity and enhancing our appeal as an employer – Implementing programmes focused on inclusion and equal opportunities can help attract and retain a diverse and talented workforce
					Ensuring equal treatment and equal opportunities for all employees contributes to an organisational culture based on respect, diversity and inclusion

Scope (inclusion). The Transelectrica Group includes within the scope of this presentation all members of its own workforce who could be significantly affected by its activities, in relation to its own operations and relevant business relationships. Specifically, the report covers Transelectrica employees and presents information on the subsidiaries included in the company’s own workforce data set separately, as outlined in the chapter.

Types of employees/non-salaried workers affected. Based on the identified IROs, the main categories of people within the workforce who are affected (either actually or potentially) include:

- *employees (staff):* technical and operational staff (stations/lines/maintenance/emergency response), dispatch staff, IT&C/cyber specialists, engineers and support staff in critical processes;

- *non-salaried workers* (within the meaning of the practices described in this chapter): participants in work experience and internship schemes (work experience agreements), as well as persons provided by third-party companies for on-site services (e.g. outsourced activities), insofar as their work involves OHS risks and compliance requirements at Transelectrica sites.

Significant adverse impacts – typology. The significant adverse impacts identified for the company’s own workforce are primarily linked to occupational risks and working conditions:

- potential incidents/accidents at work in high-risk activities (working at height, high-voltage equipment, extreme weather conditions);
- potential effects on health and safety at work in the absence of preventive measures, training and appropriate equipment. In the event of operational incidents, there may also be associated environmental impacts (e.g. accidental pollution), which can exacerbate the consequences for operational continuity. These environmental impacts are discussed in detail in the relevant environmental chapters (E2/E4), but are mentioned here as a factor associated with incidents that may also affect our own workforce. These are predominantly operational in nature and can manifest themselves both systemically (through the inherent exposure of certain roles) and through individual incidents, depending on the operational context.

Significant positive impacts – activities and people affected. The significant positive impacts identified include:

- *improving safety and working conditions* through investment in health and safety, training, standards and equipment;
- *skills development and modernisation* through training and professional development programmes, educational partnerships and mechanisms for integrating young professionals; Furthermore, digitalisation and automation can reduce repetitive manual tasks and optimise processes, contributing to both efficiency and safety in the workplace.
- *enhancing our appeal as an employer* through policies on fairness, inclusion and benefits, which have a positive impact on staff retention and satisfaction. Those who stand to benefit most are, in particular, technical and operational staff and specialists involved in digitalisation (IT&C), as well as those targeted by training and development programmes.

Significant risks and opportunities for the business arising from impacts/dependencies

- *significant risks:* a shortage of specialists, the retention of key staff, health and safety risks with the potential for operational disruptions and reputational damage, as well as resistance to change in the digital transformation.
- *significant opportunities:* operational efficiency and risk mitigation through digitalisation/automation; increased productivity and quality of execution through up-to-date skills; strengthening of health and safety performance and organisational culture, with a positive impact on service continuity.

Significant impacts from transition plans (green/climate-neutral operations). Plans and measures relating to grid modernisation, digitalisation and the energy transition may result in:

- *redefining roles* (more remote working, data analysis, cyber/IT requirements);
- *the need for reskilling/upskilling* among certain sections of the workforce, in order to operate new technologies and digital processes;
- *opportunities for job creation and transformation* in areas such as digitalisation, advanced maintenance, cybersecurity and data management.

Operations involving a significant risk of forced or compulsory labour. Based on the IRO assessment and the operational context (operations in Romania/the EU, employment relationships governed by legislation and the Collective Bargaining Agreement), no Transelectrica Group operations involving a significant risk of forced or compulsory labour have been identified in relation to its own workforce. Compliance monitoring and reporting/remedial mechanisms remain in place, and risks of this nature are also addressed through the relevant due diligence processes.

Operations involving a significant risk of child labour. Similarly, no operations involving a significant risk of child labour were identified within the company's own workforce. The work placement/internship programmes described are carried out within formal frameworks (agreements, educational partnerships) and in compliance with the applicable legal requirements.

Understanding increased vulnerability to harm (groups/activities/contexts). The Transelectrica Group has developed a specific understanding of its varied risk exposures, based on the nature of its activities and the working environments:

- *technical, operational and emergency response staff* are more exposed to health and safety risks (working at height, high-voltage equipment, extreme weather conditions);
- *staff in control rooms/critical operations* may be subject to operational pressures and require up-to-date skills, particularly in the context of digitalisation;
- *Staff groups affected by digitalisation* (technical and IT&C) may be at risk of struggling to adapt to or resisting change, and may require increased training.

This distinction supports the prioritisation of measures relating to prevention, training, equipment, standardisation and change management.

Risks/opportunities relating to specific groups versus the entire workforce. Some of the significant risks and opportunities relate specifically to particular groups, rather than to the entire workforce:

- *Health and safety and working conditions:* particularly for field roles (stations/lines/maintenance/emergency response) and staff exposed to extreme weather conditions;
- *digitalisation and changes to working practices:* particularly for technical and IT&C roles, as well as for functions that are shifting towards automated processes and data-driven operations;
- *retention of key staff:* focused on critical skills that are difficult to replace (specialists, experts, key roles in operations/maintenance/dispatching).

At the same time, opportunities for continuous professional development, the strengthening of the health and safety culture, and measures to promote equity and inclusion are relevant across the board and can apply to the entire workforce, with varying degrees of focus depending on the role.

Policies relating to the in-house workforce (S1-1)

The Transelectrica Group manages the significant impacts, risks and opportunities relating to its own workforce (in particular: health and safety at work, working conditions, adapting skills to digitalisation/automation, staff shortages/retention in technical fields, equal treatment and inclusion) through an integrated framework of policies, statements and internal procedures, in accordance with ESRS 2 MDR-P.

This framework applies to the entire workforce (Transelectrica Group employees; where applicable, including seconded staff), but includes more specific measures and requirements for groups exposed to different levels of risk/impact (for example: technical, operational and emergency response staff, critical operations/dispatch staff, IT&C/cyber specialists and staff involved in the operation/maintenance of infrastructure).

The main policies and tools used to manage S1 IROs at Transelectrica include:

- *Statement on the policy regarding quality management, the environment, and health and safety at work* (objective: a safe, fair and high-performing working environment);
- *Health and Safety Operational Procedures* (e.g.: PO TEL 00.24 – Drawing up and monitoring the prevention and protection plan in the field of occupational health and safety; PO TEL 18.04 – Assessing the level of risk of accidents and occupational diseases in the workplace);
- *Statement on the Risk Management Policy*, which also applies to human resources risks (shortage/retention, health and safety, adaptation to new technologies, etc.);
- The Code of Ethics and the associated internal framework (Internal Regulations/CCM), which set out rules of conduct, fair treatment, the prevention of misconduct, and reporting and remedial mechanisms;
- technical guidelines/policies that affect the workforce (the RET Development Plan 2024–2033, energy efficiency, Smart Grid), which necessitate skills adaptation and changes in working practices.

Teletrans manages the relevant IRPs for its own workforce through a set of policies and tools tailored to the specific nature of IT&C and information security activities, including:

- Integrated Management System (quality–environment–OHS) in accordance with SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR ISO 45001:2023, supplemented by the Information Security Management System in accordance with ISO/IEC 27001:2018 (relevant to competencies, work organisation and compliance requirements);
- internal procedures and controls for risk management and internal control, including the reassessment and management of risks in accordance with the internal risk management procedure (code TLT-PS-02) and the risk register.

Smart manages S1 IROs using tools focused on working conditions and health and safety, given the prevalence of technical field work (maintenance, inspections/repairs, interventions):

- The Integrated Management System (quality–environment–OHS) in accordance with ISO 9001:2015, ISO 14001:2015 and OHS standards (including the implementation of SR ISO

45001:2023 within the integrated management policy), with objectives to reduce the risk of injury/illness and to ensure continuous improvement;

- the risk management system and internal management controls, which aim to prevent and manage risks and ensure the effectiveness of operations;
- training measures and programmes/health and safety at work.

Human rights policy commitments (in-house workforce); monitoring, collaboration, remediation. The Transelectrica Group bases its commitments regarding human rights relevant to its workforce on its internal governance and conduct framework, centred on respect, integrity, accountability, transparency and social responsibility, as well as on maintaining a working environment based on mutual respect and civilised behaviour in the workplace, in accordance with the Internal Regulations and the Collective Bargaining Agreement.

At Transelectrica, monitoring of compliance with conduct and ethical requirements is supported by roles and mechanisms set out in the Code of Ethics, including: The Ethics Officer, who oversees the development and implementation of procedures to ensure compliance with the Code; provides clarification and ethical guidance; records requests in a dedicated register and responds within a maximum of 10 working days; the annual assessment carried out by the Ethics Advisor regarding the implementation and effectiveness of the Code's requirements, with reporting to the Board and Internal Audit.

Engagement with the in-house workforce is supported by channels for seeking clarification and reporting issues relating to ethics and conduct, and by management's responsibility to ensure that employees and secondees under their supervision are aware of and comply with the Code.

Addressing human rights impacts (including breaches of codes of conduct/ethics, discrimination, harassment, and deviations from internal policies) is ensured through mechanisms for reporting, analysing and resolving complaints, and through the application of corrective or disciplinary measures, as appropriate:

- Reports of breaches of the code of ethical conduct should be submitted in writing to etica@transelectrica.ro, which is managed by the Ethics Officer;
- Reporting as a *whistleblower in the public interest, including anonymously, is carried out via the dedicated channel departamentanticoruptie@transelectrica.ro*, managed by the Anti-Corruption and Integrity Department (Legal and Litigation Directorate), in accordance with the internal procedure "Whistleblower in the Public Interest";
- Reports are treated *confidentially*, and individuals who report in good faith are protected against pressure or reprisals;
- Failure to comply with the Code may result in disciplinary, financial, civil or criminal liability, and where criminal offences are suspected, the matter may be referred to the competent authorities.

Aligning policies with international instruments (UNGP/IOM/OECD). Transelectrica Group's policies and practices regarding its own workforce are aligned, in terms of commitment and framework, with the relevant international instruments (the ILO Declaration and the OECD Guidelines). Alignment is addressed at the level of governance and conduct, and its translation into operational criteria and procedures explicitly defined as 'direct alignment' is continuously reinforced, in line with the approach communicated to the auditor (particularly in the context of value chain due diligence).

Furthermore, the Code of Ethics stipulates that the receipt, review and resolution of reports must be carried out in accordance with OECD best practices in the areas of internal controls, ethics and compliance.

Human trafficking, forced or compulsory labour, and child labour. With regard to human trafficking, forced or compulsory labour and child labour, the Transelectrica Group operates within a framework of labour relations governed by national and European legislation, and internal policies and procedures on conduct and compliance (including the Code of Ethics and reporting channels) are designed to prevent, deter and ensure that such practices are not tolerated within its own workforce. At Transelectrica, any concerns can be reported via the designated channels (etica@transelectrica.ro / whistleblowing channel); they are treated confidentially, with protection against retaliation, and may lead to corrective or disciplinary measures and, where appropriate, to a report being made to the relevant authorities.

Accident prevention policy / management system. Transelectrica has a policy framework and a management system in place for the prevention and management of workplace accidents, as set out in the Policy Statement on Quality, Environment, Health and Safety at Work and in the internal OHS operational procedures, including PO TEL 00.24 (Development and monitoring of the occupational health and safety prevention and protection plan) and PO TEL 18.04 (Assessment of the risk level of accidents and occupational diseases in the workplace). This framework supports the identification and assessment of risks, preventive and protective measures, monitoring and the continuous improvement of working conditions, in accordance with national and European regulations.

At the Teletrans and Smart subsidiaries, the prevention and management of workplace accidents are covered by the Integrated Management System, which includes an occupational health and safety (OHS) component in accordance with SR ISO 45001:2023, ensuring the identification and assessment of risks, preventive and protective measures, regular training, monitoring of OHS performance and continuous improvement of working conditions, in accordance with applicable regulations.

Policies on the elimination of discrimination (including harassment), equal opportunities, diversity and inclusion; grounds; vulnerable groups; implementation. The Transelectrica Group implements internal policies and rules designed to eliminate discrimination, including harassment, and to promote equal opportunities and fair treatment, through its Code of Ethics and internal employment framework (Internal Regulations/Collective Bargaining Agreement), as detailed in section G1-1. The Code of Ethics includes explicit obligations for management to ensure equal opportunities and treatment in career development and prohibits favouritism or discrimination on discriminatory grounds.

Grounds for discrimination. The internal framework applies to all grounds of discrimination protected under national and European Union law (including those set out in the relevant regulations), with the aim of preventing any discriminatory practices in employment relations.

Inclusion / positive action for vulnerable groups. The Transelectrica Group promotes inclusion and equal opportunities as principles of human resources management, and where specific needs are identified for vulnerable groups (e.g. people with disabilities), measures are addressed within human resources practices and processes and applicable working conditions (in accordance with the relevant legal framework and recruitment/retention objectives).

Implementation through procedures (prevention, mitigation, measures upon detection; promotion of diversity and inclusion). The implementation is supported by:

- management's responsibility to ensure that staff are familiar with and comply with the Code of Ethics;
- whistleblowing channels (ethics channel and whistleblower channel), confidentiality and protection against retaliation;
- investigating and resolving complaints and applying disciplinary or corrective measures, as appropriate, including reporting matters to the competent authorities where the facts constitute a criminal offence.

Processes for engaging with the workforce and employee representatives regarding impacts (S1-2)

The Transelectrica Group uses a structured framework for engaging with its workforce to identify, prevent, mitigate and manage actual and potential impacts on employees, particularly in the key areas highlighted in the IRO analysis (working conditions, health and safety at work, working hours, skills development in the context of digitalisation, attractiveness/retention, equal treatment and inclusion). Collaborative processes are underpinned by the Internal Regulations and the Collective Bargaining Agreement (CCM), which set out rights and obligations and include mechanisms for social dialogue, consultation and negotiation.

The role of labour market outlooks in decisions and activities relating to impact management

- a) *method of consultation (direct / through representatives)* – consultation takes place both directly with employees and through workers' representatives (trade unions / employee representatives), depending on the nature of the issues addressed; issues with a collective impact on working conditions (e.g. rights/benefits, working hours, general conditions, measures affecting staff) are primarily dealt with through representatives, whilst operational and compliance issues (e.g. (health and safety, conduct, complaints) can also be dealt with directly, including via reporting channels.
- b) *stages, type of collaboration and frequency* – collaboration is integrated into several stages of impact management:
 - identification and reporting: gathering concerns and observations arising from day-to-day operations (either directly or through representatives) and via reporting channels;
 - consultation and negotiation: social dialogue and collective bargaining within the framework of the CCM and its addenda;
 - decision-making and implementation: incorporating the findings into measures relating to working conditions, health and safety, training programmes and other initiatives affecting employees;
 - monitoring and improvement: tracking recurring issues and the measures taken over time.

The frequency of collaboration includes:

- regular mechanisms (e.g. within the framework of social dialogue and the operation of the Joint Management Committee);
 - ad hoc meetings, “whenever deemed necessary” by management or the trade unions, depending on the issues that arise (e.g. Health and Safety at Work, work organisation, training/development, operational changes); the Collective Bargaining Agreement and its addenda are made available to employees via the intranet.
- c) *the role of the most senior manager* – at the level of each Group entity, executive management is responsible for ensuring that processes for engaging with employees are integrated into the entity’s approach and that major workforce decisions are aligned with strategy and operational continuity; at operational level, the Human Resources Director coordinates the implementation of collaboration, facilitating social dialogue, collective bargaining and measures to improve working conditions, health and safety, and employee development;
- d) *global framework agreement / human rights agreements* – The Transelectrica Group uses the CCM and its addenda as the primary instrument for regulating rights, obligations and working conditions, and as a mechanism for social dialogue with employee representatives; in the absence of a global framework agreement, the CCM remains the main framework for gathering the views of its own workforce on relevant issues;
- e) *assessment of the effectiveness of cooperation* – the effectiveness of cooperation is measured through outcomes and performance indicators of social dialogue (e.g. the ability to resolve disputes through negotiation/mediation, the avoidance of conflict escalation and the maintenance of business continuity); in 2025, the absence of strikes and significant issues reported by employees is interpreted as the result of effective dialogue and open communication, which helps prevent disruption to the public service provided.

Measures to understand the perspectives of particularly vulnerable people. The Transelectrica Group aims to understand the perspectives of those who may be more severely affected, depending on their working environment and the nature of their work. In particular, the following are taken into account:

- *technical, operational and emergency response staff* (high exposure to health and safety risks);
- *staff in critical operations/dispatching* (operational pressure and high skill requirements);
- *sectors affected by digitalisation* (requiring adaptation and training);
- *people who may have specific vulnerabilities* (for example, from an inclusion perspective).

