ROMGAZ

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and commitment for a
low carbon future

ANNUAL REPORT 2024

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ROMGAZ

Consolidated Board of Directors' Report 2024

Content

I. 2024 ROMGAZ GROUP OVERVIEW

1.1. Romgaz Group in Figures

Romgaz Group[1] recorded in 2024 a ***revenue*** of RON 7,929.4 million, down by 11.91%, namely RON 1,072.4 million, as compared to 2023 revenue (RON 9,001.87 million).

Net profit of RON 3,206.00 million, was higher by RON 393.89 million than the net profit recorded in 2023 (14.01%).

Achieved net **consolidated profit** margins (40.43%), consolidated **EBIT** (43.88%) and consolidated **EBITDA** (51.49%) dropped (except net profit margin) as compared to 2023 (31.24%; 54.41% and 60.01% respectively).

Consolidated net profit per share of RON 0.83, rose by 14.01% as compared to the previous year.

Investments made by Romgaz Group in 2024 amounted to RON 3,204,362 thousand.

Estimated national natural gas consumption[2] for the reporting period was approximately 106 TWh, by 3.5% higher than the consumption recorded in 2023. Import gas quantities weighted 18% in the total consumption, by 11% higher than in the previous year.

Total natural gas deliveries from Romgaz internal production to the domestic market were roughly similar to 2023, recording a slight decrease of 0.8%. Therefore, these deliveries had a 48% weight in the total national consumption, a 2% decrease as compared to 2023.

Natural gas production reached in 2024, a volume of 4,962.7 million m^3, namely a 3.64% increase related to 2023 production.

In 2024, Romgaz ***electricity production*** was 880.342 GWh, by 8.55% lower as compared to the production of 2023. This evolution is strongly related to the energy demand, the evolution of prices on competitive markets, fuel quantity allocated for electricity generation. According to preliminary data published by the National Statistics Institute, Romgaz ***market share*** is 1.67%.

Operational results

The table below shows a summary of the main indicators related to production (gas, condensate, electricity), royalty and storage services:

Q4 2023	Q3 2024	Q4 2024	Δ Q4 (%)	Main indicators	2023	2024	Δ'24/'23 (%)
1,273.5	1,185.0	**1,290.7**	1.3	Gas production (million m3)	4,788.5	**4,962.7**	3.6
6,232	8,993	**11,523**	84.9	Condensate production (tons)	22,715	**36,984**	62.8
90.64	82.25	**92.69**	2.3	Petroleum royalty (million m3)	336.90	**350.59**	4.1
321.1	278.9	**150.7**	-53.1	Electricity production (GWh)	962.6	**880.3**	-8.5
582.2	12.8	**1,107.5**	90.2	Invoiced UGS withdrawal services (million m3)	1,742.8	**2,103.9**	20.7
204.2	692.2	**67.6**	-66.9	Invoiced UGS injection services (million m3)	1,905.5	**1,580.5**	-17.1

[1] **Romgaz Group (ROMGAZ)** consists of Societatea Nationala de Gaze Naturale Romgaz SA ("SNGN Romgaz SA"/"the Company"/ "Romgaz") as parent company and the subsidiaries SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL ("Depogaz") and Romgaz Black Sea Limited ("RBS"), both owned 100% by Romgaz.

[2] Consumption is estimated as, at the date hereof, ANRE did not publish the report on the natural gas market for December 2024.

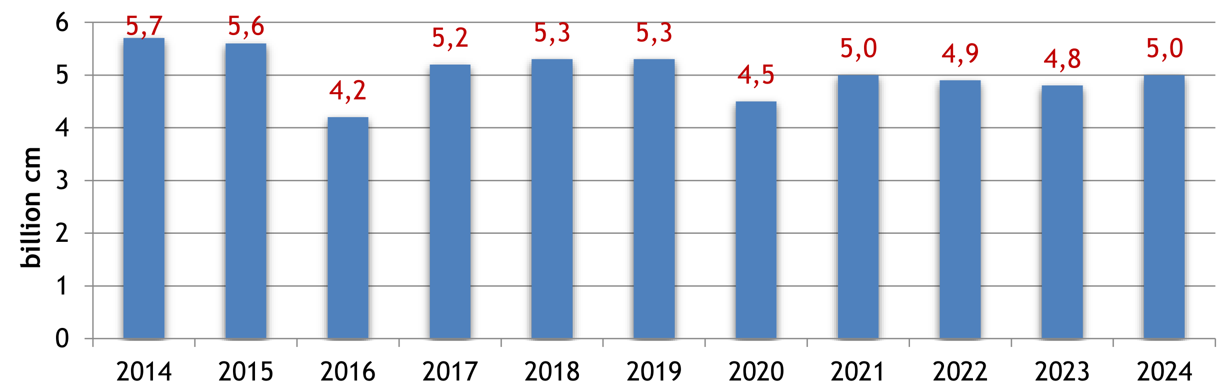
Natural gas quantities produced, delivered, injected into and withdrawn from gas storages are shown in the table below (million m^3):

No.	Specifications	2022	2023	2024	Δ 2024/2023 (%)
0	1	2	3	4	5=(4-3)/3x100
1.	**Gross gas production - total**	**4,935.9**	**4,788.5**	**4,962.7**	**3.6**
2.	Technological consumption	73.6	71.6	73.0	2.0
3.	**Net internal gas production** (*1.-2.*)	**4,862.3**	**4,716.9**	**4,889.7**	**3.7**
4.	Internal gas volumes injected in storages	84.6	93.3	272.1	191.6
5.	Internal gas volumes withdrawn from storages	283.9	144.5	127.8	(11.6)
5.1.	Gas sold in storage	0.0	22.7	77.1	239.6
6.	Differences resulting from GCV	2.7	2.5	7.2	188.0
7.	**Volumes supplied from internal production** (*3.-4.+5.+5.1.-6.*)	**5,058.9**	**4,788.3**	**4,815.3**	**0.6**
8.1.	Gas supplied to CTE Iernut and Cojocna from Romgaz gas	338.8	286.5	264.2	(7.8)
8.2.	Self-supplied gas		0.5	1.3	160
9.	**Gas supplied from internal production to the market** (*7.-8.1.-8.2*)	**4,720.1**	**4,501.3**	**4,549.8**	**1.1**
10.	**Gas from partnerships - total, out of which:** Amromco (50%)*)	**19.3**	**15.3**	17.5	14.4
11.	Purchased internal gas volumes (including commodity gas and imbalances)	1.9	8.0	4.1	(48.7)
12.	**Sold internal gas volumes** (*9.+10.+11.*)	**4,741.3**	**4,524.6**	**4,571.4**	**1.0**
13.	**Supplied internal gas volumes** (*8.1.+8.2.+12.*)	**5,080.1**	**4,811.6**	**4,836.9**	**.5**
14.	Supplied import gas volumes	0.0	0.0	0.0	
15.	Gas supplied to CTE Iernut and Cojocna from other sources (including imbalances)	0.1	0.4	0.0	(100.0)
16.	**Total gas supplied** (*13.+14.+15.*)	**5,080.2**	**4,812.0**	**4,836.9**	**0.5**
	Invoiced UGS withdrawal services	1,722.5	1,742.8	2,103.9	20.7
	Invoiced UGS injection services	2,450.2	1,905.5	1,580.5	17.1

Note: the information is not consolidated; it also includes the transactions between Romgaz and Depogaz.

2024 production was supported by ongoing production rehabilitation projects of main mature fields, performance of capitalizable repair works and well recompletion works and by streaming into production new wells.

Evolution of natural gas production between 2014-2024 is shown below:

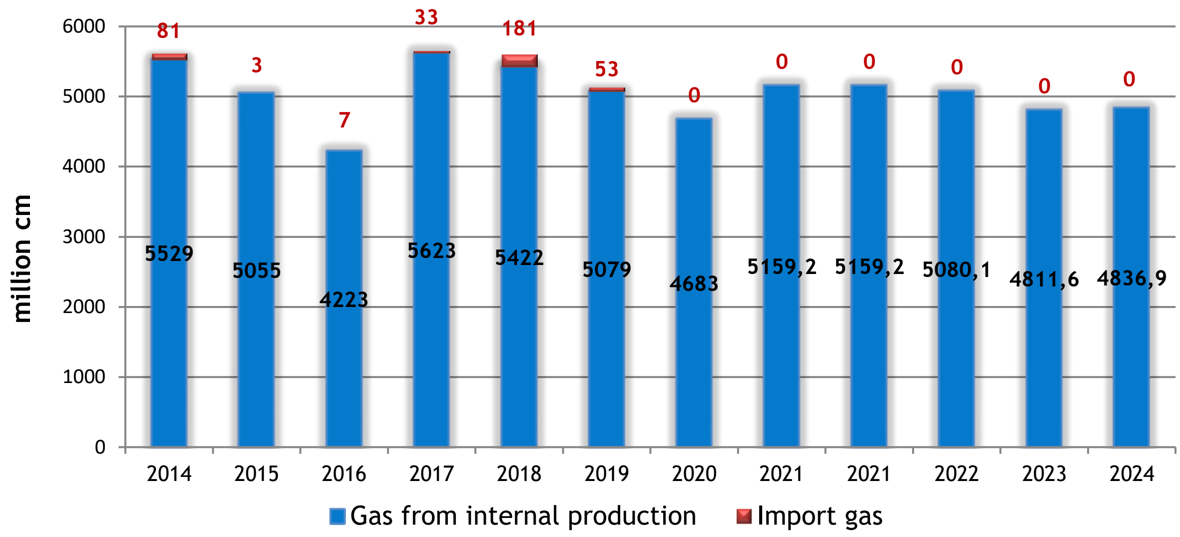


The table below shows the *quarterly electricity production* for 2024, as compared to 2023:

MWh

	2023	2024	Δ 2024/2023 (%)
1	2	3	4=(3-2)/2x100
Q 1	323,037	263,832	(18.33)
Q 2	174,542	186,937	7.10
Q 3	143,887	278,905	93.84
Q 4	321,132	150,668	(53.08)
Total year	**962,598**	**880,342**	**(8.55)**

Romgaz is one of the largest gas suppliers in Romania. The evolution of gas supplies[3] between 2014-2024 is shown below:



Relevant Consolidated Financial Results

(RON million, unless otherwise specified)

Q4 2023**)	Q3 2024**)	Q4 2024	Δ Q4 (%)	Main indicators	2023**)	2024	Δ'24/'23 (%)
2,191.6	1,732.8	**2,299.7**	4.93	Revenue	9,001.9	**7,929.4**	(11.91)
2,229.7	1,914.8	**2,416.3**	8.37	Income	9,613.7	**8,546.8**	(11.10)
1,211.6	1,372.0	**1,531.6**	26.41	Expenses	4,551.1	**4,953.6**	8.84
1.6	2.2	**2.5**	54.2	Share of profit of associates	4.9	**8.0**	64.50
1,019.6	545.0	**887.1**	(13.00)	Gross result	5,067.5	**3,601.2**	(28.94)
376.2	108.6	**(45.2)**	(112.02)	Profit tax	2,255.4	**395.2**	(82.48)
643.4	436.4	**932.3**	44.91	Net result	2,812.1	**3,206**	14.01
991.4	523.3	**879.1**	(11.32)	EBIT	4,897.6	**3,479.5**	(28.96)
1,106.7	671.3	**1,053.5**	(4.80)	EBITDA	5,402.2	**4,082.6**	(24.43)
0.17	0.11	**0.24**	44.91	Earnings per share (EPS)** (RON)	0.73	**0.83**	14.01
29.36	25.18	**40.54**	38.09	Net profit ratio (% from Revenue)	31.24	**40.43**	29.43
45.23	30.20	**38.23**	(15.49)	EBIT ratio (% from Revenue)	54.41	**43.88**	(19.35)
50.50	38.74	**45.81**	(9.28)	EBITDA ratio (% from Revenue)	60.01	**51.49**	(14.20)
5,980	5,967	**5,977**	(0.05)	Number of employees at the end of period	5,980	**5,977**	(0.05)

Figures in the above table are rounded; therefore, small differences may result upon reconciliation.

**) Earnings per share (EPS) was calculated based on the current number of shares i.e. 3,854,224,000 shares for all presented periods.*

[3] Include gas from internal production, including gas supplied to CTE Iernut and Cojocna.

***) Information relating to previous periods were modified following a revision of financial statement presentation. Income from works capitalized as non-current assets was offset by costs incurred for carrying out such investments. Currently, income from works capitalized as non-current assets are shown in a separate row in the statement of comprehensive income, and expenses include such costs. The result of previous periods is not affected by this change in presentation (see Note 2 of the Consolidated Financial Statements on December 31, 2024).*

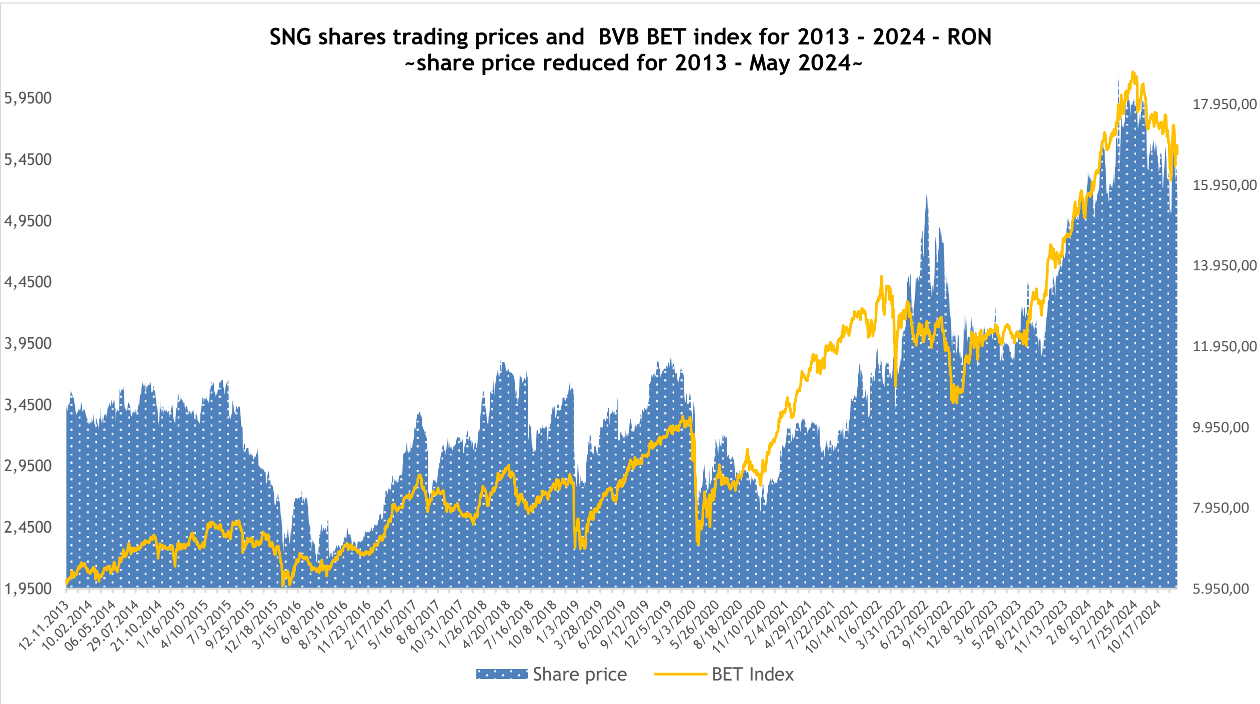
Romgaz on the Stock Exchange

Since November 12, 2013, company's shares have been traded on the regulated market governed by Bucharest Stock Exchange ("BVB") under the symbol "***SNG***". Concurrently, Global Depository Receipts ("GDRs"), issued by The Bank of New York Mellon[4] ("BNYM"), underlying Romgaz shares (1 GDR = 1 share) were traded on the main market for financial instruments on London Stock Exchange ("LSE") - under the symbol "***SNGR***".

Romgaz Extraordinary General Meeting of Shareholders approved by Resolution No.11 of September 11, 2024 and the Board of Directors approved by Resolution of September 24, 2024, the delisting of GDR's from the standard listing segment of the Official List of the Financial Conduct Authority of the United Kingdom and subsequently termination of GDRs trading on the Main Market for financial instruments of LSE. Consequently, as of December 31, 2024, Romgaz was delisted from LSE and trading of GDRs ceased.

Romgaz is considered an attractive company for investors as regards dividends paid to shareholders, stability and development perspectives, such being reflected in the evolution of Romgaz securities prices in the reviewed period.

Performance of Romgaz shares[5] compared to the evolution of BET index (Bucharest Exchange Trading) from listing to December 31, 2024 is shown below:



[4] GDR Depositary
[5] For an accurate presentation of share price evolution, trading prices for November 2013-May 2024 were reduced 10 times, consistent with the share capital increase of May 30, 2024

1.2. Significant Events

April 25, 2024
PricewaterhouseCoopers Audit S.R.L. was appointed financial auditor for S.N.G.N. Romgaz S.A., the minimum contract term for financial audit is set for three years for provision of services for years 2024, 2025 and 2026.

May 16, 2024
Romgaz Board of Directors approved by Resolution No. 32/2024 to set up a gas supply branch in the Republic of Moldova. Subject to this Resolution, "Societatea Națională de Gaze Naturale ROMGAZ SA Mediaș – Sucursala Chișinău" was registered with the Agency for Public Services of the Republic of Moldova, in the State Registry of legal persons.

May 22, 2024
Fitch Ratings Limited ("Fitch") assigned Romgaz the rating "BBB-" with stable outlook (Investment Grade), this is the Company's inaugural credit rating. According to the report issued by Fitch, the rating "reflects Romgaz's dominant position in Romania's natural gas market, production growth potential from Neptun Deep and Caragele reservoir developments and conservative financial policy".

May 30, 2024
S.N.G.N. Romgaz S.A. share capital increased after being approved by the Extraordinary General Meeting of Shareholders on December 18, 2023.
The Company's share capital increased by incorporating reserves representing own financing sources, by RON 3,468,801,600, from RON 385,422,400 to RON 3,854,224,000, by issuing 3,468,801,600 new nominative, ordinary, indivisible shares, dematerialised and free tradable (including new shares underlying the issue of new global depositary receipts) with the nominal value of 1 RON/share, each shareholder registered on the registration date (May 29, 2024) is entitled to 9 free shares for each share held.

May 31, 2024
S.N.G.N. Romgaz S.A. (as Lender) and Romgaz Black Sea Limited concluded Addendum No. 1/May 31, 2024 to the loan agreement No. 42805/September 21, 2023, through Romgaz Black Sea Limited Nassau (Bahamas), Sucursala București (as Borrower) amending the drawdown term to use the credit line, namely extending the drawdown until October 31, 2024 while all other contract provisions remain unchanged.

June 28, 2024
ROMGAZ Group 2023 Sustainability Report was published. The report presents the non-financial indicators for January 1, 2023 – December 31, 2023, in line with the financial reporting period.

July 1, 2024
Romgaz Extraordinary General Meeting of Shareholders (EGMS) approved by Resolution No. 10, the following:

- a corporate notes issuance programme in maximum amount of EUR 1,500 million and a maximum initial maturity of notes issued under the program of 7 years;
- inaugural issuance and offer of notes under the programme, in 2024 for an amount of up to EUR 500 million;
- undertaking by S.N.G.N. Romgaz S.A. of all necessary, useful and / or appropriate actions and steps for admission to trading of the Programme and of the Notes issued under the Programme on Luxembourg Stock Exchange and/or on Bucharest Stock Exchange.

September 11, 2024
Romgaz Shareholders approved by EGMS Resolution No. 11:

- the amendment of ROMGAZ BLACK SEA LIMITED ("RBS") Articles of Incorporation, namely: a) to increase ROMGAZ BLACK SEA LIMITED authorised capital, from USD 11,620,000 to USD 1,600,000,000; b) to convert shares issued by ROMGAZ BLACK SEA LIMITED in a single class of common shares, namely class A, at a nominal value of 1 USD/share;
- delisting of global depositary receipts ("GDRs") issued by The Bank of New York Mellon ("BNYM"), admitted to listing on the standard segment of the Official List of the UK Financial Conduct

Authority and admitted to trading on London Stock Exchange's main market for financial instruments, each GDR representing 1 underlying share issued by Romgaz.

Moreover, Romgaz shareholders approved on the same day, by Resolution No. 12:

- the conversion of the balance in amount of RON 1,627,088,676, representing debts accrued by RBS on July 31, 2024 (principal and interest) based on loan agreements with S.N.G.N. ROMGAZ S.A., into ROMGAZ BLACK SEA LIMITED shares. The conversion of the balance is considered a reimbursement of the contracted loan, the limit of RON 2.1 billion being thus replenished, and it can be used until May 31, 2027, if necessary;
- the subscription by S.N.G.N. ROMGAZ S.A., of shares issued by RBS and payment of relating amounts up to the limit of the authorized share capital of RBS, with the approval of S.N.G.N. ROMGAZ S.A. Board of Directors, with the possibility to sub-delegate to S.N.G.N. ROMGAZ S.A. executive management;
- S.N.G.N. ROMGAZ S.A. to exercise its preference right, pro rata to the shares owned in S.C. DEPOMUREȘ S.A. share capital, that is to subscribe 1,800,000 newly issued shares having a nominal value of RON 10, amounting to a total value of RON 18,000,000, contribution in cash, and payment in full, on the subscription date, of the price of shares subscribed under the capital increase of S.C. DEPOMUREȘ S.A.

September 19, 2024
To apply the provisions of EGMS Resolution No. 10 of July 1, 2024, Romgaz Board of Directors approved:

- to establish the Euro Medium Term Notes Programme of S.N.G.N. Romgaz S.A. ("EMTN programme") and,
- to submit the Base Prospectus of the EMTN Programme for approval of Commission de Surveillance du Secteur Financier din Luxemburg ("CSSF"), as competent authority according to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

September 19, 2024
Following approval of the Ordinary General Meeting of Shareholders, SNGN Romgaz SA signed (as Borrower) with Banca Transilvania SA, a Bank Loan Agreement of EUR 150,000,000 as well as the related General Credit Conditions, to cover the general needs and expenses of the Borrower. SNGN Romgaz SA Board of Directors approved the terms and conditions of the Bank Loan Agreement in the form of a credit line with Banca Transilvania SA and the General Conditions as an integral part of the Loan Agreement.

September 20, 2024
CSSF approved the Base Prospectus of the EMTN Programme; the notes issuance, their final specific terms, admission to trading and listing of notes on regulated markets shall be approved by subsequent resolutions specific for each issuance.

September 24, 2024
Following EGMS Resolution No. 11 of September 11, 2024, Romgaz Board of Directors approved the details of the GDRs delisting from the standard segment of the Official List of the UK Financial Conduct Authority. Therefore, the process was initiated for delisting and termination of GDR trading, as well as termination of the GDR Deposit Agreement, signed between the Company and BNYM.

September 30, 2024
Successful subscription process of the inaugural issue of bonds under the Euro Medium Term Notes Program, in total amount of EUR 500 million with a maturity of 5 years. Coupon was set at 4.75% per annum and the bonds will mature on October 7, 2029.

October 25, 2024
Addendum No.2./October 25, 2024 was signed to loan agreement No. 42805/21.09.2023 between S.N.G.N. ROMGAZ S.A. (as Lender) and Romgaz Black Sea Limited through Romgaz Black Sea Limited Nassau (Bahamas), Sucursala Bucuresti (as Borrower) to amend the drawdown period, namely to extend the period until full drawdown of the credit line, but not later than May 31, 2027 and contract amount was replenished.

November 19, 2024
S.N.G.N. Romgaz S.A. listed on Bucharest Stock Exchange also, the first bond issue of EUR 500 million. The bond issue was listed on Luxembourg Stock Exchange as of October 8, 2024.

December 4, 2024
Ordinary General Meeting of Shareholders approved the extension by one year of the Loan Facility Agreement No. 201812070225 concluded with Banca Comerciala Romana SA, for issuing guarantee instruments in the form of letters of bank guarantee and irrevocable stand-by letters of credit up to a limit of RON 500,000,000.

December 4, 2024
Works execution period was extended by 6 months, according to procurement contract No. 40928/03.04.2024, for "Completion of works and commissioning of the investment: development of CTE Iernut by building a new combined cycle gas turbine", concluded with Duro Felguera SA.
Therefore, the new commissioning term of the new combined cycle gas turbine power plant is June 2, 2025.
The contractor shall complete all works until expiration of the execution term, including:

a) passing tests at works completion;
b) completion of all Works and fulfilment of the obligations set out in the Contract, so that the Works may be considered as completed for the purposes of acceptance on completion of works;
c) fulfilment of all contractual conditions relating to the commissioning acceptance for approval.

Moreover, we state that the investment completion date, according to the National Investment Plan was extended by GD 1489/2024 until June 30, 2025.

December 23, 2024
Romgaz registered the Addendum to the Grant Agreement No.4/December 7, 2017, for the investment "Combined cycle gas turbine" Iernut, sent by the Ministry of Energy and signed by both parties. Scope of the Addendum is to amend the contract term until December 31, 2025 for financing, as well as to amend the execution schedule provided in the contract. The investment completion date, confirmed by commissioning, cannot exceed June 30, 2025.

December 24, 2024
Fitch Ratings Limited reviewed the perspective of Romgaz rating from 'stable' to 'negative' and confirmed the rating 'BBB-' for the Long-term Issuer Default Rating. The report issued by Fitch restated that the rating "reflects Romgaz dominant position on the Romanian gas market, its production increase potential as a result of developing Neptun Deep and Caragele and its conservative financial policy".

December 30, 2024
Following approval of the Ordinary General Meeting of Shareholders, Romgaz signed (as Borrower) with UniCredit Bank SA, a Bank Loan Agreement of EUR 100,000,000 as well as the related General Credit Conditions, to cover the general needs and expenses of the Borrower. SNGN Romgaz SA Board of Directors approved the terms and conditions of the Bank Loan Agreement in the form of a credit line with UniCredit Bank S.A. and the General Conditions as an integral part of the Loan Agreement.

December 31, 2024
Delisting of "GDRs" became effective, GDRs were delisted from the standard segment of the Official List of the UK Financial Conduct Authority and terminated trading on London Stock Exchange's main market.
All global depository receipts issued according to Regulation S of US Securities Act (ISIN: US83367U2050) (trading symbol: SNGR) and all global depository receipts issued according to Rule 144A provided by US Securities Act (ISIN: US83367U1060) (trading symbol: SNG1), (together, the "GDRs"), representing ordinary shares of the company with a nominal value of RON 1 each (the "Shares"), one GDR representing one share, are delisted as of December 31, 2024, 8:00 am (UK time), from the Official List of the Financial Conduct Authority and trading of GDRs on the main market of London Stock Exchange ceased.

II. Parent Company at a Glance

2.1. Identification Data

Name: Societatea Nationala de Gaze Naturale "ROMGAZ" SA

Main scope of activity: natural gas production

Address: Medias, 4 Constantin I. Motas Square, 551130, Sibiu County

Trade Registry Registration Number: J2001000392326

European Unique Identifier (EUID): ROONRC.J2001000392326

Fiscal registration number: RO14056826

LEI Code: 2549009R7KJ38D9RW354

Legal form of establishment: joint-stock company

Subscribed and paid in share capital: RON 3,854,224,000

Number of shares: 3,854,224,000 each having a nominal value of RON 1

Regulated market where the company's shares are traded: Bucharest Stock Exchange

Phone: 0040 374 401020

Fax: 0040 374 474325

Web: www.romgaz.ro

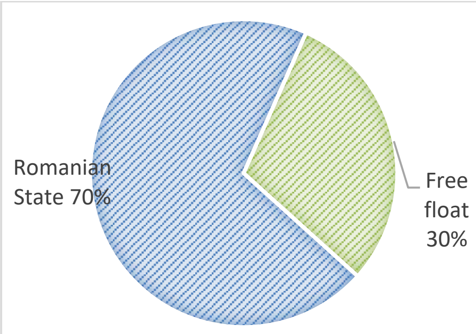
E-mail: secretariat@romgaz.ro

Bank accounts opened at: Banca Comerciala Romana, BRD-Groupe Société Générale, Citibank Europe, Patria Bank, Raiffeisen Bank, Banca Transilvania, ING Bank, Eximbank, Banca Românească, CEC Bank.

Shareholder Structure

On December 31, 2024, SNGN Romgaz SA shareholder structure was the following:

	Shares	%
Romanian State[6]	**2,698,230,800**	**70.0071**
Free float - total, of which:	**1,155,993,200**	**29.9929**
• **legal persons**	*962,639,519*	*24.9762*
• natural persons	*193,353,681*	*5.0167*
Total	**3,854,224,000**	**100.0000**



The company ***did not perform transactions with own shares*** in financial year 2024, and on December 31, 2024 it did not hold own shares.

2.2. Company Organization

The organization of the company is of hierarchy-functional type with six hierarchical levels reaching from the company's shareholders to the execution personnel, as follows:

- General Meeting of Shareholders
- Board of Directors
- Chief Executive Officer (with mandate), Deputy Chief Executive Officer (with mandate), Chief Financial Officer (with mandate)
- directors without contract of mandate
- heads of functional and operational departments subordinated to directors
- execution personnel.

The duties of the Board of Directors are detailed both in the Company's Articles of Incorporation as well as in the Terms of Reference of the Board of Directors.

[6] The Romanian State through the *Ministry of Energy*

The Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Financial Officer, as well as directors without contract of mandate are key people in the structure and operation of the company. The heads of compartments (branches/departments/directions/offices etc.) representing the connection between the upper structure and the employees of the respective compartment are directly subordinated to the afore mentioned.

Each compartment has its own duties well-defined in the company's Rules of Organization and Operation and all these elements work as a whole.

The tasks, duties and responsibilities of the execution personnel are included in the job descriptions of each position.

The company had on December 31, 2024, eight branches, set up based on the specific of the activities performed and on the specific of the region (natural gas production branches) as follows:

- Sucursala Medias (Medias Branch) having its office in Medias, 5 Garii Street, postal code 551025, Sibiu County, territorially organized in 8 sections;
- Sucursala Targu Mures (Targu Mures Branch) having its office in Targu Mures, 23 Salcamilor Street, postal code 540202, Mures County, territorially organized in 9 sections;
- Sucursala Buzau, having its office in Buzau, 1 Romanitei street 120032, Buzau County;
- Sucursala de Interventii, Reparatii Capitale si Operatii Speciale la Sonde Medias (SIRCOSS – Branch for Well Workover, Recompletions and Special Well Operations) having its office in Medias, 5 Soseaua Sibiului Street, postal code 551009, Sibiu County, territorially organized in 3 sections and 5 units;
- Sucursala de Transport Tehnologic si Mentenanta Targu Mures (STTM – Technological Transport and Maintenance Branch) having its office in Targu Mures, 6 Barajului Street, postal code 540101, Mures County, territorially organized in 5 sections and one laboratory;
- Sucursala de Productie Energie Electrica Iernut (SPEE – Iernut Power Generation Branch) having its office in Iernut, 1 Energeticii Street, postal code 545100, Mures County, organised in 7 sections;
- Sucursala Drobeta-Turnu Severin (Drobeta-Turnu Severin Branch), having its office in Drobeta-Turnu Severin, 27 Aurelian Street, Mehedinti County;
- Sucursala Chișinău, having its office in Chișinău, 70 Mihail Eminescu Street, MD-2012, the Republic of Moldova.

SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești SRL (Depogaz)

As of April 1, 2018, ***SNGN Romgaz SA - Filiala de Înmagazinare Gaze Naturale Depogaz Ploieşti SRL*** became operational, managing the natural gas underground storage activity.
The subscribed and paid in share capital of the company is RON 66,056,160, divided in 6,605,616 shares, with a nominal value of RON 10/share.
Depogaz took over operation of underground storages licensed by Romgaz, the operation of assets belonging to Romgaz, used to perform storage activities and the entire related personnel.
Depogaz operates 5 UGSs developed in depleted gas fields, with a storage capacity of 2.870 bln m^3.
Information about Depogaz can be found at: https://www.depogazploiesti.ro

Filiala Romgaz Black Sea Limited (RBS)

On August 1, 2022, Romgaz became sole shareholder of ROMGAZ BLACK SEA LIMITED ("RBS"), former ExxonMobil Exploration and Production Romania Limited.
RBS is a company operating in compliance with the laws of the Commonwealth of the Bahamas.
RBS holds 50% from the rights and obligations under the Petroleum Agreement for petroleum exploration, development and production for the Deep Water Zone of XIX Neptun offshore block in the Black Sea. OMV Petrom S.A. holds the remaining 50% of such rights and obligations and as of August 1, 2022, OMV Petrom is operator of the block.
The subsidiary does not own any assets or interests and is not a party to any joint operating agreement, production agreement, production sharing agreement or any similar agreement, besides the Petroleum Agreement for petroleum exploration, development and production for the Deep Water Zone of XIX Neptun offshore block in the Black Sea ("Neptun Deep").
The activity of the project is carried out through Romgaz Black Sea Limited Nassau (Bahamas) Bucharest branch. Neptun Deep is currently in the development – exploration phase.

2.3. Mission, Vision and Goal

Mission

Sustainable increase of added value for the company, employees and shareholders, resilient over the long term.

Vision

Gaining profit by producing and trading hydrocarbons and electricity, including electricity from renewable sources, under efficiency and low emission conditions.

Goal

Future ambition to reach NetZeRomGAZ in our business. Romgaz plans to develop its business and to reach net zero CO_2 emissions by 2050.

2.4. Strategic Objectives, Strategic Options and Secondary Objectives

Strategic Objectives provided in ROMGAZ strategy for 2021-2030

- Minimum 10% reduction of carbon, methane and other gas emissions (10-10-10). Reduction is set for the validity term of the strategy (2021-2030) having 2020 as reference year;
- Annual natural gas production decline below 2.5%;
- EBITDA margin between 41-42%;
- ROACE equal to or higher than 12%.

ROMGAZ Strategic Options:

- ✓ We continue to develop the portfolio of resources focused on mitigating climate changes effects, centred on resilient hydrocarbons and on operational safety and reliability;
- ✓ Electricity and energy with low CO_2 emissions with large scale use of renewable energy sources, seeking opportunities on the hydrogen market and developing a portfolio of gas clients to complete such low CO_2 emission energy;
- ✓ Create long-term relationships with equal profitability for both the market and social environment;
- ✓ Digital transformation of the company and supporting innovations to approach new customer interaction methods, to increase efficiency and to support new development directions;

Main objectives for the period 2023-2027, derived from the strategic objectives, are the following:

- Increase of hydrocarbon resources and reserves portfolio (onshore and offshore Black Sea) by:
  - exploration-development-production activities in concessioned reservoirs;
  - concession of new blocks;

    acquire petroleum rights and obligations.
- Maximise the hydrocarbon reserves recovery factor under safety, reliability and sustainability conditions by:
  - extending the exploitation term of mature gas reservoirs;
  - reduce emissions and streamline surface facilities related to hydrocarbon reservoirs.

  To maximise the gas reserves recovery factor, to obtain an annual production decline within controlled limits (maximum 2.5%/year), to obtain reserves replacement ratios of over 50% and to achieve annual production programs. Related to production activities, following measures and actions are foreseen, with implementation/achievement deadlines:
  - stream in production capacities at major onshore projects, provided in Romgaz Development Strategy 2021-2030;
  - perform well workover works;
  - Investments in gas transmission, compression and dehydration:
    - natural gas compression activities - measures and actions for 2023-2027 provide for investments in new compressor stations in the most important commercial delivery-take over points, to ensure security of supply, installation of field compressors and procurement of compression services (rental of gathering compressors);
    - natural gas dehydration activities - measures and actions for 2023-2027 provide for investments in new gas dehydration stations for continuous assurance of natural gas quality requirements (compliance) at commercial gas delivery-take

over points (National Transmission System) and investments in gas metering systems/facilities for ensuring gas quality;
        - natural gas transmission activities - for the period 2023-2027 several measures and actions are foreseen for the safe operation of natural gas pipelines that are part of the surface production infrastructure;
    - Development, implementation and monitoring of a strategy for exploitation and optimisation of natural gas production capacities for the period 2023-2027 in order to maximise the recovery of reserves in technically and economically efficient conditions and monitoring the results of the implementation. The purpose of this strategy is to ensure the optimal and efficient framework for planning, execution and monitoring of all works necessary for the achieving the gas production which will ultimately lead to achieving the objective of maximizing natural gas reserves and maintaining an annual production decline below 2.5%;
    - Continue mature gas reservoir rehabilitation projects.
- Consolidate the position on gas and energy supply markets/extend ROMGAZ activities nationally/take all opportunities for growth and diversification of activities, both nationally and regionally and to identify new opportunities by:
    - permanently adapting the gas and electricity trading policy taking into account the internal and external context, to maximise the added value;
    - permanently adapting the energy trading business model, including by implementing partnerships;
    - adapting the electricity trading policy so as to ensure a significant portfolio of final household and non-household clients, in line with applicable laws;
    - Develop the trading activity;
- Complete the investment in the new 430 MW power plant (CTE Iernut) and commission the plant to generate electricity;
- Economic efficiency of ROMGAZ activities;
- Produce sustainable energy – electricity and energy with low carbon dioxide emissions;
- Minimum 10% reduction of carbon, methane and other gas emissions;
    - Decarbonisation of exploration-production activities, by:
        - Using electric driven drilling rigs;
        - Reduce greenhouse gas emissions during well testing operations;
        - NOx emission management during exploration activities;
        - Implement a program to detect and reduce fugitive emissions within the management system, related to integrity pf production equipment;
        - Reduce the execution time for developing production infrastructure to reduce energy consumption, and emissions respectively;
        - Use non-polluting closed discharge systems at well clusters;
        - Reduce emissions at compressor stations;
        - Reduce transportation of liquids resulted from production activities;
        - Reduce technological gas quantities, flared in a controlled manner, by implementing methane capture and recovery solutions;
    - Reduce emissions and making hydrocarbon surface facilities more efficient by upgrading facilities and equipment and finding solutions to capture methane;
    - Modernise of the existing car fleet and making it more efficient – the target is to have 80% of the car fleet to run on low emission fuels by 2030;
- Romgaz digitalisation:
    - Technology and digital support and improvement of exploration/production activities;
    - Improve the decision-making process and simplify the administrative process by digitalisation;
    - Digital integration – unify and standardise hardware and software infrastructure;
- Underground gas storage (Depogaz);
- Training human resources for the transition to future trends in sustainable energy, by:

- a more efficient organisation and functioning of the company, in order to develop human resources through professional training and career development of employees in order to achieve strategic, derived and specific objectives (i.e. management by objectives);
- Adapting to future trends of sustainable energy, to elaborate and implement a human resources strategy (for recruiting, training and keeping personnel);
- Continue, and as the case may be, to develop partnerships with the academic and pre-university environment through specific programs to attract students/recent graduates at Romgaz;

- Romgaz Corporate Governance:
    - Internal Management Control System - the main objective is to increase the acknowledgement so that its function within the company reaches an appropriate level of understanding, implementation and monitoring. The implementation degree of Internal Management Control System standards is checked annually through self-assessment. For each standard, where appropriate, improvement measures and actions are included, with deadlines for implementation/accomplishment;
    - Integrated Management System – provides for 2023-2027 actions related to management of the system;
    - National Anticorruption Strategy 2021-2025 – continues specific actions to fulfil the provisions of the anticorruption strategy. In this respect, the Ethics and Integrity Code is permanently reviewed, there are also information, awareness-raising and counselling sessions for employees, annual perception surveys, briefings to promote the role of the ethics counsellor and to promote the system of values and principles contained in the Ethics and Integrity Code;
    - Ongoing monitoring of progress in achieving objectives, indicators (including performance indicators);
    - Relationship with the capital market and with investors;
    - Compliance with corporate governance principles provided by applicable national regulations, namely Bucharest Stock Exchange Corporate Governance Code;
- Active participation in corporate social responsibility activities. The social responsibility policy will be Romgaz's voluntary and conscious choice to promote a transparent business climate and to integrate social responsibility concerns and business objectives into a coherent strategy to achieve economic success in an ethical manner, with respect for the community and the environment;
- Achieve investment programs (to fulfil objectives).

III. Review of Romgaz Group Business

3.1. Business Segments

Romgaz Group undertakes business in the following segments:

- natural gas exploration and production (carried out at Romgaz and Romgaz Black Sea Limited);
- UGS activity (carried out at Depogaz);
- natural gas supply;
- special well operations and services;
- maintenance and transportation services;
- electricity generation and supply;
- natural gas distribution.

Exploration

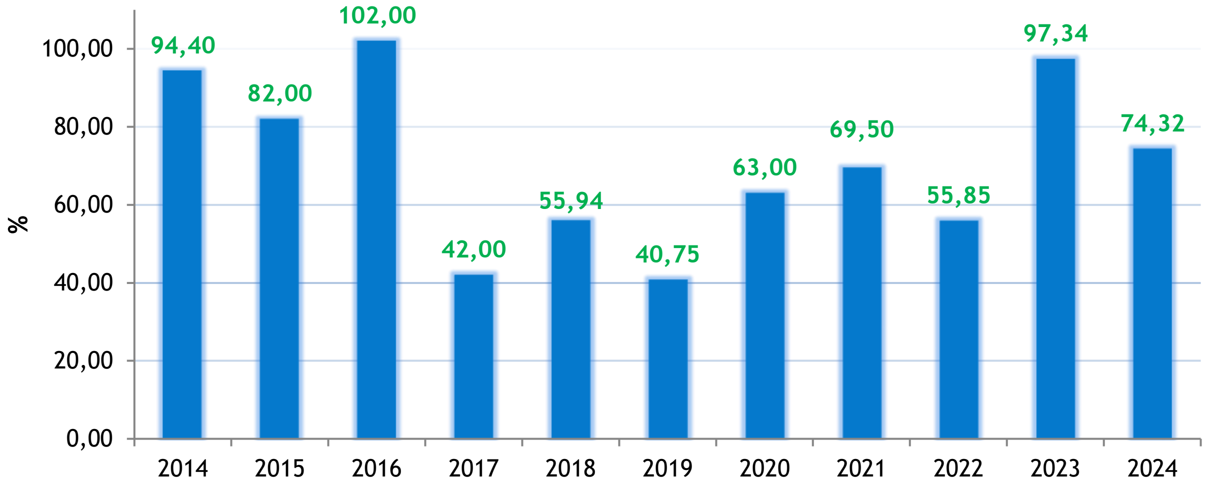
Since October 1997, the exploration activity is carried out in 8 blocks located in Transylvania, Muntenia-Oltenia and Moldova, subject to the Concession Agreement approved by Government Decision No. 23/2000.

Currently, exploration activities are performed under Addendum No. 6 (approved by GD No. 1011/22.09.2021 to the Concession Agreement for petroleum exploration-development-production approved by GD No.23/2000, with a validity term of 6 years (10.10.2021 – 9.10.2027). The approved minimum work program includes 36 wells with a total length of 92,000 m and 1,000 km^2 3D seismic for all eight blocks, with the total value of USD 195 million.

Main works performed in 2024 are:

- drilling exploration wells:
  - completed drilling works for 5 wells, of which:
    - 2 wells tested gas and in conservation;
    - 1 well is undergoing production tests;
    - 1 well is going to be tested;
    - 1 well abandoned from drilling;
  - 2 wells under drilling at the end of 2024;
  - 5 exploration wells awarded by tender procedure;
  - 42 wells in various stages of preparation for drilling procurement;
- procurement and processing of 3D seismic data for exploration-development-production blocks RG.01 Transilvania Nord and RG.02 Transilvania Centru, covering an area of approximately 700 km^2, RG.03 Transilvania Sud – 250 km^2, RG.05 Moldova Sud an area of approximately 125 km^2. Romgaz acquired for exploration-development-production block RG.06 Muntenia Nord-Est, 3D seismic acquisition for 250 km^2 and for RG.07 Muntenia Centru, around 10 km of 2D seismic profiles.

Exploration works are designed and prioritised based on technical-economic principles, to increase the hydrocarbon resources and reserves portfolio and to maximise the potential of the eight exploration-development-production blocks licensed by Romgaz. The figure below shows the evolution of the reserves replacement ratio between 2014-2024:



Reserves replacement ratio is influenced by the improvement of the final recovery factor, by promoting probable and possible reserves and by investments in the infrastructure necessary for streaming in experimental production of new exploration discoveries.

Production

The 2024 annual program for petroleum operations took into account the gas demand dynamics, reactivation, recompletion and workover operations, bringing into production new wells and exploration wells; the program focused also on maintenance programs of compressor stations and of dehydration stations.

2024 natural gas production was 4,962.7 million m^3, by 174.2 million m^3 higher than the production of the previous year.

Whereas most operational commercial fields are mature, in an advanced stage of energy depletion, the high production of 2024 is mainly due to the following:

1. investments to extend production infrastructure and to connect new wells to this infrastructure; thus Romgaz completed in 2024 surface facilities for bringing into production 9 new wells resulted from drilling of exploration and exploitation wells;
2. continue and extend rehabilitation projects of the main mature gas fields: Filitelnic, Delenii, Laslău, Sădinca, Copșa Mică, Nadeș-Prod-Seleuș, Roman, Corunca Sud, Târgu Mureș, Grebeniș, Bazna, Cetatea de Baltă, Mărgineni, Corunca Nord, Iclănzel Vaideiu, Sărmășel; the average production decline for the 16 fields stayed below 1%;
3. performing works, capitalizable repair works and well recompletion operations in 200 inactive or low production wells to restore them to production;
4. measures implemented to optimise gas field production.

Underground Gas Storage

Currently, there are six operational UGSs in depleted gas reservoirs in Romania. Romgaz owns and operates through Filiala Depogaz five UGSs with a total capacity of 4.065 bcm and a working gas volume of 2.870 bcm.

In 2024 the ratio between stored gas volumes and working volume of the UGSs was 102.68%.

The Romanian Government issued Emergency Ordinance No. 106/2020 amending Gas and Electricity Law No. 123/2012 ruling deregulation of storage activities. Therefore, after the withdrawal cycle 2020-2021, the storage activity is no longer regulated.

Natural Gas Supply

After a thorough restructuring, the Romanian natural gas sector is currently split into independent activities. The Romanian natural gas market includes a National Transmission System operator - NTS (Transgaz), producers (Romgaz and OMV Petrom the most important producers), underground gas storage operators (Depogaz holds 93.13% from the total storage capacity of the country), gas distribution and supply companies to end users and suppliers for the wholesale market.

Considering the international context generated by the increase of prices on energy markets in 2022, in order to ensure a rigorous discipline on the national market and high economic and social customer protection, GEO 27/2022 was adopted on measures applicable to end users on the gas and electricity market during April 1, 2022 – March 31, 2023, as well as to amend and supplement certain enforcement guidelines in the energy sector. Enforceability of GEO 27/2022 was subsequently extended until March 31, 2025.

Therefore, as of April 2022 there was a significant regulation of households and heat producers, both as regards prices and contracted quantities.

Romgaz was appointed by ANRE Decision No. 1616/2022 supplier of last resort. The first month as supplier of last resort was February 2023, following that every 7 months Romgaz took over clients that were left without supplier. Although, until its appointment as supplier of last resort, Romgaz did not act on the wholesale market, the feedback received from clients was a positive one.

In terms of supply, Romgaz held, between 2017-2024, a national market share ranging between 39%-50%:

	Unit	2017	2018	2019	2020	2021	2022	2023	2024
Total national consumption	bcm	12.3	12.3	11.5	12.0	12.3	10.4	9.7	10.1
Romgaz traded volumes (domestic + import)	bcm	5.7	5.6	5.1	4.7	5.2	5.1	4.8	4.8
Romgaz market share	%	46.3	45.5	44.1	39.1	42.4	49.4	50.0	48.0

The above quantities include gas from own internal production, including technological consumption, domestic gas purchased from third parties, 100% gas from Schlumberger joint venture (until 2018) and import gas. Deliveries include gas delivered to Iernut and Cojocna for electricity production.

Well Workover, Recompletion and Special Operations

SIRCOSS was set up in 2003 in accordance with GMS Resolution No. 5/June 13, 2003.

SIRCOSS performs two main types of activities:

- well workover, recompletion operations and production tests;
- special well operations.

The operations performed in 2024 were higher both in terms of workover, recompletion operations and in terms of services supplied as special operations.

Workover, recompletion operations and production tests represent all services performed with T80, T50, TW30, IC5 drilling rigs and snubbing units.

The table below shows a comparison between planned and achieved recompletion operations and capitalizable repairs for 2024:

	Mediaș Branch	Târgu Mureș Branch	Buzău Branch	TOTAL Romgaz
Planned	73	105	18	196
Achieved	87	107	6	200
Difference	14	2	-12	4

The 200 wells include drilling activities and production tests, comprising well deepening, deviation of the hole (by installing a deflecting wedge and performing a lateral re-entry), development drilling from 0m.

In 2024 we performed drilling operations at 4 wells, as follows:

well 164 Tăuni – deepening;

well 6 Caragele – deviation;

well 209 Nadeș – drilling from 0m (1225m);

well 161 Trei Sate – drilling from 0m (1096m).

The second main activity consists of *Special Well Operations*, namely services supplied by means of different transportable equipment for downhole or surface operations.

Special well operations are performed with the following equipment: cementing unit, slickline, wireline, coiled tubing unit, liquid nitrogen converter, liquid nitrogen truck, cement container, fluid separation unit, equipment for discharge and measurement with two-phase separation, equipment for discharge and measurement with three-phase separation, echometer, equipment for tubing cutting, packer assembly device, hydraulic packer retriever.

The evolution of special operations in 2024, planned vs achieved:

	Mediaș Branch	Târgu Mureș Branch	Buzău Branch	Third parties DEPOMURES	TOTAL Romgaz
Planned	2,586	1,948	1,511	-	6,045
Achieved	3,072	3,448	554	78	7,152
Difference	486	1,500	-957	-	1,107

The schedule was exceeded by 18%, as a result of an increased demand on the main cost centres: flexible tubing, nitrogen unit, pumping aggregates, reservoir measurements.

Transportation and Maintenance

STTM was established in October 2003, by taking over the means of transportation from Medias, Targu-Mures and Ploiesti branches.

The branch's scope of activity is transportation of goods and people, specific technological transportation, car repairs and maintenance activities for the benefit of the Group and of third parties.

STTM car fleet includes various motor vehicles and machinery for the following transportation services:

a) passenger carriers: cars, minibuses, buses and large buses;

b) mixt transportation with utility vehicles < 3.5 t and utility vehicles > 3.5 t;

c) technological transportation with trucks, platforms, dumpers, dump trucks, tankers, self-trailers and crane trucks;

d) Transport and machinery: tractors, bulldozers, front loaders, earth-moving machinery, excavators.

Maintenance of the car fleet is carried out in own car services. STTM holds at the four sections (Târgu Mureș, Mediaș, Ploiești and Roman), car services authorised by the Romanian Automobile Register, with specialised personnel for the maintenance of STTM vehicles and machinery.

As regards the maintenance activity, the various services are provided by specialized teams in the mechanical, electrical and automation fields.

These include among others, the following:

- ✓ metallic plate works and pipeline repairs;
- ✓ machining;
- ✓ repair and winding of electric motors;
- ✓ verification and charging of extinguishers;
- ✓ maintenance, inspection and repairs of drying stations, water pumps, pressure regulators, construction of water and gas installations;
- ✓ general attendance (carpentry, central heating, etc.);
- ✓ automation, electrical and electronic revisions and maintenance for gas compressors;
- ✓ maintenance well access roads;
- ✓ pavement of platforms and of access roads;
- ✓ construction of well perimeter and restoration of land to the agricultural circuit.

During 2024, staff were hired at the two new units responsible for construction of access roads and well perimeters from Tg. Mures and Ploiesti, being fully operational in august, thus performing 61.38% more construction/restoration works than in 2023.

At the same time, we performed for the first time in 2024, four drilling/deepening locations.

Electricity Generation

CTE Iernut is an important junction point of the NPG (National Power Grid), located in the centre of the country, in Mures County, on the left bank of Mures River, between towns Iernut and Cuci, with gas and industrial water sources and power discharge facilities.

CTE Iernut is operated by Romgaz through *Sucursala de Productie Energie Electrica* (SPEE).

CTE Iernut has an installed power of 800 MW and comprises 6 power units: 4 units of 100 MW of Czechoslovakian manufacturing and 2 units of 200 MW of Soviet manufacturing. These units were commissioned between 1963 and 1967. Taking in consideration the start of investment works at the 430 MW CCGT Power Plant and the requirement to ensure appropriate conditions for the execution of works at the related cooling circuit, unit 6 of 200 MW was decommissioned in November 2019.

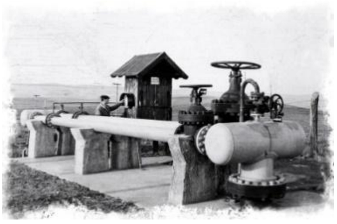
In January 2019, units 2 and 3 of 100 MW were decommissioned, followed by unit 1 (of 100 MW) in November 2019, and unit 4 in June 2020; all units were decommissioned on the grounds of non-compliance with the environmental conditions.

In 2024, SPEE Iernut operated with power unit 5 of 200MW.

Natural Gas Distribution

Natural gas distribution is regulated, carried out in two distributions at Targu-Mures Branch. Romgaz has concession agreements for public distribution services with administrative territorial units Ghercesti (Dolj County) and Stejari (Gorj County). In 2024, 26,010 MWh were distributed, by 3,582 MWh, namely by 60% more than distribution of 2023.

3.2. Brief History



Societatea Nationala de Gaze Naturale "ROMGAZ" SA is Romania's most important natural gas producer and supplier. The company's experience in the field of gas exploration and production exceeds 110 years. Its history began in 1909 when the first natural gas commercial reservoir was discovered, in the Transylvanian Basin, upon drilling of well Sarmasel-2.

The most important historic benchmarks are:

- **1909** • Natural gas discovery in Sarmasel (Transylvanian Basin)
- **1913** • First gas production recorded in Romania (113,000 m^3)
- **1915** • On November 26, Societatea Ungară de Gaz Metan is established, receiving the right for gas exploration and production from Transylnavia's richest gas fields
- **1925** • Setting up the National Gas Company "SONAMETAN"
- **1958** • First underground gas storage in Romania, at Ilimbav, Sibiu County
- **1972** • Use of compressors in the course of production
- **1976** • Maximum gas production obtained by Romgaz (29,834 million m^3)
- **1979** • Import gas from the Russian Federation
- **1991** • Centrala Gazului Metan was reorganized, by Government decision, to Regia Autonoma "ROMGAZ" RA
- **1998** • "ROMGAZ" RA becomes Societatea Națională de Gaze Naturale "ROMGAZ" SA
- **2000** • SNGN "ROMGAZ" SA was reorganized in five independent companies (SC "Exprogaz" SA Mediaş, SNDSGN "Depogaz" SA Ploieşti, SNTGN "Transgaz" SA Mediaş, SC "Distrigaz Sud" SA Bucureşti şi SC "Distrigaz Nord" SA Tîrgu-Mureş
- **2001** • **The current SNGN "ROMGAZ" SA Medias was established**
- **2013** • Company shares are traded on Bucharest Stock Exchange and London stock Exchange (GDR's)
- **2015** • Unbundling the underground gas storage activity by setting up Filiala de Înmagazinare Gaze Naturale Depogaz SRL Ploieşti
- **2018** • As of April 1, 2018 Filiala de Înmagazinare Gaze Naturale Depogaz SRL Ploieşti became operational
- **2022** • Acquisition of all shares issued by ExxonMobil Exploration and Production Romania Limited, which holds 50% of the rights and obligations under the Petroleum Agreement for the eastern area, deep water zone, of Neptun XIX offshore block in the Black Sea.

3.3. Mergers and Reorganisations, Acquisitions and Divestments of Assets

Changes to the organisational structure

- Resolution No. 378/01.04.2024, amended the organisational structure of S.N.G.N. ROMGAZ S.A. headquarters and Targu Mures Branch, after establishing Buzau Branch.
- Resolution No. 665/05.06.2024, updated the organisational chart of the headquarters, namely Chisinau Branch was subordinated to the Energy Trading Department, following its approval by the Board of Directors;

No mergers of the company *with other entities* took place in financial year 2024.

3.4. Group's Business Performance

3.4.1. Overall Performance

The Group's revenues are generated mainly from gas production and deliveries (own gas production and delivery, gas produced by joint ventures, import gas deliveries and gas deliveries from other domestic producers), from supply of underground gas storage services, from production and supply of electricity and from other specific services.

Financial Results

RON thousand

Item no.	Description	2023	2024	Ratio % (2024/2023)
0	1	2	3	4=(3/2-1)x100
1	**Total Income, of which:** *operating income *financial income	**9,613,665** 9,371,037 242,628	8,546,800 8,346,656 200,144	-11.10 -10.93 -17.51
2	Revenue	9,001,878	7,929,436	-11.91
3	**Expenses - total, out of which:** *operating expenses *financial expenses	4,551,076 4,450,197 100,879	4,953,639 4,846,080 107,559	8.85 8.90 6.62
4	Share of associates' result	4,873	8,016	64.50
5	**Gross Profit**	**5,067,462**	**3,601,177**	**-28.94**
6	Income tax	(2,255,353)	(395,181)	-82.48
7	**Net Profit**	**2,812,109**	**3,205,996**	**14.01**

The total income of 2024 was lower by 11.10% as compared to 2023.

Below are the compared economic-financial indicators for 2023 and 2024 and their detailed structure split by activity:

Indicators split by activities – 2024

RON thousand

Description	TOTAL, out of which:	Gas production and deliveries	Underground Gas Storage	Electricity	Other activities	Settlement between segments
1	2	3	4	5	6	7
Revenue	7,929,436	7,418,587	573,604	539,646	485,407	(1,087,808)
Cost of commodities sold	(119,825)	(24,648)	(131)	(93,834)	(1,212)	-
Investment Income	190,009	3,908	11,262	152	288,140	(113,453)
Other gains or losses	(31,383)	(31,226)	668	(87)	(738)	-

Net gains (losses) from impairment of trade receivables	38,479	52,974	-	(1,436)	(13,059)	-
Changes in inventories	47,832	45,493	-	23	2,316	-
Income from works capitalized as non-current assets	307,228	302,155	-	5,073	-	-
Raw materials and consumables	(199,861)	(136,575)	(47,394)	(363,155)	(38,928)	386,191
Depreciation, amortization and impairment	(603,157)	(449,713)	(90,584)	(7,785)	(72,073)	(22,998)
Employee benefit expense	(1,201,977)	(602,003)	(95,171)	(63,438)	(441,365)	-
Taxes and duties	(1,826,729)	(1,778,512)	(20,113)	(24,892)	(3,212)	-
Finance cost	(92,692)	(23,588)	(2,330)	(38)	(68,169)	1,433
Exploration Expenses	(78,709)	(78,709)	-	-	-	-
Share of associates' result	8,016	-	-	-	8,016	-
Greenhouse certificates expenses	(180,752)	-	-	(180,733)	(19)	-
Expenses with third party services and other costs	(646,474)	(958,803)	(176,781)	(104,187)	(109,017)	702,314
Other Income	61,736	56,325	102	354	5,404	(449)
Profit before tax	**3,601,177**	**3,795,665**	**147,132**	**(294,337)**	**41,491**	**(88,774)**
Income tax expense	(395,181)	44,631	(27,985)	-	(411,827)	-
Profit for the year	**3,205,996**	**3,840,296**	**119,147**	**(294,337)**	**(370,336)**	**(88,774)**

Indicators split by activities – 2023

RON thousand

Description	TOTAL, out of which:	Gas production and deliveries	Underground Gas Storage	Electricity	Other activities	Settlement between segments
1	2	3	4	5	6	7
Revenue	9,001,878	8,398,731	550,278	588,609	464,701	(1,000,441)
Cost of commodities sold	(107,130)	(20,327)	(70)	(85,507)	(1,226)	-
Investment Income	213,008	1,192	7,648	95	271,963	(67,890)
Other gains or losses	(17,748)	(13,482)	436	(111)	(3,296)	(1,295)
Net gains (losses) from impairment of trade receivables	43,714	30,070	-	12,711	933	-
Changes in inventories	(5,767)	(7,396)	-	3	1,626	-
Income from works capitalized as non-current assets	250,977	245,167	-	5,741	69	-
Raw materials and consumables	(151,501)	(99,281)	(45,269)	(304,472)	(34,440)	331,961
Depreciation, amortization and impairment	(504,532)	(373,363)	(13,253)	(18,878)	(70,887)	(28,151)
Employee benefit expense	(1,082,714)	(536,395)	(89,469)	(58,341)	(398,509)	-
Taxes and duties	(1,496,311)	(1,476,356)	(17,036)	427	(3,346)	-
Finance cost	(62,003)	(17,230)	(1,994)	(18)	(43,729)	968
Exploration Expenses	(84,640)	(84,640)	-	-	-	-

Share of associates' result	4,873	-	-	-	4,873	-
Greenhouse certificates expenses	(242,803)	(115)	-	(242,681)	(7)	-
Expenses with third party services and other costs	(712,843)	(809,163)	(218,949)	(212,615)	(141,115)	668,999
Other Income	21,004	26,146	139	(11,114)	6,259	(426)
Profit before tax	**5,067,462**	**5,263,558**	**172,461**	**(326,151)**	**53,869**	**(96,275)**
Income tax expense	(2,255,353)	(1,558,442)	(23,302)	-	(673,609)	-
Profit for the year	**2,812,109**	**3,705,116**	**149,159**	**(326,151)**	**(619,740)**	**(96,275)**

Revenue

The table below shows the compared revenue and the revenue share on activity segments:

Description	2023		2024	
	RON mln	% Revenue	RON mln	% Revenue
Gas production and delivery	8,398.7	93.30	7,418.6	93.56
UGS activity	550.3	6.11	573.6	7.23
Electricity generation and delivery	588.6	6.54	539.6	6.81
Other activities	464.7	5.16	485.4	6.12
Settlement between branches	(1,000.4)	-11.11	(1,087.8)	-13.72
TOTAL Revenue	**9,001.9**	**100.00**	**7,929.4**	**100.00**

Financial Income

The financial income dropped by 17.51% as compared to the previous year. Financial income consists mainly of interests from cash in bank deposits.

Expenses

Description	2023 (RON thousand)	2024 (RON thousand)	Δ (2024/2023) %
1	2	3	4=(3-2)/2x100
Operating expenses	4,450,197	4,846,080	8.90
Financial expenses	100,879	107,559	6.62
Total expenses	4,551,076	**4,953,639**	**8.85**

Financial Expenses

Financial expenses incurred in 2024 are higher by 6.62% as compared to 2023 mainly as a result of contracted loans and the issue of bonds.

Chapter 7 shows a detailed split of different expenses categories and a comparative assessment thereof.

Economic-Financial Results

Compared economic-financial results are shown in the table below (RON thousand):

Description	2023	2024	Δ (2024/2023) %
1	2	3	4=(3-2)/2x100
Operating results	4,920,840	3,500,576	-28.86
Financial results	141,749	92,585	-34.68
Share of associates' results	4,873	8,016	64.50
Gross result	**5,067,462**	**3,601,177**	**-28.94**
Income tax	(2,255,353)	(395,181)	-82.48
Net result	**2,812,109**	**3,205,996**	**14.01**

Gross result for January – December 2024 in amount of 3,601,177 thousand is by 28.94% lower than the gross result of 2023.

Financial Performance is also emphasized by the evolution of indicators presented in the table below:

Indicators	Formula	UM	2023	2024
1	2	3	4	5
Working capital (WC)	C_p-A_i = C_{pr}+D_{tl}+Pr+S_i-A_i	RON mln	1,911	4,117
Working capital requirements (WCR)	(A_c-D+Ch_{av}) - (D_{crt}-Cr_{ts}+V_{av})	RON mln	1,700	2,612
Net cash	WC-WCR = D-Cr_{ts}	RON mln	212	1,504
Economic Rate of Return (ERR)	P_b/C_px100	%	38.06	19.89
Return on Equity (ROE)	P_n/C_{pr}x100	%	24.32	22.60
Return on Sales	P_b/CAx100	%	56.29	45.42
Return on Assets	P_n/Ax100	%	17.08	16.10
EBIT	P_b+Ch_d-V_d	RON mln	4,897.64	3,479
EBITDA	EBIT+Am	RON mln	5,402.17	4,083
ROCE	EBIT/C_{ang}x100	%	36.79	19.22
Current liquidity	A_{crt}/D_{crt}	-	1.61	3.27
Asset Solvency	C_{pr}/Px100	%	70.21	71.23

where:

C_p long-term capital;
A_i non-current assets;
C_{pr} equity;
D_{tl} non-current liabilities;
Pr provisions;
S_i investment subsidies;
A_c short term assets;
D liquidity position;
Ch_{av} prepayments;
Cr_{ts} short-term credit;
V_{av} deferred income;
P_b gross profit;
P_n net profit;
CA revenue;
A total assets;
Ch_d interest expense;
V_d interest income;
Am amortization and impairment;
C_{ang} capital employed (total assets – current liabilities);
A_{crt} current assets;
D_{crt} current liabilities;
P total liabilities.

3.4.2. Sales

Sales Evolution and Perspective

The table below shows the evolution of delivered gas quantities, by splitting gas quantities delivered to third parties and quantities used for electricity production in own plants:

TWh

Description	2023	2024	Ratio 2024/2023 (%)
1	2	3	4=(3-2)/2x100
I. SALES			
GEO 27/2022, of which:	**41.048**	**26.681**	**-35.00**
***household suppliers**	32.644	20.509	-37.18
***suppliers of heat producers + heat producers**	7.298	4.592	-37.07

*network operators	1.105	1.580	42.98
Romgaz supplier of last resort - total, of which:	0.796	0.400	-49.83
competitive market	0.722	0.276	-61.80
GEO 27/2022	0.074	0.124	66.53
Gas Release Program	0.047	2.111	4,410.67
Romanian Commodities Exchange	3.370	12.759	278.60
Bilateral negotiated contracts	2.219	6.070	173.56
II. CTE Iernut deliveries	**3.033**	**2.806**	**-7.49**
III. Self-supply	**0.005**	**0.014**	**157.24**
*TOTAL DELIVERIES	50.444	50.716	0.54

Romgaz traded gas quantities both on the regulated market and on the free market, both by bilateral negotiation as well as on the centralized market governed by the Romanian Commodities Exchange (BRM).

The quantity of 47.896 TWh was delivered to the market, to third parties, as follows:

- gas delivered under contracts concluded on centralized markets (BRM+GRP and other contracts concluded on the centralized market + SPOT market): 14.870 (31.05%);
- gas delivered under GEO 27/2022: 26.681 TWh (55.71%);
- gas delivered under bilateral negotiated contracts: 6.070 TWh (12.67%),
- gas delivered as supplier of last resort: 0.400 TWh (0.58%).

As compared to 2023 Romgaz (net) natural gas production recorded an increase of 3.6% and the volumes delivered in 2024 escalated by 0.54%. Gas sales from own production increased by 1.1% as compared to the previous year.

Gas delivered to third parties rose by 0.54%. It is worth mentioning that in 2024 no import gas quantities were traded. Concurrently, gas quantities used at CTE Iernut decreased by 7.49% compared to 2023.

As regards gas trading on Romanian centralized markets, Romgaz share was about 49.56% of the total gas traded on these markets (GasForward, GasForward with Central Counterparty and SPOT) with delivery in 2024. With respect to quantities, Romgaz traded 14.79 TWh on centralized markets, with delivery in 2024, out of 29.84 TWh that represented all transactions on these markets with the same delivery period.

Out of the total gas traded on centralized markets, 7.14 TWh are quantities sold on SPOT market – on the day ahead market and intraday market.

2025 gas sales perspectives are characterized by adapting products and prices to the conditions of the competitive market, taking into account that as of April 1, 2025 the provisions of GEO 27/2022 were extended until March 31, 2026, namely trading at a regulated price of a significant gas quantity from Romgaz internal production.

Competition and Market Share of Romgaz Products and Services

The evolution of gas market was significantly influenced by enforcement of GEO No. 27/2022 and subsequent acts to protect household consumers and heat producers by distributing gas from internal production at a capped price for these customer categories.

The protection measures implemented by the above-mentioned ordinance led to recovery of the national consumption which recorded an increase of roughly 3.5% as compared to the previous year, close to the consumption of 2022.

In this context, out of the total gas sales for 2024, Romgaz sold 55.71% at regulated price to household suppliers, suppliers of heat producers and to heat producers as well as to network operators.

According to company's estimates, the national gas consumption increased by 3.5% as compared to 2023. As regards Romgaz deliveries to the national consumption, these recorded a 2% drop as compared to 2023.

2024 national electricity production, according to IMS preliminary data, reached 52,447,900 MWh.

Yearly evolution of the electricity production and of the market share:

Description	2022 (MWh)	2023 (MWh)	2024 (MWh)	2023/2022 (%)	2024/2023 (%)
National production	54,193,070	57,101,600	52,447,900	105.36	91.85
Romgaz production	1,110,456	962,598	880,342	86.70	91.45
Romgaz market share (%)	2.05	1.68	1.67		

National electricity production sources in 2024[7]:

- 33.28% classic power plants;
- 27.29% hydroelectric power plants;
- 20.80% nuclear plants;
- 12.12% wind power plant;
- 6.50% photovoltaic power plants (including prosumers).

3.4.3. Prices and Tariffs

Law No. 123/2012[8] sets the regulatory framework for natural gas ***production***, transmission, ***distribution, supply and storage***, for organization and operation of the gas sector, for market access as well as criteria and procedures for granting authorizations and/or licenses in the natural gas sector.
Romgaz Group activates both on the regulated market as supplier of last resort and carrying out distribution activities and on the free market, carrying out gas and electricity production and supply activities and underground storage activities.

Natural Gas Trading

Romgaz gas trading policy is based on principles governed by transparency, competition, equal and non-discriminatory treatment, efficiency and effectiveness.
In line with the trading policy and considering the specific regulations, natural gas marketing is carried out by using two sales channels: trading on centralized market governed by the Romanian Commodities Exchange and bilateral negotiations.
In 2024 natural gas trading was influenced to a certain extent, from the point of view of both quantity and pricing, by two specific regulations:

1. GRP (Gas Release Program)
Pursuant to Article 177 paragraph 3^16 of Law No. 123/2012, between July 1, 2020 – December 31, 2022, natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh have the obligation to annually offer the sale of 40% of the natural gas production with delivery between July 1, 2020 – December 31, 2022, in a transparent, public and non-discriminatory manner, on centralized markets in accordance with the regulations issued by ANRE.
The prices in the initiating offers for GRP gas quantities shall be "*lower by at least 5% compared to the weighted average prices for the offered products*" according to the provisions of ANRE Order No. 143/2020[9].
In accordance with the provisions of GEO No. 27/2022, the implementation of Article 177 paragraph (3^15) - (3^17) of Law No. 123/2012 – on GRP, extends to December 31, 2024, noting that, during the application period of the emergency ordinance, quantities related to fulfilment of the delivery obligation by natural gas producers will be sold according to Article 12 of the ordinance. Romgaz traded in 2024, 2.11 TWh under the GRP.
The natural gas quantities representing Romgaz obligation to offer pursuant to GRP are shown in the following table (MWh):

	2021	2022	2023	2024
Obligation to offer	17,537,059	19,704,757	0	2,246,653.06

[7] Approximate levels - Source: National Statistics Institute – press release Primary energy resources for January 1 – December 31, 2024
[8] Electricity and Gas Law No. 123, July 10, 2012, as subsequently amended and supplemented.
[9] Order No.143 of July 17, 2020 on the obligation of natural gas producers to offer gas on centralized markets if their annual production in the previous year exceeds 3,000,000 MWh.

2. GEO No. 27/2022
2.1 Supply of Natural Gas at Regulated Price
Pursuant to this regulation, the Transmission System Operator-TSO (SNTGN Transgaz SA), based on the information sent by natural gas producers on one hand, and suppliers of households, suppliers of heat producers, directly by heat producers and by transmission and distribution network operators, established and sent to each producer, the natural gas quantities representing the contracting obligation for April 1, 2022 – March 31, 2023, April 1, 2023 – March 31, 2024 and April 1, 2024 – March 31, 2025 at regulated prices, namely at 150 RON/MWh March 31, 2024 and 120 RON/MWh as of April 1, 2024.
Natural gas quantities established by the TSO as a delivery obligation for Romgaz are as follows (MWh):
for the period April 1, 2022 – March 31, 2023: 28,839,939 MWh;
for the period April 1, 2023 – March 31, 2024: 41,256,848 MWh;
for the period April 1, 2024 – March 31, 2025: 25,151.880 MWh.
Quantities delivered pursuant to GEO No. 27/2022 are as follows:

In 2022, gas was delivered only beginning with May: 16,678,014.51 MWh, of which:
- household suppliers: 14,099,961.86 MWh;
- suppliers of heat producers and heat producers: 2,628,052.65 MWh;

In 2023: **40,973,459.99 MWh**, of which:
- household suppliers: 32,644,345.74 MWh;
- suppliers of heat producers and heat producers: 7,223,962.40 MWh;
- network operators: 1,105,151.85 MWh.

In 2024: **26.681,266.58 MWh**, of which:
- household suppliers: 20,508.684.13 MWh;
- suppliers of heat producers and heat producers: 4,592,426.16 MWh;
- network operators: 1,508.85 MWh.

2.2 Natural Gas Supply at Capped Price
Pursuant to Article 1 paragraph (2) "for the consumption achieved between April 1, 2022 – March 31, 2025, the final price invoiced by natural gas suppliers is:
a) *maximum 0.31 RON/kWh, including VAT, for household consumers;*
b) *maximum 0.37 RON/kWh, including VAT, for non-household consumers whose annual gas consumption in 2021 at the consumption place is maximum 50,000 MWh, as well as for heat producers".*

The natural gas quantity invoiced at capped price in 2024 is 26,307.37 MWh, and the quantity for 2023 is 1,191,485.61 MWh.
The natural gas quantity sold in 2024 was 47,896.46 GWh, 491.20 GWh higher than the quantity sold in 2023 (47,405.26 MWh) and 1,911.20 GWh, namely 4.2%, higher than the quantity scheduled to be sold.
From the quantity sold in 2024, 26,681.27 GWh, representing 55.71%, is gas delivered pursuant to GEO No. 27/2022.
The average gas supply prices between 2022 – 2024 are shown in the following table:

Description	MU	2022	2023	2024
1	2	4	5	6
Average supply price for gas from internal production[10]	RON/1000 m^3	2,392.06	1,729.10	1,443.50
	RON/MWh	227.27	163.85	137.19

Natural Gas Distribution

Regulated distribution tariffs valid for the reviewed period are approved by ANRE Orders, as follows:
- Order 57/2022 on amending Order 77/2021 on approving regulated tariffs applicable to distribution services for Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Medias (as of April 1, 2022);
- Order No. 45/2023 on the approval of regulated tariffs applicable to distribution services for Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Medias (as of April 1, 2023);

[10] Including commodity gas, less storage costs.

- Order No. 40/2024 on the approval of regulated tariffs applicable to distribution services for Societatea Nationala de Gaze Naturale "ROMGAZ" - S.A. Medias (as of July 1, 2024);

Tariffs are shown in the table below:

Description	01.04.2022-31.03.2023	01.04.2023-30.06.2024	01.07.2024-present
Distribution tariffs (RON/MWh):			
• C1 consumption up to 280 MWh	49.31	74.05	89.68
• C2 annual consumption between 280 and 2,800 MWh	43.35	65.13	78.88
• C3 annual consumption between 2,800 and 28,000 MWh	38.79	58.29	70.59

Underground Gas Storage

The table below shows the storage tariffs:

Tariff component	M.U.	Tariff (01.01.2024-31.03.2024)	Tariff (01.04.2024-31.12.2024)
Volumetric component for *gas injection*	RON/MWh	7.27	6.86
Fixed component for *capacity booking*	RON/MWh/storage cycle	9.82	10.34
Volumetric component for *gas withdrawal*	RON/MWh	5.94	5.43

3.4.4. Human Resources

On December 31, 2024, Romgaz Group had 5,977 employees and SNGN Romgaz SA 5,450 employees.

The table below shows the evolution of employees' number between January 1, 2022 – December 31, 2024:

Specifications	2022		2023		2024	
	Group	SNGN Romgaz SA	Group	SNGN Romgaz SA	Group	SNGN Romgaz SA
Employees at the beginning of the year	5,863	5,363	5,971	5,453	5,980	5,462
Newly hired employees	354	315	274	238	259	240
Employees who terminated their labour relationship with the company	246	225	265	229	262	252
Employees at the end of the year	5,971	5,453	5,980	5,462	5,977	5,450

The structure of SNGN Romgaz SA employees at the end of 2024, was the following:

a) by level of education

- University 28.04%
- Secondary education 31.96%
- Foreman education 1.87%
- Vocational school 29.82%
- Various general studies 8.31%

b) by age

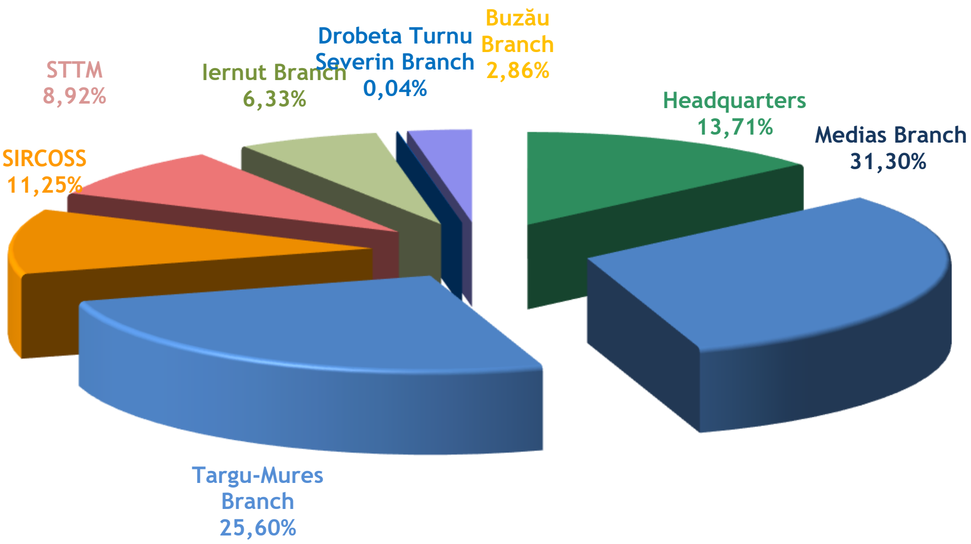
- under 30 years 5.76%
- 30-40 years 13.85%

- 40-50 years 26.73%
- 50-60 years 46.18%
- over 60 years 7.47%

c) by activities

- gas production 71.85%
- production tests/well special operations 11.25%
- health 1.66%
- transportation 8.92%
- electricity production 6.33%

Distribution of Romgaz employees by headquarters and by branches is shown in the figure below:



Distribution of Romgaz employees by headquarters and by branches is shown in table below:

Entity	Workers	Foremen	Administrative employees	Total
Headquarters	54		693	747
Mediaș Branch	1343	81	282	1706
Târgu-Mureș Branch	1125	48	222	1395
SIRCOSS	451	47	115	613
STTM	370	20	96	486
Iernut Branch	209	31	105	345
Drobeta Turnu Severin Branch			2	2
Buzău Branch	117	3	36	156
TOTAL	3669	230	1551	5450

In 2024, ***professional training courses*** were meant to increase competitiveness and to improve professional performance.

Thus, the following were taken into account:

- ✓ training of administrative employees in various areas of activity, in cooperation with national training suppliers;

- ✓ authorization/re-authorization, according to specialization and position;
- ✓ training and further qualification of workers through in-house training courses.

In 2024 the average training hours per employee, calculated as a ratio between the total number of training hours and the average number of employees, was 11.13 hours/employee. Training related expenses amounted to RON 2,781 thousand.

The coaching program was launched last year having 17 participants for the first edition.

The program "ROMGAZ SCHOLARSHIPS" continued in 2024 to identify young professionals, future employees of the company.

In this regard, in 2024, the third edition was completed (for 2023-2024 academic year) and the fourth edition of the program started for academic year 2024-2025.

In compliance with the collaboration framework agreements concluded with (1) Lucian Blaga University Sibiu – Faculty of Engineering, (2) Ploiești Oil and Gas University – Faculty of Petroleum Engineering, (3) Bucharest University – Faculty of Geology and Geophysics, (4) Alexandru Ioan Cuza University in Iași – Faculty of Geography and Geology, (5) "George Emil Palade" Medicine, Pharmacy, Science and Technology University in Târgu Mureș – Faculty of Engineering and Information Technology, the conditions for the contest were set which resulted in the Scholarship Rules/Guidelines.

The scholarships, in amount of 1,500 RON/month, are intended for students in the third, fourth year of study and/or for master students year 1, majoring in:

- ✓ Hydrocarbon Transmission, Storage and Distribution (students) and Gas Engineering and Management (master students) – for Lucian Blaga University Sibiu;
- ✓ Petroleum Engineering, Geological Engineering and Hydrocarbon Transmission, Storage and Distribution (students) and Well Drilling, Petroleum Production Optimization, Hydrocarbon Transmission and Distribution Systems Engineering, Risk Management, Petroleum and Petrochemical Equipment Reliability Engineering (master students) – Oil and Gas University Ploiesti;
- ✓ Geological Engineering (students) and Well Geology (master students) – Alexandru Ioan Cuza University Iași;
- ✓ Geophysics and Geological Engineering (students) and Assessment of Sedimentary Basins and Mineral Resources, Applied Geophysics and Geological Engineering and Ambient Geo-technique (master students) – Bucharest University – Faculty of Geology and Geophysics;
- ✓ Energy Engineering and Information Technology (students) and Energy Systems Management (master students) – "George Emil Palade" Medicine, Farmacy, Science and Technology University Târgu Mureș – Faculty of Engineering and Information Technology;

In 2024, 29 students/master students received scholarships from the above mentioned program:

- 10 scholarships – Lucian Blaga University Sibiu: students/master students from the third edition academic year 2023-2024 and the fourth edition academic year 2024-2025;
- 9 scholarships – Oil and Gas University Ploiești: students/master students from the third edition academic year 2023-2024 and the fourth edition academic year 2024-2025;
- 5 scholarships – Bucharest University: students/master students from the second edition academic year 2023-2024 and 4 students from the third edition academic year 2023-2024);
- 4 scholarships – Alexandru Ioan Cuza University Iași – students/master students from the third edition academic year 2023-2024);
- 1 scholarship – "George Emil Palade" Medicine, Farmacy, Science and Technology University in Târgu Mureș (third edition, 2023-2024 academic year);
- 1 scholarship – Babes Bolyai University Cluj – student from the second edition academic year 2022-2023.

During 2024, 16 scholars were employed, selected in the second and third edition of Romgaz Scholarships Program, as follows:

- one graduate was employed at Medias Branch (Production Technologies and Reservoir Engineering Department);
- two graduates were employed at Targu Mures Branch (Production Technologies and Reservoir Engineering Department and Geologic Department);
- two graduates were hired at SPEE Iernut (Thermal Mechanical Exploitation 2x200 and Thermal Mechanical Exploitation 1) and

- 11 graduates were employed at the headquarters (Blocks Office, Portfolio and Opportunities Assessment Department, Drilling Fluids Office, Exploration and Appraisal Department, Drilling Supervision, Methane Emissions Management and Reservoir Exploitation Optimization).

The first edition of "ROMGAZ NextGen" internship was organized in August 2024; 13 interns were selected to work at Romgaz headquarters and at Medias Branch, Targu Mures Branch, Buzau Branch, SIRCOSS and SPEE Iernut.

In 2024, the partnerships with Colegiul Școala Nationala de Gaz Mediaș and with Liceul Tehnologic Iernut for dual education continued. These students were awarded a monthly scholarship of RON 300 proportional to the theoretical and practical training period.

The training areas are the following:

- Colegiul Școala Nationala de Gaz Mediaș:
    1. 14 high school students, class of 2022-2025, 10th and 11th grade – gas production, treatment and distribution operator;
- Liceul Tehnologic Iernut:
    1. 14 high school students, 10th grade and 11th grade, class of 2022-2025:
        - 5 high school students - electric, professional qualification as electrician operating power plants, stations and electrical networks;
        - 9 high school students - electro mechanic, professional qualification as boiler, steam turbine, auxiliary and heating plant operator.
    2. 20 high school students, 9th grade, class of 2024-2027:
        - 10 high school students - electric, professional qualification as electrician operating power plants, stations and electrical networks;
        - 10 high school students - electro mechanic, professional qualification as boiler, steam turbine, auxiliary and heating plant operator.

All 16 students of class 2021-2024 graduated the 11th grade in 2024:

- 6 high school students - electric, professional qualification as electrician operating power plants, stations and electrical networks;
- 10 high school students - electro mechanic, professional qualification as boiler, steam turbine, auxiliary and heating plant operator.

As regards recruiting: out of the 32 graduates from 2023 and 2024, 10 graduates were employed (8 graduates of 2023 and 2 graduates of 2024), of which 7 persons were hired in 2024.

Romgaz Group has ***two trade unions***:

- "*Sindicatul Liber din cadrul S.N.G.N. Romgaz S.A.*", consisting of 5.353 members, out of the 5.450 employees, resulting a ratio of 98.61% union members;
- "*Sindicatul Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiesti*", with 418 members and 81 members pertaining to „*Sindicatul Liber din cadrul SNGN Romgaz SA*", out of the 515 employees, resulting a ratio of 97.25% union members.

Relationship between manager and employees: on May 16, 2024 the parties concluded a new Collective Labour Agreement for SNGN Romgaz SA, registered at Sibiu Labour Inspectorate under no. 9177/27.05.2024, valid as of June 1, 2024 until May 31, 2026, inclusive.

Beginning with June 1, 2024 Depogaz has a new Collective Labour Contract following negotiations with "*Sindicatul Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești*", the representative trade union of the subsidiary. The Collective Labour Contract is valid for June 1, 2024 – May 31, 2026.

3.4.5. Environmental Aspects

In 2024, the environmental protection activity continued to focus on ensuring compliance with the Group's obligations in this respect. Another aim was meeting specific objectives related to:

- increasing awareness on compliance with legal requirements;
- monitor drafting of all reports required by the effective environmental legislation, by centralizing the information required and reported by Romgaz Branches and submitting it to competent authorities;
- efficiency of environmental protection activities which support the management process.

In 2024 environmental protection activities focused on:

- complying with legal and regulatory requirements, operating in an environmentally responsible manner;
- actions to reduce the consumption of utilities, materials and the level of polluting emissions;
- implementation of the environmental and ecology program which had the following actions planned:
  - installing petroleum products separators;
  - installing concrete tanks;
  - upgrading hydrocarbon separators at compressor stations;
  - works to reduce noise level at compressor stations;
  - installing wastewater disposal equipment;
  - mounting polistif-type tanks at well clusters;
  - works to capture casing and cellar emissions in gas wells;
  - mounting well injection pipes;
  - stabilization of landslides;
  - connections for wastewater evacuation;
  - mounting secondary drums for condensation tanks;
  - mounting gathering-storage systems for reservoir water from intake gas;
  - mounting wastewater injection systems;
  - mounting anti-pollution discharge systems at well clusters.
- controlled disposal of hazardous substances;
- integrating environmental aspects in all decision making processes;
- communication and cooperation with all suppliers and stakeholders, to minimize the impact of their operations on the environment;
- maintaining compliance with the provisions of regulations (environmental and water management permits/agreements/authorizations) issued for the execution of works/activities; Romgaz keeps a register for monitoring – measuring environmental factors, available online on our internal and external website, which contains the results of monitoring the indicators set out in the authorizations;
- promoting respect for the environment in balance with economic growth in every strategic decision;
- daily updating the Register of environmental regulatory acts applicable to all activities, thus ensuring the Group's permanent compliance;
- environmental protection training, at least annually, for Romgaz employees and service/work providers operating on the company's locations as well as of visitors, pupils, students that have organised access on company's locations;
- compliance with permitting requirements:
  - complying with legal requirements related to environmental permits for all 102 units, for one unit the authorisation is expired (reauthorisation documents are in progress);
  - complying with legal requirements regarding water management permits, for:
    - ✓ 62 units for water use;
    - ✓ 34 units related to reservoir water injection systems/wells.

A company-wide application is under development to monitor environmental/water management/waste water injection authorizations, permanently analysing and continuously supervising compliance with legal requirements on environment protection.

- management of waste generated from own activities, according to the legal requirements in force. Activities related to waste management are performed in compliance with environmental protection laws that reflect the requirements of national and European laws. In 2024, the company recycled and co-incinerated 1,212.06 tons of waste (1,176.16 tons were recycled and 35.90 tons were co-incinerated), disposed 3,218.85 tons of waste (0.14 tons were incinerated and 3,218.72 tons were stored).

In 2024, the "*Program for Preventing and Reducing Waste Generated by S.N.G.N. Romgaz S.A.*" focused on the accomplishment of the measures thereunder; the program can be accessed at the following link https://www.romgaz.ro/program-de-prevenire-si-reducere-cantitatilor-de-deseuri.

The program aims at identifying the SMART objectives, establishing targets with performance indicators and monitoring the implementation of measures/actions regarding waste prevention/reduction/minimization of waste generation / reduce waste harmfulness as well as the recorded progress in order to fulfil the country's strategic objectives.

Moreover, it sets the framework for ensuring sustainable waste management to achieve proposed objectives and targets.

- monitoring compliance with legal requirements on environment protection.

In 2024, there was a leak of reservoir water into the Vatman creek, caused by advanced corrosion of a pipeline at Corunca South 40 reservoir water injection well. Romgaz remedied the causes of the incident, replacing the damaged pipe and thus preventing future leaks. Following this environmental incident, the company was fined RON 12,500. There was also soil pollution with reservoir water at the Sărmășel gas production section, which was promptly remedied by Romgaz employees.

- periodic payment of the contribution to the "Closing Fund", until reaching the mandatory provision, for Ogra specific waste facility; at the end of 2024 the account balance is RON 1,614,847.02;
- tracking the annual monitoring frequency for Dumbrăvioara drilling waste dump, closed in 2003, with a 30-year monitoring obligation;
- planning and organizing the internal environmental inspection activity to verify compliance with the legal requirements applicable to inspected activities. In 2024, 32 internal environmental inspections were planned at authorized locations of the branches;
- assessing the compliance with environmental protection requirements and contractual requirements of contractors and subcontractors of drilling works contracted by Romgaz in 2024;
- laboratory analyses to monitor and measure environmental factors, required by regulatory documents. In this respect, the company publishes quarterly a Measuring-Monitoring Register of environmental factors, which can be viewed at https://www.romgaz.ro/factori-de-mediu;
- compliance of CO_2 emissions from SPEE Iernut combustion facilities;
- making all payments required by the applicable environmental legislation (environmental fund, environmental/water authorization/reauthorization fees, provisions, water consumption subscriptions, etc.).

In 2024, the Environmental Guard, the Water Basins Administrations /Water Management System carried out 26, the company received one civil fine in amount of RON 12,500, presented in the above paragraph.

CO_2 Certificates - SPEE Iernut

By GD No. 1096/2013 on approving the mechanism for the free of charge transitory allocation of greenhouse gas emissions certificates to electric power producers for 2013-2020, including the National Investment Plan (NIP), the Romanian Government finances replacement of old thermoelectric installations from a fund supplied from sales of greenhouse gas emissions certificates, investments receiving a non-reimbursable funding of 25% of the value of eligible expenses based on financing contracts, within available funds, according to the order of financing request and approval.

Romgaz is among the beneficiaries of the above-mentioned government decision and, in 2017, launched the investment "*The Development of CTE Iernut Power Plant by Building a New Combined Cycle Gas Turbine Power Plant*" with NIP funds.

Therefore, pursuant to Annex No.1 of the Order, free of charge transitory allocation of certificates is made for the period between 2016 - June 30, 2019, while starting with 2020 free of charge transitory certificates are no longer allocated.

To comply with the legal requirements of GD No. 780/2006, updated (article 8, letter e) Romgaz has the obligation to reimburse, by September 30 of the year following the year for which greenhouse gas emissions were monitored, a number of greenhouse gas emission certificates equal to the total number of emissions from such installations. For 2024, CO_2 emissions equal 500,229.55 tons which is equivalent to 500,229.55 certificates.

3.4.6. Occupational Health and Safety

In accordance with Social-and-Corporate-Responsibility-Policy the commitments undertaken to achieve the safety and health objectives:

- preparing specific plans in the field of Emergency Situations (Fire Safety and Civil Protection), with the role of preventing events with severe consequences;
- making the occupational health and safety management more efficient and implementing best practices in order to eliminate occupational accidents;

- beyond its related obligations and other voluntarily adopted requirements, Romgaz promotes the continuous improvement of working conditions and management of safety, health and well-being of employees;
- avoiding and preventing accidents and employee health issues by providing a safe and healthy environment;
- continuous monitoring of the task to properly notify, assess and manage any potentially hazardous situations that could affect workers and safety in the use of equipment;
- ensuring compliance with all legal requirements applicable to the domain through the integrated quality, environmental and occupational health and safety management system in accordance with SR EN ISO 9001:2015, SR EN ISO 14001:2015, respectively SR ISO 45001:2023;
- promoting measures to improve the occupational safety and health of employees by establishing principles relating to the prevention of occupational risks, protection of the workers' health and safety, elimination of risk factors and injury, information, consultation, balanced participation according to the law, training of workers and their representatives according to the legislation in force;
- promoting a healthy lifestyle among employees.

In order to manage the negative impact related to health and safety at work, Romgaz headquarters and each branch have an Occupational Health and Safety Committee, except for Drobeta Turnu Severin Branch, because, according to the legislation, the establishment of such a committee is mandatory only for units with at least 50 employees. In this context, for the respective branch, the health and safety responsibilities of the 2 employees are managed directly by the Prevention and Protection Office of the Company Headquarters. These committees operate under an own Rules of Organization and Operation and meet quarterly or whenever necessary to manage occupational health and safety issues. Minutes of meetings are brought to the attention of all employees. The Committees shall equally include representatives of both the employees and the management of the Company.

In 2024, internal controls were carried out at work places within headquarters and branches, checking the following: personnel training in the field of occupational health and safety, provision and use of the personal protective equipment (PPE), the existence of personal protective equipment stocks in the storages of branches, validity of fitness to work medical certificates issued by the occupational physician, the hygiene conditions at work places, provision of sanitary hygienic materials, the existence and equipping of first aid medical kits, etc.

Other activities carried out in this field:

- ✓ drafting the annual training – testing program as well as the training topics in the field of occupational health and safety for all 2024 training stages;
- ✓ drafting the annual internal control schedule for 2024;
- ✓ drafting identification sheets for occupational risk factors for the new employees, for those employees who changes their work place and for internship students;
- ✓ carrying out the general introductory training in the field of occupational safety and health to new employees and students/trainees on internship;
- ✓ drafting the occupational health and safety requirements for the acquisition of products/services/works, Form: 02F-07-Act.3.2, in accordance with the operational procedure "*Establishing the requirements on occupational health and safety, emergency situations and environmental protection when purchasing products, services and works*", code: 02PO-03, Ed. 3, Rev. 3;
- ✓ necessary steps were taken and subsequent contract No. 2 to the framework agreement has been concluded, concerning voluntary health insurance services for Romgaz employees;
- ✓ monthly update of the list of persons covered by the voluntary health insurance policy;
- ✓ an information material has been developed and sent to workers to prevent and limit illnesses caused by influenza virus and other respiratory viral infections, having regard to the fact that the Ministry of Health has established epidemiological alertness due to the large number of cases of influenza;
- ✓ updating the record of trades and professions provided for by specific legislation for which authorization is required;
- ✓ updating the prevention and protection plan at the company's headquarters;
- ✓ updating the record of areas of high-risk and specific, code: 00F-1110-Act. 3.0;

- ✓ updating the action plan in the event of a serious and imminent danger of injury, code: 00F-118-Act. 3.0;
- ✓ updating the document *records of workplaces with serious accident hazards and action plans in the event of a serious and imminent risk of injury*, code: 00F-119-Act. 3.0;
- ✓ updating the record of monitoring and measurement resources (MMR);
- ✓ testing all the employees at the company's headquarters in accordance with the training – testing program for 2024 in the field of occupational health and safety, code: 01F-101-Act.3.0.

The Prevention and Protection Office at the company's headquarters was subject to two audit missions, as follows:

1) internal audit of the integrated management system carried out by the Integrated Management Office, and had the following two objectives:
    a. evaluating the achievement of the requirements of the integrated management system (IMS) reference standards within S.N.G.N. Romgaz S.A.;
    b. evaluating the status of implementation of the recommendations made in previous IMS audits;
    c. identifying the opportunities to improve the integrated management system;
2) external audit, carried out by the Certification Body SRAC and had the following objectives:
    a. evaluating the manner in which the obligations arising from the certified management system are fulfilled in terms of its compliance and effectiveness with the requirements of the applicable reference standards;
    b. evaluating the ability of the management system to continue to meet the legal regulatory and contractual requirements applicable within the company;
    c. identifying areas for potential improvement of management system;

In Q 2 2024, the procurement procedure for personal protective equipment was completed. This procedure materialized in the signing of 16 framework agreements for a period of 4 years and containing a total of 60 assortments of personal protective equipment.

3.4.7. Litigations

The summarized breakdown of litigations in which Romgaz is involved as of December 31, 2024, and their value is the following:

- a total number of 146 litigations are recorded in company records, out of which:
    - 54 cases where Romgaz is plaintiff;
    - 90 cases where Romgaz is defendant;
    - 2 cases where Romgaz is civil party/injured party;
- The total (approximate) value of litigations is RON 399,039,479;
- The total (approximate) value of the files where Romgaz is plaintiff is RON 357,341,658;
- The total (approximate) value of the files where Romgaz is defendant is RON 41,697,821;
- The total (approximate) value of the files where Romgaz is civil party is RON 53,750;
- The total (approximate) value of the files where Romgaz is garnishee is RON 0.

The detailed list of litigations can be viewed on Romgaz website www.romgaz.ro → Investor Relations → Annual Reports → 2024.

3.4.8. Legal Acts concluded under GEO No. 109/2011 Article 52

According to the provisions of Article 52 paragraph (6) of GEO No.109/2011 "*The half-year and annual reports of the Board of Directors ... shall mention, in a special chapter, the legal acts concluded under paragraphs (1) and (3), […]*".

Paragraphs (1) provides as follows:

"The Board of Directors […] convenes the General Meeting of Shareholders for the approval of any transaction if it has, individually or in a series of concluded transactions, a value higher than 10% of the public enterprise net assets value or higher than 10% of the public enterprise revenue in accordance with

the last audited financial statements, with the Board members or the managers or, where appropriate, with the members of the Supervisory Committee or the directorate, the employees, the shareholders who have control over the company or with a company controlled by them".

Paragraph (2): *"the Board of Directors has the obligation to convene a meeting […] also in case of transactions concluded with the spouse, relatives/affinity of fourth degree including the persons mentioned in Paragraph (1)".*

Paragraph (3): *"the Board of Directors […] informs the shareholders, during the first general meeting of shareholders taking place after concluding the legal act, on any transaction concluded by the public company with a) the persons mentioned in Paragraph (1) and (2), if the value of the transaction is below the level established in Paragraph (1); b) another public company or with the public supervisory authority, in case the transaction value, individually or in a series of transactions, of at least the equivalent in RON of EUR 100,000".*

The transactions concluded under the provisions of Article 52 of GEO No. 109/2011 are published on Romgaz website at www.romgaz.ro, → *Investors* → *Interim reports* → 2024.

Romgaz financial auditor draws up, half-yearly, an „Independent Limited Assurance Report on the information included in the current reports issued by *S.N.G.N. Romgaz S.A. in accordance with the requirements of Law No. 24/2017, as subsequently amended and supplemented and in accordance with Regulation No. 5/2018 of the Financial Supervisory Authority*", report which is sent to BVB and published on company website.

Considering that current reports of the above type are public, being posted on BVB website, as well as that half-year current reports are posted on company website with the legal acts concluded in each semester, reports audited by the financial auditor of the company, for details regarding concluded legal acts please access company website at www.romgaz.ro → Investors → News and Events → Current Reports Contracts (under the name of "Auditor Report – H1 2024 Contracts" on July 31, 2024 and "Auditor Report – H2 2024 Contracts" on January 30, 2025).

IV. Group's Tangible Assets

4.1 Main Production Capacities

The occurrence and thereafter the development and gradual diversification of what was truly going to be the Romanian natural gas infrastructure has an important benchmark, ***year 1909***, when the first gas reservoir was discovered by drilling well 2 Sarmasel (Mures County).

During the immediately following years, a gas infrastructure, unique in Europe for those times, began to emerge at a small scale, consisting of the following assets:

- gas transmission pipeline, the first of this kind in Europe, built in 1914, connecting towns Sarmasel and Turda (Cluj County), and
- gas compressor station from Sarmasel; built in 1927- the first one in Europe.

It is notable that the country's large gas structures were discovered after 1960 and in parallel, a complex infrastructure started to be developed, at national scale, dedicated exclusively to the gas extraction process and later to the injection and underground storage process. These large gas structures located in the Transylvanian basin supply considerable gas quantities even today.

Exploitation of Natural Gas Reservoirs

The infrastructure related to exploitation of hydrocarbon reservoirs is a particularly complex system today that needs to ensure continuous gathering, transmission, conditioning and metering of gas produced by wells and the quality parameters provided in applicable regulations.

Following the discovery and exploitation of new reservoirs, the infrastructure of the company developed continuously. The maximum intensity of the rate of development of production capacities was reached between 1970-1980, when the annual production was extremely high both due to the consumption demand in those times and to the great volumes of resources and reserves in most of the newly discovered gas fields.

Production capacities of company's infrastructure are summarized as follows:

1. natural gas production wells and wells for reservoir water injection;
2. gathering pipelines connecting wells and well clusters;
3. collecting pipelines connecting well clusters and the NTS (National Transmission System);
4. gas heaters (radiators);
5. underground and surface gas separators;
6. flow metering panels (for technological and fiscal metering located at the interface with the NTS);
7. gas dehydration (conditioning) stations;
8. gas compressor units:
    - low capacity portable compressors installed at the well head or at the well cluster;
    - booster compressors for one or more gas fields;
    - gas compressor stations, usually consisting of two or more high capacity compressor units, which can be intermediate or final compressor stations (entry in the NTS);
9. industrial or reservoir water pumping stations;
10. other facilities (buildings, workshops, storehouses, electric lines, well access roads etc.).

Utilization of production capacities depends on gas sales volume, generally being close to 100%.

In order to keep these production capacities in operation, under safety and efficiency conditions, Romgaz makes extensive and continuous efforts focused on workover and special operations in wells, maintenance and rehabilitation of pipes, maintenance and modernization of gas compressor stations and dehydration stations as well as of commercial (fiscal) gas delivery panels.

