



**COMPANIA NATIONALA "ADMINISTRAȚIA PORTURILOR MARITIME" - S.A. CONSTANȚA**  
**[NATIONAL COMPANY MARITIME PORTS ADMINISTRATION S.A. CONSTANTA]**

*Port Premises, Maritime Station, 900900 Constanța, Romania*

*Trade Register no.: J13/2308/1998; Fiscal registration number RO11062831; TIN: RO11062831*

*Share capital: RON 323,311,340*

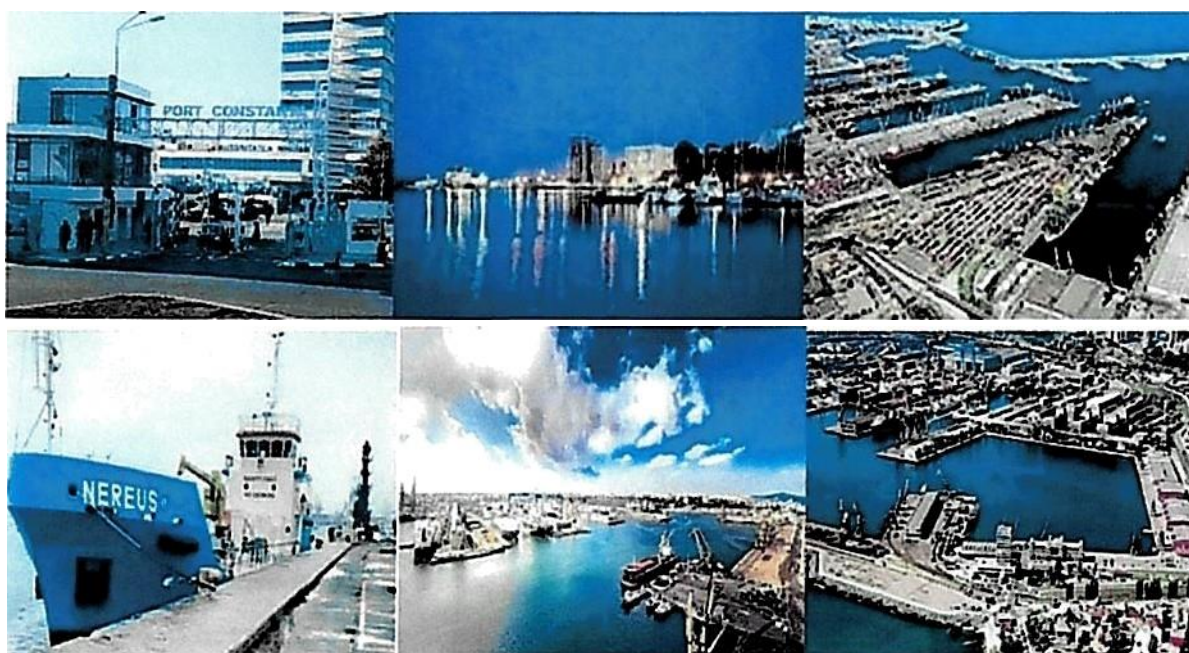
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## DIRECTORS' REPORT

### C.N. ADMINISTRATIA PORTURILOR MARTIME S.A. CONSTANTA

2022



## I. LEGAL FRAMEWORK

The Directors' Report for 2022 was prepared in accordance with the provisions of GEO no. 109/2011 on the corporate governance of public entities, approved as amended by Law no. 111/2016.

The applicable **general legal framework** includes:

- Law no. 31/1990 on trading companies, republished, as subsequently amended and supplemented;
- Government Ordinance no. 26/2013 on strengthening financial discipline in case of economic operators in which the state or territorial-administrative units are sole or majority shareholders or directly or indirectly hold majority equity interests, as subsequently amended and supplemented;
- Emergency Ordinance no. 109/2011 on the corporate governance of public entities, as subsequently amended and supplemented;
- Law no.235/2017 on amending and supplementing Government Ordinance no. 22/1999;
- Law no. 227/2015 on the Fiscal Code.
- Ordinance no. 64/2001 on the distribution of profit within fully or majority state-owned national companies and trading companies, as well as within autonomous public entities, as subsequently amended and supplemented;
- Order no. 1802/2014 of the Minister of Public Finance approving the Accounting Regulations on annual financial statements and annual consolidated financial statements, as subsequently amended and supplemented.

## II. IN BRIEF

Compania Națională Administrația Porturilor Maritime SA

Constanța - in brief:

	2021	2022	%
Turnover (thsnd. RON)	418,906	479,165	114,4
EBITDA (thsnd. RON)	201,404	178,752	88,8
Gross profit (thsnd. RON)	154,629	141,695	91,6
Rate of profit (%)	36.91	29.57	80.1

Total assets (thsnd. RON)	1,397,957	1,578,484	112.9
Total own equity (thsnd. RON)	944,687	1,025,748	108.6
Total liabilities (thsnd. RON)	348,297	399,264	114.6
Total assets / Total liabilities	4.01	3.95	98.5

Investments (thsnd. RON)	141,429	185,492	131.2
Own equity / Total assets (%)	67.58	65.00	96.2
Rate of debt (%)	9.12%	6,4%	71.7