Feedback from these groups is gathered both through social dialogue and consultation channels, as well as through reporting mechanisms and by involving the relevant departments (particularly Human Resources and Health and Safety), depending on the issue.

Processes for addressing negative impacts and the channels through which staff can raise their concerns (S1-3)

The general approach and processes for remediation; assessment of the effectiveness of the remediation. The Transelectrica Group adopts a structured approach to addressing significant adverse impacts on its own workforce where it has caused or contributed to such impacts (for

example, breaches of codes of conduct, discrimination/harassment, or non-compliance with internal requirements or the applicable legal framework). The issue is addressed through internal reporting, investigation and resolution mechanisms, involving the imposition of corrective and/or disciplinary measures, as appropriate, and referral to the competent authorities where the facts may constitute a criminal offence.

The effectiveness of the remedial action is monitored by: (i) resolving the case and communicating the response to the complainant in accordance with the applicable framework; (ii) implementing corrective/disciplinary measures, where appropriate; and (iii) preventing recurrence, including by improving internal practices, updating training and/or clarifying the relevant internal rules.

Dedicated channels for raising concerns and addressing them. Our staff have access to channels for raising concerns or expressing needs, including:

- the channel for reporting breaches of the code of ethical conduct (via the dedicated email address managed by the ethics department);
- a dedicated channel for whistleblowers acting in the public interest, including the option to report anonymously, with confidentiality guaranteed and protection against retaliation;
- the right to petition as provided for in the Internal Regulations, exercised by submitting written reports and complaints to office@transelectrica.ro or to the Company's registry office.

These channels have been established by Transelectrica as internal mechanisms for receiving, recording, analysing and resolving complaints.

At branch level, staff have the opportunity to raise concerns or needs through internal reporting and resolution channels, in accordance with the applicable internal framework (Internal Regulations/Collective Bargaining Agreement and specific procedures), and, where appropriate, may also use the channels established at Group level for reporting breaches of ethical conduct standards and for whistleblowing in the public interest, with confidential treatment and protection against retaliation.

The existence of a complaints-handling mechanism. The Transelectrica Group has mechanisms in place for resolving complaints relating to personnel matters, through:

- the internal reporting and resolution mechanism associated with the ethics and whistleblowing channels;
- the petition mechanism provided for in the Rules of Procedure (entry in the relevant register and a response within the statutory time limit);
- the disciplinary mechanism, including the Disciplinary Committee, for the investigation and sanctioning of breaches, in accordance with the Labour Code and internal regulations.

Processes to support the availability of channels in the workplace. Channel availability is supported by:

- informing employees about their obligations regarding conduct and the procedures for reporting concerns (including through the applicable internal framework and internal communications);
- employees' access to the Internal Regulations and the Collective Bargaining Agreement (CCM)/addenda, which set out rights and obligations as well as mechanisms for dialogue and submitting grievances;

- the existence of a dedicated channel for ethical concerns and a dedicated channel for whistleblowers, available to the company's own workforce.

Tracking and monitoring issues; ensuring the effectiveness of communication channels.

The Transelectrica Group tracks and monitors the issues raised through:

- the recording and management of complaints within internal mechanisms (including the complaints register provided for in the Internal Regulations);
- case analysis, determining appropriate measures and monitoring their implementation (including corrective/disciplinary measures).

Awareness of and confidence in reporting channels; protection against retaliation. The Transelectrica Group aims to ensure that its workforce is familiar with and feels confident in using these channels, by incorporating them into its code of conduct and compliance framework and by guaranteeing the confidentiality of reports. The company has policies in place to protect against retaliation against individuals who use these channels in good faith, including whistleblowers, so that no one is subjected to pressure or harm as a result of a report made in accordance with the internal framework.

The adoption of measures addressing significant impacts on the organisation's workforce and approaches to managing significant risks and pursuing significant opportunities relating to the organisation's workforce, as well as the effectiveness of these actions (S1-4)

The Transelectrica Group is committed to providing a safe, attractive and high-performing working environment for its employees, implementing recognised international standards to ensure quality, sustainability and safety in the workplace. To this end, the Transelectrica Group implements the requirements of SR EN ISO 9001:2015, which ensures effective quality management focused on continuous process improvement and employee satisfaction. At the same time, the Transelectrica Group implements SR EN ISO 14001:2015, a standard that supports the development of an effective and sustainable environmental management system, helping to minimise the impact on the environment. With regard to employee protection, the Group's entities are implementing ISO 45001:2023, a standard dedicated to occupational health and safety, designed to reduce operational risks and create a safe environment that complies with international regulations.

In accordance with the policy on quality management, the environment, and occupational health and safety, the Transelectrica Group's development strategy has as its fundamental objective the fulfilment of the needs and expectations of its stakeholders, including its employees. To this end, the Integrated Management System is implemented, maintained and continuously improved in accordance with international standards, ensuring safe and healthy working conditions, the professional development of staff, and an organisational environment that fosters the active involvement and consultation of employees.

The Transelectrica Group is therefore committed to providing safe and healthy working conditions to prevent accidents and occupational illnesses, to reducing its environmental impact through the use of the best available technologies, and to promoting sustainable development.

The Transelectrica Group is implementing concrete measures and proactive strategies to manage significant impacts on its workforce, given the technical nature of its operations, the high skill requirements and operational safety. As such, the Group's entities invest in continuous professional development, offering employees access to specialist training programmes designed to enhance their technical skills and adaptability to new technologies in the energy sector.

In the event of a significant actual adverse impact on its own workforce, the Group ensures that this is addressed through the processes and channels described in section S1-3 (reporting, analysis, resolution, corrective/disciplinary measures and, where appropriate, escalation to the competent authorities).

At the same time, the Transelectrica Group promotes equal opportunities and diversity, ensuring an inclusive and respectful working environment for all employees.

To mitigate the risks associated with the shortage of skilled staff, a number of strategic measures are being implemented, focusing on vocational training, attracting young professionals and retaining experienced staff. These measures include:

- vocational training programmes – training sessions are held to enhance employees' skills, including technical, procurement and integrated management courses;
- private scholarships – scholarships are offered to students in technical fields, thereby facilitating their recruitment upon graduation;
- work placements and internships – students and pupils in the energy sector are offered work placements to familiarise themselves with activities in the field, which helps to attract new talent;
- Recruitment of scholarship recipients – at Transelectrica, graduates who have received scholarships are recruited, subject to availability, and are required to remain with the Company for at least three years;
- Retaining qualified staff – through a fair remuneration system, performance-based promotions and various benefits (health insurance, pension contributions, holiday entitlements), the Transelectrica Group aims to ensure workforce stability.

Attracting young professionals to Transelectrica				
	Private scholarships	Scholarships to support students in dual-track education	Work placements	Employment following work placements/scholarships
Transelectrica				
Number of people	4 students	11 school pupils and 35 university students	188 students (54 university students and 134 school pupils)	8 scholarship students
Beneficiaries	Students from technical faculties, such as: Politehnica of Timișoara, Faculty of Electrical and Power Engineering, specialising in "Power	Students from the "Gheorghe Airinei" Technical College of Post and Telecommunications in Bucharest Undergraduate and postgraduate students from the Faculty of Energy Engineering, the	Constanța Energy High School University of Civil Engineering – Faculty of Electrical Engineering The University of Technology in Cluj-Napoca – Faculty of Electronics,	Students who receive a private study grant from Transelectrica are offered employment with the Company upon completion of their studies, subject to the availability of vacancies, and are required to remain with the Company for a minimum of three years

	Engineering and Information Technology” Politehnica University of Timișoara, Faculty of Electrical and Power Engineering, specialising in “Power Systems Engineering”	National University of Science and Technology – Polytechnic University of Bucharest	Telecommunications and Information Technology Ovidius University University of Craiova Faculty of Electrical Engineering Technical University of Cluj-Napoca “Electromures” Technical High School, Târgu Mureș Faculty of Engineering – “Vasile Alecsandri” University of Bacău, Faculty of Electrical Engineering, Energy and Applied Computer Science – “Gheorghe Asachi” Technical University of Iași Politehnica University of Timișoara, Faculty of Electrical and Power Engineering	
Benefits	Students have the opportunity to learn about and familiarise themselves with Transelectrica’s field of activity	The development and/or revision of qualifications tailored to the needs of the labour market, as well as a dual-track university degree programme in the energy sector	Introducing students to Transelectrica’s field of activity	Transelectrica ensures a steady supply of technical talent by selecting students with strong academic records and training them to meet its operational needs
	The employment of scholarship holders, upon completion of their studies, in a post commensurate with their professional training, subject to the availability of vacancies	Objective: to provide initial vocational education and training within the dual system by developing partnerships between educational institutions and businesses	Attracting potential candidates for vacant positions	Reducing recruitment and onboarding time and costs – as the scholarship holders are already familiar with Transelectrica’s operations, they require less time to settle in and undergo training after being hired
	Improving communication with specialist higher education institutions		Staff involvement in the induction of pupils and students as part of the practical training programme	Increasing staff retention and stability

At Teletrans, just one student from the Faculty of Energy Engineering at the National University of Science and Technology – Polytechnic University of Bucharest undertook a work placement.

At Smart, six students undertook work placements:

- from technical faculties and energy-related secondary schools, such as: Politehnica University of Timișoara, Faculty of Electrical and Power Engineering, Electrical Engineering;
- from technical faculties and energy-related secondary schools, such as: Vasile Alecsandri University of Bacău, Vocational Training and Development Society;
- students from other faculties, as follows: Titu Maiorescu University, Faculty of Law; University of Bucharest, Faculty of Foreign Languages and Literatures.

These initiatives help to reduce staff turnover and maintain a high level of expertise within the Group.

The Transelectrica Group has developed clear and effective operational procedures covering training and professional development, recruitment and selection, career progression and promotion, as well as financial incentives, with the primary aim of ensuring an optimal framework for mitigating risks associated with its workforce. These measures are essential for retaining a skilled and experienced workforce, preventing skills shortages, and boosting staff motivation and retention. Through its continuing professional development programmes, the Group supports the development of technical skills and adaptation to new technological requirements, thereby ensuring a smooth transition towards digitalisation and the modernisation of the energy infrastructure. At the same time, recruitment and promotion policies are designed to attract highly qualified specialists, and financial incentive schemes help to recognise performance and maintain a motivating organisational culture. Through this integrated approach, the Transelectrica Group minimises the risks associated with a shortage of skilled staff, staff turnover and adapting to changes in the energy sector, thereby strengthening operational stability and efficiency.

In terms of significant opportunities, the Transelectrica Group is focusing on modernising its infrastructure and adapting its workforce's skills to the new demands of the energy transition. The development of smart grids and the integration of renewable energy sources offer employees the opportunity to gain advanced expertise and adapt to a constantly evolving sector.

At the same time, the Transelectrica Group maintains an ongoing dialogue with employee representatives, thereby ensuring a process of continuous improvement aimed at optimising working conditions and maximising the potential of its human resources.

The Transelectrica Group aims to ensure that its own practices do not cause or contribute to significant adverse impacts on its workforce by integrating health and safety requirements and internal rules into the planning and execution of activities, including digitalisation projects and the use of operational data (e.g. remote operation/Smart Grid). Where there is a conflict between operational objectives (deadlines, availability) and the prevention or mitigation of impacts, the Group prioritises compliance with safety requirements, the internal framework and legal obligations.

The necessary actions are identified through a process that combines risk assessment (including occupational health and safety), the results of monitoring and inspections, and feedback from social dialogue and reporting channels; based on this input, action plans, responsibilities and deadlines are established, with implementation monitored.

Actions to be taken in 2025 to mitigate negative impacts and capitalise on opportunities			Opportunities seized		
The shortage of skilled workers in the labour market	Accidents at work	Working conditions for categories of workers exposed to extreme weather conditions	Developing and updating skills through continuous professional development	Improving workplace safety and increasing operational efficiency	Creating a more attractive and inclusive working environment
Investment in training and professional development – The Transelectrica Group has run ongoing training programmes to develop the advanced technical skills essential for the operation of critical infrastructure	Training and certification – all employees have attended specialist courses on health and safety at work, including working at height and handling high-voltage equipment	Heat protection equipment – providing special equipment to protect employees exposed to extreme temperatures, both in summer and winter	An increase in the number of training hours per employee	Improving the efficiency of maintenance processes	Increasing employee satisfaction by improving the benefits offered under the collective agreement
Educational partnerships – partnerships have been established with universities and vocational training institutions to attract young talent and facilitate their integration into the energy sector	Monitoring and control – implementing a system of regular checks and inspections to identify and prevent operational risks		Developing new skills in digitalisation and remote working to reduce workplace risks		Reducing the gender pay gap, in line with the targets set out in the Management Plan

The effectiveness of these measures is assessed through regular monitoring of relevant indicators and outcomes (e.g. health and safety outcomes, implementation of measures arising from inspections/audits, participation in training and meeting skills needs, as well as feedback from social dialogue), and the measures are adjusted in line with the findings of these assessments.

To implement these measures, the Transelectrica Group allocates organisational and operational resources (roles/structures within the OHS and Human Resources departments, training time, equipment and inspections), as well as resources for training programmes, scholarships, work placements and retention initiatives, so that the management of significant impacts and risks is commensurate with the critical role of the workforce in ensuring operational continuity.

Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities (S1-5)

The management plan sets out a series of non-financial/non-commercial indicators that have a direct impact on employees, as well as target figures broken down by each year of the term of office of the members of the Management Board and the Supervisory Board.

The targets set out below are defined in the Management Plan and are monitored annually throughout the term of office (2024–2028), with the aim of managing significant impacts and risks on the workforce (occupational health and safety, skills/digitalisation, equity) and promoting positive impacts (professional development, inclusion). The scope of the indicators covers Transelectrica’s own workforce (employees), and responsibility for monitoring and reporting lies with the Human Resources and Health, Safety and Environment (HSE) departments, with reporting carried out within the Company’s governance mechanisms, in accordance with the Management Plan.

In the process of setting these objectives, the employees’ perspective was taken into account through the double materiality assessment, which included the evaluation of impacts, risks and opportunities relevant to the company’s own workforce, based on the information collected and analysed within this framework.

Transelectrica’s non-financial/non-commercial indicators are divided into two main categories: employees and customers, each reflecting key aspects for the Company’s sustainable development. The ‘Employees’ category comprises three key areas: professional development, measured by the average number of training hours per employee, which is essential for enhancing the workforce’s skills and adaptability; the gender pay gap, which highlights the company’s commitment to pay equity and inclusion; and occupational health and safety, a critical aspect for protecting employees exposed to high operational risks. The customer category focuses on the retention rate—an indicator of the stability of business relationships and confidence in the services provided—and the satisfaction score, which reflects customers’ perceptions and experiences regarding the company’s performance. These indicators help to monitor operational efficiency and social responsibility, thereby reinforcing a sustainable and performance-oriented business model.

The target-setting process took into account the strategic priorities set out in the Management Plan.

Number of training hours per employee

Category	Indicator	Raw data	MU	Formula
Employee-related indicators	Average number of training hours per employee	Total number of training hours Total number of employees	Number	$\text{Average number of training hours per employee} = \frac{\text{Total number of training hours}_t}{\text{Total number of employees}_t}$

Indicator	2025	2026	2027	2028
Average number of training hours per employee	18.00	18.50	19.00	19.50

The pay gap between female and male employees

Category	Indicator	Raw data	MU	Formula
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Gender equality	The pay gap between female and male employees	The average monthly salary of male employees The average monthly salary of female employees	%	$\text{Gender pay gap}_t = \frac{\text{Monthly average male salary}_t - \text{Monthly average female salary}}{\text{Monthly average male salary}_t}$
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Indicator	2025	2026	2027	2028
The pay gap between female and male employees	0.50%	0.25%	0%	0%

Number of safety training sessions

Category	Indicator	Raw data	MU	Formula
Employee-related indicators	Number of safety training sessions	The total number of safety training sessions carried out during the year	Number	$\text{Number of safety trainings}_t = \text{Total number of safety trainings during the year}$

Indicator	2025	2026	2027	2028
Number of safety training sessions ¹⁶	5.0	5.0	5.0	5.0

At branch level, the relevant targets for managing negative impacts and promoting positive impacts on the workforce are set out in each company's management plans, with multi-year targets and regular monitoring within the governance mechanisms (Board of Directors/Chief Executive Officer), in line with the non-financial indicators set out in the management contracts. For Teletrans (2025–2028), the management plan sets out non-financial indicators relevant to employees, including annual targets for the average number of training hours per employee and 'yes/no' indicators regarding the establishment of an employee safety system and the formulation of risk management policies, with progress tracking integrated into the management's reporting/monitoring cycle. For Smart S.A. (2025–2028), the plan includes non-financial targets/indicators directly linked to the workforce, such as the average number of training hours per employee (40 per year) and the staff turnover rate (maximum 7%), as well as 'yes/no' indicators regarding the establishment of a safety system and risk management policies.