Production from these fields is obtained through more than 2960 wells and through almost the same number of surface facilities consisting mainly of gathering pipelines, gas heaters (where applicable), liquid separators and gas flow technological metering panels.

Pressure and flow rate limits of production wells are maintained by 16 compressor stations (in which 90 compressor units are installed), 21 booster compressors and 22 cluster compressors.

One technical demand required by applicable laws is the quality of gas, which is 100% fulfilled by means of 74 gas dehydration stations.

Underground Storage

Depogaz holds License No. 1942/2014 for the operation of five underground gas storages, developed in depleted gas fields, their aggregate capacity representing about 93.54 % of the total storage capacity of Romania.

The capacity of the underground gas storages operated by Depogaz is shown in the table below:

UGS	Active capacity		Withdrawal capacity		Injection capacity	
	[mil. Sm³/cycle]	[TWh/cycle]	[mil. Sm³/day]	[GWh/day]	[mil. Sm³/zi]	[GWh/day]
Balaceanca	50	0.535	1.200	12.840	1.000	10.700
Bilciuresti	1,310	14.017	14.000	149.800	10.000	107.000
Ghercesti	250	2.675	2.000	21.400	2.000	21.400
Sarmasel	900	9.630	7.500	80.250	6.500	69.550
Urziceni	360	3.852	4.500	48.150	3.000	32.100
Total	**2,870**	**30.709**	**29.200**	**312.440**	**22.500**	**240.750**

1. *Balaceanca UGS*

Balacenca UGS is located approximately 4 km from Bucharest.

The fixed assets contributing to the storage process are as follows:

- 24 wells out of which 21 injection/withdrawal wells and 3 piezometric wells;
- Surface infrastructure includes:
  - Balaceanca gas compressor station;
  - 8.4 km collecting pipelines;
  - 4 separators;
  - 4 technological gas metering panels;
  - Dehydration station;
  - 15 gas heaters;
  - Communication system and fiber-optic data acquisition system;
  - Bi-directional fiscal metering system.

2. *Bilciuresti UGS*

Bilciuresti UGS is located in Dambovita County, approximately 40 km W-NW of Bucharest.

The fixed assets contributing to the storage process are as follows:

- 65 wells of which 60 injection/withdrawal wells, 4 piezometric wells, 1 waste water injection well;
- Surface infrastructure includes:
  - Butimanu gas compressor station;
  - 4 gas dehydration stations;
  - 26.5 km gathering pipelines for 60 injection/withdrawal wells;
  - 50 gas heaters;
  - 14 impurity separators;
  - 14 technological gas metering panels;
  - 37.5 gathering pipes;
  - Bi-directional fiscal metering system;
  - Waste-water injection station.

3. *Ghercesti UGS*

Ghercesti UGS is located in Dolj County, near Craiova.

The fixed assets contributing to the storage process are as follows:

- 85 wells out of which 79 active wells and 6 piezometric wells;
- Surface infrastructure includes:
  - 135.7 km gathering pipelines for 79 wells;
  - 22.6 km gathering pipelines;
  - 13 impurities separators;
  - 12 technological gas metering facilities;
  - Gas dehydration stations;
  - Communication system and fiber-optic data acquisition system;
  - Bi-directional fiscal metering system.

4. *Sarmasel UGS*

Sarmasel UGS is located near Sarmasel, approximately 35 km NW of Targu-Mures, 35 km north of Ludus and 48 km east of Cluj-Napoca.

The fixed assets contributing to the storage process are as follows:

- 69 wells (6 of them were completed in December 2024);
- Surface infrastructure includes:
  - Sarmasel gas compressor station;
  - 3 dehydration stations with triethylene glycol;
  - 26.7 km gathering pipelines for 63 wells, the 6 new wells were to be commissioned in January 2025;
  - 13.8 km gathering pipelines;
  - 59 impurities separators;
  - Bi-directional fiscal metering system.

5. *Urziceni UGS*

Urziceni UGS is located in Ialomita County approximately 50 km NE of Bucharest.

The fixed assets contributing to the storage process are as follows:

- 31 wells out of which 30 injection/withdrawal wells and 1 piezometric well;
- Surface infrastructure includes:
  - Urziceni gas compressor station;
  - 19.5 km collecting pipelines for 31 injection/withdrawal wells;
  - 3.3 km of collecting pipelines;
  - 6 technological gas metering facilities;
  - 29 gas heaters;
  - 1 gas dehydration station;
  - Optic-fibre data acquisition system;
  - Bi-directional fiscal metering system.

Workover and special operations

Well workover, recompletions and well production tests represent all the services performed with workover rigs, as well as equipment for specific support operations such as: cement plug drilling installations, mud tank equipped with agitator, sand control-sand blender, shale shaker, mud pumps.

Special Well Operations are performed with the following equipment: cementing unit, slickline, wireline, coiled tubing unit, liquid nitrogen converter, liquid nitrogen tank truck, cement container, filter unit, equipment for discharge and measurement with two-phase separation, equipment for discharge and measurement with three-phase separation, equipment for tubing investigation, echometer, tubing cutting, packer assembly device, hydraulic packer recovery tool.

Future well workover and special well operations are required to stop production decline, taking into consideration the continuous need for such works and the large number of works performed in the past.

Transportation and Maintenance

On **December 31, 2024** the car fleet of STTM consists of **736** motor vehicles, as follows:

- Passenger carriers: cars **85**, buses **12**, large **5** and **2** large buses;
- Passenger and good utility cars **223** < than 3.5 t and **5** > 3.5 t;
- Vehicles for goods transportation: dumpers **29**, cesspit emptier **40**, platform trucks **27**, tank trucks **4**;
- Vehicles for heavy transportation: truck-tractors **1** and semitrailer trucks **21**;
- Lifting and handling machinery: auto cranes **31** and hook and ladder trucks **4**;
- Other special vehicles: mobile laboratory for equipment testing and checking **2**;
- Special vehicle N3g - **1**;
- Heavy machinery: bulldozers **9**, caterpillar shovels **3**, tire shovels **2**, wheel loaders **21**, motor graders **4**, compactor **4**, front end loader **10**;
- Other machinery: tractor trucks **95**, forklift trucks **11**, motorized cleaning vehicles **3**;
- Other vehicles: trailers for heavy transportation, trailers and semitrailers for tractors **82**.

Considering the dynamics of gas exploration – production activities performed by Romgaz, on medium term (approx. 5 years), the perspective to develop STTM has to be achieved by permanenty determining methods and measures resulting from quality services and economic efficiency conditions.

Out of the **736** vehicles existing in STTM on **December 31, 2024, 13** motor vehicles were approved to be put out of service.

Electricity Generation

CTE Iernut is an important junction point of the NEG (the National Energy Grid), located in the centre of the country, in Mures County, on the left bank of Mures River, between towns Iernut and Cuci, with gas and industrial water sources and power discharge facilities.

CTE Iernut is operated by Romgaz through *Productie Energie Electrica* (SPEE) Branch.

CTE Iernut has an installed power of 800 MW and comprises 6 power units: 4 100 MW units of Czechoslovakian manufacturing and 2 200 MW units of Soviet manufacturing. These units were commissioned between 1963 and 1967. Taking into consideration the start of investment works at the 430 MW CCGT Power Plant and the necessity to ensure appropriate conditions for the execution of works at the related cooling circuit, the 200 MW unit 6 was decommissioned in November 2019.

In January 2019, units 2 and 3 of 100 MW were decommissioned, followed by unit 1 (of 100 MW) in November 2019, and in June 2020 unit 4; all units were decommissioned due to non-compliance with environmental conditions.

In 2024, SPEE Iernut operated with power unit 5 of 200MW.

4.2. Investments

Investments play an important part in maintaining production decline which is achieved both by discovering new reserves and by improving the current recovery rate through rehabilitation, development and modernization of existing facilities.

In 2024, ***Romgaz Group*** invested RON 3,204,362 thousand, representing approximately 74.95 % of the scheduled investments.

The Company invested *RON 10,710,674 thousand* during 2020 – 2024, as follows:

Year	2020	2021	2022	2023	2024	Total
Amount (RON thousand)	601,800	417,658	5,584,823	1,106,161	3,000,232	10,710,674

For 2024, Romgaz forecasted the achievement of an investment program with a total budget of *RON 4,089,862 thousand*, based mostly on objectives aiming to compensate the natural decline of natural gas at minimum level (under 2.5%), increasing the natural reserves and resources portfolio (onshore and offshore) and electricity production, as follows:

- SNGN Romgaz SA loans to Romgaz Black Sea Limited to support current activity and finance the Subsidiary's investments;
- keep the current participation interest in EX-30 Trident Block, in the Black Sea, in partnership with Lukoil Overseas Atash BV (12.2% Romgaz share);
- continue geological research works by performing new exploration drillings for the discovery of new gas reserves (drilling 12 exploration wells included in the execution budget and 23 exploration wells included in the preparation budget);
- production development by adding new facilities on existing structures (6 drilling exploration wells, 10 facilities included in the budget with execution works and 21 surface facilities included in the budget with preparatory works, 6 drying stations included in the budget with preparatory works, 1 gathering pipeline included in the budget with execution works and 6 gathering pipelines included in the budget with preparatory works, 4 compressor stations included in the budget with preparatory works);
- develop electricity production by continuing and completing the works to build the Combined Cycle Gas Turbine Power Plant – Iernut and building a photovoltaic park with an installed capacity of 430 MW;
- modernization and revamping equipment and facilities used for well workover and special operations, recompletion operations/well reactivation-capitalizable repairs at 160 wells, revamping dehydration and compressor stations;
- purchase of new high-performance equipment and installations specific to the core activity (cementing and fracturing units - ACF 700, hydraulic activation key, power generation units, field units, a sludge box of various dimensions, column cleaner, cable probe measuring equipment tools, wire probe measuring equipment tools, flexible tube tools);
- purchase of specific machinery to ensure the technological transportation and maintenance of core activities, maintaining gas fields road infrastructure in good conditions (tractors, 6x6 dumpers, large buses, 8x8 dumpers, truck cranes, tractors, dump trucks, multipurpose machines, platform trucks, bulldozers, caterpillar shovels, car transport trailer, paving slabs of light materials).

The investments are intended to ensure on the one hand the sustainable development of the company and on the other hand to achieve the strategic objectives for the period 2021-2030.

The investment costs of **the Company** for 2024 amount to RON 3,000,232 thousand, representing 73.36% of scheduled investments.

The value of fixed assets put into service in 2024 was RON 580,112 thousand.

For Neptun Deep Project, Romgaz Investment Program allocated for 2024 the amount of RON 2,858,019 thousand for financing. Out of this amount, Romgaz granted loans to RBSL in the amount of RON 2,064,432 thousand, which represents 72.23 % of the 2024 Program approved for Neptun Deep Project.

The investments were financed from own sources and from attracted sources, as follows:

- exclusively from own sources for investments related to gas production (onshore) and Lukoil Overseas Atash B.V. partnership;

- own sources and sources obtained from the National Investment Plan (approx. 22% from eligible expenses) for "*The Development of CTE Iernut Power Plant by Building a New Combined Cycle Gas Turbine Power Plant*";

Regarding the physical achievements during the assessed period, the investment objectives initiated in the previous year were completed; preparatory works were carried out (design, obtaining lands, approvals, agreements, authorizations, acquisitions); works for part of the new objectives started and modernization and capitalizable repairs of wells in production.

The table below shows the investments made in 2024, as compared to those scheduled and accomplished in 2023, similar to Annex 4 to the Income and Expenditure Budget:

RON thousand

Item No.	Investment Chapter	2023	2024		% achievements 2024/2023
			Program	Achieved	
0	1	2	3	4	5=(4-2)/2x100
1.	**Investments in progress - total, out of which:**	200,919	693,871	538,795	168.17
1.1	Natural gas exploration, production works	197,712	685,058	532,254	169.21
1.2	Environment protection works	3,207	8,813	6,541	103.96
2.	**New investments - total, out of which:**	**23,060**	**13,033**	**371**	**(98.39)**
2.1	Natural gas exploration, production works	23,060	12,382	340	(98.60)
2.2	Environment protection works	0	651	31	n/a
3.	**Investment in existing tangible assets**	**300,982**	**347,492**	**302,988**	**(61.00)**
4.	**Equipment (other acquisition of tangible assets)**	**74,376**	**125,640**	**72,523**	**(2.49)**
5.	**Other investments (studies, licenses, software, financial assets etc.) *)**	**506,825**	**2,909,826**	**2,085,555**	**311.49**
	TOTAL	**1,106,162**	**4,089,862**	**3,000,232**	**171.23**

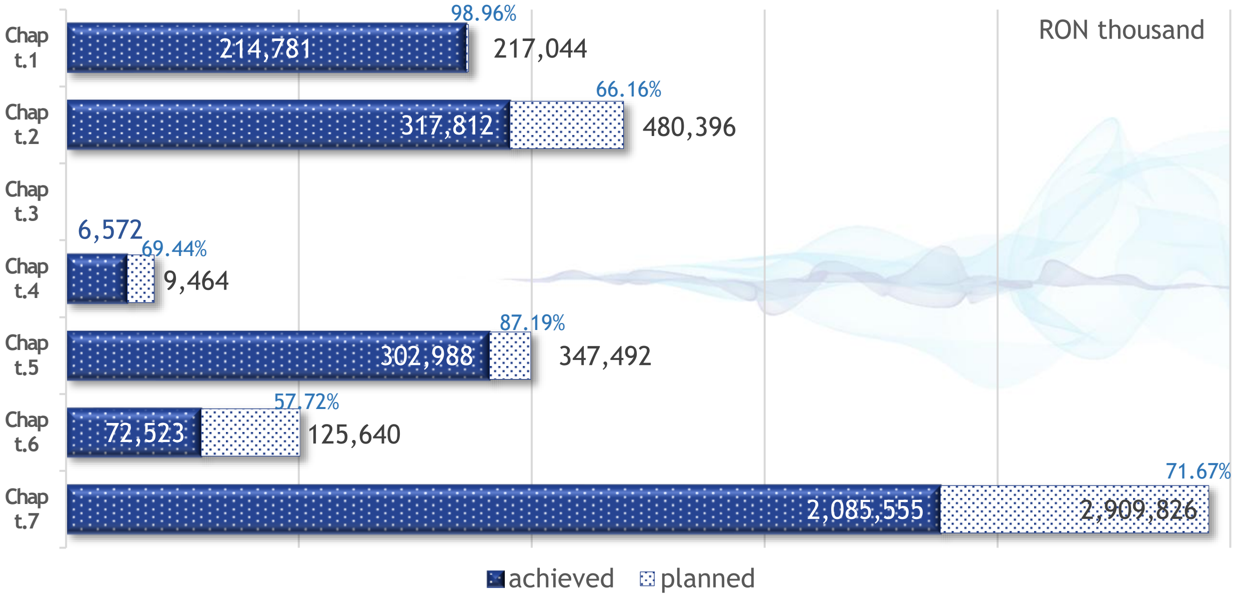
*) Other investments (studies, licenses, software, financial fixed assets, etc.) include amounts granted to Romgaz Black Sea Limited to finance the current activity and the investment in the Neptun Deep project.

The table below shows the achieved investments according to Romgaz Investment Plan for 2024:

RON thousand

Investment chapter	Program 2024	Achieved on December 31, 2024	Achievement rate %
1	2	3	4=3/2x100
I. Geological exploration works to discover new gas reserves	217,044	214,781	98.96
II. Exploitation drilling works, bringing into production of wells, infrastructure and utilities and electricity generation	480,396	317,812	66.16
IV. Environment protection works	9,464	6,572	69.44
V. Retrofitting and revamping of installation and equipment	347,492	302,988	87.19
VI. Independent equipment and machinery	125,640	72,523	57.72
VII. Expenses related to studies and projects	2,909,826	2,085,555	71.67
TOTAL	**4,089,862**	**3,000,232**	**73.36**

Planned versus achieved for 2024 [RON thousand]



A summary of outcomes shows that, to a large extent, investments were completed.

Item No.	Main physical objectives	Planned	Results
1.	Exploration drilling wells	12 wells	6 wells - completed drilling; 2 wells - drilling in progress; 6 wells drilling works procurement in preparation;
2.	Design of exploration drilling wells	23 wells with preparation budget	23 wells in various preparation stages (design, endorsements, agreements, construction permits).
3.	Exploration drilling wells	6 wells	4 wells - completed drilling; 2 wells in various preparation stages (design, endorsements, agreements, construction permits);
4.	Surface Infrastructure - execution of technological facilities (TI) at gas wells; gathering pipes; gas dehydration stations;	Execution of 10 technological facilities included with execution budget and 21 surface facilities included with preparation budget, 1 gathering pipe included and 6 gas dehydration stations included with preparation budget, 4 compressor stations included with preparation budget.	- 9 surface technological facilities completed for the wells commissioning; - 4 surface technological facilities under construction for putting wells into production. - 6 surface technological facilities for which steps are being takes to procure the execution of the works; - 18 surface technological facilities for which technical documentation is being drawn up and the necessary permits, agreements and land are being obtained; - Caragele-Damianca structure collector - phase I has been completed, Ø20 pipeline" between Tigmandru Gas Dehydration Station and Tigmandru Gas Compressor Station has been completed, the pipeline between 106-107 Nades group collector and Ø20" Nades-Brateiu collector is in the design phase;

Item No.	Main physical objectives	Planned	Results
			- Delenii IV, Filitelnic III, Țigmandru II gas compressor stations (CS) – feasibility studies completed; - Giulești, Coșereni and Herepea gas dehydration stations (DS) design procurement; - Daneș II gas dehydration station – procurement of execution; - Galbenu III and LTS gas dehydration station (Low Temperature System) – procurement of preparation of Feasibility Study; - Ø20" pipeline between DS Ø20" Țigmandru and CS Țigmandru – completed - improvements were made to the annexed installations of the Glavanesti Gas Dehydration Station.
5.	Environment protection	Objectives aiming to mitigate the negative environmental impact	- reservoir water discharge system was carried out at Filitelnic Gas Compressor Station; - modification of the collector for antifoam injection at 13 Bazna well group; - the non-polluting discharge system was made at 13 Bazna well group; - works to reduce the noise level at Mures Gas Compression Station were carried out; - continuing the works for the "Construction of the Fish Stairway at the dam of Iernut Power Plant" – completed about 70%;
6.	Well capitalizable repairs, recompletion operations and reactivation	Approx. 160 wells, corelated with the annual program agreed by the National Regulatory Authority National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide (ANRMPSG)	Workeovers at 200 wells, works performed in-house by SIRCOSS.
7.	Acquisition of high-performance equipment and installations specific to core activity	- Acquisition of new high-performance equipment and installations specific to the core activity (cementing and cracking units - ACF 700, hydraulic drive keys, generator sets for the construction site, field modules, habe of various sizes, column cleaner, tooling cable probe measuring equipment, tools wire probe measuring equipment, tools for flexible tube); - Acquisition of specific machinery for ensuring technological transport and maintenance of basic activity and maintaining in optimum conditions the road infrastructure in gas fields (tractors, dumpers 6x6, buses, dumpers 8x8, trucks, dumpers, tippers,	- purchases were made for equipment such as: slabs for well casings, 1 piece ACF 700, 172 GPS systems, 4 sets of CAMP modules, 1 digital tachographs, 1 computerized vehicle diagnostics unit, 3 self-loading trucks, 3 tractor trucks, 9 dump trucks, 1 self-erector, 1 multipurpose machine, 22 flatbed trucks, 5 bulldozers, 1 crawler excavator, 1 car transport trailer, 2 buses with a capacity of 155 seats, 1 bus with a capacity of 35 seats, 1 bus with 35 seats capacity, 6 tractors, 2 pieces 80TF hydraulic head, 3 truck platforms, 2 auto-platforms, 7 dump trucks 6x6, 2 dump trucks 8x8, 1 mobile lab for dehydration stations, 6 container type cabins, 3 manual pallets of 12,500 kg, various IT equipment (computers, laptops, tablets, tablet in Ex and normal etc.) Muntenia heater (Group 4 Caragele); - the project "IT Data Center Infrastructure extension" was completed; - purchased medical devices provided in the program: o high-intensity electromagnetic therapy device, equipment for vertebral decompression, contact diathermy device, high-intensity laser therapy device with scanner (robotized laser), peripheral

Item No.	Main physical objectives	Planned	Results
		dumpers, autogreder, multifunctional machines, platform vans, backhoe loaders, crawler excavators, trailer for car transport, paving slabs made of light materials.	circulation device, short-wave therapy apparatus, spirometer with pulse oximeter, professional electrocardiograph; ○ a peripheral circulation device and a short-wave therapy device. - The computer network of Buzau Branch office was built.
8.	Electricity generation	Works continue and complete at CTE Iernut	Contract in progress „Completing and commissioning the investment objective Development of CTE Iernut by building a new combined cycle gas turbine power plant" in which foundations were laid for various equipment, pipeline supports, water pumping station, air coolers, condensing system, cable routing and laying them. Also, during this project were completed the lighting systems and the installations for grounding the sockets and were put in place the Black Start and Emergency Diesel systems, as well as the completion of the execution of the walls of the valve chamber of the pumping station towards the Mures River.
9.	Partnerships/Associations	Lukoil Overseas Atash B.V.: - Romgaz share is 12.2% at present; - maintaining the current share in 30X Trident Block, Black Sea; - drilling and well safety in preparation in Ex-Trident Block; - geo-physical and geo-chemical studies, general administration costs	- ANRMPSG approved the participation of the partners in the Second Stage of the optional evaluation phase - the necessary actions have been initiated for the procurement of contracts and services for the commencement of appraisal drilling and detailed planning, procurement of the marine drilling rig (MODU) and services for drilling and testing of the appraisal well.
		Amromco Energy: - Romgaz share is 50% - abandonment of 8 wells, in accordance with the Annual Program	- preparation of Technical Specifications in order to draw up the Technical Project and the necessary permits have been obtained; - permits and authorizations for well abandonment; - abandonment works were carried out for wells that have ANRMPSG approval, demolition works for the well group facilities and demolition works for the access roads to abandoned wells;
		Raffles Energy S.R.L. (operator): - Joint Agreement Agreement for E3-1 Brodina Block area (Romgaz share is 50%); - Project Gas to Power G2P) putting Well 1 Voitinel back into experimental production; - Joint Agreement – for E III-4 Bacau, Lilieci area (Romgaz share is 40%); - Project Gas to Power 2P) has been converting natural gas extracted by Lilieci 1	- Solution Study prepared by a local company (located in Suceava); - the following were obtained: Town Planning Certificate reupdated and part of the necessary permits from the utility companies in the area; - obtaining the Technical Connection Approval (TCA) for Well 1 Voitinel (in accordance with the connection approval, the connection is made in medium voltage line (MV) of 20k line Rădăuți - Vicov). - production achieved 84% from scheduled production

Item No.	Main physical objectives	Planned	Results
		well into electricity since June 2015.	
10.	Financial assets	Loans granted by S.N.G.N. Romgaz S.A. to the Romgaz Black Sea Limited for supporting the current activity and financing the investments of the Subsidiary. For 2024, loans worth RON 2,858,019 thousand were planned.	- Loans granted for the development of Black Sea Limited infrastructure in the amount of RON 2,064,432 thousand; - The share capital of Depomures was increased;

The reasons for the lower rate of achievements than scheduled were the following:

- monthly credits granted to Black Sea Limited Subsidiary, lower than the ones initially provided;
- completion of some procurement procedures was shifted/delayed for various reasons (longer periods for clarifications, appeals, complex documentation in progress);

  extended period for performing well interventions due to objective factors, including access to the field, so that the vehicles scheduled for repairs could not be used otherwise;
- delays in the performance of the contract "*Modernization of the Access Control and Video Surveillance System*", due to the fact that the supplier sent servers that did not meet the requirements set out in the specifications;
- restrictions on certain purchases to take fiscal – budgetary measures required by the Emergency Ordinance No. 34/2023 and extended by Ordinance No. 115/2023 for 2024;
- relinquish the purchase of *cars* due to the restrictive legislative framework, starting the procedure for operational leasing of means of transportation, which will continue in 2025;
- delayed deliveries of some fixed assets/investment objectives;
- for the large-scale project ***"Completion of works and commissioning of the objective Development of CTE Iernut by building a new combined cycle gas turbine power plant"*** – contract entered into force only on **August 1, 2023**, delays were registered due to negotiations with the main subcontractors from the old contract, to bring them back to the construction site, in order to complete the works; the mobilization of the contractor was well below the expected level. The resources involved were less than 70% as compared to those assumed by the Execution Program submitted to tender offer and the execution personnel was insufficient on site, thus causing delay in the civil, thermomechanical and electrical construction works.
- for the project „*Construction of the Fish Stairway at the dam of Iernut Power Plant*", there was a need to conclude an addendum to the execution contract generated by the differences between the actual situation in the field and the technical solutions provided for in the Technical Project.

Depogaz

In 2024, Depogaz had an approved investment program in amount of **RON 61,936.00 thousand**.

The investments were financed entirely from own Subsidiary sources.

Investment expenses were of **RON 55,162.21 thousand.**

The degree of achievement of the investment program is 89%.

The preliminary statement of expenditure for this program is as follows:

RON thousand

Item No.	2024 Investment Program Chapter	Program 2024	Results 2024
1.	Gas fields and UGS exploitation, infrastructure and utilities in fields and underground storages	46,997.83	41,426.65
2.	Underground gas storage activities	503.67	338.05
3.	Modernization and upgrading of installations and equipment, surface facilities, utilities	9,050.00	8,603.73
4.	Independent equipment and machinery	4,713.50	4,251.88
5.	Costs with consultancy, studies and projects, software, licenses and patents etc.	671.00	541.90
	TOTAL GENERAL	**61,936.00**	**55,162.21**

The main investment objectives with achievements are:

- Drilling of 6 wells at Sarmasel – RON 41,415.35 thousand;
- Increase of daily withdrawal capacity in Bilciuresti UGS – CEF – RON 337.78 thousand;
- Modernization of 12 wells in Sarmasel UGS – RON 882.65 thousand;
- Modernization of network equipment at Ghercesti UGS - RON 162.34 thousand;
- Modernization of well technological metering system Sarmasel - RON 125.00 thousand;
- Modernization of Building A Butimanu – RON 498.21 thousand;
- Modernization of network equipment Urziceni UGS – RON 170.67 thousand;
- Modernization of network equipment Balaceanca UGS – RON 99.41 thousand;
- Safety electricity supply Depogaz headquarters – RON 698.54 thousand;
- Layout of classified information room – RON 175.00 thousand;
- Suction and discharge gathering pipes systematization at SC Butimanu – RON 1,809.88 thousand;
- Modernization of gas metering system Bilciuresti UGS – RON - 3,611.79 thousand;
- Lift truck – RON 159.00 thousand;
- Thermostatic baths – RON 488.95 thousand;
- Car electric charging stations – RON 199.00 thousand;
- Electric vehicles – RON 673.80 thousand;
- 4x4 vehicle – RON 245.50 thousand;
- Gas heaters IIIX140 – RON 698.00 thousand;
- UPS Ghercesti Groups – RON 238.10 thousand;
- 10KVA Voltage generator – RON 111.94 thousand;
- US DN 400 Ultrasonic counter – RON 604.30 thousand;
- Electric supply sources – RON 156.33 thousand;
- Microsoft 2024 Licenses – RON 138.15 thousand;
- Modernization of Ghercesti Well – RON 232.82 thousand.

ROMGAZ BLACK SEA LIMITED

For 2024, **ROMGAZ BLACK SEA LIMITED Subsidiary** had an approved total investment program of RON 2,981,404 thousand, both for development and exploration activities, and achieved a total of RON 2,213,399 thousand representing 74.24%, as follows (RON thousand):

Item No.	Description	Program 2024	Results 2024
1.	Development activities	2,957,179	2,209,575
2.	Exploration activities	24,225	3,824
	TOTAL GENERAL	**2,981,404**	**2,213,399**

Note: the values in the table do not comply with IFRS.

Neptun Deep is on track and progressing according to plan for first gas delivery in 2027.
The progress recorded in 2024 in relation to the investments related to ROMGAZ BLACK SEA LIMITED is in line with the work programs, budget and the execution calendar related to the Neptun Deep project. The main investments activities carried out are related to detailed design of execution, construction of shallow water production platform, procurement of equipment, preparatory drilling works for wells and obtaining authorizations/permits.
During 2024, several important milestones marked the progress of the Neptun Deep project:

- In Q2 started the construction of the topsides for Neptun Alpha shallow water production platform at Saipem yard located in Karimun, Indonesia.
- In Q3 started the construction of the for the steel jacket for Neptun Alpha shallow water production platform at Saipem yard in Arbatax in Sardinia, Italy.
- In Q3 started the onshore construction works at natural gas metering station, in Tuzla, România.
- In Q4, Transocean Barents, the mobile offshore drilling unit arrived in Romania, Constanta. Transocean Barents was contracted to drill the production wells of Neptun Deep, the operations being planned to start in 2025.

Neptun Deep is in line with development strategy of ROMGAZ and will create important opportunities for Romania. The project will contribute to Romania's energy security and independence, support the energy transition process, contribute to the economic growth and will represent an energy resilience advantage at the regional level.

Development phase of Domino and Pelican South commercial gas fields is ongoing and includes an infrastructure of 10 wells, 3 subsea production systems and associated flow lines, one offshore platform, the main gas pipeline to Tuzla and a gas measurement station. The platform generates its own energy, operating at the highest standards of safety and environmental protection.
The investments necessary for the development phase, for both Titleholders RBS and OMV Petrom, are overall up to 4 billion euro.

For the purpose of joint operations for Neptun Deep, following the final investment decision and confirmation by the National Agency for Mineral Resources, (currently National Regulatory Authority in the Mining, Petroleum and Geological Storage of Carbon Dioxide) of the Development Plans for two fields of the Neptun Deep project in 2023, major execution contracts have been awarded and are in implementation, have been carried out the activities of obtaining authorizations, started the fabrication and construction works, and preparatory works for drilling operations.
The exploration activity within the Neptun Deep perimeter is ongoing, with the aim of identifying and evaluating further and exploiting the energy potential of the Black Sea.
Information about Neptun Deep Project: https://www.romgaz.ro/despre-proiectul-neptun-deep.

V. Securities Market

Romgaz – company listed on Bucharest Stock Exchange

On November 12, 2013, Romgaz was listed on Bucharest Stock Exchange (BVB) and on London Stock Exchange (LSE), and since this date, the company's shares are traded on the regulated market governed by BVB, Main segment, Premium category, under the symbol "SNG". At the same time, Global Depositary Receipts (GDRs), issued by The Bank of New York Mellon, underlying ROMGAZ shares (1 GDR = 1 share), were traded on LSE Main Market for Financial Instruments, under the symbol "SNGR". After corporate decisions, as of December 31, 2024, Romgaz was delisted from LSE and trading of the GDRs ceased.

For the period 2013 – 2024, the evolution of the main indicators was as follows:

No.	Specifications	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024[11]
1.	Market capitalization[12]												
	*RON million	13,178	14,018	10,483	9,636	12,064	10,714	14,299	10,830	15,031	14,550	19,310	19,811
	*EUR million	2,952	3,127	2,315	2,122	2,589	2,297	2,992	2,224	3,038	2,941	3,882	3,983
2.	Maximum price (RON/share)	35.60	36.37	36.55	27.55	33.95	38.20	38.40	37.70	39.00	51.70	51.00	6.13
3.	Minimum price (RON/share)	33.80	32.41	26.30	21.60	25.10	27.80	27.35	25.75	28.35	34.05	38.00	4.96
4.	Year-end price (RON/share)	34.19	35.36	27.20	25.00	31.30	27.80	37.10	28.10	39.00	37.75	50.10	5.14
5.	Net profit per share (RON)	2.58	3.66	3.10	2.66	4.81	3.53	2.83	3.24	4.97	6.61	7.3	0.83
6.	Gross dividend per share (RON) **Total,** of which:	2.57	3.15	2.70	5.76	6.85	4.17	1.61	1.79	3.80	3.42	0.1425	**0.1568**
	- Annual dividend	2.57	3.15	2.70	2.40	4.34	3.15	1.39	1.63	3.62	3.30	0.1359	**0.1515**
	- Additional dividend	-	-	-	3.36 1)	2.51 2)	1.02 3)	0.22 4)	0.16 4)	0.18 4)	0.12 4)	0.0066 4)	**0.0053 5)**
7.	Dividend yield (6./4.x100) (%)	7.5	8.9	9.9	23.04	21.88	15.00	4.34	6.37	6.79	9.1	2.8	**3.06**
8.	Exchange rate (RON/EUR)	4.4639	4.4834	4.5285	4.5411	4.6597	4.6639	4.7785	4.8694	4.9481	4.9474	4.9746	4.9741

NOTE: *Romgaz share capital, as well as the number of shares, remained at the same level for 2013 - 2023, respectively 385,422,400[13]. By EGMS Resolution No. 17/2023, the share capital increase was approved by issuing 9 new shares per each share, so that the share capital and the number of shares became 3,854,224,000[13]. The payment date of free shares to shareholders was May 30, 2024.*

1) consisting of the dividend resulting from the distribution of retained earnings (RON 1.42/share) and the additional dividend granted pursuant to the provisions of Articles II and III of GEO 29/2017, distributed from the company's reserves representing own sources of financing (RON 1.94/share).

2) consisting of the dividend resulting from the distribution of retained earnings (RON 0.65/share) and the additional dividend granted pursuant to the provisions of Articles II and III of GEO 29/2017, distributed from the company's reserves representing own sources of financing (RON 1.86/share).

3) consisting of the dividend from the distribution of retained earnings (RON 0.08/share) and the additional divided granted pursuant to Article 43 of GEO No. 114/2018 (RON 0.94/share).

4) resulting from the distribution of retained earnings.

5) resulting from the distribution of retained earning composed of the retained earnings from the correction of accounting errors and the retained earnings representing the impairment value of fixed assets and the value of fixed assets and abandoned investment projects.

[11] After increasing ROMGAZ share capital, that determined a ten times increase of share n umber, as of May 28, 2024 (ex-date), the reference price of shares traded on BVB reduced correspondingly (10-times).
[12] Calculated based on the closing price on the last trading day of that year, that is based on the currency exchange rate communicated by the NBR and valid on the last trading day of the respective year.
[13] The nominal share value is RON 1.

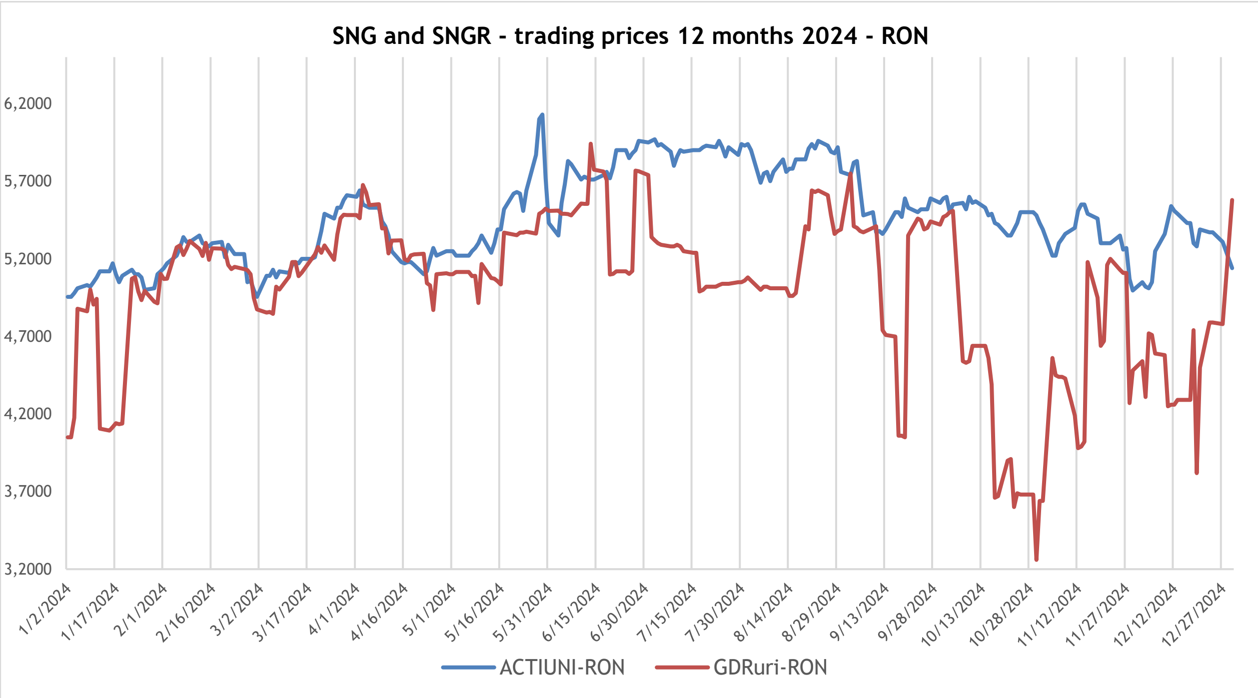
In 2024[14], the average trading prices of ROMGAZ securities (shares and global depositary receipts - GDRs) were RON 5.4692 RON/share, respectively USD 1.0866/GDR (equivalent of RON 4.9920/GDR). The price of the shares and of the GDRs evolved differently both in the first month of the year and during the share capital increase (May – June 2024), and especially in Q4 2024, after the EGMS approved delisting of the company and termination of GDRs trading on LSE by the end of the year.

Thus, the minimum prices of the period for shares were recorded on the first trading day of 2024 (RON 4.9550/share) and for GDRs on October 30, 2024 (USD 0.71/GDR, equivalent to RON 3.26/GDR), after BNYM sent the notification of the closure of the GDR program to GDR holders. The maximum trading prices of securities were reached during the period of the capital increase, namely on May 29, 2024 (the registration date) for shares (RON 6.13) and on June 13, 2024 (the first trading day after the capital increase) for GDRs (USD 1.29, equivalent to RON 5.9420).

The prices on the last trading day of 2024 were higher than the prices recorded at the end of the previous year both for shares and for GDRs. Thus, on December 30, 2024, the share price was RON 5.14 (+2.59%) and the GDR price was USD 1.17 (+8.33%), equivalent to RON 5.575 (+14.82%), as the RON/USD exchange rate increased by 5.99%. It should be noted that the price of USD 1.17 was the last trading price of GDRs on the LSE.

Quarterly, the average share price having an upward trend in the first 9 months of 2024, from RON 5.1903 in Q1 2024, to RON 5.5234 in Q2 2024 (+6.42%) and, respectively, to RON 5.7683 in Q3 2024 (+4.43%) and decreased in the last quarter to RON 5.3812 (-6.71%). The average price of GDRs increased in Q2 as compared to Q1 by 6.06% (USD 1.0873 in Q1 and USD 1.1532 in Q2), thereafter the trend was downward between quarters, respectively -0.86% in Q3 (USD 1.1433) and -16.26% in Q4 (USD 0.9575).

The comparative evolution of share price and GDR price (in RON) during 2024 is illustrated in the following graph:



The oscillating evolution of trading prices can be observed, influenced by the following main events that led to sharp decreases and increases in 2024:

- in Q1 2024, the price dynamics might be attributed, on one hand, to certain market discussions on the changes to the regulatory and taxation framework for oil and gas companies (decrease in regulated prices)[15] and, on the other hand, the publication of the Preliminary Report for 2023, reflecting a decrease of the revenue by 32.6%, even under the conditions of estimated net profit up to 10.4% (February 28, 2024); both events caused slight price decreases;

[14] As a result of ROMGAZ share capital increase from RON 385,422,400 to RON 3,854,224,000 and implicitly of the number of shares, to have a fair analysis of the price evolution for the period, historical prices of securities were adjusted (shares and GDRs) traded on the two exchanges, BVB and LSE (January – May 2024).

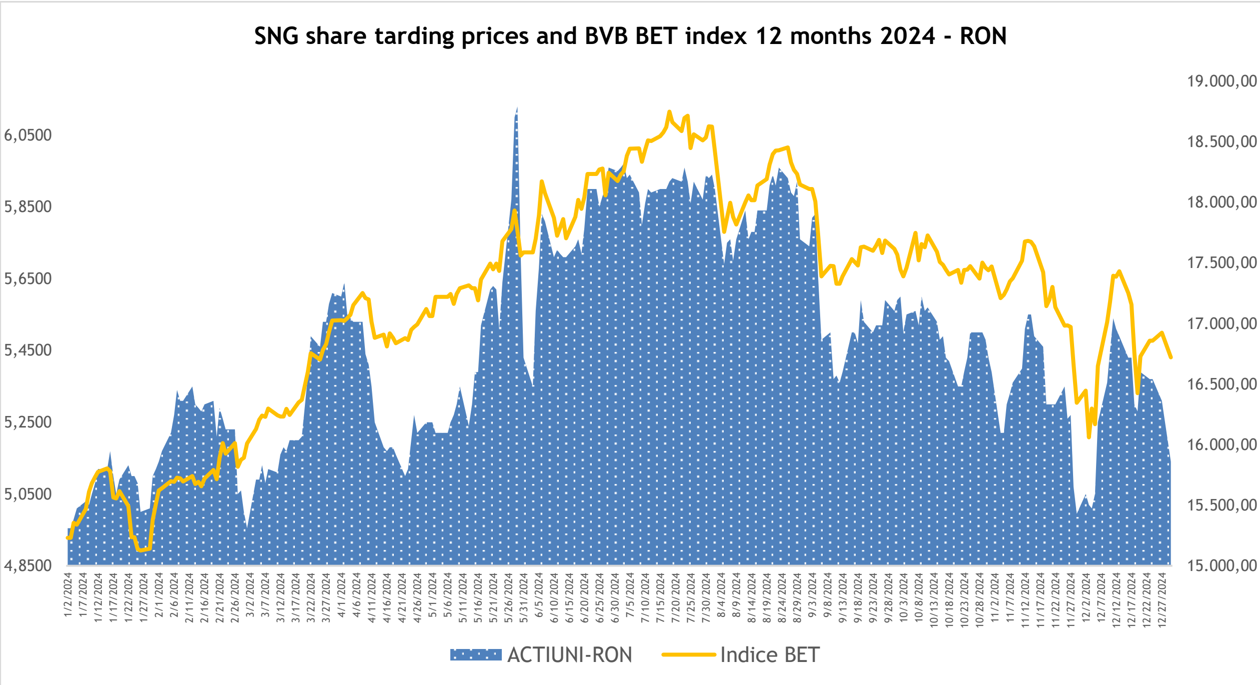
[15] Source: Ziarul Financiar from February 27, 2024

- in Q2, 2024, the most significant price-influencing event was the increase in the share capital with the shareholders' registration date on May 29, 2024, and payment date of free shares on May 30, 2024; this event caused reaching annual peaks both for shares and GDRs;
- in Q3, 2024, share price traded on BVB were influenced mainly by the evolution on the external market, which was affected by the turmoil amid concerns regarding a possible recession of the economy of the United States of America[16]; this caused also a decrease by 4.38% in the exchange rate on September 30, 2024 as compared to June 30, 2024, influencing both the RON price of the GDRs; at the same time, the company's intention to delist the GDRs by the end of the year negatively influenced their trading price on LSE;
- in Q4, 2024, the fluctuation in the trading prices of securities was influenced by different events, as follows: (i) uncertainties on the political scene in Romania, which generated a high volatility on the local market in the last two months of 2024[17] and (ii) in the case of GDRs: the conduct of the delisting process and cancellation of their trading, the process completed on December 31, 2024;

Since listing and until now, Romgaz takes an important place among the top local issuers, being included in BVB's trading indices by the end of 2024, as follows:

- 4th place by market capitalization among issuers in BVB Premium category. With a market capitalization on December 31, 2024, of RON 19,810.71 million, respectively EUR 3,982.77 million, Romgaz is the fourth biggest company listed from Romania, being preceded by Hidroelectrica with a capitalization of RON 54,875.91 million (EUR 11,032.33 million), OMV Petrom with a capitalization of RON 44,178.97 million (EUR 8,881.80 million) and Banca Transilvania with a capitalization of RON 24,755.75 million (EUR 4,976.93 million);
- 5th place after the total value of the transactions from 2024 among the top issuers in BVB Premium category RON 774.15 million, after Banca Transilvania, Hidroelectrica, OMV Petrom and Fondul Proprietatea;
- 8.98 % and 9.08% weights in BET index (top 20 issuers) and, respectively, BET-XT (top 30 issuers), 16.39% in BET-NG index (energy and utilities), 8.98% in BET-TR index (BET Total Return) and 12.14% in BET-EF index (energy, utilities and finance).

The evolution of ROMGAZ[18] share prices as compared to 2024 BET index is shown in the following chart:



[16] Source: Ziarul Financiar and Ziarul Bursa from August 5, 2024
[17] Source: Ziarul Financiar from December 23, 2024
[18] The share price related to the period January 1 – May 27, 2024 were adjusted according to Romgaz share capital increase, with Registration Date May 28, 2024 and Payment Date May 30, 2024.

5.1. Dividend Policy

The General Meeting of Shareholders determines the value of dividends to be distributed to shareholders considering the specific legal provisions.

Therefore, Government Ordinance **No. 64/2001**[19] approved by *Law No. 769/2001*, as subsequently amended and supplemented, provided in Article 1, paragraph (1), letter f) that the accounting profit after deduction of profit tax is distributed in proportion of *minimum* 50% as dividends.

The provisions of Article XI of GEO No. 31/2024[20] amends Government Ordinance No. 64/2011 by adding the following paragraph to Article 1:

"(1^2) By way of exception from the provisions of paragraph (1) letter f), the Government may approve, by memorandum, initiated by the public supervisory authorities and approved by the Ministry of Finance, that national companies, national companies and companies with wholly or majority state capital, as well as autonomous regions established by the state, which carry out major investment projects of national interest for increasing Romania's energy capacity or finance these projects carried out by their subsidiaries, to allocate a share of less than 50% of the net profit remaining after deduction of the amounts allocated to the purposes provided for in para. (1) lit. a)-d), in the form of dividends/grants to the state budget, for the realization of the respective investments."

State-owned companies are required, according to the provisions of Government Ordinance No.64/2001, to pay the due dividends to the shareholders *within 60 days* from the legal deadline for the submission of the annual financial statements to the competent fiscal authorities.

According to Government Emergency Ordinance **No. 29/2017**[21]:

- *„The amounts distributed in the previous years to other reserves under the provisions of Article 1 paragraph (1) letter g) of Government Ordinance No.64/2001 [...], existing at the date of entry into force of this Emergency Ordinance, can be distributed as dividends [...]"* - Article **II**;
- *„After the approval of the financial statements in 2016, the entities provided in Article 1, paragraph (1) of the Government Ordinance No. 64/2001, [...], the retained earnings existing in the balance account on December 31 of each year, can be distributed as dividends"* – Article **III** paragraph (1).

The table below shows the status of dividends for years 2022-2024:

Specification	2022	2023	2024 Proposal
Dividends (RON)	1,318,144,608	549,226,920	604,342,323.2
Gross Dividend per share (RON/share)	3.42*)	0.1425**)	**0.1568*****)**
Dividend distribution rate (%)	51.76	20.01	20.33
Number of shares	385,422,400	3,854,224,000	3,854,224,000

*) The gross dividend of RON 3.42/share is composed of the gross dividend per share for financial year 2022 in the amount of RON 3.30/share and the additional gross dividend of RON 0.12/share resulted from the distribution of retained earnings, representing the impairment value of fixed assets and the value of fixed assets and abandoned investment projects, in the reporting year, that were financed from "*the share of expenses necessary for the development and modernization of gas production*" according to GD No.168/1998, as subsequently amended and supplemented.

**) The gross dividend of RON 0.1425/share is composed of the gross dividend per share for financial year 2023 in amount of RON 0.1359 per share and the additional gross dividend of RON 0.0066 per share resulted from the distribution of retained earnings representing the impairment value of fixed assets and the value of fixed assets and abandoned investment projects in the reporting year that were financed from "*the share of expenses necessary for*

[19] Government Ordinance No.64 of 30 August 2001 on the distribution of profits of companies with majority state capital and autonomous companies;

[20] Government Emergency Ordinance No. 31/2024 on regulating some fiscal-budgetary measures and for amending and supplementing some enforcement guidelines which amends and supplements G.O. No.64/2001 by article XI;

[21] Government Emergency Ordinance No.29 of 30 March 2017 amending Article 1(1)(g) of Government Ordinance No. 64/2001 on the distribution of profits of national companies, national companies and companies with full or majority state capital, as well as autonomous regions and amending Article 1(2) and (3) of Government Emergency Ordinance no.109/2011 on corporate governance of public enterprises.

the development and modernization of gas production" according to GD No.168/1998, as subsequently amended and supplemented.

***) The proposed gross dividend of RON 0.1568 per share is composed of the gross dividend per share for financial year 2024 in the amount of RON 0.1515 per share and the additional gross dividend of RON 0.0053 per share resulted from the distribution of retained earning composed of the retained earnings from the correction of accounting errors and the retained earnings representing the impairment value of fixed assets and the value of fixed assets and abandoned investment projects in the reporting year that were financed from "*the share of expenses necessary for the development and modernization of gas production*" according to GD No.168/1998, as subsequently amended and supplemented.

The internal regulation "*Dividend Policy*" was approved by the company's Board of Directors in March 2017 and is currently published on company's webpage www.romgaz.ro at "*Investors – Corporate Governance – Reference Documents*".

VI. Company Management

6.1. Board of Directors

The Company is governed by a Board of Directors consisting of 7 members. On ***December 31, 2024,*** it had the following structure:

No.	Surname and name	Position in the Board	Status*)	Professional Qualification	Institution of Employment
1	Dragan Dan Dragos	Chairman	Non-executive, non-independent	Economist	Ministry of Energy
2	Jude Aristotel Marius	Member	Executive, non-independent	MBA, Legal Adviser	S.N.G.N. Romgaz S.A.
3	Nut Marius Gabriel	Member	Non-executive, independent	Economist	S.C. Sanex S.A. and S.C. Lasselberger S.A.
4	Brasla Razvan	Member	Non-executive, independent	Economist	S.C. Blom Project Management S.R.L.
5	Sorici Gheorghe Silvian	Member	Non-executive, independent	Economist	S.C. Sobis Solutions S.R.L.
6	Balazs Botond	Member	Non-executive, non-independent	Legal Adviser	S.N.G.N. Romgaz S.A.
7	Stoian Elena Lorena	Member	Non-executive, independent	Legal Adviser	S.C.A. Stoian si Asociaţii

**) - members of the Board of Directors submitted the independent statements in compliance with the provisions of Romgaz Code of Corporate Governance.*

The company's Board members were elected on the basis of OGMS Resolution No. 5 of March 14, 2023, for a 4-year mandate, starting on March 16, 2023.

The Curricula Vitae of the Board members are to be found on the company's website: www.romgaz.ro, to "*Investors – Corporate Governance – Board of Directors Structure*".

According to the information supplied, ***there is no agreement, understanding or family relationship between the above nominated members of the executive management and another person that contributed to their appointment as member of the executive management***.

On December 31, 2024, the following board members ***hold shares in the company***:

Item No.	Surname and name	Number of shares held	Weight in the share capital (%)
0	1	2	3
1	DRAGAN Dan Dragos	187,570	0.00486661
2	BALASZ Botond	110	0.00000285

6.2. Executive Management

Chief Executive Officer (CEO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mr. Popescu Razvan as Chief Executive Officer for a period of 4 years, from May 16, 2023, until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mr. Popescu Razvan related to the financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Chief Executive Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid.

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Executive Officer's mandate contract on the modification of financial and non-financial performance indicators.

Deputy Chief Executive Officer (Deputy CEO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mr. Jude Aristotel Marius as Deputy Chief Executive Officer for a period of 4 years, from May 16, 2023 until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mr. Jude Aristotel Marius related to the financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Deputy Chief Executive Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid;

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Executive Officer's mandate contract on the correction of financial and non-financial performance indicators.

Chief Financial Officer (CFO)

By Resolution no. 55 of May 15, 2023, the Board of Directors appointed Mrs. Tranbitas Gabriela as Romgaz Chief Financial Officer, for a period of 4 years, from May16, 2023 until May 16, 2027.

By Resolution no. 87 of September 19, 2023, the Board of Directors approved the conclusion of the addendum to the mandate contract of Mrs. Tranbitas Gabriela, related to the financial and nonfinancial performance indicators underlying the establishment and granting of the variable component of the Deputy Chief Financial Officer's remuneration, determining the amount of the variable component of remuneration and how it is calculated and paid.

By Resolution no. 115 of December 19, 2023, the Board of Directors approved the conclusion of the addendum to the Chief Financial Officer's mandate contract on the correction of financial and non-financial performance indicators.

Other persons holding management positions without being delegated management powers by the Board of Directors, on December 31, 2024:

Surname and name	Position
Romgaz - headquarters	
Chirca Robert Stelian	Exploration-Production Division Director
Foidas Ion	Production Department Director
not occupied	Human Resources Director
Grecu Marius Rares	Controlling Department Director
Veza Marius Leonte	Accounting Department Director
Patruța Mircea Ioan	Finance Department Director
Paunescu Octavian Aurel	Exploration-Appraisal Department Director
Sasu Rodica	Exploration-Production Support Department Director
Huzuneanu Ionut Cosmin	Drilling Department Director
Popescu Bogdan Alexandru	Information Technology Department Director
Lupa Leonard Ionut	Procurement Department Director
Chertes Viorel Claudiu	Regulations Department Director
Moldovan Radu Costica	Energy Trading Department Director
Mares Gabriela Elena	Strategy, International Relations, European Funds Department Director
Antal Francisc	Quality, Environment, Emergency Situations and Infrastructure Department Director
Hategan Gheorghe	Technical Department Director
Medias Branch	
Totan Constantin Ioan	Branch Director
Achimet Teodora Magdalena	Economic Director
Veress Tudoran Ladislau Adrian	Production Director
Popa Bogdan	Technical Director
Targu Mures Branch	
Baciu Marius Tiberiu	Branch Director
Bosca Mihaela	Economic Director
Radu Cristian Gheorghe	Production Director
not occupied	Technical Director

Surname and name	Position
Iernut Branch	
Balazs Bela Atila	Branch Director
Hațagan Olimpiu Sorin	Economic Director
Oprea Maria Aurica	Commercial Director
Bircea Angela	Technical Director
SIRCOSS	
Rotar Dumitru Gheorghe	Branch Director
Bordeu Viorica	Economic Director
Gheorghiu Sorin	Technical Department Director
STTM	
Lucaci Emil	Branch Director
Ilinca Cristian Alexandru	Economic Director
Grosu Adrian Doru	Technical Department Director
Buzau Branch	
Guettat Morched	Branch Director
Banica Dardu	Production/Operations Director
Drobeta Branch	
Saceanu Constantin	Branch Director
Chisinau Branch	
Selavardeanu Cristian	Branch Director

The members of the executive management, except for the mandated officers (Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer), are employees of the company having an individual employment contract for an indefinite period.

In compliance with the powers delegated by the Board of Directors, the Chief Executive Officer employs, promotes and dismisses the management and operating personnel.

The table below shows ***the number of company shares held by the members of the executive management on December 31, 2024:***

Item No.	Surname and name	Number of shares held	Weight in the share capital (%)
0	1	2	3
1.	MATEI Delia Gabriela	4,030	0.00010456
2.	PATRUTA Mircea-Ioan	100	0.00000260
3.	ILINCA Cristian Alexandru	875	0.00002270
4.	BALASZ Bela Atila	380	0.00000986

According to the information supplied, ***there is no agreement, understanding or family relationship between the above nominated members of the executive management and another person that contributed to their appointment as member of the executive management***.

Depogaz Board of Directors

Depogaz is governed by the Board of Directors, consisting of 5 board members, selected and appointed by the Sole Associate in compliance with the law.

Selection and appointment of Depogaz Board of Directors was made in compliance with GEO No. 109/2011 on corporate governance of public enterprises, as amended from time to time, and related enforcement guidelines.

Thus, the appointment of members in the Board of Directors of SNGN Romgaz SA – Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești SRL, was approved by Sole Associate Resolution No. 1/January 19, 2023, for a 4 -year mandate term, for the period January 20, 2023 – January 20,2027, as follows:

Item No.	Surname and Name	Position in the BoDs	Status*)
1.	Stanescu Nicolae Bogdan Codrut	**Chairman**	Independent non-executive
2.	Tarinda Ileana	Member	Independent non-executive
3.	Lazar George	Member	Independent non-executive
4.	Vasile Anna-Maria	Member	Independent non-executive
5.	Ciornea Anca-Isabela	Member	Independent non-executive

**) - members of the Board of Directors submitted the independent statements in compliance with the Internal Rules of the Board of Directors.*

Executive Management of Depogaz

Director General

The recruitment procedure for the Director General of DEPOGAZ was carried out by S.C. Fox Management Consultants S.R.L., the independent expert contracted to carry out this project and it was conducted in accordance with the provisions of GEO No. 109/2011, as amended and supplemented.

Upon the completion of the recruiting procedure, Mr. Carstea Vasile was appointed Director General of DEPOGAZ by Board of Directors Resolution No. 5/March 6, 2023, based on a Contract of Mandate concluded for a term of 4 years, starting with March 6, 2023.

The Director General of the company has the duties provided in the Contract of Mandate, by the Internal Rules of the Board of Directors and by the Articles of Association, supplemented by the applicable law.

Other persons holding management position during the reference period:

Item No.	Surname and Name	Position
1.	Alupei Valentin Lucian	Storage Director
2.	Ionescu Viorica Mariana	Economic Director
3.	Gîrlicel Victor Cristian	Technical Director
4.	Galea Paul	Commercial Director
5.	Moise Sanda Mădălina	HSEQ Director

Both Depogaz Board members and the executive management are mentioned on the Subsidiary website: https://www.depogazploiesti.ro/ro/despre-noi/conducere.

Also, members of Depogaz management holding Romgaz shares are: Mr. CÂRSTEA Vasile – a number of 4,120 shares representing a weight of 0.00010690% of the share capital and Mr. GÎRLICEL Victor Cristian – a number of 1,250 shares representing a weight of 0.00003243% of the share capital.

Board of Directors and Executive Management of RBS

RBS is governed by a Board of Directors consisting of 3 members on December 31, 2024:

No.	Surname and Name	BoD Position	Status	Professional Qualification	Employer Company
1.	Sasu Rodica	chairperson	non-executive	Geophysical Engineer	S.N.G.N. Romgaz S.A.
2.	Chirca Robert Stelian	member	non-executive	Engineer	S.N.G.N. Romgaz S.A.
3.	Novac Tiberiu Andrei	member	non-executive	Economist	S.N.G.N. Romgaz S.A.

By Sole Associate Resolution No. 25 of November 22, 2023, Board members have been appointed for a provisional 5-month term mandate as of December 6, 2023 until May 6, 2024. On April 15, 2024, by Sole Associate Resolution No. 16/2024, the Board members have been appointed for a 5-month term mandate, as of May 7, 2024, until October 7, 2024. On September 25, 2024, by Sole Associate Resolution No. 34/2024, the Board members have been appointed for a 5-month term mandate, as of October 8, 2024 until March 8, 2025.

RBS Executive Management

By Resolution No. 56 of October 2023, the Board of Directors appointed Mrs. Diana Andreea Lupu as Director General and legal representative of the company, Branch Director and legal representative of Romgaz Black Sea Limited Nassau (Bahamas) - Bucuresti Branch for a provisional 5-month term mandate starting from November 5, 2023, until April 5, 2024.

By Resolution No. 21 of April 1, 2024, the Board of Directors appointed Mrs. Diana Andreea Lupu as Director General and legal representative of the company, Branch Director and legal representative of Romgaz Black Sea Limited Nassau (Bahamas) - Bucuresti Branch for a 5-month term mandate starting from April 6, 2024 until September 6, 2024.

By Resolution No. 53 of April 28, 2024, the Board of Directors appointed Mrs. Diana Andreea Lupu as Director General and legal representative of the company, Branch Director and legal representative of Romgaz Black Sea Limited Nassau (Bahamas) - Bucuresti Branch for a 5-month term mandate starting from September 7, 2024 until February 7, 2025.

We state that, to the best of our knowledge, the persons nominated at the above paragraphs 6.1 and 6.2 above have not been involved in litigations or administrative procedures ***during the last 5 years***, relating to their activity performed in Romgaz, as well as those related to the respective persons capacity to perform their duties in Romgaz.

VII. Consolidated Financial - Accounting Information

7.1. Statement of Consolidated Financial Position

The consolidated financial statements of Romgaz Group were prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) as adopted by the European Union and the provisions of the Ministry of Finance Order No. 2844/2016. For the purposes of preparing these consolidated financial statements, the functional currency of the Group is deemed to be the Romanian Leu (RON). IFRS, as adopted by the EU, differ in certain respects from IFRS as issued by the IASB. However, the differences have no significant impact on the Group's consolidated financial statements for the years presented.

The consolidated financial statements have been prepared based on business as a going concern principle in accordance with the historical cost convention.

Table below presents a summary of the statement of consolidated financial position as of December 31, 2022, December 31, 2023, and December 31, 2024:

Indicator	December 31, 2022 (RON thousand)	December 31, 2023 (RON thousand)	December 31, 2024 (RON thousand)	Variation (2024/2023)
0	1	2	3	4=(3-2)/2*100
ASSETS				
Non-current assets				
Property, plant and equipment	5,039,314	5,891,788	8,418,794	42.89
Other intangible assets	5,140,425	5,135,930	5,131,142	-0.09
Investments in associates	28,537	33,410	59,426	77.87
Deferred tax assets	199,016	324,175	356,640	10.01
Other financial assets	5,616	5,616	5,616	0.00
Right of use asset	8,766	11,596	13,424	15.76
Total non-current assets	***10,421,674***	**11,402,515**	**13,985,042**	**22.65**
Current assets				
Inventories	284,007	301,690	394,073	30.62
Greenhouse gas emission certificates	-	208,618	137,244	-34.21
Trade and other receivables	1,373,664	1,398,953	837,805	-40.11
Contract costs	3	-	-	n/a
Bank deposits other than cash and cash equivalents	99,597	2,505,463	2,625,339	4.78
Other assets	265,232	113,181	79,362	29.88
Current income tax receivable	-	-	3,863	n/a
Cash and cash equivalents	1,883,882	535,210	1,852,154	246.06
Total current assets	***3,906,385***	**5,063,115**	**5,929.840**	**17.12**
TOTAL ASSETS	***14,328,059***	**16,465,630**	**19,914,882**	**20.95**
EQUITY AND LIABILITIES				
Equity				
Issued capital	385,422	385,422	3,854,224	900.00
Reserves	3,579,274	4,971,109	3,966,562	-20.21
Retained earnings	6,111,869	6,204,783	6,365,290	2.59
TOTAL EQUITY	**10,076,565**	**11,561,314**	**14,186,076**	**22.70**
Non-current liabilities				
Retirement benefit obligation	168,830	189,314	204,550	8.05

Indicator	December 31, 2022 (RON thousand)	December 31, 2023 (RON thousand)	December 31, 2024 (RON thousand)	Variation (2024/2023)
Provisions	210,838	373,536	351,789	-5.82
Deferred income	230,419	370,941	386,849	4.29
Borrowings	1,125,534	808,373	484,975	-40.01
Bonds	-	-	2,476,433	n/a
Lease liability	7,499	10,450	10,899	4.30
Total non-current liabilities	***1,743,120***	**1,752,614**	**3,915,495**	**123.41**
Current liabilities				
Trade payables and other liabilities	110,006	272,168	456,770	67.83
Contract liabilities	263,340	153,723	290,811	89.18
Current income tax liabilities	1,177,498	1,766,637	3,563	-99.80
Deferred income	11	7	486	6,842.86
Provisions	321,489	121,732	162,689	33.65
Lease liability	2,181	2,579	4,729	83.37
Borrowings	321,581	323,349	323,371	0.01
Bonds	-	-	24,545	n/a
Other liabilities	312,268	511,507	546,347	6.81
Total current liabilities	***2,508,374***	**3,151,702**	**1,813,311**	**-42.47**
TOTAL LIABILITIES	***4,251,494***	**4,904,316**	**5,728,806**	**16.81**
TOTAL EQUITY AND LIABILITIES	***14,328,059***	**16,465,630**	**19,914,882**	**20.95**

NON-CURRENT ASSETS

Total non-current assets increased by 22.65%, namely RON 2,582.5 million. The increase is mainly due to investments made in Neptun Deep in 2024 (RON 2,175.91 million).

The rise of investments in associates is generated, besides the Group's profit share from the profit of associates and from Depomures share capital increase, where Romgaz participated with RON 18 million.

CURRENT ASSETS

Current assets increased by RON 866.73 million (17.12%) on December 31, 2024 mainly due to increase of cash, cash equivalents and bank deposits (other than cash and cash equivalent) which recorded an increase of RON 1,436.82 million after the issue of bonds in 2024. The main influences on current assets are shown below.

Inventories

As compared to December 31, 2023, inventories increased by RON 92.38 million (+30.62%) following procurement of spare parts and auxiliary materials required in the Group's activity. In terms of value, Romgaz gas inventory in underground storages increased by 25.35%. Romgaz injected in storages in 2024, 272.1 million m^3 (2023: 93.3 million m^3) while the quantity withdrawn from storages and sold in storages was 204.9 million m^3 (2023:167.2 million m^3).

Trade and other receivables

The decrease by 40.11% (RON -561.15 million) of trade receivables as compared to December 31, 2023 is due to a 20% decrease in the price of gas sold pursuant to GEO No. 27/2022.

EQUITY AND RESERVES

Group's equity increased by 22.70% due to the profit achieved in 2024.

In December 2023, the Extraordinary General Meeting of Shareholders approved the increase of Romgaz share capital by incorporating the reserves of RON 3,468.80 million by issuing 3,468,801,600 free shares at a nominal value of RON 1/share. The total value of share capital increased to RON 3,854.22 million following the registration of this increase with the Trade Register in January 2024. The share capital increase was completed on May 30, 2024.

NON-CURRENT LIABILITIES

Non-current liabilities increased by 123.41% in 2024 as compared to 2023 as a result of the first tranche of bonds issued in amount of EUR 500 million under the EMTN program launched by Romgaz.

In 2024, the amount of RON 15.9 million was received from the National Investment Plan for the investment in the new Iernut power plant. The total amount received by December 31, 2024 is RON 292.45 million; in accordance with the grant agreement the maximum amount that Romgaz can access is RON 320.91 million.

CURRENT LIABILITIES

Current liabilities decreased by RON 1,338.39 million. The main influences are shown below.

Current tax liabilities

In 2024, the Group paid the income tax and the solidarity contribution for 2023. Starting with 2024, the solidarity contribution is no longer calculated, which led to the decrease by RON 1,763.07 million of these liabilities on December 31, 2024 as compared to December 31, 2023.

Trade payables and other liabilities

From the increase of RON 184.60 million of trade payables as compared to December 31, 2023, RON 120.49 million are related to the investment in Neptun Deep.

7.2. Statement of Consolidated Comprehensive Income

The Group profit and loss account summary for the period January 1 – December 31, 2024, as compared to the similar period of years 2022 and 2023, is shown below:

Indicator	2022 (RON thousand) *)	2023 (RON thousand) *)	2024 (RON thousand)	Variation (2024/2023)
0	1	2	3	4=(3-2)/2*100
Revenue	13,359,653	9,001,878	7,929,436	-11.91
Cost of commodities sold	(183,578)	(107,130)	(119,825)	11.85
Finance Income	176,979	213,008	190,009	-10.80
Other gains or losses	(9,441)	(17,748)	(31,383)	76.83
Net gains (losses) from impairment of trade receivables	(55,166)	43,714	38,479	-11.98
Changes in inventories	(2,197)	(5,767)	47,832	n/a
Income from works capitalized as non-current assets	-	250,977	307,228	22.41
Raw materials and consumables	(118,037)	(151,501)	(199,861)	31.92
Depreciation, amortization and impairment	(550,076)	(504,532)	(603,157)	19.55
Employee benefit expense	(846,001)	(1,082,714)	(1,201,977)	11.02
Taxes and duties	(6,954,380)	(1,496,311)	(1,826,729)	22.08
Finance cost	(27,295)	(62,003)	(92,692)	49.50
Exploration Expenses	(59,714)	(84,640)	(78,709)	-7.01
Share of associates' result	2,350	4,873	8,016	64.50

Indicator	2022 (RON thousand) *)	2023 (RON thousand) *)	2024 (RON thousand)	Variation (2024/2023)
Greenhouse certificates expenses	-	(242,803)	(180,752)	-25.56
Expenses with third party services and other costs	(658,916)	(712,843)	(646,474)	-9.31
Other Income	80,068	21,004	61,736	193.92
Profit before tax	**4,154,249**	5,067,462	3,601,177	-28.94
Income tax expense	(1,607,537)	(2,255,353)	(395,181)	-82.48
Profit for the year	**2,546,712**	2,812,109	3,205,996	14.01

**) Information relating to 2023 were modified following a revision of financial statement presentation. Income from works capitalized as non-current assets was offset by costs incurred for carrying out such investments. Currently, income from works capitalized as non-current assets are shown in a separate row in the statement of comprehensive income, and expenses include such costs. The result of previous periods is not affected by this change in presentation (see Note 2 of the Consolidated Financial Statements on December 31, 2024). Information for year 2022 were not restated.*

Revenue

In 2024 Romgaz Group achieved a consolidated revenue of RON 7.93 billion as compared to RON 9.0 billion achieved in 2023.

The drop in revenue resides from the decrease by 13.46% of revenues from gas sales (including related services) and from the decrease of revenue from electricity sales by 7.72%.

Consolidated revenue from storage services decreased by 1.09% in 2024 as compared to 2023 (RON -5.66 million).

Finance Income

Finance income is represented by the interests obtained from placing cash in bank deposits and state bonds. The decrease in income resides from the increase of interest rates.

Cost of commodities sold

In 2024, cost of commodities sold increased by 11.85% as compared to the similar period of 2023, mainly due to the increase of costs with imbalances on the electricity market.

Net losses/gains from impairment of trade receivables

In 2024, the Group recorded a net gain from impairment of trade receivables of RON 38.48 million due to collecting due receivables following insolvency or bankruptcy procedures.

Raw materials and consumables used

Expenses with raw materials and consumables increased following intervention works at Group's production assets. The increase is highly corelated with the increase of income from works capitalized as non-current assets.

Net depreciation and amortization

Depreciation, amortization and impairment expenses increased by 19.55% due to higher depreciation expenses by 16.06% generated by commissioning of assets in 2024 and by the increased gas production which is directly affecting well depreciation. The net expense with impairment adjustments of fixed assets of RON 113.79 million, by 37.27% higher than last year, refers to individual abandoned assets.

Financial costs

In October 2024, the Group issued the first tranche of bonds under the EMTN programme launched in September 2024. The programme has a value of EUR 1.5 billion with a first issue of EUR 500 million. This issue generated additional interest expenses of RON 27.84 million, coupon was set at 4.75% per annum.

Taxes and duties

The expense with taxes and duties increased by 22.08% in the year ended December 31, 2024 as compared to the similar period of 2023. The increase of RON 330.41 million resides mainly from the rise by RON 311.56 million (+35.01%) of windfall tax expenses, as these reached RON 1,201.36 million. Royalty expenses (including royalty for storage activities) decreased by RON 7.75 million (-1.29%) as compared to the similar period of last year; in 2024 after clarifications provided by law regarding applicability of the increased royalty enforced in 2023, the Group recalculated in 2024 the royalty for the period October 27, 2023 to December 31, 2023 at the lower rates specified in the concession agreements; therefore, although production obtained by the Group is 4% higher than in 2023, the royalty level is lower.

Greenhouse gas emission certificates

The expenses with greenhouse gas emission certificates reflects the value of certificates purchased during the period corresponding to emissions from electricity generation. The lower level recorded in the year ended December 31, 2024 as compared to the same period of 2023 is due, both to a decrease in the purchase price of certificates, the average price is approximately 21% lower than in the previous year and to the purchase of 14% fewer certificates.

Other income

In the year ended December 31, 2024, the most significant amount presented at other income is represented by interests and late payment penalties invoiced to clients for late payment or for not taking over the contracted gas quantities, namely to suppliers for delays in providing works.

7.3. Statement of Consolidated Cash Flows

Comparative statements of cash flows recorded during 2022-2024 are shown in the table below:

RON thousand

INDICATOR	2022	2023	2024
Cash flows from operating activities			
Net profit for the year	**2,546,712**	**2,812,109**	**3,205,996**
Adjustments for:			
Income tax expenses	1,607,537	2,255,353	395,181
Share of associates' result	(2,350)	(4,873)	(8,016)
Interest expense	5,627	43,838	68,584
Income from dividends	-	-	(686)
Unwinding of decommissioning provision	21,668	18,165	24,108
Interest income	(176,979)	(213,008)	(189,323)
Loss on disposal of non-current assets	451	6,867	19,897
Change of decommissioning provision recognized in the result of the period, other than unwinding	(75,652)	33,861	(14,883)
Change in other provisions	111,564	(196,640)	50,464
Impairment of exploration assets	66,447	23,361	26,980
Exploration projects written-off	16	3	-
Net impairment of non-current assets	74,726	59,537	86,811
Foreign exchange differences	(453)	7,382	(212)
Depreciation and amortization	408,903	393,671	461,813
Amortization of contract costs	773	59	-
Net losses/(gains) from trade receivables and other receivables	55,765	(47,737)	(38,460)
Net impairment of inventories	5,438	5,647	6,046
Liabilities written off	(512)	(172)	(231)
Subsidies income	(7)	(7)	-
Interest paid	(5,040)	(43,183)	**(38,897)**
Income tax paid	(410,976)	(1,781,868)	**(2,193,167)**
Net cash generated from operational activities before movement of working capital	**4,233,658**	**3,372,365**	**1,862,005**
Movement in working capital			
(Increase)/Decrease in inventories	21,731	(22,571)	(98,181)
(Increase)/Decrease in trade and other receivables	(276,839)	66,146	609,142

INDICATOR	2022	2023	2024
Increase/(Decrease) in trade and other liabilities	(526,915)	16,197	280,306
Net cash generated by operational activities	**3,451,635**	**3,432,137**	**2,653,272**
Cash flows from investing activities			
Investments in associates	-	-	(18,000)
Bank deposits set up	(3,355,306)	(6,184,938)	(8,950,571)
Bank deposits matured	3,669,504	3,790,236	8,832,955
Interest received	181,067	201,844	185,840
Proceeds from sale of non-current assets	1,033	1,684	424
Dividends received	-	-	686
Acquisition of property, plant and equipment (tangible)	(400,389)	(1,034,393)	(2,798,172)
Acquisition of intangible assets	(5,129,222)	(1,562)	(2,257)
Acquisition of exploration assets	(96,500)	(50,746)	(199,871)
Subsidies received	-	140,541	15,927
Net cash used in financing activities	**(5,129,813)**	**(3,137,334)**	**(2,933,039)**
Cash flows from financing activities			
Bonds received	-	-	2,473,574
Borrowings received	1,606,475	-	-
Repayment of borrowings	(158,907)	(322,775)	(323,312)
Dividends paid	(1,463,984)	(1,317,745)	(549,380)
Repayment of leasing liabilities	(1,936)	(2,955)	(4,171)
Net cash generated/used in financing activities	**(18,352)**	**(1,643,475)**	**1,596,711**
Net increase/(decrease) in cash and cash equivalents	**(1,696,530)**	**(1,348,672)**	**1,316,944**
Cash and cash equivalents at the beginning of the year	**3,580,412**	**1,883,882**	**535,210**
Cash and cash equivalents at the end of the year	**1,883,882**	**535,210**	**1,852,154**

VIII. Corporate Governance

Romgaz aims to implement the principles and mechanisms of a responsible, transparent and ethical management and administration continuing the process of adaptation to the requirements of a modern economy, the increasingly obvious globalization of social life and the needs to inform investors and interested third parties.

As a national company, Romgaz must comply with GEO No. 109 of November 30, 2011, on corporate governance of public enterprises, as subsequently amended and supplemented, approved by Law No. 111/2016 and amended by Law No. 187/2023 and GD No. 639/2023 for the approval of methodological norms for the application of Government Emergency Ordinance No. 109/2011 on corporate governance of public enterprises.

The Ordinance sets up several principles and provisions to ensure their application.

The provisions of the Ordinance are observed by the company and are included in the Articles of Incorporation of the Company, the last version of it being approved by the shareholders pursuant to Resolution No.17 of December 18, 2023.

The updated Articles of Incorporation is published on the webpage www.romgaz.ro, at "*Investors – Corporate Governance – Reference Documents*".

Since November 12, 2013, Romgaz shares have been traded on the regulated market governed by BVB, under the "*SNG*" symbol as well as on London Stock Exchange (where GDRs were traded) under the "*SNGR*" symbol.

Following EGMS Resolution No. 11 of September 11, 2024, the delisting and cancellation process of GDRs on London Stock Exchange was initiated and finalized on December 31, 2024.

Since January 5, 2015, following the approval of the proposals to amend BVB regulations by the Financial Supervisory Authority, Romgaz has been in the PREMIUM category of BVB regulated market.

As issuer of securities traded on the regulated market, Romgaz must fully comply with the corporate governance standards provided by the applicable national regulations, namely the Code of Corporate Governance of BVB, published on www.bvb.ro, at "*Regulations - BVB Regulations*".

The corporate governance system of the company was and will be further improved to be in line with the rules and recommendations applicable to companies listed on Bucharest Stock Exchange.

Some of the *measures already implemented include*:

- drafting a Code of Corporate Governance, in accordance with the BVB Code of Corporate Governance applicable starting with January 4, 2016 – the document was approved by Romgaz Board of Directors by Resolution no.2/January 28, 2016.

Romgaz Code of Corporate Governance is posted on www.romgaz.ro, at "*Investors – Corporate Governance*";

- drafting the Internal Rules of the advisory committees, their approval by S.N.G.N. Romgaz S.A. Board of Directors and their revision as follows:
  a. The Internal Rules of the Nomination and Remuneration Committee on August 28, 2018, August 11, 2022, and December 19, 2023;
  b. The Internal Rules of the Audit Committee on May 14, 2018 and October 10, 2022;
  c. The Internal Rules of the Strategy Committee on March 23, 2017, October 27, 2022, and December 19, 2023;
  d. The Internal Rules of the Risk Management Committee on October 18, 2023;
- Continuous update of the Terms of Reference of the Board of Directors to include the latest legal changes on corporate governance. The Terms of Reference were approved by the Board of Directors on March 23, 2017 and subsequently updated in January 2018, February 2019 and December 2024;
- Approval of the Policy on the assessment of the Board of Directors during March 12, 2019 meeting;
- Approval by the OGMS of the Remuneration Policy for Board members and officers during April 28, 2022 meeting;
- Approval of Policy on related party transactions in the Board of Directors meeting of March 20, 2019 and the draft Statement on Board of Directors commitment to developing and implementing the internal management control system and the risk management policy on February 24, 2022;

- Drafting the Rules and Procedures of S.N.G.N. Romgaz General Meeting of Shareholders, approved by the Board of Directors of S.N.G.N. Romgaz S.A. under Resolution No. 54 of May 11, 2023, published on company website under "*Investors -General Meeting of Shareholders*";
- Inclusion in the Board of Directors annual report of a chapter dedicated to corporate governance. This chapter presents a series of elements regarding corporate governance, such as: the applicable Code of Corporate Governance, the duties of the corporate management bodies and of the four advisory committees of the Board of Directors (the Nomination and Remuneration Committee, the Audit Committee, the Risk Management Committee and the Strategy Committee), aspects related to remuneration of Board members and officers, measures to improve corporate governance, aspects related to internal control and risk management system, internal audit and aspects related to social responsibility;
- Inclusion in the Board of Directors annual report of a section referring to compliance with the provisions of BVB Code of Corporate Governance (Annex No.2);
- Regular evaluation of the fulfilment of financial and non-financial performance indicators approved by the General Meeting of Shareholders and reporting of such evaluation to the competent ministry;
- Diversification of communication with shareholders and investors by including press releases addressed to market participants, half-yearly and quarterly financial statements, annual reports, procedures to access and attend the GMSs on the web page as well as by setting up an „*Infoline*" for shareholders/investors to answer their requirements and/or questions;
- Setting up a specialized department dedicated to investor and shareholder relations, approval and publication of an Investor Communication Policy available under „*Investors – Corporate Governance – Reference Documents*" section;
- Conclusion of a professional liability insurance contract for members of the Board and officers, from October 2022 to October 2024, and an extended claim reporting period of minimum 60 days from the date of the finding of facts provided that the deed has occurred within the insured period;
- Continue the implementation of 2021-2025 National Anti-Corruption Strategy. In this regard, the Commission responsible for the implementation of the strategy drafted and submitted to the Ministry of Energy – Antifraud, Integrity and Inspection Department the Narrative Report on the status of implementation of the measures provided in the NAS, the Inventory of institutional transparency and corruption prevention measures as well as the evaluation indicators for 2024.

Among the measures to be implemented, we mention:

- Revision of Remuneration Policy of Board Members and Officers and submission to shareholders for approval following legislative amendments;
- Drafting a new Code of Corporate Governance in compliance with the amendments to the corporate governance law and on the occasion of the revision and implementation of BVB Code of Corporate Governance starting with January 1, 2025;
- Update of the Internal Rules of the Audit Committee approved on May 14, 2018 and on October 10, 2022, and its submission to the Board of Directors for approval;
- Continue required actions to align with the new 2021-2025 National Anti-Corruption Strategy, approved by Government Decision No. 1269/December 17, 2021.

Aspects Related to Shareholders

The shareholder structure is presented at Chapter II "*Parent Company at a Glance*".

Romgaz respects and protects the rights and legitimate interests of all shareholders, constantly informing them on the rules and procedures governing the General Meeting of Shareholders, on decisions concerning corporate changes and significant events for the company. Rights of minority shareholders are also protected in accordance with the legal provisions in force and with the Articles of Incorporation.

All relevant information on exercising all legitimate rights of shareholders is to be found on company website, www.romgaz.ro, under "*Investors*".

General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Board of Directors, whenever necessary, in accordance with the legal provisions. The convening notices and afterwards, the GMS resolutions, are sent to Bucharest Stock Exchange, London Stock Exchange and the Financial Supervisory Authority in compliance with the regulations of the capital market and are published on company website at "*Investors – General Meeting of Shareholders*".

The Ordinary General Meeting of Shareholders has the following main competencies:

a) to approve company's strategic objectives;
b) to discuss, approve or amend, as the case may be, the annual financial statements of the company based on the reports submitted by the Board of Directors and the financial auditor, and to set the dividend;
c) to discuss, approve or request, as the case may be, the supplementation or review of company's governance plan, in compliance with the law;
d) to set the income and expenditure budget for the following financial year;
e) to appoint and to revoke Board members and to set their remuneration;
f) to decide upon the governance of the Board of Directors;
g) to appoint and to dismiss the financial auditor and to set the minimum term of the financial audit contract;
h) to approve the contracting of bank loans, the value of which exceeds, individually or cumulatively with other bank loans in progress, over a financial year, the equivalent in RON of EUR 100 million;
i) to approve the conclusion of documents establishing guarantees, other than guarantees for the non-current assets of the company, the value of which exceeds, individually or cumulatively with other guarantees in progress, other than guarantees for the non-current assets of the company, over a financial year, the equivalent in RON of EUR 50 million.

The Extraordinary General Meeting of Shareholders has the following main competencies:

a) to change the legal form of the company;
b) to move the headquarters;
c) to change the scope of activity of the company;
d) to establish companies, as well as to conclude or amend incorporation documents of the companies where Romgaz is associate;
e) to conclude or amend joint venture contracts where the company is contracting party;
f) to increase the share capital;
g) to reduce the share capital or to restore it by issuing new shares;
h) to merge with other companies or to spin-off the company;
i) the anticipated winding up of the company;
j) to convert shares from one category into the other;
k) to convert one category of bonds into another one or into shares;
l) to issue bonds;
m) to conclude documents related to the acquisition of non-current assets the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total non-current assets of the company, except for receivables;
n) to conclude the documents related to disposal, exchange or set up of guarantees for non-current assets of the company the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total non-current assets of the company, except for receivables;
o) to conclude the documents related to rental of tangible assets to the same contractors or to persons involved or acting together, for a period longer than 1 (one) year, the value of which exceeds, individually or cumulatively, 20% of the total non - current assets, except for receivables, on the document conclusion date;
p) any other change in the Articles of Incorporation or any other resolution that requires the approval of the extraordinary general meeting of shareholders.

Board of Directors

Romgaz is a joint stock company governed under a one-tier system.

The Board of Directors (BoD) consists of seven (7) members selected by the Ordinary General Meeting of Shareholders, in compliance with the applicable legal provisions and the Articles of Incorporation, one of whom is appointed Chairman of the Board of Directors.

The BoD composition complies with the criteria/requirements of the legislation on the proportion of non-executive and independent directors, studies and balance of competences, experience, and gender diversity (criteria detailed in the BoD Internal Rules).

The BoD composition as of December 31, 2024 is shown in Chapter VI "Company Management". According to the Declarations of Independence submitted to the Company, four of the directors have declared themselves as independent and three as non-independent Directors. The independency of Board members is determined based on the criteria detailed in Romgaz Code of Corporate Governance (Article 6).

Details regarding rights, obligations, and competencies of directors, as well as details on the conduct of BoD meetings are described in the Articles of Incorporation and in the BoD Internal Rules.

No self-assessment of the BoD for 2024 was performed until December 31, 2024.

Advisory Committees

The activity of the BoD is supported by the following four advisory committees: Nomination and Remuneration Committee, Audit Committee, Risk Management Committee and Strategy Committee.

The Audit Committee fulfils the legal duties provided in Article 65 of Law 162/2017[22] consisting mainly in monitoring the financial reporting process, the internal control, internal audit and risk management systems of the company, and in supervising the statutory audit of the annual financial statements and in managing the relation with the external auditor.

The Nomination and Remuneration Committee organizes training sessions for Board members, makes proposals for remuneration of BoD members and officers, by complying with the remuneration policy transmitted by Agentia pentru Monitorizarea și Evaluarea Performantelor Intreprinderilor Publice (AMEPIP) (The Agency for Monitoring and Performance Evaluation of Public Enterprises), and supports the BoD in evaluating its own performance as well as the performance of the executive management. The Committee also prepares an *annual report on remuneration and other benefits granted to directors and officers* during the financial year.

The Risk Management Committee ensures that control activities are consistent with the risks arising from the activities and processes subject to control, identifies, analyses, assesses monitors and reports identified risks, the risk mitigation or anticipation action plan, other actions taken by the executive management. It is also responsible for measuring the solvency of the public company by reference to its usual duties and obligations and informs or, where appropriate, submits proposals to the Board of Directors.

Several duties on internal control and risk management were taken over by the Risk Management Committee from the Audit Committee.

Besides the duties on internal control and risk management, the Risk Management Committee was also granted with duties on sustainability and ESG requirements, due to the importance of ESG factors in the costs - revenues equation, the development opportunities and the structuring and implementing of any business strategy.

The main purpose of the *Strategy Committee is* to coordinate, prepare/update and monitor the company's development strategies correlated with the national and European energy strategy, to assess the implementation stage of these development strategies, as well as the measures required to achieve the established objectives and to monitor the company's activity diversification projects by implementing investment objectives.

The detailed presentation of the duties and responsibilities of each Advisory Committee can be found in the corresponding Internal Rules as published on company website, www.romgaz.ro, under "Investors – Corporate Governance – Reference Documents".

On December 31, 2024, the composition of the Advisory Committees was as follows:

I) The Nomination and Remuneration Committee:

- Sorici Gheorghe Silvian (chairman)
- Braslă Răzvan
- Drăgan Dan Dragoș

II) Audit Committee

- Sorici Gheorghe Silvian (chairman)

[22] Law No.162 of July 15, 2017 on the statutory audit of annual financial statements and consolidated annual financial statements and on amending certain legislative acts.

- Braslă Răzvan
- Nuț Marius Gabriel

III) Risk Management Committee

- Nuț Marius Gabriel (chairman)
- Balazs Botond
- Braslă Răzvan

IV) Strategy Committee

- Balazs Botond (chairman)
- Drăgan Dan Dragoș
- Jude Aristotel Marius
- Stoian Elena Lorena
- Braslă Răzvan.

Information on BoD and advisory committee meetings in 2024

In 2024, 55 BoD meetings were organized in compliance with the legal and statutory provisions, out of which:

- 41 in-person meetings, and
- 14 meetings by electronic vote.

Participation in BoD meetings:

Surname and Name	Number of meetings during mandate	P		PA		NP	
		No.	%	No.	%	No.	%
Drăgan Dan Dragoș	55	55	100.0				
Sorici Gheorghe Silvian	55	54	98.18			1	1.82
Balazs Botond	55	54	98.2			1	1.82
Jude Aristotel Marius	55	55	100.0				
Nuț Marius-Gabriel	55	55	100.0				
Braslă Răzvan	55	52	94.54			3	5.45
Stoian Elena-Lorena	55	55	100.0				

where:

P = participation;

PA = power of attorney;

NP = no participation.

Board members participation in the Advisory Committees meetings:

***Nomination and Remuneration Committee*: 4 meetings**	
Surname and Name	**In-person participation**
Sorici Gheorghe Silvian	4/4
Braslă Răzvan	4/4
Drăgan Dan Dragoș	4/4
***Audit Committee*: 13 meetings**	
Surname and Name	**In-person participation**
Sorici Gheorghe Silvian	13/13
Braslă Răzvan	13/13
Nuț Marius Gabriel	13/13
***Risk Management Committee*: 3 meetings**	

Surname and Name	In-person participation
Nuț Marius Gabriel	3/3
Balazs Botond	3/3
Braslă Răzvan	3/3
Strategy Committee: 4 meetings	
Surname and Name	In-person participation
Balazs Botond	4/4
Braslă Răzvan	4/4
Drăgan Dan Dragoș	4/4
Jude Aristotel Marius	4/4
Stoian Elena Lorena	4/4

In 2024, the **General Meeting of Shareholders** had 11 ordinary meetings and 3 extraordinary meetings during which 14 resolutions were issued. Detailed information on the meetings and documents presented during such meetings are published on company website at https://www.romgaz.ro/en/general-meeting-shareholders.

Chief Executive Officer

In accordance with the provisions of the Articles of Incorporation "*the Board of Directors shall delegate, in whole or in part, the managing powers of the Company to one or more officers, appointing one of them as Chief Executive Officer*" – Article 24 paragraph (1) where officer means "the person to whom Company managing powers have been delegated by the Board of Directors" - Article 24 paragraph (12).

By Resolution No. 55 of May 15, 2023, the Board of Directors appointed Mr. Răzvan Popescu as CEO, for a period of four years, from May 16, 2023 to May 16, 2027.

By Resolution No. 87 of September 19, 2023, the Board of Directors approved the Addendum to CEO Mandate Contract on the financial and non-financial performance indicators underlying the setting and granting of the variable component of CEO remuneration, setting the amount of the variable component of remuneration, its calculation and payment method.

By Resolution No. 115 of December 19, 2023, the Board of Directors approved the Addendum to CEO Mandate Contract on the correction of financial and non-financial performance indicators.

Pursuant to BoD Resolution No. 55 of May 15, 2023, the CEO powers are as follows:

- exercises all managing powers of S.N.G.N. ROMGAZ S.A., except for powers not delegated to officers and except for powers that have been delegated to the Chief Financial Officer and the Deputy Chief Executive Officer;
- coordinates/is responsible for the activities performed in connection with securing financing for ROMGAZ Group share in Neptun Deep Project;
- in case of a positive power conflict between a CEO power and a Deputy CEO or CFO power, the power lies with Mr. Răzvan Popescu, as CEO;
- as CEO, Mr. Răzvan Popescu is also the legal representative of S.N.G.N. ROMGAZ S.A., in accordance with Article 143^2, paragraph (4) of Company Law 31/1990;
- as legal representative, the CEO is entitled to empower other natural persons, who are S.N.G.N. ROMGAZ S.A. officers or employees, to represent S.N.G.N. ROMGAZ S.A. and/or its branches with a notification given to the BoD 5 days prior to the issuance of such empowerment;
- as legal representative, the CEO is entitled to delegate the representation of the Company and/or its branches, to one or more in-house legal advisors and/or lawyers, without prior notification to the BoD.

Deputy Chief Executive Officer

By Resolution No. 55 of May 15, 2023, the Board of Directors appointed Mr. Aristotel Marius Jude as Romgaz Deputy CEO, for a period of four years, from May 16, 2023 to May 16, 2027.

By Resolution No. 87 of September 19, 2023, the Board of Directors approved the Addendum to Deputy CEO Mandate Contract on the financial and non-financial performance indicators underlying the setting and granting of the variable component of Deputy CEO remuneration, setting the amount of the variable component of remuneration, its calculation and payment method.

By Resolution No. 115 of December 19, 2023, the Board of Directors approved the Addendum to Deputy CEO Mandate Contract on the correction of financial and non-financial performance indicators.

Pursuant to Article 6 of BoD Resolution No. 55 of May 15, 2023, amended by BoD Resolution No. 109/November 24, 2023, the Deputy CEO powers are as follows:

- exercises the managing powers of the Department of Strategy, International Relations, European Funds, Regulations, Energy Trading, Quality, Environment, Emergency Situations and Critical Infrastructure, IT, Investments and Project Management, STTM Targu Mureș and SIRCOSS Mediaș branches;
- coordinates the activities performed in connection with the Neptun Deep Project, except for those activities related to securing financing for ROMGAZ Group share in the Project;
- plans, approves, and coordinates the implementation of necessary and useful operations related to the main activities that fall within the competence of the above-mentioned organizational units pursuant to the law and S.N.G.N. ROMGAZ S.A. Rules of Organization and Operation.

Chief Financial Officer

By Resolution No. 55 of May 15, 2023, the Board of Directors appointed Mrs. Gabriela Trânbiţaş as CFO, for a period of four years, from May 16, 2023 to May 16, 2027.

By Resolution No. 87 of September 19, 2023, the Board of Directors approved the Addendum to CFO Mandate Contract on the financial and non-financial performance indicators underlying the setting and granting of the variable component of CFO remuneration, setting the amount of the variable component of remuneration, its calculation and payment method.

By Resolution No. 115 of December 19, 2023, the Board of Directors approved the Addendum to CFO Mandate Contract on the correction of financial and non-financial performance indicators.

Pursuant to Article 5 of BoD Resolution No. 55 of May 15, 2023, the CFO powers are as follows:

- exercises the managing powers of the Economic Department that has in its structure the organizational units provided in S.N.G.N. ROMGAZ S.A. Organisation Chart;
- plans, approves, and coordinates the implementation of necessary and useful operations related to the main activities that fall within the competence of the organizational units within the Economic Department pursuant to the law and S.N.G.N. ROMGAZ S.A. Rules of Organization and Operation.

The Board of Directors delegates management powers to the three officers appointed by Resolution No. 55/2023, except for the following:

a. powers of managing Romgaz that may not be delegated by the Board of Directors in accordance with the provisions of Article 19 paragraph (3) of the Articles of Incorporation;
b. issuance/conclusion of legal acts with a value exceeding RON 300 million.

Romgaz officers shall periodically inform the Board of Directors on the performance of delegated powers, and they are entitled to request instructions on performance of delegated powers.

The Board of Directors empowers the Deputy CEO to approve and/or sign for and on behalf of S.N.G.N. ROMGAZ S.A if the CEO has a conflict of interest in respect of approving and/or signing documents by S.N.G.N. ROMGAZ S.A. or to which S.N.G.N. ROMGAZ S.A. is a party.

The Board of Directors also empowers the CFO to approve and/or sign for and on behalf of S.N.G.N. ROMGAZ S.A. if both CEO and Deputy CEO have a conflict of interest in respect of approving and/or signing documents by S.N.G.N. ROMGAZ S.A. or to which S.N.G.N. ROMGAZ S.A. is a party.

Internal Public Audit

The Internal Public Audit Office is directly subordinated to S.N.G.N. Romgaz S.A. Board of Directors, acting distinctly and independently from the activity of the company in general, pursuant to the Organization Chart and the Rules of Organization and Operation. The Internal Public Audit Office is operationally subordinated to the Board of Directors while from an administrative point of view it is subordinated to the CEO.

The activity of public internal audit is performed in accordance with the Annual Internal Public Audit Plan endorsed by the Board of Directors.

Between January 01 – December 31, 2024, in accordance with the revised *Annual Internal Public Audit Plan for 2024*, **8 regularity/conformity audit missions** were performed, namely 7 planned internal public audit missions and 1 ad hoc (exceptional) mission.

The 8 internal public audit missions targeted the following fields:

- public procurement – 1 mission;
- financial-accounting - 1 mission;
- company specific functions - 5 missions;
- other fields (financial management control) – 1 mission;
- integrated management system/internal management control system – within the 8 missions carried out.

The internal public audit reports prepared based on verifications were submitted to the Board of Directors for endorsement pursuant to Article 50 of GEO No. 109/2011 on corporate governance of public companies.

Through the activities it carries out, the internal public audit **adds value** to the company, by recommendations made during the audit missions. The quality of internal audit reports is one of the main objectives of ROMGAZ internal public audit representing the essence of the internal public audit work and reflecting the professional capacity of internal auditors.

A quality indicator of audit reports is **the absence of points of view that modify such reports** against the findings identified in the draft public internal audit reports. Findings were backed by supporting documents and for the identified deficiencies/problems recommendations were made to ensure the **efficiency of the audited activities**.

Monitoring the implementation of recommendations made in the endorsed audit reports, increasing the efficiency of implementation of such recommendations as well as complying with the implementation deadlines established in the Action Plan are permanent concerns of the Internal Public Audit Office.

In 2024, **during the 8 internal public audit missions**, **35 recommendations were made and 42 recommendations were monitored** with the following results:

- **18** recommendations were implemented:
    - 17 recommendations were implemented within the set deadline;
    - 1 recommendation was implemented after the set deadline;
- **2** recommendations were partially implemented (currently under implementation) for which the implementation deadline has not been exceeded;
- **22** recommendations not implemented, out of which:
    - 20 recommendations for which the implementation deadline has not been exceeded;
    - 2 recommendations with exceeded deadlines.

Throughout 2024, the internal public audit structure did not have recommendations formulated in the audit reports which have not been endorsed by the Board of Directors and did not face constraints/problems.

Risk Management and Internal Control

Company Policies and Objectives on Risk Management

Risk management is intended to facilitate the achievement of objectives and activities under conditions of economy, efficiency and effectiveness, sets clear rules on the identification, assessment, management (including treatment) and establishment of a risk mitigation plan, periodic reviews, monitors and establishes responsibilities and is regulated by the Risk Management system procedure.

The risk management methodology establishes a general risk identification, analysis and management framework at the level of organizational units and provides an instrument which facilitates risk management in a controlled and efficient manner in order to meet the objectives.

One of the major concerns of the management is to raise awareness of the objectives and the necessity of direct involvement in the risk management process, as well as to align with best practices in the filed by complying with the legislation in force, the standards and rules related to such process.

The main legislative acts underlying the Risk Management (RM) regulation are the following:

- Government Ordinance No.119/1999 on internal/management control and preventive financial control, republished, as subsequently amended and supplemented;
- Emergency Ordinance No.109/2011 on corporate governance of public entities;
- Order of the Secretary General of the Government No. 600/2018 on approving the Code of Management Internal Control of Public Entities;
- Risk management methodology prepared by the General Secretariat of the Government;
- SR ISO 31000:2018 – Risk Management. Guidelines;
- BVB Code of Corporate Governance;
- SNGN Romgaz S.A. Code of Corporate Governance;

Considering that the risk management standard is unanimously accepted in the EU, as one of the most important standards of the Internal Management Control System (IMCS) in the field of risk management, the Company systematically reviews the risks associated with its objectives and activities, prepares appropriate plans on risk treatment to limit potential consequences of such risks and determines the responsibilities in the implementation of such plans.

The main elements on which the implementation of the risk management process depends are the following:

- existence of objectives/activities set for each organizational unit;
- allocation of suitable resources to implement the risk management measures, with the aim of reducing the possibility of failure to achieve the objective or activity;
- use of information on risk management in decision-making (depending on the significant risks).

The main benefit of the risk management process is the improvement of company performance by identifying, analysing, assessing and managing all risks that may occur in order to mitigate the consequences of negative risks or, as the case may be, to enhance the effects of positive risks.

An essential role in risk management is played by the person responsible for risks. This person identifies the risks which may affect the objective/activity of the organizational unit headed by such person, analyses the identified risks, prepares and submits the risk management documents for approval for the organizational unit headed by such person.

The unit responsible for risk management (Objectives and Risks Management Office) is responsible for drawing up the main risk management documents of the company and for managing and developing the risk management system by:

- implementing the recommendations made in the audit and inspection reports of competent entities;
- the continuous improvement of the software application developed within the company as a result of periodic analyses and feedback received from the heads of organisational units;
- ongoing advice and support for the heads of organizational units in identifying risks and in meeting the requirements;
- increase the competencies of staff in understanding and managing risks through methodological guidance.

The decisions regarding the management of risks are made by the Commission for Monitoring and Coordination of the Implementation and Development of the Internal Management Control System which is comprised of company officers and coordinated by the Chairman and assisted by the Technical Secretariat of the Monitoring Commission. It analyses and prioritizes significant risks, proposes the strategy and type of risk response and the implementation plan of control actions for significant risks, endorses the risk profile and the risk tolerance limit highlighted in the Minutes of the Monitoring Commission Meeting.

A Risk Management Committee operates within the Board of Directors. This committee supervises risk management at all levels and is responsible for the ESG obligations and sustainability.

Risk management is performed annually using operational instruments of risk management such as: Risks Registry, Significant Risks Registry, Report on the Stage of Implementation of Control Measures, Risk Profile. All identified risks are submitted to the Monitoring Committee for the establishment of risk treatment measures (the Implementation Plan of Control Measures for Significant Risks).

General Objectives of the Risk Management Activity are the following:

1. Setting the general framework for risk management activities (risk identification, analysis, and management);
2. Providing an instrument for risk management in a controlled and efficient manner;
3. Implementing a system to keep these risks at an acceptable level;

The following are among the analysed risk categories: financial risks, market risks, risks related to occupational safety, health and security, personnel risks, information system risks, legal and regulatory risks. All risks are analysed in terms of:

- Specific objective/activity to which the risk refers;
- Causes of risk occurrence;
- Consequences arising as a result of risk materialization;
- Probability of occurrence;
- Impact generated by risk materialization;
- Risk exposure;
- Risk response strategy;
- Recommended control (treatment) measures;
- Residual risks remaining after initial risk treatment

Main Risks and Uncertainties

Exposure to Financial Risks

The company is exposed to various ***financial risks***: market risk (including foreign exchange risk, inflationary risk, interest rate risk), credit risk, liquidity risk. At company level, the risk management process focuses on the unpredictability of financial markets and seeks to minimize the potential adverse effects on the financial performance, within certain limits. However, this approach does not prevent losses beyond such limits in case of significant variations in the market. The company does not use derivatives to cover exposure to certain risks.

