

To: S.N.G.N Romgaz SA , General Meeting of Shareholders

REQUEST FOR APPROVAL

for the procurement of legal consulting, assistance and/or external representation services, in the context of the submission of a request for annulment of Commission Delegated Regulation (EU) 2025/1477 of 21 May 2025 and Commission Decision (EU) 2025/1479 of 22 May 2025

Background:

On June 29, 2024, (EU) Regulation 2024/1735 on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem and amending Regulation (EU) 2018/1724 (Net-Zero Industry Act). Among other things, this law aims to contribute to the development of an EU market for CO₂ storage services.

Net-Zero Industry Act sets the EU target of reaching an injection capacity of 50 million tonnes of CO₂ per year. All storage sites must be designed to operate for at least five years, to comply with the free and open access principles and not to be used to intensify hydrocarbon recovery. To reach this target by 2030, the law imposes EU oil and gas producers to contribute to the development of operational CO₂ geological storage sites in EU, proportional to the volumes produced between 2020 and 2023.

Commission Delegated Regulation 2025/3218 establishes the formula to calculate the contribution of entities, including the production threshold below which entities are excluded from the contribution and Decision No. 3222/2025 sets the obligation to ensure a storage capacity for 2030 for 3 Romanian companies, as follows:

- (a) OMV PETROM SA - allocated quota of 5880 Mtpa (the 2nd quantity at EU level);
- (b) ROMGAZ S.A. - allocated quota of 4120 Mtpa (the 3rd quantity at EU level);
- (c) BLACK SEA OIL&GAS S.A. - allocated quota of 250 Mtpa (the 40th quantity at EU level).

In total, the required Romanian companies must cover 10.250 Mtpa, i.e. 10.25 million tonnes of CO₂ to be stored annually out of the 50 million tonnes that NZIA proposed to cover - meaning more than **20% of the storage objective**, whereas Romania, as a state, and even more so the three required entities, is **responsible for approximately 3% of the total CO₂ emissions** of the EU manufacture sector between 2020 and 2023.

The NZIA regulation also establishes an obligation for the required entities to submit a plan on how they intend to comply with the assigned obligation. Pursuant to Article 23 paragraph (6) of NZIA Regulation, this plan must be submitted by June 30, 2025 for projects that need to be operational by 2030.

Moreover, the NZIA regulation sets reporting obligations for required entities and an obligation for the Commission to analyse the implementation of NZIA Regulation by 2028 and to make proposals on the allocation of storage quotas. Member states also have a deadline to seek exemptions for required entities and have the obligation to approve sanctions for failure to comply with NZIA requirements.

Romgaz submitted the plan provided in Article 23 paragraph (6) of NZIA Regulation within the deadline and specified that, even though it takes steps towards decarbonisation of its activity through the adoption of a decarbonisation strategy and through approaching a staged analysis to identify reservoirs for CCS projects, the results of the analysis carried out by applying the methodology of selection of reservoirs with potential are not encouraging.

As a result, after indicating the steps that have been taken and the steps that will follow in the analysis of the opportunity to develop CCS projects, Romgaz firmly concluded that it has no possibility to fulfil its obligation under the NZIA Regulation by 2030. If anything, Romgaz position was constantly that it will not be able to develop a CCS project in the absence of a system of guarantees regarding filling of the storage space once it is created because it will not be able to obtain the required financing for such an investment.

According to publicly available information, Romania has an estimated CO₂ storage capacity of 514 Mt, almost equally divided between oil reservoirs and gas reservoirs. The responsibility for managing and capitalizing on this capacity is divided between the Romanian Government and the ANRMPSG (the National Regulatory Authority for Mining, Petroleum and Geological Storage of Carbon Dioxide).

GEO 64/2011 on geological storage of carbon dioxide was recently updated, in line with the recent amendments to the CCS Directive, but the normative act does not cover a variety of administrative and procedural aspects necessary for a CCS/CCUS project to be operational. The NZIA regulation provides for storage obligations and theoretic alternatives of fulfilment but not implementation ways.

Moreover, currently, Romania does not have national CCS/CCUS strategies and, up to now, no support schemes have been implemented to encourage the development of such projects on the local market.

Another aspect of major importance is the transport infrastructure. The existing gas transmission network in Romania cannot be used for CO₂ transportation considering the fundamental difference in the chemical and physical properties between the two substances as well as the associated structural integrity and safety risks. Consequently, reaching the CO₂ capture and storage targets requires the development of a dedicated CO₂ transportation network, designed and operated in accordance with specific technical and safety standards. Despite the CCS implementation potential (not by 2030 but in the future, when offshore reservoirs, currently in production, would be depleted), the absence of an adequate transportation network limits the feasibility of major CCS projects.