Performance against targets is monitored annually, based on the primary data defined for each indicator, and the results are analysed internally by the relevant departments. Where appropriate, the relevant conclusions are also discussed within the framework of social dialogue with employee representatives, particularly in relation to measures affecting working conditions, training and fairness.

¹⁶ Training on occupational health and safety (OHS).

The Transelectrica Group's current framework for quality management, environmental management, occupational health and safety, and human resources provides a robust set of measures and commitments to ensure employee safety, improve working conditions and support professional development.

Based on the annual results, the Transelectrica Group identifies lessons learnt and necessary improvements (for example, adjusting training programmes, prioritising certain areas of competence, strengthening health and safety training, or measures to promote equity), and these adjustments are incorporated into the planning of subsequent implementation cycles and into initiatives discussed with employee representatives, where relevant.

The Group's approach to its employees is adaptive, prioritising compliance with applicable legislation at both national and international levels, whilst maintaining a framework of targets and indicators that can be updated, if necessary, in line with regulatory developments and the operational context.

At present, strategic workforce objectives are managed through internal policies and operational procedures. The Transelectrica Group remains committed to continuous improvement, constantly monitoring and evaluating its performance in the area of human resources management and taking proactive measures where necessary.

The Transelectrica Group aims to improve and diversify its staff training programmes, ensuring that employees have the necessary skills to meet the technological and operational challenges facing the energy sector.

At the same time, the Group aims to expand and strengthen its programmes for attracting young professionals by developing strategic partnerships with universities and technical education institutions. These initiatives will not only facilitate the recruitment of future specialists, but will also contribute to their swift and effective integration into the organisational structure, ensuring the transfer of knowledge and maintaining a high level of professional competence in the energy sector. For the 2025 reporting year, the Transelectrica Group maintained a flexible human resources management system, focusing on proactive measures designed to ensure operational continuity and the professional development of its employees. Consequently, emphasis was placed on staff training and development, with specialised courses organised to enhance technical and managerial skills, alongside internal and external training programmes.

Characteristics of the company's employees (S1–6)

The Transelectrica Group operates with a highly trained and specialised workforce, which is essential for ensuring continuity and safety in the energy sector, who carry out their activity exclusively in Romania. The structure and dynamics of the workforce reflect a balance between the experience of long-serving employees and the integration of new specialists, achieved through dedicated training programmes and initiatives to attract talented young people. The Group places particular emphasis on the professional development of its employees, promoting a fair, diverse and high-performing working environment, underpinned by competitive remuneration policies, opportunities for advancement and a benefits package tailored to their needs. These factors help to maintain a high level of competence and organisational stability, which are essential for the smooth running of critical operations in the energy sector.

Number of Group employees by geographical region			
	Area	2024	2025
Transelectrica	Executive	503 people	492 people
	DEN	189 people	189 people
	STT Bacău	142 people	141 people
	STT Bucharest	198 people	195 people
	STT Cluj-Napoca	151 people	154 people
	STT Constanta	169 people	170 people
	STT Craiova	184 people	182 people
	STT Pitești	150 people	150 people
	STT Sibiu	155 people	159 people
	STT Timisoara	185 people	186 people
	TOTAL	2026 people	2018 people
Teletrans	Executive	132	31 people
	Bacau	21	18 people
	Craiova	21	21 people
	Timisoara	19	19 people
	Cluj	10	18 people
	Constanta	9	9 people
	Pitesti	10	8 people
	Sibiu	20	11 people
	TOTAL	242 people	235 people
Smart	Executive	87 people	62 people
	SM Bacău	51 people	51 people
	SM Bucharest	32 people	63 people
	SM Cluj	54 people	55 people
	SM Constanta	73 people	70 people
	SM Craiova	70 people	72 people
	SM Pitești	71 people	69 people
	SM Sibiu	87 people	84 people
	SM Timisoara	75 people	74 people
	TOTAL	600 people	600 people
GROUP	TOTAL CONSOLIDATED	2868 people	2853 people

* During the reporting period, the Group's employees carried out their work in Romania.

Group	Gender	2024		2025	
Transelectrica	Male	1452	71.66%	1441	71.41%
	Female	574	28.34%	577	28.59%
	Total	2026	100%	2018	100%
Teletrans	Male	174	72%	169	72%
	Female	68	28%	66	28%
	Total	242	100%	235	100%
Smart	Male	437	72.83%	436	72.67%
	Female	163	27.17%	164	27.33%
	Total	600	100%	600	100%
CONSOLIDATED TOTAL		2868		2853	

Although the gender breakdown of the workforce reflects the technical nature of the Group's activities, both the Company and its subsidiaries Teletrans and Smart promote equal opportunities and diversity within the organisation, implementing measures for inclusion and professional development designed to ensure a fair working environment and equal opportunities for all employees, regardless of gender.

Employee data is reported as headcount at the end of the reporting period (31 December 2025), with the exceptions explicitly stated in the text. In addition, where relevant, the Company provides information on the breakdown of working hours (number of full-time and part-time employees), also in terms of headcount. FTE (full-time equivalent) is defined as the ratio of the actual hours worked by an employee to the standard working hours of a full-time employee, aggregated at company level (for example, two employees working 0.5 FTE each count as 1 FTE); in this section, the indicators are presented predominantly as headcount, and FTE can be determined, where applicable, on the basis of information on working hours.

Employees by type of contract, broken down by gender as at 31 December 2025

Transelectrica					
Year 2025	Female		Male		Total
Number of employees	577	28.59%	1441	71.41%	2018
Number of permanent staff	574	28.65%	1429	71.35%	2003
Number of temporary staff	3	20%	12	80%	15
Number of employees on a flexible working schedule	0	0%	0	0%	0
Number of full-time employees	574	28.52%	1438	71.48%	2012
Number of part-time employees	3	50%	3	50%	6

In terms of staff turnover, 62 people were hired in 2025, whilst 83 left the Company; the average age of all employees as at 31 December 2025 was 49.

In 2025, 21 women and 15 men were on parental leave, benefiting from the relevant provisions in both the Labour Code and the Collective Bargaining Agreement.

Teletrans					
Year 2025	Female		Male		Total
Number of employees	66	28%	169	72%	235
Number of permanent staff	66	28%	169	72%	235
Number of temporary staff	0	0	0	0	0
Number of employees on a flexible working schedule	0	0	0	0	0
Number of full-time employees	63	28%	166	72%	229
Number of part-time employees	3	50%	3	50%	6

In terms of staff turnover, 34 people were recruited in 2025 – 19 were hired and 15 employees were transferred from FORMENERG following the merger, whilst 40 people left the Company, with the average age of all employees as at 31 December 2024 being 47 years.

In 2025, no employee took parental leave, meaning that no one benefited from the relevant provisions in either the Labour Code or the Collective Bargaining Agreement.

Smart					
Year 2025	Female		Male		Total
Number of employees	164	27.33%	436	72.67%	600
Number of permanent staff	161	27.20%	431	72.80%	592
Number of temporary staff	3	37.50%	5	62.50%	8
Number of employees on a flexible working schedule	0	0%	0	0%	0
Number of full-time employees	159	26.92%	431	73.08%	590
Number of part-time employees	5	3.04%	5	1.15%	10

In terms of staff turnover, 44 people were recruited by Smart in 2025, whilst 44 left the company; the average age of all employees as at 31 December 2025 was 49.

In 2025, 3 women and 3 men were on parental leave, benefiting from the relevant provisions in both the Labour Code and the Collective Bargaining Agreement.

Fluctuations in the number of employees over the period are mainly influenced by:

- the recruitment required to fill technical roles and critical skills;
- natural attrition (resignations/retirements);
- features such as parental leave and internal mobility.

These elements are provided as contextual information to aid in the interpretation of staff indicators.

The employee turnover rate is calculated as the ratio of the number of employees who left the Company during the reporting period to the average number of employees over the same period. The average number of employees is calculated as the arithmetic mean of the number of employees at the start of the period and the number of employees at the end of the period.

Employee turnover rate at Group level					
Transelectrica		Teletrans		Smart	
2024	2025	2024	2025	2024	2025
69 employees who have left / 2022 average number × 100	89 employees have left / 2022 average × 100	64 employees who have left / 580 average number × 100	40 employees have left / 241 × average × 100	8 employees who have left / 236 average number × 100	44 employees have left / 580.8 × average × 100
3.41%	4.40%	11.03%	16.59%	3.39%	7%

The number of employees reported in this section is consistent with the information on staff presented in the Group's financial statements (separate/consolidated) for the financial years ended 31 December 2024 and 31 December 2025.

Characteristics of non-salaried workers within the business's in-house workforce (S1-7)

The Transelectrica Group runs annual programmes aimed at attracting and developing skills among young people (work placements and private scholarships), through which participants gain an understanding of the energy sector and acquire practical experience under the guidance of the Group's specialists. Participants in these programmes are not employed under individual employment contracts, but carry out their work on the basis of programme-specific arrangements (for example, work placement agreements concluded between Group entities and educational institutions for internships), which is why, for the purposes of this disclosure, they are treated as non-salaried workers and are not included in the total number of employees reported in S1-6.

The total number of non-salaried workers and their categories. During the 2025 reporting period, the Transelectrica Group recorded the following categories of non-salaried workers within its own workforce:

Group	Private scholarships	Work placements	Self-employed workers*	Staff provided (NACE code N78)**	Total non-employee workers
Transelectrica	4	188	0	0	0
Teletrans	0	1	0	0	0
Smart	0	6	0	0	0

* Self-employed workers (persons with direct contracts with the enterprise for the provision of labour)

** Persons made available by enterprises principally engaged in 'employment services' (NACE code N78)

Methodologies and assumptions used in compiling the data. The number of non-salaried workers is reported as a headcount. The data presented for 2025 has been compiled on the basis of internal records relating to scholarship programmes and work placements carried out during the reporting period. In this section, the information is presented in terms of the number of people, and FTE (full-time equivalent) is not used as the basis for reporting. In methodological terms, the ENI represents the ratio between the actual hours worked by an individual and the standard working hours of a full-time employee, aggregated at company level.

Background information. The number of non-salaried workers reflects the progress of recruitment and initial training programmes (scholarships and work placements), which may have a seasonal component (depending on the academic calendar and the availability of programmes). During the 2025 reporting period, the Transelectrica Group continued to pursue these initiatives as part of its approach to skills development and to ensuring a steady supply of future specialists in the relevant technical fields.

Diversity indicators (S1-9)

Transelectrica implements clear and transparent mechanisms to ensure a fair recruitment, hiring and promotion process, eliminating any form of discrimination based on gender, marital status, gender identity, religion, political beliefs, ethnicity, race, nationality, genetic characteristics, age or other personal criteria. The Company's Internal Regulations contain strict provisions regarding compliance with the principle of non-discrimination and the elimination of any form of violation of human dignity. As a result of this proactive approach, no incidents of discrimination were recorded in 2025, and thanks to the preventive measures put in place, no corrective action was required.

Gender breakdown by number and percentage in top management and executive roles

Entitate	Tipul funcției	Număr angajați				G M
		2024		2025		
Transelectrica	Personal top management (cu excepția membrilor Directoratului)	82	4.05%	79	3.91%	54
	Personal de execuție	1944	#####	1939	96.09%	13
	TOTAL	2026	100%	2018	100%	14
Teletrans	Personal top management (cu excepția membrilor Directoratului)	55	#####	50	21.00%	40
	Personal de execuție	187	#####	185	79.00%	13
	TOTAL	242	100%	235	100%	17
Smart	Personal top management (cu excepția membrilor Directoratului)	28	4.67%	30	5.00%	23
	Personal de execuție	572	#####	570	95.00%	41
	TOTAL	600	100%	600	100%	43

Function type	Number of employees		Gender									
			M			F						
	2024	2025	2024	2025	2024	2025						
Transelectrica												
Senior management staff (excluding members of the Management Board)	82	4.05%	79	3.91%	54	3.72%	49	3.40%	28	4.88%	30	5.19%
Operational staff	1944	95.95%	1939	96.09%	1398	96.28%	1392	96.59%	546	95.12%	547	94.80%
TOTAL	2026	100%	2018	100%	1452	100%	1441	100%	574	100%	577	100%
Teletrans												

Senior management staff (excluding members of the Management Board)	55	22.73%	50	21.00%	40	22.86%	36	21.30%	15	22.39%	14	21.21%
Operational staff	187	77.27%	185	79.00%	135	77.14%	133	78.70%	52	77.61%	52	78.79%
TOTAL	242	100%	235	100%	175	100%	169	100%	67	100%	66	100%
Smart												
Senior management staff (excluding members of the Management Board)	28	4.67%	30	5.00%	23	5.26%	24	5.50%	5	3.07%	6	3.66%
Operational staff	572	95.33%	570	95.00%	414	94.74%	412	94.50%	158	96.93%	158	96.34%
TOTAL	600	100%	600	100%	437	100%	436	100%	163	100%	164	100%

Breakdown by age group, senior management roles/executive roles

Transelectrica												
Function type	Ages											
	up to 30 years				30 - 50 years				over 50 years			
	2024		2025		2024		2025		2024		2025	
Senior management staff (excluding members of the Management Board)	0	0%	0	0%	36	3.94%	31	3.87%	28	4.88%	49	4.34%
Operational staff	99	100%	112	100%	877	96.00%	769	96.13%	546	95.12%	1057	95.57%
TOTAL	99	100%	112	100%	913	100%	800	100%	574	100%	1106	100%
Teletrans												

Senior management staff (excluding members of the Management Board)	0	0%	0	0%	24	21.82%	24	26%	31	30.10%	26	22%
Operational staff	29	100%	25	100%	86	78%	68	74%	72	69.90%	92	78%
TOTAL	29	100%	25	100%	110	100%	92	100%	103	100%	118	100%
Smart												
Senior management staff (excluding members of the Management Board)	0	0%	0	0%	7	3.17%	7	3.33%	21	6.18%	23	6.63%
Operational staff	39	100%	43	100%	214	96.83%	203	96.67%	319	93.82%	324	93.37%
TOTAL	39	100%	43	100%	221	100%	210	100%	340	100%	347	100%

For the purposes of this presentation, ‘top management’ refers to the hierarchical level situated **one level** below the Management Board/Chief Executive Officer, excluding members of the Management Board/the Chief Executive Officer. The breakdowns by gender and age group are reported as numbers of people and as percentages, with the percentages calculated as a proportion of the total workforce; where applicable, percentages are also shown as a proportion of the total male and female workforce respectively.

Indicators of training and skills development (S1-13)

The Transelectrica Group employs a structured process for the regular assessment of professional performance and career development as a key tool for maintaining critical skills and aligning individual objectives with the operational requirements of the electricity transmission infrastructure.

Within the Transelectrica Group, the appraisal is conducted annually in accordance with the applicable internal procedures (PO TEL 16.06 for Transelectrica, PS TLT 09.05 for Teletrans and the Appraisal and Assessment Methodology for Smart), and forms the basis for decisions regarding professional development, training requirements, promotion and measures to improve performance. In 2025, all employees were assessed on their performance in 2024. The assessment of activities for 2025 has not yet been completed at the time of reporting, as, in accordance with the procedure, it is carried out at the beginning of the following year.

Given the technical nature of its work, the Transelectrica Group places particular emphasis on providing training programmes and professional development opportunities. These initiatives are essential to ensuring the high level of technical expertise required for the operation and maintenance of the TEN-T’s critical infrastructure. The Transelectrica Group continuously invests in specialist training, professional certifications and professional development programmes,

designed to help employees adapt to new technologies, safety requirements and developments in the energy sector. Through these measures, the Group is consolidating its leading position in the energy sector, ensuring the continuity and security of its operations.

The aim of the training and professional development activities in 2025 was to enhance the professional efficiency of employees by enabling them to acquire, refine and diversify their professional skills, thereby improving the professional performance of Transelectrica Group staff.

The Transelectrica Group's professional training activities in 2025 were carried out in accordance with the 'Annual Programme for the Maintenance, Training and Professional Development of the Company's Employees'. The programme aimed to:

- acquiring, updating and building up new knowledge;
- consolidating existing knowledge and acquiring new skills;
- the development and diversification of professional skills, particularly specialist skills;
- developing employees' skills and abilities;
- the development of knowledge and professional skills.

The implementation of the 'Company Employee Maintenance, Training and Professional Development Programme' was based on fundamental principles designed to ensure a well-structured and fair training process. These include the efficient use of resources, effectiveness in achieving professional development objectives, consistency in the application of training strategies, equal treatment for all categories of employees, rigorous planning of training programmes, and transparency in their implementation and monitoring.

The training courses organised in 2025 were designed and structured to meet the specific needs of employees, based in particular on bespoke curricula and topics tailored to the specific requirements identified. These were categorised according to professional category and level of expertise, with the aim of achieving key objectives such as improving professional efficiency and effectiveness, boosting confidence in one's own skills, and, at the same time, providing a clear and realistic outlook on career development within the Transelectrica Group.