The company is exposed to *foreign exchange risks* as a result of the exposure to different foreign currencies. The foreign exchange risk arises from future commercial transactions and recorded receivables and payables.

Financial assets exposing the Group to a potential credit risk are mainly trade receivables. The Group's policies provide for sales to customers with *low credit risk*. Moreover, sales must be secured either by advanced payments or by letters of bank guarantee. The net value of receivables following the adjustment of impairment of uncertain receivables represents the maximum value exposed to credit risk.

Even though collection of receivables might be influenced by economic factors, the management believes that there is no significant risk of loss for the Group, besides the impairment of uncertain receivables, already established.

The final responsibility for the *liquidity risk* lies with the management which established a suitable framework for liquidity risk management for short, medium and long-term financing of the company and for complying with requirements concerning liquidity risk management. The company manages liquidity risk by maintaining an adequate level of reserves, by continuous monitoring of forecasts and current cash flows and by connecting maturity profiles of financial assets with financial debts.

The ***commercial risks*** the company is exposed to are continuously assessed under the risk management system.

Currently, commercial risks are reduced to minimum due to accepted payment methods (mainly advance payment or payment on due date, payments being guaranteed by letters of bank guarantee), gas demand which secures sales and prices which exceed production costs.

Operational Risks Associated with Production of Hydrocarbons:

- Failure to fully meet the natural gas production schedule (partial achievement) under the action of certain factors that diminish the production capacity such as:

  - Major defects occurred in the operation of dehydration facilities, compression facilities, gathering lines, where the remedy of such defects requires a long period of time;
  - High pressures in the National Transmission System (SNT), adversely affecting the performance of production capacities;
  - Decrease of gas consumption in some subsystems of the SNT, with adverse impact on deliveries of gas from reservoirs captive on such consumption directions;
  - Reducing the use of production capacities as a result of adverse weather conditions (power blackouts, landslides – pipeline damage);
  - Failure to comply with the works execution schedule for commissioning new production capacities (technological equipment, gathering lines);
  - Lack of materials and spare parts for preventive and corrective maintenance works at the main productive objectives of the company (wells, dehydration facilities, compression facilities, pipelines);
  - Premature depletion of reservoir, uncontrolled decline.
- National or European legislative amendments/news financially impacting the cost efficiency of hydrocarbon production;
- Delay in the completion of actions established for the digitalization of activities.

Investment Risks:

- Failure to achieve the Investment Program, physically and in terms of value, in case of unforeseen circumstances during performance;
- Defective or late performance of investment works, due to non-compliance with the provisions of the specifications books, the provisions of technical designs, and the performance schedules.

Information System Risks:

  - Occurrence of cybersecurity events (cyber-attacks, data leakage, malware intrusions, virus attacks, attack against romgaz.ro webpage, attacks against certain types of applications, updates/patches not installed in time, file accessing, insecure links) that could lead to blocking of IT and telecommunication systems of the company or loss of employee or client data and information.

Occupational Health and Safety Risks:

  - Epidemiologic risk – personnel getting sick with flu and other viral respiratory infections;
  - Risk of professional illness – the occurrence of cases of illnesses related to profession.

Internal Control

For an optimum management of the activity several types of internal controls are performed such as:

- preventive financial control;
- quality control of works;
- legal control of documents and transactions concluded by the company;
- internal control regarding compliance with legal requirements in the field of occupational health and safety and environment protection;
- internal cost control;
- internal management control, etc.

As such, the internal management control provides a reasonable but not absolute assurance on the understanding, interpretation and implementation of specific regulations being supported and consolidated by the internal control of the company.

The internal management control system implemented in the company operates through different procedures, means, actions, provisions targeting every aspect of the activity. These are implemented by the management to allow it to have good control over the general operation of the company as well as over each activity/operation. The internal management control system (IMCS) secures performance of all management functions and is a process carried out by personnel at all company levels, i.e. Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer, all management positions and operating personnel.

Through established control instruments, IMCS increases the probability to meet objectives by means of a systematic implementation (objectives, indicators, risks, duties, organisation, procedures, etc.). It also reduces errors, risk of fraud, losses, inefficiency, it supports compliance with regulations and issuance of accurate reports. Risks could be generated if IMCS is not implemented or is not operational, which may threaten the activity of the organization.

Main objectives of IMCS developed and implemented by Romgaz are:

- compliance with legal regulations, internal rules, contracts, and administrative and jurisdictional decisions applicable to Romgaz activity;
- fulfilment of Romgaz objectives under effectiveness, economy and efficiency conditions;
- protection of Romgaz patrimony against losses caused by errors, waste, fraud or abuse;
- development and maintenance of systems for collecting, storing, processing, updating and disseminating financial and management data and information as well as of adequate public information systems/procedures.

The internal management control system is drafted, implemented, developed and assessed in compliance with the provisions of Government Ordinance No. 119/1999 and the standards provided by GSG[23] Order No.600/2018.

The important actions for the development/improvement of the internal management control system performed during 2024 are mentioned below:

- in order to strengthen the knowledge of IMCS regulations, a methodological guidance action on IMCS implementation was carried out in January 2024;
- in order to raise awareness among employees, the company provided a Guideline on Internal Rules related to each internal control standard and the actions to be undertaken by each head of organizational unit in order to implement the standards;
- the annual inventory and the centralization and management of sensitive functions for 2024 started in January 2024, and such action was approved pursuant to CEO Decision No. 126/January 31, 2024;
- guidance provided to employees working in the headquarters and branches with the purpose to identify sensitive functions and to determine the level of risk exposure associated with such sensitive functions.

Following the extensive self-assessment of the IMCS implementation in 2024, IMCS is **partially compliant** with 15 implemented standards and 1 partially implemented standard, namely Standard 16 Internal Audit.

During 2024, 67 documents were updated and 6 operational procedures and 1 working instruction were identified as necessary. These documents were drafted and approved by the end of 2024.

The implementation and development of anticorruption instruments is a permanent concern for Romgaz. The following are amongst the actions carried out in 2024 by the Internal Management Control Office as secretary to the Committee for the Implementation of 2016-2020 and 2021-2025 National Anticorruption Strategy (NAS):

- Self-assessment of the implementation of 2016-2020 National Anticorruption Strategy for 2023 - *„The Narrative Report on the Implementation of Measures Provided in NAS"* and Annex No. 3 to Government Decision No. 583/2016 on 2016-2020 National Anticorruption Strategy *„The Inventory of Institutional Transparency and Corruption Prevention Measures as well as the Assessment Indicators*" submitted to the Antifraud, Integrity and Inspection Department within the Ministry of Energy;
- Evaluation of the implementation of measures provided in „S.N.G.N. Romgaz S.A. Integrity Plan for January-December 2024" shows that measures had a completion rate of 100% and compliance with deadlines a 97.5% completion rate. The measures provided in the approved Integrity Plan were monthly monitored/assessed.
- In December 2024 the corruption risks and vulnerabilities specific to company activities were identified and assessed – S.N.G.N. Romgaz S.A. Corruption Risks for 2024-2025 No. 52566/December 09, 2024;
- At the end of 2024, "S.N.G.N. Romgaz S.A. Integrity Plan for 2025" was drafted in accordance with 2021-2025 National Anticorruption Strategy and approved by Resolution No.1752/December 04, 2024;
- The Integrity Plans are published on company website, under "Ethics and Integrity"

  https://www.romgaz.ro/en/national-anticorruption-strategy;

[23] The General Secretariat of the Government

Several procedures were drafted/updated during 2024:

- Counselling Employees in the Field of Ethics and Monitoring Knowledge of and Compliance with the Rules of Conduct, code: 00PO-177
- Preventing and Combating Discrimination and Harassment at Work, code: 00PO-178
- Disciplinary Investigation, code: 00PO- 179
- External Communication, Handling Requests for Public Interest Information and Petitions. Code: 00IL-061
- Prevention of Potential Conflicts of Interest, cod: 00PO-171 revised on August 02, 2024.

Corporate Social Responsibility (CSR)

For Romgaz social responsibility is a business culture which includes business ethics, economic and social equity, environmentally friendly technologies, fair treatment of workforce, transparent relationship with public authorities, moral integrity and investment in the community in accordance with the development strategy of the company.

Romgaz is open to stakeholders' initiatives on harmonizing efforts to improve quality of life and well-being of current and future generations and provides financial support/total or partial sponsorship for some actions and initiatives in the following main fields: education, social, sport, health and environment.

Romgaz activities in the field of social responsibility are performed voluntarily, beyond legal responsibilities, the company being aware of the role it plays in society.

Granting financial support/partial or total sponsorship for actions and initiatives, within the budgeted limits, Romgaz has shown a pro-active attitude in social responsibility and increased awareness of involved parties on the importance and benefits of social responsibility.

In 2024, Romgaz supported, totally or partially, actions and initiatives in the areas stipulated in GEO (Government Emergency Ordinance) No.2/2015, complying with the budget, as follows:

Expenses/activities	Achieved (RON thousand)
Total sponsorship expenses, of which:	**10,454**
• Sponsorships in medical and health fields - Art. XIV letter a)	4,462
• Sponsorships in education, training, social and sport fields - Art. XIV letter b) - total, out of which:	4,437
○ for sports clubs	1,480
• Sponsorships for other actions and activities - Art. XIV letter c)	1,555

In granting these sponsorships Romgaz complied with the national legal provisions and the internal rules which can be found at https://www.romgaz.ro/sponsorizari.

Information on the most important projects and programs supported by ROMGAZ in 2024 can be found in the Annual Sponsorship Report at the following link: https://www.romgaz.ro/en/report-sponsorship-social-responsibility-acts or on the following webpage dedicated to social responsibility projects: https://www.romgaz.ro/en/community-involvement-csr.

Remuneration Policy and Criteria of the Executive and Non-Executive Members of the Board of Directors and Officers

Legal Framework

Remuneration policy and criteria of executive and non-executive members of the Board of Directors and officers are based on the following norms:

- Law No. 31/1990 on trading companies, as subsequently amended and supplemented;
- GEO No. 109/2011 on corporate governance of public enterprises, as subsequently amended and supplemented, approved by Law No.111/2016 with subsequent amendments and supplements;
- Company Articles of Incorporation approved by the Extraordinary General Meeting of Shareholders No. 9/October 28, 2016 and No. 17/ December 18, 2023 (latest update of the Articles of Incorporation);

- S.N.G.N. Romgaz S.A. Remuneration Policy, endorsed by the Board of Directors under Resolution No. 20 of March 28, 2022 and approved by the OGMS under Resolution No. 3 of April 28, 2022;

According to *S.N.G.N. Romgaz S.A. Remuneration Policy* applicable in 2024, the remuneration of Board members approved by the Ordinary General Meeting of Shareholders and of officers approved by the Board of Directors, consists of:

a) fixed allowance and

b) variable component.

Structure of Remuneration Granted to Non-Executive Members of the Board of Directors

The fixed monthly remuneration was established in accordance with the applicable legal provisions, as shown above, and provided in the mandate contract of each board member, as approved by the applicable GMS resolutions.

For the reference financial year, the monthly fixed gross allowance of non-executive BoD members was set, by Romgaz shareholders, under Resolution No. 5 of March 14, 2023, to equal twice the average over the last 12 months of the monthly gross average salary for the activity carried out pursuant to the company's main business, at the level of class of activity, in accordance with the classification of activities in the national economy, as communicated by the National Institute of Statistics prior to appointment.

Variable Remuneration

The variable component of remuneration of non-executive board members was approved by the General Meeting of Shareholders under Resolution No. 12 of September 11, 2023 in amount of 12 fixed monthly allowances.

According to the calculation methodology set in the addendum to the mandate contract of non-executive board members, the annual variable remuneration is the product between the variable component of remuneration set in the addendum to the mandate contract and the total degree of achievement of performance indicators in the year in which it is granted.

Depending on the total degree of achievement of performance indicators (TDA) the variable component is granted as follows:

- TDA ≥ 100%, the variable component is fully granted;
- 50% ≤ TDA < 100%, the variable component is granted proportionally;
- TDA < 50%, the board member could be revoked.

The indicators and the degree of achievement for 2024 are presented in the *Performance of Mandate Contracts* section.

Structure of Remuneration Granted to Executive Board Members and to the Deputy CEO

The Deputy CEO is also an executive member of the Board of Directors; as such, he concluded a contract of mandate as member of the Board of Directors as well as a contract of mandate as officer. The Deputy CEO is strictly entitled to receive the remuneration based on the contract of mandate as officer.

Structure of Remuneration Granted to Officers

The fixed monthly remuneration was established in accordance with the applicable legal provisions, as shown above, and it was provided in the mandate contract of each officer, approved by the resolutions of the Board of Directors.

According to the provisions of GEO No. 109/2011 on corporate governance of public enterprises, as subsequently amended and supplemented, transposed in the Remuneration Policy of S.N.G.N. Romgaz S.A., the fixed monthly remuneration is set at a gross monthly allowance of **up to** 6 times the average of the gross monthly average salary over the last 12 months in the field in which the company operates, as communicated by the National Institute of Statistics prior to appointment.

For the financial year 2024, the fixed monthly allowance of officers was set as follows:, 6 times (for the CEO and Deputy CEO) and 5 times (for the CFO) the average of the gross monthly average salary over the last 12 months for the activity carried out pursuant to the company's main business, at the level of class of activity, in accordance with the classification of activities in the national economy, as communicated by the National Institute of Statistics prior to appointment.

It corresponds to the limits approved by Romgaz shareholders under Resolution No. 12 of September 11, 2023.

Variable Remuneration

The variable component of officers remuneration was approved by the Board of Directors under Resolution No. 87 of September 19, 2023 in amount of:

- 24 fixed gross monthly allowance for the CEO and the Deputy CEO,
- 12 fixed gross monthly allowances for the CFO.

The remuneration policy does not provide for a limit of the amount of variable allowance for Romgaz officers, the limits being set by company shareholders under Resolution No. 12 of September 11, 2023.

According to the calculation methodology set in the addendum to the mandate contract of officers, the annual variable remuneration is the product between the variable component of remuneration set in the addendum to the mandate contract and the total degree of achievement of performance indicators in the year in which it is granted.

Depending on the total degree of achievement of performance indicators (TDA) the variable component is granted as follows:

- TDA ≥ 100%, the variable component is fully granted;
- 50% ≤ TDA < 100%, the variable component is granted proportionally;
- TDA < 50%, the officer could be revoked.

The financial and non-financial performance indicators underlying the variable remuneration of officers were approved by the GMS under Resolution No. 12 of September 11, 2023.

The indicators and the degree of achievement in 2024 are presented in the *Performance of Mandate Contracts*.

Non-Financial Statement

The Consolidated Sustainability Statement is presented in Annex No. 1 to this report.

IX. Performance of Mandate Contracts

Mandate Contracts of Board Members

Romgaz board members were elected for a 4-year mandate starting on March 16, 2023.

Board members perform their activity based on the mandate contract and the Governance Plan for 2023-2027 approved by the Board of Directors under Resolution No. 76 of August 1, 2023. The Governance Plan represents the working tool used by Romgaz board members to achieve performance indicators approved by the General Meeting of Shareholders and undertaken by signing an addendum to the mandate contract.

The reference points of the mandate contracts of Romgaz board members during the reference period are the following:

- March 14, 2023 – by Resolution No. 5, the Ordinary General Meeting of Shareholders, elects the members of the Board of Directors and approves the mandate contract for a period of 4 years starting on March 16, 2023;
- September 11, 2023 – by Resolution No. 12, Romgaz shareholders approve the financial and non-financial performance indicators and the addendum to the mandate contract of board members on setting and granting the variable component of remuneration, its calculation and payment method;
- November 27, 2023 – by Resolution No. 15, the General Meeting of Shareholders approves the addendum on the correction of errors identified in Annex No. 1 to the Addendum approved by the Ordinary General Meeting of Shareholders under Resolution No. 12 dated September 11, 2023.

Mandate Contracts of Officers

Officers were elected for a 4-year mandate starting on March 16, 2023.

Officers perform their activity based on the mandate contract and the Governance Plan for 2023-2027 approved by the Board of Directors under Resolution No. 76 of August 1, 2023. The management component of the plan was prepared by the officers to achieve the approved and undertaken financial and non-financial performance indicators.

The reference points of the mandate contracts of Romgaz officers during the reference period are the following:

- May 15, 2023 – by Resolution No. 55, the Board of Directors appoints the Chief Executive Officer, Deputy Chief Executive Officer and Chief Financial Officer for a 4-year mandate, starting on May 16, 2023 and approves their mandate contracts;
- May 16, 2023 – by Resolution No. 57, Romgaz Board of Directors approves the addendums on the termination by mutual consent of the parties of interim mandate contracts of Romgaz officers starting on May 16, 2023;
- September 19, 2023 – by Resolution No. 87, the Board of Directors approves the conclusion of the addendum to the mandate contracts of officers on setting and granting the variable component of remuneration, its calculation and payment method;
- December 19, 2023 – by Resolution No. 115, the Board of Directors approves the conclusion of the addendum to the mandate contracts of Romgaz officers on the correction of financial and non-financial performance indicators approved by the Ordinary General Meeting of Shareholders under Resolution No. 12 of September 11, 2023.

Performance criteria and objectives established in the mandate contracts represent performance criteria and objectives for the activity of board members and officers.

Measures and actions to be followed to fulfil strategic objectives as established in the Governance Plan will be annually monitored through several performance indicators such as:

Item No.	Performance Indicators (KPI)	Objective
FINANCIAL INDICATORS		
1	Revenue	Reaching the target provided in the Budget
2	EBITDA margin	Undertaken minimum level
3	Operating expenses from RON 1,000 operating income	Maintain Budget level
4	Labour productivity (in value units)	Reaching the target provided in the Budget
5	CapEx	Reaching the minimum level against the program included in the Budget
6	Ratio between net debt and EBITDA	Lower than 4.5
7	Operating income margin	Reaching the target provided in the Budget
8	Dividend payout ratio	Minimum level provided by regulations applicable to Romgaz
NON-FINANCIAL INDICATORS		
9	Natural gas production decline	Maintaining the annual maximum decline
10	Scope 1 emissions t	Reducing/maintaining specific CO_2 emissions (tCO_2/MWh electricity output)
11	Fulfilment of gas supply obligation	100% of the contracted gas quantity
12	Market share	Higher than 40%
13	Average number of training hours per employee	Minimum 8
14	Number of safety trainings	100% of employees
15	Total frequency of recorded accidents	Maximum 0.8%
16	Score of client satisfaction	Minimum 75%
17	Rate of independent members in the BoD	Higher than 55%
18	Number of BoD meetings	Minimum 12/year
19	Attendance rate at BoD meetings	Minimum 90%
20	Number of Audit Committee meetings	Minimum 4/an
21	Rate of women in executive positions	Minimum 30%
22	Timely reporting of company performance indicators, in compliance with the financial calendar	Full compliance with reporting deadlines
23	Implementation of the National Anti-Corruption System	Timely implementation of measures stipulated in Romgaz Integrity Plan

For Romgaz officers, the financial and non-financial performance indicators resulting from the Governance Plan, undertaken in the mandate contract with the scope of meeting Romgaz objectives, are shown below:

Item No.	Performance Indicators (KPI)	Objective
FINANCIAL INDICATORS		
1	Revenue	Reaching the target provided in the Budget
2	EBITDA margin	Undertaken minimum level
3	Operating expenses from RON 1,000 operating income	Maintain Budget level
4	Labour productivity (in value units)	Reaching the target provided in the Budget
5	CapEx	Reaching the minimum level against the program included in the Budget
6	Ratio between net debt and EBITDA	Lower than 4.5
7	Operating income margin	Reaching the target provided in the Budget
8	Dividend payout ratio	Minimum provided by regulations applicable to Romgaz
NON-FINANCIAL INDICATORS		
9	Natural gas production decline	Maintaining the annual maximum decline
10	Scope 1 emissions t	Reducing/maintaining specific CO_2 emissions (tCO_2/MWh electricity output)
11	Fulfilment of gas supply obligation	100% of the contracted gas quantity
12	Market share	Higher than 40%
13	Average number of training hours per employee	Minimum 8
14	Number of safety trainings	100% of employees
15	Total frequency of recorded accidents	Maximum 0.8%
16	Score of client satisfaction	Minimum 75%
17	Number of full-time equivalent employees	Minimum 99% of the average number of employees
18	Gender pay gap ratio	Lower or equal to zero
19	Timely reporting of company performance indicators, in compliance with the financial calendar	Full compliance with reporting deadlines
20	Implementation of National Anti-Corruption System	Timely implementation of measures stipulated in Romgaz Integrity Plan

Below is a presentation of the degree of achievement of performance indicators for January-December 2024.

Achieved Financial Indicators for Executive and Non-Executive Board Members

Item No.	Indicator	Objective	Target January-December 2024	Achievements January - December 2024	Weight in degree of achievement January-December 2024
1	Revenue	Recalculated Budget	7,086,719	7,531,970	1.06
2	EBITDA margin	minim 41%	41.00%	75.29%	1.84
3	Operating expenses from RON 1,000 operating income	Maintaining Budget level	384.69	285.90	1.35
4	Labour productivity (in value units)	Recalculated Budget	1,330.06	1,500.73	1.13
5	CAPEX	Minimum 75% Budget	3,067,397	3,000,232	0.98
6	Ratio between net debt and EBITDA	<4.5	4.50	0.41	1.91
7	Operating income margin	Budget	34.07%	43.81%	1.29
8	Dividend payout ratio	Minimum provided by the applicable regulations	In accordance with legal provisions	In accordance with legal provisions	1.00

Following is their degree of achievement for January-December 2024.

I. Performance Indicators of Non-Executive BoD Members

a) Financial Indicators

Item No.	Indicator	Weight in Degree of Achievement January-December 2024	Weight of Non-Executive BoD Members	Weight in Degree of Fulfilment Non-Executive BoD Members
1	Revenue	1.06	4%	4.25%
2	EBITDA margin	1.84	2%	3.67%
3	Operating expenses from RON 1,000 operating income	1.35	3%	4.04%
4	Labour productivity (in value units)	1.13	2%	2.26%
5	CAPEX	0.98	3%	2.93%
6	Ratio between net debt and EBITDA	1.91	2%	3.82%
7	Operating income margin	1.29	2%	2.57%
8	Dividend payout ratio	1.00	2%	2.00%
Degree of achievement of financial indicators			**20%**	**25.54%**

b) **Non-Financial Indicators**

Item No.	Indicator	Objective	Achievements January-December 2024	Weight in Degree of Achievement January - December 2024	Weight of Non-Executive BoD Members	Weight in Degree of Fulfilment Non-Executive BoD Members
1	Natural gas production decline	Maintaining the annual decline of maximum 2.5% as compared to 2022	105.76%	1.06	2%	2.12%
2	Scope 1 emissions t	Reducing/maintaining specific CO_2 emissions directly generated by electricity generation plant	0.01	0.99	3%	2.97%
3	Fulfilment of gas supply obligation	100% of contracted gas quantity	100%	1.00	3%	3.00%
4	Customer satisfaction score*)	minimum 75%	92.50%	1.23	10%	11.90%
5	Market share **)	Higher than 40%	58.21%	1.46	2%	2.92%
6	Average number of training hours per employee	minimum 8	11.13	1.39	3%	4.17%
7	Number of safety trainings	100% of the employees	100.00%	1.00	3%	3.00%
8	Total frequency of recorded accidents	maximum 0.8%	0.13%	1.84	4%	7.36%
9	Rate of independent members in the Board of Directors	Higher than 55%	57.14%	1.04	5%	5.20%
10	Number of BOD meetings	minimum 12	55	4.58	7%	32.06%
11	Attendance rate at BOD meetings	minimum 90%	98.70%	1.10	6%	6.60%
12	Number of Audit Committee meetings	minimum 4 per year	13	3.25	6%	19.50%
13	Rate of women in executive positions	minimum 30%	33%	1.11	8%	8.88%
14	Timely reporting of company performance indicators	full compliance with reporting deadlines	100.00%	1.00	9%	9.00%
15	Implementation of National Anti-Corruption System	timely implementation	97.50%	0.98	9%	8.82%
Degree of achievement of non-financial indicators					**80%**	**127.50%**

Item No.	Indicator	Objective	Achievements January-December 2024	Weight in Degree of Achievement January - December 2024	Weight of Non-Executive BoD Members	Weight in Degree of Fulfilment Non-Executive BoD Members
DEGREE OF ACHIEVEMENT OF PERFORMANCE INDICATORS FOR NON-EXECUTIVE BoD MEMBERS					**100%**	**153.04%**

*)The indicator is calculated based on the information held in 2024

**)The indicator was calculated based on the information held in December 2024

II. Performance Indicators for Executive BoD Members and Officers

a) Financial Indicators

Item No.	Indicator	Objective	Weight in the Degree of Achievement January-December 2024	Weight of Executive BoD Members/Officers	Weight in Degree of Fulfilment Executive BoD Members/ Officers
1	Revenue	Recalculated Budget	1.06	10%	10.63%
2	EBITDA margin	minimum 41%	1.84	5%	9.18%
3	Operating expenses from RON 1,000 operating income	Maintain Budget level	1.35	7.5%	10.09%
4	Labour productivity (in value units)	Recalculated Budget	1.13	5%	5.64%
5	CAPEX	minimum 75% Budget	0.98	7.5%	7.34%
6	Ratio between net debt and EBITDA	<4.5	1.91	5%	9.54%
7	Operating income margin	Budget	1.29	5%	6.43%
8	Dividend payout ratio *)	Minimum provided by the applicable regulations	1.00	5%	5.00%
Degree of achievement of financial indicators				**50%**	**63.85%**

b) Non-Financial Indicators

Item No.	Indicator	Objective	Achievements January-December 2024	Weight in the Degree of Achievement January-December 2024	Weight of Executive BoD Members/ Officers	Weight in Degree of Fulfilment Executive BoD Members/ Officers
1	Natural gas production decline	Maintaining the annual decline of maximum 2.5% as compared to 2022	105.76%	1.06	5%	5.30%

Item No.	Indicator	Objective	Achievements January-December 2024	Weight in the Degree of Achievement January-December 2024	Weight of Executive BoD Members/ Officers	Weight in Degree of Fulfilment Executive BoD Members/ Officers
2	Scope 1 emissions t	Reducing/maintaining specific CO_2 emissions directly generated by electricity generation plant	0.01	0.99	3%	2.97%
3	Fulfilment of gas supply obligation	100% of the contracted gas quantity	100.00%	1.00	4.0%	4.00%
4	Customer satisfaction score *)	minimum 75%	92.50%	1.23	10%	11.90%
5	Market share **)	Higher than 40%	58.21%	1.46	4.0%	5.84%
6	Average number of training hours per employee	minimum 8	11.13	1.39	3%	4.17%
7	Number of safety trainings	100% of the employees	100.00%	1.00	3%	3.00%
8	Total frequency of recorded accidents	maximum 0.8%	0.13%	1.84	3%	5.52%
9	Number of full-time equivalent employees	minimum 99% of the number of employees	99.97%	1.01	3%	3.03%
10	Gender pay gap ratio	Lower or equal to zero	-0.30	1.00	3%	3.00%
11	Timely reporting of performance indicators	Full compliance with reporting deadlines	100.00%	1.00	4%	4.00%
12	Implementation of National Anti-Corruption System	Timely implementation	97.50%	0.98	5%	4.90%
Degree of achievement of non-financial indicators					**50%**	**57.63%**
DEGREE OF ACHIEVEMENT OF PERFORMANCE INDICATORS FOR EXECUTIVE BoD MEMBERS/OFFICERS					**100%**	**121.48%**

*)The indicator is calculated based on the information held in 2024

**)The indicator was calculated based on the information held in December 2024

Attached hereto are:

- Annex No. 1 – **Consolidated Sustainability Statement**;
- Annex No. 2 - Table on compliance with BVB Code of the Corporate Governance;

- Consolidated Financial Statements for the year ended on December 31, 2024, drafted in accordance with the Order of Public Finance Minister No. 2.844/2016 accompanied by the Independent Auditor's Report on the consolidated financial statements audit;
- Individual Financial Statements for the year ended on December 31, 2024, drafted in accordance with the Order of Public Finance Minister No. 2.844/2016 accompanied by the Independent Auditor's Report on the individual financial statements audit.

SIGNATURES

CHAIRMAN OF THE BOARD OF DIRECTORS,

Dan Dragoş DRĂGAN

……………………………………

Chief Executive Officer,	**Deputy Chief Executive Officer,**	**Chief Financial Officer,**
Răzvan POPESCU	Aristotel Marius JUDE	Gabriela TRÂNBIŢAŞ
……………………………………	……………………………………	……………………………………

ROMGAZ

Consolidated Sustainability Statement 2024

Content

GENERAL DISCLOSURES

ENVIRONMENTAL DISCLOSURES

GOVERNANCE DISCLOUSURES

1 ESRS 2 - General Disclosures

1.1 Basis for preparation

1.1.1 BP-1: General basis for preparation of sustainability statements

ROMGAZ Group consisting of Societatea Națională de Gaze Naturale "Romgaz" S.A. as the parent company and its wholly owned subsidiaries:

- S.N.G.N. ROMGAZ S.A. - Filiala de Înmagazinare Gaze Naturale Depogaz Ploiești S.R.L. ("Depogaz"), headquartered at 184 Ghe. Grigore Cantacuzino Street, Ploiești, 100492, Prahova County, Romania;
- ROMGAZ Black Sea Limited (RBS), a company operating under the laws of the Commonwealth of the Bahamas and conducting business through its Romanian branch, ROMGAZ Black Sea Limited Nassau (Bahamas), Bucharest Branch,

Presents the Consolidated sustainability report which was prepared in accordance with Section 7^1.3 of MFO no. 2844/2016, which approves the accounting regulations in accordance with International Financial Reporting Standards, with subsequent amendments and completions. These regulations implement Article 29(a) of EU Directive 2013/34 and the European Sustainability Reporting Standards (ESRS), as provided in Annex 1 to Delegated Regulation (EU) 2023/2772 of July 31, 2023, which supplements European Parliament and Council Directive 2013/34/EU, being transposed into local legislation by OMF no. 85/2024. Additionally, the report includes the information required by Article 8 of the EU Taxonomy Regulation 2020/852."

The National Natural Gas Company "Romgaz" S.A. (hereinafter referred to as "Romgaz") is a Romanian legal entity, organized as a joint-stock company, operating in accordance with Romanian laws and the Company's Articles of Incorporation.

Romgaz includes eight branches, established based on both the specific nature of their activities and territorial distribution (natural gas production branches), as follows:

1. Mediaș Branch, headquartered in Mediaș, 5 Gării Street, postal code 551025, Sibiu County, territorially organized into 8 divisions;
2. Târgu Mureș Branch, headquartered in Târgu Mureș, 23 Salcâmilor Street, postal code 540202, Mureș County, territorially organized into 9 divisions;
3. Mediaș Well Intervention, Overhaul, and Special Well Operations Branch (SIRCOSS), headquartered in Mediaș, 5 Șoseaua Sibiului Street, postal code 551009, Sibiu County, territorially organized into 3 divisions and 5 workshops;
4. Târgu Mureș Technological Transport and Maintenance Branch (STTM), headquartered in Târgu Mureș, 6 Barajului Street, postal code 540101, Mureș County, territorially organized into 5 divisions and a laboratory;
5. Iernut Electric Power Production Branch (SPEE), headquartered in Iernut, 1 Energeticii Street, postal code 545100, Mureș County, organized into 7 divisions;
6. Drobeta-Turnu Severin Branch, headquartered in Drobeta-Turnu Severin, 27 Aurelian Street, Mehedinți County;
7. Buzău Branch, headquartered in Buzău, 1 Romaniței Street, postal code 120032, Buzău County;
8. Chișinău Branch, headquartered at MD-2012, 70 Mihai Eminescu Street, 2nd floor, Chișinău, Republic of Moldova.

Throughout this Consolidated Sustainability Statement, we will refer to "ROMGAZ Group" when addressing all three subsidiaries and eight braches that are part of the group. Where necessary, we will specifically mention Romgaz, Depogaz, and RBS when presenting various information applicable to each company individually.

The ROMGAZ Group Consolidated Sustainability Statement has been prepared on a consolidated basis, covering the reporting period from January 1 to December 31, 2024, aligned with the financial reporting period.

The consolidation perimeter of the Consolidated Sustainability Statement is the same as that of ROMGAZ Group's consolidated financial statements.

There are no ROMGAZ Group subsidiaries exempted from individual or consolidated sustainability reporting.

The Consolidated Sustainability Statement covers ROMGAZ Group's own operations as well as relevant value chain information, both upstream and downstream. The double materiality assessment included the evaluation of impacts, risks, and opportunities associated with ROMGAZ Group's operations, products, and services, as well as the group's business relationships.

For the 2024 financial year:

- The assessment of impacts, risks, and opportunities was conducted considering both ROMGAZ Group's own operations and its significant value chain.
- Sustainability policies, actions, and targets cover ROMGAZ Group's own operations.

ROMGAZ Group did not apply the exemption for disclosing information on imminent developments or ongoing negotiations, as provided under Article 19a(3) and Article 29a(3) of Directive 2013/34/EU.

ROMGAZ Group did not exercise the option to omit any information related to intellectual property, know-how, or innovation results.

1.1.2 BP-2: Disclosures in relation to specific circumstances

By Resolution No. 32/2024, the Board of Directors of ROMGAZ Group approved the establishment of a natural gas supply branch in the Republic of Moldova. Based on this resolution, "Societatea Națională de Gaze Naturale Romgaz S.A. Mediaș – Chișinău Branch" was registered with the Public Services Agency of the Republic of Moldova in the State Register of Legal Entities but did not conduct any activity in 2024. Therefore, no information regarding this entity is presented in this Consolidated Sustainability Statement.

RBS is a company operating under the laws of The Commonwealth of The Bahamas, registered under No. 154020B, acting through its Romanian branch, Romgaz Black Sea Limited Nassau (Bahamas) – Bucharest Branch ("RBS"), headquartered in Bucharest, District 1, 169A Calea Floreasca, Building B, Rooms 801-834, 801A, 803A, 803B, 832A, 8th Floor. Romgaz became the sole shareholder/associate of RBS in August 2022, upon the completion of the acquisition of shares issued by ExxonMobil Exploration and Production Romania Limited (the former name of Romgaz Black Sea Limited).

RBS is a co-titleholder of the Concession Agreement for Petroleum Exploration, Development, and Production in Block XIX Neptun, approved by Romanian Government Decision No. 1233/2000, with subsequent amendments and completions ("Petroleum Agreement"). RBS and OMV Petrom S.A. (OMV Petrom) are the titleholders of the Petroleum Agreement, each holding 50% of the acquired rights and assumed obligations under the agreement for the eastern, deepwater area of the Neptun Block ("Neptun Deep"). As of August 1, 2022, OMV Petrom has also assumed the role of operator of the block, in accordance with Article 47, letter l) of Law No. 238/2004, with all subsequent amendments and completions. The Joint Operating Agreement (JOA) is the contract that regulates the relationship between the non-operator (RBS) and the operator (OMV Petrom) in the Neptun Deep project.

Neptun Deep is the sole asset of RBS. The company does not own any other assets or interests and is not a party to any joint operating agreement, exploitation agreement, production-sharing agreement, or similar agreement, except for the Concession Agreement for Petroleum Exploration, Development, and Production in Block XIX Neptun, deepwater zone of the Black Sea ("Neptun Deep").

The Neptun Deep project is the largest natural gas project in the Romanian sector of the Black Sea and Romania's first deepwater offshore project. Neptun Deep aims to exploit the natural gas reserves discovered in the Black Sea by developing two confirmed gas fields (Domino and Pelican South), with commercial production expected to begin in 2027.

For the reporting year, RBS only conducted office activities, and the information presented in this Consolidated Sustainability Statement reflects this aspect.

The Neptun Deep project aligns with Romania's trajectory toward achieving climate neutrality by 2050.

For the preparation of the Consolidated Sustainability Statement, ROMGAZ Group has applied short, medium, and long-term time horizons, as defined in ESRS 1 section 6.4, as follows: the short-term horizon is considered the reporting year, the medium-term horizon extends up to five years, the long-term horizon covers more than five years.

Regarding the sources used for estimates and the uncertainty of results, ROMGAZ Group acknowledges the uncertainties associated with forward-looking information and the fact that such information may be subject to changes. Where applicable, the assumptions and reasoning used for measuring estimates have been clearly defined, ensuring transparency and clarity in reporting quantitative indicators and monetary values.

For the presentation of targets and environmental indicators included in: ESRS E1 – Climate Change, ESRS E2 – Pollution, ESRS E3 – Water and Marine Resources, and ESRS E5 – Circular Economy, the methodologies prescribed by applicable national legislation have been used.

For reporting greenhouse gas (GHG) emissions data, all assumptions, approximations, and reasoning applied where direct data was not available are detailed in ESRS E1 – Climate Change and are aligned with the GHG Protocol methodology.

Starting from the 2024 reporting period, the ROMGAZ Group Consolidated Sustainability Statement has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

No comparative data is presented, as 2024 is considered the first reporting year.

ROMGAZ Group integrates information on other industry-specific standards into the Consolidated Sustainability Statement, particularly through the implementation and maintenance of ISO certifications.

The ROMGAZ Group Integrated Management System is aligned with ISO 9000 standards and covers all ROMGAZ Group's operations, except for RBS through its applicable corporate governance.

A health and safety management system is implemented in the company, in accordance with ISO 45001:2023, covering all ROMGAZ Group units (with the exception of RBS through its applicable corporate governance).

The environmental management system is certified under ISO 14001:2015 requirements for all operations (except RBS, through its applicable corporate governance).

The management systems are internally audited annually and externally audited in compliance with certification requirements.

The ISO certifications of Romgaz are publicly available on the company's website at The Integrated Management System | Romgaz, while those of Depogaz can be accessed at Sistemul de Management Integrat: DEPOGAZ.

ROMGAZ Group is assessing the opportunity to implement the ISO 50001:2019 standard for efficient energy management.

The Consolidated Sustainability Statement includes only the information required by ESRS, without integrating indicators from other reporting standards.

When preparing the Consolidated Sustainability Statement, no references were made to the Administrators' Report.

1.2 Governance

1.2.1 GOV-1: The role of the administrative, management and supervisory bodies

The company is organized in a hierarchical-functional structure, with six levels, starting from the company's shareholders and extending down to the execution staff, as follows:

- General Meeting of Shareholders;
- Board of Directors;
- General Director (with mandate), Deputy General Director (with mandate), Financial Director (with mandate);
- Directors without a mandate contract;
- Heads of organizational units subordinate to the Directors;
- Execution staff.

General Meeting of Shareholders

The General Meeting of Shareholders (GMS) or the Sole Shareholder, in the case of subsidiaries, is the governing body of the company that makes decisions regarding the activity and economic policies in accordance with the applicable legal provisions.

The GMS or the Sole Shareholder appoints the Board of Directors (BoD), which is responsible for strategic supervision and guidance, including the development of policies aimed at professional conduct.

Board of Directors

As of December 31, 2024, Romgaz Group is managed in a unitary system by a Board of Directors consisting of 7 administrators/members (6 non-executive members and 1 executive member) with economic and legal education, appointed by the General Meeting of Shareholders for a four-year term starting from March 16, 2023. Four members of the Board of Directors are independent, representing 57% of the Board's composition. Regarding gender diversity, the Board includes one female member, which indicates a 14% representation of women.

Members of the ROMGAZ Group Board of Directors as of December 31, 2024:

Name	Executive/ Non-Executive	Independent	Gender	Function in BoD
Dan Dragoș DRĂGAN	Non-executive	No	Male	President
Aristotle Marius JUDE	Executive	No	Male	Member
Marius-Gabriel NUT	Non-executive	Yes	Male	Member
Razvan Brasla	Non-executive	Yes	Male	Member
Gheorghe Silvian Sorici	Non-executive	Yes	Male	Member
Botond BALAZS	Non-executive	No	Male	Member
Elena-Lorraine STOYAN	Non-executive	Yes	Female	Member

The Board of Directors (BoD) acts in the interest of ROMGAZ Group to achieve the organizational goals and is legally responsible for complying with the law and internal regulations, ethical and moral rules, as well as specific standards, including those related to sustainability. Although the BoD delegates some of its responsibilities to the executive directors, it remains accountable for the implementation of the approved “Management Plan” and the decisions of the GMS, which also cover sustainability topics.

The members of the Board of Directors are selected based on their competencies and diverse experience. They contribute to the variety of skills needed to manage the impacts, risks, and opportunities assessed at the company level, including those related to sustainability, and possess a diverse set of capabilities relevant to the Romanian and regional energy sector.

The current structure brings together professionals with expertise in relevant areas such as business administration, investments, and sustainability, ensuring efficient governance aligned with the company's strategic objectives.

According to Article 8.6 of the mandate contracts, "The members of the Board of Directors are required to participate annually in a professional training program lasting a minimum of one week, which includes training sessions in corporate governance, legal matters, and other relevant areas for the company’s activity".

Specifically, in 2024, the members of the Board of Directors participated in five training sessions, with durations ranging from 8 to 56 hours. These sessions addressed topics such as ESG concepts and sustainability, promoting best business practices, and strengthening a strong corporate governance culture, as well as the dynamics of the relationship between the Board of Directors and the Directors. In total, the seven members of the Board accumulated 280 hours of training.

Regarding the relevant experience for the company’s sector of activity:

- Mr. Dan Dragoș Drăgan, non-executive member and Chairman of the Board of Directors of ROMGAZ Group since March 2021, has managerial experience and leadership skills, gained through leadership positions held in various companies starting from 1996.

- Mr. Aristotel Marius Jude, member of the Board of Directors of ROMGAZ Group since 2019 (executive director since February 2021), has a rich experience in enterprise management, business administration, regulations in the energy sector, joint operating agreements and/or cooperation in the natural gas sector, project management, business strategy and planning and legal advice, experience gained during professional activities in the energy sector, within the various management positions held at ROMGAZ Group and at the Ministry of Energy. He currently holds the position of Deputy General Manager of Romgaz.
- Mr. Marius-Gabriel Nuț, non-executive member of the Board of Directors of ROMGAZ Group since 2022, possesses managerial experience and leadership competencies, acquired by holding leadership positions in various companies starting in 2016. Mr. Nuț expanded his knowledge in the ESG field by participating in the course "Sustainability as Core Value: Implications for Boards and Enterprise Leaders" organized in May 2024.
- Mr. Răzvan Braslă, non-executive member of the Board of Directors of ROMGAZ Group since 2023, has experience in company management, having held leadership positions, including General Director, in various organizations since 2015. He has worked in a diverse range of sectors, including: project management for civil and commercial construction, development of public interest commercial and logistics projects, civil construction development, and consulting in the construction and real estate development fields. Mr. Braslă expanded his knowledge in the ESG field by participating in the course "Sustainability as Core Value: Implications for Boards and Enterprise Leaders", organized in May 2024.
- Mr. Gheorghe Silvian Sorici, non-executive member of the Board of Directors of ROMGAZ Group since 2021, is an economist and has experience in company leadership and coordination, acquired through the positions held throughout his career, starting from 1997.
- Mr. Balázs Botond, non-executive member of the Board of Directors of ROMGAZ Group since 2019, has experience in management and law. He is an associate professor at Babeș-Bolyai University, teaching in the field of non-profit organizations and project management. He has held various leadership positions, including Head of the Legal Department at ROMGAZ Group, and has contributed to major projects in the energy sector. He holds a law degree, two master's degrees in public management and private law, and is a PhD candidate in engineering and management.
- Ms. Elena Lorena Stoian is a non-executive member of the Board of Directors since 2023, a lawyer with over 22 years of professional experience, coordinating teams and working with clients from various sectors, including companies, public and private institutions, banks, and non-banking financial institutions. She is the founding lawyer of SCA Stoian și Asociații and also a practitioner in insolvency.

In its activities, the Board of Directors is supported by four advisory committees:

- Audit Committee;
- Risk Management Committee;
- Nomination and Remuneration Committee;
- Strategy Committee.

The criteria considered when establishing the composition of the Committees are outlined in the internal regulations published on the Company website in the Internal Regulations of the Board of Directors section.

The Audit Committee fulfils the legal duties outlined in Article 65 of Law No. 162/2017, primarily involving the monitoring of the financial reporting process, internal control systems, internal audit, and risk management systems within the company, as well as overseeing the statutory audit of the annual financial statements and managing the relationship with the external auditor. Regarding compliance activities, ethical conduct, and conflicts of interest, the Audit Committee ensures:

- Compliance with local and international laws and regulations;
- Adoption and implementation of a Code of Ethics and Professional Conduct and a Policy on Conflicts of Interest;
- Analysis of reports on compliance with conduct standards and offering advice on ethical matters;
- Reviewing the declarations of independence of directors and evaluating conflicts of interest.

The **Risk Management Committee** is established to analyse, monitor, and evaluate the internal control system and risk management, as well as the company's practices and performance in fulfilling its ESG obligations. The responsibilities of the Committee are outlined in its Internal Regulation.

Specifically, for the sustainability/ESG area, the Committee:

- Assists the Board of Directors in defining the company's strategy regarding ESG issues by understanding how the company can create value considering ESG drivers;
- Monitors risk management in sustainability matters, focusing on ESG aspects, industry developments, and the implementation of effective crisis management policies;
- Monitors sustainability reporting and related processes within the company to identify information reported in compliance with relevant sustainability reporting standards;
- Monitors external ESG trends, understands associated risks and opportunities, and the expectations of the company's key stakeholders in this regard;
- Monitors the company's impact on the natural environment and its adaptation to climate change;
- Monitors the company's interactions with employees, shareholders, and communities where it operates, including workplace policies and any social or community projects undertaken by the company;
- Reports to the Board any ESG aspects that could affect the company's business, operations, performance, or public image, or are otherwise relevant to the company and its shareholders;
- Monitors actions or initiatives taken to prevent, mitigate, and manage ESG-related risks that could have a significant negative impact on the company or are otherwise relevant to shareholders and provides guidance in this regard;
- Analyzes risks and opportunities related to social, environmental, and economic impacts, measured from the perspective of stakeholders;
- Examines risk assessment and mitigation plans and informs the Board accordingly.

The Risk Management Committee plays a crucial role in setting and monitoring ESG targets. It analyzes risk mitigation plans and measures progress towards achieving the established ESG objectives, ensuring alignment with the European Sustainability Reporting Standards (ESRS). Progress is tracked through reports and reviewed during the committee's quarterly meetings.

The existence of the **Nomination and Remuneration Committee** is provided for by current legislation (Law no. 31/1990, Article 140^2, and Emergency Ordinance no. 109/2011, Article 34) and is also a requirement for companies listed on the Bucharest Stock Exchange (BVB), as is the case for ROMGAZ Group. The Nomination and Remuneration Committee has the following main objectives:

- Establishing procedures for selecting candidates for the positions of directors and administrators;
- Formulating proposals for board member positions;
- Being involved in the selection and recruitment process for directors, including making proposals regarding their remuneration.

The **Strategy Committee** assists the Board of Directors in fulfilling its responsibilities regarding the development and updating of the company's overall strategy.

The responsibilities and competences of each committee are outlined in the internal regulations of the committees, which are available on Company's website.

As of December 31, 2024, all members of the Audit Committee, Risk Management Committee, and Nomination and Remuneration Committee were male. The Strategy Committee includes one female member, representing 20% of the total membership.

Throughout 2024, the ESG responsibilities at ROMGAZ Group were assigned to the Risk Management Committee.

In December 2024, Law no. 162/2017 was amended, introducing sustainability-related responsibilities for the Audit Committee under Article 65. As a result, the Internal Regulations of the ROMGAZ Group Audit Committee will be reviewed in 2025 to align with the new legislative requirements.

These will also include the competencies established for the Audit Committee under the Corporate Governance Code, which will be revised starting January 1, 2025.

Additionally, the administrative management of Depogaz is provided by a Board of Directors consisting of five independent members, while for RBS, it is overseen by a Board of Directors consisting of three members.

Members of the Depogaz Board of Directors as of December 31, 2024:

Name	Executive/ Non-Executive	Independent	Gender	Function in BoD
Nicolae Bogdan Codruț Stanescu	Non-executive	Yes	Male	President
Ileana Târîndă	Non-executive	Yes	Female	Member State
George Lazar	Non-executive	Yes	Male	Member State
Anna-Maria Vasile	Non-executive	Yes	Female	Member State
Anca Isabela Ciornea	Non-executive	Yes	Female	Member State

As of December 31, 2024, two members of the Depogaz Board of Directors were male (40%) and three were female (60%).

At Depogaz, there are the same committees supporting the activity of the Board of Directors as at Romgaz. The committees have the same roles.

Members of the RBS Board of Directors as of December 31, 2024:

Name	Executive/ Non-Executive	Independent	Gender	Function in Bod
Rodica Sasu	Non-executive	Yes	Female	President
Robert Stelian Chirca	Non-executive	Yes	Male	Vice-President
Andrei Tiberiu Novac	Non-executive	Yes	Male	Vice-President

On December 31, 2024 two members of the RBS Board of Directors were male (66%) and one was female (33%).

The management of RBS is carried out in accordance with its Articles of Association and Articles of Association in force. There are no such committees at RBS level.

Directors

The Board of Directors of Romgaz has delegated the leadership of the company to 3 directors: the General Director, the Deputy General Director, and the Financial Director. The boards of directors of the subsidiaries have delegated the management of these entities to a general director.

The General Director, the Deputy General Director, the Financial Director, as well as the directors without a mandate contract, are key individuals in the company's structure and operation. In line with the previously described six-level hierarchical structure, the heads of departments (subsidiaries, departments, directorates, offices, etc.), who act as a link between the higher management structure of the company and the employees in their respective compartments, report directly to them.

The competencies delegated to the directors appointed by the Board of Directors of Romgaz, namely the General Director, the Deputy General Director, and the Financial Director, were established by a decision of the Board of Directors.

Starting from May 16, 2023, following the appointment of the General Director for a 4-year mandate, the duties delegated to the General Director, through Board Decision no. 55 / May 15, 2023, for the sustainability area, are:

- To exercise all leadership competencies of Romgaz, except for competencies that have not been delegated to directors, as well as except for competencies delegated to the Financial Director and Deputy General Director. The General Director is responsible for maintaining the Integrated Management System.
- As the General Director, he also holds the position of legal representative of ROMGAZ Group, according to Article 143^2, paragraph (4) of the Companies Law no. 31/1990.

The duties delegated to the Deputy General Director, through Article 6 of the Board Decision no. 55 from May 15, 2023, which are related to sustainability, include:

- Exercising leadership competencies for the Directorate of Strategy, International Relations, European Funds, Directorate of Regulations, Directorate of Energy Marketing, Directorate of Quality, Environment, Emergency Situations, and Critical Infrastructure, Directorate of Information Technology, Investment Projects Management Service, Project Management Office, and the Inventory Service;
- Coordinating activities carried out at the Romgaz level related to the Neptun Deep project, except for those related to securing financing for Romgaz's share of the project;
- Planning, approving, and coordinating the operations necessary and useful for achieving Romgaz's business objectives that, according to the law and Romgaz's organizational and operational regulations, fall under the competencies of the aforementioned organizational units.

The duties delegated to the Economic Director, through Article 5 of Board Decision no. 55 from May 15, 2023, involve monitoring and ensuring the fulfilment of the economic provisions/indicators specified in the approved revenue and expenditure budget. The Financial Director presents the budget execution to the Board of Directors and provides information regarding the company's economic-financial situation, the progress of investments (including sustainability-related investments), the progress of adopted measures, and the implementation status of actions ordered by the Board of Directors concerning economic-financial activity, along with any other documents and information requested, as well as measures taken in case of non-compliance with these.

The General Director, Deputy General Director, and Financial Director play a significant role in the implementation of Romgaz's overall business strategy, including sustainability aspects. Their competencies include strategic skills and operational abilities aimed at achieving the environmental, social, and governance objectives included in the mandate contract.

Mr. Răzvan Popescu, General Director of Romgaz, has relevant leadership experience. He began his career in 2007 and worked for 9 years at the National Bank of Romania, where he held the position of Portfolio Manager, responsible for managing the international foreign exchange reserves.

Mr. Aristotel Marius Jude, Deputy General Manager (and member of the Board of Directors of ROMGAZ Group), began his professional career in 2002, at Romgaz. He has a rich experience in enterprise management, business administration, regulations in the energy sector, joint operating agreements and/or cooperation in the natural gas sector, project management, business strategy and planning and legal advice, experience gained during his professional activities in the energy sector, in various management positions held at ROMGAZ Group and in that of Secretary of State at the Ministry of Energy.

Mrs. Gabriela Trânbițaș, Financial Director, has extensive experience in the economic-financial field. She started her career in financial auditing and then joined Romgaz, where she has worked for 10 years, contributing to the management and supervision of financial processes. Throughout her career, she has been involved in various development projects, including the acquisition of Exxon's stake in the Neptun Deep perimeter in the Black Sea and securing the necessary financing for this transaction.

The complete CVs of the management team can be consulted on the company's website.

The composition of the executive team as of 31 December 2024:

Name of member	Gender	Role
Razvan Popescu	Male	General Director
Aristotle Marius JUDE	Male	Deputy General Director
Gabriela LAZAŞ	Female	Financial Director

As of 31 December 2024, two directors were male (66%) and one was female (33%).

The Depogaz management is ensured by Mr. Vasile Cârstea (male), while the management of RBS is led by Mrs. Diana Andreea Lupu (female).

According to the Organization and Operation Regulation, under the supervision of the General Director of Romgaz, there is the Sustainability Standard – ESG Office, which handles the management and preparation of the necessary formalities for adopting ESG reporting standards, and the Reporting Service, which manages and carries out the necessary formalities for the preparation of the Directors' Report, including non-financial reports.

Each department has its own duties defined in the Company's Organization and Operation Regulation, and all these elements function as a whole. The tasks, duties, and responsibilities of the operational staff are included in the job descriptions for each position.

The field experts within ROMGAZ Group monitor the implementation of policies, actions, targets, and the progress of indicators, in relation to the material impacts, risks, and opportunities. They report to department managers who exercise control over material topics, who report to the General Director, who in turn reports to the members of the Board of Directors.

The management of impacts, risks, and opportunities is covered by the current policies, described in the chapters of the Consolidated Sustainability Statement, related to significant environmental, social, and governance aspects. Such policies include a wide range of internal regulations and are monitored through the internal control system.

For the development of sustainability competencies, the operational team, including executive management and responsible directors, participated in ESG-related training in 2024, where new reporting requirements according to CSRD, legislative updates, and regulations in the sustainability area, relevant to Romgaz's field of activity, were discussed.

Additionally, to stay up to date with the most important industry information, including in the sustainability area, the Company and ROMGAZ Group's subsidiaries are members of various professional associations.

The Company's management also relies on external expertise for specialized consulting when necessary. In such cases, public procurement procedures are carried out according to the applicable legislation.

ROMGAZ Group employees are represented in their relationship with the Board of Directors and executive management through the two trade unions within the Company. These trade unions are involved in the decision-making process and are consulted on matters that may have a significant impact on employees, such as renegotiating salaries or working conditions, collective layoffs, or potential issues related to employees' rights and interests.

1.2.2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Risk Management Committee, among other responsibilities, is in charge of assessing and monitoring significant sustainability-related impacts, risks, and opportunities, as presented in section GOV 1 page 9.

The Risk Management Committee meets at least four times a year, as well as on an exceptional basis (at the request of at least two members), if necessary. Relevant information is communicated to the Board of Directors. In its first year of operation (2024), the committee met three times, and the meetings also covered sustainability topics.

The Board of Directors oversees how significant impacts, risks, and opportunities are integrated into the company's strategy, major transaction decisions, and risk management processes.

According to the regulations, these considerations may be included in the detailed analysis conducted by the Risk Management Committee, which submits proposals to the Board of Directors for:

- The adoption of ESG strategies that balance trade-offs between risks, opportunities, and impacts, ensuring their alignment with organizational objectives;
- The establishment of investment priorities and the implementation of effective control mechanisms.

During the reporting period (year 2024), the ESG topics analysed and managed by the Risk Management Committee and the Board of Directors were:

Topic Description addressed	Responsible	Frequency
Approval of the 2023 Sustainability Report	Risk Management Committee	Quarter 2
Information on the conduct of collective negotiations and the conclusion of a new collective labour agreement at the S.N.G.N. Romgaz S.A. unit level for a period of two years, starting from June 1, 2024.	BoD	Quarter 2
Report on the progress of achieving corporate governance and transparency objectives, as well as the fulfilment of financial and non-financial indicators committed to in 2023.	BoDCA	Quarter 2

The impacts, risks and opportunities related to its own operations and value chain, as listed in Section SBM 3, have been addressed at the level of ROMGAZ Group department directors and experts:

- In meetings and working groups organized throughout 2024 as part of the double materiality assessment;
- In the daily activities of departments, according to annual plans that address various identified impacts, risks, and opportunities (e.g., annual environmental plans, professional training plans, etc.).

1.2.3 GOV-3: Integration of sustainability-related performance in incentive schemes

ROMGAZ Group has implemented a Remuneration Policy that includes a fixed component and a variable component for its administrators and directors.

The fixed component is determined based on the complexity of the activity and the company's turnover, while the variable component is conditional on the achievement of financial and non-financial performance indicators approved by the General Meeting of Shareholders (GMS).

The variable remuneration component for non-executive and/or executive administrators is established based on financial and non-financial performance indicators, which differ for non-executive and executive administrators, and are established in accordance with GEO no. 109/2011 and are negotiated/approved by GMS, aiming to ensure the long-term sustainability of ROMGAZ Group and compliance with good governance principles.

When determining variable remuneration, the responsibilities of non-executive administrators are taken into account, including identifying long-term strategies, developing governance policies, representing shareholders' interests, communicating with shareholders, and overseeing the management's implementation of company strategies. The amount of the variable remuneration component for non-executive or executive members of the ROMGAZ Group Board of Directors may not exceed a maximum of 12 fixed monthly allowances.

The variable remuneration component for non-executive and/or executive administrators is reviewed annually, based on the achievement level of the objectives included in the administration plan and the degree of fulfilment of the financial and non-financial performance indicators approved by the GMS, which are annexed to the mandate contracts.

For non-executive directors, the variable component consists of 20% financial indicators and 80% non-financial indicators. For executive directors and directors with mandates, the proportion is 50% for financial indicators and 50% for non-financial indicators.

The non-financial performance indicators used to determine the variable component are linked to sustainability objectives and compliance with corporate governance principles. These indicators are reviewed annually to reflect progress in relation to the objectives set in the administration plans and the company's overall strategy.

Performance related to achieving ESG targets/objectives is also included as part of the mandate contracts for the three Directors, and for the four-year duration of the administration contracts, which includes the reporting year, these objectives were approved by GMS in the meeting held on September 11, 2023.

These were:

Non-financial indicator	Target
Decline in natural gas production	Maintaining a maximum annual decline
Scope 1 emissions in t	Reduction/maintenance of specific emissions of CO_2 (tCO_2/MWh electricity produced)
Fulfilment of the natural gas supply obligation	100 % of contracted natural gas
Customer satisfaction score	Not less than 75 %
Market share	Greater than 40%
Average number of professional training hours per employee	Minimum 8
Number of safety training sessions	100% of employees
Total recordable accident frequency	Not more than 0,8%
Rate of independent members on the Board of Directors	Greater than 55%
Number of Board of Directors meetings	12/year minimum
Attendance rate at Board of Directors meetings	Not less than 90 %
Number of Audit Committee meetings	4/year minimum
Rate of women holding director positions	Not less than 30 %
Number of full-time equivalent employees	Minimum 99 % of average number of employees
Pay gap rate between female and male employees	Less than or equal to zero
Timely reporting of the company's performance indicators, according to the financial calendar	Full compliance with reporting deadlines
Implementation of the National Anti-Corruption System	Timely implementation of the measures set out in the Romgaz Integrity Plan

The remuneration policy was approved by the General Meeting of Shareholders on April 28, 2022, and sets both the level of remuneration and the general limits for the variable component. Policy updates shall be made at least once every four years or whenever necessary, and significant changes are subject to approval by the GMS.

1.2.4 GOV-4: Statement on due diligence

ROMGAZ Group's due diligence process is designed to identify, prevent, mitigate, and respond to current and potential negative impacts on the environment and people.

Thus, the verification of compliance with and enforcement of internal policies and regulations is carried out by the Internal Audit team or by the departments designated for this purpose. For the environmental area, there is the internal procedure 'Environmental Inspection,' through which designated persons verify on-site compliance with national legislation and internal regulations.

Regarding human rights, during the reporting period, ROMGAZ Group applied the provisions of national legislation on this topic and did not have other special provisions in the company's governance documents.

To align with the best practices in the field, ROMGAZ Group developed and approved the 'SNGN Romgaz SA Human Rights Statement' in March 2025. This is aligned with the fundamental principles of human rights as outlined in the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, covering both its own workers and the value chain.

ROMGAZ Group requires its suppliers and partners to adhere to the same human rights and labor conditions standards, in accordance with the principles outlined in the Responsible and Sustainable Procurement Policy and also expects its suppliers to support and uphold the company's commitment to human rights, as highlighted in ROMGAZ Group's Code of Ethics and Business Conduct. Supplier contracts include clauses that address their commitment to respect human rights and environmental protection.

Regarding the value chain, no human rights verification processes were conducted during the reporting period.

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ROMGAZ Group has integrated the due diligence process into all levels of governance, strategy and business model using the systematic assessment of ESG risks and opportunities. The Board of Directors and Risk Management Committee are the ones who ensure that impacts, risks and opportunities are identified, and response and alignment processes are implemented by executive teams. ESRS 2 GOV-2: – Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies - page 14; ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes – page 14; and ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model - page 25
b) Engaging with affected stakeholders in all key steps of the due diligence	ROMGAZ Group collaborates with its stakeholders, including employees, customers, suppliers, local authorities and communities, to integrate their concerns into decision-making processes. The information can be found in the section ESRS 1 SBM 2 on page 24 Specifically, for topics identified as material in 2024, detailed information are included in ESRS E1 page 59, ESRS E2 page 80 & 82, ESRS E3 page 89, ESRS E5 page 103-104, ESRS S1 - page 118-119, ESRS S4 - page 140-141.
c) Identifying and assessing adverse impacts	Annual employee survey Annual customer questionnaire Pre-qualification questionnaires for suppliers ESRS 2 IRO - 1, including the implementation requirements related to specific sustainability issues in the relevant ESRS - page 26; and ESRS E1 ppage 60-62, ESRS E2 page 81, ESRS E3 page 90, ESRS E5 page 105, ESRS S1 page 120-124, ESRS S4 page 142, ESRS G1 page 152 ESRS 2 SBM - 3 - page 26
d) Taking action to address those adverse impacts	The company implements measures to reduce the negative impacts of its activities as described in detail for each identified material issue: The information can be found in the thematic sections of MDR A as follows: ESRS E1 page 63, ESRS E2 page 84, ESRS E3 page 92, ESRS E5 page 107, ESRS S1 page 131, ESRS S4 page 146.
(e) Tracking the effectiveness of these efforts and communicating	The Integrated Management System and external certification, implemented by ROMGAZ Group, implies continuous monitoring of the efficiency of the implemented measures. The information can be found in the thematic sections of MDR T as follows: ESRS E1 page 68, ESRS E2 page 86, ESRS E3 page 99, ESRS E5 page 112, ESRS S1 page 133, ESRS S4 page 147. The communication of efforts is carried out through the communication channels presented on page 24 in ESRS 2: SBM 2.

1.2.5 GOV-5: Risk management and internal controls over sustainability reporting

In order to manage the sustainability reporting process and the risks associated with it, according to the Organization and Functioning Regulation, the Sustainability Standards Office – ESG and the Reporting Service are subordinated to the General Manager of Romgaz.

The Sustainability Standards – ESG Office was established in 2024 and is responsible for managing and preparing the necessary formalities for adopting environmental, social, and corporate governance (ESG) reporting standards and for non-financial reporting.

The Reporting Service, established at the end of 2023, is responsible for managing and preparing the necessary and useful formalities for preparing the annual and mid year reports (management reports), which include, where applicable, non-financial reporting. Because these departments were newly established, for the 2024 reporting year, there was no specific approach or risk assessment methodology related to sustainability reporting and no risk analysis related to the reporting procedure was carried out. The company will analyze the opportunity and the way to regulate the process for future reporting, considering the experience of the first year of reporting according to the ESRS requirements.

However, to manage the risks related to the change in the reporting standard from GRI to ESRS, during 2024, representatives of the organizational units involved in the sustainability reporting process participated in a 16-hour training course to familiarize themselves with the new reporting requirements. In total, 47 employees participated in these courses. At the same time, for this first year of reporting, the ROMGAZ Group has selected an external consultant to provide support during the reporting process.

The information necessary for the preparation of the Consolidated Sustainability Reporting was collected manually (by e-mail) from subsidiaries and branches and centralized at the level of the Reporting Service that prepared the material for the ROMGAZ Group. The responsibility for the correctness of the data and information provided lies with the directors of the services involved in the provision of the data. In order to control the risks related to the misrepresentation of non-financial information, the 'four eyes' principle has been applied, which involves additional checks before consolidating the data to check the completeness and integrity of the information, as well as monitoring compliance with reporting requirements.

Sustainability reporting can affect public perception and investor confidence. Therefore, the Risk Management Committee monitors the reporting of sustainability information and related processes within the company to identify whether the reported information complies with the relevant sustainability reporting standards and if the processes can be improved. If necessary, the Risk Management Committee informs the Board of Directors.

In accordance with the ESRS requirements, the Consolidated Sustainability Statement must cover the impacts, risks, and opportunities identified as material by ROMGAZ Group, both for its own operations and the value chain. These were identified for 2024 through the double materiality assessment process, and the information required by the reporting standards is included in detail in the thematic section.

1.3 Strategy

1.3.1 SBM-1: Strategy, business model and value chain

About ROMGAZ Group

The activities of ROMGAZ Group are as following:

- Natural gas exploration and production (carried out by Romgaz and RBS subsidiary);
- Underground storage of natural gas (within the Depogaz subsidiary);
- Supply of natural gas;
- Special operations and well services;
- Maintenance and transport services;
- Power generation;
- Distribution of natural gas.

Exploration

The exploration activity is performed in 8 perimeters in Transylvania, Muntenia, Oltenia and Moldova under the Concession Agreement approved by GO No. 23/2000, starting with October 1997.

The exploration is currently being carried out on the basis of Amendment No. 6 (approved by GD No. 1011/22.09.2021) to the Exploration and Development Exploitation Concession Agreement (D.E.) approved by GD no. 23/2000, for which the validity is 6 years (10.10.2021 - 09.10.2027), with an approved minimum program comprising 36 wells of minimum of 92.000 m and 1.000 km^2 of 3-D seismic for all 8 perimeters, the total program amount being USD 195 million.

The RBS subsidiary holds 50% of the rights and obligations associated only with the Concession Agreement for oil exploration, development and exploitation in the XIX Neptun perimeter, the deep water area in the Black Sea (the "Neptun Deep" project perimeter). The exploration activity within the Neptun Deep perimeter is ongoing, the objective being to further identify and evaluate the energy potential of the Black Sea.

The exploration work is designed and prioritized by Romgaz, on the basis of technical-economic principles, with a view to increasing the pool of hydrocarbon resources and reserves and maximizing the prospective potential of the 8 concessioned exploration and development-exploitation areas.

Production

The annual program of oil operations for the exploitation of hydrocarbon deposits for 2024 envisaged the dynamics of natural gas demand, the carrying out of well reactivation, refitting and intervention works, the production of new operating wells and of those resulting from exploration activities, maintenance programs at collecting pipelines, compression and gas drying stations.

As for Neptun Deep, the project aims to exploit the natural gas discovered in the Black Sea, through the development of two confirmed natural gas fields (Domino and Pelican Sud). For the 2024 reporting year, the project is in the development stage. The development phase began in 2023, after the co-owners of ROMGAZ Group and OMV Petrom adopted the investment decision and submitted the Field Development Plan to the competent authority. The Development Plan was approved by the National Agency for Mineral Resources (currently the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide/NARMPSG) on August 3, 2023. The field development phase consists of the construction of 10 gas exploration wells, 3 underwater production systems, an offshore production platform, a gas collection pipeline from the production platform to the shore in Tuzla and an onshore gas metering station in Tuzla. The holders are jointly investing up to 4 billion euros for the development of the Neptun Deep project.

Natural gas underground storage

There are currently 6 operational storage facilities in Romania, all set up in depleted deposits. Romgaz owns and operates, through Depogaz branch, 5 deposits summing up a storage capacity of 4,065 mld.m^3 and an active workload of 2,870 mld.m^3.

The Government of Romania, by EO No.106/2020 amending the Electricity and Natural Gas Law No. 123/2012, decided to cancel the regulation of the gas storage business. Thus, after the extraction cycle 2020-2021, the storage activity is no longer a regulated activity.

Natural gas supply

The Romanian gas sector, after deep restructuring, has now become divided into independent activities. The structure of the Romanian natural gas market comprises an operator of the National Transmission System – SNT (Transgaz), producers (of which Romgaz and Petrom are the most important), underground storage operators (of which Depogaz holds 90.54 % of Romania's total storage capacity), gas distribution and supply companies to final customers and suppliers on the wholesale market.

In 2022, in the international context generated by the price increase on energy markets, in order to ensure rigorous discipline on the national market and a high degree of consumer protection in economic and social terms, it was adopted the GEO No. 27/2022 regarding the measures applicable to final customers on the electricity and gas market during 1 April 2022 – 31 March 2023, as well as for the amendment and completion of certain regulatory acts in the energy field. The effective period of the GEO No. 27/2022 was subsequently extended until 31 March 2025.

Thus, since April 2022, the segment of household consumers and heat producers has been significantly regulated, both in terms of prices and contracted quantities.

Romgaz was designated as gas supplier of last resort (FUI) by the Romanian Energy Regulatory Authority (ANRE) by Decision No. 1616/2022. February 2023 was the first month when quantities under FUI regime were supplied; subsequently, every 7 months, Romgaz took over the customers without suppliers. Although until its appointment as FUI, Romgaz did not operate on the retail market, its FUI activity is successful, with positive customer feedback.

Romgaz, as gas supplier, held a significant share in national consumption between 2017 and 2024, with a share of between 37-50%, as follows:

	M.U.	2017	2018	2019	2020	2021	2022	2023	2024
Country total consumption	mld.mc	12.3	12.3	11.5	12.0	12.3	10.4	9.7	10.1
Romgaz trading (domestic + import)	mld.mc	5.7	5.6	5.1	4.7	5.2	5.1	4.8	4.8
Romgaz market share	%	46.3	45.5	44.1	39.1	42.4	49.4	50.0	48.0

The above-mentioned quantities include gas from domestic production, including technological consumption, domestic gas purchased from third parties, gas from the 100% association with Schlumberger (until 2018) and imported gas. Deliveries also include gas delivered on the domestic market, including at Iernut and Cojocna for electricity generation.

Intervention services and special operations at wells

SIRCOSS was established in 2003 based on the shareholders' general assembly resolution No. 5 of June 13, 2003.

The SIRCOSS services cover two main activities:

- Well interventions, reequipments, additions and production;
- Well special operations.

Transport and maintenance

STTM was established in October 2003 by taking over the transport equipment from Mediaș, Târgu Mureș and Ploiești branches.

The activity of the branch is to carry out transport of goods and persons, specific technological transport, vehicle repair and maintenance in the Group's and third parties' interest.

The STTM car fleet is diversified, including motor vehicles and machinery for the following types of transport services:

- Passenger transport by passenger cars, minibuses, buses and coaches;
- Mixed transportation with self-propelled < 3,5 t and self-propelled > 3,5 t;
- Technology transportation by trucks, platforms, dumpers, vans, vans, tankers, motorcycles and crane trucks;
- Transport and work with machinery: tractors, bulldozers, front loaders, earthmoving machines, excavators.

Fleet maintenance is carried out through their own repair shops. STTM owns, at the four stations (Târgu Mureș, Mediaș, Ploiești and Roman), workshops authorized by the Romanian Car Registry, with specialized maintenance personnel for motor vehicles and STTM machines.

The types of maintenance services are of great diversity, provided by mechanical, electrical and automation trained staff.

Electricity generation

CTE Iernut represents a significant node in SEN (National Energy System), located in the center of the country, in Mureș county, on the left bank of Mureș river, between Iernut and Cuci localities, with facilities for methane gas supply, industrial water and power evacuation.

CTE Iernut is operated through Romgaz Electric Power Production Branch (SPEE).

CTE Iernut has an installed capacity of 800 MW, comprising 6 energy groups: 4 groups each of 100 MW of Czechoslovak manufacturing and 2 groups each of 200 MW of Soviet manufacturing. The groups were put into operation between 1963 and 1967. Considering the commencement of the investment work at the 430 MW Combined Cycle Plant and the need to ensure the adequate conditions to perform the execution works on the corresponding cooling circuit, the 200 MW Group 6 was definitively withdrawn from operation in November 2019.

In January 2019, groups 2 and 3 of 100 MW were definitively withdrawn from commercial operation, in November 2019, group 1 (100 MW) followed and in June 2020 group 4 was withdrawn, all of them being withdrawn for the reason of non-compliance with environmental conditions. In 2024, only energy group No. 5 of 200 MW was functional in SPEE Iernut.

Natural gas distribution

Natural gas distribution is a regulated activity, being performed through two distributions within Targu Mures Manufacturing Branch. Romgaz has contracts for the concession of the distribution of public service with the Ghercesti territorial administrative units (Dolj County) and Stejari (Gorj County).

There are no products and services of ROMGAZ Group that are prohibited on certain markets.

ROMGAZ Group value chain

Upstream, ROMGAZ Group purchases natural resources such as natural gas, solar renewable electricity and water. At the same time, in terms of products, ROMGAZ Group purchases electricity/fuel, specific equipment, protective equipment and spare parts for its own operations. In terms of services, ROMGAZ Group contracts drilling, seismic research, financial and consultancy services, surface infrastructure execution, market studies, feasibility studies, banking, insurance, investment products and opportunity studies. To minimize possible negative impacts, ROMGAZ Group selects product and service providers, including based on certain social, environmental and governance criteria.

For the analysis of the value chain (its graphic representation is included at page 21), all the activities carried out by the three entities forming the ROMGAZ Group were considered as representing its own operations. More specifically:

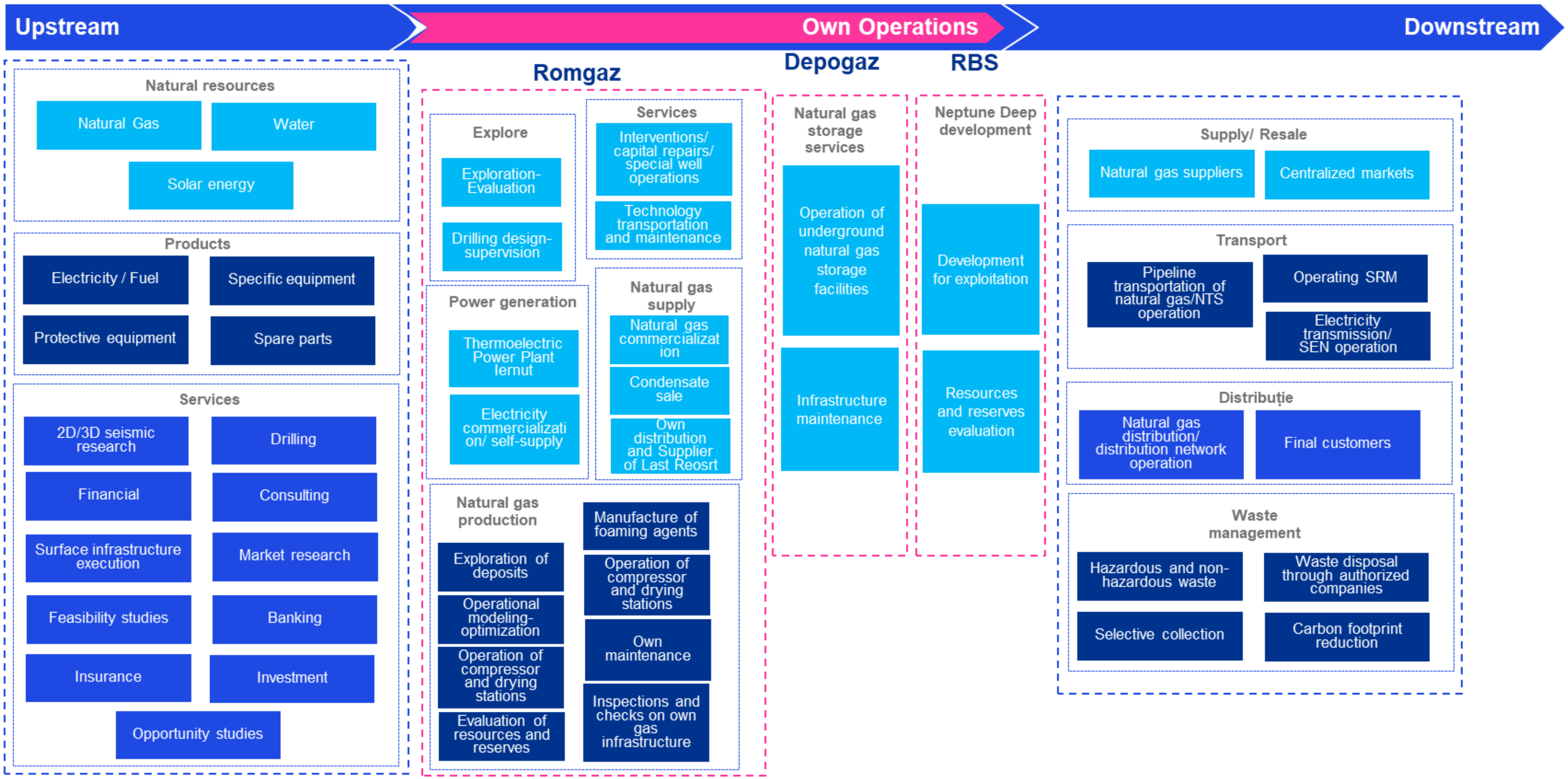
- For Romgaz: the activities include exploration (evaluation, design and supervision of drilling), services (interventions, capital repairs and special operations at wells, technological transport and maintenance), electricity production (exploitation of the Iernut CTE, marketing and self-supply of electricity), exploitation - production and marketing of natural gas (own distribution and integrated single supply - FUI).
- The activity of Depogaz subsidiary concerns the storage of natural gas, the operation of underground storage and the maintenance of gas storage infrastructure.
- The RBS subsidiary focuses on the development for the exploitation of the natural gas field perimeter in the Neptun Deep perimeter, including the development of activities for exploration and evaluation of resources and reserves.

For the reporting year, ROMGAZ Group had 5,977 employees, all active in Romania.

Downstream, ROMGAZ Group sells natural gas to customers (final customers, producers of heat for the population, electricity producers, producers of chemical fertilizers, operators of gas distribution, transport and storage systems for technological consumption). The transport of natural gas is carried out through pipelines through the National Transmission System (SNT) and the Adjustment and Measurement Stations (SRM). The electricity generated at Iernut is transported through the National Energy System (SEN). As for distribution, ROMGAZ Group deals with the distribution of natural gas, the operation of distribution networks and the servicing of final customers.

Various types and quantities of waste result from its own activities. Their management is carried out through authorized firms.

The company’s business model and customer strategy aim at digitizing their interaction as a way to increase their satisfaction and to implement continuous service improvement processes based on customer feedback.


Upstream
Own Operations
Downstream
Romgaz
Depogaz
RBS
Natural resources
Natural Gas
Water
Solar energy
Products
Electricity / Fuel
Specific equipment
Protective equipment
Spare parts
Services
2D/3D seismic research
Drilling
Financial
Consulting
Surface infrastructure execution
Market research
Feasibility studies
Banking
Insurance
Investment
Opportunity studies
Explore
Exploration-Evaluation
Drilling design-supervision
Services
Interventions/ capital repairs/ special well operations
Technology transportation and maintenance
Power generation
Thermoelectric Power Plant Iernut
Electricity commercialization/ self-supply
Natural gas supply
Natural gas commercialization
Condensate sale
Own distribution and Supplier of Last Reosrt
Natural gas production
Exploration of deposits
Operational modeling-optimization
Operation of compressor and drying stations
Evaluation of resources and reserves
Manufacture of foaming agents
Operation of compressor and drying stations
Own maintenance
Inspections and checks on own gas infrastructure
Natural gas storage services
Operation of underground natural gas storage facilities
Infrastructure maintenance
Neptune Deep development
Development for exploitation
Resources and reserves evaluation
Supply/ Resale
Natural gas suppliers
Centralized markets
Transport
Pipeline transportation of natural gas/NTS operation
Operating SRM
Electricity transmission/ SEN operation
Distribuție
Natural gas distribution/ distribution network operation
Final customers
Waste management
Hazardous and non-hazardous waste
Waste disposal through authorized companies
Selective collection
Carbon footprint reduction

Total number of employees per geographical area - Romania	5,977
Total revenue	7,929,436 thousand RON
Revenue according to ESRS material sectors	N/A
Revenue from fossil fuels (coal, oil and natural gas)	6,998,469 thousand RON
Revenue from coal	N/A
Revenue from oil - condensate	93,780 thousand RON
Revenue from natural gas	6,904,689 thousand RON
Revenue from taxonomy aligned economic activities related to fossil gas	0
Revenue from chemical products	N/A
Revenue from controversial weapons	N/A
Revenue from tobacco cultivation and production	N/A

Natural gas and electricity are the main products supplied by Romgaz in the reporting year, while Depogaz provides gas storage services. The products and services of both entities are addressed to the Romanian market.

During the reporting period there were no changes with regard to the products and services provided or groups of customers served.

In 2024, ROMGAZ Group operated on two types of markets: the regulated market (according to the GEO No. 27/2022), where it performed gas distribution activities, and the non-regulated market, where it performed gas and electricity production and supply, as well as underground gas storage activities, both through bilateral negotiation, and on the centralized market managed by the Romanian Commodities Exchange (BRM).

ROMGAZ Group:

- Held a market share of approximately 48% of gas deliveries in Romania's total consumption;
- Held a market share of 1.67% on the wholesale electricity market;
- Is the most important supplier of underground gas storage services, holding approximately 93% of Romania's total storage capacity.

Both the Integrated National Energy and Climate Plan (PNIESC 2021-2030) and Romania's Energy Strategy (2025-2035, with the perspective of 2050) are national strategic documents aligning Romania's energy and climate priorities with the European Union's objectives on climate neutrality. Both documents note that natural gas, and thus ROMGAZ Group holding a significant market share, play an indispensable role in Romania's energy mix and will remain a crucial source of energy for the coming period. However, as the energy sector makes the transition to climate neutrality, ROMGAZ Group's business strategy must incorporate sustainability elements.

At national level, the overall status of these emerging technologies is at an early stage compared to other EU countries, while the successful implementation of these technologies is dependent on several key factors. For the next period, it will be imperative that ROMGAZ Group correlate investment levels with the return on investment and follow the regulatory framework to support the predictability of such investments. In addition, the development of the necessary infrastructure involves multiple players in the value chain and not least ensuring sufficient demand for such services/products from final consumers.

According to the Strategy, ROMGAZ Group focuses on four strategic targets/directions addressing the impacts, risks and opportunities of the sector where it operates, as well as on how it relates to the value chain. The directions are:

- Creating long-term and equal relationships with the market and the social environment;
- The company's digital transformation and supporting innovations to enable new ways to interact with customers, increase the efficiency of the company's own operations and support new directions for development (e.g., entry into the household market, digitization of internal processes to save resources etc.);
- Continuous development of the resource portfolio, with an emphasis on mitigating the effects

of climate change, focusing on resilient hydrocarbons, operational safety and reliability (e.g., cooperation with green technology providers, offering training programs to employees covered by digitization and transition to a sustainable economy);

- Low-carbon electricity and energy, with large-scale use of renewable energy resources, identifying hydrogen positions and developing a gas customer portfolio to complement this low-carbon energy.

The dynamics regarding legislative changes and requirements, especially those aimed at climate-related aspects, as well as ROMGAZ Group's objective to align with the targets assumed at European level, require the updating of the existing ROMGAZ Group Strategy.

Consequently, the company has initiated in 2024 a project to develop a decarbonization strategy taking into account the requirements of the Paris Agreement. Subsequently, the sustainability/business strategy will also be revised in order to be aligned with the new requirements and set measurable medium- and long-term targets in compliance with market expectations, but no deadline has been set yet for this process.

1.3.2 SBM-2: Interests and views of stakeholders

Stakeholders are defined as entities or persons who can affect or be affected by the company's activity. Some of the stakeholders may belong to the two groups. ROMGAZ Group identified the relevant stakeholders for all its operations as follows:

- **Employees**. They are involved once a year in the internal consultation process for gathering feedback and integrating it into ROMGAZ Group 's business strategy and model. In addition, they have the following dedicated platforms and resources available to send any suggestions or referrals throughout the year:
  - The reporting channel, accessible to public interest whistleblowers, available in Romanian and English on the website www.romgaz.ro, Sustainability, Ethics and Integrity, Whistleblower on the link www.romgaz.ro/form/avertizor-de-interes-public;
  - Internal reporting channel accessible to public interest / internal whistleblowers available in Romanian on intranet Infoweb: Information, Ethics and Business Conduct, Whistleblower Section| ROMGAZ;
  - By post, to S.N.G.N. Romgaz S.A., Piața C.I. Motaș No. 4, PO 551130, Sibiu County, Romania, with the note "Confidential - To the attention of the Ethics Adviser ROMGAZ";
  - By e-mail to the e-mail address dedicated to the Ethics Adviser: consilierdeetica@romgaz.ro;
  - Through the Registry, in enclosed envelope, with the note "Confidential - Complaint to the attention of the Ethics Adviser";
  - Personal submission of the complaint to the Ethics Adviser.
- **Suppliers of products and services (contractors)**. The collaboration with suppliers is governed/supported by commercial contracts. The Supplier Code of Conduct has been available since January 2025, establishing ethical standards and sustainability requirements. ROMGAZ Group maintains an active dialog with its suppliers through communication channels: websites, e-mail, questionnaires, telephone, official addresses etc., for the purpose of improving the products and services provided.
- **Shareholders/Institutional investors/analysts**. Shareholders are informed by annual meetings, regular reports and other events such as round tables and conferences organized by the Board of Directors, while the Investors Relations Office is their point of contact. Sustainability information is part of this regular information.
- **Communities** (non-profit organizations, community members, city halls, educational institutions, hospitals etc.). ROMGAZ Group supports local communities through social responsibility initiatives which include partnerships with non-profit organizations, educational institutions such as universities and high-schools, and members of the community. The actions aim at developing education and supporting vulnerable groups

through donations and awareness campaigns. As part of the environmental impact assessment procedures according to legal requirements, ROMGAZ Group shall maintain contact with affected communities when requested by the competent authorities. Based on the nature of the complains, the communities have various communication channels at their disposal. Contact data are available on www.romgaz.ro, Contact section.

- **Financiers/Banks**. The relationship with the banks is determined and targeted at supporting the strategic initiatives of the Company, ensuring an adequate level of transparency and collaboration. The funding criteria, including the ESG-related ones, are taken into account by the Company in defining its strategic directions, while the Company also responds to sustainability data requests deriving from them.
- **Customers**. According to the specific regulations, including Order No. 173/2020 issued by ANRE, ROMGAZ Group directly collaborates with final consumers and natural gas distribution operators. The purpose of such cooperation is to ensure constant communication and facilitate the effective resolution of any problems related to the services offered. In addition, consumers are annually consulted through surveys and questionnaires to obtain feedback. The results are centralized, analysed and reported to management. The client categories in the portfolio, depending on the activity provided, are the following: final consumers, heat producers for the public, electricity producers, chemical fertilizer producers, distribution, transmission and gas storage systems operators for technological consumption.
- **Regulatory authorities/organizations**. ROMGAZ Group shall collaborate with the regulatory authorities and organizations by participating at public consultations where appropriate. The Company also complies with the reporting and monitoring requirements imposed by the authorities, and the company's business strategy and model are aligned with these requirements.
- **Centralized market operators**, i.e. the Romanian Commodities Exchange and the Romanian Electricity and Gas Market Operator (OPCOM). These operators shall make available transparent platforms for the trading of natural gas and electricity within a regulated framework, in a transparent manner, for the competitiveness of requests and bids;
- **Trade unions / Trade union confederation**. There are two trade unions within ROMGAZ Group, namely:
    - The Free trade union of S.N.G.N. Romgaz S.A., with an employee representation rate of 98.61%;
    - The trade union of Depogaz subsidiary, with an employee representation rate of 97.25%.

  The management teams meet with trade unions whenever necessary. Their proposals are analysed and incorporated into the Company’s business strategy, especially for in relation to the social area.

- **Media institutions**. ROMGAZ Group maintains an open relationship with media representatives, providing up-to-date information about its activity through press releases, launch events, interviews and media collaboration, website.

In addition, when conducting the double materiality assessment in 2024, a questionnaire was transmitted to all these stakeholder groups, to enable them to transparently participate at identifying impacts, risks and opportunities related to ROMGAZ Group's activity, products and services.

During the reporting period, based on the information collected from interested stakeholders, no changes were made to the Company’s business strategy and model.

In order to comply with legislative requirements, during the reporting period, ROMGAZ Group started developing a decarbonation strategy, which once finalized and approved, can lead to changes in the business model.

No changes in the interaction manner with external stakeholders have been done or are expected to be implemented. For communication with employees, a project meant to strengthen organizational culture is under implementation. The first phase is the creation of a digital internal communication platform which is to become operational in 2025.

1.3.3 SBM-3: Material impacts, risks and opportunities and their interaction with the business strategy and model

During 2024, ROMGAZ Group focused on identifying and assessing the material impacts, risks and opportunities related to its own operations, in line with the ESRS requirements and the required due diligence principles.

The data recorded by ROMGAZ Group in the Risk Register and related to sustainability topics were also used throughout the assessment process. The Risk Register is established annually, following risk assessment, in accordance with the internal risk management procedure.

Detailed information on the impacts, risks and opportunities identified, as well as on the location of the impact, the time horizon and the way they interact with ROMGAZ Group's business strategy and model, is to be found in the topical sections.

There are no impacts, risks and opportunities presented that are subject to other reporting requirements.

Since 2024 is the first reporting year according to ESRS standards, no comparative changes are presented.

The material risks and opportunities have not had a measurable impact on ROMGAZ Group’s current financial position, financial performance and cash flows. Although the immediate impact on financial performance was not significant, internal estimates suggest that, in the long term, the transition to a more sustainable business model could influence cash flows and capital costs, especially in terms of investments in reducing the carbon footprint and the costs of adapting to climate change if the high emissions scenarios materialize for Romania. To the same extent, the implementation of green energy projects to diversify the portfolio and partnerships to reduce Scope 3 emissions can present significant opportunities for the resilience of the ROMGAZ Group's strategy and business model.

For the reporting year, the risks and opportunities identified were not assessed as material for the value chain. Especially in the medium and long term, as the ROMGAZ Group will make the transition to climate neutrality, the value chain may undergo significant changes. The ROMGAZ Group will have to create long-term partnerships for decarbonization and circularity, thus influencing downstream companies. At the same time, a change in the mix of customers and markets served is also possible.

Climate change adaptation and mitigation have been identified as a strategic risk to be addressed by the company's decarbonation strategy. The financial effects of climate change and the ones related to energy transition may be presented after its approval in 2025.

The resilience of the strategy and business model is important for the Company, and its current strategic and internal regulatory framework (Integrated Management System) is designed to be adaptable, and to enable the company to manage ESG related risks.

For all the details regarding the Company’s impacts, risks and opportunities, and how they are integrated into ROMGAZ Group’s business strategy and model, please refer to the topical sections.

1.4 Impact, risk and opportunity management

1.4.1 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

The process to identify and assess the material impacts, risks and opportunities accomplished by ROMGAZ Group in 2024 was conducted as part of the double materiality assessment, according to the requirements of the CSRD, transposed into national law by MFO No. 85/2024.

The process of double materiality assessment involved stakeholders’ engagement (as defined in section SBM 2), interviewing ROMGAZ Group management and expert teams, consulting specialized literature and company’s internal documents, sustainability reports of similar companies, as well as material topics identified by ESG rating agencies or financiers for the industry ROMGAZ Group belongs to.

The double materiality assessment covered all subsidiaries and branches described in section BP-1 and it included the upstream and downstream value chain.

Throughout the double materiality assessment, the Company complied with the fundamental principles governing it, i.e. it analysed:

- The materiality of the short, medium and long-term positive and negative impacts which ROMGAZ Group has or might have upon the environment and society;
- The financial materiality to determine how sustainability matters may influence the short, medium and long-term financial performance of the company.

Since the double materiality assessment is a complex process, ROMGAZ Group has established a project team and benefited from the support of an external consultant.

The project team included representatives of the departments with responsibilities in sustainability reporting and of the operational departments (Environmental Quality, OHS, Communication, Methane Emission Management, Human Resources etc.).

The double materiality assessment was conducted in several stages, as follows:

1. Identification of the potential material topics

The following activities were conducted to identify the potential material topics:

- Assessment of industry trends — analysis of public sustainability data of similar companies from the European market and of ESG rating agencies;
- Assessment of the sustainability regulatory framework impact on ROMGAZ Group;
- Consideration of the international sustainability reporting standards that ROMGAZ Group intends to adopt;
- Management consultation to align and integrate sustainability priorities with ROMGAZ Group's business objectives.

The identification of the potential material topics that has formed the long list took into account factors like field of activity (exploration-production, transport, distribution or a combination of the these), primary economic activities (gas, electricity, storage), geographical coverage (national, regional, global), business model, governance practices etc.

Once the long list was stablished, it was analyzed how many companies similar with ROMGAZ Group included each material topic in their most recent materiality assessments, and these results were compared with the double materiality assessment conducted by ROMGAZ Group in 2023 in compliance with the Global Reporting Initiative (GRI) standards. According to the rating agencies' assessments for the oil and gas exploration and production industry (SASB and MSCI), it is specific for this industry to focus more on environmental material topics such as greenhouse gas emissions, biodiversity and pollution, as well as on social material topics such as health and safety in operation. In addition, the list of material topics of the European Bank for Reconstruction and Development has also been considered, given the possible funding by this institution of future ROMGAZ Group projects on decarbonization.

Due to the specificity of the industry, a determined threshold was set for each ESG pillar (environment, social, governance) to determine whether a material topic was considered relevant by most of the companies under analysis. The arithmetic mean was calculated for each material topic (based on the total number of similar companies and rating agencies that considered the topic relevant). If a material topic was considered more than the arithmetic mean set as threshold for each ESG pillar, that topic was highlighted to be discussed with the ROMGAZ Group management team.

Following the consultation with ROMGAZ Group management, the list of material topics was narrowed down to the prevailing ones. Specific questions were elaborated based on this list for each topic, which were subsequently used to develop the questionnaire for interested stakeholders' consultation.

ROMGAZ Group's management played an active role throughout the materiality assessment process, being involved in the identification and validation of potential material topics and stakeholders, as well as in the validation process of the results achieved.

2. Stakeholder consultation

Stakeholders were identified by ROMGAZ Group's project team during an internal workshop considering the company's business model and commercial relations, as well as by taking into consideration the potential impact of its activities and products on these stakeholders. The following were identified as stakeholders and benefitted from the same representation weight throughout the assessment process:

- ROMGAZ Group employees;
- Shareholders/Institutional investors/analysts;
- Suppliers of goods and services (contractors);
- Centralized market operators;
- Educational institutions;
- Hospitals;
- Trade unions/Trade union confederations;
- Media institutions;
- City halls;
- Banking institutions;
- Customers (final customers and/or energy suppliers);
- Regulatory and supervisory authorities;
- Non-governmental associations and foundations.

The stakeholder engagement process was conducted as follows:

- **Determination of the sample:** Before the consultation started, the possibility of sampling respondents for each category of stakeholders was considered. This process involved determining the required number of respondents and the proportion of each stakeholder group that should be represented in the sample. But it was decided that the questionnaire should be made available to the entire target audience, covering each group of stakeholders identified. The exception to this approach was taken for suppliers in relation to which the questionnaire was made available to 35 suppliers. The selection of suppliers was accomplished by applying a threshold value, suppliers with contracts above RON 5 million being considered relevant. The total value of the contracts that ROMGAZ Group has with these suppliers represents 83 % of the total ROMGAZ Group contracts in 2023.
- **A contact database was created** and subsequently used for the engagement process. In addition, for employees who do not have access to e-mail, a QR code was generated to access the questionnaire from the mobile phone. If employees could not access the QR code, a communication campaign was conducted where the head of branches supported the employees and also provided the questionnaire in other formats, including printed ones.

The project team drafted a questionnaire with questions on the material topics identified to be used as a tool for stakeholder engagement. As regards the employees, the questionnaire was sent to all the employees, thus eliminating the need for sampling.

To assess the importance of each potential material topic, a scale of 1 to 5 was used, where 1 is of minimal importance and 5 is extremely important. This scale allowed for the quantification of the level of impact associated with each topic for ROMGAZ Group.

For the employee category, e-mails were sent to 2,385 employees out of the total of 5,946. For employees who do not have company e-mail addresses, a QR code or a printed version of the questionnaire was made available. These figures also include the subsidiaries RBS and Depogaz, the breakdown being as follows: RBS - 13 e-mails to all 13 employees; Depogaz – e-mails sent to 240 employees out of the total of 510; ROMGAZ Group – e-mails sent to 2,132 employees, out of the total of 5,423. For employees of Depogaz and Romgaz who do not have access to e-mail, the questionnaire was available via QR code and in printed form.

For the category of shareholders, investors and analysts, 33 questionnaires were sent. Of these, 15 were sent to shareholders (1 majority shareholder and 14 other shareholders), 4 to capital market institutions and 14 to analysts and investors (12 analysts and 2 individual investors).

For the trade union category, out of a total of 6 unions, federations and confederations, 5 questionnaires were sent: 1 to the ROMGAZ Group trade union and 4 to other trade unions that ROMGAZ Group is a member of. The sixth trade union actually is an international body which the five trade unions are affiliated to. As a result, the consultation of this stakeholder was considered irrelevant.

For the category of banking institutions, 13 questionnaires were sent to the institutions with which ROMGAZ Group has collaborative relationships with.

For the category of customers, 68 questionnaires were sent to representative customers of Romgaz and Depogaz, out of a total of 70 customers with bilateral contracts.

For the category of operators of the centralized market, 2 questionnaires were sent to the operators of the centralized markets which ROMGAZ Group operates on.

For the category of suppliers, 35 questionnaires were sent to the relevant suppliers out of a total of 1,526 suppliers. They were selected by applying a value threshold by ROMGAZ Group.

For the category of media institutions, questionnaires were sent to 85 sub-categories, representing the media entities interested in the work and results of ROMGAZ Group. Thus, six questionnaires were sent to news agencies, 9 to TV stations, 7 to radio stations, 23 to newspapers and 40 to online publications.

For the category of associations and foundations/organizations, questionnaires were sent to 83 sub-categories. Of these, 67 questionnaires were sent to associations, 8 to foundations and, out of a total of 13 national and international organizations, 8 questionnaires were sent to national organizations.

For the category of regulatory and supervisory authorities, 73 questionnaires were sent to all regulatory and control authorities.

For the category of educational institutions, 13 questionnaires were sent to institutions which ROMGAZ Group has partnerships with or that received financial support to undergo projects of community interest, respectively sponsorship.

For the category of hospitals, 8 questionnaires were sent to hospitals that received financial support from ROMGAZ Group for rehabilitation and modernization projects.

For the category of city halls, 35 questionnaires were sent to city halls in areas where ROMGAZ Group has exploration, production etc. units, and where its activity could have a relevant impact on the community (employees in the area, local taxes etc.).

The questionnaire process took place from 14 August 2024 to 4 September 2024 and had an average response rate of around 29.4 %.

On the basis of the questionnaires collected, the results were evaluated taking into account the importance given to each topic by each stakeholder and a hierarchy of material topics was done. The company's management also graded this list of material topics, and an intermediate list of potential material topics was thus obtained by combining the two scores.

A materiality threshold of 50% was applied by the management team to this list. Thus, to continue the assessment, material topics in the first half of the ranking, i.e. 50%, were considered, ensuring that the assessment focused only on the most relevant topics for the company and stakeholders.

The following arguments were brought to establish the materiality threshold during the meeting, helping its adoption from multiple perspectives:

- Compared to rating agencies: Setting up a 50% threshold enabled material topics in the upper part of the sample selected by the senior management to fully cover the material topics specific to the sector where ROMGAZ Group operates, according to SASB and MSCI.
- Risk management: Setting up a 50% threshold can help ROMGAZ Group to focus on the most relevant risks and opportunities. Focusing on the top 50% of the material topics ensures that the issues that could have the greatest impact on ROMGAZ Group’s financial performance and its stakeholder relations are addressed.
- Resource allocation: A 50% threshold allows ROMGAZ Group allocate its resources more effectively. Instead of spreading its efforts on numerous material topics, the company can devote more time and resources to the most critical issues, leading to more efficient management and reporting.
- Regulatory compliance: Many regulatory frameworks, such as the Corporate Sustainability Reporting Directive (CSRD), require companies to report material topics in detail. Using a 50% threshold ensures that ROMGAZ Group meets all requirements by focusing on the topics with the greatest impact.
- Stakeholder involvement: By giving priority to the top 50% of material topics, ROMGAZ Group can better address the interests and views of both internal and external stakeholders.

- Strategic decisions: Focusing on fewer topics, ROMGAZ Group can obtain valuable information for strategic decision making. Thus, ROMGAZ Group can identify key areas for improvement and innovation, aligning its sustainability efforts with its overall business strategy.
- Transparency and comparability: A 50% threshold can improve the transparency and comparability of ROMGAZ Group's sustainability reporting, facilitating stakeholder understanding of the company's priorities.

In addition to the topics considered material following the application of the 50% materiality threshold detailed above, the company management considered it relevant to add three more topics on a voluntary basis. The score of these topics was borderline with the materiality threshold.

3. Assessment of impacts, risks and opportunities

On the basis of the material topics identified during the prior phase, the project team started the process to identify impacts, risks and opportunities. The process included internal workshops, analysis of literature and internal materials.

The company assessed and located these impacts, both in its own operations and in relation to suppliers and partners. It evaluated how the company's strategies and activities impacted people and the environment, including both the direct effects of its own activities and those resulting from business relations. Positive and negative impacts were analysed in the short, medium and long term, associated with either internal operations or the upstream or downstream value chain.