Therefore, the implementation of significant additional steps is required to commence development of CCS/CCUS technologies in Romania. Thus, the next stages must address (i) the need to update Petroleum Law No. 238/2004 to be fully in line with the implications of CCS operations, (ii) the identification of storage sites and potential emitters and the mapping of transportation routes through pipes, (iii) the establishment of a regulatory framework for the development of a CO₂ transportation infrastructure, including the chemical properties of transported CO₂, (iv) updating the secondary legislation so that the issuance of exploration and storage authorisations is possible, (v) the establishment of methods to convert goods related to petroleum activities in assets used for the geological storage of carbon dioxide, (vi) the establishment of an efficient communication strategy at national and local level with the authorities and the public, as well as (vii) the provision of viable sources of financing for such projects.

Taking into consideration that the norms established to identify the entities required to bring a contribution, including the threshold below which entities are exempted from such contribution, exceed the mandate granted under Article 23 paragraph (1) of (EU) Regulation 2024/1735 of the European Parliament and of the Council on establishing a framework of measures for strengthening Europe's net-zero technology manufacturing ecosystem ("NZIA Regulation") are applied in a manner that can lead to distortion of competition it is preferable to initiate an action aimed at annulling the Delegated Regulation No. 1477/2025 on supplementing (EU) Regulation 2024/1735 of the European Parliament and of the Council by providing the norms on the identification of authorised oil and gas producers that are required to contribute to the Union target regarding the CO₂ available injection capacity by 2030, on the calculation of their respective contributions and their reporting obligations ("Delegated Regulation") in its entirety.

In relation to these aspects, Romgaz formulated and submitted to the Court of the European Union a request to annul the Delegated Regulation (EU) 2025/1477 of 21 May 2025 and the Commission Decision (EU) 2025/1479 of 22 May 2025.

Considering the complexity of the European legislation and the specificities of the procedures of the European Union institutions, a specialized expertise in European Union law is required, which cannot be efficiently covered in-house.

The main purpose of the procurement is to protect Romgaz interests in a complex legal context, with international and European implications. An efficient defence implies:

- Strategic legal consultancy, to anticipate risks and to formulate solid positions;
- Legal assistance to draw up procedural documents, including notifications, applications, responses to actions or comments sent by European institutions;
- Qualified legal representation in front of international and European institution.

Against the above mentioned, we consider that it is necessary to initiate the procurement of legal consulting, assistance and/or representation services required in the context of formulating a request to annul the Delegated Regulation (EU) 2025/1477 of 21 May 2025 and the Commission Decision (EU) 2025/1479 of 22 May 2025.

Legal Context:

- The provisions of GEO No. 26 of June 6, 2012 on measures for reducing public expenses and strengthening financial discipline, and for amending and supplementing certain normative acts:

“Article I

(1) Public authorities and institutions of the central and local public administration, irrespective of how they are financed and subordinated, national companies and commercial companies fully state owned or having the state as major shareholder as well as autonomous regies having in their organizational structure legal advisors are not allowed to procure legal consultancy, assistance and/or representation services.

(2) In duly justified situations, when legal consultancy, assistance and/or representation services required by the public authorities and institutions mentioned at paragraph (1) cannot be provided by the legal advisers employed by said entities, such services can be procured in compliance with the law only upon the approval of:

a) the main credit release authorities for public institutions and authorities of central public administration;

(3) In duly justified situation, when legal consultancy, assistance and/or representation services required by national companies, trade companies and autonomous regies mentioned at paragraph (1) cannot be provided by the legal advisers employed by said entities, such services can be procured in compliance with the law only upon the approval and mandate of state or administrative-territorial units representatives in their management bodies:

a) the main credit release coordinating authority, in case of companies fully state owned or having the state as major shareholder;”

It is important to note that the procurement of legal services is exempted from the provisions of Law No. 99/2016 on sector specific procurements under the provisions of Article 37 paragraph 1) letter d) and paragraph 3) in compliance with the principles underlying the award of sector contracts.

Considering all the above, we kindly ask you to vote the request for approval of the procurement of legal consulting, assistance, and/or external representation services in the context of the submission of a request for annulment of Commission Delegated Regulation (EU) 2025/1477 of 21 May 2025 and Commission Decision (EU) 2025/1479 of 22 May 2025, as endorsed by article 15 from HCA 83/22.10.2025.

Draft Resolution:

''The General Meeting of Shareholders approves the procurement of legal consulting, assistance, and/or external representation services to support the interests of the company in the context of the submission of a request for annulment of Commission Delegated Regulation (EU) 2025/1477 of 21 May 2025 and Commission Decision (EU) 2025/1479 of 22 May 2025.''

CHAIRMAN OF THE BOARD OF DIRECTORS
Dumitru Chisăliță

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CFO
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