A key priority in 2025 was to ensure the organisation and delivery of training sessions for staff who, in the course of their professional duties, require certification, authorisation, recertification or reauthorisation.

Transelectrica												
	Number of people	Number of hours	Number of people	Number of hours	M				F			
	2024		2025		2024		2025		2024		2025	
In-house training	1625	26739	1929	33128	1600	98.46%	1845	95.60%	25	1.54%	84	4.40%
Training sessions with vocational training providers	434	7137	1109	9972	281	64.75%	710	64%	153	35.25%	399	36%
TOTAL	2059	33876	3038	43100	1881	91.36%	2555	84%	178	9%	483	16%
Teletrans												
In-house training	0	0	26	4680	0	0	16	62%	0	0%	10	38%

External training	44	1835	101	2367	26	59%	69	69%	18	42%	32	31%
TOTAL	44	1835	127	7047	26	59%	85	67%	18	42%	42	33%
Smart												
In-house training delivered by in-house trainers	49	35344	502	20080	424	73.10%	366	72.83%	156	26.90%	136	27.17%
External training	75	4673	109	16190	133	86.36%	97	88.99%	21	13.64%	12	11.01%
TOTAL	124	40017	611	36270	557	75.89%	463	75.71%	177	24.11%	148	24.29%

Average number of training hours per employee, by gender

Average number of training hours per employee						
Gender	Transelectrica		Teletrans		Smart	
Year	2024	2025	2024	2025	2024	2025
M	21.31 hours	26.42 hours	6.23 hours	26.61 hours	70.29	66.62 hours
F	5.10 hours	8.72 hours	11.04 hours	38.64 hours	65.44	44.04 hours

GROUP CONSOLIDATED TOTAL		
Gender	2024	2025
M	30.18 hours	35.00 hours
F	17.34 hours	18.34 hours

Note: The figures by gender are based on an estimate, derived by allocating training hours proportionally according to the gender breakdown of participants, as training hours are not tracked directly by gender at an individual level in the centralised records. The average number of training hours per employee was calculated by dividing the estimated hours by gender by the number of employees by gender at the end of the reporting period.

Based on the estimation methodology applied, the average number of training hours per employee, calculated separately by gender, shows varying levels across Group companies for 2024 and 2025, influenced both by the volume of training programmes delivered and by the gender breakdown of participants.

At Transelectrica, the average number of training hours per employee rose from 21.31 hours to 26.42 hours for men and from 5.10 hours to 8.72 hours for women.

At Teletrans, the figure rose from 6.23 hours to 26.61 hours for men and from 11.04 hours to 38.64 hours for women, against the backdrop of increased training activity in 2025.

Within the Smart sector, the average number of training hours per employee remained high in both years, at 70.29 hours in 2024 and 66.62 hours in 2025 for men, and 65.44 hours in 2024 and 44.04 hours in 2025 for women.

At a consolidated level, the average number of training hours per employee rose from 30.18 hours to 35.00 hours for men and from 17.34 hours to 18.34 hours for women. These figures should be

interpreted in the context of the estimation methodology used, as training hours are not recorded in centralised records directly by gender at an individual level, but have been allocated proportionally based on the distribution of female and male participation in the various types of training.

Health and safety indicators (S1-14)

Within the Transelectrica Group, the entire workforce (100%) is covered by the occupational health and safety (OHS) management system, implemented in accordance with national legislation and international standards (ISO 45001:2023). This system includes preventive measures, regular training, workplace risk assessments and the implementation of prevention and protection plans.

The entire occupational health and safety training process is carried out in accordance with the provisions of Law No. 319/2006 on occupational health and safety and Government Decision No. 1425/2006, which sets out the methodological rules for the implementation of this law. Furthermore, the training process is in line with Operational Procedure TEL 18.02 – Training of employees in occupational health and safety.

To ensure a safe working environment that complies with current legislation, prevention and protection services dedicated to occupational health and safety are organised, with methodological coordination provided by the Integrated Management Department.

Staff training begins on the first day of work (upon recruitment) and continues with regular training sessions held at varying intervals (monthly, half-yearly and annually) in line with the risk assessments specific to each workplace.

The stages of occupational health and safety training:

1. general introductory training – delivered by specialists from the prevention and protection services;
2. on-the-job training – provided by the immediate supervisor;
3. regular training – conducted by staff from the prevention and protection services or by the workplace manager, on a monthly or six-monthly basis, depending on the nature of the work.

Training topics are developed and regularly updated by specialist departments, in line with changes in legislation and the specific nature of the Company's activities (equipment upgrades, changes in work locations, etc.).

Each workplace is assessed individually to identify risks, and the necessary measures to reduce or control these risks are incorporated into the Prevention and Protection Plans, which are implemented through annual action programmes.

Frequency of training sessions:

- at least one session per year for each employee;
- every six months, for authorised technical staff within the Energy Dispatch Centres;
- monthly, for operational staff and/or OHS-authorised personnel at electrical substations/CTSI;
- every six months, for combined periodic training sessions.

This training system ensures strict compliance with health and safety regulations, reducing risks and strengthening the organisation’s safety culture.

To improve emergency response capabilities, multi-annual simulation programmes are drawn up, covering environmental protection, occupational health and safety (OHS) and emergency situations (ES). These drills are conducted both under the coordination of specialist agencies (the Fire and Rescue Service, the Police, etc.) and internally, using our own staff.

Events	Transelectrica		Teletrans		Smart	
	2024	2025	2024	2025	2025	2025
Number of incidents followed by incapacity temporary staff (own employees)	1 (180 days' sick leave)	1 (13 days' sick leave)	0	0	4	4 (233 days of sick leave – 22 days of hospitalisation)
Number of people with occupational illnesses (own employees)	0	0	0	0	0	0
No. of accidents at work (own staff)	0	0	0	0	0	0
Number of fatal workplace accidents (own staff)	0	0	0	0	0	0
Total events (own staff)	1	1	0	0	0	4
Number of fatal workplace accidents (non-salaried workers)	0	No deaths have been reported	0	No deaths have been reported	0	No deaths have been reported

In 2024 and 2025, the number of reportable workplace accidents was 0 for all entities within the Transelectrica Group. Consequently, the recordable accident rate, calculated as the ratio of the number of recordable accidents to the total number of employees at the entity (headcount as at 31 December 2024 / 31 December 2025), is 0 for each entity.

Through regular inspections, audits and dedicated training programmes, the Transelectrica Group monitors and verifies the correct implementation of measures to prevent accidents and occupational risks, thereby ensuring a safe and sustainable working environment for all workers involved in its operational activities.

Occupational health services within the Transelectrica Group are provided by doctors specialising in occupational medicine at clinics located both at head office level and within the technical support teams of the various entities.

With regard to third-party workers carrying out activities on Transelectrica Group sites, no deaths resulting from work-related injuries or illnesses have been reported. The Group maintains high safety standards and continuously monitors risks in order to prevent such incidents.

Indicators on work-life balance (S1-15)

By 2025, 100% of Transelectrica Group employees will be entitled to family leave, in accordance with applicable national legislation and the Collective Bargaining Agreements in force. These

rights enable employees to fulfil their family responsibilities (such as having and raising children, caring for family members, attending important family events, etc.) without jeopardising their employment. Under the Collective Bargaining Agreement applicable in 2025, employees were entitled to various types of leave and days off for family reasons, which are clearly regulated to support a healthy work-life balance.

Types of family leave and how they are taken

- paternity leave – 10 working days are granted to the father of a newborn, provided he has completed a childcare course;
- a day off for child healthcare – employees are entitled to one paid day off per year to take their child for an annual health check-up;
- carer’s leave – up to 10 days’ leave is granted to employees who need to care for a relative requiring medical assistance;
- time off for personal reasons – upon request, employees are entitled to paid leave for important occasions such as: birthdays, their own wedding, the death of a family member, and time off for family emergencies;
- In the event of unforeseen circumstances, such as illness or an accident in the family, employees may take up to 10 days’ leave per year, provided they give their manager prior notice and make up for the time missed;
- days off for blood donation – Transelectrica encourages blood donation by offering two days’ paid leave.

Reduced working hours for parents. Employees who are caring for children up to the age of 7 may work part-time (6 hours a day), subject to their employer’s agreement. In addition, those who opt out of parental leave for children under the age of two are entitled to a reduced working day of six hours.

The take-up rate of family leave. Transelectrica employees take this leave according to their personal needs, and the relevant entitlements are clearly set out in the collective bargaining agreement. Time off for personal reasons, paternity leave and carer’s leave are the most commonly taken types of leave. Employees with young children may request reduced working hours, but this requires the employer’s approval.

Transelectrica	Female		Male		Total
2024					
Total number of employees	574	28.34%	1452	71.66%	2026
Number of employees entitled to family leave	574	28.34%	1452	71.66%	2026
Number of employees who have taken maternity, paternity or parental leave	24	44.44%	30	55.56%	54
Number of employees who took parental leave	19	79.17%	5	20.83%	24
Number of employees who took leave for unforeseen circumstances	0	0	0	0	0
Number of employees who took time off work to give blood	9	30%	21	70%	30
2025					
Total number of employees	577	28.59%	1441	71.41%	2018

Number of employees entitled to family leave	577	28.59%	1441	71.41%	2018
Number of employees who have taken maternity, paternity or parental leave	32	61.53%	20	38.47%	52
Number of employees who took parental leave	40	78.43%	11	21.57%	51
Number of employees who took leave for unforeseen circumstances	0	0	0	0	0
Number of employees who took time off work to give blood	12	29.26%	29	70.74%	41

Teletrans	Female		Male		Total
2024					
Total number of employees	67	28%	175	72%	242
Number of employees entitled to family leave	67	28%	175	72%	242
Number of employees who have taken maternity, paternity or parental leave	1	50%	1	50%	2
Number of employees who took parental leave	1	33%	2	67%	3
Number of employees who took leave for unforeseen circumstances	1	9%	10	91%	11
Number of employees who took time off work to give blood	0	%	2	100%	2
2025					
Total number of employees	66	28%	169	72%	235
Number of employees entitled to family leave	66	28%	169	72%	235
Number of employees who have taken maternity, paternity or parental leave	0	0%	2	100%	2
Number of employees who took parental leave	2	33%	4	67%	6
Number of employees who took leave for unforeseen circumstances (ZLP for bereavement)	2	18%	9	82%	11
Number of employees who took time off work to give blood (ZLP)	0	0%	3	100%	3

Smart	Female		Male		Total
2024					

Total number of employees	163	27.17%	437	72.83%	600
Number of employees entitled to family leave	0	0	0	0	0
Number of employees who have taken maternity, paternity or parental leave	4	0.66%	0	0	4
Number of employees who took parental leave	6	1%	3	0.50%	9
Number of employees who took leave for unforeseen circumstances	0	0	0	0	0
Number of employees who took time off work to give blood	3	0.50%	6	1.00%	9
2025					
Total number of employees	164	28.34%	436	71.66%	600
Number of employees entitled to family leave	164	28.34%	436	71.66%	600
Number of employees who have taken maternity, paternity or parental leave	3	0.5%	3	0.5%	6
Number of employees who took parental leave	8	1.33%	-	-	8
Number of employees who took leave for unforeseen circumstances	0	0	0	0	0
Number of employees who took time off work to give blood	5	0.83%	8	1.33%	13

In conclusion, the Tranelectrica Group provides a supportive environment for achieving a work-life balance, offering a range of leave options and days off specifically for family-related circumstances.

2. Workers in the value chain (S2 1–5)

Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM–3)

The Tranelectrica Group, through its role in the operation, maintenance and development of critical electricity transmission infrastructure, relies on a complex technical value chain (suppliers, contractors and specialist service providers) to carry out its day-to-day operations and investment projects. In this context, respect for the rights of workers throughout the value chain and the responsible management of working conditions are key factors for the Group's operational continuity, quality of execution, compliance and reputation.

Scope of reporting and types of workers in the value chain. In the SBM-3 submission, the Group includes within its scope those types of workers in the value chain who may be significantly

affected by its activities, through relevant business relationships and through activities carried out for or in the vicinity of critical infrastructure. The Group's activities and relevant contractual relationships are conducted exclusively in Romania.

The main categories of workers likely to be significantly affected include, in particular:

- *workers employed by contractors or service providers carrying out activities on the Group's sites, who are not part of the Group's own workforce (e.g. construction work, installation, specialist maintenance, technical or support services required for the conduct of operations);*
- *workers in the upstream value chain (suppliers of equipment, materials and technical services used in the modernisation, maintenance and operation of infrastructure);*
- *sub-groups with increased exposure to risks, depending on the nature of their work and the working environment, in particular construction/site workers, workers carrying out activities in hazardous conditions (working at height, proximity to high-voltage equipment) and young/inexperienced workers in field-based activities.*

Risk of child labour or forced/compulsory labour – regions/countries/goods. Given that the relevant operations and contractual relationships are conducted solely in Romania, the Group has not identified any regions, countries or categories of goods for which there is a significant risk of child labour or forced/compulsory labour amongst workers in the value chain, in the context of its activities and the applicable legal framework.

Material risk and its link to strategy and the business model. Following the double materiality analysis, the risk of non-compliance regarding working conditions and occupational health and safety (OHS) in value chain relationships was identified as a material issue for the reporting period, particularly in activities carried out at sites and in projects with high operational exposure.

The nature of the negative impact associated with material risk (systemic vs. incident-related). Material risk can manifest itself both as a broader risk (arising from the inherent exposure of certain site/maintenance activities) and through individual incidents (for example, specific events associated with a contractor's activities). Against the backdrop of infrastructure modernisation and the energy transition, the increasing scale and complexity of projects may heighten the importance of compliance monitoring and the standardisation of health and safety requirements for partners in the value chain.

Against the backdrop of infrastructure modernisation and the energy transition (including the integration of renewable energy sources and the digitalisation of the grid), the scale and complexity of projects may increase, thereby heightening the importance of safety requirements, compliance monitoring and appropriate expertise throughout the value chain.

Contextual positive impacts associated with management measures. Although the double materiality analysis identified the above-mentioned risk as material, preventive and control measures (such as compliance requirements, access rules and safety requirements) can have positive effects on workers in the value chain by improving safety discipline, operational skills and the clarity of working conditions in contractual relationships.

Significant risks and opportunities for the Group (arising from material risk). The risk of non-compliance with working conditions and health and safety regulations within the value chain could have significant implications for the Group, including project delays, operational disruptions,

reputational risks and additional remediation costs. At the same time, rigorous management of this risk can support operational opportunities by enhancing safety, reducing incidents, improving the quality of execution and strengthening relationships with high-performing partners.

Understanding increased exposure to harm. The group has developed an understanding of the increased risk of harm by considering the nature of activities within the value chain and working contexts (particularly construction, installation and maintenance work in the vicinity of electrical infrastructure), as well as by incorporating the findings from the double materiality process and the operational perspective on high-risk activities. This understanding underpins the emphasis placed on safety requirements, prevention and compliance monitoring in the relevant relationships within the value chain.

Specific groups vs. the entire value chain. The material risk identified does not affect all categories of workers in the value chain equally; it is more pronounced for specific groups, particularly contractors' workers involved in on-site construction/maintenance activities and in activities involving high operational exposure. At the same time, the minimum compliance requirements and general standards regarding working conditions and occupational health and safety apply to all relevant business relationships within the Group's value chain.

Following the double materiality analysis, the risk of non-compliance regarding working conditions and workplace safety in value chain relationships was identified as a material issue for workers in the value chain during the reporting period.

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS S2	Workers in the supply chain	Working conditions	Health and safety	risk	Integrity, anti-corruption, reputational risk, legal compliance, potential impact on investments and the cost of capital

Policies regarding workers in the value chain (S2-1)

The Transelectrica Group manages the significant risks and impacts associated with workers in the value chain through a set of policies and tools integrated into the MDR-P and the Integrated Management System (IMS), with a focus on preventing non-compliance regarding working conditions and occupational health and safety (OHS) in relevant contractual relationships. These policies apply to relevant business relationships within the value chain involving workers carrying out activities for the Group or at its sites, and are particularly relevant to contractors' workers involved in construction/maintenance work and technical services (groups with high operational exposure). The Group's relevant operations and contractual relationships are conducted exclusively in Romania.

To this end, the OSH risk assessments and the prevention and protection measures implemented across the Group also cover the activities and workplaces where workers in the value chain carry out their work, when they are working on the Group's projects and activities or at its sites, in accordance with the applicable legislative framework and the SMI requirements.

Human rights commitments relevant to workers in the value chain: monitoring, engagement and remediation. The Transelectrica Group is committed to respecting the human rights of workers throughout its value chain, aligning itself, in terms of principles and governance, with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. In practice, this commitment is reflected in compliance requirements, health and safety rules and controls, and expectations regarding conduct and fair treatment in relevant business relationships.