For the impact assessment process, the Company used a combination of quantitative and qualitative criteria, including impact scale (1-5), scope (local, regional or global), irremediability (for negative impacts) and probability (for potential positive and negative impacts). The quantitative thresholds were set to determine the relevance of the themes and the qualitative criteria provided background for the interpretation of the results.

In the impact assessment process, the direct and indirect effects of the company's activities were analyzed, given the positive and negative impacts. The qualitative characteristics analysed included the location of the impact, whether it materialized upstream, in the company's own activities or downstream, and the time horizon, i.e. short, medium or long term. A key aspect was the determination of potential impacts on human rights, which are prioritized in line with the ESRS requirements.

The prioritisation of negative impacts on the basis of severity and probability was carried out taking into account, cumulatively and in aggregate, the location of the impact, its cause, time horizon, scale, purpose and remediation possibilities. In the case of future negative impacts, probability was also taken into account. In addition, for each negative impact, a potential adverse effect on human rights was considered, in which case the severity of the impact outweighs its probability.

Each of these parameters was noted according to a quantitative scale and the reasoning was analysed to ensure relevance.

The process of identifying financial materiality was started by identifying risks and opportunities that may influence the company's future financial performance and cash flows. In this context, financial thresholds were set in line with the Risk Management system procedure.

By aligning with the Risk Management system procedure and harmonizing the methodology for scoring and assessing risks and opportunities associated with sustainability, the company has ensured the possibility of analyzing them directly, compared to other categories of risks specific to its field of activity, bringing them to a common denominator.

Financial materiality thresholds

Potential magnitude of the financial impact		
Explanation	**Estimation of the financial impact based on the descriptions of continued resource use, dependency on relationships and other effects on future cash flow.**	
5.	very large impact	very high impact, above EUR 3 million
4.	large impact	large impact between EUR 1.5 million and EUR 3 million
3.	medium impact	average impact between EUR 0.7 and EUR 1.5 million
2.	low impact	low impact between EUR 0.1 million and EUR 0.7 million
1.	no impact	intangible impact

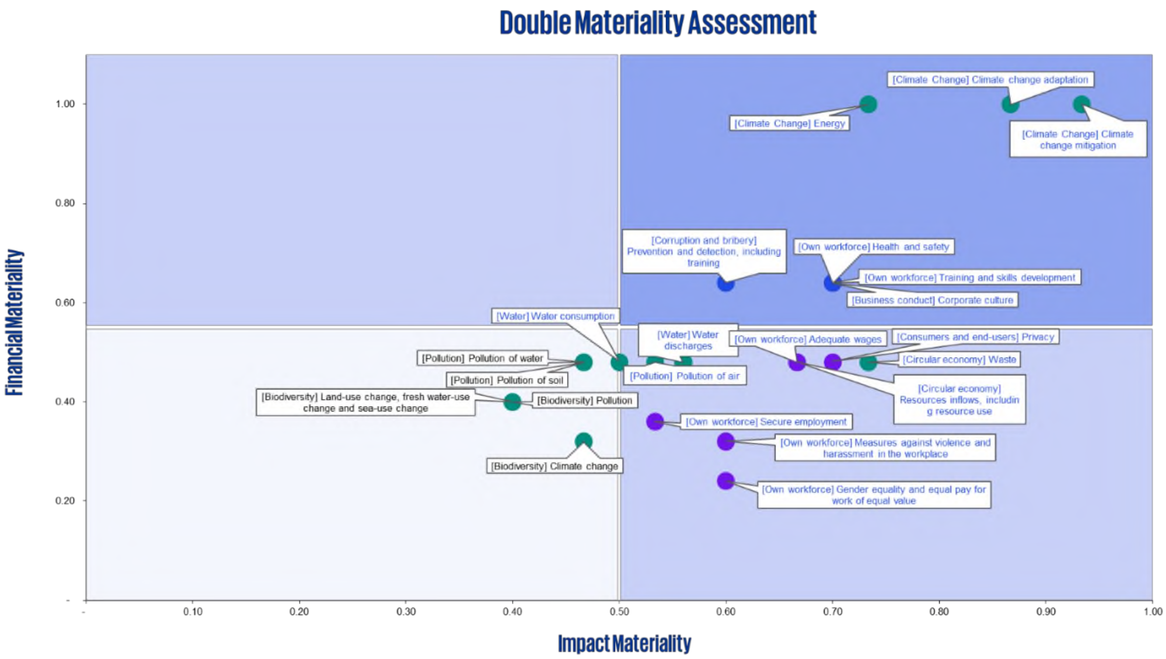
The quantitative assessment included the analysis of continued resource use and dependence on resources in the value chain and other effects on future cash flows.

The information used during the double materiality assessment included internal and external data sources, stakeholder engagement and the identification of relevant industry trends. The double materiality assessment covered all ROMGAZ Group operations, including impacts, risks and opportunities for subsidiaries and branches.

The following material topics resulted from the company's double materiality assessment:

Topic		Sub-topic	Sub-sub-topic
E1	Climate change	Climate change adaptation	Climate change adaptation
E1	Climate change	Energy	Energy efficiency
E2	Pollution	Pollution of air	Pollution of air
E3	Water and marine resources	Water	Water consumption
E3	Water and marine resources	Marine resources	Water discharges
E5	Circular economy	Resources inflows, including resource use	Resources inflows, including resource use
E5	Circular economy	Waste	Waste
S1	Own workforce	Working conditions	Secure employment
S1	Own workforce		Adequate wages
S1	Own workforce		Health and safety
S1	Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value
S1	Own workforce		Training and skills development
S1	Own workforce		Measures against violence and harassment in the workplace
S4	Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy
G1	Business conduct	Corporate culture	Corporate culture
G1	Business conduct	Corruption and bribery	Prevention and detection, including training

The scores given to each topic are included in the double materiality matrix prezented below:



While some ESRS sub-topics have emerged as being placed below the established materiality threshold, the Company ensures that the key elements are addressed in other material topics.

For example, considering the applicable legislative regulations, internal policies and procedures, as well as the Company's non-incident history of hazardous substances and environmental pollution, the sub-topic of the use of substances of concern (ESRS E2) was not considered material to ROMGAZ Group. However, issues relating to methane gas and its storage in SEVESO are treated as a process safety issue within ESRS S1 – Health and Safety and ESRS E1 Climate Change.

Biodiversity has been identified as a relevant topic for ROMGAZ primarily due to the impacts, risks, and opportunities associated with climate change caused by greenhouse gas emissions, land use changes, and pollution, which can disrupt natural habitats and species' life cycles. The assessment took into account the impacts of its own activities and the value chain on biodiversity. Activities, such as drilling and construction, can cause habitat loss and damage to local flora and fauna, and land use change can have negative effects on biodiversity. ROMGAZ Group complies with national and European legislation on environmental and biodiversity impact assessments, including requirements for protected sites such as Natura 2000. The company assesses the systemic risks associated with climate change, which may affect ecosystems and operations in the long term. The decarbonization plan will contribute to the protection and restoration of ecosystems. The company operates in sensitive areas for biodiversity, including near the Natura 2000 site. Impact mitigation measures are implemented in accordance with national and European legislation (Directive 92/43/EEC and Directive 2009/147/EC). Although the ROMGAZ Group has not used scenario analyses for biodiversity to date, the company recognizes their importance and intends to integrate them into future assessments. Following the double materiality analysis, none of the impacts, risks, or opportunities associated with biodiversity and ecosystems were found to be material.

The sub-topics on protection of whistle-blowers and incidents are integrated into the company's strategic and policy papers in a unitary manner, and although they have not met the materiality threshold, they will indirectly be addressed in the material sub-topic Corporate Culture (ESRS – G1).

Based on the sector benchmarking as part of the double materiality assessment and on the internal evaluation, the topic of Affected Communities (S3) is not currently material for ROMGAZ Group.

However, community-related issues are included in ESRS E2, ESRS E3 and ESRS E5, since affected communities are involved in the process of obtaining environmental permits for ROMGAZ Group.

ROMGAZ Group's executive management team was informed about the results of the double materiality assessment process.

1.4.2 IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The list of information requirements, together with the number of the page where they are to be found (content index) and the table of all data points stemming from other EU legislation (Appendix B, ESRS 2) are set out below.

The material topics were identified by using the double materiality assessment described in section IRO -1.

ESRS	Disclosure requirement	Description	Page
ESRS E3	E3-4	Water consumption	101
ESRS E3	E3-5	Anticipated financial effects of impacts, risks and opportunities related to water and marine resources	102
ESRS E5	ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	103
ESRS E5	E5-1	Policies related to resource use and circular economy	106
ESRS E5	E5-2	Actions and resources related to resource use and circular economy	107
ESRS E5	E5-3	Targets related to resource use and circular economy	112
ESRS E5	E5-4	Resources inflows	112
ESRS E5	E5-5	Resource outflows	113
ESRS E5	E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	117
ESRS S1	ESRS 2 SBM-2	Interests and views of stakeholders	118
ESRS S1	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	118
ESRS S1	S1-1	Policies related to own workforce	126
ESRS S1	S1-2	Processes for engaging with own workers and workers' representatives about impacts	129
ESRS S1	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	130
ESRS S1	S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	131
ESRS S1	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	133
ESRS S1	S1-6	Characteristics of the undertaking's employees	134
ESRS S1	S1-10	Adequate wages	135
ESRS S1	S1-11	Social protection	135
ESRS S1	S1-13	Training and skills development metrics	136
ESRS S1	S1-14	Health and safety metrics	137
ESRS S1	S1-16	Compensation metrics (pay gap and total compensation)	138
ESRS S1	S1-17	Incidents, complaints and severe human rights impacts	139
ESRS S4	ESRS 2 SBM-2	Interests and views of stakeholders	140
ESRS S4	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	140
ESRS S4	S4-1	Policies related to consumers and end-users	143
ESRS S4	S4-2	Processes for engaging with consumers and end-users about impacts	144
ESRS S4	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	145
ESRS S4	S4-4	Taking action on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions and approaches	146
ESRS S4	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	147
ESRS G1	ESRS 2 GOV-1	The role of the administrative, management and supervisory bodies	149

ESRS	Disclosure requirement	Description	Page
ESRS G1	ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	150
ESRS G1	G1-1	Corporate culture and business conduct policies and corporate culture	153
ESRS G1	G1-3	Prevention and detection of corruption and bribery	156
ESRS G1	G1-4	Confirmed incidents of corruption or bribery	158

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS 2 GOV-1 Board's gender diversity paragraph 21(d)	Indicator No. 13 of Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		8
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21(e)			Delegated Regulation (EU) 2020/1816, Annex II		8
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator No. 10 Table 3 of Annex 1				15
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40(d)(i)	Indicators No 4 Table 1 of Annex 1	Article 449a of Regulation (EU) No. 575 / 2013; Commission Implementing Regulation (EU) 2022/2453, Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		17
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40(d)(ii)	Indicator No. 9, Table 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40(d)(iii)	Indicator No. 14, Table 1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) of Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) of Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	The company has not adopted a transition plan
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16(g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12.1 (d) to (g), and Article 12.2		Not applicable
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator No. 4 Table 2 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book-Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		68

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS E1-5 Energy consumption from fossil sources disaggregated by source (only high climate impact sectors) paragraph 38	Indicator No. 5, Table 1 and Indicator No. 5, Table 2 of Annex 1				69
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator No. 5, Table 1 of Annex 1				69
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator No. 6, Table 1 of Annex 1				70
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions paragraph 44	Indicators No. 1 and 2, Table of Annex 1	Article 449a; Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)		74
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators No. 3, Table 1 of Annex 1	Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment indicators	Delegated Regulation (EU) 2020/1818, Article 8(1)		78
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	The company does not use carbon credits
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not applicable
ESRS E1-9		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not calculated
Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66(a)					
ESRS E1-9					
Location of significant assets at material physical risk paragraph 66(c).					

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67(c).		Article 449a of Regulation (EU) No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking Book - Climate change transition risk: Loans collateralized by immovable property — Energy efficiency of collateral			Not applicable
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not applicable
ESRS E2-4 Amount of each pollutant listed in Annex II of the Regulation E-PRTR (European Pollutant Release and Transfer Registry) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				88
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				91
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				92
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material topic
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				101
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				101
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material topic
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material topic

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material topic
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material topic
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material topic
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material topic
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				114
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				117
ESRS 2- SBM3 - S1 Risk of incidents of forced labor paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material topic
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material topic
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator No. 9 Table 3 and indicator No. 11 Table 1 of Annex I				127
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		126
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Not material topic

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				128
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				130
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		137-138
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				138
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		138
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				138
ESRS S1-17 Incidents of discrimination paragraph 103(a)	Indicator No. 7, Table 3 of Annex I				139
ESRS S1-17 Non-compliance with UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		139
ESRS 2- SBM3 - S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material topic

This version of the Consolidated Sustainability Statetment is a translation form the original material, which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original text. However, in all matters of interpretation of information, views or opinions, the original language version of our Consolidated Sustainability Statement takes precedence over this statement.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material topic
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material topic
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material topic
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material topic
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material topic
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material topic
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Not material topic
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material topic
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				143

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law Reference	Page/Rating*
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		144
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material topic
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				153
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not material topic
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		158-159
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				156

1.4.3 MDR-P: Policies adopted to manage material sustainability matters

Material topics are managed by ROMGAZ Group through a series of policies aimed at preventing, mitigating and solving current and potential material impacts, addressing material risks and/or pursuing significant opportunities. These measures are included in the ROMGAZ Group management systems, which ensure not only compliance with legal requirements but also alignment with international best practice.

The policies in force that are applicable to each material topic and sub-topic identified are presented in the respective section of the Consolidated Sustainability Statement. If there are no policies included in the internal documents, the Company has specified this and provided a timeframe for their adoption.

1.4.4 MDR-A: Actions and resources in relation to material sustainability matters

The actions required for each material ESRS topic are presented in the respective sections of the Consolidated Sustainability Statement. Where available, information on material action plans and Operational Expenditure (OPEX) and/or Capital Expenditure (CAPEX) shall be included.

1.4.5 MDR-T: Tracking effectiveness of policies and actions through targets

The targets for each material ESRS topic are presented in the respective sections of the Consolidated Sustainability Statement. If no targets have been adopted, the relevant sections of the Statement shall present the reasons why they have not been adopted and the timeframe for their adoption.

The metrics are also set out in the Statement section — the ESRS disclosure requirements covered by the Consolidated Sustainability Statement — which centralizes the material topics, disclosure requirements and material datapoints related to material topic and the metrics that ROMGAZ Group is using to assess performance and effectiveness in issues related to material impacts, risks or opportunities.

2 Presentation of information to be disclosed according to Article 8 of (EU) Taxonomy Regulation 2020/852

The following sections present the analysis carried out by the ROMGAZ Group, for the reporting of information specific to the economic activities carried out in the financial year 2024 (January 1, 2024 – December 31, 2024), in accordance with Article 8 of Regulation (EU) 2020/852. For this reporting period, ROMGAZ Group has the obligation to report the proportions of eligibility and alignment of economic activities, highlighting their contribution to the six environmental objectives.

2.1 Determining the eligibility of ROMGAZ Group's economic activities

The activities carried out by ROMGAZ Group were assessed in relation to each of the three financial indicators (Turnover, CapEx and OpEx) based on the consolidated annual financial statements for the financial year 2024, prepared by the Company's representatives in accordance with the provisions of the Order of the Minister of Finance No. 2844/2016 on Accounting Regulations dated 2016, in compliance with the International Financial Reporting Standards. The financial statements were analysed to identify the eligible economic activities and their eligibility proportions, in accordance with the provisions of the Disclosure Delegated Act No. 2021/2178, and with subsequent communication notices of the European Commission on the interpretation and implementation of certain legal provisions of the EU Taxonomy Regulation and of subsequent Delegated Acts. Double accounting of the values underlying the calculation of the indicators was avoided by eliminating the values of transactions concluded within ROMGAZ Group in accordance with the requirements of IFRS 10 Consolidated Financial Statements, paragraph B86.

To identify the eligible economic activities, a comprehensive screening of its portfolio of activities has been performed, for the eight branches and two subsidiaries of ROMGAZ Group, against both their description, as well as the NACE codes, for comparison with the activities outlined in Annexes I and II of the Delegated Act 2021/2139 and Annexes I – IV of the Delegated Act 2023/2486.

In order to present comparative data, the methodological approach established for 2024 was also applied to the data for 2023. Thus, the following changes were made for 2023:

For CAPEX, in the 2023 taxonomy report, the total included only the capital expenditures of Iernut, which was considered an eligible activity. Therefore, the percentage of current year reporting related to eligible activities for fiscal year 2023 has changed as follows:

- CCM 7.4 from 0.03% of total CAPEX eligibility to 0.01% eligibility of total CAPEX;
- CCM 4.29 "Electricity generation from fossil fuels" from 7.76% of total CAPEX eligibility to 4.12% of total CAPEX.

In the 2023 Taxonomy Report, the OPEX KPIs presented did not take into account all expense accounts as defined in Article 8 of the Taxonomy Regulation No. 852/2020. Therefore, the percentage of current year reporting related to eligible activities for fiscal year 2023 has changed as follows:

- CCM 4.29 "Electricity generation from fossil fuels" from 0.13% eligibility to 14.16% eligibility of total operating expenses;
- CCM 6.6 "Road freight transport services - not identified in the previous year;
- CCM 6.5 "Transport by motorcycles, cars and light commercial vehicles - not identified in the previous year.

Turnover

ROMGAZ Group carries out exploration, exploitation, and supply operations for natural gas. The company holds 90.5% of the Romanian underground gas storage market. In addition, ROMGAZ Group has facilities for the production of electricity generated from natural gas.

In 2024, ROMGAZ Group achieved a total turnover of RON 7,929,436,000.00, of which 94,31% was generated by activities specific to the main field of activity, as follows: production and commercialization of natural gas, storage of natural gas and provision of other services or sale of other goods or products – crude oil and well condensate, activities that are not eligible according to the EU Taxonomy.

Following the assessment, the following eligible economic activities were identified, generating a share of 5.69% of the turnover, as described below:

- Electricity generation by SPEE Iernut (NACE code D3511) generated 4.25% (RON 337,044,436.00) of ROMGAZ Group turnover. This activity corresponds from both the perspective of the NACE code and of its description to the activity under 4.29 - Electricity generation from fossil gaseous fuels, identified in Annex I of Delegated Act 2021/2139 as a transitional activity substantially contributing to the environmental objective "Climate change mitigation".
- The activity carried out by STTM Târgu Mureș under NACE code H4941 - Road freight transport, generated 1.44% (RON 114,170,844.00) of ROMGAZ Group's turnover. The activity of STTM corresponds both in terms of NACE code and in terms of description to the activity under 6.6 - Road freight transport services provided for in Annex I of Delegated Act 2021/2139. This is an activity that contributes substantially to the environmental objective "Climate change mitigation".

Capital expenditure (CapEx)

According to the provisions of Article 1.1.2.2. of Annex I of the Delegated Act No. 2021/2178, CapEx numerator equals to the part of the capital expenditure included in the denominator that is any of the following:

- Related to assets or processes that are associated with Taxonomy-aligned economic activities;
- Part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned ("CapEx plan");
- Related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 - 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

During the 2024 financial year, the total amount of ROMGAZ Group capital expenditure was of RON 3,197,770,000.00, out of which a quota of 92.38% (RON 2,954,017,661.40) represented ineligible capital expenditure, associated to main activities of gas exploitation, deposit and trading.

A-type CapEx

In 2024, ROMGAZ Group made investments to modernize and re-equip the electricity generation facilities, aiming at increasing the production capacity of SPEE Iernut Subsidiary. Two eligible investments were thus identified:

- Activity 4.29 - Electricity generation from fossil gaseous fuels, representing 7.12% (RON 227,716,784.00) from the total investments accomplished.
- Activity 6.6 - Road freight transport services, representing 0.28% (RON 8,877,400.00) to purchase N1 category vans designated for road freight transportation.

C-type CapEx

Specific C-type CapEx expenses were also incurred, representing 0.22% (RON 7,158,154.60) of total capital expenditures, associated with the following eligible activities:

- Renovation activities of buildings owned by ROMGAZ Group represented 0.19% of total capital expenditures. This activity may substantially contribute to two environmental objectives: Climate change mitigation (CCM 7.2) and Transition to a circular economy (CE 3.2). To determine the most relevant environmental objective the renovation activity contributes to, the specifics and purpose of the activities performed were analysed. Considering that:
    - building renovation did not aim at improving their energy efficiency,
    - it does not fall under the definition of "major renovation",
    - and it cannot be associated with the implementation of a climate change adaptation plan,

it was concluded that this activity substantially contributes to the environmental objective “Transition to a circular economy”, i.e. the activity under 3.2 - Renovation of existing buildings set out in Annex II of Delegated Act 2023/2486.

- The acquisition of M1-category electric vehicles had a share of 0.025% of total capital expenditure. This is an investment falling under activity 6.5. Transport by motorcycles, cars and light commercial vehicles in Annex I of Delegated Act 2021/2139. Therefore, it significantly contributes to the environmental objective “Climate change mitigation”.

The acquisition and installation of electric vehicle charging stations were an investment made at Depogaz subsidiary, representing 0.005% of ROMGAZ Group's total capital expenditure. This investment falls under activity 7.4. - Installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces adjacent to buildings) as provided for in Annex I of Delegated Act 2021/2139. Therefore, it contributes to the environmental objective of “Climate change mitigation”.

Operating expenditure (OpEx)

According to Article 1.1.3.1 of Annex I of Delegated Act 2021/2178, the denominator of operating expenses shall cover direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plants and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

Non-financial undertakings that apply national GAAP (Generally Accepted Accounting Principles) and are not capitalizing right-of-use assets shall include lease costs in the OpEx in addition to the costs listed in the paragraph above.

To identify operating expenses in accordance with these criteria, a comprehensive screening of the financial statements was performed based on the provisions of Delegated Act 2021/2178, as well as subsequent Communication Notes of the European Commission: 2022/C 385/01 (FAQ12 – 2022/C 385/01) and C/2023/305 (FAQ34 – C/2023/305). The purpose of the screening was to identify the operating expenses that correspond to the definition of the OpEx denominator, from the expenses recorded in the **Other expenses** category in accounting accounts 611, 612, 624, 6024, 628, respectively the **Personnel expenses** category in accounts 641, 642 and 645.

Thus, the value of the OpEx denominator determined from the total operating expenses recorded at ROMGAZ Group level in 2024 was of RON 201,528,076.28. Based on the specific categories of the OpEx numerator, the following eligible expenses were identified, associated with assets or processes related to taxonomy eligible or aligned economic activities:

- Operating expenses related to electricity production at SPEE Iernut, representing 10.31% of total operating expenses. This falls under activity 4.29 - Electricity generation from fossil gaseous fuels.
- Maintenance and repair expenses of commercial vehicles owned and used by the STTTM Branch in road freight transport, representing 0.49% of total operating expenses. This is included in activity 6.6 - Road freight transport services.
- Maintenance and repair expenses for M1 category vehicles, accounting for 1.64% of total operational expenses. These expenses are associated with activity 6.5 – Transport by motorbikes, passenger cars and light commercial vehicles.

The remaining operating expenses, related to the main activities of production, marketing and storage of natural gas, represent 87.57% of total operating expenses and are ineligible.

2.2 Determining ROMGAZ Group’s eligible economic activities taxonomy-alignment

To be considered “aligned”, eligible economic activities must substantially contribute to at least one of the six environmental objectives set in Article 9 of the EU Taxonomy Regulation (Regulation 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, must not significantly damage any of the other environmental objectives, and comply with the social minimum safeguards set in Article art. 18 of the Regulation.

The assessment of eligible economic activities to determine their alignment ration was accomplished for the activities that substantially contribute to the environmental objectives *Climate change mitigation* and *Transition to a circular economy*, based on the technical screening criteria set by Delegated Acts 2021/2139 and 2023/2486 respectively, as well as based on the screening criteria set for the 4 applicable fields regarding the minimum social safeguards: *human rights, anti-corruption, tax governance, and fair competition.*

Following the assessment performed based on technical screening criteria, it was noted that these have not been entirely complied with, and consequently the eligible activities performed by ROMGAZ Group in 2024 cannot be considered EU taxonomy aligned. Given this, the company has not officially assessed whether it meets the minimum social criteria in accordance with the EU Taxonomy Regulation 2020/852. The company's social aspects are reported in Section S1 of the ESRS report.

2.3 Disclosure of ROMGAZ Group's key performance indicators for the 3 financial indicators

Turnover:

The **denominator** represents the net turnover obtained during the 2024 financial exercise, according to the consolidated profit and loss account according to the Order of the Minister of Public Finances No. 2844/2016 as further amended and completed [please refer to the Annual consolidated financial statements, Note 3].

The **numerator** representing the proportion from the turnover obtained from EU Taxonomy aligned activities is equal to 0 RON, thus resulting an alignment ratio of 0% from the total Turnover.

Capital expenditure (CapEx):

The **denominator** represents the total capital expenditure accomplished during the 2024 financial exercise, according to the Order of the Minister of Public Finances No. 2844/2016 as further amended and completed [please refer to the Annual consolidated financial statements, Note 12].

The **numerator**, including the capital expenditure related to assets or processes associated with EU Taxonomy aligned activities, is equal to 0 RON, thus resulting a ratio of 0% from the total capital expenditure.

Operating expenditure (OpEx):

The **denominator** represents the total operating expenditure corresponding to the 2024 financial exercise, determined according to the definition of this indicator set in Article 1.1.3.1 of Annex I of Delegated Act 2021/2178.

The numerator, including operating expenditure associated to certain EU Taxonomy aligned activities, equals to 0 RON, thus resulting an alignment ratio of 0% from the operating expenditure.

The assessment results of ROMGAZ Group's economic activities for 2024 are described in the sections below, according to the drafts set in Annex V of Delegated Act 2023/2486.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria (“Does Not Significantly Harm”)									
Economic Activities	Code	Turnover	Proportion of CapEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity
		RON	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-	-	-	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	0.00%	-	-
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		
Of which enabling		-	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**	**E**	
Of which transitional		-	**0.00%**	**0.00%**						**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL;	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**										
Electricity generation from fossil gaseous fuels	CCM 4.29	337,044,436.00	4.25%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.46%		
Freight transport services by road	CCM 6.6	114,170,844.00	1.44%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**451,215,280.00**	**5.69%**	**5.69%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**4.46%**		
Turnover of Taxonomy-eligible activities (A.1+A.2)		**451,215,280.00**	**5.69%**	**5.69%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**4.46%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		**7,478,220,720.00**	**94.31%**																
TOTAL (A + B)		**7,929,436,000.00**	**100%**																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	CapEx	Proportion of CapEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of CapEx - aligned (A.1.) or -eligible (A.2.) CapEx, year 2023	Category enabling activity	Category transitional activity
		RON	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	D/N	%	E	T
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-	-	-	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	0.00%	-	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	**0.00%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		
Of which enabling		-	**0.00%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**	**E**	
Of which transitional		-	**0.00%**	**0%**						**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL;	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**										
Electricity generation from fossil gaseous fuels	CCM 4.29	227,716,784.00	7.12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.12%		
Freight transport services by road	CCM 6.6	8,877,400.00	0.28%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Renovation of existing buildings	**CE 3.2** CCM 7.2	6,039,858.28	0.19%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	919,296.32	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	199,000.00	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**243,752,338.60**	**7.62%**	**7.43%**	**0.00%**	**0.00%**	**0.00%**	**0.20%**	**0.00%**								**4.13%**		
CapEx of Taxonomy-eligible activities (A.1+A.2)		**243,752,338.60**	**7.62%**	**7.43%**	**0.00%**	**0.00%**	**0.00%**	**0.20%**	**0.00%**								**4.13%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		**2,954,017,661.40**	**92.38%**																
TOTAL (A + B)		**3,197,770,000.00**	**100.00%**																

	CapEx/Total CapEx ratio	
	Aligned in terms of taxonomy per objective	Eligible in terms of taxonomy per objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.20%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities	Code	OpEx	Proportion of OpEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of OpEx - aligned (A.1.) or -eligible (A.2.) OpEx, year 2023	Category enabling activity	Category transitional activity
		RON	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	D/N	%	E	T
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-	-	-	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	0.00%	-	-
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		
Of which enabling		-	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**	**E**	
Of which transitional		-	**0.00%**	**0.00%**						**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.00%**		**T**
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL;	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**	**EL; N/EL;**										
Electricity generation from fossil gaseous fuels	CCM 4.29	20,775,931.49	10.31%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								14.16%		
Freight transport services by road	CCM 6.6	979,066.48	0.49%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.49%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3,297,891.82	1.64%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.43%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**25,052,889.79**	**12.43%**	**12.43%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**17.08%**		
OpEx of Taxonomy-eligible activities (A.1+A.2)		**25,052,889.79**	**12.43%**	**12.43%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**								**17.08%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		**176,475,186.49**	**87.57%**																
TOTAL (A + B)		**201,528,076.28**	**100.00%**																

This version of the Consolidated Sustainability Statetment is a translation form the original material, which was prepared in Romanian. All possible care has been taken to ensure that the translation is an accurate representation of the original text. However, in all matters of interpretation of information, views or opinions, the original language version of our Consolidated Sustainability Statement takes precedence over this statement.

Disclosure of information set in Article 8 paragraphs (6) and (7) regarding nuclear and fossil gas related activities (according to the template set in Annex III of Delegated Act 2022/1214).

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Taxonomy-aligned economic activities (denominator)

Taxonomy-aligned economic activities (denominator): Turnover

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of Turnover	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Turnover**	**-**	**0%**	**-**	**0%**	**-**	**0%**
8	**Total Turnover**	**7,929,436,000.00**	**100%**	**7,929,436,000.00**	**100%**	**-**	**0%**

Taxonomy-aligned economic activities (denominator): CapEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CapEx**	**-**	**0%**	**-**	**0%**	**-**	**0%**
8	**Total CapEx**	**3,197,770,000.00**	**100%**	**3,197,770,000.00**	**100%**	**-**	**0%**

Taxonomy-aligned economic activities (denominator): OpEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OpEx**	**-**	**0%**	**-**	**0%**	**-**	**0%**
8	**Total OpEx**	**201,528,076.28**	**0%**	**201,528,076.28**	**0%**	**-**	**0%**

Taxonomy-aligned economic activities (numerator)

Taxonomy-aligned economic activities (numerator): Turnover

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the Turnover	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the Turnover**	**-**	**0%**	**-**	**0%**	**-**	**0%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the Turnover**	**-**	**0%**	**-**	**0%**	**-**	**0%**

Taxonomy-aligned economic activities (numerator): CapEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the CapEx**	**-**	**0%**	-	**0%**	**-**	**0%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the CapEx**	**-**	**0%**	**-**	**0%**	**-**	**0%**

Taxonomy-aligned economic activities (numerator): OpEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
5	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the OpEx**	**-**	**0%**	**-**	**0%**	**-**	**0%**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the OpEx**	**-**	**0%**	**-**	**0%**	**-**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities

Taxonomy-eligible but not taxonomy-aligned economic activities: Turnover

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	337,044,436.00	4.25%	337,044,436.00	4.25%	-	0%
5	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the Turnover	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the Turnover**	**114,170,844.00**	**1.44%**	**114,170,844.00**	**1.44%**	**-**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the Turnover**	**451,215,280.00**	**5.69%**	**451,215,280.00**	**5.69%**	**-**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities: CapEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	227,716,784.00	7.12%	227,716,784.00	7.12%	-	0%
5	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CapEx**	**16,035,554.60**	**0.50%**	**16,035,554.60**	**0.50%**	**-**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the CapEx**	**243,752,338.60**	**7.62%**	**243,752,338.60**	**7.62%**	**-**	**0%**

Taxonomy-eligible but not taxonomy-aligned economic activities: OpEx

Row	Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
1	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	-	0%	-	0%	-	0%
2	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	-	0%	-	0%	-	0%
3	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	-	0%	-	0%	-	0%
4	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	20,775,931.49	10.31%	20,775,931.49	10.31%	-	0%
5	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	-	0%	-	0%	-	0%
6	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx	-	0%	-	0%	-	0%
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OpEx**	**4,276,958.30**	**2.12%**	**4,276,958.30**	**2.12%**	**-**	**0%**
8	**Total amount and proportion of taxonomy eligible but not taxonomy- aligned economic activities in the denominator of the OpEx**	**25,052,889.79**	**12.43%**	**25,052,889.79**	**12.43%**	**-**	**0%**

Taxonomy non-eligible economic activities

Rând	Activități economice	Turnover		CapEx		OpEx	
		Amount [RON]	Procentage [%]	Amount [RON]	Procentage [%]	Amount [RON]	Procentage [%]
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	0	0%
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**7,478,220,720.00**	**94.31%**	**2,954,017,661.40**	**92.38%**	**176,475,186.49**	**87.57%**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'**	**7,478,220,720.00**	**94.31%**	**2,954,017,661.40**	**92.38%**	**176,475,186.49**	**87.57%**

3 ESRS E1 - Climate change

3.1 Governance

3.1.1 GOV-3: Integration of sustainability-related performance in incentive schemes

During 2024, a Remuneration Policy was applicable to ROMGAZ Group, providing for a fixed and variable remuneration component for its administrators and directors. Detailed information on the policy may be found in ESRS 2 GOV 3: Integration of sustainability - related performance in incentive scheme page 14.

According to the policy, the performance indicators for directors and administrators may include targets related to the reduction of CO_2 emissions, and their variable remuneration shall reflect the progress in achieving these objectives. The targets are set annually. Specifically, the variable component for 2024 is linked to the CO_2 emissions reduction target that was set during the GSM Meeting of September 2023, which was set as follows:

Emissions from scope 1t (I_{E1t}) - reduction/maintenance of CO_2 specific emissions directly generated by electricity production facilities of Iernut Thermal Power Plant.

Calculation method: $I_{E1t_n} = 1 - \frac{CO2_{Rn} - CO2_{An}}{CO2_{An}}$,

where:

$CO2_{Rn}$ - CO_2 specific emissions generated during year "n" [tCO_2/MWh electricity generated]: emission of CO_2 corresponding to the electricity generated;

CO2An - maximum CO_2 specific emissions undertaken for year "n" [tCO2/MWh electricity generated, as follows:

2023	2024	2025	2026	2027
0.570	0.565	0.360	0.360	0.360

The indicator "Emissions from scope 1t (I_{E1t})" has a weight of 3% of the total performance indicators established for both non-executive and executive administrators and directors.

The maximum CO_2 specific emissions undertaken for the year "n" (2024) [tCO_2/MWh electricity generated] was 0.565.

Climate considerations, including the specific emission reduction targets, are not yet aligned with the ESRS requirements, and ROMGAZ Group intends to develop and approve a decarbonization / transition plan based on climate scenarios and aligned with the Paris Agreement requirements during 2025. Once this decarbonization plan will be adopted, the GHG emission reduction objectives set in the Remuneration Policy will also be aligned.

3.2 Strategy

3.2.1 E1-1: Transition plan for climate change mitigation

Romgaz

The Transition Plan for Climate Change Mitigation (Integrated Transition/Decarbonization Plan) is part of Romgaz's priorities for 2025 for development and approval, in accordance with the requirements of ESRS E1-Climate Chane. Even if in the reporting year 2024, the company did not actually adopt an integrated transition/decarbonization plan, Romgaz adopted measures focused on reducing the carbon footprint, these being related to specific projects. They derive from the Romgaz Strategy which provides indicative directions on the Decarbonization Policy. Detailed information is included in ESRS section E1-3.

Depogaz

Depogaz does not currently have a transition plan complying with ESRS E1 – Climate change but intends to develop and approve such a plan in 2026.

RBS

Neptun Deep project, implemented by RBS with a 50% participation (described in ESRS 2 Section), is compatible with Romania's trajectory to achieve climate neutrality by 2050.

For this project, GHG emissions were estimated for the construction, operation and decommissioning phases, in the Environmental Impact Assessment stage, in relation to RCP 2.6, RCP 4.5, RCP 6.0 and RCP 8.5 trajectories. The Impact Assessment aimed at quantifying the project's emissions, in relation to Romania's GHG reduction targets.

3.2.2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

ROMGAZ Group's activity is directly linked to the challenges and opportunities generated by the transition to a low-carbon economy. The production and supply of natural gas, along with other activities in the value chain, influence greenhouse gas emissions, but also offer solutions for a sustainable transition.

Until now, ROMGAZ Group has not performed a quantitative resilience analysis based on climate scenarios but has only performed a qualitative a resilience assessment according to the material impacts, risks and opportunities and their interaction with the strategy and business model.

Therefore, during 2024, a process to identify and address physical and transition climate risks was initiated. Thus:

- The elaboration of a decarbonization plan taking into account ESRS E1 – Climate change provisions was initiated; this will also include actions and measures to implement the provisions of the Regulation for the Monitoring and Reduction of Methane Emissions (REM), noting that the implementation of the regulation at Romgaz level has a high degree of complexity due to the size of the existing infrastructure owned by the Company.
- The development of a study to identify the climate and resilience Risks and Vulnerabilities was planned, also including their quantitative assessment, in accordance with the ESRS requirements and water risks exposure assessment.
- The double materiality assessment process was performed, identifying at the highest level the climate risks considered when identifying the Company’s impacts and opportunities, which were to be subsequently linked to a decarbonization plan aligned with ESRS E1 – Climate change requirements. For this high-level analysis, it was taken into account that the regulations regarding the limitation of GHG emissions will have an impact on ROMGAZ Group's business model and in this regard the Company is to adopt some measures so that the resilience plan takes into account these pressures and aligns the strategic planning with the time horizons applicable to the ESRS.

The Integrated National Plan for Energy and Climate Change (PNIESC 2021 - 2030) and the Energy Strategy of Romania (2025-2035, with a view towards 2050) are national strategic documents that align Romania's energy and climate priorities with the European Union's climate neutrality objectives.

According to both documents, natural gas, and implicitly ROMGAZ Group which has a significant market share, have an indispensable role in Romania's energy mix and will remain a crucial energy source for the coming period.

The two national strategic documents specify that Romania will prioritize the support given to the establishment of additional electricity capacities that use natural gas, as transitional fuel towards a low-carbon economy. This confirms the resilience of ROMGAZ Group's business model for the 2025-2035-time horizon with a view towards 2050, according to national strategies.

The current site-level development project based approach allows for the anticipated financial effects of climate risks to be taken into account at the investment level, with costs being incorporated into the annual ”Investment Plan” for each project. The Company assesses that at this time there are no risks to securing investment capital in the short, medium and long term for the implementation of the GHG emission reduction programs proposed through the ”Investment Plan”.

3.3 Impact, risk and opportunity management

3.3.1 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities

For the reporting year, ROMGAZ Group did not put in place a process to assess climate-related impacts, risks and opportunities based on climate scenarios but carried out a qualitative assessment.

Thus, through the double materiality assessment carried out in 2024, ROMGAZ Group identified and assessed the related climate impacts and risks, including opportunities for its own operations and the value chain in a qualitative manner, under the most unfavorable climate scenario. These risks were identified as:

- Physical climate-related risks:
  - Extreme temperatures and severe weather events that may affect ROMGAZ Group infrastructure (e.g. offices, production units) and its operational efficiency, generating additional costs through increased insurance premiums, possible decrease in revenues, the need for investments for re-operation or adaptation etc;
  - Extreme weather events (heatwaves, cold spells) with a negative impact on operational continuity such as shutdowns or changes to the operating schedule to allow the workforce to adapt to the new weather conditions;
  - On a case-by-case basis, for certain sites, depending on their location, risks related to wildfires or floods may arise, but they are mitigated through business continuity plans, along with other physical risks related to climate.
- Climate-related transition risks:
  - Legislative changes and strict regulations on GHG emissions. Possible carbon taxes and legislative adjustments that may generate additional costs and affect strategic planning;
  - Market and reputational pressures. Loss of sustainability aware customers and investors if the decarbonization plan is not ambitious enough compared to competitors;
  - Fossil fuels price volatility and market requirements changes towards renewable energy and low-carbon technologies.

Currently, climate-related physical and transition risks:

- Were assessed according to the climate scenarios for Neptun Deep project; it was concluded that the project is compatible with a credible GHG trajectory until 2050, in relation to the climate objectives for the years 2030 and 2050, namely:
  - For the year 2030, the resulting CO_2eq emissions represent 1.14% of the amount of CO_2 eq established by the neutral Romania scenario;
  - For the year 2050, the CO_2eq project emission will be zero.
  - The GHG emissions generated by the project are limited, in line with Romania's general objectives for 2030 and 2050, falling within the planned reduction trajectory. Regarding the climate change adaptation, the sensitivity assessment was carried out considering the evolution of climate variables of temperatures and precipitation for Romania. Climate model forecasts include a series of changes in temperature and precipitation patterns, a general trend of aridity and intensification of external events. For the Neptun Deep project, all these elements were considered for all the phases of the project, and all technical and organizational elements of the project were designed and budgeted to ensure its resilience.

In case of Depogaz, for the Bilciurești project, the construction, assembly and operation phase emissions were considered. Based on the assessment carried out, climate change associated risks are considered minimal, according to the low sensitivity level related to climate change exposure. The potential risks identified include emissions of combustion gases and methane during the construction and operation period, but it was concluded that in the long term, the storage activity contributes to national decarbonization efforts (by using gas as a transitional fuel, to replace coal).

The project implementation will trigger an increased security of supply by developing and diversifying natural gas sources in South-Eastern Europe, ensuring better energy independence and covering the risks of interruption of natural gas flows during peak consumption periods relative to different scenarios.

For the other investment projects that required impact assessments, the identification of climate risks was done from a qualitative perspective, taking into consideration only the most unfavorable climate scenarios.

For the rest of the assets, physical climate risks are addressed by the Business Continuity Plan (BCP) which considers:

- Maintaining operational continuity;
- Personnel protection / human resources;
- Minimizing the safety risks and ecological impact;
- Ensuring an efficient communication with all the parties involved;
- Full restoration of operations as soon and efficient as possible in case of shortages.

Additionally, ROMGAZ Group maintains an inventory of GHG emission sources, both current (2024 operations 2024) and future (Neptun Deep project) emissions and through the decarbonization plan, will evaluate the actual and potential impact on the climate, the physical risks in the adaptation process and the transition risks, as well as ROMGAZ Group's financial opportunities.

The double materiality assessment highlighted that the material impact, both positive and negative, is significant for this material topic and its related sub-topics, and the associated risks and opportunities were identified.

The double materiality assessment (DMA) process is described in detail in ESRS 2 - General Disclosures Section. In the absence of a decarbonization plan aligned with ESRS E1 – Climate change requirements, the impacts, risks and opportunities identified are not linked to such a strategy.

The climate-related impacts, risks and opportunities identified as material are detailed below:

IRO on climate change

Legend:
Type of impact: F = financial impact, M = material impact, MF = material and financial impact
Time horizon: A = current impact (reporting year), P = potential impact (medium and long term)
Source of impact: S = impact arising from strategy and business model, B = impact underpinning strategy

Material topic and Material sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Climate change **Climate change adaptation**	Upstream, own activity, downstream	MF	S	P	ROMGAZ Group may have a positive impact on climate by starting the process of developing a decarbonization strategy and a climate change adaptation policy for both its own headquarters / buildings and fleet and for its subsidiaries (as far as possible aligned with the provisions of Paris Agreement).	A, P	Extreme weather events may have a negative impact on the Company's workforce (working in extreme temperature conditions).	Risks to business continuity and infrastructure caused by extreme weather events and higher temperatures (physical risks). Increase in insurance premiums (transition risks).	The company encourages climate change adaptation and mitigation projects (see measures sections) by implementing green energy projects.
Climate change **Climate change mitigation**	Upstream, own activity, downstream	MF	S	P	Through the investment programs carried out, ROMGAZ Group already contributes to mitigating climate change by: -modernizing and re-technologizing equipment in operational production to reduce methane emissions. In this way, the impact on the environment and people is reduced. Increasing the efficiency of the companies' vehicle portfolio by gradually replacing existing vehicles with hybrid, plug-in/electric models can contribute to	A,P	ROMGAZ Group's business model has a negative impact on the environment through GHG emissions resulting from its own activity or from the value chain. ROMGAZ Group's GHG emissions contribute to the greenhouse effect that generates climate change (both its own emissions and from the value chain). The lack of an internal program to address the management of carbon emissions from the value chain, currently generates a higher negative impact because suppliers are not	Significant financial and operational effort to align ROMGAZ Group's objectives with requirements at nation al level (e.g., Romania's Long-Term Strategy; Romania's Integrated National Energy and Climate Change Plan 2021-2030; Romania's Energy Strategy 2022-2030 with a 2050 perspective; Romania's National Hydrogen Strategy and Action Plan 2023-2030; National Gas Transmission System Development Plan 2024-2033; Romania's National Recovery and Resilience Plan) and at international/European	

					reducing GHG emissions and implicitly mitigating climate change. ROMGAZ Group contributes to mitigating climate change by monitoring atmospheric pollutants, according to the requirements of environmental permits, which allowed for a good level of compliance to be established so far. ROMGAZ Group contributes to mitigating climate change through proactive (not reactive) maintenance plans that allow the reduction of accidental GHG losses.		encouraged to reduce their GHG emissions.	level (Paris Agreement, European Green Deal) (transition risk). Financial risks associated with possible carbon taxes (transition risk). Local development of CO_2 storage is slow. National infrastructure adaptation and technology acceptance by customers and communities is necessary (transition risk) without which ROMGAZ Group cannot move forward with local CCS projects (transition risk). Risks of losing customers interested in sustainability and public image (transition risks).	
Climate change **Energy**	Own activity	MF	S	A, P	Identify and implement solutions to reduce energy consumption of administrative buildings and increase energy efficiency: solar energy systems for self-consumption and thermal insulation of administrative buildings. ROMGAZ Group's initiatives to reduce energy consumption will have a positive impact on the company's carbon footprint and contribute to mitigating climate change. Increase trust among communities by	A, P	Fossil fuel-based energy contributes to GHG emissions and promotes climate change. Rising fossil fuel prices. Avoidance by financiers of investments in technologies/companies that generate GHGs.	Inefficient use of energy or failure to use renewable fuel can increase operational costs or those of value chain partners. (transition risk). Volatility in fossil fuel prices and changing market demands for renewable energy and low-emission technologies (transition risk).	Increasing attractiveness to investors by demonstrating commitment to sustainability and increasing customer satisfaction and loyalty.

					promoting the importance of energy efficiency.				

The company did not use climate scenario assessment to determine the IROs.

The double materiality assessment took into consideration ROMGAZ Group’s business model and strategy; thus GHG emissions may arise from its own operations as well as from the value chain. Other climate-related impacts that were assessed are those related to meteorological events and temporary land use change but this impact was assessed as insignificant, while those related to water risks are addressed in ESRS E3 - Water and marine resources Sections.

Total GHG emissions are calculated and presented in E 1-6.

3.3.2 E1-2: Policies related to climate change mitigation and adaptation

As this is the first year of reporting in accordance with ESRS, ROMGAZ Group does not have dedicated policies for climate change mitigation or adaptation, nor for energy efficiency. The company intends to update its policies addressing these topics but has not set a deadline for this process.

Romgaz

Romgaz maintains the certification of an integrated management system for environment, quality, occupational health and safety (IMS) to ensure environmental compliance, including policies, procedures, and responsibilities, particularly for emissions management. This system is supported by the Policy Statement on Quality, Environment, Health, and Occupational Safety issued by the General Director of Romgaz who is responsible for its implementation.

The monitoring and reporting of greenhouse gas (GHG) emissions are regulated through specific instructions to ensure that emissions remain within legally permitted limits. Significant environmental aspects (including GHG emissions) are integrated into the "Centralized Objectives Document," while the necessary resources are included in the "Annual Investment Plan" and the "Annual Procurement Plan."

Through the "Administration Plan," three strategic directions have been identified: reducing carbon and methane emissions and implementing projects for renewable energy production.

The current measures provide a transitional framework for managing climate-related risks and opportunities until the decarbonization plan is developed in 2025.

Depogaz

Currently, Depogaz does not have dedicated policies for climate change mitigation or adaptation and has not set a deadline for their development. However, the company has an Energy Policy Statement aimed at reducing energy consumption and, consequently, reducing GHG emissions.

Nevertheless, in accordance with current legal requirements, for development projects or modifications to existing sites, the environmental impact assessment process also requires climate risk and vulnerability evaluations. So far, for the projects analyzed, no additional measures have been deemed necessary to enhance site resilience.

RBS

RBS currently carries out office activities and is in the process of developing a system of policies, procedures, and instructions aligned with the specific nature of its current operations. This system is being developed in stages as part of a continuous process of growth and improvement, aligned with both the company's current and future business needs. At this time, there are no specific policies covering the identified material topics, as the nature of office activities and the scale of operations do not justify the existence of such policies.

For the Neptun Deep Project, as part of the impact assessment procedures, climate risks and vulnerabilities have been identified and mitigated from the design phase to ensure the project's resilience.

3.3.3 E1-3: Actions and resources in relation to climate change policies

Romgaz

Although there is no transition plan in place at this time, the Administration Plan approved by the GMS in September 2023 includes a series of measures and actions aimed at reducing GHG emissions, which are presented in the table below.

GHG reductions have not been quantified for all implemented measures - for details, please refer to the table below.

Considering that for 2024, the identified activities are not yet aligned with the technical criteria of the EU Taxonomy, the capital and operational expenditures are included in the Annual Investment Plan and the consolidated financial statements.

Romgaz has identified and implemented a series of actions for energy efficiency, reducing fugitive methane emissions, mitigating climate change, and adapting to its effects. The measures established for managing the impact of emissions include:

- Operational control;
- Measurement and monitoring of emissions;
- Staff training;
- Conducting annual technical inspections, periodic checks, routine repairs, and major overhauls of work equipment;
- Preventing abnormal situations to limit uncontrolled methane gas losses;
- Procuring high-performance equipment and installations with lower pollution levels;
- Implementing the project: "Development of CTE Iernut by constructing a new combined-cycle gas turbine power plant";
- Carrying out repairs, replacing defective fittings, and restoring seals (Natural Gas Production Sections);
- Updating and maintaining the "Monitoring-Measurement Register" application;
- Monthly monitoring by the Environmental Protection Service at headquarters, with written notifications sent to the Environmental Protection Service of the branch regarding any missing information in the Monitoring-Measurement Register.

ROMGAZ Group supports the training and professional development of employees regarding the company's objectives for reducing energy consumption and GHG emissions. Training programs are part of the Annual Training and Professional Development Plan. More information about professional training programs can be found in **ESRS S1 - Own Workforce** on page 118.

The main actions undertaken during the reporting year and those planned for the future are presented below:

Romgaz	Action 1	Action 2	Action 3	Action 4	Action 5	Action 6	Action 7
Actions taken and planned	Development of CTE Iernut by constructing a new combined-cycle gas turbine power plant	Parking redevelopment at the Romgaz site Medias, by installing photovoltaic panels	Installation of a photovoltaic system on the building of the pump station - Iernut Branch	Installation of a photovoltaic system on the building of the micro-hydroelectric power station - Iernut Branch	Construction of a approximately 40 MW photovoltaic park at SPEE Iernut	Acquisition of equipment for the detection and measurement of methane emissions	Modernization of the lighting installation at SC Mureș Modernization of the lighting installation at SC Grebeniș Modernization of the lighting installation at SC Sânmărtin
Decarbonization Levers	Reduction of energy consumption due to the use of more efficient technology.	Use of renewable resources	Use of renewable resources	Use of renewable resources	Use of renewable resources	Control and reduce GHG emissions	Reducing energy consumption
Scope of actions	Power generation - own operations - reduce resource use, reduce air pollution, reduce GHG emissions, reduce carbon footprint.	Own activities - ensuring green infrastructure - producing renewable energy - reducing air pollution, reducing GHG emissions.	Own activities - ensuring green infrastructure - producing renewable energy - reducing air pollution, reducing GHG emissions, reducing carbon footprint.	Own activities - ensuring green infrastructure - producing renewable energy - reducing air pollution, reducing GHG emissions, reducing carbon footprint.	Own activities - ensuring green infrastructure - producing renewable energy - reducing air pollution, reducing GHG emissions, reducing carbon footprint.	Own production activities - monitoring methane emissions - reducing methane emission losses, reducing carbon footprint.	Own activities - production - reducing energy consumption and thus reducing carbon footprint.
Time horizon	2024 - 2025	2024 - 2026	2024 - 2027	2024 - 2027	2024 - 2026	2024	2024
Actions in 2024	Works in progress	**Development of:** - Design brief - Specifications - Acquisition and realization of feasibility study - Permitting procedure	Development of specifications. Procurement of design, installation, maintenance of photovoltaic systems on micro-hydropower roof.	Development of specifications. Procurement of design, installation, maintenance of photovoltaic systems on micro-hydropower roof.	Development of specifications.	Equipped with 7 equipment for the detection and quantification of methane emissions. Methane emission monitoring (continuous process).	Lighting modernization works at SC Mureș, SC Grebeniș and SC Sânmărtin Environmental protection training.
Progress of actions	Work continues from 2024	Realized 100% of what was planned for 2024 (Feasibility Study).	Specifications were developed and a Contract was concluded for "Design,	Specifications were developed and a Contract was concluded for "Design, purchase, installation,	Specifications have been drawn up. Award procedure underway.	7 pieces of equipment for the detection and quantification of methane emissions were purchased.	Completed 75% of modernization works on lighting installations at SC Mures

		Obtaining (partial) approvals.	purchase, installation, maintenance of photovoltaic system on the roof of the pumping station building and roof of the micro-hydropower plant building.	maintenance of photovoltaic system on the roof of the pumping station building and roof of the micro-hydropower plant building.			Completed 75% of modernization works of lighting installations at SC Grebeniș Completed 75% of modernization works of lighting installations at SC Sânmărtin
Targets	Reduction of NOx emissions compared to the existing operating situation of the Iernut by about 72% after commissioning of the objective in 2025 Reduction of specific CO_2 emissions directly generated by the installations by 0.205 tCO_2/MWh electricity produced (0.565 in 2024, and from 2025 this will be 0.360).	Estimated decrease of greenhouse gas emissions by 50.99 tCO_2 eq/year and obtaining 238,959,57 kWh/year of green energy	No numerical targets have been set for 2024. The contract for "Design, procurement, installation, maintenance of photovoltaic system on the roof of the pumping station building and the roof of the micro-hydropower plant building" was signed at the end of 2024.	No numerical targets have been set for 2024. The contract for "Design, procurement, installation, maintenance of photovoltaic system on the roof of the pumping station building and the roof of the micro-hydropower plant building" was signed at the end of 2024.	No numerical targets have been set. Award procedure ongoing.	7 equipment for the detection and quantification of methane emissions	SC Sânmărtin - energy saving - 2,26 toe/year SC Mureș - energy saving - 2,75 toe/year SC Grebeniș energy saving - 2,61 toe/year
Current financial resources allocated to the Action Plan (Capex) and an explanation of how this relates to the most relevant amounts	Planned 348.656 thousand RON Realized 209,847.01 thousand RON The financial resources allocated in 2024 can be found in the consolidated annual financial statements, within the fixed assets additions note 12.	Planned 110 thousand RON Realized 55,980 thousand RON The financial resources allocated in the year 2024 are included in the consolidated annual financial statements, within the fixed assets additions note 12.	Planned 710 thousand RON, Realized zero Contract concluded in November 2024, with 36 months of execution.	Planned 212 thousand RON Realized zero Contract concluded in November 2024, with an execution term of 36 months.	Planned 25.619 thousand RON Realized zero	Planned 3.500 thousand RON Realized 3.219,14 thousand RON The financial resources allocated in 2024 can be found in the consolidated annual financial statements, within the fixed assets additions note 12.	SC Mures Planned 300 thousand RON Realized 736,60 thousand RON SC Grebeniș Planned 300 thousand RON Realized 14,68 thousand RON SC Sânmărtin Planned 300 thousand RON Realized 345,90 thousand RON The financial resources allocated in 2024 can be found in the

							consolidated annual financial statements, within the fixed assets additions note 12.
Future financial resources allocated to the Action Plan	The 2025 PINV has not been finalized.	The 2025 PINV has not been finalized.	The value of the contract concluded in 2024 is 445,47 thousand RON. Total contract 512,04 thousand RON.	The value of the contract concluded in 2024 is 66,57 thousand RON	The 2025 PINV has not been finalized.	Not the case.	The 2025 PINV has not been finalized.

PPME – Environmental Protection and Ecology Program
PINV – Investment Plan

Actions aimed at infrastructure integrity to prevent GHG emissions

The Romgaz infrastructure management system involves the implementation and application of specific procedures designed to ensure the efficient maintenance of the natural gas infrastructure. These procedures are detailed and classified according to the type of maintenance and specific activity, and are essential to ensure the integrity and continuous operation of the natural gas infrastructure, preventing and addressing any failures or accidents that could lead to the release of GHG emissions into the atmosphere.

To enhance operational safety and energy efficiency, Romgaz conducts the following activities annually:

- Energy consumption analysis: As part of maintenance processes, energy consumption is analysed annually. If opportunities to reduce specific energy consumption are identified, upgrades are proposed and implemented.
- Inspection and revision: A systematic program has been initiated for inspecting, verifying, and revising electrical and mechanical installations at all Romgaz sites. This program aims to ensure the correct and safe operation of these installations.
- Fire detection and signalling: A program has been launched to install fire detection and signalling systems for important sites where permanent staff is present. These systems are essential for preventing and swiftly managing potential fires, ensuring the protection of personnel and infrastructure.

For controlling fugitive or accidental GHG emissions, Romgaz implements inspection and maintenance measures for natural gas pipeline routes. To record interventions, the company maintains a maintenance register and remediation reports where applicable.

The actions presented have been planned and implemented at the level of Romgaz's own operations and no actions have been implemented targeting the value chain.

Depogaz

Depogaz's actions regarding the reduction of GHG emissions from fugitive losses are not yet aligned with the ESRS requirements, but they involve ensuring efficient maintenance. Thus, a series of technical measures are continuously implemented, including:

- Expert services for pressure vessels, pipelines, and lifting equipment;
- Inspections and testing services for RI and IP ISCIR/CNCIR;
- Services for overhauling, checking, and adjusting safety valves;
- Periodic technical inspections (VTP) and maintenance of gas-consuming appliances;
- Gas, smoke, and fire detection systems;
- Maintenance of air conditioning units.

Specifically, the Bilciurești project contributes to reducing greenhouse gas emissions and pollutants, in line with European decarbonization policies and the rising prices of ETS emission certificates. By implementing the project, the role of natural gas as a transitional fuel is recognized.

RBS

RBS, as operational activities, carries out office activities and, therefore, aims to reduce electricity consumption through staff training. Regarding the Neptun Deep project, it is currently in the development phase. Neptun Deep is a project designed with a carbon footprint below the industry average by adopting the most advanced technical practices available, alongside the use of cutting-edge exploitation technologies. All productive infrastructure (onshore and offshore) will be newly built. The production platform will generate its own electricity and is designed to operate at the highest safety and environmental protection standards.

Regarding the implementation of projects for renewable energy production, the Administration Plan targets the construction/acquisition of renewable energy production facilities (photovoltaic park) with a total cumulative capacity of 180 MW by 2030.

The actions presented have been planned and implemented at the level of the company’s own operations, and no actions have been implemented targeting the value chain.

3.4 Metrics and targets

3.4.1 E1-4: Targets related to climate change mitigation and adaptation

For the reporting year, no long-term GHG reduction targets aligned with the disclosure requirements in ESRS E1 – Climate Change have been set for any entity within the ROMGAZ Group (Romgaz, Depogaz, and RBS). Therefore, the information required by requirement 34 and AR 23 and 24 of this standard cannot be presented.

However, for some of the measures presented in section E1-3 Actions and resources related to climate change policies, Romgaz has established indicators and project targets. These targets aim to reduce GHG emissions from Scope 1 and Scope 2 and have been set as gross targets. The information is included in the table in section E1-3: Actions and resources related to climate change policies on page 63.

Stakeholder consultation was not conducted when setting these targets.

Project	Target set/planned	Achievement
Development of the Iernut CTE through the construction of a new combined-cycle thermoelectric power plant with gas turbines	Reduction of NO_X emissions compared to the current operation of the Iernut CTE by approximately 72%. Reduction of specific CO_2 emissions directly generated by the installations by 0.205 tCO_2/MWh of electricity produced.	The project is still under execution – planned to be delivered in 2025.
Parking redevelopment at the Romgaz headquarters through the installation of photovoltaic panels	Estimated decrease in greenhouse gas emissions by 50.99 tCO_2eq/year	100% of what was planned for 2024 has been completed (Feasibility Study). Obtaining permits (partial).
Acquisition with equipment for detecting and quantifying methane emissions	Purchase of 7 equipment units for detecting and quantifying methane emissions.	100%
Modernization of lighting installation SC Mures, SC Grebeniș and SC Sânmărtin	SC Sânmărtin - energy saving - 2,26 toe/year SC Mureș - energy saving - 2,75 toe/year SC Grebenis - energy saving - 2,61 toe/year	The projects are under execution - planned to be delivered in 2025.

The decarbonization levers used for these projects are:

- Energy efficiency;
- Renewable energy production;
- Monitoring, detection, and elimination of GHG emissions.

3.4.2 E1-5: Energy consumption and mix

Type of energy/2024	Romgaz	Depogaz	RBS	ROMGAZ Group
(1) Fuel consumption from coal and coal products (MWh)	0	0	0	**0**
(2) Fuel consumption from crude oil and petroleum products (MWh)	45,950.57	400.86	18.38	**46,369.81**
(3) Fuel consumption from natural gas* (MWh)	3,444,623.59	145,564.89	75.77	**3,590,264.25**
(4) Fuel consumption from other fossil sources (MWh)	0	0	0	**0**
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	0	122.46	36.05	**158.51**
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**3,490,574.16**	**146,088.21**	**130.20**	**3,636,792.57**
Share of fossil sources in total energy consumption (%)	**100%**	**72.45%**	**61.81%**	**98.49%**
(7) Consumption from nuclear sources (MWh)	**0**	**7,982.37**	**29.12**	**8,011.49**
Share of consumption from nuclear sources in total energy consumption (%)	**0%**	**3.96%**	**13.82%**	**0.22%**
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	**0**	**0**	**0**	**0**
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	0	47,560.22	51.34	47,611.56
(10) The consumption of self-generated non-fuel renewable energy (MWh)	0	0	0	0
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**0**	**47,560.22**	**51.34**	**47,611.56**
Share of renewable sources in total energy consumption (%)	**0%**	**23.59%**	**24.37%**	**1.29%**
Total energy consumption (MWh) (calculated as the sum of lines 6, and 11)	**3,490,574.16**	**201,630.80**	**210.66**	**3,692,415.61**

Total ROMGAZ	2024
Non-renewable energy production (MWh)	**880,342.519**
Renewable energy production (MWh)	**0**

Energy intensity based on net revenue	2023	2024	% 2024 / 2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/thousand RON)			
ROMGAZ Group	-	0.4683	-

The year 2024, is considered the first reporting year under ESRS standards. Comparative data as required by ESRS are therefore not presented.

Revenue breakdown 2024	ROMGAZ Group
Net revenue from activities in high climate impact sectors used to calculate energy intensity	7,884,511 thousand RON
Net revenue (other)	44,925 thousand RON
Total net revenue (Financial statements)	7,929,436 thousand RON

*Note: The amount was calculated based on the company's revenues from the extraction and processing of natural gas and the production of electricity from fossil gaseous fuels, as total net revenues minus total net revenues from activities in sectors with a high climate impact.

3.4.3 E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions

The year 2024 is the first year for which ROMGAZ Group has applied the ESRS E1 – Climate change requirements to calculate its carbon footprint. Therefore, a comparison with emissions calculated and reported in the previous year cannot be provided. The emissions reported in previous years followed an internal methodology, and comparing them with the results obtained for 2024 would not be relevant.

SPEE Iernut holds Authorization no. 58/15.02.2021 for greenhouse gas emissions for the period 2021–2030. SPEE Iernut has a Greenhouse Gas Emissions Monitoring and Reporting Plan and prepares an "Annual Greenhouse Gas Emissions Monitoring Report," which is validated by an independent verification body. The Annual Greenhouse Gas Emissions Monitoring Report and the CO_2 Emissions Validation Report are also evaluated/approved by the National Environmental Protection Agency – Climate Change Directorate. The CO_2 emissions monitoring report for 2024 has been externally validated and approved, and the CO_2 emission certificates required for 2024 compliance have been returned in accordance with applicable legal provisions. In 2024, only the 200 MW Unit No. 5 was operational at SPEE Iernut.

Scope 1 GHG Emissions

The following assumption were considered for calculating Scope 1 emissions:

Stationary sources:

- Natural gas consumption used for the operation of thermal power plants, recorded at all Romgaz branches and subsidiaries, including the headquarters in Mediaș;
- Fuel consumption (diesel and gasoline) used for the operation of stationary equipment (generators, diesel pumps, etc.);
- Fugitive methane emissions generated during natural gas extraction processes carried out by the Mediaș, Tg. Mureș, and Buzău branches;
- The amount of natural gas (2,725,470.82 MWh) used by the SPEE Iernut Branch for electricity production. The emissions generated by the IMA 5 facility at the SPEE Iernut Branch, which falls under the scope of the EU ETS, were calculated by SPEE Iernut representatives in accordance with the requirements set out in Authorization no. 58/15.02.2021 regarding GHG emissions for the period 2021–2030.

Mobile Sources:

- Fuel consumption (diesel and gasoline) used for vehicle fleets owned or operated by each Romgaz subsidiary and branches;
- Fuel consumption (diesel and gasoline) used for non-road vehicles or mobile equipment owned by Romgaz branches;
- LPG consumption recorded for forklifts owned by the Depogaz subsidiary.

For vehicles acquired through leasing or rented by certain branches from other Romgaz subsidiaries/branches, operational control over the rented vehicles was considered, and emissions were accounted for under Scope 1 rather than Scope 3.

Fugitive Emissions:

- Category/type of equipment containing fluorinated gases;
- Number of equipment units owned by each branch/subsidiary;
- Type of refrigerants used;
- Quantities of refrigerants refilled in installations in 2024, which were considered equal to the amount of fugitive emissions/leakages. This information was compiled from maintenance reports.

The emission factors used were sourced from DEFRA 2024, IPCC AR6, and SPEE Iernut.

The year 2024 was the first in which Scope 1 emissions were calculated in accordance with the GHG Protocol; therefore, no comparative data can be provided.

Scope 1 GHG emissions (tCO_2eq)		2023	2024	% 2024 / 2023
Romgaz	Gross Scope 1 GHG emissions (tCO_2eq)	-	860,506.20	-
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	58.13%	-
	Biogenic CO_2 emissions (from combustion or biodegradation of biomass) - not included in GHG Scope 1	-	0	-
Depogaz	Gross Scope 1 GHG emissions (tCO_2eq)	-	57,442.13	-
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	0%	-
	Biogenic CO_2 emissions (from combustion or biodegradation of biomass) - not included in GHG Scope 1	-	0	-
RBS	Gross Scope 1 GHG emissions (tCO_2eq)	-	19.37	-
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	0%	-
	Biogenic CO_2 emissions (from combustion or biodegradation of biomass) - not included in GHG Scope 1	-	0	-
ROMGAZ Group	Gross Scope 1 GHG emissions (tCO2eq)	-	**917,967.70**	-
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	**54.49%**	-
	Biogenic CO_2 emissions (from combustion or biodegradation of biomass) - not included in GHG Scope 1	-	0	-

Scope 2 GHG Emissions

For the calculation of Scope 2 emissions, the total electricity consumption (kWh) recorded at each branch was considered, based on the contracted suppliers.

Emissions associated with energy consumption were calculated using both the **location-based** and market-based methods. Since the emission factors for 2024 had not been published at the time of the calculation, the 2023 emission factors provided by the contracted suppliers were used. Self-supply situations were excluded.

The year 2024 was the first in which Scope 2 emissions were calculated in accordance with the GHG Protocol; therefore, no comparative data can be provided.

Scope 2 GHG emissions		2023	2024	% 2024 / 2023
Romgaz	Gross location-based Scope 2 GHG emissions tCO_2eq	-	Included in Scope 1 (Self-Supply)	-
	Gross market-based Scope 2 GHG emissions tCO_2eq	-	Included in Scope 1 (Self-Supply)	-
	Biogenic CO_2 emissions (from the combustion or biodegradation of biomass) - not included in Scope 2 of GHG emissions	-	0	-
Depogaz	Gross location-based Scope 2 GHG emissions tCO_2eq	-	9,586.08	-
	Gross market-based Scope 2 GHG emissions tCO_2eq	-	72.25	-

	Biogenic CO2 emissions (from the combustion or biodegradation of biomass) - not included in Scope 2 of GHG emissions	-	0	-
RBS	Gross location-based Scope 2 GHG emissions tCO_2eq	-	20.06	-
	Gross market-based Scope 2 GHG emissions tCO_2eq	-	17.76	-
	Biogenic CO_2 emissions (from the combustion or biodegradation of biomass) - not included in Scope 2 of GHG emissions	-	0	-
ROMGAZ Group	Gross location-based Scope 2 GHG emissions tCO_2eq	-	**9,606.14**	-
	Gross market-based Scope 2 GHG emissions tCO_2eq	-	**90.01**	-
	Biogenic CO2 emissions (from the combustion or biodegradation of biomass) - not included in Scope 2 of GHG emissions	-	**0**	-

Scope 3 GHG Emissions

The year 2024 was the first in which Scope 3 emissions were calculated in accordance with the GHG Protocol; therefore, no comparative data can be provided.

Significant scope 3 GHG emissions		2023	2024	% 2024 / 2023
Romgaz	**Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)**	-	**9,864,242.99**	-
	1 Purchased goods and services	-	43,006.41	-
	2 Capital goods	-	90,944.53	-
	3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) – based on Market	-	13,987.57	-
	4 Upstream transportation and distribution	-	136.88	-
	5 Waste generated in operations	-	522.48	-
	6 Business traveling	-	352.18	-
	7 Employee commuting	-	1,912.31	-
	8 Upstream leased assets	-	-	-
	9 Downstream transportation	-	408,890.45	-
	10 Processing of sold products	-	2,148.06	-
	11 Use of sold products	-	9,302,342.13	-
	12 End-of-life treatment of sold products	-	-	-
	13 Downstream leased assets	-	-	-
	14 Franchises	-	-	-
	15 Investments	-	-	-
	Biogenic CO_2 emissions (from biomass combustion or biodegradation) - not included in GHG Emission Scope 3	-	0	-
Depogaz	**Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)**	-	**15,865.40**	-
	1 Purchased goods and services	-	2,947.11	-
	2 Capital goods	-	12,369.47	-
	3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) – based on Market	-	32.48	-
	4 Upstream transportation and distribution	-	10.28	-
	5 Waste generated in operations	-	113.66	-
	6 Business traveling	-	217.91	-
	7 Employee commuting	-	174.50	-
	8 Upstream leased assets	-	-	-
	9 Downstream transportation	-	-	-
	10 Processing of sold products	-	-	-
	11 Use of sold products	-	-	-

	12 End-of-life treatment of sold products	-	-	-
	13 Downstream leased assets	-	-	-
	14 Franchises	-	-	-
	15 Investments	-	-	-
	Biogenic CO2 emissions (from biomass combustion or biodegradation) - not included in GHG Emission Scope 3	-	0	-
RBS	**Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)**	**-**	**70,685.84**	-
	1 Purchased goods and services	-	70.59	-
	2 Capital goods	-	70,599.67	-
	3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) – based on Market	-	9.52	-
	4 Upstream transportation and distribution	-	-	-
	5 Waste generated in operations	-	0.46	-
	6 Business traveling	-	1.15	-
	7 Employee commuting	-	4.44	-
	8 Upstream leased assets	-	-	-
	9 Downstream transportation	-	-	-
	10 Processing of sold products	-	-	-
	11 Use of sold products	-	-	-
	12 End-of-life treatment of sold products	-	-	-
	13 Downstream leased assets	-	-	-
	14 Franchises	-	-	-
	15 Investments	-	-	-
	Biogenic CO_2 emissions (from biomass combustion or biodegradation) - not included in GHG Emission Scope 3	-	0	-
ROMGAZ Group	**Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)**	**-**	**9,950,794.23**	-
	1 Purchased goods and services	-	46,024.11	-
	2 Capital goods	-	173,913.66	-
	3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) – based on Market	-	14,029.57	-
	4 Upstream transportation and distribution	-	147.16	-
	5 Waste generated in operations	-	636.60	-
	6 Business traveling	-	571.24	-
	7 Employee commuting	-	2,091.25	-
	8 Upstream leased assets	-	-	-
	9 Downstream transportation	-	408,890.45	-
	10 Processing of sold products	-	2,148.06	-
	11 Use of sold products	-	9,302,342.13	-
	12 End-of-life treatment of sold products	-	-	-
	13 Downstream leased assets	-	-	-
	14 Franchises	-	-	-
	15 Investments	-	-	-
	Biogenic CO_2 emissions (from biomass combustion or biodegradation) - not included in GHG Emission Scope 3	-	0	-

Total GHG emissions		2023	2024	%2024/2023
Romgaz	**Total GHG emissions (location based) (tCO2eq)**	-	**10,724,749.19**	-
	Total GHG emissions (market based) (tCO2eq)	-	**10,724,749.19**	-
Depogaz	**Total GHG emissions (location based) (tCO2eq)**	-	**82,893.61**	-
	Total GHG emissions (market based) (tCO2eq)	-	**73,379.79**	-

RBS	Total GHG emissions (location based) (tCO2eq)	-	70,725.27	-
	Total GHG emissions (market based) (tCO2eq)	-	70,722.97	-
ROMGAZ Group	Total GHG emissions (location based) (tCO2eq)	-	10,878,368.07	-
	Total GHG emissions (market based) (tCO2eq)	-	10,868,851.94	-

The reporting thresholds considered, the calculation methods for estimating greenhouse gas emissions and the calculation tools applied for each significant GHG category in Scope 3 are presented in the table below:

Type	Reporting perimeter considered	Calculation methods for estimating GHG emissions	Applied calculation tools
Purchased goods and services	List of goods and services purchased by each /subsidiary of ROMGAZ Group in 2024.	The emissions were calculated using the spend-based method. Expenditures were classified based on the CPV (Common Procurement Vocabulary) description and the Standard Industrial Classification (SIC) categories published by the UK Government. To avoid double counting, expenses related to certain service categories that are not applicable (e.g., taxes, rent, etc.) or goods and services already included in other emission source categories were excluded from the lists of purchased goods and services. These excluded expenses include fuel and utility costs (except water), expenses for reserving transport capacities or transporting natural gas, raw material transportation costs, and business travel expenses—including accommodation costs. The RON to GBP conversion was performed using the average exchange rate published by the National Bank of Romania (BNR) for 2024.	The emission factors published by DESNZ and DEFRA in the CarbonSaver application for the year 2024 were used for each category of goods, services, or economic activities included in the SIC list.
Capital goods	List of capital goods acquired by each branch/subsidiary of ROMGAZ Group in 2024.	The emissions were calculated using the spend-based method. Expenditures were classified based on the CPV (Common Procurement Vocabulary) description and the Standard Industrial Classification (SIC) categories published by the UK Government. The emissions associated with the Neptun Deep project, in which the RBS Subsidiary holds a 50% stake without operational control, were also accounted for.	The emission factors published by DESNZ and DEFRA in the CarbonSaver application for the year 2024 were used for each category of goods, services, or economic activities included in the SIC list.
Fuel and energy-related Activities (not included in Scope1 or Scope 2)	Quantities of fuels, natural gas and electricity not included in Scope 1 and 2.	For fossil fuels (diesel and gasoline), upstream emissions (WTT) were calculated. For consumed natural gas, upstream emissions (WTT) were not calculated in this category, as they were included in Scope 1 (Stationary Sources). Upstream emissions (WTT) associated with self-supplied electricity were included in Scope 1 (Stationary Sources), and therefore, they were not included in this category. For energy consumed from self-supply, emissions associated with losses in the electricity transmission and distribution (T&D) network were calculated and accounted for. For electricity purchased from other suppliers (e.g., Hidroelectrica and Cotroceni Park), the following emissions were calculated: Upstream emissions (WTT); Emissions associated with electricity losses in the transmission and distribution network (T&D loss); Upstream emissions associated with energy losses in the transmission and distribution network (WTT of T&D loss).	Upstream emissions for fossil fuels were calculated using the emission factors published by DEFRA for the year 2024. For calculating the upstream emissions associated with the quantities of energy consumed and the losses recorded in the transmission and distribution network, emission factors were used, calculated based on the specific emission factors of the contracted suppliers, in accordance with the calculation formulas published by DEFRA and the International Energy Agency (IEA).
Upstream transportation and distribution	Estimates made by the representatives of the ROMGAZ Group branches/subsidiaries regarding the distances covered by couriers/carriers contracted for the delivery of purchased goods/products (e.g.: spare parts,	For the calculation of emissions generated by the transportation of purchased goods and products, the assumption was made that the delivery was carried out using N3 category freight vehicles (Heavy Goods Vehicle - HGV).	According to the calculation formulas published by DEFRA for the year 2024.

Type	Reporting perimeter considered	Calculation methods for estimating GHG emissions	Applied calculation tools
	industrial equipment and machinery, IT equipment, various food products, etc.)		
Waste generated in operations	Data collected from the Waste Management Records maintained at each ROMGAZ Group subsidiary/branch: • Type/category of waste generated; • Waste code according to Government Decision no. 856/2002; • Quantity generated [tons]; • Treatment method (disposal/recovery); • Treatment operation code for recovery/disposal.	The categories of waste generated were classified based on their nature into the waste categories published by DEFRA. Emission factors were allocated based on the management method (recovery/disposal).	According to the calculation formulas published by DEFRA for the year 2024.
Business traveling	For each branch/subsidiary of ROMGAZ Group, information was provided on business trips by plane (air transportation), by other means of transportation (transfers by taxi, Uber, transfer companies, or train trips), and accommodation in the country and abroad.	For air transportation, both the distances travelled (km) and the emissions were calculated using the ICEC (ICAO Carbon Emissions Calculator) application developed by the International Civil Aviation Organization. Emissions associated with accommodation services were calculated using the Hotel Footprinting Tool developed by GreenView. For accommodation units where the classification was unknown, the emission factor for the category "All hotels" was allocated. For business travel using other modes of transport (passenger vehicles or trains), representatives from ROMGAZ Group subsidiaries/branches calculated the total distances travelled with each mode of transport used.	The ICEC application developed by ICAO The Hotel Footprinting Tool developed by GreenView According to the calculation formulas published by DEFRA, 2024
Employee commuting	The following information was provided: - Total number of employees at ROMGAZ Group level; - average number of vacation days; - number of days off granted according to the CCM; - amount of fuel settlements.	From the total number of working days in 2024 (252), the vacation days (30) and the days off granted to each employee according to the collective labor agreement (4) were subtracted: 252 - 30 - 4 = 218 ROMGAZ Group estimated that the average daily distance travelled by each employee of the company is 10 km (round trip). It was estimated that 80% of Romgaz employees and those of the Depogaz subsidiary travel by their personal cars (50% diesel and 50% gasoline), while the remaining 20% of employees use public transportation (diesel bus). The total distances were calculated by multiplying the number of employees using each mode of transport by the number of working days and the daily distance travelled. Reimbursements recorded in accounting for personal car use were also taken into account for employees traveling more than 5km (558.502,00 RON), as well as reimbursements for transport used by Romgaz employees for family visits (63.274,00 RON).	According to the calculation formulas published by DEFRA for the year 2024 and CarbonSaver application.

Type	Reporting perimeter considered	Calculation methods for estimating GHG emissions	Applied calculation tools
		The emissions associated with the transportation for which reimbursements were made were calculated using the spend-based calculation method. The RON to GBP conversion was performed using the average exchange rate published by the National Bank of Romania (BNR) for 2024 (detailed on the Exchange Rate Page).	
Downstream transportation	Information was provided on: - Total quantity of natural gas, sold in 2024 (m3); - transportation of by-products (well condensate and crude oil) from the generation/extraction site to the processing facilities.	For determining the fugitive natural gas emissions from the transmission network, the percentage of 0.44%, indicated in the 2023 Administrator's Report published by Transgaz, was used as the "share of gas consumption in the National Transmission System (SNT)." The conversion from m^3 to tons was carried out using the density provided by ROMGAZ Group representatives (0.0006844 t/m3). CO_2eq emissions were calculated using the methane emission factor published by the IPCC in AR6. The distances travelled for transporting condensate and crude oil were calculated using the Google Maps application, based on information provided by ROMGAZ Group representatives regarding: the extraction site and the recipient - the processing facility. After determining the distances for each route, they were multiplied by the number of transport trips to determine the total distances.	According to the calculation formulas published by DEFRA, 2024, and IPCC AR6.
Processing of sold products	The total quantities of crude oil and condensate delivered to processing facilities.	The emissions generated from the processing and refining of the by-products sold by Grupul ROMGAZ were calculated using the emission factor published by one of the beneficiaries of these products, OMV Petrom, in its 2023 sustainability report (0.25 tons CO_2eq/ton of crude oil). Since there is no information available regarding the emission intensity from the refining process for Darogas OIL, which purchased 6.8% of the total condensate quantity generated by Romgaz, the same emission factor published by OMV Petrom was used.	The OMV Petrom Sustainability Report for the year 2023, page 140.
End-of-life treatment of sold products	Total amount of natural gas sold in 2024 (m3)	The emissions generated from the use of natural gas sold by ROMGAZ Group were calculated using the emission factor published by DEFRA for the year 2024.	According to the calculation formulas published by DEFRA for the year 2024.

The table below presents the **GHG emission categories** from **Scope 3** included in the inventory and excluded from the inventory, along with a justification for the excluded categories.

Scope 3 GHG Emissions	Included/Excluded	Justification for exclusion
1 Purchased goods and services	Included	
2 Capital goods	Included	
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2) - based on Market	Included	
4 Upstream transportation and distribution	Included	
5 Waste generated in operations	Included	
6 Business traveling	Included	
7 Employee commuting	Included	
8 Upstream leased assets	Excluded	For vehicles that are leased or rented **inter-company**, operational control was taken into account, and emissions were calculated under **Scope 1**, based on the recorded fuel consumption.
9 Downstream transportation	Included	
10 Processing of sold products	Included	
11 Use of sold products	Included	
12 End-of-life treatment of sold products	Excluded	It does not apply to the product sold by ROMGAZ Group (natural gas).
13 Downstream leased assets	Excluded	It is not applicable to the company, as it does not have leased assets downstream.
14 Franchises	Excluded	It is not applicable to the company, as it does not have any franchises.
15 Investments	Excluded	It is not applicable - the investments made by ROMGAZ Group have been included in Scope 3, Category 2 - Capital goods.

The year 2024 was the first in which the carbon footprint was calculated according to the GHG Protocol, therefore comparative data cannot be presented.

GHG intensity per net revenue - ROMGAZ Group:

	2023	2024	% 2024 / 2023
Total GHG emissions (location-based) per net revenue (tCO_2eq/thousand unit)	-	1.372	-
Total GHG emissions (market-based) per net revenue (tCO_2eq/thousand unit	-	1.371	-
Net revenue used to calculate GHG intensity	-	7,929,436 thousand RON	-
Net revenue (other)	-	0	-
Total net revenue RON (in financial statements)	-	7,929,436 thousand RON	-

3.4.4 E1-7: GHG removals and GHG mitigation projects financed through carbon credits

During the reporting period, ROMGAZ Group did not develop or contribute to greenhouse gases (GHG) absorption or storage projects. Also, no external projects for GHG mitigation or removals were financed through the purchase of carbon credits.

The company does not own or did not use carbon credits during the reporting period and did not make any public statements on GHG neutrality.

In the medium term, the ROMGAZ Group aims to adopt a Decarbonization Plan and to assess the feasibility of injecting carbon dioxide into depleted gas fields, with a view to carbon and capture storage services.

3.4.5 E1-8: Internal carbon pricing

ROMGAZ Group does not currently use an internal carbon pricing system.

3.4.6 E1-9: Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

ROMGAZ Group applies the principles of phased-in application, according to the provisions of Annex C of ESRS 1, for the reporting of ESRS E1-9 requirement. Thus, at this stage, the Company does not disclose detailed information on the anticipated financial effects from material physical and transition risks, and potential climate-related opportunities.

The necessary information will be included in future reporting, as the processes and methodologies for assessing these impacts will be developed and implemented. This approach ensures alignment with the ESRS requirements, taking into account the group's current resources and processes.

4 ESRS E2 - Pollution

4.1 Interactions with other ESRS

The topic of pollution is interconnected with all the other environmental topics, such as climate change, water and marine resources, circular economy and biodiversity, even if it these resulted as non-material topic following the double materiality assessment process. At the same time, pollution of air may have impact on the company's own employees and on the community. Greenhouse gas emissions represent ROMGAZ Group's most significant impact on the air, and therefore the ESRS E1 – Climate Change section covers this topic in detail.

Pollution of soil and pollution of water do not represent material topics for ROMGAZ Group. However, water use issues are covered in ESRS E3 – Water and marine resources, while process safety and accident prevention, that might affect soil and water, are covered in ESRS S1 – Own workforce – Health and safety.

4.2 Impact, risk and opportunity management

4.2.1 ESRS IRO-1: Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

Environmental impacts have been identified and evaluated based on assessment criteria, under different operating conditions (regular, irregular and under reasonably foreseeable emergency situations), according to the system procedure "Identification and assessment of environmental aspects" and to the double materiality assessment performed in 2024.

The current and potential impacts related to pollution are closely linked to the business strategy and model, as the activities of ROMGAZ Group generate emissions during the production and processing of natural gas, as well as fugitive emissions.

The company manages pollution through an integrated approach covering all stages of its operations, from the production, processing and transport of gas to the use and purchase of materials, products and services. Key activities that generate material impacts, risks and opportunities related to pollution include the following: natural gas extraction, drying, compression, storage, interventions, samples of production, reequipments and additions to wells, special operations at wells, electricity production, well drilling and purchase of goods and services.

ROMGAZ Group identified its pollution-related impacts through the double materiality assessment accomplished according to the requirements of the ESRS standards. The process covered both the company's own operations, as well as its value chain. The double materiality assessment included:

- Consultation of internal and external stakeholders, including local communities, regulatory authorities and business partner, through the distribution of questionnaires. This process enabled feedback collection on environmental impact perception, community concerns and expectations related to the pollution related measures.
- Identification and assessment of pollution related risks.
- Assessment of the opportunities related to pollution reduction.

Following the double materiality assessment process, "Pollution of air" has been identified as a material topic for ROMGAZ Group. According to the assessment, the material impact, both positive and negative, is significant for this material topic taking into account all the company's assets. Although the associated risks and opportunities have been taken into consideration in the double materiality assessment process, they have not been evaluated/identified as material.

IRO on Pollution of air

Legend:
Type of impact: F = financial impact, M = material impact, MF = material and financial impact
Time horizon: A = current impact (reporting year), P = potential impact (medium and long term)
Source of impact: S = impact arising from strategy and business model, B = impact underpinning strategy

Material Topic and sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Pollution **Pollution of air**	Upstream, own operations, downstream	M	B	A and P		A	Impacts generated by the large amounts of non-GHG air pollutants including SOx, NOx, non-methane volatile organic compounds (NM-VOCs). They may arise from own operations and during the production and manufacture of materials and products purchased and used by the company. Air pollution causes acute health problems, contributing to heart and lung disease, strokes, respiratory infections and neurological disorders, both for the company's own workers and for the communities where the Company operates. Children, the elderly and the vulnerable are disproportionately affected by these emissions, as are local communities adjacent to operational sites. Air pollution can cause and may have negative effects on fauna and flora. Air pollution may accidentally occur because of technical flaws or human errors.	-	-

Consultations regarding the impact on the environmental and people are conducted also in accordance with applicable legal requirements and internal procedures as follows:

- For new projects and programs with significant environmental impact, according to the current legislation in force, ROMGAZ Group shall prepare the environmental impact assessment, after which the public shall be informed and involved in the environmental impact assessment procedure. This process includes public debates organized to analyse the proposed activities and their consequences on the environment, thus facilitating the involvement of local communities and other stakeholders.
- In carrying out existing activities or extending them, the Society requires and obtains, where appropriate, Environmental Authorizations or Integrated Environmental Authorizations, as required by law. The process of obtaining such regulatory acts also involves public debates, which provide an opportunity for interested parties to contribute comments on its work and environmental impact.

ROMGAZ Group informs the public on a quarterly basis of the consequences of its activities on the environment by publishing the relevant information on the Company's official website available at https://www.romgaz.ro/mediu.

4.2.2 E2-1: Policies related to pollution

ROMGAZ Group does not currently have a specific policy on air pollution, but the Integrated Management System Policy (IMS) aims at achieving the objective of pollution prevention, including air pollution. According to the ISO 14001:2015 requirements, ROMGAZ Group has set environmental objectives. They are to be identified in the "Objectives Document", elaborated in accordance with the "Objectives Management" procedure, also covering air pollution. ISO 14001:2015 system covers air pollution issues at both Romgaz and Depogaz.

Due to the specific nature of its activity (office work), there was no policy for RBS to cover this topic during the reporting year.

The IMS policies of Romgaz and Depogaz are aligned, and therefore the information mentioned below is applicable to both entities.

The primary responsibility for the implementation and monitoring of the IMS components, including those related to air pollution, lies with the General Director of the Company. Its recertification occurs every 3 years and the supervisory audit takes place annually, ensuring that all the activities and processes comply with the legal regulations and requirements of the integrated management system.

The integrated management system supports the fulfilment of the mission by setting up certain objectives. In relation to environmental protection, these objectives are:

- pollution prevention and reduction of the undesirable effects of ROMGAZ Group operations on the environment;
- continuous monitoring and systematic assessment of the processes carried out, to ensure their efficiency and effectiveness;
- each employee's responsibility in relation to their personal contribution to the performance of the integrated quality, environmental, health and safety management system;
- the adoption of best operating practices and the imposition of the same standards on the company's contractors and suppliers.

To prevent environmental pollution and reduce environmental impact, the environmental issues related to the activities, products and services of ROMGAZ Group were identified and assessed.

The environmental issues identified under the "Environmental Management System" procedure are monitored according to the "Monitoring and Measurement" procedure and to the operational procedures/working instructions in force.

The compliance with the requirements set by law or by the environmental permits is assessed internally, within the environmental inspections according to the "Environmental Inspection" instruction and during the IMS audits, according to the "IMS Internal Audit" procedure, and externally as part of the controls performed by the relevant control authorities. Internal inspections are structured as follows: identification of authorized sites, elaboration of the plan and checklist specific to the activity under inspection, conduct of inspections and reporting of results.

The Environmental Protection Services within ROMGAZ Group plan the measuring — monitoring activity of the environmental factors, according to the requirements set by the applicable regulatory acts. For this purpose, the “Planning of the monitoring – measurement activity of environmental factors” form is elaborated at subsidiary and branch level.

Monitoring results (which may vary in frequency according to regulatory requirements, daily/monthly/quarterly/semi-annually/yearly) are documented in the “test reports” issued by the competent laboratories and included in the “Environmental Factor Monitoring-Measurement Register” and posted on the company's intranet and online.

The procedures for the identification and assessment of compliance, monitoring and measurement of environmental factors, monitoring and reporting of emissions into the air, environmental reporting and control of non-compliances and corrective actions are an integral part of the management system.

Air pollution may accidentally occur because of technical failures or human errors and ROMGAZ Group shall apply the “Emergency Preparedness and Response” procedure to manage such situations. This means identifying critical points that could cause potential accidents, developing contingency plans and setting up intervention teams.

In the event of accidents having an impact on the environment, internal and external communication shall be ensured in accordance with the “Communication” and “Emergency Preparedness and Response" procedures to ensure a transparent flow of information.

When establishing the “Policy Statement on Quality, Environment and Occupational Health and Safety”, ROMGAZ Group considered the stakeholders, who are consulted whenever required by the law, while the policy is accessible through several channels:

- For employees it is displayed on the Company’s internal website and supported by training sessions, according to the “Environmental Training” instruction and whenever it is revised;
- For the public and other stakeholders the policy is published on the official website of Romgaz;
- For contractors and suppliers, before commencing any work performed by third parties for, or on behalf of the Company, they shall be trained in the environmental requirements included in the contracts as well as in the Integrated Management System (IMS) policy.

Environmental complaints may be submitted by any interested party by e-mail using the addresses secretariat@romgaz.ro, comunicare@romgaz.ro, available on the Company’s external website.

The heads of organizational units receiving external environmental complaints are required to provide a copy of the complaint to the Environmental Protection Service/Office/Department (headquarters/branch) to assess and open a non-conformities (where applicable), in accordance with the “Non-Compliances Control” procedure. The communication on environmental complaints is governed by the "Communication" system procedure, based on which all complaints are properly managed and appropriate measures are adopted to address them, thereby contributing to the continuous improvement of the Company’s environmental performance.

RBS is developing a system of policies, procedures and instructions, aligned with the specificities of its current business. This is developing gradually, being a continuous process of development and improvement, linked to both the company's current and future business needs. The Integrated Management System is to be aligned with the Romgaz Integrated Management System, but no precise deadline has been set.

For the value chain, the Company establishes for each acquisition the environmental requirements which the suppliers must comply with, according to the "Establishing occupational health and safety, environmental protection and emergency requirements when purchasing products, services, works”. Contractors and suppliers must comply with the environmental requirements stipulated in the contracts as well as with the IMS Policy.

Before the execution of contracts, the existence of the mandatory documents required at the tendering stage is checked (e.g.: environmental permit), as well as of the binding documents to be submitted by the winning bidder after the result of the tender procedure has been communicated (subcontractors’ environmental permits, contracts for waste recovery/disposal, contracts for take-over and disposal of waste water, road transport certificates/authorizations etc.). The person appointed to monitor contract implementation shall ensure compliance with the contractual requirements, including the environmental protection related ones.

4.2.3 E2-2: Actions and resources related to pollution

ROMGAZ Group's activities in the field of the environment and air management are governed by the GOE No. 195/2005 on environmental protection, as further amended and completed, and in accordance with the Water Law No. 107/1996, as further amended and completed.

Romgaz and Depogaz undertook the following actions in 2024 to manage and reduce air pollution from their own operations.

Since RBS only performs office activities, there currently are no actions taken to address air pollution.

Romgaz	Action 1	Action 2	Action 3
Actions taken and planned	Identification of the environmental legal requirements applicable to procurement	Removal of uncontrolled wells condensate losses	Performing environmental inspections
Scope of actions	Environmental protection - prevention of pollution of air	Environmental protection - prevention of pollution of water, air and soil at the level of production branches (objective set from the level of the General Director)	Environmental protection – Maintaining compliance with regulatory acts (objective set from the level of the Deputy General Director to the Environmental Protection Department)
Time horizon	2024	2024	2024
Main actions and results	Identify, draft and send the requirements to the beneficiary entities, to be included into contracts 100% compliance with legal environmental requirements, including those related to air pollution	Seal the collection systems Accomplish the repair program On-the-spot check of the wells reflow graph, impurity calibration mode, condensation collection and delivery 0 wells condensate losses All these measures are necessary because the wells condensate is easily volatile, generating atmospheric pollutants.	Plan the internal environmental inspections which also cover air pollution issues. Romgaz monitors air pollutants in accordance with the environmental requirements imposed by the authorizations. Conduct of inspections, reporting on the results of inspections Target:90% inspections accomplished out of the ones planned
Progress of actions	Done 100% environmental requirements, including those related to air pollution, transmitted correlated with the environmental requirements at Romgaz headquarters	The objectives are included in the 2024 Objective Document. Done 100% - zero well condensate losses	Target reached.
Current financial resources allocated to the Action Plan (CapEx) and an explanation of how they relate to the most relevant amounts	Not applicable	-	Not applicable.
Future financial resources allocated to the action plan	Not applicable	-	Not applicable

To effectively manage potential emergencies situations, Romgaz has implemented emergency response measures in case of accidental pollution. In the sites generating potential environmental-related accidents, the personnel shall be trained and Intervention Plans (PIAE) displayed and tested as planned. At the same time, intervention teams are trained to promptly respond, all these actions being carried out in accordance with the system procedure “Emergency Preparedness and Response” procedure. They are carried out according to the legal requirements in force.

In Romgaz, emissions from the combustion of natural gas in gas drying stations, natural gas compression, well and thermal-central heating are measured according to the monitoring plan. EPRTR emissions and the inventory of air emissions are reported according to Ministry of Environment Order No. 3299/2012.

The company uses a Register of Non-Compliances that is found on the company's intranet, in which all non-conformities, corrective actions, implementation deadlines and persons in charge with enforcement/follow-up are established.

Awareness-raising actions

Under the “Environmental Training” instruction, employees with specific pollution related responsibilities are trained in the prevention of air pollution. The training is carried out annually for the employees of SPEE Iernut, Physico-Chemical Research and Analysis Laboratories, Foaming Agents Micro-production, Gas Quality and Measurement Service, Metrology Laboratory, Gas Drying Station Operation Office, Project Service for Noise Rehabilitation and Danes Sewage Treatment Plant. The results of the training are recorded in the individual training records.

The Drill Supervisory Team is informing the Environmental Protection Service about the start of the drilling works, in order for the latter to notify the competent authorities, as appropriate. The drill surveillance team is also:

- Monitoring the execution of the works throughout their lifetime, including compliance with the air pollutant related requirements set in the contract and environmental regulatory acts (environmental approval or environmental assessment decision phase, environmental permit, water management approval or permit etc.);
- Ensuring that, when the performance of the work is started, the provider’s personnel is trained on the air pollutant requirements set in the tender book/contract and in Romgaz Quality, Environmental and Occupational Health and Safety Policy Statement;
- Shall immediately notify the Environmental Protection Service if, in the course of the work, it becomes aware of non-compliances with the environmental requirements, including the air pollution related ones, specified in the contract and/or in environmental regulatory acts.

At the end of the contracts, the persons appointed to monitor the implementation of the contracts shall complete the "Primary/Final Acceptance Document”, also mentioning deviations from compliance with occupational safety and health rules, PSI and environmental protection legislation, including on air pollution prevention, where applicable.

At Iernut, to minimize environmental impact and for operational efficiency, facilities and techniques considered "Best Available Techniques" (BAT) are operational as follows:

- Efficient Combustion System: Use advanced combustion technologies to maximize energy efficiency and reduce NO_X and SO_2 emissions — burning in layers, which allows more uniform combustion;
- Emission Control Systems: Installation of filters and flue-gas desulphurization systems to reduce pollutant emissions. These facilities contribute to compliance with European environmental regulations;
- Heat Recovery: Use of heat recovery turbines (HRSG) to improve the overall efficiency of the plant, transforming the excess heat into electricity;
- Monitoring and Control Systems: Implement advanced real-time sensor monitoring systems to ensure consistent compliance with environmental standards and optimize operational processes;
- Use Of Natural Gas: As a main source of fuel, natural gas generates lower emissions compared to other fossil fuels, contributing to a lower environmental impact;
- Energy Efficiency Technologies: Implement solutions such as state-of-the-art gas turbines that provide greater efficiency for energy conversion, thus reducing fuel demand.

Air pollution related indicators (NO_X, SO_X, NM-VOCs) shall be monitored according to the applicable legislation. The results are presented in the Monitoring - Measurement Registry, available on the intranet of Romgaz.

During 2024, Romgaz did not identify locations where air pollution was a significant problem.

Romgaz is making the data on air pollution public through the quarterly publication of the values measured and noted in the "Environmental Factors Measurement – Monitoring Register" on the Company's website: https://www.romgaz.ro/factori-de-mediu.

During the reporting year, the monitoring of air pollutants, as required by environmental permits, allowed for the setting of a compliance level with emissions.

Depogaz

For Depogaz, the activities carried out in 2024 included:

Depogaz	Action 1	Action 2
Actions taken and planned	Purchase of powders analyzer	Purchase of a flue-gas analyzer
Scope of actions	Emission monitoring	Emission monitoring
Time horizon	2024	2024
Main actions and results	The powders analyzer was purchased and measurements done.	The flue-gas analyzer was purchased and measurements were done.
Progress of actions	n/a	n/a
Description of the type of financial resources and other current and future allocated resources for the action plan	Human resources Information resources Financial resources under the 2024 Investment Plan	Human resources Information resources Financial resources under the 2024 Investment Plan
Current financial resources allocated to the Action Plan (CapEx) and an explanation of how they relate to the most relevant amounts	Powders analyzer value = RON 46,325 VAT excluded The resources are included in the annual investment plan. The financial resources allocated in 2024 are mentioned in the consolidated annual financial statements, within the additions of fixed assets note 12.	Flue-gas analyzer value = RON 18,950 VAT excluded The resources are included in the annual investment plan. The financial resources allocated in 2024 are mentioned in the consolidated annual financial statements, within the addition of fixed assets note 12.
Future financial resources allocated to the action plan	0	0

In 2024, Depogaz did not register any complaints and was not sanctioned for air pollution.

Environmental complaints may be submitted by any interested party on the following e-mail address secretariat@depogazploiesti.ro, available on Depogaz website.

4.3 Metrics and targets

4.3.1 E2-3: Targets related to pollution

Under the "Objective Management" procedure, the objectives, including actions, performance indicators and targets shall be set annually and documented in the "Annual Objective Document". Their completion degree shall be reported on a semi-annual basis and the resources necessary to achieve these objectives are set out in the Annual Investment Plan and the Annual Procurement Plan.

Objectives shall cascade from the General Director/Deputy General Director down to the level of the organizational unit.

According to Romgaz objectives setting procedure, no long-term targets, but only annual targets, have been defined. For 2024, the company set and reached the following targets on air pollution prevention:

- 100 % compliance with legal environmental requirements;
- Zero wells condensate losses;
- Zero non-compliant analysis reports;
- 100 % monitoring carried out/planned;
- 90 % inspections accomplished from the planed ones;
- Zero non-compliance reports.

No targets were set for Depogaz for 2024, but the company monitored 100% of the environmental factors required in environmental permits. The values recorded for each monitored indicator are within the maximum permitted limits specified in the regulatory acts according to the test reports.

In the case of RBS, given that it only carries out office activities, there are currently no targets to address air pollution.

4.3.2 E2-4: Pollution of air, water and soil

Air pollution

For air pollution, Romgaz monitors emissions of air pollutants (SOx, NOx and NM VOCs) from technological installations, including gas drying stations, natural gas compression stations and thermal power plants. Emissions shall be reported according to the regulations of the EPRTR and the Pollutant Emission Inventory in the atmosphere and corrective measures shall be implemented if legal values are exceeded.

The EPRTR reporting is carried out based on the following national legal requirements:

- Resolution No. 140 of 6 February 2008 establishing certain measures for the application of the Regulation No. 166/2006 of the European Parliament and of the Council concerning the establishment of a European Pollutant Release and Transfer Register (EPRTR);
- Regulation No. 166/2006 of the European Parliament and of the Council of 18 January 2006 concerning the establishment of a European Pollutant Release and Transfer Register and amending Directives;
- Law No. 112 of 14 April 2009 for the ratification of the Protocol on the Register of Pollutant Release and Transfer, signed by Romania at Kiev on 21 May 2003, to the Convention on access to information, public participation in decision-making and access to justice in environmental matters.

The information required to be transmitted by Romgaz to the "National Air Pollutant Emissions Inventory" is prepared based on the CORINAIR-EMEP/EEA Guide for air pollutant emission inventory, available on the website of the National Environmental Protection Agency.

The quantities of air pollutants are calculated for each pollutant using emission factors, natural gas consumption and lower calorific value of natural gas (emission factor x natural gas consumption x lower calorific value of natural gas).

The emission factors used are those provided by EMEP/EEA 2023, according to Table 3.8, which includes Tier 1 emission factors for source category NFR 1.A.4.a/c, 1.A.5.a, using gaseous fuels (1.A.4.a.i, 1.A.4.b.i, 1.A. a.4.c.i, 1.A.5.a). The emission factors in Table 3.4 shall also be used, including include Tier 1 emission factors for source category NFR 1.A.4.a/c, 1.A.5.a, using gaseous fuels (1.A.4.a.i, 1.A.4.b.i, 1.A.4.c.i, 1.A.5.a.) for low combustion.

The measurement/calculation methodologies for environmental indicators, including those related to air pollution, are those required by legal requirements. They did not change during the reporting period.

Pollutant emitted into the air	Romgaz (without Iernut) (kg)	Iernut (mg/Nmc)	Depogaz (kg)	RBS (kg)
SO_2 (sulfur dioxide)	1,454.62	0	0	0
NOx (oxides of nitrogen)	274,107.97	78.608	0	0
NM-VOC (non-methane volatile organic compounds)	7,978.73	0	0	0

The total amount of pollutants monitored at Romgaz level adds the pollutants on sites where the thresholds imposed by Directive 2010/75/EU and Regulation (EC) No. 166/2006 are not exceeded. However, according to local legal requirements, the Company monitors and reports these quantities, even if the recorded values do not exceed the limits imposed by European legislation.

Depogaz is not legally required to report as required by the EPRTR.

In the case of RBS, given that it only carries out office activities, no air pollution indicators were monitored.

4.3.3 E2-6: Anticipated financial effects from pollution-related impacts, risks and opportunities

ROMGAZ Group applies the phased-in provisions of Appendix C of ESRS 1 for the ESRS E2-6 requirement on the anticipated financial effects of pollution related risks and opportunities.

Thus, in the first reporting year under the ESRS standard, ROMGAZ Group will not provide the information set by this requirement, using the option available in this respect. This approach reflects the need to develop internal processes, monitoring tools and infrastructure necessary to meet the more complex requirements of ESRS in the coming years.

5 ESRS E3 - Water and marine resources

5.1 Impact, risk and opportunity management

5.1.1 ESRS 2 IRO-1: Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

The actual and potential impacts and risks related to water resources are closely linked to ROMGAZ Group's business strategy and model and the company's actions are aimed at minimizing negative impacts, reducing risks and identifying opportunities to protect these resources.

In 2024, in the double materiality assessment, the internal procedures and instructions on environmental protection (system procedure ‘Identification and Assessment of Environmental Aspects’), as well as the provisions of the ESRS in relation to the identification of material risks, opportunities and environmental impacts, were taken into account. The analysis involved the assessment of direct and indirect impacts on water resources both in its own operations and throughout the value chain, using criteria such as their scale, severity and remediability, as well as the identification of associated risks and opportunities.

The double materiality assessment included:

- Consultation, via questionnaires, with internal and external stakeholders, including local communities, regulators and business partners;
- Identification and assessment of risks related to the use of water resources;
- Analysing opportunities to reduce water consumption and modernize wastewater treatment technologies.

Thus, two material topics of importance for ROMGAZ Group have been identified: water consumption and water discharge, as follows:

IRO on Water and marine resources

Legend:

Type of impact: F = financial impact, M = material impact, MF = material and financial impact

Time schedule: A = current impact (reporting year), P = potential impact (medium and long term)

Source of impact: S = impact arising from strategy and business model, B = impact underpinning strategy

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Negative impacts (I-)	Risks (R)	Opportunities (O)
Water resources **Water consumption**	Upstream, own operation, downstream	M	S	A	The implementation of the water recirculation system at Iernut and the utilization of technologies to reduce consumption.	-	-	-
Water resources **Water discharge**	Upstream, own operation, downstream	M	S	A, P	By monitoring the quality of wastewater as required by law, ROMGAZ Group contributes to reducing water pollution by ensuring compliance with environmental regulations. By operating wastewater treatment plants for their own sites, ROMGAZ Group reduces the environmental impact by ensuring that water is treated before it returns to the natural environment and complies with the rules for protecting water resources and protecting biodiversity. Provision of water treatment services for local communities (Daneş)	-	-	-

5.1.2 E3-1: Policies related to water and marine resources

ROMGAZ Group does not have a policy specific to each material sub-topic identified regarding water resources, but the Integrated Management System Policy aims to achieve the objective of reducing the unwanted effects of the company's operations on the environment. The company is certified ISO 14001:2015 and thus ROMGAZ Group integrates environmental management practices into its operations.

The ISO 14001:2015 system is applied to both Romgaz and Depogaz so that the information set out below on policies covers both entities.

RBS currently carries out office activities and is developing a system of policies, procedures and instructions, aligned with the specificities of its current business. It is developing gradually and is in a continuous process of development and improvement, linked to both the company's current and its future business needs. The Integrated Management System is to be aligned with the Romgaz Integrated Management System, but an exact deadline has not been set.

The primary responsibility for the implementation and monitoring of the components of the integrated management system, including those related to water resource management, lies with the General Director of the Company. The recertification of the system takes place every three years, and the auditing process is run every year.

The management of interaction with water is carried out using the following internal procedures and instructions:

- “Identification and assessment of environmental aspects”, which govern the identification and assessment of environmental impacts, including that on water;
- “Monitoring and measuring environmental factors”, which also defines actions to ensure compliance with quality parameters set out in water management authorizations/environmental permits;
- “Measurement, collection, transport and disposal of produced water”, which lays down rules for the management of produced water in extraction and injection processes;
- “Waste management”, which regulates the collection, temporary storage, transport, recovery and disposal of waste, including liquid waste, without creating contamination risks for air, water, soil, fauna or flora;
- Operation of the Targu Mures Water Treatment-Plant Station;
- Water treatment in the Danes mechano-biological treatment plant.

Through the integrated management system, environmental and water management permits, ROMGAZ Group manages water resources for the purpose of compliance with its quality indicators, as well as the protection of ecosystems and human health. The company seeks to prevent the supply of pollutants to surface or groundwater by complying with the limit values allowed for water quality indicators when discharged into the natural environment or the sewage network.

At the same time, in accordance with the procedures/instructions within the certified Integrated Management System (IMS):

- Personnel are trained in the requirements of SMI documents, including rules on water consumption reduction and pollution reduction;
- The discharge of wastewater whose indicators exceed the values set out in the regulations and related legislation is prohibited;
- Internal environmental inspections are carried out in accordance with the quarterly plans verifying compliance with the applicable legal requirements in the field of water;
- The impact of the activity on surface and groundwater, including through well monitoring, is monitored according to the frequency required by the authorizations (as described in the following subparagraph).

According to internal policies, procedures and instructions, ROMGAZ Group is ensuring the management of sanitary, technological, rainwater, groundwater and produced water, quantitative and qualitative reporting of sampling reports, the volumes of industrial and sanitary water, the volume of reinjected produced water. Monitoring of water quality is carried out through test reports issued by own and external approved laboratories, based on the internal monitoring plan and the requirements of the authorities. The results are entered into the Electronic Measurement Monitoring Register. The monitoring frequency depends on regulatory requirements: daily/monthly/quarterly/semi-annually/annually.

Exceeding the values of the indicators monitored for the water environmental factor constitutes non-compliance and once the overrun has been noted, it must be documented by opening a Non-Compliance Report and Corrective Actions, which should record corrective actions, responsibilities and deadlines for their implementation. The follow-up and closure of non-compliances should be carried out in accordance with the 'Control of Non-Compliances and corrective actions' procedure.

In 2024, during internal environmental inspections, two non-compliances related to water were identified:

- a referral on water pollution and thus a breach of the environmental laws and/or regulations for which a fine of RON 12,500 was imposed. At the South Corunca Natural Gas Production Formation, an environmental incident was caused by the advanced corrosion of the produced water pipeline at the gas rig Corunca South 40, resulting in produced water leaks in the Vatman stream. Romgaz intervened to remedy the causes of the incident, replacing the damaged pipeline and thus ensuring that future leaks are prevented;
- non-compliance with the legal obligation to register a domestic wastewater treatment system at the local administrative unit.

The volume of water used by ROMGAZ Group is based on the needs approved through the water management authorizations for each site and based on the water supply subscriptions/contracts. With regard to pollution prevention and compliance with quality requirements, values monitored for effluents are required to comply consistently with the limitations imposed by applicable legislation (NTPA 001 and NTPA 002).

In the context of natural gas extraction activities, the produced water is managed in accordance with the Water Law No 107/1996, having been evacuated, transported and injected at the original parameters and properties, thus complying with the legal requirements and the Instructions "Measurement, Collection, Transport and Disposal of Produced Water" and its continually monitored through the company's internal mechanisms.

At the end of 2024, ROMGAZ Group completed the process of identifying locations situated in medium and high water stress area using the Aqueduct Water Risk Atlas application, but specific risks and additional measures related to water consumption in these areas have not yet been established. The company has budgeted for 2025 to carry out a study of 'Climate Risks and Vulnerabilities', which will also analyse in detail the impacts and risks associated with water resources.

For the management of accidental risks, ROMGAZ Group has developed contingency plans, has set up intervention teams and tested these plans, providing training for employees through planned training and simulations. In the case of accidental pollution, internal and external communication must follow the 'Communication' and 'Emergency preparedness and response' procedures.

In the case of new projects, the assessment of water resources and the impact on them, is carried out at the stage of obtaining the opinions and agreements provided for in national legislation. For areas already authorized, the situation should be reassessed in the framework of the technical documentation needed for re-authorization. If the use of water volumes is reduced or stopped, the authorizations are required to be amended in accordance with the new conditions in order to conserve the available water resources.

During 2024, the company did not have policies or practices related to the oceans and sustainable seas.

5.1.3 E3-2: Actions and resources related to water and marine resources

ROMGAZ Group's environmental and water management activities are regulated under GEO nr. 195/2005 on environmental protection, with all additions and amendments, as well as under the Water Law No. 107/1996, as amended and supplemented.

ROMGAZ Group uses water for technological and sanitary purposes. Depending on the specific nature of the activity, for each location, the water supply is ensured via public water supply and sanitation operators, from underground sources (wells) or from surface sources.

ROMGAZ Group has implemented the following measures for water resource management:

- **Operational control** — Application of internal procedures for the monitoring and management of activities which may have an impact on water;
- **Personnel training** — Organization of training sessions on reducing environmental impact, including responsible use of water resources and compliance with environmental requirements, as well as training on the requirements of applicable SMI procedures/instructions;
- **Monitoring of discharges** — Carrying out monitoring of the quality of water discharged, at the frequency specified in the water management authorizations/environmental authorizations to ensure that the values comply with the limitations imposed by the legislation;
- **Disposal/recovery of liquid waste through authorized firms:** Selective collection in labelled containers, temporary storage in facilities specially equipped for risk mitigation, compliance with the prohibition of discharge into water and sewage, and the handing over of liquid waste to authorized operators for disposal or recovery;
- **Management of hazardous substances and preparations** - compliance with the hazardous substances legislation, compliance with the provisions of safety data sheets, training of staff handling these substances, strict record keeping, including on packaging, safe disposal when they become waste, application of the Contingency Plan for accidental pollution;
- **Fitting of oil recovery vats** - to prevent accidental spillage and efficient collection of residual oil;
- **Use of absorbent materials** - to manage accidental spillage of hazardous substances, thus reducing the risk of contamination;
- **Conduct of annual technical revisions and current repairs** — Ensuring the efficient and safe operation of equipment through regular inspections and repairs;
- **Maintenance of facilities and equipment** — Implementation of measures to prevent leakages and losses of water or contaminating substances;
- **Periodic** environmental **inspections** to verify compliance with legal requirements in relation to water;
- **Monitoring of impacts on surface and groundwater**, including through measurements made for wells according to water management authorizations.

The resources allocated for the implementation of these measures include investment in specific equipment, contracting of firms authorized for the management of liquid waste as well as the allocation of human resources for the implementation, monitoring and verification of these measures.

The assessment of compliance with the legal requirements of sites should be carried out in accordance with the instructions 'Environmental inspection' and the 'Internal audit of the integrated management system'.

Below are the actions under way, started in 2024 to manage water resources responsibly for Romgaz and Depogaz.

For RBS that has office activity, no specific actions and resources have been set.

Romgaz action plan	Action 1	Action 2	Action 3	Action 4	Action 5	Action 6
Actions	Upgrading of collection and injection systems - Bozed produced water	Modernization of collection and injection systems – Hurezani Landfill	Building produced water evacuation system at Filitelnic Compression Station	Construction of fish ladder at the dam of the Iernut Power Plant	Compliance with legal requirements in relation to the quality of water discharged through mounting a Petroleum Products Separator at the Mures Branch (Compression Station)	Development of CTE Iernut through the construction of a new combined cycle thermal power plant with gas turbines
Scope of the actions	Extraction – own operations	Extraction – own operations	Extraction – own operations	Electricity generation – own operations – Ensuring the continuity of the Mureș river next to the outlet dam	Extraction – own operations	Electricity generation - own operations - resource use reduction, water efficiency by reducing the volume of cooling water discharged by about 90% compared to the current situation.
Time horizon	2024	2024 - 2025	2024	2024 - 2025	2024 - 2025	2024 - 2025
Main actions and results	Investment in rig 11 Bozed and Group 2 Bozed waste water injection plant 100% achieved	Completion of investment to replace the water supply line at the rig 180 Hurezani – 16,16 %	Investing in the produced water evacuation system at Filitelnic Compression Station 100% achieved	Ensuring the continuity of the Mureș River next to the outlet dam Investment realization 74,92%	Elaboration of the design theme Mount the separator	Work in progress
Progress of actions	Investment made under Environmental and Ecological Programme and 2024 Investment Plan	Investment in progress, according to the Environmental and Ecology Program and the 2024 Investment Plan.	Investment made under Environmental and Ecological Programme and 2024 Investment Plan	Investment in progress, according to Environmental and Ecological Programme and 2024 Investment Plan	Realization of the investment according to the Environmental and Ecological Programme and 2024 Investment Plan	Investment in progress, according to 2024 Investment Plan.
Current financial resources	Planned 130.00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) Realized 131.12 thousand RON (according to 2024 Investment Plan) The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.	Planned 50.00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) Realized 8.08 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the	Planned 1,615.00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) Realised 1,667.03 RON according to Environmental and Ecological Programme and 2024 Investment Plan The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the	Planned 4,300.00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) Realized 3,791.19 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the	Planned 30.00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan) Realized 0,00 thousand RON (Environmental and Ecological Programme and 2024 Investment Plan)	Planned 348,656,00 thousand RON (according to 2024 Investment Plan) Realized 209,847.01 thousand RON (according to 2024 Investment Plan) The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.

		additions to fixed assets note 12.	additions to fixed assets note 12.	additions to fixed assets note 12.		
Future financial resources	-	41.92 thousand RON (the planned and realized difference in the 2024 Investment Plan) As a multiannual program, a future financial resource has been estimated as the difference between the total planned project and the year 2024, provided that this amount can be higher or lower.	-	1,078.51 thousand RON (the difference between the planned and realized amounts from 2024 Investment Plan) As a multiannual program, a future financial resource has been estimated as the difference between the total planned projects and the total realized projects for the year 2024, provided that this amount can be higher or lower.	30.00 RON (the difference between planned and realized in the 2024 Investment Plan) As a multiannual program, a future financial resource has been estimated as the difference between the total planned projects and total realized projects for the year 2024, provided that this amount can be higher or lower.	194,649.00 RON (the difference between planned and realized in the 2024 Investment Plan) As a multiannual program, a future financial resource has been estimated as the difference between the total planned projects and the total realized projects for the year 2024, provided that this amount can be higher or lower.

Legend:

PPME - Environmental Protection and Ecology Program

PINV - Investment Plan

Romgaz action plan	Action 7	Action 8	Action 9	Action 10	Action 11
Actions	Non-polluting discharge systems at rig group 8 Filitelnic	Non-polluting discharge systems at rig group 31 Filitelnic	Polistif tanks mounting at Group 10 and 34 Ţaga	Water siphon collection mounting at Bozed field	Modification of the collector for Sădinca defoaming water reservoir
Scope of the actions	Own activities – Extraction – Disposal of wastewater losses	Own activities – Extraction – Disposal of wastewater losses	Own activities – Extraction – Disposal of wastewater losses	Own activities – Extraction – Disposal of wastewater losses	Own activities – Extraction – Disposal of wastewater losses
Time horizon	2024	2024	2024 - 2025	2024	2024
Main actions and results	Installation of the non-polluting discharge systems Done 100%	Installation of the non-polluting discharge system Done 100%	Polistif tanks mounting at Group 10 and 34 Ţaga Getting construction authorization in progress	Water siphon collection mounting at Bozed field Done 100%	Modification of the collector for Sădinca defoaming water reservoir Done 100%
Progress of actions	Investment made under PPME and PINV 2024	Investment made under PPME and PINV 2024	Investment in progress, according to PPME and PINV 2024.	Investment made under PINV 2024	Investment made under PPME and PINV 2024
Current financial resources	Scheduled: 4,000 RON Done: 3,728 RON The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.	Scheduled: 4,000 RON Done: 3,354 RON The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.	Scheduled: 120,000 RON Done: 8,255 thousand RON The financial resources allocated in the year 2024 are shown in the consolidated annual financial statements under fixed assets additions note 12 and those in progress are classified as "investments in progress".	Scheduled: 4,000 RON Done: 3,614 RON The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.	Scheduled: 10,000 RON Done: 18,229 RON The financial resources allocated in 2024 are reflected in the annual consolidated financial statements in the additions to fixed assets note 12.
Future financial resources	-	-	111.74 thousand RON As a multiannual program, we estimated a future financial resource as the difference between the total projects planned and those carried out in the year 2024, provided that this amount can be higher or lower.	-	-

Depogaz action plan	Action 1
Actions taken and planned	Modernization of water cooling systems (Bilciurești Project)
Scope of actions	Natural gas injection into storage facilities – own operations, geographical area Romania, reduction of water use
Time horizon	2024 - 2027
Main actions and results	Start of investment on the modernization of cooling systems – stage of completion PINV Replacement of open-circuit cooling towers with closed-loop air/water cooling systems The modernization of the cooling system will improve the efficiency of technological cooling facilities by 35% and reduce water consumption by 90%.
Progress of actions	Start of execution work – First 3 months of 2025
Financial resources	Planned value = 45,394,369.70 RON Realized value = zero

Specific to Depogaz, during the extraction process, there is the possibility of generation of produced water. The produced water is temporarily stored in the collection tanks from which it is carried to the nearest injection station for reinjection.

Water consumption is a measure of efficiency with which company uses water resources.

Thus, the measures aimed at reducing water consumption at Romgaz are:

- Measures for the recovery and re-use of water that results from the well drilling activities. The water used and recovered is reused to prepare drilling fluids, thus reducing water abstractions and contributing to resource saving. The drilling fluids used are freshwater based and based on chlorides, avoiding the use of hazardous substances;
- At the compression stations at the production branches we have implemented measures for the phased replacement of natural gas compression aggregates from open-circuit cooling to closed-circuit cooling to minimize water consumption. The Company then planned to analyse the profitability of the implementation of this measure for other objectives;
- At SPEE Iernut, the degree of recirculation of water taken from the Mures River, according to the water management authorization, is set out in the following table:

Utilization	Daily water volume m^3						Annual average	Degree of recirculation
	Water demand m^3			Water requirement m^3				
	Maximum*	Medium**	Minimum***	Maximum	Medium	Minimum		
Household use	310	200	170	310	200	170	113,15 ÷ 62	0%
Industrial purposes	2,495,246	597,130	276,310	2,495,246	597,130	276,310	910,764 ÷ 100,816.6	0% open system operation
				1,497,148	358,280	165,786	546,459 ÷ 60,511.9	40% mean recirculation
				628,802	144,505	69,630	229,512.7 to 25,414.9	74.8% maximum recirculation
Total	2,495,556	597,330	276,480	2,495,556	597,330	276,480	910,877.9 ÷ 100,915.2	0% open system operation
				1,497,458	328,410	165,956	546,572.2 ÷ 60,573.9	40% mean recirculation
				629,112	144,705	69,800	229,625.9 to 25,447	74.8% maximum recirculation

* Maximum - Open mode operation
** Medium - Mixed operation with R = 40 %.
*** Minimum - Operation at maximum recirculation R = 74,8 % (when all cooling towers are operating).
Normally C.T.E. Iernut works in open water circuit.

The supply of technological water is provided from the Mureș River by means of a mobile-capture dam built in a minor riverbed and is used as cooling water (cooling of condensers, bearings, aggregates) and for the chemical treatment plant (filtration and dedurization) and treatment for the purpose of drinking. For the lowest possible consumption, for the technological process, the water used in the cooling system can also operate in the mixed system, i.e. part of the cooling water is recirculated, cooled and re-introduced into the cooling system.

The water used for the technological process is in principle subject to the following processing procedures: water withdrawal from the Mures River, pre-treatment of raw water (coagulation), dedurization, demineralization, mechanical filtration and neutralization. For the retention of pollutants from sewage water, there are several sewage plants before the water is discharged into the environment (Mureș River).

The water from the cooling of aggregates, potentially contaminated with oil particles, are collected by the drainage network and pumped into Mures river after it goes through four oil product separators. For technological waste water from ion filter regenerations, the unit is equipped with a neutralization facility and domestic sewage is purified through a mechanical-biological station.

SPPE Iernut holds a Water Management Authorization for Water Supply and Wastewater Discharge at SPEE Iernut — Centrala Termoelectrică Iernut (CTE). Under this authorization, CTE Iernut is required to comply with the provisions of the restriction plans drawn up for periods of drought, i.e. the provisions of the plans to protect against floods, dangerous weather conditions or accidents at hydrotechnical constructions. There is also a Plan to prevent and combat accidental pollution in water use within SPEE Iernut, which shows the main sources that can lead to water pollution, how to respond in the event of pollution, intervention teams, etc.

For the control of the quantities and quality of discharged water, ROMGAZ Group conducts actions and allocates resources dedicated to managing the impact on water resources and groundwater (maintenance of sludge separators and petroleum products, maintenance of pre-treatment and treatment stations, modernization of produced water injection systems).

ROMGAZ Group promotes the sustainable use of water by implementing measures to ensure the long-term protection of available water resources. Sewage is tested and water indicators are monitored according to the requirements of the applicable regulations. These analyses are carried out by own laboratories and in approved laboratories and are subject to an internal monitoring plan which complies with current regulations, including NTPA 001/2002 and NTPA 002/2002. Depending on the specific nature of each activity and the technical equipment of each site, sewage is discharged after pre-treatment in sewage plants, either in public sewage networks or in natural environment, and is injected into authorized injection rigs.

For the value chain, the measures concern activities carried out by third parties on behalf of ROMGAZ Group. They are governed by commercial contracts which include environmental protection requirements. Thus, in accordance with the 'Establishment of health and safety at work, environmental protection and emergency requirements when purchasing products, services, works', the Environmental Protection Service develops specific environmental requirements for each type of procurement. Before contracts are signed, the existence of mandatory documents required at the award stage (e.g.: environmental permit) as well as compulsory documents to be submitted by the successful tenderer after the outcome of the procurement procedure has been communicated (environmental permits of subcontractors, contracts for recovery/disposal, contracts for take-over, sewage disposal, road transport attestations/authorizations, etc.).

5.2 Metrics and targets

5.2.1 E3-3: Targets related to water and marine resources

Water resource targets are set for the year and the resources necessary to achieve the objectives are included in the Annual Investment Plan and the Annual Procurement Plan. Targets are set in accordance with legal requirements and without stakeholder consultation.

ROMGAZ Group subsidiaries independently set water targets. Thus, for the reporting period 2024 they were:

Romgaz

The targets that were set for 2024 were linked to the objectives and the IMS Policy aimed at reducing the negative impact on water.

For 2024, the company set and reached the following targets on reducing the negative impact on water:

Target set	Target touch level
100% compliance with legal environmental requirements	98,04% (2 environmental incidents relative to 102 authorized sites)
0 uncontrolled losses of produced water	100%
100% monitoring carried out/planned	100%
90% of scheduled inspections to take place	100%

The location of the company's activities in the proximity of aquatic ecosystems and protected areas, such as Natura 2000 sites, involves the implementation of specific measures to protect biodiversity and maintain ecological balance.

Romgaz is active in the proximity of Natura 2000 sites as follows:

- **RO SPA 0041 – Hernut-Cipău Eleşteiele**, 850 m away from the company's site, representing an area of bird protection;
- **RO SCI 0210 - Lechinta River**, adjacent to SPEE Iernut, which protects natural habitats such as subpannonian steppic grasslands, amphibians, reptiles and fish.

The direct impact of activities on biodiversity in these protected areas is managed through monitoring and prevention measures. For example, pollution from point sources, such as the discharge of cooling waters at high temperatures in the Mures river, is carefully monitored, especially during sensitive periods, such as the breeding period of fish.

At SPEE Iernut"s level, Romgaz implements measures to minimize the impact on water resources and biodiversity, such as:

- Achieving longitudinal connectivity of the Mures river at the outlet dam;
- Low-yield fish building works facilitating species migration;
- Continuing the monitoring of the fish populations of the river Mures, which has identified both species mentioned in the Natura 2000 site master sheets and additional species of community interest, such as the dunărița (*Sabanejewia aurata*) or zvârluga (*Cobitis elongatoides*).

Continuous monitoring indicates that the impact on biodiversity is managed in accordance with environmental requirements and that fish species are protected, including through control measures on the temperature of the water discharged, which remains within legal limits and does not exceed the values set out in the water management authorizations. Thus, the topic of biodiversity is integrated in water resource management, with a focus on maintaining the equilibrium of aquatic ecosystems, reducing the impact on habitats and protecting species of community interest.

In 2024, the monitored indicators indicated in the environmental/water management permits for each site complied with the allowed values for effluents, in accordance with current legislation, ensuring the protection of water resources. Indicators can be found in the Measurement Monitoring Registry, published on a quarterly basis on the Romgaz external website (Metering-Monitoring Environmental Factors Registry III 2024| Romgaz). Analysis reports are to be found in the Environmental Protection Services/offices of branches/subsidiaries.

Depogaz

Depogaz set the objective for the period 2024-2027 of modernizing water cooling systems in the Bilciurești Project, aligned with the IMS policy. The target set is to reduce the amount of water consumed in gas storage injection operations by 90% in order to make the use of water resources more efficient. This target is voluntary.

Romgaz and Depogaz do not carry out activities involving the use of marine resources and the discharge of water is managed according to legal requirements and water management authorizations. In this context, no specific targets have been set for this issue.

RBS

In the reporting year, RBS carried out only office activities and there were no targets for the use of water resources.

5.2.2 E3-4: Water consumption

The largest amount of water in ROMGAZ Group is used by Iernut. The supply of technological water is coming from the Mureș River by means of a mobile capture dam built in a minor riverbed and is used as cooling water (cooling of condensers, bearings, aggregates) and for the chemical treatment plant (filtration and dedurization) and treatment for the purpose of drinking. For the lowest possible consumption, for the technological process, the water used in the cooling system can also operate in the mixed system, i.e. part of the cooling water is recirculated, cooled and re-introduced into the cooling system.

The water used for the technological process is in principle subject to the following processing procedures: Water abstraction from the Mures River, pre-treatment of raw water (coagulation), dedurization, demineralization, mechanical filtration and neutralization. For the retention of pollutants from waste water before discharge into the sewage network and thus into the environment (River Mures), there are several sewage plants.

The cooling water from aggregates, potentially contaminated with oil particles, are collected by the drainage network and pumped through four oil separators before being discharge into Mures River. For technological waste water from ion filter regenerations, the unit is equipped with a neutralization facility and domestic sewage is purified through a mechanical-biological station.

Water withdrawals are monitored on a daily basis, as this plays an important role in the calculation of the electricity production price and is largely influenced by the following factors: production, malfunctions, number of stoppages/starts, water temperature (captured from the river Mures), Mures river level.

The measurement/calculation methodologies are those set out in legal requirements. They did not change during the reporting period. The information is not externally audited.

Category	ROMGAZ Group	Romgaz	Depogaz	RBS
	2024	2024	2024	2024
Water draw-ups [m3]	108,859,667	108,816,292*	42,765	610
Discharges of water [m3]***	108,139,654	108,131,474**	7,570	610
Total water consumption **[m^3]**	720,013	684,818	35,195	0
Total water consumption in areas of hydrological risk, including areas with high water stress **[m^3]**	673,222	673,222****	0	0
Total amount of recycled and reused water				
Total amount of stored water and changes in storage **[m^3]**	3,700	2,770****	930	0

*Of which SPEE Iernut water sampling is 108,648,010 [m^3].
**Of which water discharges for SPEE Iernut are 107,974,788 [m^3].
***Quantities of water discharged by branches are estimated and cannot be accurately documented. On the other hand, there is an exhaust metering system in SPPE Iernut, so that only the consumption recorded at this branch will be considered as material.
****Reported water consumption comes almost entirely from the Iernut branch, which accounts for 93.5 % of ROMGAZ Group's total water consumption. Iernut is located in a medium and high water stress area, which is why only this consumption is included in the reporting. For the other Depogaz units, RBS and Romgaz branches, only sanitary discharge water is monitored.
*****Amount of water stored by SPPE Iernut; Background information: 3 x 400 mc PSI 3 x400 mc water storage tanks - potable water tanks and fire-fighting; 1x570 mc drinking water pool for firefighting in sprayed water at the new plant; 2x500 mc waste water tanks used for cooling at the new plant

Water consumption intensity (total water consumption in its operations (m^3) per net income in million RON).

Water consumption intensity 2024	**90.80**
Total water consumption in its operations, in m^3	720,013.00
Net income in millions of RON	7,929.44

5.2.3 E3-5: Anticipated financial effects from water and marine resources-related impacts, risks and opportunities

ROMGAZ Group applies the phasing-in provisions of ESRS 1 Appendix C for the ESRS E3-5 requirement for the anticipated financial effects of impacts, risks and opportunities related to water and marine resources.

Thus, in the first reporting year under the ESRS standard, ROMGAZ Group will not provide the information asked for under this requirement. This approach reflects the need to develop in the coming years internal processes, monitoring tools and infrastructure necessary to meet the more complex requirements of ESRS.

6 ESRS E5 - Resource use and circular economy

6.1 Interaction with other ESRS

The circular economy material topic at ROMGAZ Group is closely linked to all other environmental topics. Circular economy plays a crucial role in resource efficiency and waste minimization, having a significant impact on the environment and communities (thus a close link with environmental and social ESRSs).

ROMGAZ Group's most significant impact on air is caused by greenhouse gas emissions, covered in detail in ESRS E1 — Climate change section. The implementation of circularity principles for the value chain as well as for waste management could have the effect of reducing emissions from Scope 3. The impact on water resources is covered in the ESRS E3 — Water and marine resources section, as it is related to the Company's direct water withdrawals/consumption quantities and management of liquid waste.

Resource use and circular economy impacts can affect people and communities. Inefficient use of resources throughout the value chain and for its own activities, as well as waste management can lead to environmental pollution problems. These matters are detailed in ESRS E2 — Pollution section.

For its own operations, situations of faulty waste management may occur:

- In the event of technical or human errors. This aspect is part of the efforts to maintain the process and employees safety and is addressed in the ESRS S1 — Own workforce — Health and Safety section.
- In instances of mismanagement of waste generated by ROMGAZ Group activities.

6.2 Impact, risk and opportunity management

6.2.1 ESRS 2 IRO-1: Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Internally, environmental aspects and impacts, including those related to resource and waste management, have been identified and assessed based on evaluation criteria under different operating conditions (normal, abnormal and reasonably foreseeable emergencies), in accordance with the "Identification and assessment of environmental aspects" system procedure and the ESRS double materiality assessment framework.

ROMGAZ Group operates on a value chain consisting of natural gas exploration, extraction, processing, transportation, distribution and commercialization. Each stage involves the use of a variety of material resources to carry out activities, both in the upstream (exploration and production) and downstream (transport, storage, and distribution) sectors.

Thus, the material resources used by ROMGAZ Group are:

- Industrial and technological equipment: drilling equipment (drill wells, extraction equipment), natural gas compression stations, gas processing systems (dehydration, separation, treatment);
- Pipelines and transport systems: extraction and distribution pipelines, valves, compressors and monitoring systems;
- Raw materials and consumables: chemicals for drilling and gas treatment, as well as for machinery and transportation;
- IT systems and automation: software for production monitoring and network management, along with SCADA systems for remote control and surveillance;
- Other resources: spare parts for machinery, work protection equipment for employees.

In 2024, ROMGAZ Group's specific operational procedures and context, the maturity in value chain management and the laws applicable for public procurement, as well as the ESRS provisions on the identification of material environmental risks, opportunities and impacts were taken into account during the double materiality assessment. Hence, impacts, risks and opportunities related to the topic of "Circular Economy" (including its associated sub-topic) were assessed in alignment with AR 16 of ESRS 1.

As part of the double materiality assessment process for ESRS E5, resource inflows, including resource usage and waste were identified as material topics, while resource outflows related to products and services were deemed non-material for ROMGAZ Group, due to the type of product/service that is commercialized by the Company. The assessment revealed that the material impacts, both positive and negative, is significant for these material topics. However, although the associated risks and opportunities were considered in the assessment process, they were not evaluated/identified as material.

The double materiality assessment also included consultations with internal and external stakeholders, including local communities, regulatory authorities and business partners.

In the table below, the positive and negative impacts identified for the material topics, as well as their location, type and time horizon are presented.

IRO on Inflows, including resource use and Waste

Legend:

Type of impact: F = financial impact, M = material impact, MF = material and financial impact
Time horizon: A = current impact (reporting year), P = potential impact (medium and long term)
Source of impact: S = impact arising from strategy and business model, B = impact underpinning strategy

Material topic, Material sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Circular economy **Resource inflows, including resource use**	Upstream, downstream, own operations	M	B	A	ROMGAZ Group has an annual procurement/investment plan that follows the business strategy. In addition, ROMGAZ Group develops an "Annual Waste Prevention and Reduction Program". This aims to optimize the use of resources (e.g., reuse of some materials).	A	Negative impacts arise for their own operations but also in the value chain. Inefficient use of resources can generate higher acquisition costs (over-sized purchases), surplus raw materials and materials that can become waste. They can also generate additional management costs and the exhaustion of types of resources that are not used responsibly.	-	-
Circular economy **Waste**	Downstream, own operations	M	S	A	Annual waste prevention and reduction program.	A	Improperly managed waste can have a significant negative impact on both the environment and people. Waste is generated not only from its own operations, but also throughout the value chain.	-	-

6.2.2 E5-1: Policies related to resource use and circular economy

ROMGAZ Group does not have policies that explicitly include provisions for the circular economy. Below are ROMGAZ Group's policies and documents that address only certain aspects of the circular economy, and the impacts identified as material.

Policies on resource inflows

The general objectives of the Romgaz's Policy Statement on Quality, Environment and Occupational Health and Safety include, among others, pollution prevention and the reduction of adverse environmental effects. However, they do not include specific objectives on the topic of circularity.

Therefore, at this point in time, it is not possible to calculate a degree of circularity of the products and services purchased for the reporting year.

Regarding quitting the use of virgin resources, Romgaz does not utilize products made from secondary (recycled) resources in its activities. The procurement procedure in force during the reporting period did not include specific provisions regarding circularity. At the end of 2024, an internal process was launched to develop "Romgaz's Responsible and Sustainable Procurement and Sourcing Policy", which includes elements of circularity, and it was approved at the beginning of 2025.

Depogaz and RBS do not currently have policies that specifically address the circular economy.

Policies related to waste management

The policies of the integrated management systems (IMS) of Romgaz and Depogaz are aligned, making the following information applicable to both entities.

The environmental management system, certified according to ISO 14001:2015 requirements, includes, among other aspects, waste management. Thus, at the ROMGAZ Group level, the operational procedure "Waste Management" has been adopted, which establishes how to carry out the collection, temporary storage, transportation, recovery and disposal of all waste generated from the activities carried out within the Company, in compliance with the applicable legal requirements. Additionally, ROMGAZ Group has implemented a work instruction titled "Management of waste resulting from office activities", which establishes rules on the adoption of an eco-responsible behaviour among employees.

The primary responsibility for the implementation and monitoring of the IMS components, including those related to waste, lies with the Company's General Director. The recertification process takes place every 3 years, and surveillance audit is conducted annually.

For efficient waste management, ROMGAZ Group prepares the "Annual Program for the Prevention and Reduction of Waste." The program is based on a hierarchy of waste management options, with waste prevention as the first priority, achieved by selecting the best technologies from the design phase. The plan states that when the avoidance of waste generation is impossible, the Company seeks to minimize the amount generated by identifying reuse, recycling, and energy recovery options. The plan provides that when avoiding waste production is not possible, the Company aims to minimize the amount generated, by identifying options for their reuse, recycling and energy recovery, as a way to keep the resources in the system for as long as possible (the connection with the principles of the circular economy).

Regarding the value chain, prior to the commencement of work carried out by third parties, they are instructed on the environmental considerations included in the contract, including the provisions of the IMS policy and the aspects related to waste management.

RBS, in relation to the current office operational activity, has implemented a "Procedure for the prevention of waste generation and management". The purpose of this procedure is to cover the office activities, to track and document all waste streams, to develop and apply ways to prevent waste generation and to demonstrate compliance with Romanian legislation and international standards. Moreover, for a better management of SGR-labelled packaging, RBS has implemented an instruction for the separate collection of such packaging and its delivery to collection centers for deposit recovery.

When establishing the “Policy Statement on Quality, Environment and Occupational Health and Safety”, ROMGAZ Group paid close attention to stakeholders. They are consulted whenever required by legislation, and the policy is accessible through multiple channels:

- For employees, it is displayed on the Company’s intranet and supported by training sessions, according to the “Environmental Training” instruction, and whenever it is revised;
- For the public and other stakeholders, the policy is published on Company official website;
- For contractors and suppliers, before commencing any work performed by third parties for or on behalf of the Company, they are instructed regarding the environmental requirements included in the contracts, as well as the provision of the Integrated Management System (IMS) policy.

Environmental complaints can be submitted by any stakeholder via e-mail, using the addresses secretariat@romgaz.ro, comunicare@romgaz.ro, available on the Company’s external website.

6.2.3 E5-2: Actions and resources related to resource use and circular economy

Actions for the material topic — Resource inflows, including resource use

At the end of 2024, an internal process was launched to develop a “Responsible and Sustainable Procurement and Supply Policy”, including elements of circularity. This policy has been approved at the beginning of 2025, and its content and objectives will be included in the next reporting exercise.

Actions for the material topic — Waste

Below is the presentation of the actions taken in 2024 by Romgaz, Depogaz and RBS to manage and reduce the environmental impact of their operations, with a focus on waste management.

Romgaz	Action 1	Action 2	Action 3	Action 4	Action 5	Action 6
Actions taken in the reporting year	Preparation of the Waste Prevention and Reduction Program (PPRD)	Purchase of environmentally friendly products, services and works	Selective waste collection	Economic recovery of waste	Reduction of industrial waste quantities and selective waste collected generated at Romgaz sites	Compliance with waste related legal requirements, as well as with requirements imposed by integrated environmental permits
Scope of actions	All Romgaz site - waste management	Procurement services, Environmental Protection and Romgaz Beneficiary Organizational Units - integration of environmental principles in the procurement program	All Romgaz site - increasing the amount of recycled waste	All Romgaz sites - increasing the amount of recycled waste	All Romgaz sites - increasing the amount of recycled waste	All Romgaz sites - respecting environmental requirements
Time horizon	31 May 2025	For each procurement of products, services or works which may include environmental requirements.	Permanent	Permanent	Permanent	Permanent
Main actions and results	Data collection, centralization and reporting for 2024	Imposing environmental requirements on procurement. Reducing the hazardousness of the waste generated.	Training of the Company's employees Providing containers/bins for selective collection Management according to legal requirements for selectively collected waste	Analysis of waste management operators in the vicinity of waste generation areas for the purpose of identifying waste recovery solutions. Commercialization of waste versus final disposal (method involving costs). Reduction of quantities of waste finally disposed.	Training of the Company's employees. Reduction of waste quantities.	Training of employees Compliance with legislation and legal requirements in regulatory acts Ensuring the continuity of industrial waste collection service contracts. Conduct of regular training Verification of selective waste collection

Progress of actions	Reduction of waste quantities according to targets set for 2024 for each authorized Romgaz objective	Commencement of Romgaz's "Procurement and Sustainable supply" policy.	0 fines	Increasing the rate of waste recovery	Reduction of waste according to targets set for 2024 for each authorized Romgaz site	6 non-compliances opened in internal inspections, of which 2 closed at term and 4 opened within the term
Current and future financial and other resources allocated to the action plan	For the preparation of the PPRD, no financial resources are needed, only human and informational	Internal human resources	Financial resources 1,223,789.93 RON (cumulative for activity 3 and 5) from internal sources Information resources Human resources The financial resources allocated in 2024 are reflected in the consolidated annual financial statements under other expenses.	Information resources Human resources	Financial resources 1,223,789.93 RON (cumulated activity 3 and 5) from internal sources Information resources Human resources The financial resources allocated in 2024 are reflected in the consolidated annual financial statements under other expenses.	Information resources Human resources

Note: In the Waste Prevention and Reduction Program - prepared in 2024 for the year 2023 - the progress made in reducing and preventing waste quantities was monitored, with 2022 as the reference year. Additionally, this program specifies the targets proposed for 2024. The progress made and the achievement of the targets proposed for 2024 will be included in the new program, which is due to be completed by May 31, 2025, according to Law no. 92/2021 - regarding waste management.

In addition, through specialised training carried out in 2024, staff were trained to reduce consumption of materials and to selectively collect the waste from their operations for reintroduction into the economic cycle.

Romgaz operates a facility in Ogra, Mureș County, for the treatment and storage of specific waste generated from natural gas field exploitation. In accordance with the provisions of GD no. 349/2005, which was repealed and replaced by EO no. 2/2021 on waste storage, Romgaz established a fund in 2006 for a 20-year period to cover closure and post-closure activities. The annual contribution to the fund was set at 83,885.08 RON per year, or 20,971.27 RON per quarter. At the end of 2024, the account balance stands at 1,614,847.02 RON; additional information can be found in the Consolidated Administrators' Report.

Depogaz

DEPOGAZ	Action 1	Action 2
Actions taken and planned	Preparation of the Waste Prevention and Reduction Programme	Selective waste collection
Scope of actions	All Depogaz Workstations - reduction of waste quantities	All Depogaz Workstations – increasing the recycling level
Time horizon	31 May 2025	Permanent
Main actions and results	Plan developed and followed during the year	Selective collection and recovery
Progress of actions	fulfilled	fulfilled
Current and future financial and other resources allocated to the action plan	No financial resources are needed for the preparation of the PPRD, only human and information resources	Financial resources: 11,235 RON Information resources Human resources The financial resources allocated in 2024 are included in the consolidated annual financial statements under the line other consumables.

The resources allocated for the implementation of actions related to the use of resources and circular economy include human, information and financial resources, according to "Investment Plan" and the "Procurement Plan".

Based on the current policy, from a quantitative point of view, waste prevention at Romgaz is achieved by:

- Optimizing waste-generating production processes;
- Acquisition of high-quality materials which have a longer lifespan;
- Establishment of systems to collect potential waste oil spills from the storage platform;
- Scrapped or repaired products/components are subject to selective sorting, repair and storage in storerooms for further use;
- Recovery of waste products, components and materials in preparation for their re-use and recycling. For example, Romgaz practices the reuse of a product (drilling mud) which has not changed its properties (composition, density) for operations carried out as part of the same activities and which require the use of this product;
- Establishing industrial symbiosis by transforming the organization's waste or by-products from production into input for another organization;
- Purchase of products without excessive packaging;
- Reuse of materials and equipment;
- Acquisition of rechargeable batteries vs. disposable batteries;
- Purchase of ecological cleaning products, free of propellants, with refilling systems and recyclable packaging.

From a qualitative point of view, prevention is achieved by reducing the hazardous nature of waste, in particular by minimizing the content of hazardous and/or toxic substances.

As part of the Company's digitalization and paper use reduction efforts, the following actions were implemented:

- Setting printers in two-sided and black and white printing mode;
- Use of documents in electronic format as a priority;
- Archiving documents in electronic format;
- Editing documents with smaller fonts;
- Reuse of paper (drafts).

Prevention of generation of industrial waste is achieved by:

- Monitoring the recovery of the waste oil generated in the compression stations, to ensure a recovery and valorisation degree as high as possible and to identify potential losses in the technological process;
- Preventing the generation of waste from ferrous filings and shavings waste maintenance to be achieved through employee awareness raising. At the same time, the recovery and re-introduction of these types of waste into the trading chain is encouraged.

Romgaz has also ensured the necessary infrastructure for selective collection (suitably marked containers, domestic bags) and trained staff to ensure the selection and handling of the waste generated by Romgaz activities. At the level of each site, the waste generated is temporarily stored at sites specifically designated for that purpose, with hazardous and non-hazardous waste being separated for the purpose of handing it over to authorized economic operators.

Third-party waste management involves waste collection, transport, recovery and monetization/disposal, as well as supervision of such operations. Romgaz contracts specify third parties' obligations when managing Romgaz's waste, based on the current legal provisions, such as local environmental laws and regulations, to ensure that third parties manage waste properly. Romgaz did not conduct audits of these suppliers during the reporting period.

Depogaz

At Depogaz, third-party waste management involves waste collection, transport, recovery and disposal, as well as monitoring these activities and the subsequent maintenance of disposal sites. Depogaz specifies in contracts with third parties the obligations to be complied with for proper waste management, in accordance with local legislation and environmental regulations. Depogaz thus ensures that waste is properly managed. Depogaz did not conduct audits of these suppliers during the reporting period.

RBS

In 2024, RBS implemented the "Waste Prevention and Management Procedure", covering, but without being limited to, waste management records, temporary storage, waste treatment and transport, waste disposal, waste valorification etc. in compliance with all legal requirements. During the first part of 2024, the Company had a contract with "Viitor Plus" Association which, through RECICLETA program, provided collection services for recyclable materials such as paper, cardboard, PET, TetraPak, and aluminum doses. This was a social initiative where materials were transported without polluting the atmosphere, by using cargo-tricycles and electric cars, simultaneously providing sustainable jobs.

Subsequently, the process of selective waste collection was taken over by the administration of the office building in which RBS operates. The building administration holds a contract with Bucharest District 1 waste collection company, which provides for the collection, transport and further recovery, recycling and final disposal in accordance with legal provisions on environmental protection.

The assessment of ROMGAZ Group's waste management activities is carried out by environmental protection services, in the framework of internal environmental inspections under the "Environmental Inspection" occupational instruction and by the Integrated Management Service, in the framework of internal audits, carried out under the "Integrated Management System Internal Audit" procedure. The adequacy of waste management is also assessed by the control bodies of the County Commissioners of the National Environmental

Guard and the Water Basin Administrations. During 2024, 26 such verifications occurred, no waste management non-compliances being identified.

6.3 Metrics and targets

6.3.1 E5-3: Targets related to resource use and circular economy

ROMGAZ Group has no long-term targets set according to ESRS requirements.

Targets are set annually. When defining the annual targets, the provisions of current regulations, such as GEO No. 92/2021, Order of the Minister of Environment No. 1946/2024 and Law No. 132/2010 are taken into consideration.

External stakeholders were not consulted for the purpose of setting targets. Targets cover ROMGAZ Group's own operations.

The targets set for 2024 cover the waste generated.

For Romgaz these targets included:

- 0 administrative fines - target 100% achieved
- 100% Non-compliance reports closed/opened – target achieved
- 0 deviations from the applicable legislation - target achieved.

For Depogaz, the target was to reduce by 1% the quantities of paper and cardboard packaging waste compared to 2023.

For the reporting year RBS did not specifically have defined and measurable targets.

6.3.2 E5-4: Resource inflows

Depending on the specific activity of each location, Romgaz uses various resources. These are:

- Products: natural gas, condensate, chemical adjuvants (corrosion inhibitors, demulsifiers), technological liquids (drilling fluids, additives);
- Packaging: metal containers, casks, tanks, big bag sacks;
- Materials: pipes, fittings, drilling equipment, separators, insulating materials, consumables (lubricants, linings);
- Romgaz uses various tangible assets essential for carrying out its operations and activities in the upstream value chain, such as:
    - Industrial equipment: wells, compression and treatment plants, transport pipes;
    - Infrastructure: administrative and industrial buildings, drilling platforms, monitoring and control systems;
    - Vehicles and machinery: necessary for the transport of personnel and materials.

Depogaz uses the following in the production process:

- Products: natural gas.
- Packaging: metal containers, casks, tanks.
- Materials: pipes, fittings, separators, insulating materials, consumables (lubricants, linings).

Depogaz uses various tangible assets essential for carrying out its operations and activities in the upstream value chain, such as:

- Industrial equipment: wells, compression and treatment plants, transport pipes.
- Infrastructure: administrative and industrial buildings, drilling platforms, monitoring and control systems.
- Vehicles and machinery: necessary for the transport of personnel and materials.

Currently, these products and services are not assessed in terms of circularity and ROMGAZ Group does not use circularity indicators in the procurement criteria.

6.3.3 E5-5: Resource outflows

Romgaz						
a) Total amount of waste generated [t]	**4,504.95**					
b) Total amount for which disposal has been avoided [t]	**Hazardous waste diverted from disposal [t]**			**Non-hazardous waste diverted from disposal [t]**		
	Preparing for re-use	Recycling	Other recovery operations	Preparing for re-use	Recycling	Other recovery operations
1,215.52	0	463.07	4.47	0	716.55	31.43
(c) Total amount of waste to be disposed [t]	**Total amount of hazardous waste directed to disposal [t]**			**Total quantity of non-hazardous waste directed to disposal [t]**		
	0.63			3,218.22		
	of which a breakdown after disposal operations:			**of which a breakdown after disposal operations:**		
	Incineration	Deposit	Other disposal operations	Incineration	Deposit	Other disposal operations
3,218.85	0.13	0.5	0	0.01	3,218.21	0
d) Total amount of unrecycled waste	**Total quantity in tons**			**Percentage of total waste**		
	3,254.76			72.25%		

Depogaz						
a) Total amount of waste generated [t]	**253.31**					
b) Total amount for which disposal has been avoided [t]	**Hazardous waste diverted from disposal [t]**			**Non-hazardous waste diverted from disposal [t]**		
	Preparing for re-use	Recycling	Other recovery operations	Preparing for re-use	Recycling	Other recovery operations
23.55	0	20.93	0	0	0	2.62
(c) Total amount of waste to be disposed [t]	**Total amount of hazardous waste directed to disposal [t]**			**Total amount of non-hazardous waste directed to disposal [t]**		
	3.25			221.78		
	of which a breakdown after disposal operations:			**of which a breakdown after disposal operations:**		
	Incineration	Deposit	Other disposal operations	Incineration	Deposit	Other disposal operations
225.03	1.57	0	1.68	0	150.264	71.517
d) Total amount of unrecycled waste	**Total quantity in tons**			**Percentage of total waste**		
	227.65			90.70%		

RBS						
a) Total amount of waste generated [t]	**1.19**					
b) Total amount for which disposal has been avoided [t]	**Hazardous waste diverted from disposal [t]**			**Non-hazardous waste diverted from disposal [t]**		
	Preparing for re-use	Recycling	Other recovery operations	Preparing for re-use	Recycling	Other recovery operations
0.27	0	0	0	0		0.27
(c) Total amount of waste to be disposed [t]	**Total amount of hazardous waste directed to disposal [t]**			**Total amount of non-hazardous waste directed to disposal [t]**		
	0			0.92		
	of which a breakdown after disposal operations:			**of which a breakdown after disposal operations:**		
	Incineration	Deposit	Other disposal operations	Incineration	Deposit	Other disposal operations
0.92	0	0	0	0	0.92	0
d) Total amount of unrecycled waste	**Total quantity in tons**			**Percentage of total waste**		
	1.19			0%		

ROMGAZ Group						
a) Total amount of waste generated [t]	**4,759.45**					
b) Total amount for which disposal has been avoided [t]	**Hazardous waste diverted from disposal [t]**			**Non-hazardous waste diverted from disposal [t]**		
	Preparing for re-use	Recycling	Other recovery operations	Preparing for re-use	Recycling	Other recovery operations
1,239.34	0	484	4.47	0	716.55	34.32
(c) Total amount of waste to be disposed [t]	**Total amount of hazardous waste directed to disposal [t]**			**Total amount of non-hazardous waste directed to disposal [t]**		
	3.88			3,440.92		
	of which a breakdown after disposal operations:			**of which a breakdown after disposal operations:**		
	Incineration	Deposit	Other disposal operations	Incineration	Deposit	Other disposal operations
3,444.80	1.7	0.5	1.68	0.01	3,369.394	71.516
d) Total amount of unrecycled waste	**Total quantity in tons**			**Percentage of total waste**		
	3,483.60			73.19%		

Romgaz

Romgaz generates a variety of waste from its exploration, drilling, processing and transport activities, each waste stream having a specific material composition.

Drilling mud waste: These types of waste result from major repairs, special operations and wells production trials. The categories of mud waste resulting from the operations listed above are:

- Freshwater drilling waste and mud, code 01 05 04;
- Drilling mud containing barite, code 01 05 07;
- Chloride-containing drilling mud, code 01 05 08.

This waste is disposed of by authorized firms. The operations carried out by these firms are:

- Treatment with different chemicals (to reduce hazard);
- Centrifugation (for separation of solid part from liquid part);
- Final storage in stores which comply with regulations.

Scrap metal: This waste results from scrapping operations of fixed assets which can no longer be used in the production process, due to technical wear and tear and obsolescence costs of which are very high, i.e. from work by cutting in mechanical workshops. The main categories of waste in this stream are:

- Ferrous swarf, code 12 01 01;
- Ferrous metals, code 16 01 17;
- Non-ferrous metals, code 16 01 18;
- Iron and steel, code 17 04 05.

Metal scrap is monetized based on the contracts concluded with authorized economic operators.

Electrical and electronic equipment and waste (EEEW): This waste, code 20 01 36, consists of end-of-life products and includes a wide range of electrical and electronic items such as IT and telecommunications equipment, electrical and electronic tools, monitoring and control tools, refrigerators, etc. It is collected and handed over to authorized economic operators.

Solid impurities waste. This waste results from extraction after natural gas separation and includes "underground water" and solid impurities. Mechanical impurities are classified according to the GD No. 856/2002 as follows:

- Sludges from physical-chemical treatment other than those specified in code 19 02 05 (code 19 02 06);
- Other unspecified waste from gas cleaning (code 05 07 99). This waste is generated on a continuous basis, with the cleaning of separators and collecting/storing pools.
- Legal methods of processing, incineration or storage are used for the controlled disposal of such waste. Romgaz removes these categories of waste by depositing it in its own warehouse in Ogra, Mures county and with other authorized economic operators.

Triethylene glycol (TEG) waste: The main waste generated by the natural gas drying activity is the used TEG, contaminated with chlorides from the well-killing fluid and fractions in the enclosed gas, which affect the viscosity and structure of the TEG. During the drying process, the TEG parameters change, the triethylene glycol content decreases and the chlorine content increases, thus becoming waste. Significant amounts of waste from the TEG are generated annually, which, although not classified as hazardous, has high disposal costs. From the analyses carried out and the analysis of the origin and composition of the waste, it has not shown any hazardous substances classified by the legislation at concentrations which would give the waste a dangerous character (free of heavy metals, mononuclear and polycyclic aromatic hydrocarbons — BTEX and PAH). The waste has very low concentrations of oil hydrocarbons in the range C12-C40 corresponding to oils and lubricants. The assessment of the TEG waste, according to the technical file and laboratory analyses, has shown that it falls under code 05 07 99 "Other unspecified waste — from gas purification-TEG”.

Although it is a non-hazardous liquid waste, it has limited possibilities for controlled disposal, through storage in authorized storage or incineration. For efficient management, Romgaz analyses and implements gas conditioning with delicate salts, as this process does not generate waste.

Used oils waste: Collected waste oils may be redistilled for recycling and mixing in lubricating oil plants, or recovered for energy, as referred to in the EU Directive on waste incineration. The reduction in the amount of oil that has become waste is carried out in accordance with the requirements of the manufacturer of the compressors.

A monthly report on the recovery of waste oils from the lubricating oil used was drawn up to monitor the recovery of the waste oil generated from the gas compression plants. Waste oils from the activity of Romgaz are industrial oils and lubricants on a mineral, synthetic or biogenic basis, which have become unsuitable for initial use, particularly those oils from combustion engines and transmission systems, lubricating oils, turbine oils, hydraulic and industrial systems.

Waste oils are classified as hazardous waste under the law and are subject to a special statutory management regime. In some locations the oil is stored and analysed in order to identify possibilities for re-use.

The collection of the waste oil must be carried out selectively, according to law, in sealed containers which are resistant to mechanical and thermal shock and are clearly marked with the name "Used oils". All measures must be taken to prevent sewage leakage during handling, storage and use. The storage in containers of spent oil must be in well-ventilated and dry locations, sheltered from heat sources, flame, sparks or other sources of fire, and appropriate measures of fire prevention must have been taken.

Main materials present in waste:

- Extraction and drilling waste: Drilling mud (containing fresh water, chlorides, barite, bentonite, polymers, etc.).
- Waste from production:
  - Petroleum waste (containing waste oils and fuels used for equipment);
  - Waste from used pipes, equipment and machinery (containing metals and alloys);
  - Plastic waste (containing plastics).
- Natural gas processing waste:
  - Waste from natural gas drying of triethylene glycol and silica gel (containing non-hazardous substances);
  - Filter and separator waste for impurities from natural gas/hydrocarbon separators (containing textiles, waste oils, sludge, etc.);
- Transport and maintenance waste:
  - Scrap metal and spare parts (containing metals);
  - Waste industrial oils (containing oils/lubricants);
  - Plastic and rubber waste (plastic, polymers).
- General operational waste:
  - Packaging waste (containing metal, plastic, paper, paperboard, glass);
  - Electrical and electronic waste (WEEE) (contains metal, plastic, freon, glass, etc.);
  - Hazardous waste (containing hazardous chemical substances and mixtures).

Depogaz

Depogaz generates a variety of specific waste from its gas storage activities. Waste streams include:

- Scrap metal: This waste results from scrapping operations of fixed assets which can no longer be used in the gas storage process, due to technical wear and tear and obsolescence, and the repair costs of which are very high, i.e. through cutting operations in mechanical workshops. The categories of waste in this stream are: iron and steel, ferrous, copper, aluminium, alloys. Scrap metal is collected and recovered on the basis of contracts concluded with authorized economic operators.

- Electrical and electronic equipment and waste (EEEW): This consists of end-of-life products and includes a whole range of electrical and electronic items, such as: IT and telecommunications equipment, electrical and electronic tools, monitoring and control tools, etc. These are collected and handed over to authorized economic operators.
- TEG Waste. Similar with Romgaz, for the controlled disposal of TEG waste, Depogaz has concluded a contract with an authorized economic operator.
- Waste from non-chlorinated mineral engine oils, transmission and lubrication (used oil): Used oil is generated in the gas compression process in compressor stations. It is stored in special containers and recycled through an authorized economic operator with which DEPOGAZ has concluded a contract.
- General waste from other activities: This includes plastics, paper and cardboard, absorbers, filter materials (including oil filters without other specification), polishing materials, protective clothing contaminated with hazardous substances and packaging containing residues or contaminated with hazardous substances. These are collected and handed over to authorized economic operators.

Waste generated through the activities of Depogaz is managed in accordance with current regulations and through the implementation of management processes and measures to minimize its environmental impact.

RBS

RBS generates general office waste: this includes plastic, paper and cardboard packaging, metal, glass, toners and electrical waste. For each type of waste, RBS implements management processes and measures to minimize the environmental impact, including codification and disposal through authorized firms, economic treatment and recovery.

Total amount of hazardous and radioactive waste generated (tonnes)

Type of waste	Romgaz	Depogaz	RBS	ROMGAZ Group
Hazardous waste generated [t/]	468.17	24.18	0	492,34
Radioactive waste [t]	0	0	0	0

Note: on 31 December 2024, Romgaz still had 70.58 t of hazardous waste in stock.

6.3.4 E5-6: Anticipated financial effects of from resource use and circular economy-related impacts, risks and opportunities

According to the provisions of Appendix C of ESRS 1, ROMGAZ is using the transition period to report information on the anticipated financial effects of material risks and opportunities regarding resource use and circular economy.

Any further details will be included in the subsequent reports, once a methodology dedicated to this subject is also adopted.

7 ESRS S1 - Own workforce

7.1 Strategy

7.1.1 ESRS 2 SBM-2: Interests and views of stakeholders

One of ROMGAZ Group's strategic objectives for the 2021-2030 period is to establish long-term and equally profitable relationships with the market and the social environment. This objective includes, among others, the development of human resources to adapt to future trends in sustainable energy.

With a workforce of 5,977 employees as of December 31, 2024, the company's personnel represent a key group among the stakeholders affected by ROMGAZ Group's activities.

Employees' rights, interests, and views, as well as their adherence to human rights principles, are ensured by the company's policies, and employees can directly contribute to the business model and operational structure of the ROMGAZ Group. The process of evaluating the business model and operational structure is dynamic and interactive, integrating employee feedback through annual survey results, internal communication channels, and continuous dialogue.

Employee access to top management is facilitated through the hearing program. Additionally, the company employs various information and communication tools, such as electronic channels (secretariat@romgaz.ro, comunicare@romgaz.ro), an internal radio accessible to all employees via a link, notice boards, and an internal intranet network – Infoweb.

The Company's business model and operational structure may be influenced by its own workforce through the annual employee and trade union consultation, as well as collective bargaining processes. ROMGAZ Group respects the interests, perspectives, and rights of its employees, encouraging continuous dialogue, implementing flexible work arrangements and long-term employment contracts, enforcing occupational health and safety policies, and investing in training and professional development programs. These initiatives intend to address employees' needs and interests while ensuring their protection against negative labour-related impacts.

7.1.2 ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

As part of the double materiality assessment process, the impacts, risks, and opportunities associated with each material topic and subtopic related to workforce were evaluated in accordance with AR 16 of ESRS 1.

The current and potential workforce-related impacts and risks are closely linked to the company's strategy and business model. ROMGAZ Group's actions are directed towards minimizing negative impacts, reducing risks, and creating opportunities for the development of all employees.

In the context of the energy transition, the ROMGAZ Group aims to gradually adopt a new portfolio of activities. This shift may impact the company's workforce, requiring the reskilling and upskilling of employees to align with new requirements. In this regard, the company incorporates the development and integration of competencies in emerging fields such as carbon capture and storage (CCS) and renewable energy production into its training programs, while simultaneously leveraging existing expertise.

In the context of labor contract adjustments due to business structure developments, organizational changes, or security requirements, the company evaluates alternatives and promotes constructive dialogue with employees to identify professional reconversion solutions, where and if applicable. Throughout 2024, no restructuring or collective layoffs have taken place among the company's employees.

The ROMGAZ Group's strategy includes the implementation of digital solutions and automation across all business segments. This strategy creates new professional positions and attracts new talent while offering existing employees diverse opportunities for professional development, including skill updates and reskilling. The company invests annually in education, collaborating with vocational and technical education institutions and specialized universities in the country to help develop a workforce aligned with its strategic objectives.

The personnel strategy and operational model of ROMGAZ Group are designed to:

- Ensure workforce stability by offering long-term employment contracts and competitive salaries;
- Retain talent and enhance competencies through the implementation of professional training programs and by providing a non-discriminatory and violence-free work environment.

These concerns may have a positive impact on the company, but their absence or the improper implementation of existing policies may have an adverse effect—since the workforce is the driving force behind the company's development strategy.

Due to the nature of its industry, workplace health and safety are central elements of the business model. Therefore, ROMGAZ Group leverages its own health treatment facilities to provide employees with solutions to address health issues.

The risks and opportunities arising from the impacts and dependencies on its workforce influence ROMGAZ Group's strategy by strengthening employee retention and development policies. For example, opportunities such as developing industry-specific skills, attracting young talent, and implementing fair policies contribute to adapting ROMGAZ Group's business model, ensuring long-term sustainability.

The topics identified as material, related to the company's own workforce, include:

IROs related to their own workforce

Legend:
Type of impact: F = financial impact, M = material impact, MF - material and financial impact
Time Horizon: A = current impact, P = potential impact
Source of impact: S = impact arising from strategy and business model, B = impact that underpins strategy

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Working conditions **Secure employment**	Own activity/ value chain	M	B			P	The absence of policies to protect workers from income fluctuations due to the type of employment contract can negatively impact employees' psychological well-being, leading to productivity and loyalty related consequences, both within the company's own operations and across the value chain.	-	
Working conditions **Adequate wages**	Upstream, Own Activity	MF	B	A	ROMGAZ Group values the loyalty and experience of its employees, recognizing their contribution to the company's and industry's development. Through additional benefits and retirement support, correlated with seniority in the natural	P	In some cases, wages may not fully reflect the complexity and risks associated with the work of the gas industry. This can lead to employee dissatisfaction, impacting morale	-	

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
					gas and/or electricity industry, the company ensures a smoother transition to this stage, reflecting its commitment to employee well-being.		and productivity. Additionally, salary differences between various positions and operational locations may create tensions and inequities within the company.		
Working conditions **Health and safety**	Upstream, Own Activity	MF	S	A	ROMGAZ Group ensures a safe and healthy work environment through a health and safety management system audited both internally and externally, which mitigates risks and protects employees' health. Continuous monitoring and the company's support for medical treatments contribute to the prevention of occupational diseases.	A, P	Limited access to medical services in remote operational locations and exposure to toxic chemicals and pollutants can lead to chronic illnesses and health issues (including mental health problems). Due to the nature of the work, occupational diseases may arise, caused by factors such as exposure to noise, vibrations, harmful chemicals, etc. The complex work program can cause extreme fatigue	-	Improving working conditions, prevention programs and investing in own treatment facilities contribute to increasing employee satisfaction, reducing personnel fluctuations, maintaining employees' health and strengthening ROMGAZ Group's reputation as a responsible employer.

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
							and increased health risks. Any work accident can create an unattractive working environment. Reputational risks with financial implications may arise.		
Equal treatment and opportunities for all **Gender equality and equal pay for work of equal value**	Own Activity	MF	B	A	ROMGAZ Group promotes a fair and inclusive work environment, ensuring non-discriminatory access to employment and professional development. The company's policies support pay equity and merit-based advancement, contributing to the reduction of gender disparities. The distribution of women in specific positions results in a favorable average salary ratio for them, reflecting ROMGAZ Group's commitment to diversity and organizational sustainability.	P	Inequalities can lead to a lack of motivation and a sense of injustice among employees, thus affecting the cohesion and efficiency of the team.	-	
Equal treatment and opportunities for all	Own Activity	MF	B	A	The continuous investment in employees' professional development	A	Inadequate or insufficient training can lead to stress,	-	The development of industry-specific skills contributes to increasing the expertise of employees, thus providing a

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Training and skills development					enhances their skills and job satisfaction. Through the Romgaz NextGen internship program and practical training opportunities for students, Romgaz contributes to developing a future generation of specialists while strengthening its position as an attractive employer.		fatigue, errors and accidents within the organization. The transition to a climate-neutral economy may require training and retraining of the workforce. The lack of qualified ROMGAZ staff may have a negative impact such as the delay in development projects.		well-trained workforce capable of meeting the specific technical and safety requirements of the energy sector. The implementation of effective training and development policies reinforces ROMGAZ's reputation as a responsible employer, attracting and retaining the talents necessary for the long-term competitiveness of the company.
Equal treatment and opportunities for all **Measures against violence and harassment in the workplace**	Own Activity	MF	B	A	ROMGAZ Group promotes a work environment based on respect, integrity, and equality, maintaining a zero-tolerance policy towards any form of harassment. Through clear internal reporting and investigation mechanisms, the Group creates a harassment-free environment, ensuring the protection of employees and collaborators, and fostering the improvement of working conditions. No confirmed incidents have been recorded in recent years.	P	Harassment at the workplace may have a negative impact on the people involved and on organizational culture, with effect on the productivity and loyalty of employees	-	

ROMGAZ Group's workforce is composed of 99.85% permanent employees—workers with full-time or part-time indefinite-term employment contracts—while the remaining employees are on fixed-term individual employment contracts.

ROMGAZ Group has seven administrators and three directors who work for the company under mandate contracts. The Deputy General Director holds two contracts—one as an administrator and one as a director.

For certain specialized projects or operations, ROMGAZ Group works with subcontractors who may be present at the company's locations for varying durations depending on the projects they are working on. These subcontractors must adhere to the workforce-related provisions outlined in the service contracts concluded with ROMGAZ Group.

Regarding material impacts, as well as the risks and opportunities associated with the workforce, the company's policies and programs comprehensively cover all workforce members. Depending on the location of activity (operational locations or offices), workforce-related risks and opportunities may vary, and this is reflected in the job descriptions and risk analysis.

According to the double materiality assessment, it was noted that negative impacts may occur among the company’s own employees:

- In the absence of employment policies providing for stable employment contracts and salaries that ensure a decent standard of living;
- Due to the work conditions specific to the industry. The company's activities expose employees to occupational diseases caused by exposure to noise, vibrations, and harmful chemicals. Insufficient access to healthcare services in remote operational areas and exposure to dangerous chemicals and pollutants may lead to chronic or acute conditions, including mental health issues. Additionally, a demanding work schedule in an industry with strict safety requirements can cause burnout and significantly increase health risks or the likelihood of accidents. Workplace accidents have the potential to create an unfavorable work environment, generating risks to the company's reputation, which in turn can have financial implications;
- The lack of a fair compensation policy may lead to employee demotivation;
- Due to a lack of specific professional training related to the demanding or changing working conditions in the industry for the company's staff;
- Or in cases where the organizational culture does not address workplace harassment.

ROMGAZ Group generates significant positive impacts on its own workforce by implementing the following initiatives and activities targeting all employees:

- **Safe jobs.** The company focuses on the quality of the workforce and the level of professional training, with almost all employees (99.85%) having full-time, indefinite-term contracts.
- **Adequate salaries**. At ROMGAZ Group, in addition to fixed compensation that complies with applicable regulations, employees’ loyalty and experience are valued through an additional benefits package.
- **Training and development.** ROMGAZ Group supports the professional training and development of employees to enhance their competence at work. The company also ensures the (re)authorization/(re)certification necessary for employees to perform their professions.
- **Internal coaching**. In 2024, the internal coaching program was implemented as part of the company’s commitment to supporting the professional and personal development of employees. Seventeen individuals enrolled in this initiative.
- **Gender equality and equal pay for equal work**. The company’s practices facilitate non-discriminatory access to jobs and career development. At ROMGAZ Group, the pay ratio is favourable to women at certain hierarchical levels, reflecting a fair distribution across roles.
- **Measures against violence and harassment**. ROMGAZ Group applies a zero-tolerance policy towards any form of harassment, regardless of the individuals involved, both

within and outside the company, including at social events, business trips, training sessions, or conferences. The company has created tools for internal reporting and investigating such incidents.

The opportunities for the company and its employees result from the policies and facilities that ROMGAZ Group provides to its workforce.

ROMGAZ Group does not have any operations involving forced labor or child labor risks. For its value chain, there are contractual clauses prohibiting the companies ROMGAZ Group collaborates with from using child labor or forced labor, although ROMGAZ Group has not conducted verification or auditing processes in this regard.

Due to the nature of its activities, ROMGAZ Group has jobs that carry a higher risk of occupational diseases. Workers in compressor stations, production test teams, and those involved in major repairs at wells are exposed to greater risks of developing occupational diseases, especially those associated with the loud noise in which these activities take place. Employees in these positions are informed about these risks upon hiring and periodically (according to legal regulations, with frequencies set based on the annual training-testing schedule—monthly, quarterly, semi-annually, or annually) through training on workplace health and safety.

ROMGAZ Group	2024
Number of employees involved in activities posing a high risk of developing occupational diseases	313*
Number of deaths from occupational diseases	0
Number of registered occupational diseases	0

*288 employees are employed under special working conditions, and 25 employees work under exceptional working conditions. (Romgaz)
- 0 employees are employed under special working conditions, and 0 employees work under exceptional working conditions (Depogaz).
* 0 employees are employed under special working conditions (RBS).

7.2 Impact, risk and opportunity management

7.2.1 S1-1: Policies related to own workforce

ROMGAZ Group operates in accordance with the applicable labor legislation in Romania and has internal codes and policies that ensure the respect of employees' rights, addressing the impacts, risks, and opportunities identified through the double materiality assessment.

ROMGAZ Group's human resources policy, aligned with the company's general objectives, focuses on harnessing the potential of the existing workforce and identifying external resources to improve specialization and professional training. The main directions of this policy include:

- Increasing the level of professional competence, with a focus on employees;
- Achieving a balanced distribution of human resources both at the company's headquarters and in the branches, based on the specific nature and importance of the activities carried out;
- Establishing its own personnel promotion system for high-performance potential, prioritizing internal selection;
- Strengthening its organizational culture and the sense of belonging.

The human resources policy intends to organize, recruit, select, assess performance, and develop personnel in line with business objectives.

ROMGAZ Group takes into account fundamental human rights in its activities, in line with international regulations, national laws, and internal social responsibility standards (Social Responsibility Policy).

When developing policies that govern the company's operations, ROMGAZ Group complies to nationally and internationally recognized standards concerning employees' rights (UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, and OECD Guidelines for Multinational Enterprises) and encourages employee involvement in the company’s sustainability management by consulting them during the double materiality assessment process.

The policies apply to the company's own operations and value chain (according to contractual provisions), and the responsibility for approving and overseeing their implementation rests with the General Director.

The Code of Ethics and Conduct of Business promotes ethical responsibility in fulfilling obligations, implementing ROMGAZ Group strategy and achieving operational and economic objectives, one of the objectives being to create inclusive, safe and ethical jobs.

This is available both in English and Romanian on the company's website and details the procedures for reporting any situations that may negatively affect the company's workforce to the Ethics Advisors.

External stakeholders can also submit complaints to ROMGAZ Group if they observe any potential violations of human rights or ethical standards related to the company.

Annually, a report from the Ethics Advisors is prepared and presented to the management regarding the monitoring of the application and compliance with the principles and standards of ethics and integrity within ROMGAZ Group. This report includes aspects related to possible violations of the conduct standards set out in the Ethics and Integrity Code, the Internal Regulations, and the Collective Labor Agreement.

ROMGAZ Group's Human Rights Statement was developed during 2024 and approved on January 23, 2025. The statement covers all necessary requirements and explicitly addresses the fight against forced labor, human exploitation, human trafficking, and child exploitation, in compliance with legal provisions regarding the minimum age for employment.

Specifically, the following policies apply to identified material topics:

1. **Secure employment**

ROMGAZ complies with the Labor Code and related national legislation regarding employment, practices and the types of contracts offered. Therefore, the company offers individual employment contracts for indefinite periods, either full-time or part-time, in accordance with ROMGAZ's Human Resources Policy, which ensures a stable income for employees.

The operational procedure "Recruitment and Selection of Personnel" regulates the activity to ensure human resources in accordance with the requirements and complexity of their positions, as well as the coherent and efficient allocation of internal human resources. The document includes principles of transparency, non-discrimination, and equal opportunity for all candidates, as well as the improvement of employee performance.

At ROMGAZ level, starting from June 1, 2024, a Collective Labor Agreement negotiated with the "Free Trade Union within S.N.G.N. Romgaz S.A." is in effect, valid until June 1, 2026, and is applicable to all employees.

At Depogaz Subsidiary level, starting from June 1, 2024, a Collective Labor Agreement negotiated with "Depogaz Ploiești Storage Branch Union" is in effect, valid until May 31, 2026, and is applicable to all employees.

Currently, there is no Collective Labor Agreement at RBS Subsidiary level, but the legislation stipulates that the negotiation process must begin once the number of employees reaches 10.

2. **Adequate wages**

At ROMGAZ Group, there is a Remuneration Policy applicable to administrators and directors. This policy sets their fixed and variable remuneration thresholds.

For the rest of the employees, the Collective Labor Agreement is negotiated every two years, ensuring that adequate salaries are provided, reflecting the work and qualifications of employees, while ensuring that the minimum remuneration complies with legal standards.

Additionally, the Company offers various supplementary benefits, including private pension schemes, health insurance, reimbursement of tourism services, material aid for special situations, professional training programs, and retirement benefits.

3. **Health and Safety**

ROMGAZ has implemented an Occupational Health and Safety Management System in accordance with the ISO 45001: 2023 standard, ensuring compliance with the applicable legislation. The management system covers all company employees.

The section "Working Conditions – Occupational Health and Safety" in the Collective Labor Agreement includes the employer's and employees' obligations, working conditions and standards, staff training, and health protection. The Occupational Medicine Office promotes a healthy lifestyle through recommendations and best practices addressed to employees.

According to the Social Responsibility Policy, the commitments made to achieve the occupational health and safety objectives mentioned in section S1-5 include:

- Developing specific plans for Emergency Situations (Fire Prevention and Civil Protection), aimed at preventing events with severe consequences.
- Enhancing occupational health and safety management and implementing best practices to eliminate workplace accidents;
- Beyond its obligations related to other voluntarily adopted requirements, ROMGAZ Group promotes continuous improvement in working conditions and the management of security, health, and employee well-being;
- Preventing and avoiding employee accidents and health issues by ensuring a safe and healthy environment;
- Continuously monitoring the responsibility to report, assess, and appropriately manage any potential risk situations that could affect workers and equipment safety;
- Ensuring compliance with all applicable legal requirements in the field through the integrated management system for quality, environment, and occupational health and safety, in accordance with the ISO 9001:2015, ISO 14001:2015, and ISO 45001:2023 standards;
- Promoting measures to improve employees' occupational health and safety by establishing principles regarding professional risk prevention, health protection, and worker security, eliminating risk factors and accidents, informing, consulting, and ensuring balanced participation according to the law, and training workers and their representatives in line with applicable legislation;

ROMGAZ Group also complies with the requirements of SEVESO by implementing operational security measures and public reporting of security measures and accident behavior.

The ROMGAZ Group infrastructure management system involves the implementation and application of specific procedures aimed at ensuring the effective maintenance of the natural gas infrastructure for accident prevention purposes. These procedures are detailed and classified based on the type of maintenance and specific activity, as follows:

- Preventive maintenance in natural gas compression activities.
- Corrective maintenance in natural gas compression activities.
- Preventive maintenance in natural gas dehydration activities.
- Corrective maintenance in natural gas dehydration activities.
- Corrective maintenance to address accidental defects in natural gas pipelines.

- Corrective maintenance to remedy accidental defects in surface technology installations.
- Rectification insulation defects on collector pipelines.

Accidents at work and risks are monitored and managed according to legislation, and investigation of incidents is aimed at preventing future events. Accidents at work are registered in the Single Register of Records for fair and transparent reporting.

The Society also identified jobs with high risk of occupational diseases, providing specific measures to reduce exposure to risk factors such as intense noise (information presented at page 126).

4. **Gender equality**

At ROMGAZ Group, there are provisions and responsibilities regarding diversity, equal opportunities, and non-discrimination of any kind, both within the Collective Labor Agreement, as well as the Internal Regulations and the Code of Ethics and Integrity.

Through the Code, ROMGAZ Group intends to ensure a working environment for its employees where their skills, talents, experience, and contributions to the company's performance are appreciated and respected, and encourages the cultivation of an atmosphere based on trust, openness, mutual respect, and sincerity by all staff members.

5. **Training and skills development**

ROMGAZ Group shall ensure that employees receive continuous training in areas relevant to their roles within the organization. This training aims at acquiring and developing new knowledge and skills, but also at ensuring (re)authorization/(re)certification necessary for employees to carry out their work.

To regulate employees' needs for training and professional development, the company has implemented a procedure to identify training and professional development needs, as well as the means and manner to implement them.

The training and professional development of ROMGAZ Group's employees shall be carried out through their participation in internal and external programs, in accordance with the Training and Professional Development Plan.

Additionally, the company has a procedure for evaluating the professional performance of its employees. This procedure serves both to measure performance and to support the continuous development of employees and improve the way work is carried out at the organizational level.

Performance evaluations are conducted annually, based on criteria adapted to different employee categories. The process is designed to recognize employees' skills and performance, increase self-confidence, encourage development, identify employee potential, and promote a corporate culture focused on continuous development.

6. **Measures against harassment and violence**

The Code of Conduct for Business covers issues such as: human rights, loyalty/corporate integrity, competition and anti-trust law, anti-corruption and anti-fraud, responsibility in relation to third parties, sustainability and relations with the environment and community.

The Code also includes the modalities for the referral and reporting of possible harassment or violence at work to the ethics adviser.

7.2.2 S1-2: Processes for engaging with own workers and workers' representatives about impact

Collaboration with the workforce is carried out directly through annual satisfaction surveys addressed to all employees. The General Director and the Human Resources Director are responsible for overseeing and implementing this collaboration process.

To identify the impacts, risks, and sustainability opportunities related to the workforce, ROMGAZ Group employees have been involved in the double materiality assessment (the complete description of the consultation process can be found on page 27).

There are also specific collaboration channels in place.

For example, to manage the negative impact related to occupational health and safety, at the level of the Company and of each subsidiary, there is a Health and Safety Committee (except for the Drobeta Turnu Severin Subsidiary, as according to the legislation, the establishment of a HSC is mandatory only for units with at least 50 employees). In this context, for the respective subsidiary, the responsibilities regarding occupational health and safety for the 2 employees are directly managed by the Prevention and Protection Service within the Company's Headquarters.

These committees operate based on their own Organization and Functioning Regulation and meet quarterly or whenever necessary to address occupational health and safety issues. The minutes of the meetings are communicated to all employees. The committees consist equally of both employee representatives and management representatives.

The company's management consults with the trade unions for the negotiation of collective labor agreements or for managing possible labor conflicts.

7.2.3 S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns

According to the Code of Ethics and Conduct in Business, ROMGAZ employees have multiple channels to express their opinions or signal possible violations of any internal policies or regulations. The communication channels are presented in detail in the ESRS 2 section, page 24.

Ethics advisers shall consider referrals and complaints about violations of professional conduct, ethics and integrity by the management and personnel of ROMGAZ Group and make general recommendations to the General Director.

Thus, the ethics advisors prepare semi-annual analyses and reports on the issues reported to the General Director. The reports and analyses are approved by the General Director and forwarded for information to the Monitoring and Coordination Commission for the Implementation and Development of the Internal Managerial Control System and to the Audit Committee. The ethics advisors address all situations reported to them in an independent and objective manner and handle all information brought to their attention with maximum discretion, confidentiality, and non-discrimination.

In 2024, 32 complaints were registered in the Reporting Record, managed by the Ethics Advisors.

Also, to facilitate better and direct communication, all employees have communication tools provided by the Company and can access management teams through the hearing program.

ROMGAZ Group evaluates the reporting mechanisms annually, considering relevant legislative changes and integrating detailed employee feedback to ensure the company's system is updated in accordance with the needs of the organization and all personnel.

The management of the organization is interested in collecting real data regarding employee satisfaction at the workplace and aims to encourage them in:

- Open communication, without fear of retaliation, regarding any issues they face during working hours;
- Suggesting improvements to enhance performance and develop partnership relationships.

Employee satisfaction evaluation is carried out according to the procedure "Employee Satisfaction Evaluation," which describes how feedback regarding the employees' satisfaction level within the company is obtained. The results help ROMGAZ identify the strengths and weaknesses of the work environment, implement improvements, and maintain a favourable climate, thus contributing to the growth of trust and employee loyalty.

Potential breaches of conduct norms by directors or administrators are analyzed in the context of the provisions of the mandates and administration contracts by the Audit Committee.

ROMGAZ Group also regulates the way in which complaints received from external sources are managed. There are three contact points for registering complaints from the general public: consilierdeetica@romgaz.ro, comunicare@romgaz.ro and petitii@romgaz.ro.

For the underground gas storage service, there is a dedicated phone number, TELVERDE 0800833764 (08008DEPOG).

Regarding RBS, there is no special communication line dedicated yet.

Complaints can be registered online on Company's external website by accessing the link www.romgaz.ro.

To evaluate how well the members of the workforce are familiar with these mechanisms, additional information has been included in ESRS G1 section.

7.2.4 S1-4: Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

ROMGAZ Group implements various measures to address the impacts on the workforce, which are presented below. The effectiveness of these measures, as well as the verification that the company's practices do not produce or contribute to significant negative impacts on the workforce, are monitored through the annual employee feedback surveys.

In the context where employment contracts are adjusted due to developments in business structure, organizational changes, or security requirements, the company evaluates alternatives and promotes a constructive dialogue with employees to find professional retraining solutions where applicable. Throughout 2024, no restructurings/collective layoffs have occurred among the company’s employees.

- **Secure employment**

To provide secure jobs, ROMGAZ Group signs indefinite-term employment contracts with full social coverage. Thus, employees are protected from potential income fluctuations caused by job loss. Employees are covered by both state and private social insurance. In case of layoffs, they are entitled to unemployment benefits, according to national legislation.

Throughout 2024, ROMGAZ Group developed a procedure for regulating voluntary departures.

The effectiveness of these initiatives is evaluated through the annual consultation with employees.

- **Adequate wages**

The employment contracts include provisions regarding the alignment of salaries with the national inflation rate, with annual updates. Throughout 2024, based on the negotiation minutes signed on July 23, 2024, it was established that, starting from August 1, 2024, the gross base salaries of employees within SNGN Romgaz SA will increase by 5.71% and by a fixed amount of 150 RON gross/employee. Additionally, the salary scale applied within SNGN Romgaz SA was reshaped by increasing the values of the 1st salary classes at each level by 5.71% and a fixed amount of 150 RON, taking into account the classification coefficients established in Annex 8 of the Collective Labor Agreement for the years 2024 – 2026, registered with the Territorial Labor Inspectorate under No. 9177/27.05.2024.

- **Health and safety**

By implementing an integrated management system, the Company identifies and manages the risks associated with its activities, promoting an organizational culture focused on accident prevention.

Throughout 2024, the following specific actions were carried out:

  - Auditing and recertification of the management system according to ISO 45001:2023;
  - Adequate training to raise awareness of the importance of work safety;
  - Ensuring appropriate protective equipment for each category of employees;
  - Ensuring access to private medical services;
  - Emergency response drills for SEVESO locations.

- **Gender equality and equal pay for work of equal value**

Through the policies adopted, ROMGAZ Group does not discriminate on the basis of gender and does not exclude diversity and inclusion in the workplace. In its industry, the gender pay gap is influenced by the specific nature of jobs. For example, in the category of 'Workers', high-risk jobs are predominantly occupied by men, which entails higher wage increases.

However, in ROMGAZ Group, the ratio between men's and women's wages varies according to the hierarchical level. While there is a male-friendly report in the Workers category, this changes in the Middle and Top management positions, where women's salaries are on average higher than men's. Generally, the overall ratio of women's and men's average wages in the company is highly favourable to women, an issue which is significantly influenced by the distribution of employees per roles.

Through the implementation of equitable remuneration policies and regular analyzes, ROMGAZ Group continues to monitor these issues in order to ensure transparency and the application of the principles of equality. In addition, the Society develops initiatives to encourage balanced participation of women and men in all classes of functions, thus promoting diversity at organizational level.

- **Training and skills development**

ROMGAZ Group supports the continued development of its employees by ensuring that they constantly improve their skills relevant to their roles within the organization. The company also provides (re)authorization/(re)certification necessary to carry out the professional activities as required by specific requirements.

In order to minimize the risks associated with employee fluctuation and insufficiency in skills development, ROMGAZ Group applies measures that ensure operational continuity, including: identifying and designating substitutes for key positions, facilitating access to training programs for employees to further develop relevant skills, organizing internal coaching sessions and regular performance evaluation, in order to identify emerging needs for professional development.

The Group also intends to develop a formal succession policy for key and critical positions, ensuring long-term business continuity.

In the context of energy transition, ROMGAZ Group aims for the gradual adoption of a new portfolio of activities. This change may have an impact on its workforce, involving the need for reskilling and upskilling of employees to align with new requirements. In this regard, the Company includes the development and integration of competencies in emerging fields such as carbon capture and storage (CCS) and renewable energy production in its training programs, while simultaneously leveraging existing expertise.

ROMGAZ Group's strategy includes the implementation of digital solutions and automation across all activity segments. This strategy generates new professional positions and attracts new talents, offering to existing employees diverse opportunities for professional development, including the updating and reskilling of competencies.

The company invests annually in education, collaborating with vocational and technical education institutions and universities in the country, in order to contribute to the formation of a workforce adapted to its strategic objectives.

- **Assessment of employee performance**

ROMGAZ Group has implemented an employee performance evaluation procedure aimed at recognizing employees' skills and performance, increasing and strengthening the employee's self-confidence, encouraging employee development, enhancing motivation and satisfaction with their activities, identifying the potential of the employee, promoting a culture oriented toward continuous development that encourages collaboration and active involvement.

Performance evaluation is conducted annually, based on clear and transparent criteria, adapted to different categories of staff.

- **Measures against violence and harassment at work**

ROMGAZ Group has a zero-tolerance policy towards any form of harassment, whether sexual or moral, as well as any acts of violence within the organization.

This policy is supported by preventive measures, such as periodic training for employees, awareness sessions regarding ethical behavior, and the promotion of a respectful working environment. During the reporting period, ROMGAZ Group conducted 3 informational campaigns aimed at disseminating the information developed in the "Policy on Combating Harassment and Discrimination in the Workplace" and in the "Internal Regulation."

ROMGAZ Group has also implemented a Privacy Policy on the protection of personal data. It ensures compliance with European data protection legislation (GDPR), protecting the personal information of employees and/or practicing/trainees, candidates for ROMGAZ Group's job vacancies and visitors to the website www.romgaz.ro.

7.3 Metrics and targets

7.3.1 S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

- **Secure employment**

During 2024, the Company had no targets on this material topic.

- **Adequate wages**

During 2024, the Company updated employees' wages in accordance with internal procedures and the Collective Labor Agreement negotiated with trade unions. There were no other targets on this material topic.

- **Health and safety**

In order to reduce the negative impacts on the workforce and to increase employee satisfaction and well-being, by 2030, the ROMGAZ Group has set objectives and performance indicators related to the health and work of employees as follows:

  - Zero fatal accidents arising from work-related accidents;
  - Reduction in number of incidents/accidents with lost working time (LTIR < 0,4);
  - Implementation of process safety monitoring and reporting.

- **Gender equality and equal pay for work of equal value**

During 2024, the Company had no targets on this material topic.

- **Training and skills development**

Professional training is a component of ROMGAZ Group's Management Plan.

The objectives set in relation to training and the development of competencies are for 2024 were:

- The average number of professional training hours per employee per year was at least 8 hours in 2024;
- All eligible employees are included in the annual performance evaluation process. The completion of the evaluation process for 2024 takes place at the end of the first quarter of 2025, so the data included in this report is for the year 2023;
- 100% of employees trained in occupational health and safety (OHS) according to ISO management system requirements;
- ROMGAZ Group aims at finalizing the succession policy by December 31, 2025.

The procedure for employee training and professional development stipulates that the identification of training and professional development needs is done with the involvement/consultation of the employee.

Targets on training and performance evaluation cover all ROMGAZ Group employees, while the succession policy will define key leadership roles and critical functions for the Society.

- **Measures against violence and harassment at work**

During 2024, the company had no targets on this material topic.

7.3.2 S1-6: Characteristics of the undertaking's employees

During 2024, all ROMGAZ Group employees worked in Romania. Therefore, the country breakdown requested in paragraph 50(a) is not applicable.

The information given in this Section is not validated by an outside body other than the assurance provider.

Total number of employees, expressed as number of persons or full-time equivalents of permanent employees, with breakdowns by gender; temporary employees, and breakdown by gender and non-guaranteed hours employees, and breakdown by gender

ROMGAZ Group		2024
Number of permanent employees (head count / FTE)	Women	923
	Men	5 040
	TOTAL	**5,963**
Number of temporary employees (head count / FTE)	Women	4
	Men	10
	TOTAL	**14**
Number of non-guaranteed hours employees (head count / FTE)	Women	0
	Men	0
	TOTAL	**0**
Number of employees (head count / FTE)	Women	927
	Men	5,050
	TOTAL	**5,977**

Note 1: Information on the number of employees that are on the payroll of ROMGAZ on 31.12.2024 can be found in the 2024 Consolidated Administrators' Report.

Note 2: According to the legislation in force, gender-based division can only be made between men and women, with no formal recognition of other categories.

Information about the employees who left the company and rotation rate

Indicator		2024
ROMGAZ Group	Total number of employees who voluntarily left the company during the reporting period	**30**
	Total number of employees who left the company unintentionally in the reporting period	**232**
	Average number of employees	**5,978**
	Voluntary personnel fluctuation rate (%)	**0.50**
	Rate of involuntary personnel fluctuation (%)	**3.88**
	Employee turnover rate (%)	**4.38**

The number of employees was used on 31 December 2024 for the submission of data.

7.3.3 S1-7: Characteristics of non-employee workers in the undertaking's own workforce

The information given in this Section is not validated by an outside body other than the insurance provider. Non-salaried workers are individuals employed under mandate contracts, as described in ESRS 2 Section at page 8. As of December 31, 2024, ROMGAZ Group had 17 non-salaried workers; the breakdown of these workers by subsidiaries is presented below.

Information regarding non-salaried workers, as the number of mandate contracts as of December 31, 2024.

ROMGAZ Group		2024
Number of self-employed persons	Women	0
	Men	0
	TOTAL	**0**
Number of persons provided by enterprises principally engaged in employment activities	Women	0
	Men	0
	TOTAL	**0**
Number of unpaid workers (number)	Women	**6**
	Men	**10**
	TOTAL	**17**

7.3.4 S1-10: Adequate wages

ROMGAZ Group provides a level of remuneration for all its employees at least equal to or higher than the national minimum wage set by the applicable legislation in Romania.

The information given in this Section is not validated by an outside body other than the insurance provider.

7.3.5 S1-11: Social protection

The social protection of employees is addressed by ROMGAZ Group through social contributions which are in conformity with national law. All employees therefore benefit, under the conditions of the law applicable in Romania, from:

- Paid sick leave,
- Unemployment,
- Parental leave for children care,
- Pension benefits.

In addition to the monthly salary and the benefits mentioned above, employees benefit from a set of advantages established by the Collective Labor Agreement, as follows:

- Coverage in case of disability or invalidity resulting from work accidents;
- Reimbursement of vacation packages;
- Provision of material assistance in the event of special life events of the employee;
- Contributions made on behalf of employees to voluntary pension schemes, within a limit of an amount equivalent to 400 euros per employee per fiscal year, in compliance with legal provisions;
- Payment of voluntary health insurance premiums, within a limit of an amount equivalent to 400 euros per employee per fiscal year;
- Coverage of (re)authorization costs for specialized personnel.

ROMGAZ Group rewards the loyalty of employees who have contributed to the company's development upon retirement. Regardless of the reason for retirement, each employee will receive assistance based on their length of service in the natural gas and/or electricity industry, as follows:

Number of salaries granted based on seniority

Seniority	Number of salaries awarded
5 to 10 years old	four monthly basic salaries at the time of retirement
10 to 20 years old	five monthly basic salaries at the time of retirement
20 to 30 years old	six monthly basic salaries at the time of retirement
30 to 40 years old	seven monthly basic salaries at the time of retirement
over 40 years old	eight monthly basic salaries at the time of retirement

The administrators and directors with mandates, in addition to the fixed monthly allowance established in the mandate contract, also received a variable allowance based on the degree of achievement of the performance indicators for the year 2023. For the year 2024, their remuneration is subject to the Annual Report on remuneration, benefits, and/or other advantages granted to the members of the Board of Directors and directors of ROMGAZ Group (full details are included in ESRS 2 Section - page 14).

7.3.6 S1-13: Training and skills development metrics

The number and percentage of employees who participated in periodic performance and career development assessments in 2024:

Entity	Gender	The number of employees who participated in periodic performance evaluations	Percent	Eligible database
Romgaz	Female	779	97.86	796
	Male	4,513	99.87	4,519
	TOTAL	**5,292**	**99.57**	**5,315**
Depogaz	Female	93	98.94	94
	Male	390	99.24	393
	TOTAL	**483**	**99.18**	**487**
RBS	Female	7	100.00	7
	Male	5	100.00	5
	TOTAL	**12**	**100.00**	**12**
ROMGAZ Group	Female	879	97.99	897
	Male	4,908	99.82	4,917
	TOTAL	**5,787**	**99.54**	**5,814**

Note: The table with data at the branch level, considering that employee performance evaluations were conducted in different periods (April 30, 2024, for Romgaz and January 31, 2024, for Depogaz and RBS).

The average number of training hours, by gender

Entity	Gender	Number of employees	The number of training hours	The average number of training hours
ROMGAZ Group	Female	927	9,003	9.71
	Male	5,050	57,343	11.36
	TOTAL	**5,977**	**66,346**	**11.10**

Note: In the calculation of the average number of training hours, broken down by gender, the training hours of the members of the Board of Directors of S.N.G.N. Romgaz S.A. were not included.

Number of employees per category of employees in the reporting year

Indicator		2024
ROMGAZ Group	Higher management	55
	Mid-level management	347
	Other management positions	259
	Specialists with higher education	1,173
	Specialists without higher education	180
	Workers	3,963

Number and percentage of employees involved in regular assessments of the performance and career development by employee category

The evaluation process for 2024 shall be completed after the publication of this report. Thus, the data presented cover the employee valuation for 2023.

	Category	Number	Percent	Eligible database
ROMGAZ Group	Higher management	49	90.74%	54
	Mid-level management	333	98.23%	339
	Other management positions	257	99.61%	258
	Specialists with higher education	1,098	99.01%	1,109
	Specialists without higher education	176	99.44%	177
	Workers	3,874	99.92%	3,877
TOTAL	Romgaz	5,292	99.57%	5,315
	Depogaz	483	99.18%	487
	Romgaz Black Sea Limited	12	100.00%	12
	ROMGAZ Group	**5,787**	**99.54%**	**5,814**

Note: The table with data at the branch level, considering that employee performance evaluations were conducted in different periods (April 30, 2024, for Romgaz and January 31, 2024, for Depogaz and RBS).

The average number of training hours per employee by categories in 2024

Employee category	Number of employees	Total number of training	Average training hours
Higher management	**55**	766	13.93
Mid-level management	**347**	7,976	22.99
Other management positions	**259**	4,746	18.32
Specialists with higher education	**1,173**	14,557	12.41
Specialists without higher education	**180**	507	2.82
Workers	**3,963**	37,794	9.54
ROMGAZ Group	**5,977**	66,346	11.10

Note: In the calculation of the average number of training hours, broken down by job category, the training hours of the members of the Board of Directors of S.N.G.N. Romgaz S.A. were not included.

7.3.7 S1-14: Health and safety metrics

ROMGAZ Group has implemented an ISO 45001: 2023 occupational health and safety management system, ensuring compliance with all applicable legal requirements in the field: Law 319/2006; Government Decision 1425/2006; Government Decision 355/2007. This system is externally certified.

According to Appendix C (ESRS), the company may omit reporting non-employees for the first year of preparing its sustainability statement, which is why the information presented in the tables from S1-14 regarding health and safety indicators does not include non-salaried workers.

Information regarding health and safety indicators

Indicator	ROMGAZ Group
Number of employees covered by the health and safety management system, according to legal requirements and (or) recognized standards or guidelines	5,977
Percentage of employees covered by the health and safety management system	100%
Number of fatalities in the workforce resulting from work-related accidents and health conditions caused by work	0
Number of fatalities resulting from work-related accidents and health conditions of other workers (such as workers in the value chain) working on the company's premises.	0

Indicator	ROMGAZ Group
Number of accidents at work recorded for own workforce	7
Total number of hours worked by own workforce	11,645,065
Rate of accidents at work for own workforce	0.65
Number of work-related illness cases recorded for employees	0
Number of lost days due to work-related accidents and fatalities caused by work-related accidents, occupational diseases, and fatalities caused by occupational diseases among employees	477

Indicator	ROMGAZ Group
Number of own workers covered by a health and safety management system based on recognized legal requirements and/or standards or guidelines and which has been audited internally and/or audited or certified by an external party	5,965
Percentage of own workers covered by a health and safety management system based on recognized legal requirements and/or standards or guidelines and which has been audited internally and/or audited or certified by an external party	100%
Please give a statement if your system. health and safety management authority, or certain parties, has been subject to internal audit or external certification and the standards on which they are based, or their absence	The ISO management system is audited annually by a third party and recertified every two years.

Note: In the calculation of the number of own workers covered by a health and safety management system, based on legal requirements and/or recognized standards or guidelines, and which has been internally audited and/or audited or certified by an external party, the total of 12 RBS employees was not included, as no internal audit was conducted for them.

7.3.8 S1-16: Compensation metrics (pay gap and total compensation)

ROMGAZ Group	
Gross wage/hour level by gender	**2024**
Female	82.01
Male	62.16
Gender pay gap	**-31.93**

ROMGAZ Group does not discriminate based on gender and, through its adopted policies, promotes diversity and inclusion in the workplace. In its industry, wage differences between men and women are influenced by the specific nature of the jobs. For example, in the "Workers" category, jobs involving a high degree of risk are predominantly occupied by men, which leads to higher salary bonuses.

However, within ROMGAZ Group, the wage ratio between men and women varies depending on the hierarchical level. While the ratio favours men in the "Workers" category, this changes in Middle and Top management positions, where women's salaries are, on average, higher than those of men. Overall, the general ratio between the average salaries of women and men in the company is significantly favourable to women, an aspect strongly influenced by the distribution of female employees across different roles.

The gender pay gap has been calculated using the formula from the ESRS S1 standard: (Average gross hourly salary of men − Average gross hourly salary of women) / Average gross hourly salary of men × 100.