Alignment with international instruments and instances of non-compliance within the value chain. The Transelectrica Group's policies and practices regarding workers in the value chain are aligned, as benchmarks for governance and conduct, with relevant recognised international instruments, including the UN Guiding Principles on Business and Human Rights (UNGP), the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. This alignment is reflected in the compliance requirements applicable to the relevant business relationships (in particular those relating to working conditions and occupational health and safety), in the supplier assessment and acceptance procedures, and in the monitoring and corrective measures implemented when non-conformities are identified. During the 2025 reporting period, in the context of operations carried out exclusively in Romania and the relevant contractual relationships, no cases of non-compliance with the UNGP, the ILO Declaration or the OECD Guidelines involving workers in the value chain were reported in the upstream or downstream value chain; Consequently, there are no cases for which the nature of such non-compliance needs to be described.

Respect for workers' rights (labour rights / health and safety). The Transelectrica Group aims to ensure that its relevant contractual partners operate in a compliant and safe manner, through requirements governing access to and the conduct of activities on site, health and safety standards, and incident prevention measures, particularly for high-risk activities (e.g. construction/maintenance work).

Collaboration with workers in the value chain. Collaboration takes place through contractual relationships and operational interaction with partners (for example, clarifying safety requirements and site-specific rules, coordinating activities and communicating compliance requirements), with a focus on prevention and adherence to health and safety requirements.

Resolution. Where instances of non-compliance or potential relevant breaches are identified within business relationships (including in relation to safety), the Transelectrica Group employs corrective measures and contractual/operational mechanisms (e.g. requests for rectification, conditions regarding the continuation of activities, additional control measures) to prevent recurrence and maintain a safe and compliant working environment.

Human trafficking, forced/compulsory labour, child labour and the supplier code of conduct. With regard to human trafficking, forced or compulsory labour and child labour, the Group operates exclusively in Romania, within the framework of the legal regime governing employment relationships and the provision of services. Consequently, compliance policies and practices aim to prevent and deter any situations that might be associated with such practices, including through compliance requirements in the relevant contractual relationships.

The Transelectrica Group does not currently have a dedicated Supplier Code of Conduct. However, at Transelectrica, PO TEL 04.08 – Acceptance of Suppliers of Products/Services/Works

is used for the selection and retention of suppliers/service providers; this document sets out the evaluation procedure for their inclusion or retention on the list of approved suppliers. In accordance with SMI policy, only suppliers/service providers who have implemented, where applicable, quality and/or environmental management systems certified by an accredited certification body are accepted as suppliers of products/works/services.

Through these tools, the Transelectrica Group aims to strengthen its compliance framework and reduce the risk of non-compliance across the value chain, particularly in areas affecting working conditions and occupational health and safety.

Processes for engaging with value chain workers regarding impacts (S2-2)

The Transelectrica Group (operating exclusively in Romania) manages its collaboration with workers in the value chain primarily through operational and contractual mechanisms applied to its business partners (suppliers/contractors), with a focus on mitigating the material risk identified for 2025 – non-compliance with working conditions and occupational health and safety standards within the value chain. The process is underpinned by the governance and professional conduct framework (G1), including integrity mechanisms and reporting channels/whistleblower protection, which may also be used by external stakeholders, provided they submit reports via the channels made available.

How do the perspectives of workers in the value chain influence decisions and activities?

Type of collaboration (direct / representatives / trusted agents). Cooperation generally takes place **indirectly**, through the partners' contractual representatives (contractor management, health and safety officers, site supervisors), or through trusted representatives with knowledge of the workers' situation (for example, service providers' health and safety officers and activity coordinators). Where workers in the value chain carry out activities on the Group's sites, communication regarding safety requirements and applicable rules is also provided at operational level (through briefings, training sessions and clarifications) by the site management.

The stages, type and frequency of collaboration. Collaboration is integrated into the main stages of the contractual and operational cycle, depending on the nature of the works/services:

- *Before work commences:* clarification of compliance requirements, including health and safety requirements and rules governing access to and work on site;
- *during implementation:* operational coordination, supervision/monitoring, and reporting of non-conformities and corrective actions;
- *following events/findings:* analysis, lessons learnt and updating of preventive measures, where appropriate.

The frequency is determined by the specific nature of the contracts and activities, including ongoing collaboration during the performance of works/services and ad hoc interventions when non-conformities, incidents or risks arise.

The function and role of the most senior (operational) manager. At the level of each entity within the Group, senior management has the operational responsibility to ensure that processes for engaging with business partners (and, by extension, with workers in the value chain to the extent that they are affected) are implemented and that the outcomes (e.g. findings regarding

compliance/OHS and corrective measures) are integrated into the management approach. In practice, implementation is supported by the relevant operational functions (e.g. procurement/contract management, health and safety/integrated management, operations), within the scope of their respective responsibilities.

Global framework agreements with global trade union federations (GFAs). The Transelectrica Group does not have any global framework agreements with global trade union federations regarding the rights of workers in the value chain; this requirement does not apply.

Assessing the effectiveness of collaboration. The effectiveness of the collaboration is assessed on the basis of the results achieved in the conduct of contractual and operational relations (for example, the reduction of relevant non-conformities, the implementation of requested corrective measures, the prevention of incidents, and the improvement of safety discipline in activities carried out on site). In addition, the compliance and internal control functions within the G1 governance structure may use the information contained in reports and in the measures ordered to improve relevant practices and controls.

Reporting channels – accessible to external parties. The Transelectrica Group provides dedicated reporting channels (including mechanisms for public interest whistleblowing), which may also be used by external stakeholders, provided they report potential non-compliance or relevant breaches. Reports are treated confidentially, with safeguards in place to protect against retaliation for reports made in good faith, and the findings may lead to corrective measures and/or remedial action in contractual and operational relationships, as appropriate.

The Group has operational and contractual collaboration processes in place to manage material risk (OHS/working conditions) within the value chain. At the same time, issues for which aggregated data is not yet available or which were not identified as material following the double materiality analysis will be addressed by gradually strengthening data collection and reporting mechanisms and by enhancing collaboration with relevant partners, so that future reports can provide greater detail, within the limits of materiality and available data.

Processes for addressing negative impacts and the channels through which workers in the value chain can raise their concerns (S2-3)

The Transelectrica Group applies a 'due diligence' approach to prevent, identify and address significant adverse impacts on workers in the value chain, with a focus on the material risk identified for the reporting period: non-compliance with working conditions and occupational health and safety (OHS) in relevant business relationships. These processes are underpinned by internal integrity and conduct frameworks (G1), operational health and safety requirements, and contractual and control mechanisms applicable to partners (contractors/suppliers), in the context of activities carried out exclusively in Romania.

General approach and remedial processes; assessment of effectiveness. Where the Group identifies situations in which it has caused or contributed to a significant adverse impact on workers in the value chain (e.g. health and safety non-compliance in activities carried out on site, non-compliant working conditions during the performance of a contract), it uses a combination of:

- *gradual corrective measures* (request for rectification, deadlines and responsibilities, verification of implementation);

- *operational measures* (clarifications/safety briefings, temporary suspension of activities pending compliance, additional control measures);
- *contractual measures* (conditions regarding the continuation of activities, contractual penalties, where applicable, within the limits of the relevant provisions).

The effectiveness of the corrective actions is assessed by closing the identified non-conformities, implementing corrective measures on time, preventing recurrence and, where appropriate, improving the requirements and controls applied in contracts and similar activities.

Specific channels for raising concerns; internal and external mechanisms. In accordance with the Integrity and Conduct Framework (G1), the Group provides internal reporting channels (including dedicated mechanisms for whistleblowing) which may also be used by external stakeholders, including workers in the value chain, to raise relevant concerns (e.g. unethical behaviour, breaches of rules, suspected non-compliance). Reports are treated confidentially, with protection against retaliation for reports made in good faith, in accordance with the applicable policies and procedures (G1).

Transelectrica Group does not currently use a third-party mechanism dedicated exclusively to workers in the value chain; reports can be submitted via internal channels and, where appropriate, through the legal and regulatory mechanisms applicable in Romania.

Processes to support/ensure the availability of channels in the workplace. Channel availability is supported by:

- communicating compliance requirements and expectations regarding conduct and safety to partners;
- the use of contractual and operational tools (particularly in site-based activities) to ensure that non-conformities are reported and rectified;
- operational coordination and supervision of high-risk activities (construction site/maintenance), including the ability to report issues directly to the Group's operational representatives and escalate them to the relevant departments.

Monitoring issues and ensuring the effectiveness of communication channels. The issues raised are tracked and monitored by recording complaints, analysing them and documenting the measures taken, as well as by conducting follow-up checks on the implementation of corrective measures. The effectiveness of these channels is ensured through the confidential handling of reports, safeguards against retaliation (G1) and the continuous improvement of controls and applicable requirements, based on lessons learnt.

In addition to the reporting channels aligned with the integrity framework (G1), the Group has established and utilises an Integrated Stakeholder Feedback System (SIF-PI), which includes a standard form (with an option for anonymous responses) and consultations/surveys for the structured collection of feedback, including on topics relevant to the value chain (e.g. the adequacy of safety measures on construction sites for work carried out by third parties). Feedback is recorded, categorised and tracked until resolution using a 'feedback loop' approach, in compliance with confidentiality requirements and the GDPR; integrity reports (fraud/legal breaches) are handled separately via the dedicated whistleblower channel, in accordance with G1 policies.

Awareness of and trust in reporting channels; protection against retaliation (see G1). The Transelectrica Group assesses, in line with the nature of the relationships within the value chain, whether workers in the value chain are aware of and have confidence in the reporting mechanisms, through operational feedback during the execution of contracts and through interactions with relevant partners (for example, as part of OHS coordination on site and compliance checks). Protection against retaliation for individuals using the reporting channels is ensured through the integrity policies and procedures described in ESRS G1-1, to which this section refers.

If there is no dedicated channel or time slot. The Group has internal reporting channels aligned with the G1 framework, which can also be used by workers in the value chain. At present, there is no separate channel dedicated exclusively to workers in the value chain, and the development of a more structured approach to collecting and aggregating feedback from workers in the value chain (particularly for high-exposure activities) will be considered in the coming period, with a view to strengthening future reporting, depending on materiality and data availability.

The adoption of measures addressing significant impacts on workers in the value chain, and approaches to managing significant risks and pursuing significant opportunities relating to workers in the value chain, as well as the effectiveness of these actions (S2-4)

The Transelectrica Group (operating exclusively in Romania) treats workers in the value chain as a relevant stakeholder, particularly in on-site activities and technical projects involving high operational risk. Following the double materiality analysis, the risk of non-compliance regarding working conditions and occupational health and safety (OHS) in the value chain was identified as a material risk for 2025, with the potential to affect workers and to have operational and reputational consequences for the Group. The measures described below are tailored to this material risk and are implemented through a combination of operational requirements, controls and contractual instruments, in line with the integrity framework (G1).

Actions regarding significant impacts; remediation; positive initiatives; effectiveness assessment

Prevention/mitigation of significant adverse impacts. To prevent and mitigate the negative impacts associated with material risk (OHS/working conditions in the value chain), the Group implements:

- standardisation of occupational health and safety requirements – the same health and safety rules apply to both in-house staff and workers throughout the value chain, including strict requirements regarding protective equipment, training and accident prevention measures;
- operational checks and supervision during high-risk activities (construction site/maintenance), with a focus on incident prevention;
- the implementation of a whistleblowing system – The Group has established communication channels through which workers in the value chain can report issues relating to their rights or health and safety at work, including anonymous reporting mechanisms.

Remedy for actual impacts. Where non-conformities or situations are identified that may indicate a genuine negative impact on workers in the value chain, the Group adopts a phased corrective action approach, which may include requests for rectification with deadlines, additional

operational control measures and, where appropriate, contractual instruments (conditions regarding the continuation of activities, contractual penalties, within applicable limits), with verification of implementation until closure.

The process of identifying and implementing sustainable solutions			
1. Identifying negative impacts through checks, audits and reporting mechanisms provided by workers and contractual partners	2. Drawing up a remedial plan, which may include changes to working conditions, adjustments to contractual arrangements with suppliers, penalties for non-compliance, or support for corrective and preventive measures	3. Assessing the effectiveness of corrective measures by monitoring the implementation of solutions and gathering feedback from affected workers to ensure that negative impacts are eliminated or sustainably mitigated	4. Reviewing internal processes to prevent a recurrence of the same type of negative impact on workers in the value chain

Initiatives with a positive impact. Although the double materiality analysis identified the aforementioned risk as material, prevention and control measures can have positive effects for workers in the value chain by:

- improving safety standards and ensuring clarity regarding workplace rules;
- strengthening partners' ability to operate in accordance with health and safety requirements;
- reducing exposure to risky activities through standardisation and more rigorous planning.

Monitoring and evaluating effectiveness. The effectiveness of these measures is monitored through operational and compliance outcomes, including: findings from audits/inspections, the timely resolution of non-conformities, the prevention of recurrence, as well as reports received via channels aligned with G1 and through feedback tools (SIF-PI), where relevant. In 2025, no relevant complaints were recorded in this regard.

Processes for identifying appropriate actions; internal practices (procurement); availability and effectiveness of corrective measures

Identifying the necessary actions. Actions are identified on the basis of: risk assessments and the health and safety requirements applicable to the activities, findings from inspections/checks carried out during the performance of works/services, and reports received through reporting and feedback channels (G1 / SIF-PI).

Approach and link to procurement/collaboration practices. The Group incorporates compliance and equal treatment requirements into its procurement process and the execution of contracts, in accordance with the legal framework applicable to sector-specific procurement and internal procedures. Furthermore, collaboration with entities in the value chain focuses on prevention and early rectification, through the clarification of requirements, operational supervision and gradual corrective measures when non-conformities are identified.

The availability and effectiveness of the remedy. The availability and effectiveness of remedial processes are ensured through: access to reporting channels aligned with G1 (including public interest alerts), the ability to provide feedback via SIF-PI, the confidential handling of complaints, and operational/contractual mechanisms for implementing corrective measures and verifying their closure.

Measures for significant risks and opportunities

Mitigating significant risk and monitoring effectiveness. To address material risks (non-compliance with health and safety regulations or working conditions within the value chain), the Group implements standardised safety requirements, checks and a phased programme of corrective measures. Effectiveness is measured by the reduction in non-conformities, the prevention of incidents and relevant operational indicators (e.g. non-conformity findings/closures), as well as through reports and feedback received.

Opportunities. The opportunities being pursued are primarily operational: improving safety and the quality of execution through standardisation and strengthening partners' capabilities, which can support project efficiency and operational continuity.

Avoiding causing or contributing to negative impacts through our own practices. The Group aims to avoid causing or contributing to significant adverse impacts on workers in the value chain by integrating health and safety requirements and compliance into the planning and execution of activities and into procurement and contract management practices, so that time pressures or operational constraints do not lead to compromises on safety. In the event of a conflict between operational objectives (deadlines/continuity) and risk prevention, the Group gives priority to compliance with safety requirements and the applicable legal framework.

Serious human rights issues and incidents within the value chain. In 2025, no serious human rights issues or incidents were reported in relation to the Group's value chain (upstream or downstream) involving workers in the value chain, in the context of activities carried out exclusively in Romania.

Allocated resources. The Group allocates resources to manage material risks in the value chain (OHS/working conditions) through: roles and responsibilities within the HSE/integrated management and operations functions, time and resources for training and site inspections, as well as resources for the operation of reporting mechanisms (G1) and the feedback system (SIF-PI), which support the early identification of issues and the continuous improvement of the measures implemented.

Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities (S2-5)

Following the double materiality analysis for the 2025 reporting year, the Transelectrica Group (operating exclusively in Romania) has identified as material for workers in the value chain the risk of non-compliance regarding working conditions and occupational health and safety in relevant business relationships (particularly in activities carried out on-site and in works involving high operational exposure). In this context, the Transelectrica Group has sought to manage material risk through operational and contractual requirements, controls and corrective measures, in accordance with sections S2-1 to S2-4.

Targets (MDR-T). For the 2025 reporting period, the Group has not set specific quantitative or time-bound targets (within the meaning of ESRS 2 MDR-T) for the material risk relating to workers in the value chain. The approach for 2025 focused on implementing the existing prevention and control framework (health and safety requirements, rules governing access to and the conduct of

activities on site, checks and rectification of non-conformities, where necessary). Consequently, there are no reportable targets, baselines or deadlines for 2025.

The Group intends to review and define in the next planning cycle a set of appropriate targets commensurate with the material risk (e.g. targets for OHS compliance in relevant contracts, non-conformity monitoring indicators and closure times), depending on the maturity of data collection and confirmed materiality.