For this analysis, data reflecting employees' gross hourly salaries were used. The calculation considered all positions in the company, regardless of hierarchical level. The gross hourly salary was determined by dividing the gross monthly salary by the total number of hours worked. The differences in remuneration are influenced by objective factors such as job distribution, industry specifics, and applied wage policies.

ROMGAZ Group	2024
Annual total compensation for the best-paid person of the Company	634,733.36
Total annual average remuneration for all employees of the organization (except the most paid person)	162,590.64
Rate of total annual remuneration	3.90

7.3.9 S1-17: Incidents, complaints and severe human rights impacts

In the reporting period, there were no confirmed human rights violations and no diversity, equal opportunities, discrimination or harassment related complaints. Also, in 2024, there was no financial loss as a result of judicial proceedings relating to discrimination at work or breaches of labour law.

8 ESRS S4 - Consumers and end-users

8.1 Strategy

8.1.1 ESRS 2 SBM-2: Interests and views of stakeholders

Consumers and end-users are one of ROMGAZ Group 's relevant stakeholders' groups, and the Company's policies integrate their rights, interests and views, as well as their adherence to human rights principles.

By the activity provided, the categories of clients in the portfolio are:

- Industrial end-users;
- Producers and suppliers of heat and electricity for the public;
- Traders;
- Operators of natural gas distribution, transmission, and storage systems for technological consumption.

The company's business model and strategy regarding this stakeholder group aim at:

- Digitizing the interaction with them, including the creation of a dedicated IT platform to improve their experience and access to information.
- Increasing information systems security for consumer data protection and privacy.
- Implementing continuous service improvement processes, including data privacy, based on customer feedback.

For the next strategic period, ROMGAZ Group intends to attract large wholesale end customers in its portfolio and provide direct services to retail customers.

Thus, ensuring the confidentiality of customer data becomes a material issue for ROMGAZ Group. This involves having contractual policies that incorporate principles of confidentiality and securing platforms and stored information.

Consumers and end-users have contributed and may continue to directly contribute to the business model and operational structure of ROMGAZ Group through the annual customer satisfaction evaluation process. This process is documented and integrated into the quality management system, as described in sections S4-1 and S4-2. Additionally, the method of involvement and the procedure for addressing any complaints and customer concerns are presented in Section S4-2.

Customer recommendations are analysed and, where feasible, integrated into ROMGAZ Group processes. If cases of non-compliance are recorded, they are remedied and internal processes reviewed.

Furthermore, the interests, views and rights of consumers and end-users were also considered in the double material assessment process through the questionnaires transmitted to them.

The company maintains communication with the stakeholders through the following channels: Audience program | Romgaz and Contact | Romgaz.

The Romgaz and Depogaz policies on consumer and end-user confidentiality are similar. In addition, the two companies have certain common customers. Therefore, the information presented in this section covers both entities.

RBS had no customers and end-users during 2024.

8.1.2 ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Risk identification, including those related to the confidentiality of consumers and end-users, is regulated at ROMGAZ Group through the “Risk Management” system procedure. ROMGAZ Group took into account this procedure, as well as the ESRS requirements throughout the double materiality assessment, and analysed the impacts, risks, and opportunities related to customers and end-consumers.

During the double materiality assessment, ROMGAZ Group considered:

a) **Consumers affected by products and services:** ROMGAZ does not produce or trade products that are inherently harmful to people or that increase the risk of chronic diseases. Instead, the company supplies natural gas and related services under conditions that meet the safety standards and applicable regulations.
b) **Consumers affected by their interaction with the company.** The company manages a variety of consumers and end-users data and information. Therefore, protection of personal data and confidentiality is a priority for ROMGAZ Group.

The topics identified as material, referring to consumers and end-users, are presented below:

IROs related to consumers and end-users

Legend:

Type of impact: F = financial impact, M = material impact, MF = material and financial impact

Time Horizon: A = actual impact (reporting year), P = potential impact (medium and long term)

Source of impact: S = impact derived from strategy and business model, B = impact that underpins strategy

Material sub-topic and Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Information impacts for consumers and/or end-users **Confidentiality**	Own activity /Value chain	M	B	A	The policies and measures implemented by the company allowed for an incident free history related to customer data confidentiality.	-	-	-	

Since ROMGAZ Group did not record any information confidentiality incidents during the reporting year, the impact was considered positive and current.

No specific categories of consumers or end-users exposed to a higher risk of harm were identified.

ROMGAZ Group does currently not differentiate between specific groups of consumers and end-users and applies the same standards and protection measures with no distinction.

ROMGAZ Group plans to expand its activities in the competitive supply market for small domestic and non-domestic customers over the next 2 years. By the time this service is launched, the company intends to create the necessary framework for this category of consumers, including provisions to cover vulnerable consumers.

To retain current customers and expand its business model to other categories of consumers in the next two years, ROMGAZ Group intends to maintain the current regulatory framework regarding customer data confidentiality, to minimize any financial and reputational risks that may result from such incidents.

8.2 Impact, risk and opportunity management

8.2.1 S4-1: Policies related to consumers and end-users

To manage the risks, opportunities and impacts on consumers, ROMGAZ Group has put in place the following policies and procedures:

- Code of Ethics and Conduct in Business. This document defines the behaviour expected in relation to customers and end-users and promotes an organizational culture based on compliance with applicable laws and regulations.
- Privacy policy on the protection of personal data. This policy underlines ROMGAZ's commitment to protect consumer rights, including the right to privacy, by implementing appropriate technical and organizational measures for data processing. The policy can be found on Romgaz's official website, as well as in the Internal Regulation, in line with the requirements of European legislation, including Regulation (EU) 679/2016.
- ROMGAZ's IT security policy and internal regulations are accessible through the Infoweb platform. This policy supports compliance with customer privacy rights.
- Internal procedures for customer relationship management. They include regulations covering contract negotiations, business relation management, complaints management, including those that may relate to data privacy.

The primary responsibility for the implementation and monitoring of policies lies with the Director-General.

ROMGAZ Group complies with a set of requirements outlined in internationally recognized standards and regulations, considering the importance of protecting consumer and end-user data and information. They include:

- ISO/IEC 27001 - Information Security Management. This standard ensures the protection of consumer data, including information related to energy consumption or their accounts.
- Directive 2019/944/EU on electricity. This directive guarantees consumer rights, such as the choice of suppliers, fair billing, and access to clear information.
- Natural Gas Directive (2009/73/EC). It establishes the rights of gas consumers, including the protection of vulnerable consumers. The ANRE Order on last resort suppliers details these obligations.
- ISO 27019 - Cyber security for critical energy infrastructure. This protects smart energy networks and consumer data.

The policies adopted are applicable to all consumer groups in the portfolio. No revisions of these internal documents were recorded during 2024.

The Company uses appropriate technology to communicate its policies, including secure platforms, IT equipment, and specialized software, to facilitate access to information. The Company's policies are published on its website, while consumer rights and obligations are incorporated into contracts, sent via e-mail, and also included in internal training programs for employees.

Additionally, the Company considers potential communication barriers, such as territorial proximity, the lack of technology access for end users (e.g., absence of necessary equipment or software), and the use of incomplete or misaligned databases.

ROMGAZ Group's policies comply with the UN Guiding Principles on Business and Human Rights, the ILO Statement on Fundamental Rights at Work and the OECD Guidelines for Multinational Enterprises.

In 2024, ROMGAZ Group has not received any information regarding non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving consumers and/or end-users within the value chain.

To prepare for future reporting processes on these matters, the "Responsible and Sustainable Procurement Policy" and the "Supplier Code of Conduct" were approved in January 2025.

8.2.2 S4-2: Processes for engaging with consumers and end-users about impacts

In accordance with specific regulations, including Order No. 173/2020 issued by ANRE, ROMGAZ Group directly collaborates with end consumers and natural gas distribution operators, in its capacity as natural gas supplier, to facilitate the efficient resolution of any issues related to the services provided.

Consumer consultation is important to the Company and is based on the following methods:

1. **Surveys and questionnaires:** Annually assess consumer satisfaction levels and identify potential improvements. The results are centralized, analysed, and reported to management.
2. **Permanent feedback channels:** Dedicated communication lines and e-mail addresses (petitii@romgaz.ro; fui@romgaz.ro; secretariat@romgaz.ro) have been implemented to allow consumers to report issues of concern, including confidentiality-related matters.

Additionally, consumer interests, perspectives, and rights were considered in the double materiality assessment through questionnaires sent to customers and end users regarding ROMGAZ Group’s material topics.

All data collected during consumer consultation processes is processed in compliance with confidentiality standards and GDPR regulations. The consultation results are analysed and if needs or opportunities for process improvement are identified, they are planned for implementation.

Through the double materiality assessment, ROMGAZ Group has identified that consumer data protection is essential for maintaining a strong reputation. Therefore, collaboration with consumers to identify privacy risks is a priority and includes:

- Identifying specific risks: The company conducts periodic tests to detect potential privacy threats, such as unauthorized access or data breaches, through direct consultations with consumers and data protection experts.
- Defining protective measures: ROMGAZ implements data security policies, advanced encryption, and access control systems, ensuring compliance with GDPR and other applicable regulations.

Regarding transparency towards consumers, the Company ensures that consumers are informed about how their data is collected, used, and protected through the publication of the "Privacy Policy on Personal Data Protection".

Additionally, ROMGAZ Group informs consumers about the measures and processes implemented for data confidentiality protection. This includes:

- Publishing the Privacy Policy and details about consumer rights under **GDPR** or other applicable regulations. These details are available on the company's website.
- In case of a crisis caused by major changes or security incidents, the Company has communication tools in place to notify consumers directly or through official channels such as the website, social media platforms, or mass media outlets.

Internal processes are updated based on consumer feedback or in response to legislative changes.

The operational responsibility for ensuring collaboration with consumers and end-users, as well as integrating the results into the company's approach, lies with ROMGAZ structures managing contracts with end users. These include: Energy Commercialization Directorate Services Iernut Branch, Mediaș Branch, Târgu Mureș Branch.

ROMGAZ Group evaluates the effectiveness of consumer collaboration through annual surveys. Additionally, the Company monitors relevant legislative changes and updates its processes as needed to ensure compliance with current requirements.

8.2.3 S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Although no privacy breaches or data losses have been recorded, the company has implemented and maintains a set of remediation processes and reporting channels for such events.

Consumers and end users can express their concerns or needs through business relationship channels, which are detailed in the contracts and on the Company's website, as previously described in Section S4-2.

Additional available channels include:

- **E-mail**: Consumers can submit complaints or privacy concerns via the dedicated e-mail addresses: secretariat@romgaz.ro, comunicare@romgaz.ro;
- **Telephone**: A direct phone line is available for consumers to contact company representatives to report issues or request information: General line: +4-0374-401020, Fault reporting line: +4-0374-474325 (available 24/7);
- **Written correspondence and courier services:** Consumers can send formal complaints via courier services to ensure an official method of communication;
- **Online Contact Form**: Contact Form | Romgaz;
- **Direct meetings:** Consumers have the option to address their concerns in a confidential and secure manner with the Ethics Advisor or the Public Whistleblower.

These reporting mechanisms are accessible to all consumers and end users who may be potentially or directly affected. They are also available to individuals or organizations acting on their behalf or those capable of identifying and reporting negative impacts. ROMGAZ Group accepts complaints submitted by legal representatives or consumer advocacy organizations, provided they have the explicit consent of the consumer to act on their behalf. In such cases, personal data protection is ensured, and sensitive information is shared only with authorized parties.

Consumer complaints are managed by trained personnel who must comply with data protection policies, and the information is used exclusively for the investigation and resolution of the complaints.

All complaints are processed in accordance with current legislation (GDPR), ensuring that consumer rights regarding personal information is fully complied with.

Consumers are informed about the purpose and use of communication channels and have the option to escalate complaints to higher levels if they are not satisfactorily resolved. The procedures for handling, analysing, and responding to complaints are governed by data protection policies and IT security procedures outlined previously.

All complaints and reports receive a response within the legal deadline.

ROMGAZ Group promotes a safe and open environment for consumers and end users, ensuring that any concern or request submitted through the available channels is handled without negative consequences for the individuals reporting them.

During the reporting period, no privacy-related complaints were recorded.

For current and publicly relevant information, consumers can visit Company website at Romgaz | Romgaz (www.romgaz.ro).

8.2.4 S4-4: Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

No material negative impacts, risks, or opportunities have been identified throughout the double materiality assessment.

Under these circumstances, the Company's measures aim at maintaining its incident-free record regarding customer privacy.

The adopted measures include:

- Compliance monitoring through the Personal Data Protection Department (GDPR), which evaluates and advises organizational structures on meeting legal requirements;
- Implementation of international standards, such as ISO/IEC 27001, for information security management;
- Updating relevant information for consumers in compliance with legal requirements and providing specific resources related to data protection and other relevant aspects, accessible at: Privacy policy on the protection of personal data;
- Employees responsible for preserving the confidentiality of customer data are trained annually on the importance of data security, through training sessions on employment and regular information. ROMGAZ Group employs open-source solutions to conduct phishing tests, aiming to raise employee awareness about cybersecurity threats that could lead to potential data leaks. Additionally, the company distributes internal notices and communications that provide employees with guidelines on preventing phishing attacks and avoiding spam messages;
- Periodic IT system evaluations conducted twice a year through vulnerability scans within the company's intranet. Over the past three years, two penetration tests have been carried out as part of major IT/TC projects;
- Encryption and data protection processes for mobile devices, as well as encryption and security mechanisms for servers provided by IT platforms. In centralized solutions handling GDPR data, the company utilizes hot and cold backup mechanisms, ensuring

secure data restoration. Computer equipment is protected through up-to-date antivirus and anti-malware solutions. The e-mail system features threat detection and blocking mechanisms, while internet access is restricted and filtered to reduce navigation-related risks.

In consideration of its needs, the Company allocates annual resources as part of its investment plan to develop digital platforms, such as interactive websites and dedicated portals that facilitate quick and easy access to information and support, while ensuring data security as an integral part of client confidentiality.

For the reporting year, the company allocated 613,950.94 thousand RON for activities related to "IT Infrastructure Expansion - Data Center." The financial resources allocated in 2024 are mentioned in the annual consolidated financial statements in the additions to fixed assets note 12.

For 2025, ROMGAZ Group has planned to document a set of measures that include revising GDPR and IT-related documents to maintain and even enhance confidentiality levels.

By 2030, ROMGAZ Group intends to implement projects that focus on digitizing certain company processes, including those related to customer interactions. In the absence of adequate policies and measures or following a decline in the effectiveness of current monitoring processes, digitalization efforts could introduce additional risks, even though the double materiality assessment did not initially identify them as material. For example, an external risk is that the level of sophistication of cyber-attacks is increasing and, to address this, security measures have been taken, as presented above.

A possible internal risk is the need to enhance the digital competencies within the workforce. This is also addressed through the training sessions mentioned.

ROMGAZ Group integrates consumer-related risks into its general risk management system, ensuring compliance with regulations, supply security, and data protection.

8.3 Metrics and targets

8.3.1 S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

To manage the impacts, risks, and opportunities related to consumers (including the confidentiality of their information), the following targets have been established:

- Maintaining the consumer and end-user satisfaction rate at 75% for Romgaz and 86% for Iernut. The methodology and calculation model is included in the operational procedure “Evaluation of client satisfaction”. No targets were set for Depogaz and RBS.
- Maintaining the number of IT system shutdowns due to cyberattacks at zero for Romgaz. The target achievement rate was 100%. No targets were set for Depogaz and RBS.

Performance is monitored quarterly, and the targets have been met.

The targets were defined with the involvement of shareholders, the Board of Directors, and senior management to reflect the organization’s strategic priorities and objectives.

The following table presents the progress made during the 2024 reporting period in achieving the targets set for Romgaz:

Reporting period 2024	
Romgaz	Customer Satisfaction Assurance
Target Value	75%
Intermediate steps	quarterly
Performance Achieved	100%
Iernut	Customer Satisfaction of SPEE Iernut
Target Value	85%
Intermediate steps	quarterly
Performance Achieved	100%

Customer satisfaction is assessed annually. The assessment for 2024 will be performed in the first quarter of 2025. Therefore, at the time of publishing this Sustainability Statement, the data is not yet available. In the latest assessment conducted in 2024 for the year 2023, the results were:

Customer satisfaction [%]								
2023	Natural Gas	Electricity	Distribution Service	RK Services	OS Services	Electrical works	Car Transport Services	Maintenance Services
	98	97.78	96.7	87.12	100	95.5	93.28	95.5

9 ESRS G1 - Business conduct

9.1 Governance

9.1.1 ESRS 2 GOV-1: The role of the administrative, supervisory and management bodies

The General Meeting of Shareholders (GMS) or the Sole Shareholder, in the case of subsidiaries, is the governing body of the Company that decides, among other responsibilities, on the rules of professional conduct. The GMS or the Sole Shareholder appoints the Board of Directors (BoD), which is responsible for oversight and strategic guidance, including for the development of policies related to professional conduct. The Board of Directors of ROMGAZ Group has delegated the management of the Company to three executives: the Chief Executive Officer (CEO), the Deputy CEO, and the Chief Financial Officer (CFO).

The CEO plays an important role in implementing and promoting the company's ethical culture. To manage aspects related to professional conduct, the CEO has issued decisions designating Ethics Advisors, as follows:

- A Chief Ethics Advisor;
- An Ethics Advisor with responsibilities at the level of S.N.G.N. Romgaz S.A.;
- An Ethics Advisor with responsibilities for the Mureș Branch, STTM Târgu Mureș, and SPEE Iernut;
- An Ethics Advisor with responsibilities for the Mediaș Branch and SIRCOSS.

Additionally, at the level of Depogaz and RBS, there is one designated Ethics Advisor.

According to the Code of Ethics and Business Conduct, Ethics Advisors monitor the implementation and compliance with professional conduct, ethics, and integrity standards within ROMGAZ Group. They provide ethical advice, analyse reports regarding employee behavior, and propose measures to improve professional conduct. They also prepare semi-annual reports on compliance with ethics and conduct standards, assessment of integrity incidents, and management of reports and complaints. These reports are submitted to the CEO, and after approval, they are forwarded for information to the Monitoring and Coordination Committee for the Implementation and Development of the Internal Managerial Control System, as well as to the Audit Committee.

Regarding compliance, conduct and conflicts of interest, the Audit Committee within the Board of Directors operates under the "Internal rules of the Audit Committee". The Audit Committee has the following responsibilities:

- Monitoring compliance with conduct standards by analysing semi-annual reports;
- Ensuring the existence and implementation of the Code of Ethics and the Conflict-of-Interest Policy;
- Providing ethical and conflict of interest advice to the Board of Directors and the CEO;
- Conducting an annual assessment of conflicts of interest for administrators based on independence statements.
- Reporting quarterly to the Board of Directors on the activities carried out.

The expertise of the Board of Directors in ethical conduct is essential for creating an organizational culture based on integrity. Board members are knowledgeable about legal regulations and international standards regarding business ethics and conduct, as well as governance principles that promote transparency, accountability, and fairness. In this regard, they have adopted a Code of Ethics and Business Conduct for the company. By promoting ethical values, the Board plays a crucial role in protecting the company's reputation and maintaining an ethical, professional, and responsible environment.

Elements related to ethics, integrity, and governance are included in the "Letter of Expectations" under Section VII - "Elements of Ethics, Integrity, and Corporate Governance at ROMGAZ Group." This document outlines the expected performance of the management and administrative bodies in these areas, and the criteria considered in the selection of administrators.

The members of the Board of Directors and the executive management are selected based on their competencies and diverse experience and, in their activities, adhere to the principles of ethics and integrity outlined in the applicable legislation governing commercial companies. According to Article 8.6 of the mandate contracts, "Administrators are required to participate annually in a professional training program of at least one week, which includes training sessions in corporate governance, legal matters, and other relevant areas for the company's operations."

In 2024, the members of the Board of Directors attended five training sessions, ranging from 8 to 56 hours in duration. These sessions covered topics such as ESG concepts and sustainability, promoting best business practices, strengthening a strong corporate governance culture, and the dynamics of relationships between the Board of Directors and the CEO. In total, the seven Board members accumulated 224 hours of training.

9.1.2 ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

The risk management process, including those related to business conduct, takes place in Romgaz under the integrated system procedure “Risk Management”. According to this procedure, the organizational unit responsible for risk management is the Objective and Risk Management Office within the Strategy, International Relations, and European Funds Directorate. Decisions regarding risk management are made by the Monitoring Committee, which consists of executive directors, and coordinated by a chairperson, and that is assisted by the Technical Secretariat of the Monitoring Committee.

Unlike Romgaz, in Depogaz, the risk management process, including those related to business conduct, is carried out in accordance with the system procedures “Risk Management” and “Methodology for identifying risks and vulnerabilities to corruption”.

Within the Boards of Directors of both Romgaz and Depogaz, a Risk Management Committee operates, with responsibilities in the field of sustainability and ESG obligations. This committee oversees risk management at all organizational levels and is responsible for sustainability-related matters and ESG obligations.

In the reporting year, RBS did not have such a committee and had no specific risk assessment procedure applicable to the business conduct. RBS, in 2024, from the perspective of professional conduct, aligned itself with Romgaz's Code of Ethics and Business Conduct.

Among the relevant criteria for identifying impacts, risks and opportunities related to business conduct are:

- **Location:** The analyses take into account Romgaz’s eight branches;
- **Activity:** All operational segments of ROMGAZ Group are evaluated, including natural gas exploration and production, underground gas storage, natural gas supply, special operations and well services, maintenance and transport services, electricity production and supply, and natural gas distribution. The evaluation process includes both the value chain and internal operations.
- **Sector:** ROMGAZ Group aligns its risk analysis with international standards applicable to the natural gas production industry, as well as the requirements of national and international authorities regarding integrity and ethical behavior.
- **Transaction structure:** In commercial relationships and partnerships with other companies and entities, risks related to contractual non-compliance are assessed, along with opportunities for expansion and innovation.

Risk assessment within the Company is conducted annually, using operational risk management tools such as the Risk Register, Significant Risk Register, Report on the Status of Control Measures Implementation, and Risk Profile. All material identified risks, including those related to corporate culture, are escalated to the company level and analyzed by the Monitoring

Committee to determine risk treatment measures. The committee develops the Implementation Plan for Control Measures for material risks.

To identify risks related to corporate culture, in addition to existing risk assessment procedures, ROMGAZ Group conducted a double materiality assessment in accordance with ESRS requirements.

As a result, corporate culture and the prevention and detection of corruption and bribery, including related training, have been identified as material topics. Based on the business model and strategy, these topics can generate both current and potential positive and negative impacts. However, proper management of these material topics can turn these impacts into opportunities.

Information on the identified impacts and opportunities is presented in the following section:

IROs related to Business Conduct

Legend:

Type of impact: F = financial impact, M = material impact, MF = material and financial impact
Time Horizon: A = actual impact (reporting year), P = potential impact (medium and long term)
Source of impact: S = impact derived from strategy and business model, B = impact that underpins strategy

Material topic, Material sub-topic, Material sub-sub-topic	Location of impact	Type	Source of impact	Time horizon	Positive impacts (I+)	Time horizon	Negative impacts (I-)	Risks (R)	Opportunities (O)
Business Conduct **Corporate culture**	Own Activity	MF	B	A, P	Governance policies create a fair and inclusive work environment, prevent discrimination and ensure respect for employees' rights. The policies ensure a robust ethical framework that protects whistleblowers.	A, P	ROMGAZ Group is a company listed on (BVB). A weak corporate culture can lead to a lack of trust among employees, investors, and other stakeholders, potentially resulting in financial consequences such as high employee turnover rates, a decline in attractiveness for investors, and a negative impact on business partnerships.	-	The positive reputation created by the transparent cooperative culture can facilitate access to new business partners (i.e. Neptun Deep) and to local and international financing.
Business Conduct **Corruption and bribery Prevention and detection, including training**	Own activity/value chain	MF	S	A	Training policies and programs reduce corruption risks by promoting professional integrity and ethics among employees.		-	-	The existence of anti-corruption rules and measures contributes to improving the reputation and brand image of the company with a positive impact on potential partnerships beneficial to the Company.

9.2 Impact, risks and opportunity management

9.2.1 G1-1: Business conduct policies and corporate culture

The Company has been listed on the Bucharest Stock Exchange (BVB) since 2013, complying with capital market regulations and adhering to the BVB Corporate Governance Code. The Company applies the provisions of this code, which include the responsibilities of the Board of Directors, risk management and internal control, fair remuneration and motivation, as well as value creation through investor relations. Moreover, ROMGAZ Group has adopted its own corporate governance code and follows the "Apply or Explain" principle for self-assessment of best practice principles and recommendations.

In line with corporate governance principles based on legislative standards and best practices, ROMGAZ Group has established the necessary mechanisms to ensure compliance with these principles by adopting and implementing various regulations and policies.

Among the general objectives of ROMGAZ Group's corporate governance system are those related to corporate governance such as promoting integrity, ethical behavior, and professional competence within the management team and employees, as well as ensuring the Company's sustainable development. ROMGAZ Group's strong corporate governance relies on several pillars, with those specifically related to maintaining an adequate corporate culture including:

- National Anti-Corruption Strategy 2021-2025 (SNA): It covers the revision of the Code of Ethics and Business Conduct, awareness and advisory sessions for employees, perception studies, and the promotion of ethical values and principles.
- ISO 37001:2017 Standard: Full implementation of the anti-bribery management system.
- Monitoring of objectives and indicators: Constant oversight of goal achievement and performance.
- Compliance with corporate governance principles: Alignment with national regulations and the BVB Corporate Governance Code.
- Evaluation of transparency and governance measures: Conducted monthly, with reports submitted to the public supervisory authority.

At the same time, professional conduct and corporate culture at ROMGAZ Group are governed by the Code of Ethics and Business Conduct and the Corporate Social Responsibility Policy.

Romgaz:

The Code of Ethics and Business Conduct is a fundamental document that establishes Romgaz's commitments regarding shareholders, compliance with competition laws, integrity assurance, and the prevention of corruption and fraud.

To achieve the Company's objectives, mission, and vision, Romgaz personnel must adhere to the core values, general principles, and professional conduct, ethics, and integrity norms specified in this Code. Its provisions are mandatory and apply directly across all organizational structures of the company, including its management, employees, Directors with mandate contracts, and Board members. These rules govern internal relationships within the organization as well as interactions with business partners, clients, suppliers, shareholders, collaborators, civil society, media, local communities, and other stakeholders, including subsidiaries.

This Code references the National Anti-Corruption Strategy 2021-2025 and emphasizes the importance of applying the precautionary principle and respecting human rights. The Romgaz Code of Ethics and Business Conduct serves as a guide for daily interactions, reflecting the company's beliefs, values, and principles, as well as its expectations regarding the behavior of individuals conducting business on its behalf, ensuring full alignment with the Code's provisions.

The Code of Ethics and Business Condcut is available to all stakeholders in Romanian and English on the website www.romgaz.ro under Sustainability, Ethics and Integrity section.

Depogaz:

Depogaz implements its own Code of Ethics and Integrity and the "Reporting Irregularities by Whistleblowers" procedure for the identification, reporting, and investigation of concerns related to illegal behavior or breaches of the code of conduct. These mechanisms enable both internal and external stakeholders to report concerns, ensuring a transparent and effective process for handling irregularities.

Currently, **RBS** has adopted Romgaz's corporate culture policies.

Potential breaches of business conduct, ethics, and integrity by directors or administrators will be reviewed within the provisions of their mandate or administration contracts by the Audit Committee. In the area of Compliance, Conduct, and Conflict of Interest Coordination, the Audit Committee of the Board of Directors has the following responsibilities, as outlined in its Internal Regulations:

- Ensuring that the Company's policies and practices comply with applicable laws and regulations, regulatory authority recommendations, the tutelary authority, and best practices.
- Taking all necessary measures to ensure that the company adopts a Code of Ethics and Business Conduct. Once the Code has been adopted, the Audit Committee will review its implementation and efficiency at least once a year;
- Reviewing the implementation of the Conflict of Interest Policy (or equivalent provisions).

Business Conduct Training Policy

ROMGAZ Group supports the training and professional development of employees on the content of policies related to the professional conduct. Training programs are part of the annual training and development plan. Each new employee is required to participate in training on corporate culture topics, and on an annual basis, awareness, training and information sessions are held to ensure continuous information. More information on training programs can be found in ESRS S1 - Own workforce page 118.

Whistleblowers

Romgaz

At Romgaz, the whistleblower institution is implemented, allowing the reporting of grievances and requests for counseling on ethics and integrity, both for employees and the general public. The reporting channels are described in ESRS 2, SMB 2, page 24 section.

Romgaz ensures the protection of whistleblowers in accordance with applicable legislation and its internal procedure "Managing Reports and Protecting Whistleblowers. In accordance with Law no. 361/2022 on the protection of whistleblowers, information regarding legal violations includes reasonable suspicions of actual or potential violations that have occurred or may occur within public authorities, public institutions, other legal entities of public law, or private legal entities with which the whistleblowers have been in contact during their professional activities.

If the reported individual is a direct or indirect superior, or a person with control, inspection, or evaluation responsibilities over the whistleblower, the disciplinary investigation committee will protect the whistleblower's identity. Whistleblowers benefit from presumption of good faith as per legal provisions, until proven otherwise. According to the Code of Ethics and Business Conduct, Romgaz management prohibits any form of retaliation against anyone, including management members and employees, who in good faith report violations of the law, professional conduct standards, ethics, and integrity within their professional context, regardless of whether the violations are known or suspected.

Any act of retaliation will lead to disciplinary measures against those responsible. Additionally, the same disciplinary measures will be applied to individuals who intentionally provide false information in reports or complaints.

The results reported to the CEO will be forwarded for information to the Monitoring and Coordination Committee for the Implementation and Development of the Managerial Internal Control System and to the Audit Committee of the Board of Directors within the first two months of 2025.

Depogaz

Depogaz complies with the requirements of Law no. 361/2022 on the protection of whistleblowers, with subsequent amendments and additions, ensuring alignment with the national legislation transposing Directive (EU) 2019/1937. In this regard, the system procedure

"Reporting Irregularities by Whistleblowers" regulates reporting methods, necessary steps, involved documents, and protection against discrimination for individuals reporting irregularities. Any person can use the dedicated whistleblower e-mail address – avertizor@depogazploiesti.ro – for reporting, benefiting from confidentiality and a prompt and fair resolution.

Depogaz employees receive periodic training on the "Reporting Irregularities by Whistleblowers" procedure, and the Ethics Advisor, responsible for receiving reports, attended a professional course in 2024 on integrity and decision-making transparency. Additionally, measures are in place to protect whistleblowers from retaliation, encouraging the reporting of any violations of the law or the Code of Conduct. The procedure ensures whistleblower confidentiality and the proper resolution of reports. Regarding investigations of corruption incidents, including bribery and extortion, Depogaz adheres to legislative regulations and internal procedures to ensure prompt, independent, and objective investigations. Furthermore, the organization has established a Corruption Risk Register and an internal list of sensitive functions.

At this moment, RBS has adopted Romgaz's policies on whistleblowers.

The Ethics Advisor plays an active role in educating and raising awareness among employees regarding ethics and integrity.

The 2024 Ethics Advisors' Report highlights potential deviations from the norms of conduct established in the Code of Ethics, Internal Regulations, and the Collective Labor Agreement. As part of advisory activities, one employee sought assistance regarding the application of norms of conduct, while 24 employees involved in disciplinary investigations received counselling, in accordance with the responsibilities of the Ethics Advisor.

Romgaz

At Romgaz, annual evaluations of employees' adherence to professional conduct, ethics, and integrity norms are conducted and presented in the semi-annual reports of the Ethics Advisor.

In 2024, these evaluations took place in December, using a questionnaire designed to measure employees' awareness and compliance with the Code of Ethics and Business Conduct. The questionnaire assessed knowledge of the Ethics Advisor's role, employees' perceptions, and their understanding and adherence to the Code of Ethics and Business Conduct within S.N.G.N. Romgaz SA. It was distributed through available IT applications, with support from the IT Directorate and the Communication Service, reaching all employees with company e-mail addresses.

The results reported to the General Director will be forwarded for review to the Monitoring and Coordination Commission for the Implementation and Development of the Internal Managerial Control System and the Audit Committee of the Board of Directors in the first two months of 2025.

Internal resources were used for these actions. For the reporting year, the company set a target to train all new employees on corporate culture, which was successfully achieved. Since the company establishes annual targets regarding corporate culture, long-term targets cannot be presented.

Depogaz

At Depogaz, in 2024, the Ethics Advisor trained a sample of employees, including heads of organizational units, as per the organizational chart, as well as employees in executive positions, totaling 170 people. Internal resources were used for this training. Depogaz did not set specific targets and has not established a measurable long-term target.

RBS

At this stage of development for this subsidiary, no specific actions have been implemented, and no measurable targets have been set for the reporting year or the long term.

RBS, in 2024, from the perspective of professional conduct, aligned itself with Romgaz's Code of Ethics and Business Conduct, by adopting it by the organization.

9.2.2 G1-3: Prevention and detection of corruption and bribery

During the year there was no specific anti-corruption policy, but a document is in preparation and is expected to be approved in the first semester of 2025.

Through Government Decision no. 1269/2021 the National Anti-corruption Strategy 2021-2025 was adopted. This national strategy is aligned with international frameworks, such as GRECO and the Cooperation and Verification Mechanism, as well as their associated objectives. In this context, ROMGAZ Group has adopted the Declaration on the Commitment to the Organizational Integrity Agenda within the framework of the National Anti-Corruption Strategy 2021–2025, as well as the Integrity Plan 2022–2025. These documents, publicly available on the Company website, reinforce the company's stance on condemning all forms of corruption, conflicts of interest, and incompatibilities, recognizing them as factors that undermine the company’s objectives and public trust.

Provisions relating to corruption and bribery are included in the Code of Ethics and Business Conduct, under Subchapter III 2. Anti-corruption and anti-fraud.

Romgaz

Since August 2023, the company has implemented an operational procedure for identifying, analyzing, and managing corruption risks.

Romgaz employs an integrated system for corruption prevention and detection, which includes internal procedures such as:

- Identification, analysis and managing corruption risks;
- Managing reports and ensuring whistleblower protection;
- Preventing potential conflicts of interest.

Additionally, the company applies the Code of Ethics and Business Conduct, provides confidential reporting mechanisms, offers training programs and periodic employee awareness sessions, and conducts internal audits of critical processes (e.g., procurement, contracting, contract monitoring, etc.). Romgaz’s leadership remains committed to establishing adequate and effective financial and non-financial controls to ensure the identification, monitoring, and mitigation of fraud and corruption risks.

Furthermore, Romgaz conducted a corruption vulnerability assessment for each operation. An operation is considered an organizational unit within Romgaz, as defined by the Organization and Functioning Regulation, and may include branches, divisions, departments, centers, offices, services, teams, workshops, sections, agencies, and storage facilities, according to internal organizational documents and decisions. The assessment covered 100% of Romgaz’s organizational units. At the Company level, the system procedure “Inventory of Sensitive Functions” is applied. Following the analysis, out of 134 activities, 20 activities representing 14.92% were identified as having a corruption risk. The assessment highlighted several risks, with high-risk areas including: procurement, investment, human resources, information technology and telecommunications, financial, legal, drilling, exploration, production, land formalities and commercial operations.

Regarding the independence of investigators or the Inquiry Committee from the management chain involved, the Disciplinary Investigation Committee is appointed by decision of the CEO and consists of 3-5 members, including a Chairperson and a Secretary. To ensure the objectivity of the process, disciplinary investigations are conducted crosswise between branches and headquarters, avoiding the direct involvement of individuals from organizational structures that may have connections to the case under review. Additionally, the committee includes a legal advisor and a union representative as observers to help ensure the impartiality of the investigations.

The Disciplinary Investigation Committee’s report is submitted to the CEO, who decides whether to approve it. The report is then forwarded to the Anti-Fraud and Ethics Department or the Ethics Advisor, who is responsible for drafting the decision to establish the committee. In cases involving conflicts of interest, the Ethics Advisor informs the CEO and proposes forming a mixed committee, including representatives from legal services, human resources, the Ethics

Advisor, and the affected organizational unit, to assess the impact and propose corrective measures.

In 2024, Romgaz adopted the Integrity Plan of S.N.G.N. Romgaz S.A., with the general objective of preventing corruption and integrity-related incidents. The plan includes four specific objectives, with 18 actions identified for their implementation, along with associated risks, responsible parties, deadlines, performance indicators, and budget allocations.

To support this, Romgaz launched an internal campaign to prevent, inform and raise employees' awareness of the importance of combating any corruption that may occur within the Company. Thus, the “International Anti-Corruption Day” was organized, aiming to promote ethical principles, integrity, transparency and accountability within Romgaz. The information material on “Fraud and Corruption”, as well as the booklet on Understanding and Prevention of Fraud, has been promoted internally with the support of the Communication Service. In December 2024, these materials were e-mailed to all employees.

Within the informational material, various perspectives on defining corruption were described, aspects regarding the applicable legislation were mentioned, as well as the forms, causes, and effects of the corruption phenomenon, accompanied by practical examples. Additionally, measures for preventing and combating corruption were presented.

Also, in accordance with the Integrity Plan, Romgaz conducts information and professional training sessions on anti-corruption, specifically targeting personnel involved in high-corruption-risk areas. These sessions, carried out by ethics advisors, cover topics such as anti-corruption, bribery, gifts and invitations, as well as conflicts of interest. The provisions of the Code of Ethics and Business Conduct (Section III.2 Anti-Corruption and Anti-Fraud) are reiterated during these sessions to emphasize the importance of business ethics.

All employees in leadership positions, according to the organizational charts valid as of 31.12.2024 (582 employees), have been informed of the fundamental principles and values of the National Anti-Corruption Strategy (SNA). In turn, employees in leadership positions, in accordance with the internal regulations in force, are required to train their subordinates on the provisions of the SNA and the System Procedure "Inventory of Sensitive Functions."

Throughout 2024, Romgaz developed an informational material for the personnel involved in public procurement activities, which was distributed via e-emaimail to all employees (100%) within the Procurement Department.

Depogaz

Within Depogaz, the Ethics Advisor trained a sample of employees consisting of the heads of organizational units, according to the organizational chart, as well as employees in executive positions, totaling 170 people, representing 33% of the total number of Depogaz employees. Another 29 employees, representing 5.6% of the total number of Depogaz employees, also attended professional development courses on "Ethics and Organizational Integrity" and ”Aspects regarding Integrity, Decisional Transparency and Access to Information" provided by external trainers.

To manage and reduce the likelihood of identified risks, ROMGAZ GROUP implements measures to increase awareness of anti-corruption policies and procedures, as outlined in the following table.

2024		
Indicator		%
The number and percentage of members of the Board of Directors who were informed about the anti-corruption policies and procedures of the Company	All, by publishing the following documents on Depogaz's website: • The Declaration regarding the assumption of an organizational integrity agenda for the 2022-2025 period adopted by SNGN Romgaz SA - Natural Gas Storage Subsidiary DEPOGAZ Ploiești SRL, registration no. 3332/23.03.2022; • SNGN Romgaz SA - FÎGN DEPOGAZ Ploiești Srl 2022-2025, approved by Decision of General Director No. 162/14 June 2022; • The Integrity Plan adopted at the level of SNGN Romgaz SA - Natural Gas Storage Subsidiary Depogaz Ploiești SRL in application of the National Anti-Corruption Strategy 2021-2025, approved by Decision of the General Director no. 104/14.06.2024; • The Code of Ethics and Integrity of SNGN Romgaz SA-Filiala de Filing Gaz Depogaz Ploiești SRL, no. Not applicable. 5968/8 May 2023.	100
The number and percentage of employees who have received anti-corruption training	All Romgaz employees in management positions, according to the valid organizational charts valid as of 31.12.2024 (approximately 582 employees), were informed about the fundamental principles and values of the National Anti-corruption Strategy (SNA) as part of the methodological guidance for SCIM development. Efforts were made to raise employees' awareness of detecting, combating, and reducing corruption, correlating the SNA with standards 1 and 2 of OSGG 600/2018. For their part, the management employees, according to internal regulations in force, have the obligation to train their subordinates regarding the provisions of the SNA and the System Procedure "Inventory of Sensitive Positions". Depogaz 170 internal - trained by the Ethics Adviser, 29 trained externally too. RBS - 12 employees	10.67 Romgaz 33.00 Depogaz 100 RBS
The number and percentage of employees who have been informed of anti-corruption policy and procedures	5,450 Romgaz 515 Depogaz 12 RBS	100
The number and percentage of business partners who have been informed of anti-corruption policy and procedures	All ROMGAZ, by publishing the Ethics and Integrity Code and the Declaration of Accession of Romgaz to the SNA 2021-2025 on the website www.romgaz.ro All Depogaz, by publishing on the Depogaz website (www.depogazploiesti.ro) the following documents: • The Declaration regarding the assumption of an organizational integrity agenda for the 2022-2025 period adopted by SNGN Romgaz SA - Natural Gas Storage Subsidiary Depogaz Ploiești SRL, registration no. 3332/23.03.2022; • The Integrity Plan of SNGN Romgaz SA - FÎGN Depogaz Ploiești SRL 2022-2025, approved by Decision of the General Director no. 162/14.06.2022; • The Integrity Plan adopted at the level of SNGN Romgaz SA - Natural Gas Storage Subsidiary Depogaz Ploiești SRL in application of the National Anti-Corruption Strategy 2021-2025, approved by Decision of the General Director no. 104/14.06.2024; • The Code of Ethics and Integrity of SNGN Romgaz SA - Natural Gas Storage Subsidiary Depogaz Ploiești SRL, no. 5968/08.05.2023.	100

9.3 Metrics and targets

9.3.1 G1-4: Confirmed incidents of corruption or bribery

During the reporting period, no acts of corruption or fraud were identified, and no fines related to this issue were paid.

No specific actions were required to address violations of procedures and standards related to the fight against corruption and bribery during this period. To prevent such incidents, the company implemented additional measures, including employee training sessions and periodic internal audits.

During the reporting period, no cases of bribery or corruption were recorded.

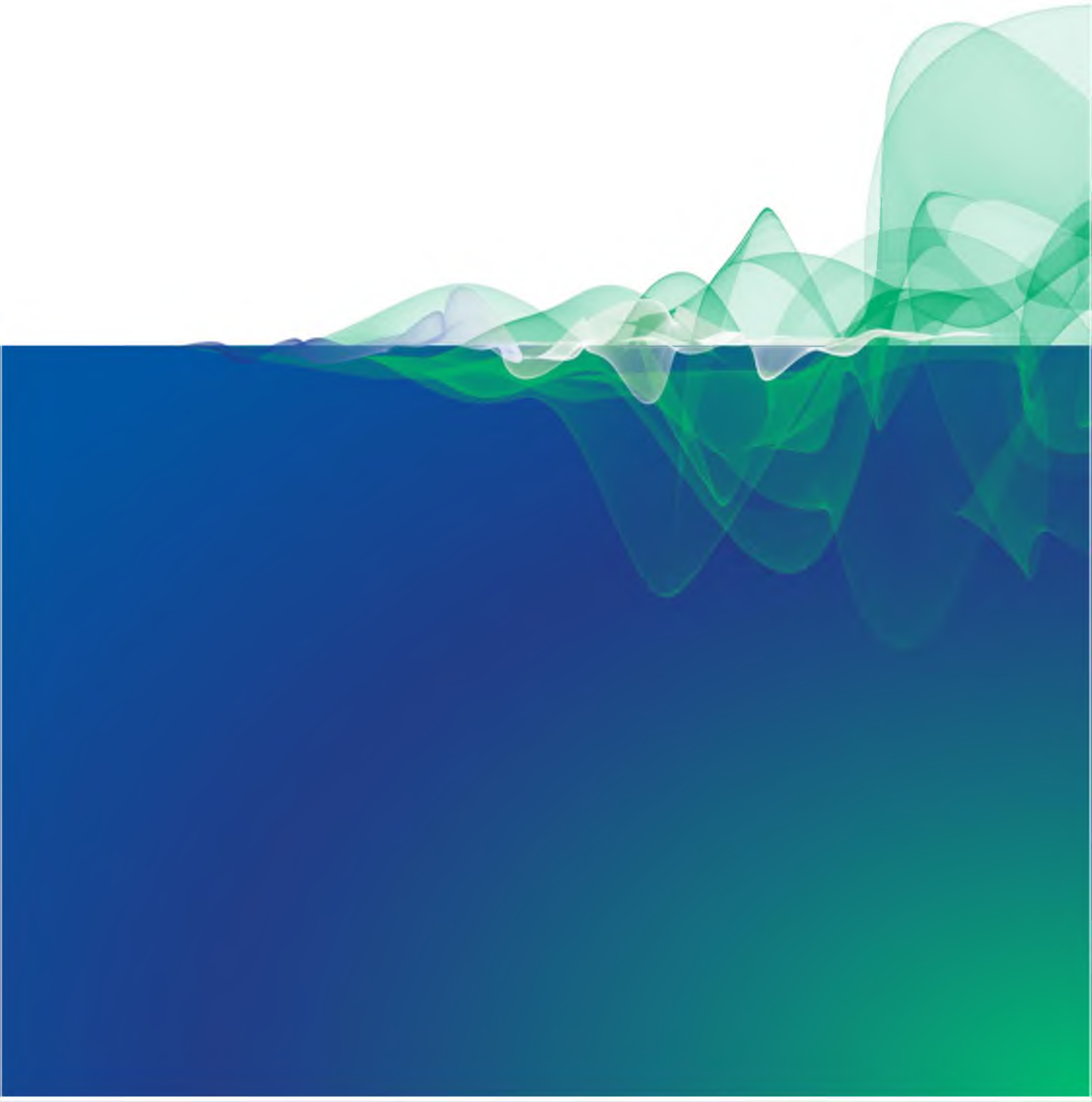
There were no confirmed incidents where employees were dismissed or subject to disciplinary procedures for corruption or bribery incidents.

There were no confirmed incidents related to contracts with business partners that were terminated or not renewed due to corruption or bribery violations.

No public cases of corruption or bribery were reported against the company and its employees during the reporting period.

No incidents of corruption or bribery involving actors in our value chain were reported, where the organization or its employees were directly involved.

Total number and nature of confirmed incidents of corruption or bribery	0
Number of confirmed incidents in which own workers were made redundant or were subject to disciplinary proceedings for corruption incidents or incidents relating to giving or taking of bribes	0
Number of confirmed incidents relating to contracts with business partners that have been terminated or not renewed due to breaches of corruption or bribery policies	0



Annex No.2 Table on compliance with BVB (Bucharest Stock Exchange) Code of Corporate Governance

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
A.1	*All companies should have in place a set of Internal Rules of the Board of Directors that provides terms of reference / responsibilities of the Board and the company's key management positions, and which apply, among others, the General Principles in section A.*	*x*		
A.2	*The BoD Regulation shall include provisions for the management of conflict of interest. The members of the Board should notify the Board on any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by absence, except where such absence prevents quorum to be attained) and from voting on the adoption of a resolution on the issue which gives rise to such a conflict of interest.*	*x*		
A.3	*The BoD consists of at least five members.*	*x*		
A.4	*The majority of BoD members should be non-executive. The number of independent non-executive BoD members shall not be less than two.* *Each independent BoD member shall submit a statement upon his/her nomination for election or re-election, as well as whenever a change in his/her status occurs, indicating the elements on which he/she is deemed independent in terms of his/her character and his/her judgment.*	*x*		
A.5	*Other rather permanent professional commitments and engagements of BoD members, including executive and non-executive Board positions in companies and non-profit organizations, shall be disclosed to shareholders and potential investors prior to his/her nomination and during his/her mandate.*	*x*		
A.6	*Any BoD member shall submit to the Board information on any relationship with a shareholder who, directly or indirectly, holds shares representing more than 5% of all voting rights. This also applies to any relationship, which may affect the member's position on matters decided by the Board.*	*x*		
A.7	*The company shall appoint a Board secretary responsible for supporting the work of the Board.*	*x*		
A.8	*The Corporate Governance Statement shall inform on whether an evaluation of the Board has taken place under the leadership of the chairperson or the nomination committee and, if so, it shall summarize key actions and changes resulting from it.* *The company should have a policy/guideline on*	*x*		

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
	the BoD evaluation, containing the purpose, criteria and frequency of the evaluation process.			
A.9	*The Corporate Governance Statement shall contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (personally and in their absence) and a report of the Board and committees on their activities.*	*x*		
A.10	*The Corporate Governance Statement shall contain information on the precise number of independent members of the Board of Directors.*	*x*		
A.11	*The BoD shall set up a nomination committee comprised of non-executive members, which will lead the nomination process for new Board members and will make recommendations to the Board.* *Most of the members of the nomination committee shall be independent.*	*x*		
B.1	*The Board shall set up an Audit Committee where at least one member should be an independent non-executive member.* *The Audit Committee shall consist of at least three members and the majority shall be independent.* *Most of the members, including the chairperson, shall have proven an adequate qualification relevant to the functions and responsibilities of the Committee. At least one member of the Audit Committee shall have a proven and appropriate auditing and/or accounting experience.*	*x*		
B.2	*The Chairperson of the Audit Committee shall be an independent non-executive member.*	*x*		
B.3	*Among its responsibilities, the Audit Committee shall perform an annual assessment of the internal control system.*	*x*		
B.4	*The assessment in section B.3 shall take into consideration the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports submitted to the BoD Audit Committee, the promptness and effectiveness with which the executive management addresses deficiencies and weaknesses identified during the internal control and submission of relevant reports to the Board.*	*x*		

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
B.5	*The Audit Committee shall review conflicts of interests in connection with the transactions of the company and its branches with affiliated parties.*		*x partial*	*This provision is already mentioned at Article 8, paragraph 2 of Romgaz CCG.* *the Internal Rules of the Audit Committee approved by the BoD in the meeting of May 14, 2018, revised and approved on October 10, 2022 includes provisions on such obligation.* *Moreover, a Policy on affiliated party transactions was drafted by Romgaz and approved by the BoD on March 20, 2019.* *Following approval, it was published on company website.*
B.6	*The Audit Committee shall evaluate the effectiveness of the internal control system and risk management system.*	*x*		
B.7	*The Audit Committee shall monitor the application of legal and generally accepted standards of internal auditing. The Audit Committee shall receive and evaluate the reports of the audit team.*	*x*		
B.8	*The Audit Committee shall report periodically (at least annually) or ad hoc to the BoD on the reports or analyses initiated by the committee.*	*x*		
B.9	*No shareholder may be given preferential treatment over other shareholders regarding transactions and agreements concluded by the company with shareholders and their affiliates.*	*x*		
B.10	*The BoD shall adopt a policy ensuring that any transaction of the company with any of the companies it has a close relationship amounting to at least 5% of the company's net assets (as stated in the latest financial report) is approved by the Board, based on a mandatory opinion of the Audit Committee, and it is fairly disclosed to the shareholders and potential investors, to the extent such transactions represent events which are subject to reporting requirements.*	*x*		
B.11	*The internal audits shall be carried out by a separate structural division (internal audit department) within the company or by hiring an independent third-party entity.*	*x*		

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
B.12	*The Internal Audit Department shall functionally report to the BoD via the Audit Committee. For administrative purposes and as part of the management obligations to monitor and mitigate risks, the Internal Audit Department shall report directly to the CEO.*	*x*		
C.1	*The company shall publish the Remuneration Policy on its website. The Remuneration Policy should be formulated to allow the shareholders to understand the principles and arguments underlying the remuneration of the BoD members and the CEO. Any significant change occurred in the Remuneration Policy shall be published, in due time, on company website.* *The company shall include in its Annual Report a statement on the implementation of the Remuneration Policy during the annual period under review.* *The Report on Remuneration shall present the implementation of the Remuneration Policy for persons identified in such Policy during the annual period under review.*	*x*		
D.1	*The company shall establish an Investors Relation Department - informing the public on the responsible person/persons or the organizational unit.* *Besides the information required by the legal provisions, the company shall also include on its website a dedicated Investor Relations section, both in Romanian and English, with all the relevant information of interest for investors, including:*	*x*		
D.1.1	*Main corporate regulations: the Articles of Incorporation, procedures on general meeting of shareholders;*	*x*		
D.1.2	*Professional CVs of members of company governing bodies, other professional commitments of BoD members, including executive and non-executive Board positions in companies and non-profit organizations;*	*x*		
D.1.3	*Current reports and periodic reports (quarterly, half-year and annual reports) - at least those specified at item D.8 - including current reports with detailed information on non-compliance with Bucharest Stock Exchange Code of Corporate Governance;*	*x*		
D.1.4	*Information related to GMS: the agenda and supporting materials; the Board of Directors election procedure; the arguments in support of the proposal of candidates to the Board of Directors together with their professional CVs;*	*x*		

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
	shareholders' questions related to the agenda and the answers of the company, including decisions taken;			
D.1.5	*Information on corporate events (such as payment of dividends and other distributions to shareholders, other events leading to the acquisition or limitation of rights of a shareholder) including deadlines and principles applicable to such operations.* *Such information shall be published in due time to allow investors to take investment decisions;*	*x*		
D.1.6	*The name and contact data of the person who can provide knowledgeable information upon request;*	*x*		
D.1.7	*Corporate presentations (e.g. presentations for investors, presentations on quarterly results, etc.), financial statements (quarterly, half-year, annual), audit reports and annual reports.*	*x*		
D.2	*The company shall have a policy for the annual distribution of dividends or other benefits to shareholders, proposed by the CEO and adopted by the BoD as guidelines on net profit distribution.* *The principles of the annual policy of distribution to shareholders shall be published on company website.*	*x*		
D.3	*The company shall adopt a policy with respect to forecasts, whether they are made public or not. The Policy on forecasts shall determine the frequency, period and content of the forecasts and shall be published on company website.*	*x*		
D.4	*GMS rules should not restrict the participation of shareholders in general meetings and should not limit the exercise of their rights. Changes in the rules shall become effective no sooner than the next shareholders meeting.*	*x*		
D.5	*The external auditors shall attend those shareholders meetings where their reports are presented.*	*x*		
D.6	*The BoD shall submit to the GMS a brief assessment of the internal control and significant risk management systems, as well as opinions on matters to be submitted to the GMS for decision.*	*x*		
D.7	*Any professional, consultant, expert or financial analyst may participate in the shareholders meeting upon prior invitation from the BoD. Accredited journalists may also attend the GMS, unless the Chairperson of the Board decides otherwise.*	*x*		

BVB CCG Provisions		*Compliance*	*Non-compliance /partial compliance*	*Reason for non-compliance/ Explanation on compliance*
1		*2*	*3*	*4*
D.8	*The quarterly and half-year financial reports shall include information, in the Romanian and English languages, on the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, from one quarter to the next as well as from year to another.*	*x*		
D.9	*The company shall organize meetings/conference calls with analysts and investors at least twice a year. Information presented on such occasions shall be published on company website in the Investors Relation section at the date of the meetings/conference calls.*	*x*		
D.10	*If the company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers that their impact on the innovativeness and competitiveness of the company is part of its business mission and development strategy, the company shall publish the policy concerning its activity in such field.*	*x*		

Abbreviations:
GMS = General Meeting of Shareholders
BVB = Bucharest Stock Exchange
BoD = Board of Directors
CCG = Code of Corporate Governance
ROMGAZ CCG = Code of Corporate Governance of S.N.G.N. ROMGAZ S.A., as approved on January 28, 2016
CV = Curriculum Vitae
ToR = Terms of Reference

Independent practitioner's limited assurance report on Societatea Națională de Gaze Naturale „Romgaz" S.A.'s Consolidated Sustainability Statement

To the Shareholders of Societatea Națională de Gaze Naturale „Romgaz" S.A.

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Societatea Națională de Gaze Naturale „Romgaz" S.A. (the "Company"), included in Annex 1-Consolidated Sustainability Statement 2024 of the Consolidated Board of Directors' Report 2024 (the "Consolidated Sustainability Statement"), as at 31 December 2024 and for the period then ended.

The Company's registered office is in Romania, county Sibiu, Medias, Piata Constantin I. Motas no. 4, cod 551130 and Unique Registration Code: RO14056826.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with the provisions of section 7^1.3 of the Order of Minister of Public Finance No. 2844/2016 for approval of accounting regulations in accordance with International Financial Reporting Standards, with subsequent amendments ("OMPF 2844/2016"), implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in note 1.4.1 - IRO–1: Description of the process to identifify and assess material impacts, risk and opportunities; and
- compliance of the disclosures in subsection 2 - Presentation of information to be disclosed according to Article 8 of (EU) Taxonomy Regulation 2020/852, within the Environmental Disclosures, of the Consolidated Sustainability Statement, with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Practitioner's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and of the requirements relevant in Romania, including Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments ("Law 162/2017").

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Consolidated Sustainability Statement

The Board of Directors of the Company is responsible for designing, implementing and maintaining a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this Process in note 1.4.1 - IRO–1: Description of the process to identify and assess material impacts, risk and opportunities of the Consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Board of Directors of the Company is further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with the provisions of section 7^1.3 of OMPF 2844/2016 implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the ESRS;
- preparing the disclosures in subsection 2 - Presentation of information to be disclosed according to Article 8 of (EU) Taxonomy Regulation 2020/852 within the Environmental Disclosures of the Consolidated Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that the Board of Directors of the Company determines is necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, the Board of Directors of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Practitioner's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the consolidated Sustainability Statement, in relation to the Process, include:

- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in note 1.4.1 - IRO–1: Description of the process to identify and assess material impacts, risk and opportunities.

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Consolidated Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Consolidated Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by the Board of Directors of the Company (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Company's internal documentation of its Process; and
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in note

1.4.1 - IRO–1: Description of the process to identify and assess material impacts, risk and opportunities.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the Consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control;
- evaluated whether the information identified by the Process is included in the Consolidated Sustainability Statement;
- evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;
- performed inquires of relevant personnel and analytical procedures on selected information in the Consolidated Sustainability Statement;
- performed substantive assurance procedures on selected information in the Consolidated Sustainability Statement;
- where applicable, compared disclosures in the Consolidated Sustainability Statement with the corresponding disclosures in the financial statements and Consolidated Board of Directors' Report 2024;
- obtained an understanding, and where applicable, evidence on the methods for developing material estimates and forward-looking information and on how these methods were applied; and
- obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement.

Other matter – information related to earlier periods

The comparative information included in the Consolidated Sustainability Statement of the Company for the periods prior to 1 January 2024 was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no. FA6

Refer to the original signed Romanian version

Kenneth Spiteri

Financial auditor registered with the Public Electronic Register of financial auditors and audit firms under no. AF417

Bucharest, 28 March 2025

Independent Auditor's Report

To the Shareholders of Societatea Națională de Gaze Naturale “Romgaz” SA

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Societatea Națională de Gaze Naturale “Romgaz” SA (the “Company”) and its subsidiaries (together – the “Group”) as at 31 December 2024, and the Group’s consolidated financial performance and consolidated cash flows for the year then ended in accordance with the Order of Minister of Public Finance No. 2844/2016 for approval of accounting regulations in accordance with International Financial Reporting Standards as adopted by the European Union and subsequent amendments ("OMPF 2844/2016").

Our opinion is consistent with our additional report to the Audit Committee dated 27 March 2025.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income for the year ended 31 December 2024;
- the consolidated statement of financial position as at that date;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

The consolidated financial statements as at 31 December 2024 are identified as follows:

• Total equity (consolidated):	lei 14,186,076 thousand;
• Profit for the year (consolidated):	lei 3,205,996 thousand.

The Company's registered office is in Romania, Sibiu County, Medias, Piata C.I. Motas, number 4, and the Company's unique fiscal registration code is RO14056826.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation EU No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the “Regulation 537/2014”) and Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments (the “Law 162/2017”). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report.

PricewaterhouseCoopers Audit S.R.L.
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EUID ROONRC.J40/17223/1993, fiscal registration code RO4282940, share capital RON 7,630
T: +40 21 225 3000, www.pwc.ro

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

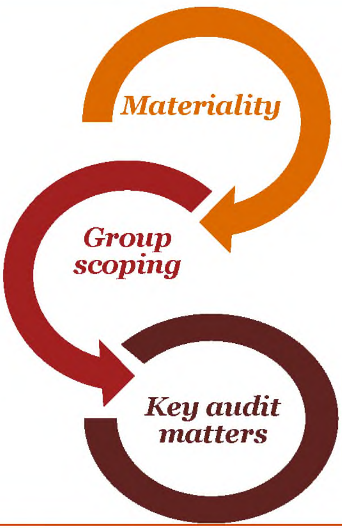
We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of Regulation 537/2014 and Law 162/2017 that are relevant to our audit of the consolidated financial statements in Romania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of Regulation 537/2014 and Law 162/2017.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Group are in accordance with the applicable law and regulations in Romania and that we have not provided non-audit services that are prohibited under Article 5(1) of the Regulation 537/2014.

The non-audit services that we have provided to the Group in the period from 1 January 2024 to the date of issuing this report, are disclosed in Note 34 "Auditor's fees" to the consolidated financial statements.

Our audit approach

Overview



The overall Group materiality threshold adopted for the purposes of our audit of the consolidated financial statements was set at lei 212,000 thousand which represents approximately 5% of the arithmetic average of the Profit Before Tax in the past 3 years.

We conducted a full scope audit of the most significant component and performed audit procedures on certain account balances of the other components.

Estimation of gas reserves.

Estimation of decommissioning provisions.

Additions to capital work in progress related to the development of the offshore Neptun Deep Project (Neptun Deep Project).

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

Overall Group materiality	lei 212,000 thousand
How we determined it	5% of the arithmetic average Profit Before Tax in the past 3 years
Rationale for the Group materiality benchmark applied	We selected Profit Before Tax as the benchmark since, in our view, it is the most relevant indicator for the Group, given that profitability is the primary focus for users of the consolidated financial statements. Considering recent fluctuations in Profit Before Tax, driven by volatile gas and electricity prices, legislative changes, and demand shifts influenced by global economic and political conditions, factors largely outside Management's control, we chose to base our benchmark on the arithmetic average of the Profit Before Tax over the past three years. We set the significance threshold at 5%, which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Estimation of the gas reserves	
The estimation of the gas reserves has a direct impact in the calculation of the depreciation of the directly productive tangible assets (i.e. wells) and an indirect impact in the impairment assessment and in the estimation of the decommissioning provision (see note 2, note 7 and note 18). First, the calculation of the depreciation for the directly productive tangible assets (i.e. wells) uses the unit of production method which is based on the estimation of the developed	We engaged in discussions with Group's experts and specialists and obtained a detailed understanding of the Group's internal processes and controls associated with the gas reserves estimation. We inspected the certifications issued by ANRMPSG for the Group's internal experts and specialists who are responsible for gas reserves estimation.

Key audit matter	How our audit addressed the key audit matter
proved gas reserves ("gas reserves"). According to this method, the carrying value of each directly productive tangible asset (i.e. wells) is depreciated according to the ratio of the natural gas quantity extracted during the period divided by the estimated gas reserves at the beginning of the period. Second, the estimated gas reserves are a key input in management's impairment assessment of assets within the Upstream segment for onshore activities. Third, the estimated gas reserves are a key input in the determination of the economic life of gas fields and hence of the timing of decommissioning (see key audit matter Estimation of decommissioning provisions) The gas reserves estimate at gas field level are determined and/or updated annually by internal experts and specialists, certified by the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide ("ANRMPSG"), according to internal policies and ANRMPSG's regulations. Annually, the estimation of gas reserves performed by Group's experts and specialists are certified by the ANRMPSG. Management of the Group ensures that the gas reserves certified by ANRMPSG at the beginning of the year are used in the relevant calculations for the annual depreciation. Periodically, the Group engages also a reputable international company which performs an independent estimation on Group's gas reserves. However the Group uses in the relevant calculations and assessments the gas reserves as estimated by their internal experts and specialists and as certified by ANRMPSG.	We identified certain key controls around the gas reserves estimation and certification by the ANRMPSG and we tested their operational effectiveness. We tested on a sample basis whether the gas reserves estimate used by management in the current period calculations were those certified by the ANRMPSG. We tested whether significant changes in the gas reserves estimates used in the current year calculations were made in the period in which the new information regarding the gas reserves became available and that the adjustments were approved in compliance with the standards of ANRMPSG. We inspected Group's comparison of internal gas reserves estimates and the last independent estimation performed by a reputable international company. We further assessed the adequacy of the Group's disclosures in the consolidated financial statements regarding the estimates related to gas reserves and their impact on the depreciation and impairment.

Key audit matter	How our audit addressed the key audit matter
Consequently, the estimation of the gas reserves requires the Group's management and internal experts and specialists to make significant judgements and assumptions and therefore it was considered to be a key audit matter.	
Estimation of decommissioning provisions The Group's gas production activities regularly lead to obligations related to dismantling and removal of equipment and installations, asset retirement and soil remediation activities (see note 2 and note 18). The decommissioning provision is significant to our audit because of its magnitude (carrying value of lei 380,725 thousand at 31 December 2024). At the same time the estimation of the decommissioning provision requires the Group's management and their experts to make significant judgements and assumptions related to the decommissioning date of which gas field (which is the end of the gas field's economic life as certified by ANRMPSG based on the estimated gas reserves and production), estimated future expenditure, forecasted inflation rates and discount rates to determine the present value of the obligations. Therefore, this area was considered to be a key audit matter given its magnitude and the inherent subjectivity in estimating future costs and their timing.	We obtained a detailed understanding of internal processes and controls and analysed the methodology applied by the Group management to determine the decommissioning provision compliance with the requirements of IAS 37. For a sample of items, we have verified that the decommissioning date used in the calculation of the decommissioning provision is in accordance with the end of the gas field's economic life as certified by ANRMPSG. We compared the current estimates of decommissioning costs with the actual costs incurred in previous periods. We compared the actual decommissioning costs incurred in the current period with prior period estimations. We involved our valuation specialists to assist us in performing industry benchmarking and analysis over discount rates and inflation rates. We tested the mathematical accuracy of management's decommissioning provision calculations. We assessed the competence, capabilities and objectivity of management specialists used for the calculation of the discount rates. We also assessed the adequacy of the Group's disclosures in the consolidated financial statements relating to decommissioning provision.

Key audit matter	How our audit addressed the key audit matter
Additions to capital work in progress related to the development of the offshore Neptun Deepwater block project ("Neptun Deep Project").	
In August 2022, the Group, through it's subsidiary Romgaz Black Sea Limited ("RBSL") became a party to the joint arrangement with OMV Petrom SA ("OMVP") for the offshore block Neptun Deepwater in the Black Sea. The joint arrangement is classified as joint operation because the parties have rights to the assets and obligations for the liabilities associated with this arrangement in proportion to their respective stake in the agreement between parties. Each party to the joint agreement has a 50% interest in the concession agreement for the Neptun Deep Project (note 33).	We obtained an understanding of internal processes and controls, and we analysed the methodology applied by the Group management to account for additions to capital work in progress for compliance with the requirements of IAS 16. We have obtained the joint agreement between RBSL and OMVP and assessed the appropriateness of its accounting treatment. We evaluated the design, implementation, and operational effectiveness of key controls related to verifying the accuracy of the costs charged by OMVP for the Neptun Deep Project development, as well as ensuring that the services were provided, and the goods were delivered.
In the joint agreement between the parties, OMVP is the operator hence all costs associated with the development of the Neptun Deep Project are incurred by OMVP and then, monthly, 50% are invoiced to the Group which capitalises them as capital works in progress.	For a sample of items, we tested the accuracy of the costs capitalised to capital works in progress by comparing them to the supporting documents received from OMVP.
According to the governance of the project, the Group's dedicated team is involved in the preapproval of any significant decision in regard to the Neptun Deep Project execution. The governance of the project includes preventive and detective processes in place meant to ensure the Group's interests are followed and the financial reporting objectives are met.	We also assessed the adequacy of the Group's disclosures in the consolidated financial statements relating to additions to capital work in progress.
As disclosed in note 12, additions of capital work in progress related to the development of Neptun Deep Project as of 31 December 2024 amount to lei 2,176 million which is significant to our audit because of its magnitude and therefore this matter was considered to be a key audit matter.	

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

We performed audit procedures for both Company and subsidiaries in order to obtain sufficient audit evidence considering the materiality level, the Group's size and structure.

Other matters

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another firm of auditors whose report, dated 22 March 2024, expressed an unmodified opinion on those consolidated financial statements.

Reporting on other information including the Consolidated Board of Directors' Report

The Board of Directors is responsible for the other information. The other information comprises the Annual Report (which comprises the Consolidated Board of Directors' Report and the Consolidated Sustainability Statement which is part of the Consolidated Board of Directors' Report and the Corporate Governance Statement), the Report of Payments to Governments and the Remuneration Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information, including the Annual Report (which comprises the Consolidated Board of Directors' Report and the Consolidated Sustainability Statement which is part of the Consolidated Board of Directors' Report and the Corporate Governance Statement), the Report of Payments to Governments and the Remuneration Report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Consolidated Board of Directors' Report, we considered whether it is consistent with the consolidated financial statements and whether the Consolidated Board of Directors' Report, excluding the requirements for the information on the sustainability reporting on which a separate limited assurance report on Consolidated Sustainability Statement has been issued by us on 28 March 2025, was prepared in accordance with OMFP 2844/2016, articles 26-28.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Consolidated Board of Directors' Report for the financial year for which the consolidated financial statements are prepared is consistent with the consolidated financial statements;
- the Consolidated Board of Directors' Report, excluding the requirements for the information on sustainability reporting, has been prepared in accordance with OMFP 2844/2016, articles 26-28.

In addition, in light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report, the Report of Payments to Governments and the Remuneration Report. We have nothing to report in this regard.

In accordance with Law no. 24/2017 regarding issuers of financial instruments and market operations, republished, and subsequent amendments ("Law 24/2017") our responsibility is to assess whether the Remuneration report contains the information required by Law 24/2017, article 107, alignments (1) and (2).

With respect to the Remuneration Report, we read the Remuneration Report in order to assess whether this contains the information required by Law 24/2017, article 107 alignments (1) and (2). We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation of the consolidated financial statements, that give a true and fair view in accordance with OMFP 2844/2016, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's consolidated financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on the compliance of the format of consolidated financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter by the Management of the Group to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the consolidated financial statements of the Group for the year ended 31 December 2024 in the digital files "VacRZa6Nvmc1Bik=" (the "Presentation of the Consolidated Financial Statements").

Description of a subject matter and applicable criteria

The Presentation of the Consolidated Financial Statements has been applied by the Management of the Group to comply with the requirements of Law 24/2017, Financial Supervision Authority Regulation 7/2021 and art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Consolidated Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Presentation of the Consolidated Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the Management and those charged with governance

The Management of the Group is responsible for the Presentation of the Consolidated Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Consolidated Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of consolidated financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Consolidated Financial Statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (R) – "Assurance Engagements other than Audits and Reviews of Historical Financial Information" ("ISAE 3000(R)"). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Consolidated Financial Statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000(R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality control requirements

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Consolidated Financial Statements complies, in all material aspects, with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Electronic Reporting Format of the Consolidated Financial Statements, including the preparation of the XHTML format and marking up the consolidated financial statements;
- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the consolidated financial statements using the iXBRL markup language according to the requirements of the implementation of electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Group' use of XBRL markups selected from the ESEF

taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified; and

- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, based on the procedures performed, the Presentation of the Consolidated Financial Statements complies, in all material respects, with the ESEF Regulation.

Reporting on report regarding information related to income tax

In accordance with OMPF 2844/2016, article 60^12, in connection with the audit of the consolidated financial statements for the financial year ended as at 31 December 2024, our responsibility is to state whether, for the previous financial year ended as at 31 December 2023, the Group had the obligation, in accordance with articles 60^2-60^6.8 of OMPF 2844/2015, to publish a report regarding information related to income tax for the financial year ended 31 December 2023 and if this is the case, whether such report was published in accordance with 60^10.12 of OMPF 2844/2016.

The Group had the obligation to publish the report regarding information related to income tax. The Group did not comply with this obligation in the period of 12 months until 31 December 2024 for the financial year ended at 31 December 2023, however the Group published the report regarding the information related to income tax by the date of this report.

Appointment

We were appointed by the Ordinary General Shareholders Meeting as auditors of Societatea Națională de Gaze Naturale "Romgaz" SA on 25 April 2024. This is the first year of our appointment as auditors.

The financial auditor responsible for carrying out the audit resulting in this independent auditor's report is Florin Deaconescu.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no FA6

Refer to the original signed Romanian version

Florin Deaconescu

Financial auditor

registered with the Public Electronic Register of financial auditors and audit firms under no AF1524

Bucharest, 28 March 2025

This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

SOCIETATEA NAȚIONALĂ DE GAZE NATURALE “ROMGAZ” SA GROUP

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

PREPARED IN ACCORDANCE WITH
THE ORDER OF THE MINISTRY OF PUBLIC FINANCE NO. 2844/2016

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended December 31, 2024	Year ended December 31, 2023 revised presentation*
		'000 RON	'000 RON
Revenue	3	7,929,436	9,001,878
Cost of commodities sold	5	(119,825)	(107,130)
Finance income	4	190,009	213,008
Other gains and losses	6	(31,383)	(17,748)
Net impairment gains/(losses) on trade receivables	16	38,479	43,714
Changes in inventory of finished goods and work in progress		47,832	(5,767)
Work performed by the Group and capitalized		307,228	250,977
Raw materials and consumables used	5	(199,861)	(151,501)
Depreciation, amortization and impairment expenses	7	(603,157)	(504,532)
Employee benefit expense	8	(1,201,977)	(1,082,714)
Taxes and duties	10	(1,826,729)	(1,496,311)
Finance cost	9	(92,692)	(62,003)
Exploration expense	13	(78,709)	(84,640)
Share of profit of associates	24	8,016	4,873
Greenhouse gas certificates expenses		(180,752)	(242,803)
Third party services and other costs		(646,474)	(712,843)
Other income	3	61,736	21,004
Profit before tax		**3,601,177**	**5,067,462**
Income tax expense	11	(395,181)	(2,255,353)
Profit for the year		**3,205,996**	**2,812,109**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/(losses) on post-employment benefits	18 c)	(8,842)	(10,970)
Income tax relating to items that will not be reclassified subsequently to profit or loss	11	1,415	1,755
Total items that will not be reclassified subsequently to profit or loss		**(7,427)**	**(9,215)**
Other comprehensive income for the year net of income tax		**(7,427)**	**(9,215)**
Total comprehensive income for the year		**3,198,569**	**2,802,894**
Basic and diluted earnings per share	17 b)	0.00083	0.00073

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2024	December 31, 2023 revised presentation*
		'000 RON	'000 RON
ASSETS			
Non-current assets			
Property, plant and equipment	12	8,418,794	5,891,788
Intangible assets	14 a)	5,131,142	5,135,930
Investments in associates	24	59,426	33,410
Deferred tax asset	11	356,640	324,175
Right of use asset	14 b)	13,424	11,596
Other financial investments	25	5,616	5,616
Total non-current assets		**13,985,042**	**11,402,515**
Current assets			
Inventories	15	394,073	301,690
Greenhouse gas certificates		137,244	208,618
Trade receivables	16 a)	837,805	1,398,953
Bank deposits other than cash and cash equivalents	29	2,625,339	2,505,463
Other assets	16 b)	79,362	113,181
Current tax receivable		3,863	-
Cash and cash equivalents	27 a)	1,852,154	535,210
Total current assets		**5,929,840**	**5,063,115**
Total assets		**19,914,882**	**16,465,630**
EQUITY AND LIABILITIES			
Equity			
Share capital	17 a)	3,854,224	385,422
Reserves		3,966,562	4,971,109
Retained earnings		6,365,290	6,204,783
Total equity		**14,186,076**	**11,561,314**
Non-current liabilities			
Retirement benefit obligation	18	204,550	189,314
Deferred income	19	386,849	370,941
Lease liabilities		10,899	10,450
Bank borrowings	28 a)	484,975	808,373
Bonds	28 b)	2,476,433	-
Provisions	18	351,789	373,536
Total non-current liabilities		**3,915,495**	**1,752,614**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Current liabilities			
Trade payables	**20**	456,770	272,168
Contract liabilities	**16 e)**	290,811	153,723
Current tax liabilities	**11**	3,563	1,766,637
Deferred income	**19**	486	7
Provisions	**18**	162,689	121,732
Lease liabilities		4,729	2,579
Bank borrowings	**28 a)**	323,371	323,349
Bonds	**28 b)**	24,545	-
Other liabilities	**20**	546,347	511,507
Total current liabilities		**1,813,311**	**3,151,702**
Total liabilities		**5,728,806**	**4,904,316**
Total equity and liabilities		**19,914,882**	**16,465,630**

* see note 2 for the changes in presentation

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Geological quota reserve	Development fund reserve	Reinvested profit reserve	Reserves for investments in strategic projects	Other reserves	Retained earnings	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Balance as of January 1, 2024	**385,422**	**90,294**	**486,388**	**3,902,422**	**472,280**	**-**	**19,725**	**6,204,783**	**11,561,314**
Profit for the year	-	-	-	-	-	-	-	3,205,996	3,205,996
Other comprehensive income for the year	-	-	-	-	-	-	-	(7,427)	(7,427)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,198,569**	**3,198,569**
Increase in share capital	3,468,802	-	-	(3,468,802)	-	-	-	-	-
Dividends distribution *	-	-	-	(24,580)	-	-	-	(549,227)	(573,807)
Increase in reserves **	-	174,855	-	242,638	45,933	2,025,409	-	(2,488,835)	-
Balance as of December 31, 2024	**3,854,224**	**265,149**	**486,388**	**651,678**	**518,213**	**2,025,409**	**19,725**	**6,365,290**	**14,186,076**
Balance as of January 1, 2023	**385,422**	**90,294**	**486,388**	**2,586,687**	**396,180**	**-**	**19,725**	**6,111,869**	**10,076,565**
Profit for the year	-	-	-	-	-	-	-	2,812,109	2,812,109
Other comprehensive income for the year	-	-	-	-	-	-	-	(9,215)	(9,215)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,802,894**	**2,802,894**
Dividends distribution *	-	-	-	-	-	-	-	(1,318,145)	(1,318,145)
Increase in reserves	-	-	-	1,315,735	76,100	-	-	(1,391,835)	-
Balance as of December 31, 2023	**385,422**	**90,294**	**486,388**	**3,902,422**	**472,280**	**-**	**19,725**	**6,204,783**	**11,561,314**

*) In April 2024 the Company's shareholders approved the distribution of dividends of RON 549,227 thousand (2023: RON 1,318,145 thousand), dividend per share being RON 0.1425 (year ended December 31, 2023: RON 0.342; since the share capital increase did not involve any corresponding change in resources, the dividend per share calculation for the prior period was recalculated. Specifically, the updated number of shares was applied to the dividend per share calculation for the comparative period, hence the dividend per share changed. Original dividend per share paid in the year ended December 31, 2023 was RON 3.42). Dividends of RON 24,580 were distributed based on an inspection by the National Agency of Fiscal Administration performed during November 2019 - January 2020 on the application of Government Emergency Ordinance no. 114/2018.

**) The increase in reserves, other than the legal reserve and the reinvested profit reserve, was approved by shareholders in 2024. Profit distribution is based on the provisions of Government Ordinance no. 64/2001. The Ordinance is applicable to companies owned by the Romanian State and states the reserves that can be set-up, the level of dividends that should be distributed and the terms of such distribution. Reserves for investments in strategic projects were set up based on the changes introduced in 2024 to Government Ordinance no. 64/2001. Development fund reserve may be distributed if the majority shareholder asks for it. The reserve for investments in strategic projects has to be distributed if the funds are not used or committed by the time the investments funded from this reserve are commissioned; as at December 31, 2024 the Group fully used the funds for the development of Neptun Deep, respectively signed contracts to secure the investments in Bilciurești gas storage. All other reserves are not distributable. According to the legislation in force, the legal reserve and the reinvested profit reserve are set up at year end and will be subject to shareholders' approval in the following year.

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Cash flows from operating activities		
Net profit	**3,205,996**	**2,812,109**
Adjustments for:		
Income tax expense (note 11)	395,181	2,255,353
Share of associates' result (note 24)	(8,016)	(4,873)
Interest expense (note 9)	68,584	43,838
Income from dividends (note 4)	(686)	-
Unwinding of decommissioning provision (note 9, note 18)	24,108	18,165
Interest income (note 4)	(189,323)	(213,008)
Net loss on disposal of non-current assets (note 6)	19,897	6,867
Change in decommissioning provision recognized in profit or loss, other than unwinding (note 18)	(14,883)	33,861
Change in other provisions (note 18)	50,464	(196,640)
Net impairment of exploration assets (note 13)	26,980	23,361
Exploration projects written off (note 13)	-	3
Net impairment of property, plant and equipment and intangibles	86,811	59,537
Foreign exchange differences	(212)	7,382
Depreciation and amortization	461,813	393,671
Amortization of contract costs	-	59
Net receivable write-offs and movement in allowances for trade receivables and other assets (note 16 c)	(38,460)	(47,737)
Net movement in write-down allowances for inventory (note 6, note 15)	6,046	5,647
Liabilities written off	(231)	(172)
Subsidies income (note 19)	-	(7)
Interest paid	(38,897)	(43,183)
Income taxes paid	(2,193,168)	(1,781,868)
Cash generated from operations before movements in working capital	**1,862,004**	**3,372,365**
Movements in working capital:		
(Increase)/Decrease in inventory	(98,181)	(22,571)
(Increase)/Decrease in trade and other receivables	609,143	66,146
Increase/(Decrease) in trade and other liabilities	280,306	16,197
Net cash generated by operating activities	**2,653,272**	**3,432,137**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Cash flows from investing activities		
Contribution to associates	(18,000)	-
Cash placed in bank deposits	(8,950,571)	(6,184,938)
Cash received from bank deposits matured	8,832,955	3,790,236
Interest received	185,840	201,844
Proceeds from sale of non-current assets	424	1,684
Dividends received	686	-
Acquisition of property, plant and equipment	(2,798,172)	(1,034,393)
Acquisition of intangible assets	(2,257)	(1,562)
Acquisition of exploration assets (note 13)	(199,871)	(50,746)
Subsidies received (note 19)	15,927	140,541
Net cash used in investing activities	**(2,933,039)**	**(3,137,334)**
Cash flows from financing activities		
Cash received from bonds issued (note 28 b)	2,473,574	-
Repayment of bank borrowings (note 28 a)	(323,312)	(322,775)
Dividends paid	(549,380)	(1,317,745)
Repayment of lease liability	(4,171)	(2,955)
Net cash generated by/(used in) financing activities	**1,596,711**	**(1,643,475)**
Net increase/(decrease) in cash and cash equivalents	**1,316,944**	**(1,348,672)**
Cash and cash equivalents at the beginning of the year	**535,210**	**1,883,882**
Cash and cash equivalents at the end of the year	**1,852,154**	**535,210**

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BACKGROUND AND GENERAL BUSINESS

Information regarding Societatea Națională de Gaze Naturale Romgaz S.A. Group (the "Group")

The Group is formed of Societatea Națională de Gaze Naturale Romgaz S.A. ("S.N.G.N. Romgaz S.A."/"the Company"/"Romgaz"), as parent company, and its fully owned subsidiaries S.N.G.N. ROMGAZ S.A. - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești S.R.L. ("Depogaz") and Romgaz Black Sea Limited. Depogaz is the main gas storage operator in Romania. Romgaz Black Sea Limited holds 50% of the rights and obligations for the Neptun Deep offshore block.

Romgaz is a joint stock company, incorporated in accordance with the Romanian legislation. The Company is listed on the Bucharest Stock Exchange.

The Company's headquarter is in Mediaș, 4 Constantin I. Motaș Square, 551130, Sibiu County.

The Romanian State, through the Ministry of Energy, is the majority shareholder of S.N.G.N. Romgaz S.A. together with other legal entities and physical persons (note 17).

The Group has as main activity:

1. geological research for the discovery of natural gas, crude oil and condensate reserves;
2. operation, production and usage, including trading, of mineral resources;
3. natural gas production for:
    - ensuring the storage flow continuity;
    - technological consumption;
    - delivery in the transmission system.
4. underground storage of natural gas;
5. commissioning, interventions, capital repairs for wells equipping the deposits, as well as the natural gas resources extraction wells, for its own activity and for third parties;
6. electricity production and supply.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements ("financial statements") of the Group are prepared in accordance with Ministry of Finance Order no. 2844/2016, with subsequent amendments, to approve accounting regulations in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (MOF 2844/2016). MOF 2844/2016, with subsequent amendments, is in accordance with the IFRS adopted by the European Union.

For the purpose of the preparation of these financial statements, the functional currency of the Company and its subsidiaries is deemed to be the Romanian Leu (RON).

Basis of preparation

The financial statements are prepared on a going concern basis. The principal accounting policies are set out below. The same accounting policies, methods of computation and presentation were followed in the preparation of these financial statements as were applied in the most recent annual financial statements except for the changes in presentation indicated in the section below.

Accounting is kept in Romanian and in the national currency (Romanian leu). Items included in these financial statements are denominated in Romanian lei. Unless otherwise stated, the amounts are presented in lei thousand (RON thousand).

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 "Inventory" or value in use in IAS 36 "Impairment of assets".

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance to the Group of the inputs to the fair value measurement, which are described as follows:

- level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- level 3 inputs are unobservable inputs for the asset or liability.

Basis for consolidation

Subsidiaries

The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when it loses control of that subsidiary.

Upon obtaining control of a newly acquired subsidiary, the Group assesses whether the acquisition constitutes an acquisition of a business or an acquisition of assets.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the investee. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the acquisition is not a business, it is accounted for as an acquisition of assets.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by the Group. All intra-group assets and liabilities, income and expenses relating to transactions between members of the Group are eliminated in full on consolidation.

Associates

An associate is a company over which the Group exercises significant influence through participation in decision making on financial and operational policies of the entity invested in. Investments in associates are recorded using the equity method of accounting. By this method, the investment is initially recognized at cost and adjusted thereafter for the post-acquisition change in the Group’s share of the investee’s net assets. The Group’s profit or loss includes its share of the investee’s profit or loss and the Group’s other comprehensive income includes its share of the investee’s other comprehensive income.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint ventures.

Joint operations

The Group recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

As joint operator, the Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

If the Group participates in, but does not have joint control of, a joint operation it accounts for its interest in the arrangement in accordance with the paragraphs above if it has rights to the assets, and obligations for the liabilities, relating to the joint operation.

If the Group participates in, but does not have joint control of, a joint operation, does not have rights to the assets, and obligations for the liabilities, relating to that joint operation, it accounts for its interest in the joint operation in accordance with the IFRSs applicable to that interest.

Standards and interpretations valid for the current period

The following standards and amendments or improvements to existing standards issued by the IASB and adopted by the EU have entered into force for the current period:

- Amendments to IAS 7 “Statement of Cash Flows” and IFRS 7 “Financial Instruments: Disclosures”: Supplier Finance Arrangements (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IAS 1 “Presentation of Financial Statements” – Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date; Non-current Liabilities with Covenants (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IFRS 16 “Leases” – Lease liabilities in a sale and leaseback (applicable to annual periods beginning on or after 1 January 2024).

The adoption of these amendments, interpretations or improvements to existing standards has not led to changes in the Group's accounting policies. Disclosures on covenants required by IAS 1 are presented in note 28.

Standards and interpretations issued by IASB and adopted by the EU, but not yet effective

At the date of issue of the financial statements, the following standard was adopted by the EU, but not yet effective:

- Amendments to IAS 21 “The Effects of Changes in Foreign Exchange Rates”: Lack of Exchangeability (applicable to annual periods beginning on or after 1 January 2025).

The Group did not adopt this standard before its effective date. The Group does not expect this amendment to have a material impact on the financial statements.

Standards and interpretations issued by IASB not yet endorsed by the EU

At present, IFRS endorsed by the EU do not significantly differ from IFRS adopted by the IASB except for the following standards, amendments or improvements to the existing standards and interpretations, which were not endorsed for use in the EU as at date of publication of financial statements:

- Amendments to the Classification and Measurement of Financial Instruments; Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026);
- IFRS 18 “Presentation and Disclosure in Financial Statements” (applicable to annual periods beginning on or after 1 January 2027);
- IFRS 19 “Subsidiaries without Public Accountability: Disclosures” (applicable to annual periods beginning on or after 1 January 2027);
- Annual Improvements Volume 11 (applicable to annual periods beginning on or after 1 January 2026);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026).

NOTES

The Group is currently evaluating the effect that the adoption of these standards, amendments or improvements to the existing standards and interpretations will have on the financial statements of the Group in the period of initial application.

Changes in presentation

In the current period, the Group revised the presentation of certain items in its financial statements for a better understanding of the financial position and results of the Group. As such, certain prior periods' information was presented in line with the new presentation, to ensure comparability with the financial statements of the current period.

a) Consolidated statement of financial position

The following changes were made:

- a new line was introduced in the Current assets section, namely "Greenhouse gas certificates". In the 2023 financial statements these were included in "Other assets", also presented as Current assets.
- "Other financial assets" were renamed to "Bank deposits other than cash and cash equivalents".
- liabilities related to joint operations, initially included in "Other liabilities", were reclassified to "Trade payables", in accordance with their nature.

	December 31, 2023 as previously reported	Effect of change	December 31, 2023 revised presentation
	'000 RON	'000 RON	'000 RON
Trade payables	146,111	126,057	272,168
Other liabilities	637,564	(126,057)	511,507

b) Consolidated statement of comprehensive income

The following changes were made:

- Work performed by the Group and capitalized as non-current assets, now presented as an income, was reported net of expenditure incurred. Starting 2024, expenditure capitalized to build non-current assets is presented gross, its influence on profit for the period being offset by the presentation of an income "Work performed by the Group and capitalized" (1);
- "Other expenses" line was broken down into its main components represented by "Taxes and duties", "Employee benefit expense", "Greenhouse gas certificate expenses" and "Third party services and other costs" (2);
- Previously, impairment losses on trade receivables for other income were presented on a gross basis; currently, they are presented on a net basis (3);
- Line name changes (4).

NOTES

Changes in the consolidated statement of comprehensive income for the year ended December 31, 2023 are shown below:

	Year ended December 31, 2023 as previously reported	Impact of change (1)	Impact of changes (2) and (3)	Year ended December 31, 2023 revised presentation
	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	9,001,878	-	-	9,001,878
Cost of commodities sold	(107,130)	-	-	(107,130)
Finance income/(previously presented as Investment income) (4)	213,008	-	-	213,008
Other gains and losses	(17,748)	-	-	(17,748)
Net impairment (losses)/gains on trade receivables	(57,546)	-	101,260	43,714
Changes in inventory of finished goods and work in progress	(5,767)	-	-	(5,767)
Work performed by the Group and capitalized	-	250,977	-	250,977
Raw materials and consumables used	(109,441)	(42,060)	-	(151,501)
Depreciation, amortization and impairment expenses	(476,568)	(27,964)	-	(504,532)
Employee benefit expense	(914,054)	(152,079)	(16,581)	(1,082,714)
Taxes and duties	(1,495,473)	(838)	-	(1,496,311)
Finance cost	(62,003)	-	-	(62,003)
Exploration expense	(84,640)	-	-	(84,640)
Share of profit/(loss) of associates	4,873	-	-	4,873
Greenhouse gas certificate expenses	-	-	(242,803)	(242,803)
Third party services and other costs	-	-	(712,843)	(712,843)
Other expenses	(944,191)	(28,036)	972,227	-
Other income	122,264	-	(101,260)	21,004
Profit before tax	**5,067,462**	**-**	**-**	**5,067,462**
Income tax expense	(2,255,353)	-	-	(2,255,353)
Profit for the year	**2,812,109**	**-**	**-**	**2,812,109**

Change (1) above affects the result of segments reported, as most expenses offset against income representing work performed by the Group and capitalized were incurred at the level of the supplying branches included in the “Other” segment, while most of the income was recorded in the “Upstream” segment.

Segment information

The information reported to the chief operating decision maker (ie. the Chief Executive Officer) for the purposes of resource allocation and assessment of segment performance focuses on the upstream segment, gas storage, electricity production and supply, and other activities, including headquarter activities.

Specifically, the Group is organized in the following segments:

- upstream, which includes exploration activities, natural gas production and trade of gas extracted by Romgaz or acquired for resale; these activities are performed by the head office, Mediaș, Mureș and Buzău branches and subsidiary Romgaz Black Sea Limited;
- storage activities, performed by subsidiary Depogaz;
- electricity production and sale activities, performed by Iernut branch;
- other activities, such as technological transport, operations on wells and corporate activities.

Transactions between the companies within the Group are at current market prices. Unrealized profits are eliminated in the financial statements.

Gas and electricity deliveries between Group's segments within the same company are accounted for at market prices or at regulated prices, as the case may be. All other transactions between Group's segments within the same company are at cost.

Segment information is presented based on accounting information prepared in accordance with MOF 2844/2016.

Revenue recognition

a) Revenue from contracts with customers

The Group recognizes revenue from the following major sources:

- sale of gas, either from its own production or acquired for resale, and related fulfilment activities (eg. transmission, storage, distribution services);
- provision of gas storage services, provided by Depogaz;
- sale of electricity, either from its own production or acquired for resale.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognized when, or as the Group transfers the goods or services to the customer, respectively, the client obtains control over them.

Depending on the nature of the goods or services, revenues are recognized over time or at a point in time.

Contracts concluded by the Group do not contain significant financing components.

The Group does not disclose information about the remaining performance obligations, applying the practical expedient in IFRS 15, as contracts with customers are generally signed for periods of less than one year and the revenues are recognized at the amount which the Group has the right to charge.

Revenue from sale of gas and electricity

The Group's gas contracts include a single performance obligation which is satisfied upon delivery. The performance obligation includes the gas delivered and the fulfilment activities required to provide the gas to the customer. Revenue is recognized at the time of delivery to the customer and in line with the amount to which the Group has the right to invoice. Gas deliveries are invoiced monthly. Revenue from these contracts is recognized at a point in time on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

The Group's electricity contracts include a single performance obligation which is satisfied over the delivery period as the customer simultaneously receives and consumes electricity. Revenue is recognized at the time of consumption by the customer and in line with the amount to which the Group has the right to invoice. Electricity deliveries are invoiced on a monthly basis. Revenue from these contracts are recognized over time for the whole month on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

Trade receivables from gas deliveries are generally due within 30 days of invoice issue. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that natural gas is paid in advance.

Trade receivables from the sale of electricity are generally due within 7 days of the date of invoice delivery. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that electricity is paid in advance.

Revenue recognition from storage activities (capacity reservation, injection and extraction)

The contracts on capacity reservation and storage concluded with customers are of a binding nature for the customer, i.e. the customer agrees with the Group a storage capacity (the volume and the length of the storage) for the annual storage cycle and has to pay for the whole capacity booked irrespective of the actual capacity used.

The capacity reservation revenue is recognized over time as a customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The revenue from injection and extraction services are recognized at a point in time when the services are delivered to the customer and completed.

Trade receivables from storage services are due within 15 days of invoice issue. Customers must provide a 5% security for the services value.

b) Other revenue

Rental revenue for operating lease contracts where the Group operates as lessor is recognized on a straight-line basis over the lease term, in accordance with the substance of the relevant agreements.

NOTES

Finance income

Interest income is recognized as the respective income is generated, on accrual basis.

Contract liabilities

Contract liabilities are obligations to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional (ie. a receivable), before the Group transfers the good or service to the customer, the Group recognizes the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

Exploration expenses

The costs of seismic exploration, geological, geophysical and other similar exploration activities are recognized as exploration expenses in the statement of comprehensive income in the period in which they arise.

Exploration expenses also include the carrying value of exploration assets that have not identified gas resources and have been written-off.

Foreign currencies

The functional currency is the currency of the primary economic environment in which the Company and its subsidiaries operate and is the currency in which cash is primarily generated and expended. All companies in the Group operate in Romania and have the Romanian Leu (RON) as functional currency. The majority of sales and acquisition are in Romanian currency.

In preparing the financial statements of the Group, transactions in currencies other than the functional currency (foreign currencies) are recorded at the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

Exchange differences are recognized in the statement of comprehensive income in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Employee benefits

Benefits granted upon retirement

In the normal course of business, the Group makes payments to the Romanian State on behalf of its employees at legal rates. All employees of the Group are members of the Romanian State pension plan. These costs are recognized in the statement of comprehensive income together with the related salary costs.

Based on the Collective Labor Agreements applicable within the Group, the Group is liable to pay to its employees at retirement a number of gross salaries, according to the years worked in the gas industry/electrical industry, work conditions etc. To this purpose, the Group recorded an obligation for benefits upon retirement. This obligation is updated annually and computed according to actuary methods based on estimates of the average salary, the average number of salaries payable upon retirement, on the estimate of the period when they shall be paid, and it is brought to present value using a discount factor based on interest related to a maximum degree of security investments (government securities). As the benefits are paid, the obligation is reduced together with the reversal of the obligation against income.

Gains or actuarial losses are recognized in other comprehensive income. These are changes in the present value of the defined benefit obligation as a result of statistical adjustments and changes in actuarial assumptions. Any other changes in the obligation are recognized in the result of the year.

The Group does not operate any other pension scheme or post-retirement benefit plan and, consequently, has no obligation in respect of pensions.

Employee participation to profit

The Group records in its financial statements a provision related to the fund for employee participation to profit in compliance with legislation in force, namely Government Ordinance no. 64/2001. According to this, employees may receive one average base monthly salary as a benefit.

Liabilities related to the fund for employee participation to profit are settled in less than a year and are measured at the amounts estimated to be paid at the time of settlement.

Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Greenhouse gas certificates acquired

The Group recognizes a liability for the obligation to settle actual CO_2 emissions (provision until greenhouse gas certificates are purchased, current liability after such certificates are purchased, until their inclusion in the Unique Registry of Greenhouse Gas Emissions). The provision is measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The liability to be settled using certificates on hand is measured at the carrying amount of those certificates; any excess emission is measured at the market value of certificates at the period end. The related expense is recognized in the same amount as the liability. Greenhouse gas certificates purchased during the period are those which will be included in the Unique Registry of Greenhouse Gas Emissions. They are recognized as current assets (intangible assets) and measured at cost. When the certificates are included in the Unique Registry, the respective liability is settled and the asset and liability are derecognized.

Provisions for decommissioning of wells

Liabilities for decommissioning costs are recognized due to the Group's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

The Group recorded a provision for decommissioning wells.

This provision was computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it was brought to present value using the weighted average cost of capital. The rate and the estimated costs for decommissioning are updated annually.

The decommissioning provision is based on the economic life of the fields wells are located on, even if this is longer than the period of the related concession agreements, as it is considered the period may be extended. Economic life of fields is determined based on studies submitted to ANRMPSG for approval.

A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognized. The item of property, plant and equipment is subsequently depreciated as part of the asset.

The Group applies IFRIC 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" related to changes in existing decommissioning, restoration and similar liabilities.

The change in the decommissioning provision for wells is recorded as follows:

a. subject to b., changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

b. the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in the statement of comprehensive income;

c. if the adjustment results in an addition to the cost of an asset, the Group considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Group tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss.

Once the related asset has reached the end of its useful life, all subsequent changes of the liability are recognized in the income statement in the period when they occur.

The periodical unwinding of the discount is recognized in the comprehensive income as a finance cost, as it occurs.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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Deferred tax is recognized on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current tax for the period is recognized as an expense in the statement of comprehensive income. Deferred tax for the period is recognized as an expense or income in the statement of comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where it arises from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

Property, plant and equipment

(1) Cost

(i) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of any decommissioning obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

(ii) Gas cushion

This is a quantity of natural gas constituted as a reserve at the level of gas storages, physically recoverable, which ensures the optimum conditions necessary to maintain their technical-productive flow characteristics. The gas cushion is recorded as an item of property, plant and equipment in the Storage segment.

(iii) Development expenditure

Expenditure on the construction, installation and completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including the commissioning of wells, is capitalized within property, plant and equipment and is depreciated from the commencement of production as described below in the property, plant and equipment accounting policies.

(iv) Maintenance and repairs

The Group does not recognize within the assets' costs the current expenses and the accidental expenses for that asset. These costs are expensed in the period in which they are incurred.

The costs for current maintenance are mainly labor costs and consumables and also small inventory items. The purpose of these expenses is usually described as “repairs and maintenance” for property, plant and equipment.

The expenses with major activities, inspections and repairs comprise the replacement of the assets or other asset’s parts, the inspection cost and major overhauls. These expenses are capitalized if an asset or part of an asset, which was separately depreciated, is replaced and is probable that they will bring future economic benefits for the Group. If part of a replaced asset was not considered as a separate component and, as a result, was not separately depreciated, the replacement value will be used to estimate the net book value of the asset which is replaced and is immediately written-off. The inspection costs associated with major overhauls are capitalized and depreciated over the period until next inspection.

The costs for major overhauls for wells are also capitalized and depreciated using the unit of production depreciation method.

All other costs with current repairs and usual maintenance are recognized directly in expenses.

(2) Depreciation

The depreciable amount of a tangible asset is the cost less the residual value of the asset. The residual value is the estimated value that the Group would currently obtain from the disposal of an asset, after deducting the estimated costs associated with the disposal if the asset would already have the age and condition expected at the end of its useful life.

For directly productive tangible assets (ie. wells), the Group applies the depreciation method based on the unit of production (UoP) in order to reflect in the statement of comprehensive income, an expense proportionate with the production obtained from the total natural gas reserve certified at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the proved developed reserves at the beginning of the period.

Assets representing gas cushion are not depreciated, as it is expected that the residual value exceeds their cost.

For indirectly productive tangible assets and storage assets, depreciation is computed using the straight–line method over the estimated useful life of assets, as follows:

Asset	Years
Gas properties (others than the properties with UoP depreciation)	1 - 50
Buildings	1 - 70
Fixtures, fittings and office equipment	1 – 18
Plant, machinery and equipment	1 – 30
Storage assets	2 - 36

Land is not depreciated as it is considered to have an indefinite useful life.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at historical cost, less any recognized impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Items of tangible fixed assets that are disposed of are eliminated from the statement of financial position along with the corresponding accumulated depreciation and impairment. Any gain or loss resulting from such retirement or disposal is included in other gains and losses.

For items of tangible fixed assets that are retired from use, but not yet written off by the reporting date, an impairment adjustment is recorded for the carrying value at the time of retirement.

(3) Impairment

Non-current assets must be recognized at the lower of the carrying amount and recoverable amount. If and only if the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to be equal to its recoverable amount. Such a reduction represents an impairment loss that is recognized in the result of the period.

Thus, at the end of each reporting period, the Group assesses whether there is any indication of impairment of assets, whether at individual asset level or at cash-generating unit level. If such indication is identified, the Group tests the assets to determine whether they are impaired.

The Group’s assets are allocated to cash-generating units. The cash-generating unit is the smallest identifiable asset group that generates independent cash inflows to a large extent from cash inflows generated by other assets or asset groups. The Group considers each commercial field as a separate cash-generating unit.