The process of setting targets and collaborating with value chain partners. In 2025, as no MDR-T targets had been set, collaboration with value chain stakeholders (or their credible representatives or agents) mainly took the form of the operational and contractual collaboration described in S2-2 and S2-3 (coordination of occupational health and safety at sites, clarification of compliance requirements, feedback and reporting via G1-aligned channels and via SIF-PI, where applicable). However, this collaboration provides the basis for the future development of targets, through:

- *setting targets*: gathering operational observations and relevant feedback on OSH compliance and working conditions in activities carried out by third parties;
- *performance monitoring*: using checks and information from reporting and feedback mechanisms to monitor trends and areas of risk;
- *lessons learnt and improvements*: *integration* of lessons learnt into prevention requirements, applicable controls and, subsequently, into the definition of measurable targets.

3. Affected communities (S3 1–5)

Significant impacts, risks and opportunities, and their interaction with the strategy and business model (SBM–3)

Stakeholders' views and the main concerns identified. The Transelectrica Group engages with a wide range of stakeholders (local authorities, communities, NGOs, industry and social partners), and their concerns reflect the nature of the investments and operations associated with critical electricity transmission infrastructure. In 2025, the aggregated feedback and relevant interactions highlighted, in particular, the following perspectives:

- *local authorities* (town halls, county councils) emphasise the importance of compliance with urban planning and environmental regulations and call for predictable communication regarding works affecting the community (including advance notice of expropriations, temporary restrictions and restoration/compensation measures); in general, the authorities support the Group's investments but request assurances regarding the minimisation of disruption and the appropriate management of local impacts;
- *local communities* living near the lines, stations and construction sites have raised concerns regarding safety and environmental quality (electromagnetic fields, visual impact, protection of property/land and temporary disruption – noise, traffic, temporary occupation);
- *NGOs* (particularly environmental and civic organisations) are calling for transparency and rigour in impact assessments and are demanding measures to mitigate the effects on

biodiversity and the environment (for example, preventive measures for birdlife and the restoration of areas affected by construction sites). Community-based NGOs focus on social value in the areas where their projects are carried out (education, social programmes, local support), whilst maintaining a role as 'constructive critics'.

These perspectives influence the way in which the Group plans projects, manages social risks and communicates, within a public interest framework in which social acceptance contributes to the realisation of investments.

The scope of the ESRS presentation. The Transelectrica Group includes within the scope of the ESRS 2 SBM-3 report the affected communities that are at risk of being significantly affected by its operations and the relevant value chain, through investment projects, the operation and maintenance of the electricity transmission infrastructure in Romania.

Types of communities. In the context of Transelectrica Group's activities, the main types of communities that may be affected include:

- *communities in the vicinity of sites and physical operations:* communities living or working near power lines, substations, construction sites and other physical operations; this also includes more distant communities that may be indirectly affected (e.g. through temporary disruption, traffic, or noise associated with construction sites);
- *communities located along the relevant value chain:* communities affected by the activities of contractual partners carrying out work for the Group (e.g. construction/maintenance work), to the extent that these activities cause local disruption or involve the temporary use of land;
- *communities located at the end points of the value chain:* are not considered to be significantly relevant to the Transelectrica Group's business model, in relation to the topics analysed in S3.
- *indigenous communities:* these are not considered relevant in the context of the Group's activities in Romania.

Significant negative impacts, including systemic impacts versus incidents and the green transition. Following the significance assessment, the Transelectrica Group has identified, for the affected communities, a profile of potential negative impacts associated primarily with infrastructure projects and physical operations, such as:

- temporary or permanent occupation or use of land and temporary access restrictions;
- changes to the landscape and temporary disruption (noise, traffic, site organisation);
- community concerns regarding exposure to electromagnetic fields.

These impacts may be systemic or widespread (due to recurring patterns in repeated projects) and/or may be linked to individual incidents, depending on the context of a specific project or business relationship.

At the same time, the energy transition and the acceleration of investment in the grid (including the integration of renewable energy sources) may increase the level of interaction with local communities, making it necessary to undertake careful planning, public consultation and measures to mitigate or compensate for any disruption right from the design and authorisation stages.

In 2025, no incidents with significant negative impacts on local communities were reported as part of the Group’s monitoring and reporting processes.

Significant positive impacts and the types of communities positively affected. Relevant positive impacts include:

- *resilience and energy security*: strengthening the grid and maintaining the stability of the National Electricity System (NES) directly helps to protect communities from major power cuts;
- *integration of renewable energy sources*: increasing the capacity to absorb energy from RES supports economic development and the transition to a cleaner energy system;
- *Social value in communities*: through corporate social responsibility programmes and partnerships (education, health, community support, volunteering), the Company contributes to the well-being of communities, going beyond its technical remit.

These positive impacts are felt primarily in local and regional communities across Romania, particularly in areas where projects are being carried out or where Transelectrica Group’s assets are located.

Significant risks and opportunities for the Group. The significant risks and opportunities arising from our relationship with the affected communities include:

- *risks*: local opposition to projects, difficulties in obtaining planning permission, delays in implementation, reputational risks and additional costs associated with conflict management or project adjustments.
- *opportunities*: strengthening the ‘social licence to operate’ through transparent dialogue, consultation, measures to mitigate or compensate for disruption, and community investment, which increases the predictability of project implementation and reduces social friction.

These elements are integrated into the risk management process and project planning, within a framework where long-term performance also depends on the quality of the relationship with society.

Relevant IROs and their link to the strategy. Based on the double materiality analysis, the IROs relating to the affected communities are summarised in the table below (ESRS S3):

Thematic ESRS	Theme	Sub-theme	Sub-sub-theme	IRO	Description
ESRS S3	Affected communities	The economic, social and cultural rights of communities	Impacts relating to soil	risk	Risks relating to relations with local communities – changes to the environment may lead to social discontent and opposition from communities affected by energy infrastructure
				impact	Impact on the environment and community land – The construction of high-voltage power lines and substations can affect communities through land take, changes to the landscape and potential nuisances (e.g. background noise or concerns about electromagnetic fields). These impacts are managed through public consultation, environmental studies

				and measures to minimise disruption, in order to safeguard the quality of life in local communities
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Understanding increased exposure to harm. Based on the impact assessment carried out as part of ESRS 2 IRO-1, the Group has developed an understanding of how certain communities may be at greater risk of harm, by linking the types of impact to the characteristics of the communities and the local context of the projects. The exposure may be higher, for example, for:

- communities located in the immediate vicinity of lines, stations or construction sites, or along routes affected by the works;
- communities with sensitive land uses (densely populated residential areas, agricultural areas dependent on access, areas where the visual impact is perceived as significant);
- communities that include groups with specific vulnerabilities (for example, older people or households with limited ability to cope with temporary hardship). This approach is used in project planning and public consultation processes to tailor communication, mitigate disruption and, where appropriate, implement compensation measures.

Specific community groups vs. all affected communities. The risks and opportunities associated with the affected communities do not manifest themselves uniformly across the Group’s area of operation. They are more pronounced in specific community groups, in particular:

- communities directly affected by new infrastructure projects or upgrades (for example, communities along the routes of lines or around stations);
- communities in areas with a high level of grid investment (for example, areas with accelerated integration of renewable energy sources), where the pace of work and interaction with the public can amplify both the risks to social acceptance and the opportunities for collaboration and local benefits.

At the same time, the associated opportunities (local support, reducing friction through dialogue and appropriate measures) are relevant across the board, but are particularly evident in the communities directly involved in the Group’s projects.

Examples and relevant data (2025 context)

To illustrate the relationship between Transelectrica and local communities in concrete terms, here are some examples and key figures from 2025:

- *resilience in emergency situations* – in June 2025, Transelectrica managed to maintain the integrity of the Romanian power system during a major regional blackout, preventing any impact on consumers across the country. This example highlights how investment in the grid directly protects communities from major power cuts;
- *Completed infrastructure projects* – in Dobrogea, a region with significant investment in wind and solar power, Transelectrica has completed the connection of 400 kV lines to the Medgidia Sud substation, thereby increasing the capacity to feed in energy from renewable sources. This project, due for completion in 2025, contributes to the stability of

the local and national grid, whilst also facilitating the integration of new green energy projects that benefit both the economy and the environment (by reducing local CO2 emissions);

- *Community investment and sponsorship* – with a budget of 4.98 million RON allocated to corporate social responsibility, the Company supported dozens of local initiatives in 2025. For example, Transelectrica funded the trip for the robotics team from the Sfântul Sava National College in Bucharest to an international competition in the US, demonstrating its support for excellence in education. It has also supported social welfare projects such as camps for disadvantaged children and suicide prevention campaigns targeting adolescents at risk of suicide, demonstrating its concern for current social issues. The diversity of these examples highlights Transelectrica's commitment to investing in the well-being of communities, beyond its technical role in power transmission;
- *volunteering and employee engagement* – between October and November 2025, the campaign “Bringing the Romanian language to the diaspora – donate a storybook” was run in partnership with the VolunDar association, a programme initiated and run for patriotic and cultural purposes, supporting Romanian families in the diaspora to keep their children close to their mother tongue. As part of this campaign, Transelectrica employees donated storybooks for children aged between 3 and 14, which were sent to Tarragona, Spain, to help set up a Romanian library. In this way, the new generation's knowledge of their mother tongue will give young people a deep connection to their own identity, as well as a real opportunity to return home whenever they wish.

Overall, these examples from 2025 show that Transelectrica is fulfilling its role in the community on multiple fronts: technical (grid safety and modernisation), social (education, health, volunteering) and governance (transparent dialogue with stakeholders). They serve as positive case studies that can be replicated and scaled up in the coming years. At the same time, no incidents with significant negative impacts on local communities were reported in 2025.

Policies relating to affected communities (S3-1)

Policies for managing significant impacts, risks and opportunities; affected communities.

The Transelectrica Group manages its significant impacts, risks and opportunities relating to affected communities through a set of policies and tools included in the MDR-P – Policies adopted to manage significant sustainability issues, supplemented by policies on the environment, governance and corporate social responsibility. These policies set out the framework for minimising the impact of projects and operations on communities, maintaining transparent dialogue with stakeholders, and implementing sustainable development measures.

The policies cover all communities affected by Transelectrica Group's activities, with more specific measures for communities located near infrastructure sites and projects (power lines, substations, construction sites), where exposure to temporary disruption, land use and environmental concerns may be greater.

Policy format and cross-references

The policy on affected communities is not a standalone document; it is integrated into a broader set of policies and documents (MDR-P, social responsibility policies, environmental policies, and the integrity and conduct framework). In this regard, relevant cross-references include:

- MDR-P (social responsibility policies) – for the general framework and priorities for action;
- the sections on reporting channels and integrity mechanisms (ESRS G1) – for raising and addressing concerns;
- the sections on remedial procedures and reporting/feedback channels (e.g. S3-3 / SIF-PI (as shown there) – for remediation and feedback mechanisms.

Indigenous peoples. Given that Transelectrica Group’s activities are carried out exclusively in Romania, the Company has not identified any indigenous communities as being relevant to the scope of the disclosures under ESRS S3. Consequently, there are no specific policy provisions relating to indigenous peoples.

Human rights commitments: monitoring, collaboration, remediation. The Transelectrica Group is committed to respecting the human rights of the communities affected, aligning itself, in terms of principles and governance, with the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. These commitments are reflected in the conduct and integrity policies, environmental policies and public consultation practices applicable to projects involving direct interaction with communities.

Respect for the rights of communities: The Group aims to prevent significant adverse impacts on communities through project planning, compliance with legal requirements and the implementation of measures to mitigate or compensate for any adverse effects, where appropriate.

Engagement with affected communities: engagement is carried out through mechanisms for informing, consulting and engaging in dialogue with relevant stakeholders (including local authorities and communities), particularly during the planning/approval phases and throughout the implementation of projects.

Resolution: The Group uses internal mechanisms for receiving and resolving complaints (including channels aligned with the G1 framework) and operational tools to investigate and address community concerns; the findings may lead to corrective measures and improvements in project and operational practices.

Alignment with international standards and cases of non-compliance. The Group’s policies and practices regarding affected communities are aligned, as benchmarks for governance and conduct, with relevant international standards, including the UN Guiding Principles, the ILO Declaration and the OECD Guidelines. During the 2025 reporting period, in the context of operations carried out in Romania and internal monitoring/reporting processes, no cases of non-compliance with the UNGP, the ILO Declaration or the OECD Guidelines involving affected communities were reported in the Group’s operations or within the relevant value chain; Consequently, there are no cases for which the nature of such non-compliance needs to be described.

Measures for dialogue, compensation and social responsibility

Transelectrica translates its principles and policies into concrete actions designed to ensure active dialogue with local communities, appropriate compensation for any impacts, and positive social engagement. Key measures include:

- **engagement with local communities** – The company places great emphasis on transparent communication and collaboration with the local community. Transelectrica maintains an open and ongoing dialogue with stakeholders, including local authorities and residents in the affected areas, in order to listen to their concerns and take their feedback on board. In accordance with legal requirements, public consultations and local information sessions are organised prior to the launch of major projects, ensuring that the voice of local communities is heard. There are also dedicated channels (regular meetings, contact points, online platforms) through which community members can report issues or express their views, with the Company undertaking to treat these reports seriously and to provide appropriate solutions;
- **compensation and mitigation** – Transelectrica respects the rights of landowners and local communities when carrying out infrastructure works. In situations where the use of private land is necessary or where local residents face difficulties, *fair compensation* and damages are provided in accordance with the law, demonstrating respect for the interests of the community. From the planning stage onwards, measures are taken to minimise the impact on the environment and property: from optimising route alignments to avoid sensitive areas as far as possible, to implementing protective measures on site (noise reduction, restoration of affected land, etc.). Social and environmental impact assessments (including *impact studies* and *environmental management plans*) form the basis for decisions, so that any significant adverse effects on communities are prevented or appropriately mitigated. A proactive approach in this regard helps to maintain the Company's *social licence to operate* and to foster a climate of mutual trust;
- **corporate social responsibility (CSR) initiatives** – in addition to managing direct impacts, Transelectrica voluntarily invests in the well-being and development of communities as part of its social commitment. In 2025, the Company continued its *corporate volunteering* programmes and community partnerships, as well as its social responsibility projects, through which numerous non-governmental organisations were supported. These investments reflect the Company's desire to make a positive long-term impact beyond its core business, strengthening its relationship with local communities through beneficial initiatives and contributing to their social development.

Policies relating to affected communities do not operate in isolation, but are closely linked to Transelectrica's overall development strategy. The company systematically integrates social and environmental objectives into its long-term strategic planning, thereby ensuring consistency between the development of energy infrastructure and its responsibility towards the community. Transelectrica's commitments to local communities and its corporate social responsibility initiatives are aligned with its strategic mission – to ensure the safety of the National Power System and to facilitate the transition to a sustainable energy future.

A sustainable approach to our relationship with local communities brings mutual benefits, contributing both to social well-being and to the Company's long-term success. By fostering open dialogue and transparency, Transelectrica strengthens its relationships of trust with the public and local authorities, which facilitates the implementation of strategic projects across the region. Furthermore, the fact that Transelectrica actively supports the development of local communities and takes their interests into account lends resilience to its business strategy: investment projects become more sustainable, social risks are mitigated, and the Company maintains its reputation as a *responsible leader* in the energy sector. As such, policies relating to affected communities are not merely a compliance obligation, but also a central element of Transelectrica's business

model, contributing to the achievement of its vision of sustainable growth and the harmonisation of economic and social objectives.

Relevant examples from 2025 that have had an impact on the community

To illustrate Transelectrica's approach, six social responsibility projects recently carried out by the Company – distinct from those described above – are presented below, reflecting its social objectives and its engagement with local communities:

- **“Typhoon HIL 506 – training a new generation of energy engineers”**. A project carried out by the ALUMNI ELTH Association to support the training of students at the Faculty of Electrical Engineering and the Faculty of Energy Engineering at the Polytechnic University of Bucharest through the purchase and implementation of the Typhoon HIL 506, a state-of-the-art simulator that enables the creation, testing and real-time optimisation of digital models of electrical networks.
- **Children's Health – mobile dental treatment**: Transelectrica has supported initiatives aimed at bringing vital medical services closer to vulnerable communities. One example is the sponsorship provided to the Merci Charity Boutique organisation for the project 'Dental prevention and treatment for children with disabilities at the “Curcubeul Magic” centre in Bucharest'. Through this initiative, 40 children with disabilities have received treatment to improve their oral health and well-being without having to travel – a positive social impact achieved with financial support from Transelectrica.
- **“For our children”** – An ambitious project run by the Doctors for Romania Association, dedicated to modernising and improving conditions in the paediatric ward of Curtea de Argeş Municipal Hospital to ensure that both children and doctors have access to safe and modern medical facilities.
- **“Assistance for those affected by the floods of 27–28 July 2025 in the commune of Broșteni”** – A social project initiated by the Romanian National Red Cross Society – Suceava Branch, focused on improving the living conditions of those affected by the floods by supporting them in returning to a life as close to normal as possible, in the shortest possible time. The floods in the Broșteni area resulted in three fatalities, left nearly 3,000 people affected, destroyed 40 homes and damaged 508 others.
- **“Christmas in hospital for children, young people and adults with cancer”** – A project implemented by the P.A.V.E.L Association with the aim of bringing the Christmas celebrations closer to children and adults with cancer who are undergoing treatment during the festive period at two hospitals in Bucharest, the Fundeni Clinical Institute and the Oncology Institute” Professor Dr Alexandru Trestioreanu.
- **“Casa cu Bine”**– A project implemented by the “Atelierul de Bine” Association with the support of Transelectrica in 2024 and continued in 2025, with the aim of refurbishing the homes of four vulnerable families and renovating the Day Centre for children in the village of Pârscov (county of Buzău). The initiative provides building materials and covers the costs of the necessary work, so that these families can have safe and decent homes, and the children in the community can benefit from suitable facilities for educational activities and childcare. The direct beneficiaries are the four families in need (including their children) whose homes are being renovated, as well as the dozens of children in Pârscov who will attend the refurbished day centre.

These examples illustrate how the measures taken by Transelectrica in 2025 have had a tangible impact on the affected communities. Whether through providing direct assistance in times of crisis,

supporting education and culture, or getting involved in everyday community life, the Company has demonstrated its commitment to social responsibility. The measures described have helped to improve the quality of life for those affected, alleviated certain social pressures and created new opportunities, thereby confirming the effectiveness of the approaches adopted by Transelectrica S.A. in its dealings with the affected communities.

Processes for engaging with affected communities regarding impacts (S3-2)

The Transelectrica Group employs structured processes for engaging with affected communities to identify, prevent and manage the actual and potential impacts associated with infrastructure projects and physical operations (power lines, substations, construction sites), as well as to incorporate stakeholders' perspectives into the planning and implementation of mitigation measures. Collaboration is achieved through a combination of formal mechanisms (information and consultation during the authorisation and implementation phases) and ongoing communication and feedback mechanisms (including the Integrated Stakeholder Feedback System – SIF-PI), so that the views of local communities can inform decisions and help improve the Group's approach.

How do the views of affected communities contribute to decisions and activities?

Type of collaboration. Collaboration takes place both directly with the affected communities and through their legitimate representatives and credible stakeholders with knowledge of the local situation, in particular: local public authorities (town halls/county councils), institutions involved in the authorisation process, community representatives, as well as NGOs or other civic organisations where these are relevant to the project context.

The stages, type and frequency of collaboration. Collaboration is integrated into several stages of the project and operational lifecycle:

- *planning and design:* gathering feedback on routes, land use, sensitive areas and potential sources of discomfort;
- *authorisation:* communication and consultation in accordance with the applicable legal requirements, including information on impacts and mitigation measures;
- *Execution:* operational communication regarding site organisation (access, traffic, schedule), handling of complaints and ad hoc adjustments;
- *Operation and maintenance:* handling reports/complaints and communicating details of planned works or interventions.

The frequency of collaboration depends on the project and the intensity of activities in the area in question, including regular interaction during the authorisation and implementation phases, as well as ad hoc management of complaints or specific situations.

The function and role of the most senior (operational) manager. Within each entity of the Group, senior management has the operational responsibility to ensure that processes for engaging with affected communities are implemented and that the outcomes of these processes are incorporated into relevant decisions (planning, mitigation measures, communication and remediation). Implementation is supported by the relevant operational and specialist functions

(e.g. investment/project development, environment, legal, communications, health and safety, and integrated management), depending on the nature of the matter and the stage of the project.

Assessing the effectiveness of collaboration. The effectiveness of the collaboration is assessed through relevant results and operational indicators, such as: a reduction in the escalation of conflicts, resolving complaints within a reasonable timeframe, adapting site organisation and measures to minimise disruption, as well as through feedback collected via SIF-PI (including the standard feedback form), which enables the identification of recurring issues and the continuous improvement of the approach.

Understanding the perspectives of vulnerable and marginalised communities and specific groups. The group aims to understand the perspectives of communities that may be more vulnerable to the impacts (for example, communities directly affected by temporary access restrictions or prolonged disruption associated with construction sites, densely populated residential areas, and communities heavily reliant on access to agricultural land), by tailoring communication, conducting targeted consultation where necessary, and incorporating feedback into the SIF-PI. Where specific concerns of certain community groups are identified (for example, older people, parents with children, people with reduced mobility), these are taken into account when tailoring information measures and solutions to minimise disruption.

Indigenous peoples. In the context of the Group's activities in Romania, no indigenous communities relevant to this reporting have been identified; requirement 23 does not apply.

If there is no general process for collaboration. Not applicable. The Group has established processes for engaging with affected communities, which are integrated into the project cycle and supported by communication and feedback mechanisms (including SIF-PI), enabling the collection and incorporation of community perspectives into decisions regarding project planning, impact mitigation measures and the management of complaints.

Processes for addressing negative impacts and the channels through which affected communities can voice their concerns (S3-3)

General approach and remedial processes; assessment of effectiveness. The Transelectrica Group adopts a proportionate approach to preventing and mitigating significant negative impacts on affected communities, particularly in the context of infrastructure projects and physical operations (power lines, substations, construction sites). Where it finds that it has caused or contributed to a significant adverse impact (e.g. prolonged disruption, access restrictions, temporary land disturbance, local impacts associated with construction sites), the Group implements remedial measures, which may include: public clarification and communication, adjustments to the organisation of works, restoration/compensation measures in accordance with the applicable legal framework, and corrective actions in relation to contractual partners, as appropriate. The effectiveness of the resolution is assessed by closing the case, verifying that the measures have been implemented and preventing recurrence, including by analysing subsequent feedback and recurring issues.

Specific channels for raising concerns; internal/external mechanisms. Affected communities can raise their concerns and needs directly with the Group through channels established by the company, in particular:

- The Integrated Stakeholder Feedback System (SIF-PI), which includes a standard feedback form (with the option to submit anonymously, where appropriate) and a 'feedback loop' process (recording–categorisation–response–closure);
- public contact channels (online form/general enquiries, correspondence and public enquiries), used for requests, complaints and clarifications in dealings with the public, particularly in relation to projects and works.

At the same time, reports concerning integrity issues or breaches of the law are handled separately through the channels established under the integrity framework (G1), with confidentiality and protection against retaliation. The Group does not currently use a third-party mechanism dedicated exclusively to affected communities; communities may, where appropriate, make use of the legal and regulatory mechanisms applicable in Romania.

Processes to support channel availability through business relationships. The Group also supports the availability of these channels through its business relationships, particularly in projects and activities carried out with contractors, by means of communication and conduct requirements, operational coordination and expectations regarding the handling of reports. In its site operations, the Group aims to ensure that community concerns can be reported and addressed promptly, including by escalating them to the relevant departments within the Group and, where appropriate, to the responsible contractual partners.

Monitoring issues and ensuring the effectiveness of communication channels. Issues raised through feedback and reporting channels are recorded, analysed and forwarded to the relevant departments, with follow-up to ensure they are resolved. The effectiveness of the channels is monitored using operational process indicators (e.g. response times, resolution times, recurring issues) and by using aggregated feedback to improve preventive measures within projects. Reputational analysis is used as a complementary tool to identify sensitive issues and adapt communication strategies, without replacing formal reporting channels.

Awareness of and trust in reporting channels; protection against retaliation (see G1). The Group assesses, on a case-by-case basis, whether the affected communities are aware of and trust the available channels through: the use of SIF-PI (response rate and issues raised), feedback from consultations and interactions with local authorities and communities in projects, as well as through the analysis of recurring issues. Protection against retaliation for individuals who use the reporting channels is ensured through the integrity policies and procedures described in ESRS G1-1, which apply to reports made in good faith.

If there is no channel or time slot. The Group has channels through which affected communities can raise concerns (SIF-PI and public contact channels) and integrity channels aligned with G1. At present, there is no separate, dedicated policy focused exclusively on resolving complaints from affected communities; further strengthening and formalisation of the framework (including the internal standardisation of the resolution process) will be considered in future reporting cycles, depending on materiality and the maturity of data collection.

The adoption of measures addressing significant impacts on affected communities and approaches to managing significant risks and pursuing significant opportunities relating to affected communities, as well as the effectiveness of these actions (S3-4)

The Transelectrica Group manages the social impacts associated with its projects and operations through an integrated approach that combines prevention, consultation, monitoring and remediation. These processes apply across the Group’s entities and focus in particular on communities located near infrastructure and investment projects (lines, stations, construction sites), where temporary disruption, land occupation or disruption, and health and environmental concerns may arise.

Measures to address significant impacts: prevention, remediation, positive initiatives and effectiveness assessment

Preventing/mitigating negative impacts. The group implements prevention and mitigation measures by:

- project planning that incorporates environmental and regulatory requirements, including measures to minimise disruption to the public (e.g. site organisation, access management, restoration of affected areas, where appropriate);
- consultation and communication with local authorities and communities, particularly during the planning and authorisation stages and throughout the implementation phase;
- the use of technical solutions and operational practices that reduce environmental impact and disturbance in the vicinity of residential areas, where relevant.

Solutions for real-world challenges. In the event of actual impacts (e.g. reports or complaints regarding discomfort, access, land restoration or other project-related effects), the Group addresses these situations through analysis, dialogue and proportionate corrective measures (e.g. adjustments to the organisation of works, restoration measures, clarifications to the community, remedial actions within the limits of legal and contractual obligations), aiming to resolve them until closure.

Initiatives with a positive impact. The Group seeks to make a positive impact through corporate social responsibility programmes and local partnerships (in education, health, community support and volunteering), which complement its role as a public utility provider and help to strengthen its relationship with local communities.

Assessment of effectiveness. Effectiveness is assessed by: the resolution of complaints, a reduction in the recurrence of problems in similar projects, feedback received through consultation mechanisms and feedback tools, as well as through reputation and perception indicators (including an aggregated analysis of media coverage).

Reputation monitoring (control/learning tool). In order to monitor the reputational risk associated with information in the public domain regarding the Group’s activities, an aggregated analysis of media coverage was carried out. The results were:

News category	Number of items		% of items	
	2024	2025	2024	2025
Neutral news	11543	11905	91.42%	91.53%
Good news	724	822	5.74%	6.32%
Negative news	359	280	2.84%	2.15%
All news	12626	13007	100%	100%

This analysis helps to identify issues of concern to communities at an early stage and to tailor communication and preventive measures accordingly, but it does not replace formal reporting channels.

Processes for identifying appropriate actions and addressing specific impacts

Identifying the necessary actions. Actions are identified on the basis of: authorisation requirements and public consultation, impact assessments (where applicable), observations made in the field during project implementation, complaints received through the available channels, and feedback collected via dedicated tools.

The approach to specific impacts and the link to internal practices (land use/planning/construction/operation). The Group incorporates social considerations into project planning and implementation, including by assessing project acceptability, the feasibility of securing land rights, and managing relations with local authorities and communities. In projects, measures are implemented to organise the construction site and minimise or mitigate disruption, and, where appropriate, design solutions are sought to reduce the impact on sensitive areas.

The availability and effectiveness of repair processes. Remedial processes are available through reporting and feedback channels and through consultation mechanisms and public meetings, and their effectiveness is monitored by closing cases, documenting the measures taken and improving practices in subsequent projects.

Measures for significant risks and opportunities; monitoring effectiveness

Mitigation of significant risks. The Group mitigates significant risks (such as community opposition, reputational risks and implementation delays) through transparent communication, consultation, strict compliance with legal and environmental requirements, and measures to reduce or compensate for any inconvenience. Effectiveness is monitored by tracking the number of complaints, the progress of project approvals and implementation, and by analysing recurring themes in feedback and in the public sphere.

Tracking opportunities. Opportunities are pursued by creating social value through CSR programmes and improving the predictability of investment implementation through local support.

Avoiding causing or contributing to negative impacts through our own practices. The Group aims to avoid causing or contributing to significant negative impacts on affected communities by integrating social and environmental requirements into project planning, land acquisition and use practices (where applicable), site organisation and management, and infrastructure operation. Where there is a conflict between implementation deadlines and the need to prevent or mitigate impacts, the Group prioritises legal compliance, safety and measures to reduce or compensate for any inconvenience.

Serious human rights issues and incidents. In 2025, no serious human rights issues or incidents relating to affected communities were reported within the Tranelectrica Group as part of its internal monitoring and reporting processes.

Channels for raising concerns: reports, complaints and feedback (in line with G1 and SIF-PI). The Group does not currently have a separate policy dedicated exclusively to resolving community complaints, but it uses existing channels and mechanisms to receive and resolve complaints:

- stakeholder feedback tools (SIF-PI), including a standard form (with the option to submit anonymously, where appropriate) and mechanisms for collecting and closing feedback;
- public contact channels (online form, post, telephone), used for general enquiries and complaints;
- Reporting mechanisms aligned with the integrity framework (G1) are handled separately for integrity concerns and breaches of the law, with confidentiality and protection against retaliation.

Complaints and feedback are analysed, forwarded to the relevant departments and monitored until resolved, whilst recurring issues are used to continuously improve preventive measures and communication.

Allocated resources. The Group allocates resources to manage the impacts on affected communities through: functions and responsibilities within the areas of projects/investments, the environment, communication and integrated management, as well as through resources for consultation, communication, the operation of feedback mechanisms (SIF-PI) and the implementation of measures to mitigate or compensate for disruption caused by projects.

Targets relating to the management of significant adverse impacts, the promotion of positive impacts, and the management of significant risks and opportunities (S3-5)

In 2025, the Transelectrica Group pursued a set of operational targets and objectives relevant to the affected communities, linked to the significant impacts and risks identified (local disruption associated with projects, social acceptance, reputational risks) and to opportunities for creating social value:

1. Reducing/mitigating the negative impacts of projects on communities

- *Operational objective:* the integration of prevention and mitigation measures into projects (planning, authorisation, site organisation), so that disruption to the public is minimised and legal requirements regarding public health and the environment are met (including compliance with applicable limits for electromagnetic fields and safety requirements for installations).
- *Scope:* projects and works involving direct interaction with affected communities in Romania.
- *Monitoring:* through project/environmental processes, public consultation and the management of complaints/feedback (S3-2/S3-3).

2. Ensuring uninterrupted power supply and mitigating the social impact of outages

- *2025 Target:* full (100%) implementation of the annual maintenance programme for the electricity transmission network, to support the stability of the infrastructure and reduce the risk of unplanned outages affecting communities.
- *Scope:* maintenance operations on the transmission network.
- *Monitoring:* through internal reports on the implementation of the maintenance programme and operational indicators.

3. Promoting positive impacts in communities (social value/CSR)

- *Target areas* (defined annually): youth education and development, humanitarian and health initiatives, community development and environmental protection, as part of the Corporate Social Responsibility Policy.
- *Monitoring*: through annual reporting on sponsorships and CSR projects (amounts, areas, outcomes/beneficiaries), supplemented by feedback from partners and communities.

The process of setting targets and engaging with affected communities. The above targets and objectives are established and monitored through a process that integrates: legal requirements (regulatory/environmental), internal investment and maintenance planning, as well as the perspectives of local stakeholders (local authorities, communities and NGOs), collected through the collaboration mechanisms described in S3-2 and through the feedback/complaint channels described in S3-3 (including SIF-PI).

- *Setting targets*: During the project planning and authorisation phases, the Group takes into account the comments and concerns of local communities (e.g. routes, access, disruption, sensitive areas), as well as the conditions imposed during the authorisation processes, in order to tailor mitigation measures and project objectives.
- *Performance monitoring*: performance is monitored through operational indicators (e.g. the execution of the maintenance programme, the implementation of mitigation measures in projects), through the management of feedback and complaints, and through annual CSR reports.
- *Lessons learnt and improvements*: lessons learnt are incorporated into updates to communication practices, site organisation measures and the CSR approach, based on recurring themes in feedback, operational conclusions and internal assessments.

CHAPTER V

Governance issues – G1

1. Professional conduct (G1 1–6)

The role of the management (Management Board) and supervisory bodies (Supervisory Board) (GOV-1)

Transelectrica Group's professional conduct is underpinned by its corporate governance framework, the obligations incumbent upon a listed company, and the requirements applicable to a transmission and system operator in a regulated sector. Through internal integrity policies and compliance mechanisms, the Group aims to maintain an ethical, transparent and predictable organisational culture in its dealings with stakeholders.

The role of management and supervisory bodies in professional conduct. Under the two-tier management system, the Supervisory Board oversees professional conduct by monitoring compliance and the internal control framework, including through advisory committees. In particular, the Audit Committee supports the Board in the areas of internal control and risk management and, where appropriate, monitors compliance with non-financial reporting obligations, thereby helping to strengthen the framework for integrity and transparency. The Management Board is responsible for ensuring professional conduct through the implementation of relevant policies, the incorporation of integrity requirements into internal processes, and the monitoring of compliance.