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All gas storages held by the Group are considered as part of a single cash-generating unit, as the tariffs are set by analyzing the storage activity as a whole, not every single storage.

In 2024, the Group did not conduct an impairment test in the Upstream segment (for onshore operations), as it did not identify any impairment indicators.

No impairment indicators were identified for the offshore operations of the Group.

Recoverable amount is the largest of the fair value of an asset or a cash-generating unit less costs associated with disposal and its value in use.

Exploration and evaluation assets

(1) Cost

Natural gas exploration (other than seismic, geological, geophysical and other similar activities), evaluation and development expenditure is accounted for using the principles of the successful efforts method of accounting.

Costs directly associated with an exploration well are initially capitalized as an asset until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, drilling costs and payments made to contractors. If potentially commercial quantities of hydrocarbons are not found, the exploration well is impaired in the statement of financial position until the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide (Autoritatea Națională de Reglementare în Domeniul Minier, Petrolier și al Stocării Geologice a Dioxidului de Carbon – ANRMPSG) approvals are obtained in order to be written off; the impairment allowance previously recorded is released against the cost of the asset. If hydrocarbons are found and, subject to further evaluation activity, are likely to be capable of commercial development, the costs continue to be carried as an asset. Costs directly associated with evaluation activity, undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of evaluation wells where hydrocarbons were not found, are initially capitalized as an asset. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, an impairment is recorded for the assets, until the completion of the legal steps necessary for them to be written off. When proved reserves of natural gas are determined and development is approved by management, the relevant asset is transferred to property, plant and equipment other than exploration and evaluation assets.

(2) Impairment

At each reporting date, the Group's management reviews its exploration and evaluation assets and establishes the necessity for recording in the financial statements an impairment loss in these situations:

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of gas resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of gas resources in the specific area have not led to the discovery of commercially viable quantities of gas resources and the Group has decided to discontinue such activities in the specific area;
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Intangible assets

(1) Cost

Mineral rights are recognized at acquisition cost.

Licenses for software, patents and other intangible assets are recognized at acquisition cost.

Intangible assets are not revalued.

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(2) Amortization

Mineral rights are amortized using the unit of production depreciation method.

Patents and other intangible assets are amortized using the straight-line method over their useful life, but not exceeding 20 years. Licenses related to the right of use of computer software are amortized over a period of 3 years.

Inventories

Inventories are recorded initially at cost of production, or acquisition cost, as the case may be. The cost of finished goods and production in progress includes materials, labour, expenses incurred in bringing the finished goods at the location and in the existent form, and related indirect production costs. Write down adjustments are booked against slow moving, damaged and obsolete inventory, when necessary.

At each reporting date, inventories are measured at the lower of cost and net realizable value. The net realizable value is estimated based on the selling price less any completion and selling expenses. The cost of inventories is assigned by using the weighted average cost formula.

Financial assets and liabilities

The Group's financial assets include cash and cash equivalents, trade receivables, other receivables, bank deposits with a maturity from acquisition date of over three months and other investments in equity instruments.

Financial liabilities include interest-bearing bank borrowings, overdrafts, bonds and trade and other payables.

For each item, the accounting policies on recognition and measurement are disclosed in this note.

Cash and cash equivalents include petty cash, cash in current bank accounts and short-term deposits with a maturity of less than three months from the date of acquisition.

The Group recognizes a financial asset or financial liability in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument. Upon initial recognition, financial assets are classified at amortized cost or measured at fair value through profit or loss. The classification depends on the Group's business model for managing the financial assets and their contractual cash flows.

The Group does not have financial assets measured at fair value through other comprehensive income.

On initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of assets and liabilities measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Receivables resulting from contracts with customers represent the unconditional right of the Group to a consideration. The right to a consideration is unconditional if only the passage of time is required before payment of the consideration is due. These are measured at initial recognition at the transaction price.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments plus or minus cumulative depreciation using the effective interest method for each difference between the initial amount and the amount at maturity and, for financial assets, adjusted for any loss allowance impairment.

Any difference between the initial amount and the amount at maturity is recognized in the statement of comprehensive income for the period of the borrowings or bonds using the effective interest method.

Financial instruments are classified as liabilities or equity in accordance with the nature of the contractual arrangement. Interest, dividends, gains and losses on a financial instrument classified as a liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are recorded directly in equity.

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and discharge the obligation simultaneously.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for impairment at each reporting period.

Except for trade receivables, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk associated with the financial instrument, has increased significantly since initial recognition. If, at the reporting date, the credit risk for a financial instrument has not increased significantly since the initial recognition, the Group measures the loss allowance for that financial instrument at a value equal to 12-month expected credit losses.

The loss allowance on trade receivables resulting from transactions that are subject to IFRS 15 is measured using the simplified approach.

The Group measures the expected credit losses of a financial instrument in a manner that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The carrying amount of the financial asset, other than those at fair value through profit or loss, is reduced through the use of an allowance account.

De-recognition of financial assets and liabilities

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Reserves

Reserves include:

- legal reserves, which are used annually to transfer to reserves up to 5% of the statutory profit, but not more than 20% of the statutory share capital of the companies within the Group;
- development fund reserves, which represent allocations from profit in accordance with Government Ordinance no. 64/2001, paragraph (g); the reserve is set up from net profit, as a balance after all other reserves are set up;
- reserves from reinvested profit, set up based on the Fiscal Code. The amount of profit that benefited from tax exemption under the fiscal legislation less the legal reserve, is distributed at the end of the year by setting up the reserve;
- geological quota reserve, non-distributable, set up until 2004. Geological quota reserve set up after 2004 is distributable and presented in retained earnings. Geological quota set up after 2004 is allocated together with the profit allocation, as approved by the General Meeting of Shareholders, based on depreciation, respectively write-off of the assets financed using the development quota;
- other non-distributable reserves, set up from retained earnings representing translation differences recorded at transition to IFRS. These reserves are set up in accordance with MOF 2844/2016;
- reserves for investments in strategic projects are set up in accordance with Government Ordinance no. 64/2001 for the difference between the general dividend payout ratio requested by the Government and the lower ratio approved for the Group to support major investments of national interest to increase the energy capacity of Romania.

Government grants

Grants are non-reimbursable financial resources given by a government to the Group' companies with the condition of meeting certain criteria. Grants include grants related to assets and grants related to income.

Grants related to assets are government grants for whose primary condition is that the Group should purchase, construct, or otherwise acquire long-term assets.

Grants related to income are government grants other than those related to assets.

Grants are not recognized until there is reasonable assurance that:

(a) the Group will comply with the conditions attaching to it; and

(b) grants will be received.

Grants related to assets are presented in the statement of financial position as "Deferred revenue", which is then recognized in profit or loss on a systematic basis over the useful life of the asset.

Grants related to income are recognized in the statement of profit or loss under "Other income", as the related expenses are recorded. Until the time the expense occurs, the grant received is recognized as "Deferred revenue".

If a government grant becomes receivable as compensation for expenses or losses incurred in a previous period, the Group recognizes such grant in the profit or loss of the period in which it becomes receivable.

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Significant estimates and judgments

The preparation of the financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the end of reporting date, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates and judgments that the management has made in the process of applying the Group's accounting policies, and that have the most significant effect on the amounts recognized in the financial statements.

Judgment related to revenue recognition from storage activities

The contracts on capacity reservation and storage concluded with customers are of a binding nature for the customer, i.e. the customer agrees with the Group a storage capacity (the volume and the length of the storage) for the annual storage cycle and has to pay for the whole capacity booked irrespective of the actual capacity used. There is the following customers' business practice in place:

- not to use the full capacity booked, e.g. inject in the middle of the period of the annual storage cycle;
- to inject and extract several times during the annual storage cycle;
- not to extract the whole volume of gas stored at the end of the annual storage cycle, i.e. utilize the capacity with the Group for the next storage period.

Such situations are not hypothetical, and it is a usual practice that the customer uses such a flexibility according to the market demand and market price for gas (e.g. if the market prices for gas decrease, the customer might decide rather to prolong the gas storage than extract gas for future sale). Management exercised judgment in assessing whether the customer can separately benefit from the injection and extraction services apart from booking capacity. As a result, management concluded that the Groups' promise to provide a capacity for storage should be seen as a stand-ready promise; injection and extraction promise as optional services provided in addition to the booking capacity taking into account past practice of the Group (stated above). Thus, Group's management treats them as three separate performance obligations. The revenue from the stand-ready performance obligation is recognized over time as a customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The revenue from injection and extraction services are recognized at a point in time when the services are delivered to the customer and completed.

Judgment related to government grants related to income

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) includes the obligation of the Group to sell the electricity it produces at a regulated price. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. For the period January 1, 2023-March 31, 2024, if the value of the CO_2 certificates related to the energy sold at the regulated price exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until December 2024, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not enforceable.

The government does not act as a shareholder or a client of the Group in this matter. As such, the relevant standard considered in the accounting of the grant is IAS 20.

By December 31, 2024 the Group should receive RON 188,260 thousand. Until the amount becomes a receivable, the Group discloses the grant as a contingent asset.

Estimates related to impairment losses on trade receivables

At each period end, the Group evaluates the risks attached to current and overdue receivables and the probability of such risks to materialize. The Group's receivables are generally due in maximum 30 days from the date of issue. Based on information available at period end and previous experience, the Group estimates the lifetime expected credit loss of receivables, both current and overdue, on a client-by-client basis and records appropriate impairment losses (note 16).

Judgment related to the exploration expenditure on undeveloped fields

If field works prove that the geological structures are not exploitable from an economic point of view or that they do not have hydrocarbon resources available, an impairment is recorded. The impairment assessment is performed based on geological experts' technical expertise (note 7).

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Estimates related to developed proved reserves

The Group applies the unit-of-production depreciation method for gas producing wells in order to reflect in the income statement an expense proportionate with the production obtained from the total developed proved natural gas reserve at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the gas reserve at the beginning of the period. The gas reserves are updated annually by ANRMPSG-certified internal experts according to internal policies and assessments that are based on certifications of ANRMPSG (note 7).

The estimated developed proved gas reserves are a key input in management's impairment indicators assessment of assets within the Upstream segment.

Periodically, Romgaz engages a reputable international company to perform an independent assessment of its gas reserves, the most recent one being as of December 31, 2023. However, the depreciation of producing wells and the assessment of impairment indicators are based on the developed proved gas reserves estimated by Romgaz' internal experts.

If gas reserves increased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 8,932 thousand lower than current levels (2023: RON 8,066 thousand).

If gas reserves decreased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 9,857 thousand higher than current levels (2023: RON 8,875 thousand).

Estimates related to the decommissioning provision

Liabilities for decommissioning costs are recognized for the Group's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

This provision is computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it is brought to present value using the weighted average cost of capital. The rate and estimated decommissioning costs are updated annually (note 18).

Costs to plug and abandon a well are calculated as an average of current year's costs actually incurred for such activities. These costs are brought to present value over the period over which the Group believes the field will be economically viable, even if the current term of concession agreements is shorter, as the Group believes it will be able to extend the term of the agreements.

If economic life of existing concession agreements increased by 5 years, the decommissioning provision would decrease by RON 69,137 thousand (2023: RON 54,652 thousand).

If economic life of existing concession agreements decreased by 5 years, the decommissioning provision would increase by RON 78,437 thousand (2023: RON 59,927 thousand).

Estimates related to retirement benefit obligations

Under the Collective Labor Agreements applicable within the Group, the Group must pay its employees when they retire a multiplicator of the gross salary, depending on the seniority within the gas industry/electricity industry, working conditions etc. This obligation is updated annually. It is calculated based on actuarial methods to estimate the average wage, the average number of employees to pay at retirement, the estimate of the period when they will be paid and is brought to present value using a discount factor based on interest on investments with the highest degree of safety (government bonds) (note 18).

The Group does not operate any other pension plan or retirement benefits, and therefore has no other obligations relating to pensions.

Judgment on depreciation and expected useful lives of property, plant and equipment

The energy transition may curtail the expected useful lives of the Group's assets thereby accelerating depreciation charges. However, it is expected that most of the existing assets will likely have immaterial carrying values by 2050. The Group's core strategy is focused on its upstream segment and will continue to have an important part of the Group's activities over that period. Therefore, management does not expect the useful lives of the Group's property, plant and equipment to change. Significant capital expenditure is still required for ongoing projects as well as renewal and/or replacement of aged assets and therefore the useful lives of future capital expenditure may be different.

If useful life of property, plant and equipment depreciated on a straight-line basis increased by 5%, depreciation for the year would have decreased by RON 5,384 thousand (2023: RON 10,877 thousand).

If useful life of property, plant and equipment depreciated on a straight-line basis decreased by 5%, depreciation for the year would have increased by RON 14,189 thousand (2023: RON 8,385 thousand).

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Judgment related to impairment of assets

The Group assesses whether indications of impairment exist both at CGU level and for individual assets.

Impairment indicators considered at CGU level include: significant changes in developed proved gas reserves, analysis of profitability of existing fields, regulations related to gas prices, regulations on tax environment and decisions to end existing concessions.

Impairment indicators for individual assets include lack of production, decisions to abandon or write-off an individual asset.

Judgment related to the functional currency of Romgaz Black Sea Limited

The functional currency of Romgaz Black Sea Limited, registered in the Commonwealth of the Bahamas, is the Romanian Leu, as the company operates in Romania and transactions are carried in the Romanian Leu.

Judgment related to the residual value of the gas cushion

Gas cushion is recorded at cost. The Group estimates that future gas prices (ie. residual value) will exceed the cost of the gas cushion. Therefore the gas cushion is not depreciated.

Contingencies

By their nature, contingencies end only when one or more uncertain future events occur or not. In order to determine the existence and the potential value of a contingent element, is required to exercise the professional judgment and the use of estimates regarding the outcome of future events (note 32).

Judgments related to the application of Pillar Two

In December 2023, the Romanian parliament enacted legislation to implement the Pillar Two Model rules. The legislation is effective for the Group from January 1, 2024 and includes an income inclusion rule and a domestic minimum tax, which together are designed to ensure a minimum effective tax rate of 15% in each country in which the Group operates.

The Romanian legislation includes an initial phase of exclusion from the income inclusion rule for multinational groups subject to the additional tax or national additional tax, by which the tax will be reduced to zero in the first 5 years of the initial phase of the international activity of the multinational group. The initial phase of the international activity started on January 1, 2024.

A multinational group shall be considered to be in the initial phase of its international activity if, for a financial year:

a) it has constituent entities in no more than 6 jurisdictions; and

b) the sum of the carrying value of the tangible assets of all the constituent entities of the multinational group having their headquarters in all jurisdictions, except the reference jurisdiction, does not exceed EUR 50,000 thousand. The reference jurisdiction represents the jurisdiction in which the constituent entities of the multinational group have the highest total carrying value of tangible assets in the financial year in which the multinational group initially falls within the scope of the law. The total value of tangible assets in a jurisdiction is the sum of the carrying amount of all tangible assets of all constituent entities of the multinational group that are established in that jurisdiction.

Romgaz Group is a multinational group, as Romgaz Black Sea Limited is a company incorporated in the Commonwealth of the Bahamas. However, Romgaz Black Sea Limited has no operations outside Romania, the company being involved in only one project, namely the development of the Neptun Deep project in Romania. As such, all tangible assets are located in Romania, which is considered to be the reference jurisdiction.

Considering the above, the Group did not recognize any additional income tax from the application of Pillar Two Model rules.

Judgments made in assessing the impact of climate change and the transition to a lower carbon economy

Romgaz pays special attention to decarbonization policies, to its contribution to achieving the decarbonization targets assumed by the Paris Agreement and to the implementation of the legislation related to the European Commission's Green Deal package. The Company's current strategy for the period 2022-2030 includes a series of directions of action to reduce carbon emissions. Moreover, Romgaz is in the process of developing a decarbonization strategy through which a detailed plan of long-term actions/projects/investments will be defined in order to achieve the decarbonization targets. The Company’s strategy will also be updated after the completion of the decarbonization strategy, in close correlation with it.

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At the same time, taking into account a series of European legal acts related to the Green Deal policies that came into force in 2024 and which involve a series of obligations on natural gas producers, Romgaz has initiated the following steps:

a) *Implementing Regulation (EU) No. 2024/1735 of the European Parliament and of the Council of June 13, 2024 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (NZIA Regulation)*

The NZIA Regulation includes a chapter on carbon capture, transport and storage technology, the intention of which is to accelerate and facilitate investments in such technologies.

It also sets a target of at least 50 million tons of CO_2 per year in storage capacity in depleted oil and gas fields and in saline aquifers. In order to achieve this target, Article 23 (1) provides for oil and gas producers in the European Union to create and make available, by 2030, CO_2 storage capacities, which will be established by the European Commission and calculated proportionally to the share of oil and natural gas production at EU level between January 1, 2020 and December 31, 2023. According to our estimates, Romgaz will have to ensure a capacity of about 4 million tons/year. The exact capacity related to the storage obligation that will be incumbent on each entity will be established by the European Commission in 2025.

In order to implement the requirements of this regulation, and from the perspective of a potential diversification of the Company's business and the orientation towards activities with a low carbon footprint, Romgaz will start an analysis on the opportunity and technical feasibility of transforming depleted natural gas fields into CO_2 storage sites.

At the same time, taking into account the obligation imposed by the NZIA Regulation, the Company will continue the steps towards the implementation of carbon capture and storage (CCS) projects if the technical, economic and commercial studies and analyses demonstrate the feasibility of such investments.

b) *Implementing Regulation (EU) 2024/1787 of the European Parliament and of the Council of June 13, 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (REM Regulation)*

The REM Regulation establishes strict rules for the European energy sector on (i) the measurement and reporting of methane emissions, (ii) the periodic monitoring of installations/equipment to detect gas leaks early and eliminate them through immediate interventions, (iii) the limitation of the release of methane into the atmosphere and (iv) actions to reduce emissions from inactive or abandoned wells.

The implementation of the REM Regulation represents a challenge for the Company in the context in which the company operates one of the largest and most complex natural gas extraction infrastructures located throughout the country, much of this infrastructure having a remarkable age. However, given the importance of adopting the measures provided for by the REM Regulation both from an environmental point of view and from that of reducing losses and increasing efficiency, the necessary steps were taken to implement the provisions of the Regulation.

NZIA Regulation and REM Regulation did not lead to the recognition of any impairment on current gas fields or to the reduction of gas reserves. Gas is a transition fuel and management believe such regulations will not lead to accelerated closure of existing fields.

The Group is monitoring the evolution of regulations at EU and national level and continuously assesses their impact on its activities. Currently, the Group does not consider climate change will have a significant effect on the useful life on property, plant and equipment, decommissioning provision, impairment or other general provisions.

3. REVENUE AND OTHER INCOME

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Revenue from gas sold, including fulfilling activities - own production	6,858,867	7,930,069
Revenue from gas sold – other arrangements	25,471	28,628
Revenue from gas acquired for resale	20,351	19,542
Revenue from storage services-capacity reservation	294,640	301,179
Revenue from storage services-extraction	119,907	75,899
Revenue from storage services-injection	96,526	139,653
Revenue from electricity	374,969	406,344
Revenue from services	29,394	27,647
Revenue from sale of goods	97,026	62,155
Other revenues from contracts	753	735
Total revenue from contracts with customers	**7,917,904**	**8,991,851**
Other revenues	11,532	10,027
Total revenue	**7,929,436**	**9,001,878**
Other operating income	61,736	21,004
Total revenue and other income	**7,991,172**	**9,022,882**

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Revenue at a point in time	7,218,941	8,256,715
Revenue over time	698,963	735,136
Total revenue from contracts with customers	**7,917,904**	**8,991,851**

4. FINANCE INCOME

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Income from dividends	686	-
Interest income	189,323	213,008
Total	**190,009**	**213,008**

Interest income is derived from the Group's investments in bank deposits.

5. COST OF COMMODITIES SOLD, RAW MATERIALS AND CONSUMABLES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Consumables used	157,235	106,889
Technological consumption	34,877	37,899
Other consumables	7,749	6,713
Total raw materials and consumables	**199,861**	**151,501**
Cost of gas acquired for resale	24,643	20,291
Cost of electricity imbalances *	93,820	85,477
Cost of other goods sold	1,362	1,362
Total cost of commodities sold	**119,825**	**107,130**

*) Imbalances are generated when quantities actually delivered are lower than the quantities contracted. The difference must be purchased.

6. OTHER GAINS AND LOSSES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Foreign exchange gain	10,111	28,775
Foreign exchange loss	(15,532)	(38,055)
Net gain/(loss) on disposal of non-current assets	(19,897)	(6,867)
Net allowances for other receivables (note 16 c)	(19)	4,029
Net write down allowances for inventory (note 15)	(6,046)	(5,647)
Losses from trade receivables	-	(6)
Other gains and losses	-	23
Total net gain/(net loss)	**(31,383)**	**(17,748)**

7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Depreciation and amortization	489,366	421,634
out of which:		
- depreciation of property, plant and equipment	478,413	412,588
- amortization of intangible assets (note 14 a)	6,978	6,227
- amortization of right of use assets (note 14 b)	3,975	2,819
Net impairment of property, plant and equipment, including exploration assets	113,791	82,898
Total depreciation, amortization and impairment	**603,157**	**504,532**

8. EMPLOYEE BENEFIT EXPENSE

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Wages and salaries	1,052,279	947,874
Social security charges	37,231	33,230
Meal tickets	47,932	38,150
Other benefits according to collective labor contract	42,030	41,454
Private pension payments	11,286	11,253
Private health insurance	11,219	10,753
Total employee benefit expense	**1,201,977**	**1,082,714**

9. FINANCE COSTS

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Interest expense	68,584	43,838
Unwinding of the decommissioning provision (note 18 a)	24,108	18,165
Total	**92,692**	**62,003**

10. TAXES AND DUTIES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 revised presentation* '000 RON
Royalties	592,761	600,514
Windfall tax	1,201,359	889,799
Energy transition fund	23,627	(1,547)
Other taxes and duties	8,982	7,545
Total	**1,826,729**	**1,496,311**

11. INCOME TAX

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Current tax expense (note 11 a)	442,840	691,386
Deferred income tax (income)/expense (note 11 a)	(31,050)	(123,404)
Solidarity contribution (note 11 b)	(16,609)	1,687,371
Income tax expense	**395,181**	**2,255,353**

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Current income tax liability	20,172	79,718
Solidarity contribution (note 11 b)	(16,609)	1,686,919
Current tax liability	**3,563**	**1,766,637**

a) Current and deferred income tax

The tax rate used for the reconciliations below for the year ended December 31, 2024, respectively year ended December 31, 2023 is 16% payable by corporate entities in Romania on taxable profits.

The total charge for the period can be reconciled to the accounting profit as follows:

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Accounting profit before tax (after solidarity contribution)	**3,617,786**	**3,380,091**
Income tax expense calculated at 16%	578,846	540,815
Effect of income exempt of taxation	(13,425)	(61,627)
Effect of expenses that are not deductible in determining taxable profit (note 11 b)	58,065	321,317
Effect of current income tax reduction *)	(84,927)	(95,187)
Effect of tax incentive for legal reserve	(28,580)	-
Effect of tax incentive for reinvested profit	(9,179)	(12,176)
Effect of the benefit from tax credits, used to reduce current tax expense	(6,019)	(8,934)
Effect of tax loss	(49,042)	(116,333)
Effect of income tax expense related to previous years	(33,949)	107
Income tax expense (without solidarity contribution)	**411,790**	**567,982**

NOTES

*) Income tax reductions are calculated according to Government Emergency Ordinance no. 153/2020 which allows for certain reductions in the level of the income tax if equity is positive or if equity is increased against a specific period (2020 level or previous year's level). Reductions vary based on the level of the increase in equity.

Components of deferred tax (asset)/liability:

	December 31, 2024		December 31, 2023	
	Cumulative temporary differences	Deferred tax (asset)/ liability	Cumulative temporary differences	Deferred tax (asset)/ liability
	'000 RON	'000 RON	'000 RON	'000 RON
Provisions	(675,121)	(108,019)	(684,582)	(109,533)
Intangibles	(54)	(9)	-	-
Property, plant and equipment *)	227,856	36,457	27,357	4,377
Exploration assets **)	(437,852)	(70,056)	(513,724)	(82,196)
Financial investments	(182)	(29)	(182)	(29)
Inventory	(73,896)	(11,823)	(40,730)	(6,517)
Trade receivables and other receivables	(246,309)	(39,409)	(97,576)	(15,612)
Right of use asset	202	32	277	44
Deferred revenue	10,461	1,674	10,461	1,674
Lease liability	(516)	(83)	(315)	(50)
Tax losses ***)	(1,033,593)	(165,375)	(727,084)	(116,333)
Total	**(2,229,004)**	**(356,640)**	**(2,026,098)**	**(324,175)**

*) In 2024 the Company recorded a correction of an error regarding the classification of its property, plant and equipment as assets held for disposal to its subsidiary, Depogaz (see separate financial statements). Following the correction, these items were moved back to property, plant and equipment, thus generating the increase in the cumulative temporary differences generating a deferred tax. The correction of the error also generated lower corporate income tax related to prior periods by RON 33,949 thousand.

**) According to the Fiscal Code applicable in Romania, expenses related to location, exploration, development or any preparatory activity for the exploitation of natural resources, which, according to the applicable accounting regulations, are recorded directly in the result, are recovered in equal rates for a period of 5 years, starting with the month in which the expenses are incurred. Also, for fixed assets specific to the exploration and production of gas resources, the carrying tax value of fixed assets written-off is deducted using the tax depreciation method used before their write-off for the remaining period of depreciation, had the asset not been written-off. All of these costs are treated as assets only from a tax point of view and generate a deferred tax asset.

***) The tax losses generating a deferred tax asset relate to Romgaz Black Sea Limited. The Group estimates there will be sufficient taxable profits in the future against which the tax losses will be used. The tax losses generating a deferred tax asset will expire as follows:

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
2028	476,953	476,953
2029	556,640	250,131
Total	**1,033,593**	**727,084**

Movement in deferred tax balances

	Deferred tax (asset)/ liability December 31, 2022	Recorded in profit or loss in 2023	Charged to OCI in 2023	Deferred tax (asset)/ liability December 31, 2023	Recorded in profit or loss in 2024	Charged to OCI in 2024	Deferred tax (asset)/ liability December 31, 2024
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Provisions	(75,685)	(32,093)	(1,755)	(109,533)	2,929	(1,415)	(108,019)
Intangibles	-	-	-	-	(9)	-	(9)
Property, plant and equipment	(17,494)	21,871	-	4,377	32,080	-	36,457
Exploration assets	(84,472)	2,276	-	(82,196)	12,140	-	(70,056)
Financial investments	(156)	127	-	(29)	-	-	(29)
Inventory	(5,593)	(924)	-	(6,517)	(5,306)	-	(11,823)
Trade receivables and other receivables	(15,612)	-	-	(15,612)	(23,797)	-	(39,409)
Right of use asset	52	(8)	-	44	(12)	-	32
Deferred revenue	4	1,670	-	1,674	-	-	1,674
Lease liability	(60)	10	-	(50)	(33)	-	(83)
Tax losses	-	(116,333)	-	(116,333)	(49,042)	-	(165,375)
Total	**(199,016)**	(123,404)	(1,755)	(324,175)	**(31,050)**	**(1,415)**	**(356,640)**

OCI – other comprehensive income

b) Solidarity contribution

According to legislation, the solidarity contribution was owed only for the years 2022 and 2023. From 2024, the contribution is no longer owed. The tax was non-deductible in the current income tax calculation.

Following the correction of the error mentioned above, the Company recalculated the effect of the error on the solidarity contribution, resulting a receivable of RON 16,609.

12. PROPERTY, PLANT AND EQUIPMENT

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost									
As of January 1, 2024	**121,991**	**995,432**	**7,518,952**	**1,233,012**	**129,209**	**1,805,670**	**340,161**	**2,540,841**	**14,685,268**
Additions *)	109	-	17,990	15	-	5,922	200,401	2,973,333	3,197,770
Transfers	2,652	42,953	475,460	83,066	10,673	31,469	(17,836)	(628,437)	-
Disposals	-	(1,839)	(159,370)	(15,682)	(7,484)	(4,085)	(7,813)	(3,801)	(200,074)
As of December 31, 2024	**124,752**	**1,036,546**	**7,853,032**	**1,300,411**	**132,398**	**1,838,976**	**514,913**	**4,881,936**	**17,682,964**
Accumulated depreciation									
As of January 1, 2024	**-**	**440,855**	**5,081,262**	**871,693**	**91,490**	**815,835**	**-**	**-**	**7,301,135**
Depreciation	-	27,656	324,763	68,822	10,922	46,250	-	-	478,413
Disposals	-	(1,149)	(37,792)	(15,023)	(5,740)	(1,283)	-	-	(60,987)
As of December 31, 2024	**-**	**467,362**	**5,368,233**	**925,492**	**96,672**	**860,802**	**-**	**-**	**7,718,561**
Impairment									
As of January 1, 2024	**8,255**	**89,815**	**511,693**	**89,503**	**1,622**	**365,753**	**144,674**	**281,030**	**1,492,345**
Charge ***)	-	2,470	55,468	4,572	716	-	29,897	67,521	160,644
Transfers	-	-	69,019	-	-	-	-	(69,019)	-
Release/utilization	-	(2,103)	(84,939)	(3,362)	(1,233)	(841)	(10,200)	(4,702)	(107,380)
As of December 31, 2024	**8,255**	**90,182**	**551,241**	**90,713**	**1,105**	**364,912**	**164,371**	**274,830**	**1,545,609**
Carrying value									
As of January 1, 2024	**113,736**	**464,762**	**1,925,997**	**271,816**	**36,097**	**624,082**	**195,487**	**2,259,811**	**5,891,788**
As of December 31, 2024	**116,497**	**479,002**	**1,933,558**	**284,206**	**34,621**	**613,262**	**350,542**	**4,607,106**	**8,418,794**

**) Additions of capital work in progress include RON 2,175,198 thousand related to the development of the offshore Neptun Deep block and RON 209,847 thousand related to the new Iernut power plant. No interest was capitalized.*
***) Including gas cushion of RON 216,343 thousand. No changes were recorded during the year.*
****) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note 2.*

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost									
As of January 1, 2023	**119,196**	**949,367**	**7,181,828**	**1,178,993**	**123,135**	**1,736,107**	**336,494**	**2,095,471**	**13,720,591**
Additions *)	-	10	110,100	-	12	11,195	50,747	1,188,569	1,360,633
Transfers	2,795	48,070	505,052	73,616	18,667	73,875	(6,249)	(715,826)	-
Disposals	-	(2,015)	(278,028)	(19,597)	(12,605)	(15,507)	(40,831)	(27,373)	(395,956)
As of December 31, 2023	**121,991**	**995,432**	**7,518,952**	**1,233,012**	**129,209**	**1,805,670**	**340,161**	**2,540,841**	**14,685,268**
Accumulated depreciation									
As of January 1, 2023	**-**	**415,923**	**4,890,092**	**823,173**	**94,969**	**810,595**	**-**	**-**	**7,034,752**
Depreciation	-	26,140	291,231	68,037	9,044	18,135	-	-	412,587
Disposals	-	(1,208)	(100,061)	(19,517)	(12,523)	(12,895)	-	-	(146,204)
As of December 31, 2023	**-**	**440,855**	**5,081,262**	**871,693**	**91,490**	**815,835**	**-**	**-**	**7,301,135**
Impairment									
As of January 1, 2023	**8,255**	**61,827**	**651,677**	**86,546**	**1,202**	**367,890**	**161,509**	**307,619**	**1,646,525**
Charge ***)	-	28,700	91,029	1,783	503	730	25,311	57,296	205,352
Transfers	-	-	38,882	1,252	-	-	-	(40,134)	-
Release/utilization	-	(712)	(269,895)	(78)	(83)	(2,867)	(42,146)	(43,751)	(359,532)
As of December 31, 2023	**8,255**	**89,815**	**511,693**	**89,503**	**1,622**	**365,753**	**144,674**	**281,030**	**1,492,345**
Carrying value									
As of January 1, 2023	**110,941**	**471,617**	**1,640,059**	**269,274**	**26,964**	**557,622**	**174,985**	**1,787,852**	**5,039,314**
As of December 31, 2023	**113,736**	**464,762**	**1,925,997**	**271,816**	**36,097**	**624,082**	**195,487**	**2,259,811**	**5,891,788**

**) Additions of capital work in progress include RON 535,408 thousand related to the development of the offshore Neptun Deep block and RON 56,026 for the new Iernut power plant.*
***) Including gas cushion of RON 216,343 thousand. No changes were recorded during the year.*
****) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note 2.*

NOTES

13. EXPLORATION AND EVALUATION FOR NATURAL GAS RESOURCES

The following financial information represents the amounts included within the Group's totals relating to activity associated with the exploration for and evaluation of natural gas resources. All such activities are recorded within the Upstream segment.

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Exploration assets written off	-	3
Seismic, geological, geophysical studies	78,709	84,637
Total exploration expense	**78,709**	**84,640**
Net movement in exploration assets' impairment (net income)/net loss	26,980	23,361
Net cash used in exploration investing activities	(199,871)	(50,746)

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Exploration assets included in property, plant and equipment (note 12)	350,542	195,487
Liabilities included in trade payables	(32,303)	(13,342)
Net assets	**318,239**	**182,145**

14. INTANGIBLE ASSETS. RIGHT OF USE ASSETS

a) Intangible assets

	2024 '000 RON	2023 '000 RON
Cost		
As of January 1	**5,239,684**	**5,245,101**
Additions	3,774	1,733
Disposals	(1,584)	(7,150)
As of December 31	**5,241,874**	**5,239,684**
Accumulated amortization		
As of January 1	**103,754**	**104,676**
Charge	6,978	6,227
Disposals	-	(7,149)
As of December 31	**110,732**	**103,754**
Carrying value		
As of January 1	**5,135,930**	**5,140,425**
As of December 31	**5,131,142**	**5,135,930**

Of RON 5,131,142 thousand, RON 5,105,563 thousand represent mineral rights from the acquisition of ExxonMobil Exploration and Production Romania Limited (currently Romgaz Black Sea Limited) in 2022. The asset has not generated any amortization by December 31, 2024 as the offshore field is currently being in a development phase. Production is estimated to start in 2027.

b) Right of use assets

	2024	2023
	'000 RON	'000 RON
Cost		
As of January 1	**18,320**	**12,671**
Effects of rent index updates	728	1,346
New contracts	5,075	4,303
As of December 31	**24,123**	**18,320**
Accumulated amortization		
As of January 1	**6,724**	**3,905**
Charge	3,975	2,819
As of December 31	**10,699**	**6,724**
Carrying value		
As of January 1	**11,596**	**8,766**
As of December 31	**13,424**	**11,596**

15. INVENTORIES

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Spare parts and materials	319,669	261,552
Finished goods (gas)	113,560	90,594
Other inventories	991	699
Inventories at third parties	33,749	16,695
Write-down allowance for spare parts and materials	(73,623)	(67,755)
Write-down allowance for other inventories	(273)	(95)
Total	**394,073**	**301,690**

16. ACCOUNTS RECEIVABLE. CONTRACT LIABILITIES

a) Trade and other receivables

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Trade receivables*	1,351,702	1,952,517
Allowances for expected credit losses (note 16 c)	(513,897)	(553,564)
Total	**837,805**	**1,398,953**

*) Trade receivables as of December 31, 2024 include RON 161,531 thousand (December 31, 2023: RON 333,096 thousand) that have to be paid by the Ministry of Energy (for non-household clients) and the Ministry of Labor (for household clients) based on Government Emergency Ordinance no. 27/2022.

b) Other assets

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Advances paid to suppliers	2,122	10
Joint operation receivables	2,932	7,974
Other receivables	35,458	21,251
Allowance for expected credit losses other receivables (note 16 c)	(169)	(169)
Other debtors	46,673	46,846
Allowance for expected credit losses for other debtors (note 16 c)	(46,048)	(46,029)
Prepayments	6,796	14,374
VAT not yet due	10,312	7,945
Other taxes receivable	21,286	60,979
Total	**79,362**	**113,181**

c) Changes in the allowance for expected credit losses for trade and other receivables and other assets

	2024 '000 RON	2023 '000 RON
At January 1	**599,762**	**689,352**
Charge in the allowance for other receivables (note 6)	453	204
Charge in the allowance for trade receivables	36,366	7,940
Write-off against trade receivables	(1,188)	(41,847)
Release in the allowance for other receivables (note 6)	(434)	(4,233)
Release in the allowance for trade receivables	(74,845)	(51,654)
At December 31	**560,114**	**599,762**

d) Credit risk exposure for trade and other receivables

December 31, 2024	Gross carrying amount '000 RON	Expected credit loss rate %	Lifetime expected credit losses '000 RON
Current receivables, including accrued receivables	807,377	0.00	-
less than 30 days overdue	27,110	3.2	875
30 to 90 days overdue	1,897	93.83	1,780
90 to 360 days overdue	32,783	95.75	31,390
over 360 days overdue	482,535	99.44	479,852
Total trade receivables	**1,351,702**		**513,897**

Current receivables were collected in 2025, hence no allowance was recorded on December 31, 2024.

December 31, 2023	Gross carrying amount	Expected credit loss rate	Lifetime expected credit losses
	'000 RON	%	'000 RON
Current receivables, including accrued receivables	1,364,139	0.00	14
less than 30 days overdue	33,724	3.79	1,278
30 to 90 days overdue	1,865	27.94	521
90 to 360 days overdue	4,682	77.83	3,644
over 360 days overdue	548,107	100.00	548,107
Total trade receivables	**1,952,517**		**553,564**

e) Contract liabilities

Contract liabilities refer to cash received by the Group in advance for future deliveries; usually, advances are received for deliveries during the following month.

Revenue was recognized in 2024 from the whole amount of outstanding contract liabilities on December 31, 2023.

Changes in contract liabilities on December 31, 2024 compared to December 31, 2023 are mainly caused by gas prices.

17. SHARE CAPITAL. EARNINGS PER SHARE

a) Share capital

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
3,854,224,000 fully paid ordinary shares (2023: 385,422,400 fully paid ordinary shares)	3,854,224	385,422
Total	**3,854,224**	**385,422**

The shareholding structure presenting the main shareholders as at December 31, 2024 is as follows:

	No. of shares	Value	Percentage
		'000 RON	(%)
The Romanian State through the Ministry of Energy	2,698,230,800	2,698,231	70.01
Legal entities	962,639,519	962,640	24.98
Physical persons	193,353,681	193,353	5.01
Total	**3,854,224,000**	**3,854,224**	**100**

All shares are ordinary and were subscribed and fully paid as at December 31, 2024. All shares carry equal voting rights and have a nominal value of RON 1/share (December 31, 2023: RON 1/share).

In December 2023 the Extraordinary General Meeting of Shareholders approved Romgaz' share capital increase through the incorporation of reserves of RON 3,468,802 thousand by issuing 3,468,801,600 shares with a nominal value of RON 1/share, each shareholder registered on the Registration Date being entitled to 9 free shares for each share held. The increase was registered in January 2024 at the Trade Register.

b) Earnings per share

Since the share capital increase did not involve any corresponding cash contributions, there was no change in the Company's resources. Consequently, the earnings per share calculation for the prior periods were recalculated. Specifically, the updated number of shares after issue was applied to the earnings per share calculations for all the comparative periods presented, hence, the earnings per share has changed.

	Year ended December 31, 2024	Year ended December 31, 2023
Profit for the year attributable to ordinary shareholders (RON thousand)	3,205,996	2,812,109
Number of shares outstanding during the year	3,854,224,000	3,854,224,000
Earnings per share recalculated (RON thousand)	**0.00083**	**0.00073**
Number of shares originally presented		385,422,400
Earnings per share originally presented (RON thousand)		**0.0073**

18. PROVISIONS AND RETIREMENT BENEFIT OBLIGATION

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Decommissioning provision (note 18 a)	351,789	373,536
Retirement benefit obligation (note 18 c)	204,550	189,314
Total long term provisions and obligations	**556,339**	**562,850**
Decommissioning provision (note 18 a)	28,936	32,049
Litigation provision (note 18 b) *)	6,579	18,839
Other provisions **) (note 18 b)	127,174	70,844
Total short term provisions	**162,689**	**121,732**
Total	**719,028**	**684,582**

*) The value of litigating cases in which the Group is involved is estimated at RON 41,698 thousand, being the maxim exposure of the Group. The Group's management considers that the provision of RON 6,579 thousand is sufficient, based on current available information.

**) On December 31, 2024, other provisions of RON 127,174 thousand include the provision for employee's participation to profit of RON 51,266 thousand (December 31, 2023: RON 46,274 thousand), the provision for taxes of RON 7,018 thousand (December 31, 2023: RON 6,514 thousand), the provision for CO_2 certificates of RON 43,907 thousand (December 31, 2023: RON 0), the provision of RON 9,091 thousand for the variable remuneration of the board of directors and officers with a mandate contract to which they will be entitled if they meet the key performance indicators approved by shareholders (December 31, 2023: RON 6,101 thousand) and the provision for vacation days not taken of RON 15,891 thousand (December 31, 2023: RON 11,955 thousand).

a) Decommissioning provision

Decommissioning provision movement	2024 '000 RON	2023 '000 RON
At January 1	**405,585**	**236,490**
Additional provision recorded against non-current assets	23,826	118,118
Unwinding effect (note 9)	24,108	18,165
Recorded in profit or loss	(14,883)	33,861
Decrease recorded against non-current assets	(57,911)	(1,049)
At December 31	**380,725**	**405,585**

The Group makes full provision for the future costs of decommissioning natural gas and storage wells on a discounted basis upon installation. The provision for the costs of decommissioning these wells at the end of their economic lives has been estimated using existing technology, at current prices or future assumptions, depending on the expected timing of the activity, and discounted using a rate of 7.37% (year ended December 31, 2023: 6.23%). While the provision is based on the best estimate of future costs and the economic lives of the wells, there is uncertainty regarding both the amount and timing of these costs.

The increase with 1 percentage point of the discount rate would decrease the decommissioning provision with RON 52,698 thousand (2023: RON 62,650 thousand). The decrease with 1 percentage point of the discount rate would increase the decommissioning provision with RON 66,849 thousand (2023: RON 81,201 thousand).

The increase with 1 percentage point of the inflation rate would increase the decommissioning provision with RON 69,237 thousand (2023: RON 83,103 thousand). The decrease with 1 percentage point of the inflation rate would decrease the decommissioning provision with RON 55,105 thousand (2023: RON 64,871 thousand).

b) Other provisions

	Litigation provision	Other provisions	Total
	'000 RON	'000 RON	'000 RON
At January 1, 2024	**18,839**	**70,844**	**89,683**
Additional provision in the period	9,771	213,759	223,529
Provisions used in the period	(12,144)	(154,382)	(166,526)
Unused amounts during the period, reversed	(9,886)	(3,047)	(12,933)
At December 31, 2024	**6,579**	**127,174**	**133,753**

	Litigation provision	Other provisions	Total
	'000 RON	'000 RON	'000 RON
At January 1, 2023	**6,620**	**289,217**	**295,837**
Additional provision in period	18,762	161,459	180,221
Provisions used in the period	(4,025)	(374,327)	(378,352)
Unused amounts during the period, reversed	(2,518)	(5,505)	(8,023)
At December 31, 2023	**18,839**	**70,844**	**89,683**

The movement in other provisions refers mainly to the CO_2 certificates.

c) Retirement benefit obligation

Movement of the retirement benefit obligation	2024	2023
	'000 RON	'000 RON
At 1 January	**189,314**	**168,830**
Interest cost	10,616	13,139
Cost of current service	12,399	10,899
Payments during the year	(16,621)	(14,524)
Actuarial (gain)/loss for the period	8,842	10,970
At December 31	**204,550**	**189,314**

Except for actuarial gains/losses, all movements in the retirement benefit obligation are recognized as employee benefit expenses.

In determining the retirement benefit obligation, the following significant assumptions were used:

- No layoffs or restructurings are planned;
- Average discount rate: 6.8% (2023: 5.9%);
- Average inflation rate: 3.8% in 2025; 2.9% in 2026; 2.7% in 2027; 2.5% in 2028-2031 period, following a decreasing trend in the next years (2023: 4.8% in 2024; 3.5% in 2025; 3.0% in 2026; 2.5% in 2027-2031 period, following a decreasing trend in the next years).

NOTES

Sensitivity analysis

The discount rate has a significant effect on the obligation. Isolated change in assumptions with 1 percentage point would have the following effect on the obligation:

	Increase of 1% in assumptions	Decrease of 1% in assumptions
	'000 RON	'000 RON
December 31, 2024		
Average discount rate	(17,174)	19,664
Salaries' growth rate	20,130	(17,836)
December 31, 2023		
Average discount rate	(16,567)	19,064
Salaries' growth rate	18,863	(16,698)

Maturity analysis of cash outflows

	2024	2023
	'000 RON	'000 RON
Up to 1 year	17,748	17,360
1-2 years	14,705	8,502
2-5 years	55,811	48,710
5-10 years	157,733	134,612
Over 10 years	662,117	543,259

19. DEFERRED INCOME

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Amounts collected from NIP (note 19 a)	292,446	276,519
Amounts collected from CINEA (note 19 b)	94,192	94,192
Other deferred revenue	122	133
Other amounts received as subsidies	89	97
Total long term deferred revenue	**386,849**	**370,941**
Other amounts received as subsidies	486	7
Total short term deferred revenue	**486**	**7**
Total deferred revenue	**387,335**	**370,948**

a) National Investment Plan ("NIP")

In Government Decision no. 1096/2013 approving the mechanism for free allocation of greenhouse gas emission allowances to electricity producers for the period 2013-2020, Annex no. 3 "National Investment Plan", Romgaz is included with the investment "Combined Gas Turbine Cycle".

For this investment, in 2017 Romgaz signed a financing agreement with the Ministry of Energy, whereby the Ministry of Energy undertakes to grant a non-reimbursable financing of RON 320,912 thousand, representing a maximum of 25% of the total value of eligible expenditure of the investment. By December 31, 2024 the Group collected RON 292,446 thousand. Amounts received under this contract will be transferred to income based on the depreciation rate of the investment. No income was recognized by December 31, 2024 as the plant was not yet commissioned.

As per Government Decision no. 1489/November 21, 2024 the completion and commissioning period of investments financed from the National Investment Plan was extended until June 30, 2025 and the reimbursement period until December 31, 2025. If the plant is not commissioned by June 30, 2025, the government grant must be repaid to the Ministry of Energy.

b) Projects of Common Interest

In 2023, Depogaz signed a financing agreement with the European Climate, Infrastructure and Environment Executive Agency ("CINEA") to increase the daily withdrawal capacity of the Bilciureşti storage facility. The financing agreement is for EUR 37,962 thousand, of which Depogaz received the amount of RON 94,192 thousand as an advance.

20. TRADE AND OTHER CURRENT LIABILITIES

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Accruals	121,896	62,983
Trade payables	28,414	50,926
Payables to fixed assets suppliers	306,460	158,259
Total trade payables	**456,770**	**272,168**
Payables related to employees	46,469	41,004
Royalties	162,847	174,773
Contribution to Energy Transition Fund	6,510	38
Social security taxes	41,207	33,334
Other current liabilities	14,183	10,555
Greenhouse gas certificates surrender liability*)	137,244	208,618
VAT	18,070	9,616
Dividends payable	1,365	1,453
Windfall tax	114,527	29,420
Other taxes	3,925	2,696
Total other liabilities	**546,347**	**511,507**
Total trade and other liabilities	**1,003,117**	**783,675**

*) According to legislation, greenhouse gas certificates must be submitted to the relevant bodies until September, 2025. The balance as of December 31, 2024 relates to certificates acquired in 2024, not yet submitted.

21. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, inflation risk, interest rate risk), credit risk, liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance within certain limits. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. The Group does not use derivative financial instruments to hedge risk exposures.

Companies in the Romgaz Group have formal procedures on risk management that ensure risks are identified and controlled by putting in place a system that keeps risks at an acceptable level. Risk management is an ongoing process that involves identifying the risks that could affect meeting the companies' objectives, assessing the risks identified, managing the risks, identifying control measures for significant risks and setting up an annual plan to implement control measures for significant risks.

Risk assessment considers probability and impact to determine whether measures need to be taken. Based on the risk exposure, the tolerance level is determined based on a matrix. Tolerance levels range from tolerable risk that do not require any measure, to intolerable risks that need urgent control measures.

Risks identified may be accepted, monitored, avoided, treated or transferred.

(a) Market risk

(i) Foreign exchange risk

The Group is exposed to currency risk as a result of exposure to various currencies. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

The Group is mainly exposed to currency risk generated by EUR against RON as a result of the cash, bank borrowings and bonds. The Group does not hedge the risk, but monitors the changes in exchange rates.

As of December 31, 2024, the official exchange rate was RON 4.9741 to EUR 1 (December 31, 2023: RON 4.9746 to EUR 1).

December 31, 2024	EUR 1 EUR = 4.9741	GBP 1 GBP = 5.9951	USD 1 USD = 4.7768	MDL 1 MDL = 0.2576	RON 1 RON	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Financial assets						
Cash and cash equivalents	135,243	3	8	263	1,716,637	1,852,154
Bank deposits other than cash and cash equivalents	2,522,091	-	-	-	103,248	2,625,339
Trade and other receivables	-	-	-	-	837,805	837,805
Total financial assets	**2,657,334**	**3**	**8**	**263**	**2,657,690**	**5,315,298**
Financial liabilities						
Trade payables and other payables	-	(9)	-	-	(456,761)	(456,770)
Lease liability	(10,105)	-	-	-	(5,523)	(15,628)
Bank borrowings	(808,346)	-	-	-	-	(808,346)
Bonds	(2,500,978)	-	-	-	-	(2,500,978)
Total financial liabilities	**(3,319,429)**	**(9)**	**-**	**-**	**(462,284)**	**(3,781,722)**
Net	**(662,095)**	**(6)**	**8**	**263**	**2,195,406**	**1,533,576**

December 31, 2023	EUR 1 EUR = 4.9746	GBP 1 GBP = 5.7225	USD 1 USD = 4.4958	RON 1 RON	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Financial assets					
Cash and cash equivalents	6,822	1	6	528,381	535,210
Bank deposits other than cash and cash equivalents	94,418	-	-	2,411,045	2,505,463
Trade and other receivables	-	-	-	1,398,953	1,398,953
Total financial assets	**101,240**	**1**	**6**	**4,338,379**	**4,439,626**
Financial liabilities					
Trade payables and other payables	(31)	(43)	(8)	(272,086)	(272,168)
Lease liability	(7,952)	-	-	(5,077)	(13,029)
Bank borrowings	(1,131,722)	-	-	-	(1,131,722)
Total financial liabilities	**(1,139,705)**	**(43)**	**(8)**	**(277,163)**	**(1,416,919)**
Net	**(1,038,465)**	**(42)**	**(2)**	**4,061,216**	**3,022,707**

The Group is mainly exposed to currency risk generated by EUR against RON. The table below details the sensitivity of the Group's result to a 5% increase/decrease in the EUR exchange rate against the RON. The 5% rate is the rate used in internal reports to management on foreign currency risk and represents management's assessment of reasonable changes in the exchange rate. Sensitivity analysis includes only monetary items denominated in foreign currency in the balance sheet.

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
RON weakening - loss	33,105	(51,923)
RON strengthening - gain	(33,105)	51,923

(ii) Inflation risk

The official annual inflation rate in Romania for 2024 was 5.59% as provided by the National Institute of Statistics. The cumulative inflation rate for the last 3 years was under 100%. This factor, among others, led to the conclusion that Romania is not a hyperinflationary economy.

(iii) Interest rate risk

The Group is exposed to interest rate risk due to interest-bearing bank loans.

An increase of 1% in the interest rate on the bank borrowings would lead to an increase of the interest expense in 2025 of RON 6,936 thousand.

Bank deposits, treasury bills and the bonds issued bear a fixed interest rate.

The Group does not hedge the risk, but monitors the changes in interest rates.

(b) Credit risk

Financial assets, which potentially subject the Group to credit risk, consist principally of trade receivables, cash and cash equivalents, bank deposits other than cash equivalents. The Group has policies in place to ensure that sales are made to customers with low credit risk. Also, sales have to be secured either through advance payments, either through bank letters of guarantee. The carrying amount of trade receivables, net of loss allowances, represents the maximum amount exposed to credit risk. The Group has a concentration of credit risk in respect of its top three clients, which amounts to 28.77% of net trade receivable balance at December 31, 2024 (its top three clients: 47.99% as of December 31, 2023).

Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Group beyond the loss allowance already recorded.

Romgaz' Board of Directors approved an internal policy on placing excess cash in state bonds or bank deposits. Regarding bank deposits, cash is only placed with banks having a good credit rating. If bank have no credit rating, excess cash may be placed at them if they are majority state owned or maturity is short. Exposure to each bank cannot be higher than a certain percent, a higher allocation being permitted only for banks having the Romanian State as majority shareholder.

Credit quality of cash and cash equivalent and bank deposits other than cash and cash equivalents is presented below:

Equivalent to external credit rating	**December 31, 2024**	**December 31, 2023**
	'000 RON	**'000 RON**
A+	474,311	536,436
BBB+	2,503,194	272,238
BBB	-	221,626
BBB-	1,319,478	1,795,849
BB	1	100,001
No credit rating assigned	180,509	114,523
Total	**4,477,493**	**3,040,673**

Cash is placed with 14 banks, of which top 5 represent 95% of the Group's cash, cash equivalent and bank deposits other than cash and cash equivalents (2023: top 3 banks represent 78% of the Group's cash, cash equivalent and bank deposits other than cash and cash equivalents).

(c) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the cost of capital. Capital includes equity, bank borrowings and bonds issued.

In order to maintain or adjust the capital structure, the Group may adjust the dividend policy, issue new shares or sell assets to reduce debt.

The Group's policy is to only resort to borrowing if investment needs cannot be financed internally.

The Group's capital management aims to ensure that it meets financial covenants attached to the interest-bearing loans. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches of the financial covenants of interest-bearing loans in the current period. Covenants on existing loans need to be complied at each year end; however, these are monitored regularly to identify any risk of non-compliance, so that measures are taken timely.

(d) Fair value estimation

Carrying amount of financial assets and liabilities is assumed to approximate their fair value.

Financial instruments in the balance sheet include trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, interest-bearing borrowings and bonds issued. Due to their short-term nature, trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, fair value approximates the carrying amount.

Bank borrowings' fair value approximate their carrying amount, as these bear a variable rate of interest.

The bonds' carrying value approximate their fair value. The bonds' closing price on Luxembourg Stock Exchange on December 31, 2024 was 101.011% (level 1 information).

(e) Liquidity risk management

Liquidity risk is addressed by constant monitoring the maturities of assets and liabilities. The Group's policy is to have collection periods shorter than payment terms. For unforeseen events that may disturb the cash at hand, Romgaz signed two committed revolving credit facilities (see note 28) that may be drawn to meet payment terms.

The table below shows financial liabilities of the Group on contractual maturities. The amounts represent non-discounted future cash flows generated by financial liabilities.

December 31, 2024	Due in less than a month	Due in 1-3 months	Due in 3 months to 1 year	Due in 1-5 years	Due in over 5 years	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Trade payables	325,869	130,873	28	-	-	456,770
Bank borrowings	-	80,884	242,487	484,975	-	808,346
Lease liabilities	306	1,656	2,767	5,964	4,935	15,628
Bonds		-	24,545	2,476,433	-	2,500,978
Total	**326,175**	**213,413**	**269,827**	**2,967,372**	**4,935**	**3,781,722**

December 31, 2023	Due in less than a month	Due in 1-3 months	Due in 3 months to 1 year	Due in 1-5 years	Due in over 5 years	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Trade payables	78,328	193,838	2	-	-	272,168
Bank borrowings	-	80,837	242,512	808,373	-	1,131,722
Lease liabilities	246	797	1,536	5,854	4,596	13,029
Total	**78,574**	**275,472**	**244,050**	**814,227**	**4,596**	**1,416,919**

Ultimate responsibility for liquidity risk management rests with the Group's management, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and current cash flows and by matching the maturity profiles of financial assets and liabilities.

22. RELATED PARTY TRANSACTIONS AND BALANCES

(i) Sales of goods and services

	Year ended December 31, 2024	Year ended December 31, 2023
	'000 RON	'000 RON
Romgaz's associates	14,139	13,233
Total	**14,139**	**13,233**

(ii) Government related entities

The Group is controlled by the Ministry of Energy, on behalf of the Romanian State (note 17 a). As such, all companies over which the Romanian State has control or significant influence are considered related parties of the Group. The Group applies the disclosure exemption for Government related entities in IAS 24, and therefore discloses significant transactions and balances. Significance is determined based on size and based on existing regulatory/supervisory disclosure requirements (Law no. 24/2017 regarding Issuers of Financial Instruments and Market Operations and F.S.A. Regulation no. 5/2018). Except for the transactions listed below, no other individually significant transactions or collectively significant transactions were identified. Related party transactions are carried out on market terms and there are no transactions outside normal day-to-day operations.

The table below shows the collectively significant sales of the Group to companies over which the Romanian State has control or significant influence:

	Year ended Dec 31, 2024	Year ended Dec 31, 2023
	'000 RON	'000 RON
Electrocentrale București SA	592,978	1,156,358
Engie România SA	814,116	2,084,527
E.On Energie România SA	1,777,506	2,441,073
Total	**3,184,600**	**5,681,958**

The table below shows the collectively material cash and cash equivalents and bank deposits other than cash equivalents balances at banks over which the Romanian State has control.

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
CEC Bank	-	100,000
Exim Banca Românească	988,086	1,044,284
Total	**988,086**	**1,144,284**

(iii) Government related entities – joint arrangements

The Group has OMV Petrom SA as related party, due to the Romanian State having control in Romgaz and significant influence in OMV Petrom. OMV Petrom SA is the operator of the joint arrangement in which Romgaz Black Sea Limited is a partner. Total costs charged to Romgaz Black Sea Limited in 2024, as described in note 33, represent mainly additions of capital work in progress related to the development of the offshore Neptun Deep block and were of RON 2,213,399 thousand (2023: RON 548,903 thousand), of which the Group capitalized RON 2,175,198 thousand (2023: RON 535,408 thousand).

23. INFORMATION REGARDING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The remuneration of executives and directors

The Group has no contractual obligations on pensions to former executives and directors of the Group.

During the years ended December 31, 2024 and December 31, 2023, no loans and advances were granted to executives and directors of the Group, except for work related travel advances, and they do not owe any amounts to the Group from such advances.

Executives include directors with mandate contracts and directors with labor contracts. Directors in the table below refer to members of the Board of Directors.

	Year ended Dec 31, 2024	Year ended Dec 31, 2023
	'000 RON	'000 RON
Salaries expense with executives (gross)	39,727	31,726
of which, bonuses and variable component (gross)	6,017	1,926
Remuneration expense with directors (gross)	5,386	3,808
of which, variable component (gross)	2,073	530

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Salaries payable to executives	857	816
Salaries payable to directors	162	288

In addition to the above, on December 31, 2024 the Group recorded a provision for bonuses for executives and directors of RON 9,091 thousand (December 31, 2023: RON 6,101 thousand).

24. INVESTMENT IN ASSOCIATES

The Company's investments in associates are accounted using the equity method. The shares are not quoted on the stock exchange. No dividends were received in the years ended December 31, 2024, respectively, December 31, 2023.

The Company's investment in Agri LNG Project Company is not material. The investment is fully impaired.

In 2024, the Group contributed with RON 18,000 thousand to SC Depomureș SA's share capital increase.

Name of associate	Main activity	Place of incorporation and operation	Proportion of ownership interest and voting power held (%)	
			December 31, 2024	December 31, 2023
SC Depomures SA Tg.Mures	Storage of natural gas	Romania	40.4014	40
SC Agri LNG Project Company SRL	Feasibility projects	Romania	25	25

Name of associate	Gross carrying value as of December 31, 2024	Impairment as of December 31, 2024	Carrying value as of December 31, 2024	Gross carrying value as of December 31, 2023	Impairment as of December 31, 2023	Carrying value as of December 31, 2023
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
SC Depomures SA Tg.Mures	59,426	-	59,426	33,410	-	33,410
SC Agri LNG Project Company SRL	182	(182)	-	182	(182)	-
Total	**59,608**	**(182)**	**59,426**	**33,592**	**(182)**	**33,410**

Summarized financial information for significant investments in associates (SC Depomures SA)

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Non-current assets	67,565	62,616
Current assets, out of which:	61,431	31,598
- Cash and cash equivalents	52,760	26,443
Non-current liabilities, out of which:	656	2,170
- Long term financial liabilities	656	2,170
Current liabilities, out of which:	10,995	5,237
- Short term financial liabilities	1,514	3,431

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Revenue	59,884	48,243
Interest income	2,018	1,107
Amortization and depreciation	(4,137)	(3,826)
Interest expense	(172)	(309)
Income tax expense	(3,090)	(2,114)
Net profit from continued operations	19,980	12,183

Reconciliation of net book value for the significant investments in associates

	2024 '000 RON	2023 '000 RON
January 1	**33,410**	**28,537**
Interest in the total comprehensive income of significant investments in associates	8,016	4,873
Increased investment in associates	18,000	-
December 31	**59,426**	**33,410**

25. OTHER FINANCIAL INVESTMENTS

Other financial investments are recognized at fair value through profit or loss.

Except for the investment in Patria Bank, which is classified as level 1 instrument in the fair value hierarchy, all other investments are included in level 3 category, according to IFRS 13.

Company	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held (%) December 31, 2024	December 31, 2023
Electrocentrale București S.A.	Electricity and thermal power producer	Romania	2.49	2.49
Patria Bank S.A.	Other activities - financial intermediations	Romania	0.02	0.02
Mi Petrogas Services S.A.	Services related to oil and natural gas extraction, excluding prospections	Romania	10	10
Lukoil association	Petroleum exploration operations	Romania	12.2	12.2
Electricity Producers Association-HENRO	Non-governmental, non-profit, independent association	Romania	33.33	33.33

Company	Fair value as of December 31, 2024 '000 RON	Fair value as of December 31, 2023 '000 RON
Electrocentrale București S.A.*)	-	-
Patria Bank S.A.**)	79	79
Mi Petrogas Services S.A.	60	60
Lukoil association	5,227	5,227
Electricity Producers Association-HENRO	250	250
Total	**5,616**	**5,616**

*) The fair value of the investment in Electrocentrale Bucuresti was reduced to zero after entering into insolvency. The investment in Electrocentrale Bucuresti is not quoted. The company concluded the restructuring plan in February 2023, however its current financial position does not justify a modification of its value.

**) In 2016, the Company's shareholders decided to withdraw Romgaz from the bank's shareholders, as a result of the merger process in which Patria Bank was involved. In 2021, the approval of the National Bank of Romania was obtained for the partial redemption of the shares that the Company holds in Patria Bank. The shares of Patria Bank S.A. are listed, but following the merger process, the price at which the redemption of the shares held by the shareholders who requested the withdrawal from the shareholding was set to a fixed value. Thus, the investment is measured at this redemption value.

26. SEGMENT INFORMATION

Segment revenues, results and other segment information

Year ended December 31, 2024	Upstream '000 RON	Storage '000 RON	Electricity '000 RON	Other '000 RON	Adjustment and eliminations '000 RON	Total '000 RON
Revenue	7,418,587	573,604	539,646	485,407	(1,087,808)	7,929,436
Less: revenue between segments	(387,238)	(62,338)	(163,682)	(474,550)	1,087,808	-
Third party revenue	7,031,349	511,266	375,964	10,857	-	7,929,436
Interest income	3,908	11,262	152	257,497	(83,496)	189,323
Interest expense	(1,415)	-	-	(67,616)	1,415	(67,616)
Employee benefit expense	(602,003)	(95,171)	(63,438)	(441,365)	-	(1,201,977)
Taxes and duties	(1,778,512)	(20,113)	(24,892)	(3,212)	-	(1,826,729)
Third party services and other costs	(958,803)	(176,781)	(104,187)	(109,017)	702,314	(646,474)
Share of profit of associates	-	-	-	8,016	-	8,016
Depreciation and amortization	(351,583)	(96,648)	(4,163)	(60,035)	23,063	(489,366)
Impairment losses recognized during the period in profit or loss	(141,816)	(112)	(3,623)	(15,045)	(70)	(160,666)
Impairment losses reversed during the period in profit or loss	43,686	175	-	3,009	5	46,875
Segment result before tax profit/(loss)	**3,795,665**	**147,132**	**(294,337)**	**41,491**	**(88,774)**	**3,601,177**
Income tax expense	**44,631**	**(27,985)**	**-**	**(411,827)**	**-**	**(395,181)**
Additions to property, plant and equipment	**2,787,866**	**55,020**	**258,433**	**72,625**	**-**	**3,173,944**

Year ended December 31, 2023	Upstream	Storage	Electricity	Other	Adjustment and eliminations	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	8,398,731	550,278	588,609	464,701	(1,000,441)	9,001,878
Less: revenue between segments	(332,511)	(33,342)	(181,722)	(452,866)	1,000,441	-
Third party revenue	8,066,220	516,936	406,887	11,835	-	9,001,878
Interest income	1,192	7,648	95	221,716	(17,643)	213,008
Interest expense	(946)	-	-	(43,181)	944	(43,183)
Employee benefit expense	(536,395)	(89,469)	(58,341)	(398,509)	-	(1,082,714)
Taxes and duties	(1,476,356)	(17,036)	427	(3,346)	-	(1,496,311)
Third party services and other costs	(809,163)	(218,949)	(212,615)	(141,115)	668,999	(712,843)
Share of profit of associates	-	-	-	4,873	-	4,873
Depreciation and amortization	(318,171)	(13,750)	(3,017)	(56,811)	(29,885)	(421,634)
Impairment losses recognized during the period in profit or loss	(174,448)	-	(15,861)	(14,692)	(351)	(205,352)
Impairment losses reversed during the period in profit or loss	119,257	496	-	616	2,085	122,454
Segment result before tax profit/(loss)	**5,263,558**	**172,461**	**(326,151)**	**53,869**	**(96,275)**	**5,067,462**
Income tax expense	**(1,558,442)**	**(23,302)**	**-**	**(673,609)**	**-**	**(2,255,353)**
Additions to property, plant and equipment	**968,518**	**107,747**	**76,843**	**89,407**	**-**	**1,242,515**

In the year ended December 31, 2024, the Group's two largest clients each individually represents more than 10% of revenue, sales to these clients being of RON 1,777,506 thousand and RON 814,116 thousand (in the year ended December 31, 2023 the Group's three largest customers represented individually, over 10% of revenue, sales to these clients being of RON 2,489,605 thousand, RON 2,174,567 thousand, RON 979,005 thousand), totaling 32.68% of total revenue (year ended December 31, 2023: 62.69%). Of the total revenue generated by those two clients, 9.82% is shown in the "Storage" segment and 90.18% in the "Upstream" segment (year ended December 31, 2023: 5.75% in the "Storage" segment, 93.33% in the "Upstream" segment).

The majority of revenue is generated by the Group’s operations in Romania. Insignificant sales are made to customers outside Romania. The Group does not disclose insignificant sales and balances with external customers.

All non-current assets are located in Romania.

27. CASH AND CASH EQUIVALENTS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Current bank accounts *)	147,564	147,014
Petty cash	40	47
Term deposits	1,702,835	386,248
Restricted cash **)	1,715	1,901
Total	**1,852,154**	**535,210**

*) Current bank accounts include overnight deposits.

**) At December 31, 2024 restricted cash refers to bank accounts used only for dividend payments to shareholders, according to stock market regulations.

28. BANK BORROWINGS. BONDS

a) Bank borrowings

	Maturity	December 31, 2024 '000 RON	December 31, 2023 '000 RON
EUR 325,000 thousand bank borrowing (equivalent of RON 1,616,583 thousand at RON 4.9741/EUR 1) (unsecured) *)	June 2027	808,346	1,131,722
RON 745,875 revolving credit facility (unsecured) **)	September 2027	-	-
EUR 100,000 revolving credit facility (equivalent of RON 497,410 thousand at RON 4.9741/EUR 1) (unsecured) **)	December 2026	-	-
RON 250,000 investment credit contract (secured) ***)	August 2037	-	-
Total		**808,346**	**1,131,722**

*) In March 2022, Romgaz signed a EUR 325 million financing deal with Raiffeisen Bank S.A. to finance part of the purchase price of the shares of ExxonMobil Exploration and Production Romania Limited (now Romgaz Black Sea Limited) that holds 50% of the rights and obligations for the Neptun Deep block.

In June 2022, an addendum to the facility contract was signed between Romgaz acting as borrower and Raiffeisen Bank S.A. and Banca Comerciala Romana S.A. as lenders.

The loan agreement includes two covenants that have to be met each December 31:

- leverage ratio has to be lower than 300%. Leverage ratio means the ratio between net debt on December 31 and earnings before interest, tax, depreciation and amortization expenses (EBITDA) for the year. Net debt means the aggregate principal amount owed by Romgaz pursuant to financial indebtedness (ie. outstanding bank borrowings, bonds issued, lease liabilities) after deducting the aggregate of cash and cash equivalents.
- debt service coverage ratio has to be higher than 110%. Debt service coverage ratio means the ratio between EBITDA for the year and debt service (ie. interest and bank commissions of any financial indebtedness, scheduled repayments of principal related to any financial indebtedness) paid or payable during the year.
- all metrics are calculated based on the separate financial statements of Romgaz prepared in accordance MOF 2844.

On December 31, 2024 and December 31, 2023 the Company complied with both covenants. There are no indications that the Group may face difficulties complying with the covenants when they will be next tested as at December 31, 2025.

The facility's final maturity is in five years from utilization. There are no borrowing costs other than interest. The loan is repayable in quarterly instalments. The loan is not secured.

The average interest rate during the period was 4.02%/year.

**) In 2024, Romgaz signed two revolving credit facilities of RON 745,875 thousand (with Banca Transilvania SA) and EUR 250,000 thousand (with UniCredit Bank SA). The two facilities may be used for general corporate purposes. Romgaz has not drawn any amount from the facilities.

***) In December 2023, Depogaz signed an investment credit contract for RON 250 million with Banca Transilvania SA to finance the investment for the increase of the daily withdrawal capacity of the Bilciureşti storage facility. The facility can be used until June 19, 2027 and must be repaid by August 06, 2037. The loan is repayable in quarterly installments, after the end of the grace period on June 19, 2027. The loan is secured by Depogaz' cash held at Banca Transilvania. The loan bears no covenants. The loan was not drawn by December 31, 2024.

	2024 '000 RON	2023 '000 RON
Balance as at January 1	**1,131,722**	**1,447,115**
Interest charged	38,962	43,838
Interest paid	(38,897)	(43,838)
Repayments	(323,312)	(322,775)
Foreign exchange differences	(129)	7,382
Carrying amount as at December 31	**808,346**	**1,131,722**

NOTES

b) Bonds

In September 2024 Romgaz launched its first Euro Medium Term Note program for a total value of EUR 1,500,000 thousand. The first tranche of EUR 500,000 thousand of the program was issued in October 2024. The coupon rate is 4.75%. The bonds are repayable in 5 years at par value. The coupon is payable on an annual basis. The bonds are not convertible and are unsecured. The bonds have no covenants.

Bonds are listed on Luxembourg Stock Exchange and Bucharest Stock Exchange.

	2024	2023
	'000 RON	'000 RON
Proceeds from bond issue	2,485,488	-
Transaction costs	(11,914)	-
Net proceeds from bond issue	**2,473,574**	**-**

	2024	2023
	'000 RON	'000 RON
Carrying amount as at January 1	-	-
Net proceeds from bond issue	2,473,574	-
Interest charged	28,655	-
Foreign exchange differences	(1,251)	-
Carrying amount as at December 31	**2,500,978**	**-**

The bonds' carrying value approximate their fair value. The bonds' closing price on Luxembourg Stock Exchange on December 31, 2024 was 101.011%.

29. BANK DEPOSITS OTHER THAN CASH AND CASH EQUIVALENTS

Bank deposits other than cash and cash equivalents represent deposits with a maturity of over 3 months, from acquisition date. The Group did not identify any risk of loss for these assets, therefore it did not record any impairment.

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Bank deposits	2,601,095	2,484,702
Accrued interest receivable on bank deposits	24,244	20,761
Total	**2,625,339**	**2,505,463**

30. GUARANTEES GRANTED BY BANKS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Guarantees granted	173,851	273,425
Total	**173,851**	**273,425**

In 2024, Romgaz signed an addendum to the credit agreement with BCR SA representing a facility for issuing letters of guarantee and opening letters of credit for a maximum amount of RON 500,000 thousand. On December 31, 2024 are still available for use RON 328,915 thousand.

As of December 31, 2024, the Group's contractual commitments for the acquisition of non-current assets are of RON 4,668,993 thousand (December 31, 2023: RON 3,779,428 thousand).

31. GUARANTEES RECEIVED FROM BANKS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Guarantees received	1,945,727	2,598,882
Total	**1,945,727**	**2,598,882**

Guarantees are received from the Group's clients to secure payment of deliveries.

32. CONTINGENCIES

(a) *Litigations*

The Group is subject to several legal actions arisen in the normal course of business. The management of the Group considers that they will have no material adverse effect on the results and the financial position of the Group.

On December 28, 2011, 27 former and current employees of Romgaz were notified by DIICOT regarding an investigation related to sale contracts signed with one of the Company's clients for allegedly unauthorized discounts granted to this client during the period 2005-2010. DIICOT mentioned that this may have resulted in a loss of USD 92,000 thousand for the Company. On that sum, an additional burden to the state budget consists of income tax in amount of USD 15,000 thousand and VAT in amount of USD 19,000 thousand. The internal analysis carried out by the Company's specialized departments concluded that the agreement was in compliance with the legal provisions and all discounts were granted based on Orders issued by the Ministry of Economy and Finance and decisions of the General Shareholders' Board and Board of Directors. The management of the Company believes the investigation will not have a negative impact on the financial statements, to justify the registration of an adjustment. The Company is fully cooperating with DIICOT in providing all information necessary. On March 18 2014, Romgaz received an address from DIICOT, by which the investigators ordered an accounting expertise, indicating the objectives of the expertise.

Romgaz was notified that, as injured party, it may submit comments relating to objectives of the expertise (additions/changes), and may appoint an additional expert to participate in the expertise.

Thus, Romgaz proceeded to identify and appoint an expert with accounting and financial expertise that can participate to the expertise. After the report was completed, the parties could submit objections by November 2, 2015.

On March 16, 2016, DIICOT – Central Structure informed the persons involved in the cause about the start of legal actions against them. At the request of investigators, the Company announced that in case of a prejudice being established during the investigation, the Company will join the case as civil party.

In November 2016, DIICOT informed the Company the prejudice established in amount of RON 282,630 thousand. Following this request, Romgaz announced that will join the case as a civil party for the amount of RON 282,630 thousand to recover this amount from the respective client and any other person that may be found guilty for causing the prejudice.

In June 2017, DIICOT issued a press release announcing the referral to court of several persons involved in the case. In January 2018, the High Court of Cassation and Justice ruled that the indictment prepared by DIICOT was not legal. The Court issued a decision in December, 2022 stating there is no offence and the civil complaint filed by Romgaz was left unresolved. Romgaz appealed the decision. According to the final decision issued by the court in 2024, no person was charged.

(b) *Taxation*

The Romanian taxation system is undergoing a process of consolidation and harmonization with the European Union legislation. However, there are still different interpretations of the fiscal legislation. In various circumstances, the tax authorities may have different approaches to certain issues, and assess additional tax liabilities, together with late payment interest and penalties. In Romania, tax periods remain open for fiscal verification for 5 years. The Group's management considers that the tax liabilities included in these financial statements are fairly stated.

NOTES

(c) *Environmental contingencies*

Environmental regulations are developing in Romania and the Group has not recorded any liability at December 31, 2024 for any anticipated costs, including legal and consulting fees, impact studies, the design and implementation of remediation plans related to environmental matters, except the amount of RON 362,998 thousand (December 31, 2023: RON 405,585 thousand), representing the decommissioning liability.

(d) *Contingencies related to grants related to income*

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) included the obligation of the Group, until March 31, 2024, to sell the electricity it produces at a regulated price of RON 450/MWh. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. If the value of the greenhouse gas certificates related to the energy sold at RON 450/MWh exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until December 31, 2024, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not enforceable. Thus, as of December 31, 2024 the Group disclosed a contingent asset of RON 188,260 thousand until legislation will provide for a mechanism for recovering this amount (December 31, 2023: RON 167,743 thousand).

33. JOINT ARRANGEMENTS

Joint arrangement with OMV Petrom SA

In August 2022, the Group became a party to a joint arrangement with OMV Petrom SA (operator) for the offshore block Neptun Deepwater in the Black Sea, through the acquisition of ExxonMobil Exploration and Production Romania Limited, currently Romgaz Black Sea Limited. The joint arrangement is classified as joint operation, since the parties have the rights to assets and liabilities, income and expenses. Decisions are taken jointly. Each party to the joint agreement has a 50% share in the concession agreement for the Neptun Deepwater block. The Group records its share of the assets and liabilities of the arrangement. Marketing and sales of hydrocarbons are not part of the joint arrangement.

The Neptun Deep project is currently being developed, commissioning being planned for 2027.

All the rights and interests in and under the joint arrangement, all joint property and any hydrocarbons produced from the Neptun Deepwater block is owned by each party in accordance with its participating interest.

As a general rule, all decisions of the operating committee require unanimity.

The joint arrangement is material to the Group.

The assets and liabilities recorded in connection with the joint arrangement are shown below:

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Property, plant and equipment	2,741,122	565,926
Trade liabilities	246,546	126,057

34. AUDITOR’S FEES

The fee charged by the Group’s statutory auditor, PricewaterhouseCoopers Audit SRL for the statutory audit of the 2024 annual financial statements is RON 1,198 thousand.

The fee charged by the Group’s statutory auditor (PricewaterhouseCoopers Audit SRL starting June 2024 and Ernst & Young Assurance Services S.R.L until May 2024) for other assurance services in 2024 are RON 2,567 thousand.

35. EVENTS AFTER THE BALANCE SHEET DATE

In March 2025 the Romanian Government issued Emergency Ordinance no. 6 which extends the provisions of Government Emergency Ordinance no. 27/2022. Gas sold under the Ordinance will continue to be sold at a regulated price until March 31, 2026; no windfall tax will be charged for quantities sold under the Ordinance.

36. AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu	**Gabriela Trânbițaș**
Chief Executive Officer	Chief Financial Officer

STATEMENT

in accordance with the provisions of art. 65 (2) c) of Law No. 24/2017

regarding issuers of financial instruments and market operations

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Entity: Societatea Nationala de Gaze Naturale ROMGAZ S.A.
County: 32--SIBIU
Address: MEDIAŞ, 4 C.I. Motaş Square, tel. +40374401020
Registration Number in the Trade Register: J32/392/2001
Form of Property: 26- Companies with both state and private capital foreign and domestic (State capital >=50%)
Main activity (CAEN code and denomination): 0620—Natural Gas Production
Tax Identification Number: 14056826

The undersigned,

RĂZVAN POPESCU as Chief Executive Officer and

GABRIELA TRÂNBIȚAȘ as Chief Financial Officer,

hereby confirm that according to our knowledge, the annual consolidated financial statements for the year ended December 31, 2024, prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union, and Order of Ministry of Public Finance no. 2844/2016 for the approval of Accounting regulations in accordance with International Financial Reporting Standards, offer a true and fair view of the assets, liabilities, financial position, statement of profit and loss of the Group and that the Board of Directors' report comprises a fair analysis of the development and performance of the Group, a description of the main risks and uncertainties specific to its activity and it is prepared in accordance with the european sustainability reporting standards. The Group is a going concern.

Chief Executive Officer,
RĂZVAN POPESCU

Chief Financial Officer,
GABRIELA TRÂNBIȚAȘ

Independent Auditor's Report

To the Shareholders of Societatea Națională de Gaze Naturale “Romgaz” SA

Report on the audit of the separate financial statements

Our opinion

In our opinion, the separate financial statements give a true and fair view of the financial position of Societatea Națională de Gaze Naturale Romgaz SA (the “Company”) as at 31 December 2024, and the Company’s financial performance and cash flows for the year then ended in accordance with the Order of Minister of Public Finance No. 2844/2016 for approval of accounting regulations in accordance with International Financial Reporting Standards as adopted by the European Union and subsequent amendments ("OMPF 2844/2016").

Our opinion is consistent with our additional report to the Audit Committee dated 27 March 2025.

What we have audited

The Company’s separate financial statements comprise:

- the statement of comprehensive income for the year ended 31 December 2024;
- the statement of financial position as at that date;
- the statement of changes in equity for the year then ended;
- the statement of cash flow for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

The financial statements as at 31 December 2024 are identified as follows:

- Total equity (separate financial statements): lei 13,950,177 thousand;
- Profit for the year (separate financial statements): lei 3,090,697 thousand.

The Company's registered office is in Romania, Sibiu County, Medias, Piata C.I. Motas, number 4, and the Company's unique fiscal registration code is RO14056826.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation EU No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the “Regulation 537/2014”) and Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments (the “Law 162/2017”). Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of Regulation 537/2014 and Law 162/2017 that are relevant to our audit of the financial statements in Romania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of Regulation 537/2014 and Law 162/2017.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Company are in accordance with the applicable law and regulations in Romania and that we have not provided non-audit services that are prohibited under Article 5(1) of the Regulation 537/2014.

The non-audit services that we have provided to the Company in the period from 1 January 2024 to the date of issuing this report, are disclosed in Note 33 “Auditor’s fees” to the financial statements.

Our audit approach

Overview

The overall materiality threshold adopted for the purposes of our audit of the separate financial statements was set at lei 207,700 thousand, which represents approximately 5% of the arithmetic average of the Profit Before Tax in the past 3 years.

Estimation of gas reserves.

Estimation of decommissioning provisions.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall materiality	lei 207,700 thousand
How we determined it	5% of the arithmetic average Profit Before Tax in the past 3 years
Rationale for the materiality benchmark applied	We selected Profit Before Tax as the benchmark since, in our view, it is the most relevant indicator for the Company, given that profitability is the primary focus for users of the financial statements. Considering recent fluctuations in Profit Before Tax, driven by volatile gas and electricity prices, legislative changes, and demand shifts influenced by global economic and political conditions, factors largely outside Management's control, we chose to base our benchmark on the arithmetic average of the Profit Before Tax over the past three years. We set the significance threshold at 5%, which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Estimation of the gas reserves The estimation of the gas reserves has a direct impact in the calculation of the depreciation of the directly productive tangible assets (i.e. wells) and an indirect impact in the impairment assessment and in the estimation of the decommissioning provision (see note 2, note 7 and note 18). First, the calculation of the depreciation for the directly productive tangible assets (i.e. wells) uses the unit of production method which is based on the estimation of the developed proved gas reserves ("gas reserves"). According to this method, the carrying value of each directly productive tangible asset (i.e. wells) is depreciated according to the ratio of	We engaged in discussions with Company's experts and specialists and obtained a detailed understanding of the Company's internal processes and controls associated with the gas reserves estimation. We inspected the certifications issued by ANRMPSG for the Company's internal experts and specialists who are responsible for gas reserves estimation. We identified certain key controls around the gas reserves estimation and certification by the ANRMPSG and we tested their operational

This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Key audit matter	How our audit addressed the key audit matter
the natural gas quantity extracted during the period divided by the estimated gas reserves at the beginning of the period. Second, the estimated gas reserves are a key input in management's impairment assessment of assets within the Upstream segment for onshore activities. Third, the estimated gas reserves are a key input in the determination of the economic life of gas fields and hence of the timing of decommissioning (see key audit matter Estimation of decommissioning provisions) The gas reserves estimate at gas field level are determined and/or updated annually by internal experts and specialists, certified by the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide ("ANRMPSG"), according to internal policies and ANRMPSG's regulations. Annually, the estimation of gas reserves performed by Company's experts and specialists are certified by the ANRMPSG. Management of the Company ensures that the gas reserves certified by ANRMPSG at the beginning of the year are used in the relevant calculations for the annual depreciation. Periodically, the Company engages also a reputable international company which performs an independent estimation on Company's gas reserves. However, the Company uses in the relevant calculations and assessments the gas reserves as estimated by their internal experts and specialists and as certified by ANRMPSG. Consequently, the estimation of the gas reserves requires the Company's management and internal experts and specialists to make significant judgements and assumptions and therefore it was considered to be a key audit matter.	effectiveness. We tested on a sample basis whether the gas reserves estimates used by management in the current period calculations were those certified by the ANRMPSG We tested whether significant changes in the gas reserves estimates used in the current year calculations were made in the period in which the new information regarding the gas reserves became available and that the adjustments were approved in compliance with the standards of ANRMPSG. We inspected Company's comparison of internal gas reserves estimates and the last independent estimation performed by a reputable international company. We further assessed the adequacy of the Company's disclosures in the financial statements regarding the estimates related to gas reserves and their impact on the specific financial statements line items (Note2).

Key audit matter	How our audit addressed the key audit matter
Estimation of decommissioning provisions	
The Company's gas production activities regularly lead to obligations related to dismantling and removal of equipment and installations, asset retirement and soil remediation activities (see note 2 and note 18). The decommissioning provision is significant to our audit because of its magnitude (carrying value of lei 380,725 thousand at 31 December 2024). At the same time the estimation of the decommissioning provision requires the Company's management and their experts to make significant judgements and assumptions related to the decommissioning date of which gas field (which is the end of the gas field's economic life as certified by ANRMPSG based on the estimated gas reserves and production), estimated future expenditure, forecasted inflation rates and discount rates to determine the present value of the obligations. Therefore this area was considered to be a key audit matter given its magnitude and the inherent subjectivity in estimating future costs and their timing.	We obtained a detailed understanding of internal processes and controls and analysed the methodology applied by the Company's management to determine the decommissioning provision compliance with the requirements of IAS 37. For a sample of items, we have verified that the decommissioning date used in the calculation of the decommissioning provision is in accordance with the end of the gas field's economic life as certified by ANRMPSG. We compared the current estimates of decommissioning costs with the actual costs incurred in previous periods. We compared the actual decommissioning costs incurred in the current period with prior period estimations. We involved our valuation specialists to assist us in performing industry benchmarking and analysis over discount rates and inflation rates. We tested the mathematical accuracy of management's decommissioning provision calculations. We assessed the competence, capabilities and objectivity of management specialists used for the calculation of the discount rates. We also assessed the adequacy of the Company's disclosures in the financial statements relating to decommissioning obligations.

Other matters

The financial statements of the Company for the year ended 31 December 2023 were audited by another firm of auditors whose report, dated 22 March 2024, expressed an unmodified opinion on those financial statements.

Reporting on other information including the Board of Directors' Report

The Board of Directors is responsible for the other information. The other information comprises the Annual Report (which comprises the Consolidated Board of Directors' Report and the Consolidated Sustainability Statement which is part of the Consolidated Board of Directors' Report and the Corporate Governance Statement), the Report of Payments to Governments and the Remuneration Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, including the Annual Report (which comprises the Consolidated Board of Directors' Report and the Consolidated Sustainability Statement which is part of the Consolidated Board of Directors' Report and the Corporate Governance Statement), the Report of Payments to Governments and the Remuneration Report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Consolidated Board of Directors' Report, we considered whether it is consistent with the financial statements and whether the Board of Directors' Report, excluding the requirements for the information on sustainability reporting on which a separate limited assurance report on Consolidated Sustainability Statement has been issued by us on 28 March 2025, was prepared in accordance with OMFP 2844/2016, articles 15-19.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Consolidated Board of Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Board of Directors' Report, excluding the requirements for the information on sustainability reporting, has been prepared in accordance with OMFP 2844/2016, articles 15-19.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Annual Report, the Report of Payments to Governments and the Remuneration Report. We have nothing to report in this regard.

In accordance with Law no. 24/2017 regarding issuers of financial instruments and market operations, republished, and subsequent amendments ("Law 24/2017") our responsibility is to assess whether the Remuneration report contains the information required by Law 24/2017, article 107, alignments (1) and (2).

With respect to the Remuneration Report, we read the Remuneration Report in order to assess whether this contains the information required by Law 24/2017, article 107 alignments (1) and (2). We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements, that give a true and fair view in accordance with OMFP 2844/2016, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on the compliance of the format of financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter by the Management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the financial statements of the Company for the year ended 31 December 2024 (the "Presentation of the Financial Statements").

Description of a subject matter and applicable criteria

The Presentation of the Financial Statements has been applied by the Management of the Company to comply with the requirements of Law 24/2017, Financial Supervision Authority Regulation 7/2021 and art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Presentation of the Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the Management and those charged with governance

The Management of the Company is responsible for the Presentation of the Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Financial Statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (R) – "Assurance Engagements other than Audits and Reviews of Historical Financial Information" ("ISAE 3000(R)"). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Financial Statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000(R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality control requirements

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Financial Statements complies, in all material aspects, with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Electronic Reporting Format of the Financial Statements, including the preparation of the XHTML format and marking up the financial statements;
- verification whether the XHTML format was applied properly;
- we verified whether the electronic format of the separate financial statements (XHTML) corresponds to the audited financial statements;

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, based on the procedures performed, the Presentation of the Financial Statements complies, in all material respects, with the ESEF Regulation.

Reporting on report regarding information related to income tax

In accordance with OMPF 2844/2016, article 60^12, in connection with the audit of the financial statements for the financial year ended as at 31 December 2024, our responsibility is to state whether, for the previous financial year ended as at 31 December 2023, the Company had the obligation, in accordance with articles 60^2-60^6.8 of OMPF 2844/2015, to publish a report regarding information related to income tax for the financial year ended 31 December 2023 and if this is the case, whether such report was published in accordance with 60^10.12 of OMPF 2844/2016.

The Company had the obligation to publish the report regarding information related to income tax. The Company did not comply with this obligation in the period of 12 months until 31 December 2024 for the financial year ended at 31 December 2023, however the Company published the report regarding the information related to income tax by the date of this report.

Appointment

We were appointed by the Ordinary General Shareholders Meeting as auditors of Societatea Națională de

Gaze Naturale “Romgaz SA” on 25 April 2024. This is the first year of our appointment as auditors.

The financial auditor responsible for carrying out the audit resulting in this independent auditor’s report is Florin Deaconescu.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no FA6

Refer to the original signed Romanian version

Florin Deaconescu

Financial auditor

registered with the Public Electronic Register of financial auditors and audit firms under no AF1524

Bucharest, 28 March 2025

This version of our report is a translation from the original, which was prepared in Romanian language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

SOCIETATEA NAȚIONALĂ DE GAZE NATURALE “ROMGAZ” SA

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

PREPARED IN ACCORDANCE WITH
THE ORDER OF THE MINISTRY OF PUBLIC FINANCE NO. 2844/2016

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STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended December 31, 2024	Year ended December 31, 2023 restated*
		'000 RON	'000 RON
Revenue	3	7,531,970	8,619,286
Cost of commodities sold	5	(119,694)	(107,060)
Finance income	4	289,197	273,027
Other gains and losses	6	(26,718)	(12,122)
Net impairment gains/(losses) on trade receivables	16	38,479	43,714
Changes in inventory of finished goods and work in progress		47,832	(5,767)
Work performed by the Company and capitalized		307,228	250,977
Raw materials and consumables used	5	(180,389)	(136,917)
Depreciation, amortization and impairment expenses	7	(604,074)	(549,665)
Employee benefit expense	8	(1,101,776)	(988,786)
Taxes and duties	10	(1,806,601)	(1,479,262)
Finance cost	9	(92,410)	(61,913)
Exploration expense	13	(73,786)	(83,051)
Greenhouse gas certificates expenses		(180,752)	(242,803)
Third party services and other costs		(584,331)	(617,840)
Other income	3	52,921	20,866
Profit before tax		**3,497,096**	**4,922,684**
Income tax expense	11	(406,399)	(2,347,636)
Profit for the year		**3,090,697**	**2,575,048**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/(losses) on post-employment benefits	18 c)	(8,352)	(9,338)
Income tax relating to items that will not be reclassified subsequently to profit or loss	11	1,336	1,494
Total items that will not be reclassified subsequently to profit or loss		**(7,016)**	**(7,844)**
Other comprehensive income for the year net of income tax		**(7,016)**	**(7,844)**
Total comprehensive income for the year		**3,083,681**	**2,567,204**

* see note 29

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2024	December 31, 2023 restated*	January 1, 2023 restated*
		'000 RON	'000 RON	'000 RON
ASSETS				
Non-current assets				
Property, plant and equipment	**12**	5,663,767	5,370,169	5,205,504
Intangible assets	**14**	10,617	15,238	19,750
Investments in subsidiaries	**24 a)**	7,545,662	5,185,051	5,185,051
Investments in associates	**24 b)**	18,120	120	120
Deferred tax asset	**11**	181,620	137,539	134,514
Net lease investment		105	211	286
Other assets	**16 b)**	337,008	549,710	27,722
Right of use asset	**14**	10,179	10,774	6,786
Other financial investments	**25**	5,616	5,616	5,616
Total non-current assets		**13,772,694**	**11,274,428**	**10,585,349**
Current assets				
Inventories	**15**	381,217	293,749	274,531
Greenhouse gas certificates		137,244	208,617	-
Trade and other receivables	**16 a)**	766,565	1,337,437	1,334,163
Bank deposits other than cash and cash equivalents	**28**	2,456,527	2,344,349	8,481
Other assets	**16 b)**	47,623	50,152	250,925
Net lease investment		119	104	88
Cash and cash equivalents	**26**	1,712,183	518,831	1,867,570
Total current assets		5,501,478	**4,753,239**	**3,735,758**
Total assets		**19,274,172**	**16,027,667**	**14,321,107**
EQUITY AND LIABILITIES				
Equity				
Share capital	**17**	3,854,224	385,422	385,422
Reserves		3,712,043	4,834,685	3,492,228
Retained earnings		6,383,910	6,220,195	6,313,593
Total equity		**13,950,177**	**11,440,302**	**10,191,243**
Non-current liabilities				
Retirement benefit obligation	**18**	191,416	177,721	158,934
Deferred income	**19**	292,657	276,749	230,419
Lease liabilities		8,797	10,450	7,090
Bank borrowings	**27 a)**	484,975	808,373	1,125,534
Bonds	**27 b)**	2,476,433	-	-
Provisions	**18**	351,789	373,536	210,838
Total non-current liabilities		**3,806,067**	**1,646,829**	**1,732,815**

STATEMENT OF FINANCIAL POSITION

	Note	December 31, 2024	December 31, 2023 restated*	January 1, 2023 restated*
		'000 RON	'000 RON	'000 RON
Current liabilities				
Trade payables	**20**	197,622	139,733	86,903
Contract liabilities	**16 e)**	290,811	153,723	263,340
Current tax liabilities	**11**	(2,561)	1,712,158	1,127,927
Deferred income	**19**	486	7	11
Provisions	**18**	155,733	115,986	316,473
Lease liabilities		3,535	2,023	1,017
Bank borrowings	**27 a)**	323,371	323,349	321,581
Bonds	**27 b)**	24,545	-	-
Other liabilities	**20**	524,386	493,557	279,797
Total current liabilities		**1,517,928**	**2,940,536**	**2,397,049**
Total liabilities		**5,323,995**	**4,587,365**	**4,129,864**
Total equity and liabilities		**19,274,172**	**16,027,667**	**14,321,107**

* see note 29

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Geological quota reserve	Development fund reserve	Reinvested profit reserve	Reserves for investments in strategic projects	Other reserves	Retained earnings	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Balance as of January 1, 2024 before restatement	**385,422**	**77,084**	**486,388**	**3,812,376**	**439,112**	**-**	**19,725**	**6,172,369**	**11,392,476**
Effect of accounting errors (note 29)	-	-	-	-	-	-	-	47,826	47,826
Balance as of January 1, 2024 as restated	**385,422**	**77,084**	**486,388**	**3,812,376**	**439,112**	**-**	**19,725**	**6,220,195**	**11,440,302**
Profit for the year	-	-	-	-	-	-	-	3,090,697	3,090,697
Other comprehensive income for the year	-	-	-	-	-	-	-	(7,016)	(7,016)
Total comprehensive income for the year	-	-	-	-	-	-	-	**3,083,681**	**3,083,681**
Increase in share capital	3,468,802	-	-	(3,468,802)	-	-	-	-	-
Dividends distribution*	-	-	-	(24,580)	-	-	-	(549,226)	(573,806)
Increase in reserves**	-	174,855	-	231,570	43,755	1,920,560	-	(2,370,740)	-
Balance as of December 31, 2024	**3,854,224**	**251,939**	**486,388**	**550,564**	**482,867**	**1,920,560**	**19,725**	**6,383,910**	**13,950,177**

*) In April 2024 the Company's shareholders approved the distribution of dividends of RON 549,226 thousand (2023: RON 1,318,145 thousand), dividend per share being RON 0.1425 (year ended December 31, 2023: RON 0.342; since the share capital increase did not involve any corresponding change in resources, the dividend per share calculation for the prior period was recalculated. Specifically, the updated number of shares was applied to the dividend per share calculation for the comparative period, hence the dividend per share changed. Original dividend per share paid in the year ended December 31, 2023 was RON 3.42). Dividends of RON 24,580 were distributed based on an inspection by the National Agency of Fiscal Administration performed during November 2019 - January 2020 on the application of Government Emergency Ordinance no. 114/2018.

**) The increase in reserves, other than the legal reserve and the reinvested profit reserve, was approved by shareholders in 2024. Profit distribution is based on the provisions of Government Ordinance no. 64/2001. The Ordinance is applicable to companies owned by the Romanian State and states the reserves that can be set-up, the level of dividends that should be distributed and the terms of such distribution. Reserves for investments in strategic projects were set up based on the changes introduced in 2024 to Government Ordinance no. 64/2001. Development fund reserve may be distributed if the majority shareholder asks for it. The reserve for investments in strategic projects has to be distributed if the funds are not used or committed by the time the investments funded from this reserve are commissioned; as at December 31, 2024 the Company fully used the funds for the development of Neptun Deep. All other reserves are not distributable. According to the legislation in force, the legal reserve and the reinvested profit reserve are set up at year end and will be subject to shareholders' approval in the following year.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Geological quota reserve	Development fund reserve	Reinvested profit reserve	Reserves for investments in strategic projects	Other reserves	Retained earnings	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Balance as of January 1, 2023 before restatement	**385,422**	**77,084**	**486,388**	**2,543,502**	**365,529**	**-**	**19,725**	**6,191,538**	**10,069,188**
Effect of accounting errors (note 29)	-	-	-	-	-	-	-	122,055	122,055
Balance as of January 1, 2023 as restated	**385,422**	**77,084**	**486,388**	**2,543,502**	**365,529**	**-**	**19,725**	**6,313,593**	**10,191,243**
Profit for the year before restatement	-	-	-	-	-	-	-	2,649,277	2,649,277
Effect of accounting errors on profit for the year (note 29)	-	-	-	-	-	-	-	(74,229)	(74,229)
Profit for the year as restated	-	-	-	-	-	-	-	2,575,048	2,575,048
Other comprehensive income for the year	-	-	-	-	-	-	-	(7,844)	(7,844)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,567,204**	**2,567,204**
Dividends distribution*	-	-	-	-	-	-	-	(1,318,145)	(1,318,145)
Increase in reserves**	-	-	-	1,268,874	73,583	-	-	(1,342,457)	-
Balance as of December 31, 2023 before restatement	**385,422**	**77,084**	**486,388**	**3,812,376**	**439,112**	**-**	**19,725**	**6,172,369**	**11,392,476**
Effect of accounting errors (note 29)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**47,826**	**47,826**
Balance as of December 31, 2023 as restated	**385,422**	**77,084**	**486,388**	**3,812,376**	**439,112**	**-**	**19,725**	**6,220,195**	**11,440,302**

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

STATEMENT OF CASH FLOW

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 restated* '000 RON
Cash flows from operating activities		
Net profit	**3,090,697**	**2,575,048**
Adjustments for:		
Income tax expense (note 11)	406,399	2,347,636
Interest expense (note 9)	68,302	43,748
Income from dividends (note 4)	(30,643)	(50,247)
Unwinding of decommissioning provision (note 9, note 18)	24,108	18,165
Interest income (note 4)	(258,554)	(222,780)
Net loss on disposal of non-current assets (note 6)	19,897	4,734
Change in decommissioning provision recognized in profit or loss, other than unwinding (note 18)	(14,820)	34,128
Change in other provisions (note 18)	48,202	(197,800)
Net impairment of exploration assets (note 13)	26,980	23,361
Exploration projects written off (note 13)	-	3
Net impairment of property, plant and equipment and intangibles	86,745	72,085
Foreign exchange differences	(200)	7,382
Depreciation and amortization	462,796	426,255
Amortization of contract costs	-	59
Net receivable write-offs and movement in allowances for trade receivables and other assets (note 16 c)	(38,460)	(47,741)
Net movement in write-down allowances for inventory (note 6, note 15)	6,818	4,568
Liabilities written off	(231)	(172)
Subsidies income (note 19)	-	(7)
Interest paid	(38,897)	(43,183)
Income taxes paid	(2,163,863)	(1,757,188)
Cash generated from operations before movements in working capital	**1,695,276**	**3,238,054**
Movements in working capital:		
(Increase)/Decrease in inventory	(94,038)	(23,027)
(Increase)/Decrease in trade and other receivables and other assets	587,577	136,884
Increase/(Decrease) in trade and other liabilities	270,562	22,001
Net cash generated by operating activities	**2,459,377**	**3,373,912**

STATEMENT OF CASH FLOW

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 restated* '000 RON
Cash flows from investing activities		
Contribution to associates	(18,000)	-
Investment in subsidiaries	(733,522)	-
Cash placed in bank deposits	(8,533,308)	(5,980,520)
Cash received from bank deposits matured	8,422,922	3,655,236
Loans granted to subsidiaries	(1,330,909)	(504,368)
Interest received	172,032	194,553
Proceeds from sale of non-current assets	424	1,684
Dividends received	30,643	50,247
Acquisition of property, plant and equipment	(688,973)	(491,739)
Acquisition of intangible assets	(1,945)	(1,238)
Acquisition of exploration assets (note 13)	(199,341)	(50,746)
Collection of lease payments	109	120
Subsidies received (note 19)	15,927	46,349
Net cash used in investing activities	**(2,863,941)**	**(3,080,422)**
Cash flows from financing activities		
Cash received from bonds issued (note 27 b)	2,473,574	-
Repayment of bank borrowings (note 27 a)	(323,312)	(322,775)
Dividends paid	(549,379)	(1,317,745)
Repayment of lease liability	(2,967)	(1,709)
Net cash generated by/(used in) financing activities	**1,597,916**	**(1,642,229)**
Net increase/(decrease) in cash and cash equivalents	**1,193,352**	**(1,348,739)**
Cash and cash equivalents at the beginning of the year	**518,831**	**1,867,570**
Cash and cash equivalents at the end of the year	**1,712,183**	**518,831**

*) see note 29.

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Officer

NOTES

1. BACKGROUND AND GENERAL BUSINESS

Information regarding Societatea Națională de Gaze Naturale Romgaz S.A. (the "Company"/"Romgaz")

Societatea Națională de Gaze Naturale Romgaz S.A. ("S.N.G.N. Romgaz S.A."/"the Company"/"Romgaz") is a joint stock company, incorporated in accordance with Romanian legislation. The Company is listed on the Bucharest Stock Exchange.

The Company's headquarter is in Mediaș, 4 Constantin I. Motaș Square, 551130, Sibiu County.

The Romanian State, through the Ministry of Energy is the majority shareholder of S.N.G.N. Romgaz S.A. together with other legal entities and physical persons (note 17).

Romgaz has as main activity:

1. geological research for the discovery of natural gas, crude oil and condensate reserves;
2. operation, production and usage, including trading, of mineral resources;
3. natural gas production for:
    - ensuring the storage flow continuity;
    - technological consumption;
    - delivery in the transmission system.
4. commissioning, interventions, capital repairs for wells equipping the deposits, as well as the natural gas resources extraction wells, for its own activity and for third parties;
5. electricity production and supply.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance

The separate financial statements ("financial statements") of the Company are prepared in accordance with Ministry of Finance Order no. 2844/2016, with subsequent amendments, to approve accounting regulations in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (MOF 2844/2016). MOF 2844/2016, with subsequent amendments, is in accordance with the IFRS adopted by the European Union.

For the purpose of the preparation of these financial statements, the functional currency of the Company is deemed to be the Romanian Leu (RON).

Basis of preparation

The financial statements are prepared on a going concern basis. The principal accounting policies are set out below. The same accounting policies, methods of computation and presentation were followed in the preparation of these financial statements as were applied in the most recent annual financial statements except for the changes in presentation indicated in note 29.

Accounting is kept in Romanian and in the national currency (Romanian leu). Items included in these financial statements are denominated in Romanian lei. Unless otherwise stated, the amounts are presented in lei thousand (RON thousand).

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 "Inventory" or value in use in IAS 36 "Impairment of assets".

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance to the Company of the inputs to the fair value measurement, which are described as follows:

- level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- level 3 inputs are unobservable inputs for the asset or liability.

Subsidiaries

A subsidiary is an entity controlled by the Company. In establishing the existence of control, the Company analyses the following:

- if it has authority over the invested entity;
- if it is exposed to, or has rights to variable returns from its involvement in the invested entity;
- if it has the ability to use its authority over the invested entity to affect these returns.

The investment in a subsidiary is recognized at cost less accumulated impairment.

Associates

An associate is an entity over which the Company exercises significant influence through participation in decision making on financial and operational policies of the entity invested in. Investments are recorded at cost less accumulated impairment.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is either a joint operation or a joint venture.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint ventures.

Joint operations

The Company recognizes in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

As joint operator, the Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

If the Company participates in, but does not have joint control of, a joint operation it accounts for its interest in the arrangement in accordance with the paragraphs above if it has rights to the assets, and obligations for the liabilities, relating to the joint operation.

If the Company participates in, but does not have joint control of, a joint operation, does not have rights to the assets, and obligations for the liabilities, relating to that joint operation, it accounts for its interest in the joint operation in accordance with the IFRSs applicable to that interest.

Standards and interpretations valid for the current period

The following standards and amendments or improvements to existing standards issued by the IASB and adopted by the EU have entered into force for the current period:

- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": Supplier Finance Arrangements (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IAS 1 "Presentation of Financial Statements" – Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date; Non-current Liabilities with Covenants (effective for annual periods beginning on or after January 1, 2024);
- Amendments to IFRS 16 "Leases" – Lease liabilities in a sale and leaseback (applicable to annual periods beginning on or after 1 January 2024).

The adoption of these amendments, interpretations or improvements to existing standards has not led to changes in the Company's accounting policies. Disclosures on covenants required by IAS 1 are presented in note 27.

Standards and interpretations issued by IASB and adopted by the EU, but not yet effective

At the date of issue of the financial statements, the following standard was adopted by the EU, but not yet effective:

- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates": Lack of Exchangeability (applicable to annual periods beginning on or after 1 January 2025).

The Company did not adopt this standard before its effective date. The Company does not expect this amendment to have a material impact on the financial statements.

Standards and interpretations issued by IASB not yet endorsed by the EU

At present, IFRS endorsed by the EU do not significantly differ from IFRS adopted by the IASB except for the following standards, amendments or improvements to the existing standards and interpretations, which were not endorsed for use in the EU as at date of publication of financial statements:

- Amendments to the Classification and Measurement of Financial Instruments; Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026);
- IFRS 18 "Presentation and Disclosure in Financial Statements" (applicable to annual periods beginning on or after 1 January 2027);
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (applicable to annual periods beginning on or after 1 January 2027);
- Annual Improvements Volume 11 (applicable to annual periods beginning on or after 1 January 2026);
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (applicable to annual periods beginning on or after 1 January 2026).

The Company is currently evaluating the effect that the adoption of these standards, amendments or improvements to the existing standards and interpretations will have on the financial statements of the Company in the period of initial application.

Segment information

The information reported to the chief operating decision maker (ie. the Chief Executive Officer) for the purposes of resource allocation and assessment of segment performance focuses on the upstream segment, electricity production and supply, and other activities, including headquarter activities.

Specifically, the Company is organized in the following segments:

- upstream, which includes exploration activities, natural gas production and trade of gas extracted by Romgaz or acquired for resale; these activities are performed by the head office, Mediaș, Mureș and Buzău branches;
- electricity production and supply activities, performed by Iernut branch;
- other activities, such as technological transport, operations on wells and corporate activities.

Gas and electricity deliveries between Company's segments are accounted for at market prices or at regulated prices, as the case may be. All other transactions between Company's segments are at cost.

Considering the insertion of separate and consolidated financial statements in a single annual financial report, the

Company does not disclose segment information in the separate financial statements.

Revenue recognition

a) Revenue from contracts with customers

The Company recognizes revenue from the following major sources:

- sale of gas, either from its own production or acquired for resale, and related fulfilment activities (eg. transmission, storage, distribution services);
- sale of electricity, either from its own production or acquired for resale.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is recognized when, or as the Company transfers the goods or services to the customer, respectively, the client obtains control over them.

Depending on the nature of the goods or services, revenues are recognized over time or at a point in time.

Contracts concluded by the Company do not contain significant financing components.

The Company does not disclose information about the remaining performance obligations, applying the practical expedient in IFRS 15, as contracts with customers are generally signed for periods of less than one year and the revenues are recognized at the amount which the Company has the right to charge.

Revenue from sale of gas and electricity

The Company's gas contracts include a single performance obligation which is satisfied upon delivery. The performance obligation includes the gas delivered and the fulfilment activities required to provide the gas to the customer. Revenue is recognized at the time of delivery to the customer and in line with the amount to which the Company has the right to invoice. Gas deliveries are invoiced monthly. Revenue from these contracts is recognized at a point in time on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

The Company's electricity contracts include a single performance obligation which is satisfied over the delivery period as the customer simultaneously receives and consumes electricity. Revenue is recognized at the time of consumption by the customer and in line with the amount to which the Company has the right to invoice. Electricity deliveries are invoiced on a monthly basis. Revenue from these contracts are recognized over time for the whole month on the basis of the actual quantities delivered at the prices fixed in the contracts concluded.

Trade receivables from gas deliveries are generally due within 30 days of invoice issue. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that natural gas is paid in advance.

Trade receivables from the sale of electricity are generally due within 7 days of the date of invoice delivery. These must be guaranteed by customers through bank letters of guarantee. If customers do not provide such a guarantee, they must ensure that electricity is paid in advance.

b) Other revenue

Rental revenue for operating lease contracts where the Company operates as lessor is recognized on a straight-line basis over the lease term, in accordance with the substance of the relevant agreements.

Finance income

Interest income is recognized periodically and proportionally as the respective income is generated, on accrual basis.

Dividends are recognized as income when the legal right to receive them is established.

Contract liabilities

Contract liabilities are obligations to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (ie. a receivable), before the Company transfers the good or service to the customer, the Company recognizes the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

Exploration expenses

The costs of seismic exploration, geological, geophysical and other similar exploration activities are recognized as exploration expenses in the statement of comprehensive income in the period in which they arise.

Exploration expenses also include the carrying value of exploration assets that have not identified gas resources and have been written-off.

Foreign currencies

The functional currency is the currency of the primary economic environment in which the Company operates and is the currency in which cash is primarily generated and expended. The Company operates in Romania and it has the Romanian Leu (RON) as its functional currency. The majority of sales and acquisition are in Romanian currency.

In preparing the financial statements of the Company, transactions in currencies other than the functional currency (foreign currencies) are recorded at the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

Exchange differences are recognized in the statement of comprehensive income in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Employee benefits

Benefits granted upon retirement

In the normal course of business, the Company makes payments to the Romanian State on behalf of its employees at legal rates. All employees of the Company are members of the Romanian State pension plan. These costs are recognized in the statement of comprehensive income together with the related salary costs.

Based on the Collective Labor Agreements applicable within the Company, the Company is liable to pay to its employees at retirement a number of gross salaries, according to the years worked in the gas industry/electrical industry, work conditions etc. To this purpose, the Company recorded an obligation for benefits upon retirement. This obligation is updated annually and computed according to actuary methods based on estimates of the average salary, the average number of salaries payable upon retirement, on the estimate of the period when they shall be paid and it is brought to present value using a discount factor based on interest related to a maximum degree of security investments (government securities). As the benefits are paid, the obligation is reduced together with the reversal of the obligation against income.

Gains or actuarial losses, are recognized in other comprehensive income. These are changes in the present value of the defined benefit obligation as a result of statistical adjustments and changes in actuarial assumptions. Any other changes in the obligation are recognized in the result of the year.

The Company does not operate any other pension scheme or post-retirement benefit plan and, consequently, has no obligation in respect of pensions.

Employee participation to profit

The Company records in its financial statements a provision related to the fund for employee participation to profit in compliance with legislation in force, namely Government Ordinance no. 64/2001. According to this, employees may receive one average base monthly salary as a benefit.

Liabilities related to the fund for employee participation to profit are settled in less than a year and are measured at the amounts estimated to be paid at the time of settlement.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Greenhouse gas certificates acquired

The Company recognizes a liability for the obligation to settle actual CO_2 emissions (provision until greenhouse gas certificates are purchased, current liability after such certificates are purchased, until their inclusion in the Unique Registry of Greenhouse Gas Emissions). The provision is measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The liability to be settled using certificates on hand is measured at the carrying amount of those certificates; any excess emission is measured at the market value of certificates at the period end. The related expense is recognized in the same amount as the liability. Greenhouse gas certificates purchased during the period are those which will be included in the Unique Registry of Greenhouse Gas Emissions. They are recognized as current assets (intangible assets) and measured at cost. When the certificates are included in the Unique Registry, the respective liability is settled and the asset and liability are derecognized.

Provisions for decommissioning of wells

Liabilities for decommissioning costs are recognized due to the Company's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

The Company recorded a provision for decommissioning wells.

This provision was computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it was brought to present value using the weighted average cost of capital. The rate and the estimated costs for decommissioning are updated annually.

The decommissioning provision is based on the economic life of the fields wells are located on, even if this is longer than the period of the related concession agreements, as it is considered the period may be extended.

Economic life of fields is determined based on studies submitted to ANRMPSG for approval.

A corresponding item of property, plant and equipment of an amount equivalent to the provision is also recognized. The item of property, plant and equipment is subsequently depreciated as part of the asset.

The Company applies IFRIC 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" related to changes in existing decommissioning, restoration and similar liabilities.

The change in the decommissioning provision for wells is recorded as follows:

a. subject to b., changes in the liability are added to, or deducted from, the cost of the related asset in the current period;

b. the amount deducted from the cost of the asset does not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in the statement of comprehensive income;

c. if the adjustment results in an addition to the cost of an asset, the Company considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If it is such an indication, the Company tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss.

Once the related asset has reached the end of its useful life, all subsequent changes of the liability are recognized in the income statement in the period when they occur.

The periodical unwinding of the discount is recognized in the comprehensive income as a finance cost, as it occurs.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in associates and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current tax for the period is recognized as an expense in the statement of comprehensive income. Deferred tax for the period is recognized as an expense or income in the statement of comprehensive income, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where it arises from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or in determining the excess of the acquirer's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities over cost.

Property, plant and equipment

(1) Cost

(i) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of any decommissioning obligation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

(ii) Gas cushion

This is a quantity of natural gas constituted as a reserve at the level of gas storages, physically recoverable, which ensures the optimum conditions necessary to maintain their technical-productive flow characteristics.

(iii) Development expenditure

Expenditure on the construction, installation and completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including the commissioning of wells, is capitalized within property, plant and equipment and is depreciated from the commencement of production as described below in the property, plant and equipment accounting policies.

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(iv) Maintenance and repairs

The Company does not recognize within the assets' costs the current expenses and the accidental expenses for that asset. These costs are expensed in the period in which they are incurred.

The costs for current maintenance are mainly labor costs and consumables and also small inventory items. The purpose of these expenses is usually described as "repairs and maintenance" for property, plant and equipment.

The expenses with major activities, inspections and repairs comprise the replacement of the assets or other asset's parts, the inspection cost and major overhauls. These expenses are capitalized if an asset or part of an asset, which was separately depreciated, is replaced and is probable that they will bring future economic benefits for the Company. If part of a replaced asset was not considered as a separate component and, as a result, was not separately depreciated, the replacement value will be used to estimate the net book value of the asset which is replaced and is immediately written-off. The inspection costs associated with major overhauls are capitalized and depreciated over the period until next inspection.

The costs for major overhauls for wells are also capitalized and depreciated using the unit of production depreciation method.

All other costs with the current repairs and usual maintenance are recognized directly in expenses.

(2) Depreciation

The depreciable amount of a tangible asset is the cost less the residual value of the asset. The residual value is the estimated value that the Company would currently obtain from the disposal of an asset, after deducting the estimated costs associated with the disposal if the asset would already have the age and condition expected at the end of its useful life.

For directly productive tangible assets (ie. wells), the Company applies the depreciation method based on the unit of production (UoP) in order to reflect in the statement of comprehensive income, an expense proportionate with the production obtained from the total natural gas reserve certified at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the proved developed reserves at the beginning of the period.

Assets representing gas cushion are not depreciated, as it is expected that the residual value exceeds their cost.

For indirectly productive tangible assets and storage assets, depreciation is computed using the straight-line method over the estimated useful life of the asset as follows:

Asset	Years
Gas properties (others than the properties with UoP depreciation)	1 - 50
Buildings	1 - 70
Fixtures, fittings and office equipment	1 – 18
Plant, machinery and equipment	1 – 30
Storage assets	2 - 36

Land is not depreciated as it is considered to have an indefinite useful life.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at historical cost, less any recognized impairment loss. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Items of tangible fixed assets that are disposed of are eliminated from the statement of financial position along with the corresponding accumulated depreciation and impairment. Any gain or loss resulting from such retirement or disposal is included in other gains and losses.

For items of tangible fixed assets that are retired from use, but not written off by reporting date, an impairment adjustment is recorded for the carrying value at the time of retirement.

(3) Impairment

Non-current assets must be recognized at the lower of the carrying amount and recoverable amount. If and only if the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset should be reduced to be equal to its recoverable amount. Such a reduction represents an impairment loss that is recognized in the result of the period.

Thus at the end of each reporting period, the Company assesses whether there is any indication of impairment of assets, whether at individual asset level or at cash-generating unit level. If such indication is identified, the Company tests the assets to determine whether they are impaired.

Company's assets are allocated to cash-generating units. The cash-generating unit is the smallest identifiable asset group that generates independent cash inflows to a large extent from cash inflows generated by other assets or asset groups. The Company considers each commercial field as a separate cash-generating unit.

All gas storages held by the Company leased to Depogaz are considered as part of a single cash-generating unit, as the tariffs are set by analyzing the storage activity as a whole, not every single storage.

In 2024, the Company did not conduct an impairment test in the Upstream segment (for onshore operations), as it did not identify any impairment indicators.

No impairment indicators were identified related to the investment in Romgaz Black Sea Limited.

Recoverable amount is the largest of the fair value of an asset or a cash-generating unit less costs associated with disposal and its value in use.

Exploration and evaluation assets

(1) Cost

Natural gas exploration (other than seismic, geological, geophysical and other similar activities), evaluation and development expenditure is accounted for using the principles of the successful efforts method of accounting.

Costs directly associated with an exploration well are initially capitalized as an asset until the drilling of the well is complete and the results have been evaluated. These costs include employee remuneration, materials and fuel used, drilling costs and payments made to contractors. If potentially commercial quantities of hydrocarbons are not found, the exploration well is impaired in the statement of financial position until the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide (Autoritatea Națională de Reglementare în Domeniul Minier, Petrolier și al Stocării Geologice a Dioxidului de Carbon – ANRMPSG) approvals are obtained in order to be written off; the impairment allowance previously recorded is released against the cost of the asset. If hydrocarbons are found and, subject to further evaluation activity, are likely to be capable of commercial development, the costs continue to be carried as an asset. Costs directly associated with evaluation activity, undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of evaluation wells where hydrocarbons were not found, are initially capitalized as an asset. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, an impairment is recorded for the assets, until the completion of the legal steps necessary for them to be written off. When proved reserves of natural gas are determined and development is approved by management, the relevant asset is transferred to property, plant and equipment other than exploration and evaluation assets.

(2) Impairment

At each reporting date, the Company's management reviews its exploration and evaluation assets and establishes the necessity for recording in the financial statements an impairment loss in these situations:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of gas resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of gas resources in the specific area have not led to the discovery of commercially viable quantities of gas resources and the Company has decided to discontinue such activities in the specific area;
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Intangible assets

(1) Cost

Licenses for software, patents and other intangible assets are recognized at acquisition cost.

Intangible assets are not revalued.

(2) Amortization

Patents and other intangible assets are amortized using the straight-line method over their useful life, but not exceeding 20 years. Licenses related to the right of use of computer software are amortized over a period of 3 years.

Inventories

Inventories are recorded initially at cost of production, or acquisition cost, as the case may be. The cost of finished goods and production in progress includes materials, labour, expenses incurred in bringing the finished goods at the location and in the existent form and related indirect production costs. Write down adjustments are booked against slow moving, damaged and obsolete inventory, when necessary.

At each reporting date, inventories are measured at the lower of cost and net realizable value. The net realizable value is estimated based on the selling price less any completion and selling expenses. The cost of inventories is assigned by using the weighted average cost formula.

Financial assets and liabilities

The Company's financial assets include cash and cash equivalents, trade receivables, other receivables, loans granted, bank deposits with a maturity from acquisition date of over three months and investments in equity instruments.

Financial liabilities include interest-bearing bank borrowings, overdrafts, bonds and trade and other payables.

For each item, the accounting policies on recognition and measurement are disclosed in this note.

Cash and cash equivalents include petty cash, cash in current bank accounts and short-term deposits with a maturity of less than three months from the date of acquisition.

The Company recognizes a financial asset or financial liability in the statement of financial position when and only when it becomes a party to the contractual provisions of the instrument. Upon initial recognition, financial assets are classified at amortized cost or measured at fair value through profit or loss. The classification depends on the Company's business model for managing the financial assets and their contractual cash flows.

The Company does not have financial assets measured at fair value through other comprehensive income.

On initial recognition, financial assets and financial liabilities are measured at fair value plus or minus, in the case of assets and liabilities measured at amortized cost, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Receivables resulting from contracts with customers represent the unconditional right of the Company to a consideration. The right to a consideration is unconditional if only the passage of time is required before payment of the consideration is due. These are measured at initial recognition at the transaction price.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments plus or minus cumulative depreciation using the effective interest method for each difference between the initial amount and the amount at maturity and, for financial assets, adjusted for any loss allowance impairment.

Any difference between the initial amount and the amount at maturity is recognized in the statement of comprehensive income for the period of the borrowings or bonds using the effective interest method.

Financial instruments are classified as liabilities or equity in accordance with the nature of the contractual arrangement. Interest, dividends, gains and losses on a financial instrument classified as a liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are recorded directly in equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and discharge the obligation simultaneously.

Impairment of financial assets

Financial assets, other than those at fair value through profit and loss, are assessed for impairment at each reporting period.

Except for trade receivables, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk associated with the financial instrument, has increased significantly since initial recognition. If, at the reporting date, the credit risk for a financial instrument has not increased significantly since the initial recognition, the Company measures the loss allowance for that financial instrument at a value equal to 12 month expected credit losses.

The loss allowance on trade receivables resulting from transactions that are subject to IFRS 15 is measured using the simplified approach.

The Company measures the expected credit losses of a financial instrument in a manner that reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The carrying amount of the financial asset, other than those at fair value through profit or loss, is reduced through the use of an allowance account.

De-recognition of financial assets and liabilities

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Reserves

Reserves include:

- legal reserves, which are used annually to transfer to reserves up to 5% of the statutory profit, but not more than 20% of the statutory share capital of the Company;
- development fund reserves, which represent allocations from profit in accordance with Government Ordinance no. 64/2001, paragraph (g); the reserve is set up from net profit, as a balance after all other reserves are set up;
- reserves from reinvested profit, set up based on the Fiscal Code. The amount of profit that benefited from tax exemption under the fiscal legislation less the legal reserve, is distributed at the end of the year by setting up the reserve;
- geological quota reserve, non-distributable, set up until 2004. Geological quota reserve set up after 2004 is distributable and presented in retained earnings. Geological quota set up after 2004 is allocated together with the profit allocation, as approved by the General Meeting of Shareholders, based on depreciation, respectively write-off of the assets financed using the development quota;
- other non-distributable reserves, set up from retained earnings representing translation differences recorded at transition to IFRS. These reserves are set up in accordance with MOF 2844/2016;
- reserves for investments in strategic projects are set up in accordance with Government Ordinance no. 64/2001 for the difference between the general dividend payout ratio requested by the Government and the lower ratio approved for the Company to support major investments of national interest to increase the energy capacity of Romania.

Government grants

Grants are non-reimbursable financial resources given by a government to the Company with the condition of meeting certain criteria. Grants include grants related to assets and grants related to income.

Grants related to assets are government grants for whose primary condition is that the Company should purchase, construct, or otherwise acquire long-term assets.

Grants related to income are government grants other than those related to assets.

Grants are not recognized until there is reasonable assurance that:

(a) the Company will comply with the conditions attaching to it; and

(b) grants will be received.

Grants related to assets are presented in the statement of financial position as "Deferred revenue", which is then recognized in profit or loss on a systematic basis over the useful life of the asset.

Grants related to income are recognized in the statement of profit or loss under "Other income", as the related expenses are recorded. Until the time the expense occurs, the grant received is recognized as "Deferred revenue".

If a government grant becomes receivable as compensation for expenses or losses incurred in a previous period, the Company recognizes such grant in the profit or loss of the period in which it becomes receivable.

Significant estimates and judgments

The preparation of the financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the end of reporting date, and the reported amounts of revenue and expenses during the reporting period. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates and judgments that the management has made in the process of applying the Company's accounting policies, and that have the most significant effect on the amounts recognized in the financial statements.

Judgment related to government grants related to income

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) includes the obligation of the Company to sell the electricity it produces at a regulated price. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. For the period January 1, 2023-March 31, 2024, if the value of the CO_2 certificates related to the energy sold at the regulated price exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until December 2024, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not enforceable.

The government does not act as a shareholder or a client of the Company in this matter. As such, the relevant standard considered in the accounting of the grant is IAS 20.

By December 31, 2024 the Company should receive RON 188,260 thousand. Until the amount becomes a receivable, the Company discloses the grant as a contingent asset.

Estimates related to impairment losses on trade receivables

At each period end, the Company evaluates the risks attached to current and overdue receivables and the probability of such risks to materialize. The Company's receivables are generally due in maximum 30 days from the date of issue. Based on the information available at period end and previous experience, the Company estimates the lifetime expected credit loss of receivables, both current and overdue, on a client-by-client basis and records appropriate impairment losses (note 16).

Judgment related to the exploration expenditure on undeveloped fields

If field works prove that the geological structures are not exploitable from an economic point of view or that they do not have hydrocarbon resources available, an impairment is recorded. The impairment assessment is performed based on geological experts' technical expertise (note 7).

Estimates related to developed proved reserves

The Company applies the unit-of-production depreciation method for gas producing wells in order to reflect in the income statement an expense proportionate with the production obtained from the total developed proved natural gas reserve at the beginning of the period. According to this method, the carrying value of each production well is depreciated according to the ratio of the natural gas quantity extracted during the period compared to the gas reserve at the beginning of the period. The gas reserves are updated annually by ANRMPSG-certified internal experts according to internal policies and assessments that are based on certifications of ANRMPSG (note 7).

The estimated developed proved gas reserves are a key input in management's impairment indicators assessment of assets within the Upstream segment.

Periodically, Romgaz engages a reputable international company to perform an independent assessment of its gas reserves, the most recent one being as of December 31, 2023. However, the depreciation of producing wells and the assessment of impairment indicators are based on the developed proved gas reserves estimated by Romgaz' internal experts.

If gas reserves increased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 8,932 thousand lower than current levels (2023: RON 8,066 thousand).

If gas reserves decreased by 5%, the depreciation charge of assets depreciated using the unit of production method would be RON 9,857 thousand higher than current levels (2023: RON 8,875 thousand).

Estimates related to the decommissioning provision

Liabilities for decommissioning costs are recognized for the Company's obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made.

This provision is computed based on the estimated future expenditure determined in accordance with local conditions and requirements and it is brought to present value using the weighted average cost of capital. The rate and estimated decommissioning costs are updated annually (note 18).

Costs to plug and abandon a well are calculated as an average of current year's costs actually incurred for such activities. These costs are brought to present value over the period over which the Company believes the field will be economically viable, even if the current term of concession agreements is shorter, as the Company believes it will be able to extend the term of the agreements.

If economic life of existing concession agreements increased by 5 years, the decommissioning provision would decrease by RON 69,137 thousand (2023: RON 54,652 thousand).

If economic life of existing concession agreements decreased by 5 years, the decommissioning provision would increase by RON 78,437 thousand (2023: RON 59,927 thousand).

Estimates related to the retirement benefit obligations

Under the Collective Labor Agreement applicable within the Company, the Company must pay its employees when they retire a multiplicator of the gross salary, depending on the seniority within the gas industry/electricity industry, working conditions etc. This obligation is updated annually. It is calculated based on actuarial methods to estimate the average wage, the average number of employees to pay at retirement, the estimate of the period when they will be paid and is brought to present value using a discount factor based on interest on investments with the highest degree of safety (government bonds) (note 18).

The Company does not operate any other pension plan or retirement benefits, and therefore has no other obligations relating to pensions.

Judgment on depreciation and expected useful lives of property, plant and equipment

The energy transition may curtail the expected useful lives of the Company's assets thereby accelerating depreciation charges. However, it is expected that most of the existing assets will likely have immaterial carrying values by 2050. The Company's core strategy is focused on its upstream segment and will continue to have an important part of the Company's activities over that period. Therefore, management does not expect the useful lives of the Company's property, plant and equipment to change. Significant capital expenditure is still required for ongoing projects as well as renewal and/or replacement of aged assets and therefore the useful lives of future capital expenditure may be different.

If useful life of property, plant and equipment depreciated on a straight-line basis increased by 5%, depreciation for the year would have decreased by RON 4,360 thousand (2023: RON 10,205 thousand).

If useful life of property, plant and equipment depreciated on a straight-line basis decreased by 5%, depreciation for the year would have increased by RON 13,171 thousand (2023: RON 7,721 thousand).

Judgment related to impairment of assets

The Company assesses whether indications of impairment exist both at CGU level and for individual assets.

Impairment indicators considered at CGU level include: significant changes in developed proved gas reserves, analysis of profitability of existing fields, regulations related to gas prices, regulations on tax environment and decisions to end existing concessions.

Impairment indicators for individual assets include lack of production, decisions to abandon or write-off an individual asset.

Judgment related to the residual value of the gas cushion

Gas cushion is recorded at cost. The Group estimates that future gas prices (ie. residual value) will exceed the cost of the gas cushion. Therefore the gas cushion is not depreciated.

Contingencies

By their nature, contingencies end only when one or more uncertain future events occur or not. In order to determine the existence and the potential value of a contingent element, is required to exercise the professional judgment and the use of estimates regarding the outcome of future events (note 32).

Judgments related to the application of Pillar Two

In December 2023, the Romanian Parliament enacted legislation to implement the Pillar Two Model rules. The legislation is effective for the Company from January 1, 2024 and includes an income inclusion rule and a domestic minimum tax, which together are designed to ensure a minimum effective tax rate of 15% in each country in which the companies in the Romgaz Group operate.

The Romgaz Group is formed of Societatea Națională de Gaze Naturale Romgaz S.A., as ultimate parent company, and its fully owned subsidiaries S.N.G.N. ROMGAZ S.A. - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiești S.R.L. (“Depogaz”) and Romgaz Black Sea Limited. Depogaz is the main gas storage operator in Romania. Romgaz Black Sea Limited holds 50% of the rights and obligations for the Neptun Deep offshore block.

The Romanian legislation includes an initial phase of exclusion from the income inclusion rule for multinational groups subject to the additional tax or national additional tax, by which the tax will be reduced to zero in the first 5 years of the initial phase of the international activity of the multinational group. The initial phase of the international activity started on January 1, 2024.

A multinational group shall be considered to be in the initial phase of its international activity if, for a financial year:

a) it has constituent entities in no more than 6 jurisdictions; and

b) the sum of the carrying value of the tangible assets of all the constituent entities of the multinational group having their headquarters in all jurisdictions, except the reference jurisdiction, does not exceed EUR 50,000 thousand. The reference jurisdiction represents the jurisdiction in which the constituent entities of the multinational group have the highest total carrying value of tangible assets in the financial year in which the multinational group initially falls within the scope of the law. The total value of tangible assets in a jurisdiction is the sum of the carrying amount of all tangible assets of all constituent entities of the multinational group that are established in that jurisdiction.

Romgaz Group is a multinational group, as Romgaz Black Sea Limited is a company incorporated in the Commonwealth of the Bahamas. However, Romgaz Black Sea Limited has no operations outside Romania, the company being involved in only one project, namely the development of the Neptun Deep project in Romania. As such, all tangible assets are located in Romania, which is considered to be the reference jurisdiction.

Considering the above, the Group did not recognize any additional income tax from the application of Pillar Two Model rules.

Judgments made in assessing the impact of climate change and the transition to a lower carbon economy

Romgaz pays special attention to decarbonization policies, to its contribution to achieving the decarbonization targets assumed by the Paris Agreement and to the implementation of the legislation related to the European Commission's Green Deal package. The Company's current strategy for the period 2022-2030 includes a series of directions of action to reduce carbon emissions. Moreover, Romgaz is in the process of developing a decarbonization strategy through which a detailed plan of long-term actions/projects/investments will be defined in order to achieve the decarbonization targets. The Company’s strategy will also be updated after the completion of the decarbonization strategy, in close correlation with it.

At the same time, taking into account a series of European legal acts related to the Green Deal policies that came into force in 2024 and which involve a series of obligations on natural gas producers, Romgaz has initiated the following steps:

a) *Implementing Regulation (EU) No. 2024/1735 of the European Parliament and of the Council of June 13, 2024 on establishing a framework of measures for strengthening Europe’s net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (NZIA Regulation)*

The NZIA Regulation includes a chapter on carbon capture, transport and storage technology, the intention of which is to accelerate and facilitate investments in such technologies.

It also sets a target of at least 50 million tons of CO_2 per year in storage capacity in depleted oil and gas fields and in saline aquifers. In order to achieve this target, Article 23 (1) provides for oil and gas producers in the European Union to create and make available, by 2030, CO_2 storage capacities, which will be established by the European Commission and calculated proportionally to the share of oil and natural gas production at EU level between January 1, 2020 and December 31, 2023. According to our estimates, Romgaz will have to ensure a capacity of about 4 million tons/year. The exact capacity related to the storage obligation that will be incumbent on each entity will be established by the European Commission in 2025.

In order to implement the requirements of this regulation, and from the perspective of a potential diversification of the Company's business and the orientation towards activities with a low carbon footprint, Romgaz will start an analysis on the opportunity and technical feasibility of transforming depleted natural gas fields into CO_2 storage sites.

At the same time, taking into account the obligation imposed by the NZIA Regulation, the Company will continue the steps towards the implementation of carbon capture and storage (CCS) projects if the technical, economic and commercial studies and analyses demonstrate the feasibility of such investments.

b) *Implementing Regulation (EU) 2024/1787 of the European Parliament and of the Council of June 13, 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (REM Regulation)*

The REM Regulation establishes strict rules for the European energy sector on (i) the measurement and reporting of methane emissions, (ii) the periodic monitoring of installations/equipment to detect gas leaks early and eliminate them through immediate interventions, (iii) the limitation of the release of methane into the atmosphere and (iv) actions to reduce emissions from inactive or abandoned wells.

The implementation of the REM Regulation represents a challenge for the Company in the context in which the company operates one of the largest and most complex natural gas extraction infrastructures located throughout the country, much of this infrastructure having a remarkable age. However, given the importance of adopting the measures provided for by the REM Regulation both from an environmental point of view and from that of reducing losses and increasing efficiency, the necessary steps were taken to implement the provisions of the Regulation.

NZIA Regulation and REM Regulation did not lead to the recognition of any impairment on current gas fields or to the reduction of gas reserves. Gas is a transition fuel and management believe such regulations will not lead to accelerated closure of existing fields.

The Company is monitoring the evolution of regulations at EU and national level and continuously assesses their impact on its activities. Currently, the Company does not consider climate change will have an effect on the useful life on property, plant and equipment, decommissioning provision, impairment or other general provisions.

Comparative information

For each item of the statement of financial position, the statement of comprehensive income and, where is the case, for the statement of changes in equity and for the statement of cash flows, for comparative information purposes is presented the value of the corresponding item for the previous period ended, unless the changes are insignificant. In addition, the Company presents an additional statement of financial position at the beginning of the earliest period presented when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in the financial statements, which has a material impact on the Company.

3. REVENUE AND OTHER INCOME

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Revenue from gas sold, including fulfilling activities - own production	6,886,938	7,960,763
Revenue from gas sold – other arrangements	25,471	28,628
Revenue from gas acquired for resale	20,351	19,542
Revenue from electricity	374,990	406,363
Revenue from services	30,626	30,154
Revenue from sale of goods	96,879	61,977
Other revenues from contracts	708	708
Total revenue from contracts with customers	**7,435,963**	**8,508,135**
Revenues from rental activities	96,007	111,151
Total revenue	**7,531,970**	**8,619,286**
Other operating income	52,921	20,866
Total revenue and other income	**7,584,891**	**8,640,152**

NOTES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Revenue at a point in time	7,030,387	8,071,652
Revenue over time	405,576	436,483
Total revenue from contracts with customers	**7,435,963**	**8,508,135**

4. FINANCE INCOME

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Income from dividends	30,643	50,247
Interest income	258,554	222,780
Total	**289,197**	**273,027**

Interest income is derived from the Company's investments in bank deposits.

5. COST OF COMMODITIES SOLD, RAW MATERIALS AND CONSUMABLES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 restated '000 RON
Consumables used	147,955	100,485
Technological consumption	25,476	30,392
Other consumables	6,958	6,040
Total cost of raw materials and consumables	**180,389**	**136,917**
Cost of gas acquired for resale, sold	24,643	20,291
Cost of electricity imbalances *	93,820	85,477
Cost of other goods sold	1,231	1,292
Total cost of commodities sold	**119,694**	**107,060**

*) Imbalances are generated when quantities actually delivered are lower than the quantities contracted. The difference must be purchased.

6. OTHER GAINS AND LOSSES

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Foreign exchange gain	7,073	25,676
Foreign exchange loss	(7,057)	(32,528)
Net gain/(loss) on disposal of non-current assets	(19,897)	(4,734)
Net allowances for other receivables (note 16 c)	(19)	4,029
Net write down allowances for inventory (note 15)	(6,818)	(4,568)
Losses from trade receivables	-	(2)
Other gains and losses	-	5
Total net gain/(net loss)	**(26,718)**	**(12,122)**

7. DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSES

	Year ended December 31, 2024	Year ended December 31, 2023 restated
	'000 RON	'000 RON
Depreciation and amortization	490,349	454,219
out of which:		
- depreciation of property, plant and equipment	481,031	446,814
- amortization of intangible assets (note 14 a)	6,583	5,920
- amortization of right-of use assets (note 14 b)	2,735	1,485
Net impairment of property, plant and equipment, including exploration assets	113,725	95,446
Total depreciation, amortization and impairment	**604,074**	**549,665**

8. EMPLOYEE BENEFIT EXPENSE

	Year ended December 31, 2024	Year ended December 31, 2023 restated
	'000 RON	'000 RON
Wages and salaries	962,776	863,262
Social security charges	34,577	30,735
Meal tickets	44,201	34,814
Other benefits according to collective labor contract	39,116	39,362
Private pension payments	10,325	10,295
Private health insurance	10,781	10,318
Total employee benefit expense	**1,101,776**	**988,786**

9. FINANCE COSTS

	Year ended December 31, 2024	Year ended December 31, 2023
	'000 RON	'000 RON
Interest expense	68,302	43,748
Unwinding of the decommissioning provision (note 18 a)	24,108	18,165
Total	**92,410**	**61,913**

10. TAXES AND DUTIES

	Year ended December 31, 2024	Year ended December 31, 2023 restated
	'000 RON	'000 RON
Royalties	572,691	583,516
Windfall tax	1,201,360	889,799
Energy transition fund	23,626	(1,546)
Other taxes and duties	8,924	7,493
Total	**1,806,601**	**1,479,262**

11. INCOME TAX

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 restated '000 RON
Current tax expense (note 11 a)	449,144	661,356
Deferred income tax (income)/expense (note 11 a)	(42,745)	(1,531)
Solidarity contribution (note 11 b)	-	1,687,811
Income tax expense	**406,399**	**2,347,636**

	December 31, 2024 '000 RON	December 31, 2023 restated '000 RON
Current income tax liability	14,048	41,848
Solidarity contribution (note 11 b)	(16,609)	1,670,310
Current tax liability	**(2,561)**	**1,712,158**

a) Current and deferred income tax

The tax rate used for the reconciliations below for the year ended December 31, 2024, respectively year ended December 31, 2023 is 16% payable by corporate entities in Romania on taxable profits.

The total charge for the period can be reconciled to the accounting profit as follows:

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 restated '000 RON
Accounting profit before tax (after solidarity contribution)	3,497,096	**3,234,873**
Income tax expense calculated at 16%	559,535	517,580
Effect of income exempt of taxation	(56,768)	(97,647)
Effect of expenses that are not deductible in determining taxable profit (note 11 b)	25,870	367,464
Effect of current income tax reduction, *)	(79,040)	(90,835)
Effect of tax incentive for reinvested profit	(7,001)	(11,773)
Effect of tax incentive for legal reserves	(27,977)	-
Effect of the benefit from tax credits, used to reduce current tax expense	(8,220)	(25,071)
Effect of income tax expense related to previous years	-	107
Income tax expense (without solidarity contribution)	**406,399**	**659,825**

*) Income tax reductions are calculated according to Government Emergency Ordinance no. 153/2020 which allows for certain reductions in the level of the income tax if equity is positive or if equity is increased against a specific period (2020 level or previous year’s level). Reductions vary based on the level of the increase in equity.

NOTES

Components of deferred tax (asset)/liability:

	December 31, 2024		December 31, 2023	
	Cumulative temporary differences	Deferred tax (asset)/ liability	Cumulative temporary differences	Deferred tax (asset)/ liability
	'000 RON	'000 RON	'000 RON	'000 RON
Provisions	(655,030)	(104,805)	(667,242)	(106,759)
Property, plant and equipment	274,611	43,938	459,778	73,565
Exploration assets *)	(438,382)	(70,141)	(513,724)	(82,196)
Financial investments	(182)	(29)	(182)	(29)
Inventory	(69,838)	(11,174)	(40,676)	(6,508)
Trade receivables and other receivables	(246,309)	(39,409)	(97,576)	(15,612)
Total	**(1,135,130)**	**(181,620)**	**(859,622)**	**(137,539)**

*) According to the Fiscal Code applicable in Romania, expenses related to location, exploration, development or any preparatory activity for the exploitation of natural resources, which, according to the applicable accounting regulations, are recorded directly in the result, are recovered in equal rates for a period of 5 years, starting with the month in which the expenses are incurred. Also, for fixed assets specific to the exploration and production of gas resources, the carrying tax value of fixed assets written-off is deducted using the tax depreciation method used before their write-off for the remaining period of depreciation, had the asset not been written-off. All of these costs are treated as assets only from a tax point of view and generate a deferred tax asset.

Movement in deferred tax balances

	Deferred tax (asset)/ liability December 31, 2022	Recorded in profit or loss in 2023	Charged to OCI in 2023	Deferred tax (asset)/ liability December 31, 2023	Recorded in profit or loss in 2024	Charged to OCI in 2024	Deferred tax (asset)/ liability December 31, 2024
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Provisions	(73,300)	(31,965)	(1,494)	(106,759)	3,290	(1,336)	(104,805)
Property, plant and equipment	39,344	34,221	-	73,565	(29,627)	-	43,938
Exploration assets	(79,197)	(2,999)	-	(82,196)	12,055	-	(70,141)
Financial investments	(156)	127	-	(29)	-	-	(29)
Inventory	(5,593)	(915)	-	(6,508)	(4,666)	-	(11,174)
Trade receivables and other receivables	(15,612)	-	-	(15,612)	(23,797)	-	(39,409)
Total	**(134,514)**	(1,531)	(1,494)	(137,539)	**(42,745)**	**(1,336)**	**(181,620)**

OCI - other comprehensive income

b) Solidarity contribution

According to legislation, the solidarity contribution was owed only for the years 2022 and 2023. From 2024, the contribution is no longer owed. The tax was non-deductible in the current income tax calculation.

Following the correction of the error mentioned in note 29, the Company recalculated the effect of the error on the solidarity contribution, resulting a receivable of RON 16,609.

12. PROPERTY, PLANT AND EQUIPMENT

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost									
As of January 1, 2024 before restatement	**98,968**	**764,756**	**7,518,951**	**1,053,318**	**109,898**	**213,201**	**340,161**	**1,907,982**	**12,007,235**
Effect of restatements (note 29)	20,165	214,488	(4,221)	173,284	8,163	1,434,189	-	-	1,846,068
As of January 1, 2024 as restated	**119,133**	**979,244**	**7,514,730**	**1,226,602**	**118,061**	**1,647,390**	**340,161**	**1,907,982**	**13,853,303**
Additions *)	-	-	23,827	15	-	-	199,871	743,116	966,829
Transfers	2,291	15,369	475,460	77,529	8,574	-	(17,836)	(561,387)	-
Disposals	-	(1,952)	(162,576)	(15,941)	(7,744)	(4,733)	(7,813)	(3,801)	(204,560)
As of December 31, 2024	**121,424**	**992,661**	**7,851,441**	**1,288,205**	**118,891**	**1,642,657**	**514,383**	**2,085,910**	**14,615,572**
Accumulated depreciation									
As of January 1, 2024 before restatement	**-**	**347,246**	**5,081,262**	**748,820**	**79,149**	**8,082**	**-**	**-**	**6,264,559**
Effect of restatements (note 29)	-	94,085	1,008	120,741	6,907	868,866	-	-	1,091,607
As of January 1, 2024 as restated	**-**	**441,331**	**5,082,270**	**869,561**	**86,056**	**876,948**	**-**	**-**	**7,356,166**
Depreciation	-	26,641	325,316	67,973	8,929	52,172	-	-	481,031
Disposals	-	(1,198)	(37,792)	(15,282)	(7,740)	(4,397)	-	-	(66,409)
As of December 31, 2024	**-**	**466,774**	**5,369,794**	**922,252**	**87,245**	**924,723**	**-**	**-**	**7,770,788**

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Impairment									
As of January 1, 2024 before restatement	**3,180**	**80,048**	**511,694**	**89,389**	**1,586**	**1,598**	**144,674**	**281,030**	**1,113,199**
Effect of restatements (note 29)	-	971	-	12	10	12,776	-	-	13,769
As of January 1, 2024 as restated	**3,180**	**81,019**	**511,694**	**89,401**	**1,596**	**14,374**	**144,674**	**281,030**	**1,126,968**
Charge ***)	-	2,310	55,468	4,572	716	112	29,897	67,521	160,596
Transfers	-	-	69,019	-	-	-	-	(69,019)	-
Release/utilization	-	(1,661)	(84,939)	(3,362)	(1,233)	(450)	(10,200)	(4,702)	(106,547)
As of December 31, 2024	**3,180**	**81,668**	**551,242**	**90,611**	**1,079**	**14,036**	**164,371**	**274,830**	**1,181,017**
Carrying value									
As of January 1, 2024 before restatement	**95,788**	**337,462**	**1,925,995**	**215,109**	**29,163**	**203,521**	**195,487**	**1,626,952**	**4,629,477**
Effect of restatements (note 29)	20,165	119,432	(5,229)	52,531	1,246	552,547	-	-	740,692
As of January 1, 2024 as restated	**115,953**	**456,894**	**1,920,766**	**267,640**	**30,409**	**756,068**	**195,487**	**1,626,952**	**5,370,169**
As of December 31, 2024	**118,244**	**444,219**	**1,930,405**	**275,342**	**30,567**	**703,898**	**350,012**	**1,811,080**	**5,663,767**

**) Additions of capital work in progress include RON 209,847 thousand related to the new Iernut power plant.*

***) Including gas cushion of RON 216,343 thousand. No changes were recorded during the year.*

****) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note 2.*

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost									
As of January 1, 2023 before restatement	**97,428**	**718,294**	**7,181,827**	**999,680**	**105,136**	**213,387**	**336,494**	**2,027,403**	**11,679,649**
Effect of restatements (note 29)	20,542	214,783	(15,387)	173,330	8,412	1,440,226	-	-	1,841,906
As of January 1, 2023 as restated	**117,970**	**933,077**	**7,166,440**	**1,173,010**	**113,548**	**1,653,613**	**336,494**	**2,027,403**	**13,521,555**
Additions *)	377	10	110,100	-	-	-	50,747	545,414	706,648
Transfers	1,163	47,584	505,052	73,066	16,846	-	(6,249)	(637,462)	-
Disposals	-	(1,132)	(278,028)	(19,428)	(12,084)	(186)	(40,831)	(27,373)	(379,062)
Effect of restatements during the year (note 29)	(377)	(295)	11,166	(46)	(249)	(6,037)	-	-	4,162
As of December 31, 2023 as restated	**119,133**	**979,244**	**7,514,730**	**1,226,602**	**118,061**	**1,647,390**	**340,161**	**1,907,982**	**13,853,302**
Accumulated depreciation									
As of January 1, 2023 before restatement	**-**	**329,168**	**4,890,092**	**715,794**	**84,125**	**7,767**	**-**	**-**	**6,026,946**
Effect of restatements (note 29)	-	86,380	1,175	105,861	6,745	820,143	-	-	1,020,304
As of January 1, 2023 as restated	**-**	**415,548**	**4,891,267**	**821,655**	**90,870**	**827,910**	**-**	**-**	**7,047,250**
Depreciation	-	18,656	291,231	52,382	7,029	20	-	-	369,318
Disposals	-	(578)	(100,061)	(19,356)	(12,005)	295	-	-	(131,705)
Effect of restatements during the year (note 29)	-	7,705	(167)	14,880	162	48,723	-	-	71,303
As of December 31, 2023 as restated	**-**	**441,331**	**5,082,270**	**869,561**	**86,056**	**876,948**	**-**	**-**	**7,356,166**

	Land and land improvements	Buildings	Gas properties	Plant, machinery and equipment	Fixtures, fittings and office equipment	Storage assets **)	Exploration assets	Capital work in progress	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Impairment									
As of January 1, 2023 before restatement	**3,180**	**51,964**	**651,677**	**86,425**	**1,174**	**2,097**	**161,509**	**307,619**	**1,265,645**
Effect of restatements (note 29)	-	1,077	-	17	1	2,061	-	-	3,156
As of January 1, 2023 as restated	**3,180**	**53,041**	**651,677**	**86,442**	**1,175**	**4,158**	**161,509**	**307,619**	**1,268,801**
Charge ***)	-	28,598	91,030	1,782	494	491	25,311	57,296	205,002
Transfers	-	-	38,882	1,252	-	-	-	(40,134)	-
Release/utilization	-	(514)	(269,895)	(70)	(82)	(990)	(42,146)	(43,751)	(357,448)
Effect of restatements during the year (note 29)	-	(106)	-	(5)	9	10,715	-	-	10,613
As of December 31, 2023 as restated	**3,180**	**81,019**	**511,694**	**89,401**	**1,596**	**14,374**	**144,674**	**281,030**	**1,126,968**
Carrying value									
As of January 1, 2023 before restatement	**94,248**	**337,162**	**1,640,058**	**197,461**	**19,837**	**203,523**	**174,985**	**1,719,784**	**4,387,058**
Effect of restatements (note 29)	20,542	127,326	(16,562)	67,452	1,666	618,022	-	-	818,446
As of January 1, 2023 restated	**114,790**	**464,488**	**1,623,496**	**264,913**	**21,503**	**821,545**	**174,985**	**1,719,784**	**5,205,504**
As of December 31, 2023 before restatement	**95,788**	**337,462**	**1,925,995**	**215,109**	**29,163**	**203,521**	**195,487**	**1,626,952**	**4,629,477**
Effect of restatements (note 29)	20,165	119,432	(5,229)	52,531	1,246	552,547	-	-	740,692
As of December 31, 2023 as restated	**115,953**	**456,894**	**1,920,766**	**267,640**	**30,409**	**756,068**	**195,487**	**1,626,952**	**5,370,169**

**) Additions of capital work in progress include RON 56,026 for the new Iernut power plant.*
***) Including gas cushion of RON 216,343 thousand. No changes were recorded during the year.*
****) The impairment recorded during the year refers to individual assets; such assets are fully impaired, as described in note 2.*

Rented assets

Carrying value of property plant and equipment rented to third parties:

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Buildings	111,061	118,965
Plant, machinery and equipment	37,698	52,531
Fixtures, fittings and office equipment	893	1,246
Storage assets	485,802	535,737
Carrying value of rented property plant and equipment	**635,454**	**708,479**

	Buildings	Fixtures, fittings and office equipment	Plant, machinery and equipment	Storage assets	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost					
As of January 1, 2024	**214,013**	**8,163**	**173,284**	**1,406,991**	**1,802,451**
Additions	-	-	-	2,194	2,194
Disposals	(113)	(260)	(259)	(3,240)	(3,872)
As of December 31, 2024	**213,900**	**7,903**	**173,025**	**1,405,946**	**1,800,773**
Accumulated depreciation					
As of January 1, 2024	**93,733**	**6,908**	**120,751**	**860,003**	**1,081,394**
Depreciation	7,840	353	14,832	52,164	75,190
Disposals	(49)	(260)	(259)	(3,212)	(3,780)
As of December 31, 2024	**101,524**	**7,001**	**135,324**	**908,956**	**1,152,804**
Impairment					
As of January 1, 2024	1,315	9	3	11,251	12,578
Charge	-	-	-	112	112
Release/ utilization	-	-	-	(175)	(175)
As of December 31, 2024	**1,315**	**9**	**3**	**11,187**	**12,515**
Carrying value					
As of January 1, 2024	**118,965**	**1,246**	**52,530**	**535,737**	**708,479**
As of December 31, 2024	**111,061**	**893**	**37,698**	**485,802**	**635,454**

NOTES

	Buildings	Fixtures, fittings and office equipment	Plant, machinery and equipment	Storage assets	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Cost					
As of January 1, 2023	**214,783**	**8,412**	**173,330**	**1,407,799**	**1,804,324**
Additions	-	-	-	11,368	11,368
Disposals	(770)	(249)	(46)	(12,175)	(13,240)
As of December 31, 2023	**214,013**	**8,163**	**173,284**	**1,406,991**	**1,802,451**
Accumulated depreciation					
As of January 1, 2023	**86,438**	**6,746**	**105,870**	**816,293**	**1,015,346**
Depreciation	7,899	411	14,926	54,428	77,664
Disposals	(603)	(249)	(46)	(10,718)	(11,616)
As of December 31, 2023	**93,733**	**6,908**	**120,751**	**860,003**	**1,081,394**
Impairment					
As of January 1, 2023	**1,414**	**-**	**8**	**343**	**1,765**
Charge	-	9	-	11,059	11,068
Release/ utilization	(99)	-	(5)	(151)	(255)
As of December 31, 2023	**1,315**	**9**	**3**	**11,251**	**12,578**
Carrying value					
As of January 1, 2023	**126,931**	**1,666**	**67,452**	**591,164**	**787,213**
As of December 31, 2023	**118,965**	**1,246**	**52,531**	**535,737**	**708,479**

Maturity analysis of revenue from rented assets

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Year 1	84,013	85,174

13. EXPLORATION AND EVALUATION FOR NATURAL GAS RESOURCES

The following financial information represents the amounts included within the Company's totals relating to activity associated with the exploration for and evaluation of natural gas resources.

	Year ended December 31, 2024 '000 RON	Year ended December 31, 2023 '000 RON
Exploration assets written off	-	3
Seismic, geological, geophysical studies	73,786	83,048
Total exploration expense	**73,786**	**83,051**
Net movement in exploration assets' impairment (net income)/net loss	26,980	23,361
Net cash used in exploration investing activities	(199,341)	(50,746)

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Exploration assets included in property, plant and equipment (note 12)	350,012	195,487
Liabilities included in trade payables	(32,303)	(13,342)
Net assets	**317,709**	**182,145**

14. INTANGIBLE ASSETS. RIGHT OF USE ASSETS

a) Intangible assets

	2024 '000 RON	2023 restated '000 RON
Cost		
As of January 1 as restated	**116,846**	**122,587**
Additions	3,405	1,409
Disposals	(1,443)	(7,150)
As of December 31	**118,808**	**116,846**
Accumulated amortization		
As of January 1 as restated	**101,608**	**102,837**
Charge	6,583	5,920
Disposals	-	(7,149)
As of December 31	**108,191**	**101,608**
Carrying value		
As of January 1 as restated	**15,238**	**19,750**
As of December 31	**10,617**	**15,238**

b) Right of use assets

	2024	2023
	'000 RON	'000 RON
Cost		
As of January 1	**15,391**	**9,918**
Effects of rent index updates	640	1,170
New contracts	1,500	4,303
As of December 31	**17,531**	**15,391**
Accumulated amortization		
As of January 1	**4,617**	**3,132**
Charge	**2,735**	1,485
As of December 31	**7,352**	**4,617**
Carrying value		
As of January 1	**10,774**	**6,786**
As of December 31	**10,179**	**10,774**

15. INVENTORIES

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Spare parts and materials	303,200	248,787
Finished goods (gas)	113,560	90,594
Other inventories	984	694
Inventories at third parties	33,312	16,695
Write-down allowance for spare parts and materials	(69,566)	(62,925)
Write-down allowance for other inventories	(273)	(96)
Total	**381,217**	**293,749**

16. ACCOUNTS RECEIVABLE. CONTRACT LIABILITIES

a) Trade and other receivables

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Trade receivables *	1,280,462	1,891,001
Allowances for expected credit losses (note 16 c)	(513,897)	(553,564)
Total	**766,565**	**1,337,437**

*) Trade receivables as of December 31, 2024 include RON 161,531 thousand (December 31, 2023: RON 333,096 thousand) that have to be paid by the Ministry of Energy (for non-household clients) and the Ministry of Labor (for household clients) based on Government Emergency Ordinance no. 27/2022.

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b) Other assets

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Loans to subsidiaries	302,080	531,727
Interest on loans to subsidiaries	34,928	17,983
Total other assets (long term)	**337,008**	**549,710**
Advances paid to suppliers	490	10
Joint operation receivables	2,932	7,974
Other receivables	28,682	20,541
Allowance for expected credit losses other receivables (note 16 c)	(169)	(169)
Other debtors	46,667	46,823
Allowance for expected credit losses for other debtors (note 16 c)	(46,048)	(46,029)
Prepayments	5,637	13,579
VAT not yet due	9,015	7,415
Other taxes receivable	417	8
Total other assets (short term)	**47,623**	**50,152**

c) Changes in the allowance for expected credit losses for trade and other receivables and other assets

	2024 '000 RON	2023 '000 RON
At January 1	**599,762**	**689,352**
Charge in the allowance for other receivables (note 6)	453	204
Charge in the allowance for trade receivables	36,366	7,940
Write-off against trade receivables *)	(1,188)	(41,847)
Release in the allowance for other receivables (note 6)	(434)	(4,233)
Release in the allowance for trade receivables	(74,845)	(51,654)
At December 31	**560,114**	**599,762**

d) Credit risk exposure for trade and other receivables

December 31, 2024	**Gross carrying amount** **'000 RON**	**Expected credit loss rate** **%**	**Lifetime expected credit losses** **'000 RON**
Current receivables, including accrued receivables	749,823	0.00%	-
less than 30 days overdue	14,391	6.08%	875
30 to 90 days overdue	1,897	93.83%	1,780
90 to 360 days overdue	31,815	98.66%	31,390
over 360 days overdue	482,536	99.44%	479,852
Total trade receivables	**1,280,462**		**513,897**

Current receivables were collected in 2025, hence no allowance was recorded on December 31, 2024.

December 31, 2023	Gross carrying amount	Expected credit loss rate	Lifetime expected credit losses
	'000 RON	%	'000 RON
Current receivables, including accrued receivables	1,320,745	0.00%	14
less than 30 days overdue	16,913	7.56%	1,278
30 to 90 days overdue	1,558	33.44%	521
90 to 360 days overdue	3,678	99.08%	3,644
over 360 days overdue	548,107	100.00%	548,107
Total trade receivables	**1,891,001**		**553,564**

e) Contract liabilities

Contract liabilities refer to cash received by the Company in advance for future deliveries; usually, advances are received for deliveries during the following month.

Revenue was recognized in 2024 from the whole amount of outstanding contract liabilities on December 31, 2023.

Changes in contract liabilities on December 31, 2024 compared to December 31, 2023 are mainly caused by gas prices.

17. SHARE CAPITAL

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
3,854,224,000 fully paid ordinary shares (2023: 385,422,400 fully paid ordinary shares)	3,854,224	385,422
Total	**3,854,224**	**385,422**

The shareholding structure presenting the main shareholders as at December 31, 2024 is as follows:

	No. of shares	Value	Percentage
		'000 RON	(%)
The Romanian State through the Ministry of Energy	2,698,230,800	2,698,231	70.01
Legal entities	962,639,519	962,640	24.98
Physical persons	193,353,681	193,353	5.01
Total	**3,854,224,000**	**3,854,224**	**100**

All shares are ordinary and were subscribed and fully paid as at December 31, 2024. All shares carry equal voting rights and have a nominal value of RON 1/share (December 31, 2023: RON 1/share).

In December 2023 the Extraordinary General Meeting of Shareholders approved Romgaz' share capital increase through the incorporation of reserves of RON 3,468,802 thousand by issuing 3,468,801,600 shares with a nominal value of RON 1/share, each shareholder registered on the Registration Date being entitled to 9 free shares for each share held. The increase was registered in January 2024 at the Trade Register.

18. PROVISIONS AND RETIREMENT BENEFIT OBLIGATION

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Decommissioning provision (note 18 a)	351,789	373,536
Retirement benefit obligation (note 18 c)	191,416	177,721
Total long term provisions and obligations	**543,205**	**551,257**
Decommissioning provision (note 18 a)	28,937	32,049
Litigation provision (note 18 b) *)	6,579	18,839
Other provisions (note 18 b) **)	120,217	65,098
Total short term provisions	**155,733**	**115,986**
Total	**698,938**	**667,243**

*) The value of litigating cases in which the Company is involved is estimated at RON 41,698 thousand, being the maxim exposure of the Company. The Company's management considers that the provision of RON 6,579 thousand is sufficient, based on current available information.

**) On December 31, 2024, other provisions of RON 120,217 thousand include the provision for employee's participation to profit of RON 46,939 thousand (December 31, 2023: RON 42,364 thousand), the provision for taxes of RON 7,018 thousand (December 31, 2023: RON 6,514 thousand), the provision for CO_2 certificates of RON 43,907 thousand (December 31, 2023: RON 0),a provision of RON 6,939 thousand for the variable remuneration of the board of directors and officers with a mandate contract to which they will be entitled if they meet the key performance indicators approved by shareholders (December 31, 2023: RON 4,666 thousand) and the provision for vacation days not taken of RON 15,415 thousand (December 31, 2023: RON 11,554 thousand).

a) Decommissioning provision

	2024 '000 RON	2023 restated '000 RON
At January 1	**405,585**	**236,490**
Additional provision recorded against non-current assets	23,853	118,230
Unwinding effect (note 9)	24,108	18,165
Recorded in profit or loss	(14,820)	33,763
Decrease recorded against non-current assets	(58,000)	(1,063)
At December 31	**380,726**	**405,585**

The Company makes full provision for the future cost of decommissioning natural gas wells on a discounted basis upon installation. The provision for the costs of decommissioning these wells at the end of their economic lives has been estimated using existing technology, at current prices or future assumptions, depending on the expected timing of the activity, and discounted using a rate of 7.37% (year ended December 31, 2023: 6.23%). While the provision is based on the best estimate of future costs and the economic lives of the wells, there is uncertainty regarding both the amount and timing of these costs.

The increase with 1 percentage point of the discount rate would decrease the decommissioning provision with RON 52,698 thousand (2023: RON 62,650 thousand). The decrease with 1 percentage point of the discount rate would increase the decommissioning provision with RON 66,849 thousand (2023: RON 81,201 thousand).

The increase with 1 percentage point of the inflation rate would increase the decommissioning provision with RON 69,237 thousand (2023: RON 83,103 thousand). The decrease with 1 percentage point of the inflation rate would decrease the decommissioning provision with RON 55,105 thousand (2023: RON 64,871 thousand).

b) Other provisions

	Litigation provision '000 RON	Other provisions '000 RON	Total '000 RON
At January 1, 2024	18,839	65,098	83,937
Additional provision in the period	9,770	206,801	216,571
Provisions used in the period	(12,144)	(148,636)	(160,780)
Unused amounts during the period, reversed	(9,886)	(3,046)	(12,932)
At December 31, 2024	6,579	120,217	126,796

	Litigation provision '000 RON	Other provisions '000 RON	Total '000 RON
At January 1, 2023	**6,620**	**284,201**	**290,821**
Additional provision in the period	18,762	155,713	174,475
Provisions used in the period	(4,025)	(369,311)	(373,336)
Unused amounts during the period, reversed	(2,518)	(5,505)	(8,023)
At December 31, 2023	**18,839**	**65,098**	**83,937**

The movement in other provisions refers mainly to the CO_2 certificates.

c) Retirement benefit obligation

Movement of the retirement benefit obligation	2024 '000 RON	2023 '000 RON
At January 1	**177,721**	**158,934**
Interest cost	9,967	12,392
Cost of current service	11,464	10,127
Payments during the year	(16,088)	(13,070)
Actuarial (gain)/loss for the period	8,352	9,338
At December 31	**191,416**	**177,721**

Except for actuarial gains/losses, all movements in the retirement benefit obligation are recognized as employee benefit expenses.

In determining the retirement benefit obligation, the following significant assumptions were used:

- No layoffs or restructurings are planned;
- Average discount rate: 6.8% (2023: 5.9%);
- Average inflation rate: 3.8% in 2025; 2.9% in 2026; 2.7% in 2027; 2.5% in 2028-2031 period, following a decreasing trend in the next years (2023: 4.8% in 2024; 3.5% in 2025; 3.0% in 2026; 2.5% in 2027-2031 period, following a decreasing trend in the next years.

Sensitivity analysis

The discount rate has a significant effect on the obligation. Isolated change in assumptions with 1 percentage point would have the following effect on the obligation:

	Increase of 1% in assumptions	Decrease of 1% in assumptions
	'000 RON	'000 RON
December 31, 2024		
Average discount rate	(16,030)	18,343
Salaries' growth rate	18,777	(16,647)
December 31, 2023		
Average discount rate	(15,499)	17,826
Salaries' growth rate	17,636	(15,620)

Maturity analysis of cash outflows

	2024	2023
	'000 RON	'000 RON
Up to 1 year	16,676	16,351
1-2 years	13,972	8,190
2-5 years	52,550	45,986
5-10 years	145,866	124,933
Over 10 years	611,347	503,046

19. DEFERRED INCOME

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Amounts collected from NIP (see below)	292,446	276,519
Other deferred revenue	122	133
Other amounts received as subsidies	89	97
Total long term deferred revenue	**292,657**	**276,749**
Other amounts received as subsidies	486	7
Total short term deferred revenue	**486**	**7**
Total deferred revenue	**293,143**	**276,756**

National Investment Plan ("NIP")

In Government Decision no. 1096/2013 approving the mechanism for free allocation of greenhouse gas emission allowances to electricity producers for the period 2013-2020, Annex no. 3 "National Investment Plan", Romgaz is included with the investment "Combined Gas Turbine Cycle".

For this investment, in 2017 Romgaz signed a financing agreement with the Ministry of Energy, whereby the Ministry of Energy undertakes to grant a non-reimbursable financing of RON 320,912 thousand, representing a maximum of 25% of the total value of eligible expenditure of the investment. By December 31, 2024 the Company collected RON 292,446 thousand. Amounts received under this contract will be transferred to income based on the depreciation rate of the investment. No income was recognized by December 31, 2024 as the plant was not yet commissioned.

As per Government Decision no. 1489/November 21, 2024 the completion and commissioning period of investments financed from the National Investment Plan was extended until June 30, 2025 and the reimbursement period until December 31, 2025. If the plant is not commissioned by June 30, 2025, the government grant must be repaid to the Ministry of Energy.

20. TRADE AND OTHER CURRENT LIABILITIES

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Accruals	116,479	60,934
Trade payables	23,186	48,062
Payables to fixed assets suppliers	57,957	30,737
Total trade payables	**197,622**	**139,733**
Payables related to employees	41,860	36,226
Royalties	157,419	170,255
Contribution to Energy Transition Fund	6,510	38
Social security taxes	37,586	30,270
Other current liabilities	11,983	10,343
Greenhouse gas certificates surrender liability*)	137,244	208,618
VAT	12,016	4,284
Dividends payable	1,365	1,453
Windfall tax	114,527	29,420
Other taxes	3,876	2,650
Total other liabilities	**524,386**	**493,557**
Total trade and other liabilities	**722,008**	**633,290**

*) According to legislation, greenhouse gas certificates must be submitted to the relevant bodies until September, 2025. The balance as of December 31, 2024 relates to certificates acquired in 2024, not yet submitted.

21. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, inflation risk, interest rate risk), credit risk, liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance within certain limits. However, the use of this approach does not prevent losses outside of these limits in the event of more significant market movements. The Company does not use derivative financial instruments to hedge risk exposures.

The Company has formal procedures on risk management that ensure risks are identified and controlled by putting in place a system that keeps risks at an acceptable level. Risk management is an ongoing process that involves identifying the risks that could affect meeting the companies' objectives, assessing the risks identified, managing the risks, identifying control measures for significant risks and setting up an annual plan to implement control measures for significant risks.

Risk assessment considers probability and impact to determine whether measures need to be taken. Based on the risk exposure, the tolerance level is determined based on a matrix. Tolerance levels range from tolerable risk that do not require any measure, to intolerable risks that need urgent control measures.

Risks identified may be accepted, monitored, avoided, treated or transferred.

(a) Market risk

(i) *Foreign exchange risk*

The Company is exposed to currency risk as a result of exposure to various currencies. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities.

The Company is mainly exposed to currency risk generated by EUR against RON as a result of the cash, bank borrowings and bonds. The Company does not hedge the risk, but monitors the changes in exchange rates.

As of December 31, 2024, the official exchange rate was RON 4.9741 to EUR 1 (December 31, 2023: RON 4.9746 to EUR 1).

December 31, 2024	EUR 1 EUR = 4.9741 '000 RON	GBP 1 GBP = 5.9951 '000 RON	USD 1 USD = 4.7768 '000 RON	MDL 1 MDL = 0.2576 '000 RON	RON 1 RON '000 RON	Total '000 RON
Financial assets						
Cash and cash equivalents	109,332	3	8	263	1,602,577	1,712,183
Loans to subsidiaries	-	-	-	-	337,008	337,008
Bank deposits other than cash and cash equivalents	2,450,433	-	-	-	6,094	2,456,527
Trade and other receivables	-	-	-	-	766,565	766,565
Total financial assets	**2,559,765**	**3**	**8**	**263**	**2,712,244**	**5,272,283**
Financial liabilities						
Trade payables and other payables	-	(9)	-	-	(197,613)	(197,622)
Lease liability	(6,811)	-	-	-	(5,521)	(12,332)
Bank borrowings	(808,346)	-	-	-	-	(808,346)
Bonds	(2,500,978)	-	-	-	-	(2,500,978)
Total financial liabilities	**(3,316,135)**	**(9)**	**-**	**-**	**(203,134)**	**(3,519,278)**
Net	**(756,370)**	**(6)**	**8**	**263**	**2,509,110**	**1,753,005**

December 31, 2023	EUR 1 EUR = 4.9746 '000 RON	GBP 1 GBP = 5.7225 '000 RON	USD 1 USD = 4.4958 '000 RON	RON 1 RON '000 RON	Total '000 RON
Financial assets					
Cash and cash equivalents	6,816	1	4	512,010	518,831
Loans to subsidiaries	-	-	-	549,710	549,710
Bank deposits other than cash and cash equivalents	-	-	-	2,344,349	2,344,349
Trade and other receivables	-	-	-	1,337,437	1,337,437
Total financial assets	**6,816**	**1**	**4**	**4,743,506**	**4,750,327**
Financial liabilities					
Trade payables and other payables	(31)	(43)	(8)	(139,651)	(139,733)
Lease liability	(7,396)	-	-	(5,077)	(12,473)
Bank borrowings	(1,131,722)	-	-	-	(1,131,722)
Total financial liabilities	**(1,139,149)**	**(43)**	**(8)**	**(144,728)**	**(1,283,928)**
Net	**(1,132,333)**	**(42)**	**(4)**	**4,598,778**	**3,466,399**

The Company is mainly exposed to currency risk generated by EUR against RON. The table below details the sensitivity of the Company's result to a 5% increase/decrease in the EUR exchange rate against the RON. The 5% rate is the rate used in internal reports to management on foreign currency risk and represents management's assessment of reasonable changes in the exchange rate. Sensitivity analysis includes only monetary items denominated in foreign currency in the balance sheet.

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
RON weakening – loss	37,818	(56,618)
RON strengthening - gain	(37,818)	56,618

(ii) *Inflation risk*

The official annual inflation rate in Romania for 2024 was 5.59% as provided by the National Institute of Statistics. The cumulative inflation rate for the last 3 years was under 100%. This factor, among others, led to the conclusion that Romania is not a hyperinflationary economy.

(iii) *Interest rate risk*

The Company is exposed to interest rate risk, due to interest-bearing bank loans.

An increase of 1% in the interest rate on the bank borrowings would lead to an increase of the interest expense in 2025 of RON 6,936 thousand.

Bank deposits, treasury bills and the bonds issued bear a fixed interest rate.

The Company does not hedge the risk, but monitors the changes in interest rates.

(b) Credit risk

Financial assets, which potentially subject the Company to credit risk, consist principally of trade receivables, cash and cash equivalents, bank deposits other than cash equivalents. The Company has policies in place to ensure that sales are made to customers with low credit risk. Also, sales have to be secured, either through advance payments, either through bank letters of guarantee. The carrying amount of trade receivables, net of loss allowances, represents the maximum amount exposed to credit risk. The Company has a concentration of credit risk in respect of its top three clients, which amounts to 29.80% of net trade receivable balance at December 31, 2024 (its top 3 clients: 46.66% as of December 31, 2023).

Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss to the Company beyond the loss allowance already recorded.

Romgaz' Board of Directors approved an internal policy on placing excess cash in state bonds or bank deposits. Regarding bank deposits, cash is only placed with banks having a good credit rating. If bank have no credit rating, excess cash may be placed at them if they are majority state owned or maturity is short. Exposure to each bank cannot be higher than a certain percent, a higher allocation being permitted only for banks having the Romanian State as majority shareholder.

Credit quality of cash and cash equivalent and bank deposits other than cash and cash equivalents is presented below:

Equivalent to external credit rating	December 31, 2024 '000 RON	December 31, 2023 '000 RON
A+	474,311	536,427
BBB+	2,500,299	272,224
BBB	-	221,626
BBB-	1,013,590	1,618,785
BB	1	100,001
No credit rating assigned	180,509	114,521
Total	**4,168,710**	**2,863,583**

Cash is placed with 14 banks, of which top 5 represent 95% of the Company's cash, cash equivalent and bank deposits other than cash and cash equivalents (2023: top 3 banks represent 77% of the Company's cash, cash equivalent and bank deposits other than cash and cash equivalents).

(c) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to minimize the cost of capital. Capital includes equity, bank borrowings and bonds issued.

In order to maintain or adjust the capital structure, the Company may adjust the dividend policy, issue new shares or sell assets to reduce debt.

The Company's policy is to only resort to borrowing if investment needs cannot be financed internally.

The Company's capital management aims to ensure that it meets financial covenants attached to the interest-bearing loans. Breaches in meeting the financial covenants would permit the bank to immediately call borrowings. There have been no breaches of the financial covenants of interest-bearing loans in the current period. Covenants on existing loans need to be complied at each year end; however, these are monitored regularly to identify any risk of non-compliance, so that measures are taken timely.

(d) Fair value estimation

Carrying amount of financial assets and liabilities is assumed to approximate their fair value.

Financial instruments in the balance sheet include trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, interest-bearing borrowings and bonds issues. Due to their short-term nature, trade receivables, cash and cash equivalents, bank deposits other than cash equivalents, trade payables, fair value approximates the carrying amount.

Bank borrowings' fair value approximate their carrying amount, as these bear a variable rate of interest.

The bonds' carrying value approximate their fair value. The bonds' closing price on Luxembourg Stock Exchange on December 31, 2024 was 101.011% (level 1 information).

(e) Liquidity risk management

Liquidity risk is addressed by constant monitoring the maturities of assets and liabilities. The Company's policy is to have collection periods shorter than payment terms. For unforeseen events that may disturb the cash at hand, Romgaz signed two committed revolving credit facilities (see note 27) that may be drawn to meet payment terms.

The table below shows financial liabilities of the Company on contractual maturities. The amounts represent non-discounted future cash flows generated by financial liabilities.

December 31, 2024	Due in less than a month	Due in 1-3 months	Due in 3 months to 1 year	Due in 1-5 years	Due in over 5 years	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Trade payables	72,209	125,384	29	-	-	197,622
Bank borrowings	-	80,884	242,487	484,975	-	808,346
Lease liabilities	211	1,365	1,959	3,862	4,935	12,332
Bonds	-	-	24,545	2,476,433	-	2,500,978
Total	**72,420**	**207,633**	**269,020**	**2,965,270**	**4,935**	**3,519,278**

December 31, 2023	Due in less than a month	Due in 1-3 months	Due in 3 months to 1 year	Due in 1-5 years	Due in over 5 years	Total
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Trade payables	74,001	65,730	2	-	-	139,733
Bank borrowings	-	80,837	242,512	808,373	-	1,131,722
Lease liabilities	137	575	1,311	5,854	4,596	12,473
Total	**74,138**	**147,142**	**243,825**	**814,227**	**4,596**	**1,283,928**

Ultimate responsibility for liquidity risk management rests with the Company's management, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and current cash flows and by matching the maturity profiles of financial assets and liabilities.

22. RELATED PARTY TRANSACTIONS AND BALANCES

i. Sales of goods and services

	Year ended Dec 31, 2024 '000 RON	Year ended Dec 31, 2023 '000 RON
Subsidiaries *)	113,797	134,343
Associates	23,590	22,055
Total	**137,387**	**156,398**

*) Of RON 113,797 thousand representing revenue obtained from transactions with subsidiaries, RON 84,476 thousand relate to rental revenues (2023: RON 101,122 thousand).

ii. Government related entities

The Company is controlled by the Ministry of Energy, on behalf of the Romanian State (note 17). As such, all companies over which the Romanian State has control or significant influence are considered related parties of the Company. The Company applies the disclosure exemption for Government related entities in IAS 24, and therefore discloses significant transactions and balances. Significance is determined based on size and based on existing regulatory/supervisory disclosure requirements (Law no. 24/2017 regarding Issuers of Financial Instruments and Market Operations and F.S.A. Regulation no. 5/2018). Except for the transactions listed below, no other individually significant transactions or collectively significant transactions were identified. Related party transactions are carried out on market terms and there are no transactions outside normal day-to-day operations.

The table below shows the collectively significant sales of the Company to companies over which the Romanian State has control or significant influence:

	Year ended Dec 31, 2024 '000 RON	Year ended Dec 31, 2023 '000 RON
Electrocentrale București SA	566,334	1,115,191
Engie România SA	676,197	1,932,803
E.On Energie România SA	1,660,825	2,309,541
Total	**2,903,356**	**5,357,535**

The table below shows the collectively material cash and cash equivalents and bank deposits other than cash equivalents balances at banks over which the Romanian State has control.

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
CEC Bank	-	100,000
Exim Banca Românească	988,086	1,044,284
Total	**988,086**	**1,144,284**

iii. Purchase of goods and services

	Year ended Dec 31, 2024 '000 RON	Year ended Dec 31, 2023 '000 RON
Subsidiaries	62,338	33,342
Total	**62,338**	**33,342**

iv. Interest and dividend income

	Year ended Dec 31, 2024 '000 RON	Year ended Dec 31, 2023 '000 RON
Subsidiaries - interest income	83,496	17,643
Subsidiaries - dividend income	29,957	50,247
Total	**113,453**	**68,230**

v. Trade receivables

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Subsidiaries	1,795	11,217
Total	**1,795**	**11,217**

vi. Net lease investment

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Subsidiaries	225	315
Total	**225**	**315**

vii. Loans granted

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Subsidiaries	337,008	549,710
Total	**337,008**	**549,710**

viii. Trade payables

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Subsidiaries	63	1,950
Total	**63**	**1,950**

23. INFORMATION REGARDING THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The remuneration of executives and directors

The Company has no contractual obligations on pensions to former executives and directors of the Company.

During the years ended December 31, 2024 and December 31, 2023, no loans and advances were granted to executives and directors of the Company, except for work related travel advances, and they do not owe any amounts to the Company from such advances.

Executives include directors with mandate contracts and directors with labor contracts. Directors in the table below refer to members of the Board of Directors.

	Year ended December 31, 2024	Year ended December 31, 2023
	'000 RON	'000 RON
Salaries expense with executives (gross)	35,407	27,578
of which, bonuses and variable component (gross)	5,337	1,259
Remuneration expense with directors (gross)	3,513	1,934
of which, variable component (gross)	1,543	-

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Salaries payable to executives	726	581
Salaries payable to directors	96	96

In addition to the above, on December 31, 2024 the Company recorded a provision for bonuses for executives and directors of RON 6,939 thousand (December 31, 2023: RON 4,666 thousand).

24. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

a) Investment in subsidiaries

Subsidiaries' name	Main activity	Country of residence and operations	Percentage of interest held (%)	
			December 31, 2024	December 31, 2023
SNGN ROMGAZ SA - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiesti SRL	Natural gas storage	Romania	100	100
Romgaz Black Sea Limited	Gas exploration and production	Country of incorporation - Bahamas Country of operations - Romania	100	100

	Cost at December 31, 2024	Cost at December 31, 2023
	'000 RON	'000 RON
SNGN ROMGAZ SA - Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiesti SRL	66,056	66,056
Romgaz Black Sea Limited *)	7,479,606	5,118,995
Total	**7,545,662**	**5,185,051**

*) In 2024, the Company converted RON 733,522 thousand, representing loans granted to Romgaz Black Sea Limited and accumulated interest, in subsidiary's share capital. Currently, the Company contributes equity to Romgaz Black Sea Limited to finance the development of the Neptun Deep offshore block.

b) Investments in associates

The Company's investments in associates are accounted at cost less accumulated impairment. The shares are not quoted on the stock exchange. No dividends were received in the years ended December 31, 2024, respectively, December 31, 2023.

The Company's investment in Agri LNG Project Company is not material. The investment is fully impaired.

Name of associate	Main activity	Place of incorporation and operation	Proportion of interest held (%)	
			December 31, 2024	December 31, 2023
SC Depomures SA Tg.Mures	Storage of natural gas	Romania	40.4014	40
SC Agri LNG Project Company SRL	Feasibility projects	Romania	25	25

Name of associate	Gross carrying value as of December 31, 2024	Impairment as of December 31, 2024	Carrying value as of December 31, 2024	Gross carrying value as of December 31, 2023	Impairment as of December 31, 2023	Carrying value as of December 31, 2023
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
SC Depomures SA Tg.Mures *)	18,120	-	18,120	120	-	120
SC Agri LNG Project Company SRL	182	(182)	-	182	(182)	-
Total	**18,302**	**(182)**	**18,120**	**302**	**(182)**	**120**

*) In 2024 the Company contributed RON 18,000 thousand to the share capital of SC Depomures SA Tg. Mures.

25. OTHER FINANCIAL INVESTMENTS

Other financial investments are recognized at fair value through profit or loss.

Except for the investment in Patria Bank, which is classified as level 1 instrument in the fair value hierarchy, all other investments are included in level 3 category, according to IFRS 13.

Company	Principal activity	Place of incorporation and operation	Proportion of ownership interest and voting power held (%)	
			December 31, 2024	December 31, 2023
Electrocentrale București S.A.	Electricity and thermal power producer	Romania	2.49	2.49
Patria Bank S.A.	Other activities - financial intermediations	Romania	0.02	0.02
Mi Petrogas Services S.A.	Services related to oil and natural gas extraction, excluding prospections	Romania	10	10
Lukoil association	Petroleum exploration operations	Romania	12.2	12.2
Electricity Producers Association-HENRO	Non-governmental, non-profit, independent association	Romania	33.33	33.33

Company	Fair value as of December 31, 2024	Fair value as of December 31, 2023
	'000 RON	'000 RON
Electrocentrale București S.A. *)	-	-
Patria Bank S.A.**)	79	79
Mi Petrogas Services S.A.	60	60
Lukoil association	5,227	5,227
Electricity Producers Association-HENRO	250	250
Total	**5,616**	**5,616**

*) The fair value of the investment in Electrocentrale Bucuresti was reduced to zero after entering into insolvency. The investment in Electrocentrale Bucuresti is not quoted. The company concluded the restructuring plan in February 2023, however its current financial position does not justify a modification of its value.

**) In 2016, the Company's shareholders decided to withdraw Romgaz from the bank's shareholders, as a result of the merger process in which Patria Bank was involved. In 2021, the approval of the National Bank of Romania was obtained for the partial redemption of the shares that the Company holds in Patria Bank. The shares of Patria Bank S.A. are listed, but following the merger process, the price at which the redemption of the shares held by the shareholders who requested the withdrawal from the shareholding was set to a fixed value. Thus, the investment is measured at this redemption value.

26. CASH AND CASH EQUIVALENTS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Current bank accounts *)	122,106	135,129
Petty cash	37	39
Term deposits	1,588,325	381,761
Restricted cash **)	1,715	1,902
Total	**1,712,183**	**518,831**

*) Current bank accounts include overnight deposits.

**) At December 31, 2024 restricted cash refers to bank accounts used only for dividend payments to shareholders, according to stock market regulations.

27. BANK BORROWINGS. BONDS

a) Bank borrowings

	Maturity	December 31, 2024	December 31, 2023
		'000 RON	'000 RON
EUR 325,000 thousand bank borrowing equivalent of RON 1,616,583 thousand at RON 4.9741/EUR 1) (unsecured) *)	June 2027	808,346	1,131,722
RON 745,875 revolving credit facility (unsecured) **)	September 2027	-	-
EUR 100,000 revolving credit facility (equivalent of RON 497,410 thousand at RON 4.9741/EUR 1) (unsecured) **)	December 2026	-	-
Total		**808,346**	**1,131,722**

*) In March 2022, Romgaz signed a EUR 325 million financing deal with Raiffeisen Bank S.A. to finance part of the purchase price of the shares of ExxonMobil Exploration and Production Romania Limited (now Romgaz Black Sea Limited) that holds 50% of the rights and obligations for the Neptun Deep block.

In June 2022, an addendum to the facility contract was signed between Romgaz acting as borrower and Raiffeisen Bank S.A. and Banca Comercială Română S.A. as lenders.

The loan agreement includes two covenants that have to be met each December 31:

- leverage ratio has to be lower than 300%. Leverage ratio means the ratio between net debt on December 31 and earnings before interest, tax, depreciation and amortization expenses (EBITDA) for the year. Net debt means the aggregate principal amount owed by Romgaz pursuant to financial indebtedness (ie. outstanding bank borrowings, bonds issued, lease liabilities) after deducting the aggregate of cash and cash equivalents.
- debt service coverage ratio has to be higher than 110%. Debt service coverage ratio means the ratio between EBITDA for the year and debt service (ie. interest and bank commissions of any financial indebtedness, scheduled repayments of principal related to any financial indebtedness) paid or payable during the year.
- all metrics are calculated based on these financial statements.

On December 31, 2024 and December 31, 2023 the Company complied with both covenants. There are no indications that the Company may face difficulties complying with the covenants when they will be next tested as at December 31, 2025.

The facility's final maturity is in five years from utilization. There are no borrowing costs other than interest. The loan is repayable in quarterly instalments. The loan is not secured.

The average interest rate during the period was 4.02%/year.

**) In 2024, Romgaz signed two revolving credit facilities of RON 745,875 thousand (with Banca Transilvania SA) and EUR 250,000 thousand (with UniCredit Bank SA). The two facilities may be used for general corporate purposes. Romgaz has not drawn any amount from the facilities.

	2024 '000 RON	2023 '000 RON
Balance as at January 1	**1,131,722**	**1,447,115**
Interest charged	38,962	43,838
Interest paid	(38,897)	(43,838)
Repayments	(323,312)	(322,775)
Foreign exchange differences	(129)	7,382
Carrying amount as at December 31	**808,346**	**1,131,722**

b) Bonds

In September 2024 Romgaz launched its first Euro Medium Term Note program for a total value of EUR 1,500,000 thousand. The first tranche of EUR 500,000 thousand of the program was issued in October 2024. The coupon rate is 4.75%. The bonds are repayable in 5 years at par value. The coupon is payable on an annual basis. The bonds are not convertible and are unsecured. The bonds have no covenants.

Bonds are listed on Luxembourg Stock Exchange and Bucharest Stock Exchange.

	2024 '000 RON	2023 '000 RON
Proceeds from bond issue	2,485,488	-
Transaction costs	(11,914)	-
Net proceeds from bond issue	**2,473,574**	**-**

	2024 '000 RON	2023 '000 RON
Carrying amount as at January 1	-	-
Net proceeds from bond issue	2,473,574	-
Interest charged	28,655	-
Foreign exchange differences	(1,251)	-
Carrying amount as at December 31	**2,500,978**	**-**

The bonds' carrying value approximate their fair value. The bond's closing price on Luxembourg Stock Exchange on December 31, 2024 was 101.011%.

28. BANK DEPOSITS OTHER THAN CASH AND CASH EQUIVALENTS

Bank deposits other than cash and cash equivalents represent deposits with a maturity of over 3 months, from acquisition date. The Company did not identify any risk of loss for these assets, therefore it did not record any impairment.

	December 31, 2024 '000 RON	December 31, 2023 '000 RON
Bank deposits	2,434,436	2,325,284
Accrued interest receivable on bank deposits	22,091	19,065
Total	**2,456,527**	**2,344,349**

29. CORRECTION OF ACCOUNTING ERRORS AND REVISION OF PRIOR PERIOD PRESENTATION

a) Correction of accounting errors

As of April 1, 2018, natural gas storage was transferred from Romgaz to SNGN ROMGAZ SA – Filiala de Înmagazinare Gaze Naturale DEPOGAZ Ploiesti SRL.

The transfer of activity occurred as a result of the Company's legal obligation to achieve separation of natural gas storage activity from natural gas production and supply in accordance with Directive 2009/73 / EC of the European Parliament and of the Council of July 13, 2009 and the provisions of art. 141 align (1) of Law 123/2012.

The transfer involved the transfer of the license to the storage subsidiary, transfer of employees and the transfer of the unfinished acquisitions until 31 March 2018. The transfer did not involve a sale. As a result of the transfer of activity, the fixed assets were not transferred and they were leased to Depogaz.

At the end of 2018, the shareholders of the Company approved, in principle, to increase the share capital of Depogaz with the assets used in the storage activity. Based on this decision, in 2019 the Company's assets were measured in order to determine the value of the share capital increase. In December 2019, the Company's majority shareholder called for a meeting to take a final decision on the increase; the final decision was taken in January 2020. Based on the call of the majority shareholder in December 2019, the assets to be transferred, according to the Company's Board of Directors' decision in February 2020, together with other related assets and liabilities were classified as held for disposal starting December 31, 2019. Since the assets were not available for immediate transfer in their present condition, the Company reconsidered their classification on the statement of financial position; thus property, plant and equipment was recognised and assets held for disposal were derecognised as at January 1, 2023 and December 31, 2023. The Company reconsidered the classification of the assets and treated it as an accounting error. As such, all accounting records recorded when the assets were first presented as held for disposal were reversed; as assets are no longer presented as assets held for disposal, the Company recorded a depreciation charge for the items of property, plant and equipment previously presented as held for disposal. As the Company recovers the value of the assets through a rent contract, the impairment previously recorded when the assets were first presented as assts held for disposal was reversed; instead, the Company recorded annual depreciation of such assets; the effect of the release of the impairment and the recognition of depreciation charges until December 31, 2023 was an increase in retained earnings of RON 53,250 thousand This change triggered changes in taxation, namely in corporate income tax and deferred tax for the period 2020-2023 and in solidarity contribution for the years 2022-2023.

b) Changes in presentation

In the current period, the Company revised the presentation of certain items in its financial statements for the better understanding of the financial position and results of the Company. As such, certain prior periods' information was presented in line with the new presentation, to ensure comparability with the financial statements of the current period.

i. Statement of financial position

The following changes were made:

- a new line was introduced in the Current assets section, namely "Greenhouse gas certificates". In the 2023 financial statements these were included in "Other assets", also presented as Current assets.
- "Other financial assets" were renamed to "Bank deposits other than cash and cash equivalents".

ii. Statement of comprehensive income

The following changes were made:

- Work performed by the Company and capitalized as non-current assets, now presented as an income, was reported net of expenditure incurred. Starting 2024, expenditure capitalized to build non-current assets is presented gross, its influence on profit for the period being offset by the presentation of an income “Work performed by the Company and capitalized” (1);
- “Other expenses” line was broken down into its main components represented by “Taxes and duties”, “Employee benefit expense”, “Greenhouse gas certificate expenses” and “Third party services and other costs” (2);
- Previously, impairment losses on trade receivables for other income were presented on a gross basis; currently, they are presented on a net basis (3);
- Line name changes (4).

iii. Statement of cash flow

Changes in ii. above affected the presentation of the statement of cash flow. In 2024, the Company also reconsidered the presentation of collections from government grants; previously, these were presented as financing cash-flows; currently they are presented as investing cash-flows.

The effect of the correction of errors in a) and of changes in presentation in b) in the statement of comprehensive income for the year ended December 31, 2023 is shown below:

	Year ended December 31, 2023 as previously reported	Impact of change (1)	Impact of changes (2) and (3)	Impact of accounting errors	Year ended December 31, 2023 restated
	'000 RON	'000 RON	'000 RON	'000 RON	'000 RON
Revenue	8,619,286	-	-	-	8,619,286
Cost of commodities sold	(107,060)	-	-	-	(107,060)
Finance income/(previously presented as Investment income) (4)	273,027	-	-	-	273,027
Other gains and losses	(12,957)	-	-	835	(12,122)
Net impairment (losses)/gains on trade receivables	(57,546)	-	101,260	-	43,714
Changes in inventory of finished goods and work in progress	(5,767)	-	-	-	(5,767)
Work performed by the Company and capitalized	-	250,977	-	-	250,977
Raw materials and consumables used	(94,857)	(42,060)	-	-	(136,917)
Depreciation, amortization and impairment expenses	(433,391)	(27,964)	-	(88,310)	(549,665)
Employee benefit expense	(819,207)	(152,079)	(17,500)	-	(988,786)
Taxes and duties	(1,478,423)	(839)	-	-	(1,479,262)
Finance cost	(61,913)	-	-	-	(61,913)
Exploration expense	(83,051)	-	-	-	(83,051)
Greenhouse gas certificate expenses	-	-	(242,803)	-	(242,803)
Third party services and other costs	-	-	(617,741)	(99)	(617,840)
Other expenses	(850,009)	(28,035)	878,044	-	-
Other income	122,126	-	(101,260)	-	20,866
Profit before tax	**5,010,258**	**-**	**-**	**(87,574)**	**4,922,684**
Income tax expense	(2,360,981)	-	-	13,345	(2,347,636)
Profit for the year	**2,649,277**	**-**	**-**	**(74,229)**	**2,575,048**
Total comprehensive income for the year	**2,649,277**	**-**	**-**	**(74,229)**	**2,575,048**

NOTES

The effect of the correction of errors in a) and of changes in presentation in b) in the statement of financial position as of January 1, 2023 and December 31, 2023 is shown below:

	January 1, 2023 as previously reported	Impact of accounting errors	January 1, 2023 restated
	'000 RON	'000 RON	'000 RON
Property, plant and equipment	4,387,058	818,446	5,205,504
Intangible assets	19,735	15	19,750
Deferred tax asset	217,073	(82,559)	134,514
Assets held for disposal	677,634	(677,634)	-
Retained earnings	6,191,538	122,055	6,313,593
Provisions (long term portion)	186,778	24,060	210,838
Current tax liabilities	1,171,873	(43,946)	1,127,927
Provisions (short term portion)	312,867	3,606	316,473
Liabilities directly associated with the assets held for disposal	47,507	(47,507)	-

	December 31, 2023 as previously reported	Impact of change in b) i	Impact of accounting errors	December 31, 2023 restated
	'000 RON	'000 RON	'000 RON	'000 RON
Property, plant and equipment	4,629,477	-	740,692	5,370,169
Intangible assets	15,223	-	15	15,238
Deferred tax asset	213,352	-	(75,813)	137,539
Greenhouse Gas Certificates	-	208,617	-	208,617
Other assets	258,769	(208,617)	-	50,152
Assets held for disposal	687,453	-	(687,453)	-
Retained earnings	6,172,369	-	47,826	6,220,195
Provisions (long term portion)	336,648	-	36,888	373,536
Current tax liabilities	1,762,716	-	(50,558)	1,712,158
Provisions (short term portion)	111,607	-	4,379	115,986
Liabilities directly associated with the assets held for disposal	61,094	-	(61,094)	-

The effect of the correction of errors in a) and changes in presentation in b) in the statement of cash flow for the year ended December 31, 2023 is shown below:

	Year ended December 31, 2023 as previously reported	Impact of changes in b) iii	Impact of accounting errors	Year ended December 31, 2023 restated
	'000 RON	'000 RON	'000 RON	'000 RON
Net cash generated by operating activities	3,379,401	(5,390)	(99)	3,373,912
Net cash generated by/(used in) investing activities	(3,132,260)	51,739	99	(3,080,422)
Net cash used in financing activities	(1,595,880)	(46,349)	-	(1,642,229)

30. GUARANTEES GRANTED BY BANKS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Guarantees granted	173,851	273,425
Total	**173,851**	**273,425**

In 2024, Romgaz signed an addendum to the credit agreement with BCR SA representing a facility for issuing letters of guarantee and opening letters of credit for a maximum amount of RON 500,000 thousand. On December 31, 2024 are still available for use RON 328,915 thousand.

As of December 31, 2024, the Company's contractual commitments for the acquisition of non-current assets are of RON 832,267 thousand (December 31, 2023: RON 704,601 thousand).

31. GUARANTEES RECEIVED FROM BANKS

	December 31, 2024	December 31, 2023
	'000 RON	'000 RON
Guarantee received	1,939,112	2,593,693
Total	**1,939,112**	**2,593,693**

Guarantees are received from the Company's clients to secure payment of deliveries.

32. CONTINGENCIES

(a) *Litigations*

The Company is subject to several legal actions arisen in the normal course of business. The management of the Company considers that they will have no material adverse effect on the results and the financial position of the Company.

On December 28, 2011, 27 former and current employees of Romgaz were notified by DIICOT regarding an investigation related to sale contracts signed with one of the Company's clients for allegedly unauthorized discounts granted to this client during the period 2005-2010. DIICOT mentioned that this may have resulted in a loss of USD 92,000 thousand for the Company. On that sum, an additional burden to the state budget consists of income tax in amount of USD 15,000 thousand and VAT in amount of USD 19,000 thousand. The internal analysis carried out by the Company's specialized departments concluded that the agreement was in compliance with the legal provisions and all discounts were granted based on Orders issued by the Ministry of Economy and Finance and decisions of the General Shareholders' Board and Board of Directors. The management of the Company believes the investigation will not have a negative impact on the financial statements, to justify the registration of an adjustment. The Company is fully cooperating with DIICOT in providing all information necessary. On March 18 2014, Romgaz received an address from DIICOT, by which the investigators ordered an accounting expertise, indicating the objectives of the expertise.

Romgaz was notified that, as injured party, it may submit comments relating to objectives of the expertise (additions/changes), and may appoint an additional expert to participate in the expertise.

Thus, Romgaz proceeded to identify and appoint an expert with accounting and financial expertise that can participate to the expertise. After the report was completed, the parties could submit objections by November 2, 2015.

On March 16, 2016, DIICOT – Central Structure informed the persons involved in the cause about the start of legal actions against them. At the request of investigators, the Company announced that in case of a prejudice being established during the investigation, the Company will join the case as civil party.

In November 2016, DIICOT informed the Company the prejudice established in amount of RON 282,630 thousand. Following this request, Romgaz announced that will join the case as a civil party for the amount of RON 282,630 thousand to recover this amount from the respective client and any other person that may be found guilty for causing the prejudice.

In June 2017, DIICOT issued a press release announcing the referral to court of several persons involved in the case. In January 2018, the High Court of Cassation and Justice ruled that the indictment prepared by DIICOT was not legal. The Court issued a decision in December, 2022 stating there is no offence and the civil complaint filed by Romgaz was left unresolved. Romgaz appealed the decision. According to the final decision issued by the court in 2024, no person was charged.

(b) *Taxation*

The Romanian taxation system is undergoing a process of consolidation and harmonization with the European Union legislation. However, there are still different interpretations of the fiscal legislation. In various circumstances, the tax authorities may have different approaches to certain issues, and assess additional tax liabilities, together with late payment interest and penalties. In Romania, tax periods remain open for fiscal verification for 5 years. The Company's management considers that the tax liabilities included in these financial statements are fairly stated.

(c) *Environmental contingencies*

Environmental regulations are developing in Romania and the Company has not recorded any liability at December 31, 2024 for any anticipated costs, including legal and consulting fees, impact studies, the design and implementation of remediation plans related to environmental matters, except the amount of RON 362,998 thousand (December 31, 2023: RON 405,585 thousand), representing the decommissioning liability.

(d) *Contingencies related to grants related to income*

Government Emergency Ordinance no. 27/2022 as subsequently amended (GEO 27) included the obligation of the Group, until March 31, 2024, to sell the electricity it produces at a regulated price of RON 450/MWh. According to GEO 27, electricity producers must calculate a contribution to the Energy Transition Fund. If the value of the greenhouse gas certificates related to the energy sold at RON 450/MWh exceeds the contribution to the Energy Transition Fund, electricity producers are entitled to receive the excess. Until December 31, 2024, the legislation did not provide for the mechanism to request these amounts from the Romanian State nor the competent authority for the settlement of such requests. As such, the right to receive the grant is not enforceable. Thus, as of December 31, 2024 the Group disclosed a contingent asset of RON 188,260 thousand until legislation will provide for a mechanism for recovering this amount (December 31, 2023: RON 167,743 thousand).

33. AUDITOR'S FEES

The fee charged by the Company's statutory auditor, PricewaterhouseCoopers Audit SRL for the statutory audit of the 2024 annual financial statements is RON 758 thousand.

The fee charged by the Company's statutory auditor (PricewaterhouseCoopers Audit SRL starting June 2024 and Ernst & Young Assurance Services S.R.L until May 2024) for other assurance services in 2024 are RON 2,414 thousand.

34. EVENTS AFTER THE BALANCE SHEET DATE

In March 2025 the Romanian Government issued Emergency Ordinance no. 6 which extends the provisions of Government Emergency Ordinance no. 27/2022. Gas sold under the Ordinance will continue to be sold at a regulated price until March 31, 2026; no windfall tax will be charged for quantities sold under the Ordinance.

35. AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of Directors on March 27, 2025.

Răzvan Popescu
Chief Executive Officer

Gabriela Trânbițaș
Chief Financial Office

STATEMENT

in accordance with the provisions of art. 65 (2) c) of Law No. 24/2017

regarding issuers of financial instruments and market operations

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Entity: Societatea Nationala de Gaze Naturale ROMGAZ S.A.
County: 32--SIBIU
Address: MEDIAŞ, 4 C.I. Motaş Square, tel. +40374401020
Registration Number in the Trade Register: J32/392/2001
Form of Property: 26- Companies with both state and private capital foreign and domestic (State capital >=50%)
Main activity (CAEN code and denomination): 0620—Natural Gas Production
Tax Identification Number: 14056826

The undersigned,

RĂZVAN POPESCU as Chief Executive Officer and

GABRIELA TRÂNBIȚAȘ as Chief Financial Officer,

hereby confirm that according to our knowledge, the annual financial statements for the year ended December 31, 2024, prepared in accordance with the International Financial Reporting Standards, as adopted by the European Union, and Order of Ministry of Public Finance no. 2844/2016 for the approval of Accounting regulations in accordance with International Financial Reporting Standards, offer a true and fair view of the assets, liabilities, financial position, statement of profit and loss of the Group and that the Board of Directors' report comprises a fair analysis of the development and performance of the Group, a description of the main risks and uncertainties specific to its activity and it is prepared in accordance with the european sustainability reporting standards. The Company is a going concern.

Chief Executive Officer,	Chief Financial Officer,
RĂZVAN POPESCU	GABRIELA TRÂNBIȚAȘ