The corporate culture is founded on principles of ethics and compliance, as set out in the Code of Ethics, which has been approved by the Supervisory Board and implemented by the Management Board; this code sets out the expected conduct for employees and, where applicable, for business partners. In addition, the Anti-Fraud and Anti-Corruption Policy (including the section on the protection of whistleblowers) establishes mechanisms for the prevention, detection and handling of irregularities and supports the consistent application of the principles of integrity.

The expertise of management and supervisory bodies regarding professional conduct. Transelectrica's statutory bodies are appointed in accordance with Government Emergency Ordinance No. 109/2011, ensuring professional and responsible management. At the same time, the Company's listing on the Bucharest Stock Exchange requires compliance with strict standards of transparency, compliance and reporting, thereby reinforcing ethical and responsible conduct in its dealings with investors and business partners.

The necessary expertise in professional conduct is underpinned by the skills profile of the statutory bodies, which includes relevant experience in areas such as energy/infrastructure, executive management, finance and banking, and corporate governance, as well as legal and administrative skills – elements that support an understanding of compliance obligations, conduct risks and the requirements applicable to a listed and regulated company.

The Management Board uses these powers in applying the conduct of business framework and in managing compliance mechanisms, whilst the Supervisory Board uses them in carrying out its supervisory role, including through the advisory committees where appropriate.

In addition, the management and supervisory bodies are supported by specialised internal functions (e.g. legal/compliance, internal audit, risk management, human resources), which provide analysis and reporting on conduct risks, relevant incidents and control measures, thereby helping to maintain adequate supervisory and decision-making capacity in this area.

At the same time, the Anti-Fraud and Anti-Corruption Policy, approved by the Board of Directors, establishes strict mechanisms for preventing, detecting and combating fraud, thereby strengthening Transelectrica's integrity and compliance framework. Furthermore, the Policy on the Protection of Whistleblowers (an integral part of the Anti-Fraud and Anti-Corruption Policy) provides safeguards for employees and third parties, encouraging the reporting of irregularities in a secure and confidential manner.

By implementing these policies, Transelectrica is fostering a corporate culture based on integrity, transparency and respect for ethical standards, thereby strengthening the trust of its investors, authorities and partners.

In the case of the subsidiaries Teletrans and Smart, Transelectrica does not interfere in their management beyond the rights and obligations incumbent upon it as a shareholder, within the limits of the applicable framework, including Government Emergency Ordinance No 109/2011. The subsidiaries exercise their management and governance functions through their own statutory bodies and ensure compliance with the corporate governance requirements set out in Government Emergency Ordinance No 109/2011, including in relation to professional conduct and integrity.

At the level of each subsidiary, the governing bodies and executive management are responsible for establishing and enforcing standards of professional conduct by adopting and implementing the relevant internal codes and policies (e.g. code of conduct and ethics, prevention of conflicts of interest, compliance and integrity mechanisms). At the same time, they ensure compliance with the applicable framework is monitored, non-compliance is managed and measures to prevent corruption are adopted, thereby helping to maintain an organisational culture based on transparency, accountability and adherence to corporate governance standards.

Policies on professional conduct and corporate culture (G1-1)

Policies and the promotion of corporate culture. Transelectrica bases its corporate culture and professional conduct on an internal framework of integrity and compliance, formalised in the Code of Ethics (updated in accordance with Supervisory Board Decision No. 9/24 February 2025) and applicable to management and employees, which sets out values, rules of conduct, requirements regarding anti-corruption, conflicts of interest, gifts/invitations and obligations to report breaches.

In addition, the Anti-Fraud and Anti-Corruption Policy establishes a zero-tolerance approach to fraud and corruption, and sets out responsibilities, training/awareness-raising, and mechanisms for reporting and investigating suspected cases.

The framework is underpinned by dedicated procedures for the protection of whistleblowers and the handling of reports (including internal channels and confidentiality rules, in line with Law No. 361/2022), as well as procedures and methodologies concerning preventive anti-corruption measures and corruption risk management (identification–assessment–measures–monitoring), linked to the Integrity Plan within the framework of the National Anti-Corruption Strategy.

Establishing, developing, promoting and evaluating corporate culture. Corporate culture is established through the Code of Ethics and integrity policies (anti-fraud and anti-corruption), which define the values, rules of conduct and expectations regarding professional behaviour. This

is developed and promoted through the internal communication of rules and responsibilities, through regular training and information sessions on integrity, corruption prevention and reporting channels, as well as through the implementation of preventive anti-corruption measures and the methodology for managing corruption risks in the relevant processes.

In 2025, Transelectrica organised the course “*Preventing and tackling workplace harassment*”, which was attended by 290 employees out of a total of 300 employees included in the initial plan. The course was delivered in accordance with the legal obligations applicable to employers, as set out in Article 7(4)(e) (4)(e) of the Methodology on the prevention and combating of gender-based harassment and psychological harassment in the workplace, approved by Government Decision No. 970 of 12 October 2023, which provides for the annual organisation of training courses to inform and instruct employees on the provisions of the methodology. To this end, the Company aims to provide training to the relevant staff on a phased basis, depending on operational availability and the scheduling of training sessions.

The assessment of corporate culture is carried out by monitoring the implementation of the integrity framework, including through the analysis of reports received via dedicated channels (whistleblowers), incidents/breaches and the corrective measures ordered, as well as through the periodic review of corruption risks and the effectiveness of preventive measures, in accordance with the applicable internal procedures.

Mechanisms for identification, reporting and investigation. Transelectrica has established internal mechanisms for identifying, reporting and investigating suspicions of unlawful conduct or conduct that contravenes the Code of Ethics or internal regulations, as part of its anti-fraud and anti-corruption policy and related procedures. Reports may be submitted via the internal channels designated for whistleblowers, which are subject to rules on confidentiality and the handling of reports; these reports are received, recorded and analysed in accordance with the applicable procedure, including through a preliminary assessment and, where appropriate, the initiation of an internal investigation.

The mechanisms allow reporting by **internal stakeholders** (employees, staff) and, where appropriate, by **external stakeholders** (e.g. contractors or other partners), insofar as they use the channels made available or submit reports to the responsible bodies. Investigations are conducted objectively, within the scope of internal remit, and the findings may lead to corrective action, including disciplinary measures and/or referral to the relevant authorities, as appropriate, in accordance with internal policies and procedures.

To prevent the risks of corruption, Transelectrica is implementing:

- *System procedure on corruption prevention measures*, which ensures the identification, assessment and management of corruption risks;
- *Methodology for managing corruption risks*, which sets out control and prevention measures tailored to the factors that increase the likelihood of corruption, with the aim of keeping these risks to a minimum and minimising their impact on the Company’s activities;
- *Mechanisms for reporting and sanctioning breaches of ethical standards*, which enable the prompt identification and resolution of non-compliant practices.

Protecting whistleblowers

(i) *Internal reporting channels for whistleblowers.* The company has established internal reporting channels for whistleblowers, with rules governing the confidentiality of the whistleblower's and the person concerned's identities, the recording of reports, acknowledgement of receipt and the handling of such reports. Employees are informed of the existence of reporting channels (departamentanticoruptie@transelectrica.ro) and how to use them through internal communications and relevant materials, and the staff designated to receive and handle reports have duties defined by procedure and are trained to comply with legal requirements and to treat reports confidentially.

(ii) *Protection against reprisals.* In accordance with the legal framework, Transelectrica implements protective measures for whistleblowers acting in good faith, including a ban on retaliation, the preservation of confidentiality, restrictions on access to information regarding the whistleblower's identity, and the assurance of an objective analysis and investigation process, so that irregularities can be reported safely and with due respect for the rights of all parties involved.

The prompt, independent and objective investigation of incidents relating to professional conduct. In addition to the procedures for following up on whistleblower reports set out in the applicable legal framework, Transelectrica has internal mechanisms in place for analysing and investigating incidents relating to professional conduct, including suspected corruption and the giving or receiving of bribes, in accordance with its anti-fraud and anti-corruption policy and related internal procedures. Investigations are initiated and conducted within a reasonable timeframe, whilst respecting the confidentiality and rights of those involved, following a preliminary assessment of the complaint and the collection of relevant documentation.

To ensure impartial handling, responsibilities are assigned to the relevant internal departments, separate from the operational functions involved, and the findings may lead, where appropriate, to corrective measures, disciplinary action or referral to the competent authorities, in accordance with internal regulations and applicable legislation.

Positions exposed to risk. Within Transelectrica, the roles considered to be at high risk of corruption and bribery are those classified as "*sensitive roles*" within the meaning of PS TEL-10.05 – Sensitive Roles, i.e. positions with a significant/high risk of undermining the Company's objectives through the misuse of resources or through acts of corruption/fraud. In practice, these mainly include roles involved in: public procurement and the selection of suppliers/contractors, contract management and administration (including authorisation/approval), access to financial, material or informational resources, the issuing or signing of approvals, authorisations or documents with financial implications, as well as roles with exclusive decision-making powers or with the potential for a conflict of interest. This also applies to roles involved in the procurement and verification of projects funded by public/EU funds (including the verification of reimbursement claims), as well as roles relating to control, supervision, evaluation, audit, and recruitment and selection.

Sensitive functions are identified annually at the level of organisational units, based on an analytical table and risk factors (internal/external), with scores ranging from 1 to 3; functions classified as highly sensitive are included in the Company-wide Register of Sensitive Functions, which is reviewed and then approved by the Board of Directors.

With regard to the management and supervisory bodies, both the Management Board and the Supervisory Board of Transelectrica operate in strict compliance with applicable legislation and statutory documents, ensuring adherence to the principles of transparency, integrity and

objectivity in decision-making. To this end, the Company implements clear mechanisms for the prevention, identification and management of conflicts of interest, in line with national and European requirements on corporate governance.

As regards its subsidiaries, Teletrans and Smart uphold their own corporate culture and professional conduct through internal integrity policies and mechanisms, which apply to both management and staff.

Teletrans adheres to a Code of Ethics and Integrity and has drawn up an Integrity Plan in line with the National Anti-Corruption Strategy, as a tool for strengthening compliance and professional conduct. To complement the integrity framework, Teletrans has a dedicated procedure entitled 'Sensitive roles and corruption risks' (code TLT-PS.07), which provides for the annual inventory of sensitive functions, the compilation of the relevant list and register, the assessment of corruption risks on a scale of 1–3 for probability and impact (and the determination of the level of exposure), as well as the development of an action plan to mitigate risks and their periodic monitoring/review.

Similarly, Smart applies an internal code of conduct (Code of Ethical Conduct/Internal Regulations), with zero tolerance for breaches, which is communicated to employees and partners alike, with a view to maintaining an organisational culture based on accountability and compliance. To complement the integrity framework, at the Smart subsidiary level, corruption and fraud risks are also addressed by identifying and managing sensitive roles, through the compilation of an inventory of sensitive roles and an internal list of staff holding these roles. The inventory covers both management/coordination roles and roles involving specific exposure (e.g. legal, human resources, finance, health and safety, administration), at both head office and branch level, and is used to implement preventive measures and related controls.

Prevention and detection of corruption and the giving or taking of bribes (G1-3)

System for the prevention, detection, investigation and response to corruption and bribery (including training). Transelectrica has implemented an integrated system for the prevention, detection, investigation and response to allegations or incidents relating to corruption and bribery, based on the integrity framework (Code of Ethics), the Anti-Fraud and Anti-Corruption Policy, preventive procedures and reporting mechanisms (including whistleblowers), as well as on the management of corruption risks and the identification of sensitive functions.

Incidents are detected and investigated through clear analysis and reporting procedures, thereby ensuring a prompt and effective response.

The *System Procedure on Anti-Corruption Preventive Measures* adopted by Transelectrica establishes a clear framework for the prevention and reporting of acts of corruption, thereby helping to maintain an ethical and transparent working environment, in accordance with the legal and integrity standards promoted by the Company.

Preventing corruption is essential to maintaining public trust and the Company's operational efficiency; therefore, the main objectives of the procedure include:

- *corruption prevention* – implementing preventive measures to reduce the risks of corruption within the Company;

- *detection and reporting* – establishing an effective system for detecting and reporting incidents of corruption;
- *punishing acts of corruption* – ensuring that any act of corruption is investigated and punished appropriately;
- *promoting integrity* – creating and maintaining an organisational culture based on integrity and transparency;
- *compliance with the law* – ensuring compliance with all relevant national and international laws and regulations.

Procedures for the prevention, detection and resolution of allegations/incidents

(i) *Prevention*: is achieved through integrity policies and procedures (zero tolerance), preventive anti-corruption measures and a corruption risk management process; in addition, the Company identifies and manages sensitive (high-risk) functions, applying control measures such as segregation of duties, multiple checks/approvals and other organisational controls.

(ii) *Detection and reporting*: these are ensured through channels for reporting breaches of ethical or legal standards, including:

- the ethics channel for breaches of the code of ethical conduct;
- the public interest whistleblowing channel (including the option to report anonymously) managed by the Anti-Corruption and Integrity Department, in accordance with the internal procedure ‘Public Interest Whistleblower’.

(iii) *Resolution / response*: complaints are recorded, analysed and, where appropriate, investigated; depending on the findings, corrective measures are ordered, including disciplinary action and/or referral to the competent authorities, where appropriate, within the limits of the legal and internal framework.

The separation of the investigators/investigation committee from the management chain involved. Investigations into suspected breaches of integrity (including corruption and the giving or receiving of bribes) are handled by designated bodies (e.g. Anti-Corruption and Integrity Department) and by internal audit/ethics functions, so that the analysis is carried out separately from the operational units involved in the reported incident, as far as possible. In addition, the ‘sensitive functions’ mechanism provides for controls such as the segregation of duties and multiple checks and approvals, thereby reducing the risk of undue influence in vulnerable areas.

Reporting results to management and supervisory bodies. The results of relevant activities are reported primarily to senior management as part of internal compliance and control processes.

Where issues are relevant to internal control or governance-level risks, they may be reflected, where appropriate, in regular reports to the relevant supervisory bodies or committees (e.g. the Audit Committee), subject to confidentiality and the applicable internal framework.

Communicating policies to the relevant parties. Transelectrica communicates its integrity and anti-corruption policies to the relevant groups via internal channels and, where appropriate, external channels, so that the documents are accessible and can be applied in practice. Within the Company, policies and procedures are published via internal channels (including the intranet) and are accompanied, where appropriate, by regular briefings and training sessions aimed at

clarifying standards of conduct, rules on conflicts of interest and how to use the reporting channels. For staff in sensitive roles or with a higher exposure to the risks of corruption or bribery, this communication is supplemented, where appropriate, by ad hoc training sessions and operational guidance on the applicable controls.

Furthermore, the Anti-Fraud and Anti-Corruption Policy is also publicly available on the Transelectrica website, to facilitate access by relevant stakeholders to the Company’s integrity framework. In dealings with external parties (e.g. suppliers/contractors), the relevant policies are communicated, where appropriate, through contractual provisions and/or specific notifications, to the extent necessary to ensure an understanding of the integrity requirements and the consequences of non-compliance.

In relations with stakeholders in the value chain, the anti-fraud and anti-corruption framework applies, where appropriate, to interactions with business partners and subcontractors, and suspicions of fraudulent or corrupt behaviour may be reported through existing channels and are analysed/investigated appropriately, regardless of the position of the person involved or their relationship with the Company, with applicable measures being taken where appropriate.

In 2025, the Transelectrica Group did not record any incidents of corruption. Furthermore, in 2025, no dedicated training programmes on combating corruption and the giving or taking of bribes were organised or required by the company.

Reporting year	Number of complaints	Incident	Status	Remedial measures
2024	0	None	NA	NA
2025	0	None	NA	NA

Applicable to Teletrans and Smart branches. With regard to their subsidiaries, Teletrans and Smart implement, at the level of each entity, their own mechanisms for preventing, detecting and responding to the risks of corruption and bribery, in accordance with the applicable corporate governance obligations (including Government Emergency Ordinance No. 109/2011) and internal control processes.

In the case of Teletrans, this framework is underpinned by the Code of Ethics and Integrity and the implementation of an Integrity Plan in line with the National Anti-Corruption Strategy; Furthermore, the Company has advisory committees at Board of Directors level (including audit and risk management) and utilises internal risk management procedures; to prevent corruption risks, it explicitly addresses sensitive functions and associated risks through dedicated procedures.

At Smart, the prevention and detection of corruption and bribery risks are supported by the internal code of conduct (Code of Ethical Conduct and Internal Regulations), internal control mechanisms and the existence of audit and management control functions, and the preventive component is reinforced by the identification and monitoring of sensitive roles (inventory and internal list of staff assigned to such roles), used as a tool for traceability and the application of controls.