## III. COMPANY'S PRESENTATION

Name of Company:	C.N. ADMINISTRATIA PORTUROLOR MARITIME SA CONSTANTA („CN APM SA”)
Registered office:	PORT PREMISES, MARITIME STATION, CONSTANȚA, ROMANIA
Telephone/fax number:	0241.611.540 / 0241.619.512
Registered with the Trade Register	11062831
Office under Fiscal ID	
Index number at Constanța Trade Register	J13/2308/1998
Subscribed and paid-in share capital	RON 323,311,340
Scope of business	ANCILLARY SERVICES INCIDENTAL TO WATER TRANSPORTATION NACE CODE 5222

Compania Nationala Administratia Porturilor Maritime SA Constanța (CN APM SA ) is a joint-stock company conducting mainly activities of national public interest, organized, and operating based on economic management and financial autonomy, in accordance with the laws in force and its memorandum of association stipulated in Government Decision 517/1998, as amended and supplemented by GD no. 464/2003 and supplemented by GD no. 597/2009.

Compania Nationala Administratia Porturilor Maritime SA Constanța operates as the port authority for the Romanian maritime ports of Constanța (Constanța, Midia and Basarabi areas), Mangalia and for the Tomis tourist port. In this capacity, it pursues the development of the maritime ports it has under administration, with an emphasis on efficiency, safety and sustainability. The three components are embedded in the objectives pursued by CN APM SA: the effective use of infrastructure, the provision of the best conditions to access and exit ports, the provision of a healthy investment climate, drawing in international logistics chains, etc.

CN APM SA has the following subordinated branch offices:

- Port Energy Branch: Port Premises, berth 16 building, no. 11.10.1010, Constanța County
- Port Services Branch: Port Premises, administrative building, no. 11.17.004, Constanța County
- Port Technical Vessels Branch: Port Premises, berth 0 building, no. 11.12.078, Constanța County
- Constanța Sud and Basarabi Free Areas Branch: Port Premises, administrative building, PIER I South, Constanța County

In fulfilling its scope of business, CN APM SA uses both its own assets and assets belonging to the state public domain, pursuant to a concession contract. The assigned contracts primarily consist in the infrastructure of the Romanian maritime ports. The property items subject to the concession contract concluded with the Ministry of Transportation, registered in the records under no. MM/2714/2001 (up to 31.10.2008), as well as to contract no. LO/4113/31.10.2008, are located on the premises of the maritime ports on the Black Sea coast. In this respect, the company pays to the state royalty amounting to 3% of the revenues obtained from operating the property items that belong to the state public domain.

The report for 2022 was drawn up based on the financial statements drawn up and audited in accordance with the Romanian accounting regulations compliant with the European directives as approved by Order no. 1802/2014 of the Romanian Ministry of Public Finance.

## IV. ECONOMIC ACTIVITY

1. The company's total revenues, comprising operating income and financial income, for 2022, amount to RON 541,333 thsnd., indicating a 18.1% increase compared with the previous year and a 9.5% increase compared with the budget (see table no.1):

	Executed 2021	Scheduled 2022	Executed 2022	% year	Thsnd RON % program
Total revenues, of which:	458,176	494,485	541,333	118.1	109,5
Operating income	439,819	472,741	510,427	116.1	108,0
Financial income	18,357	21,744	30,906	168.4	142,1

**Table no. 1 Total revenues**

- 1.1. Revenues from operating activities (see table no.2):

	Executed 2021	Scheduled 2022	Executed 2022	% year	Thsnd RON % program
Operating income	439,819	472,741	510,427	116.1	108.0
Turnover	418,906	450,112	479,165	114.4	106.5
Penalty-based income	8,164	9,315	15,942	195.3	171.1
Revenues from investment subsidies	8,449	8,460	8,184	96.9	96.7
Other operating income	3,214	308	5,108	158.9	1702.7
Revenues from European projects	1,086	4,554	2,028	186.7	44.5

**Table no. 2 Revenues from operating**

The income from exploitation realized in 2022 is RON 510,427 thousand, with an increase of 16.1% compared to RON 439,819 thousand as in 2021 and with an increase of 8.0% compared to the budget provisions, having the following structure:

- income from the basic activity (turnover), in the amount of RON 479,165 thousand, compared to RON 418,906 thousand as in 2021 (+14.4%), taxed from providing services to ships (access, building, pool, etc.), buildings (land, administrative spaces, warehouses, platforms, etc.), utilities (electricity, thermal energy, water);
- other income from exploitation, in the amount of RON 31,262 thousand, which sums up the income from fines and penalties (RON 15,942 thousand), subsidies for investors (RON 8,184 thousand), income from European projects (RON 2,028 thousand) and other income (RON 5,108 thousand).

We will mention that the company's total operating income also comprises Revenues from European projects, amounting to RON 2028 thsnd., according to the Annual financial statements. Within the budget implementation, these are included in a separate chapter of Annex 1.

### 1.1.1. Turnover

In 2022, the turnover occupies the most significant share (93.9%) in the total operating income, with an amount of RON 479,165 thousand.

The turnover registered by CN APM SA in 2022 is 14.4% higher than the previous year and 6.5% higher than the 2022 budget, as presented in table no. 3:

Indicators	Thsnd RON				
	Executed 2021	Scheduled 2022	Executed 2022	% year	% program
Turnover	418,906	450,112	479,165	114.4	106.5

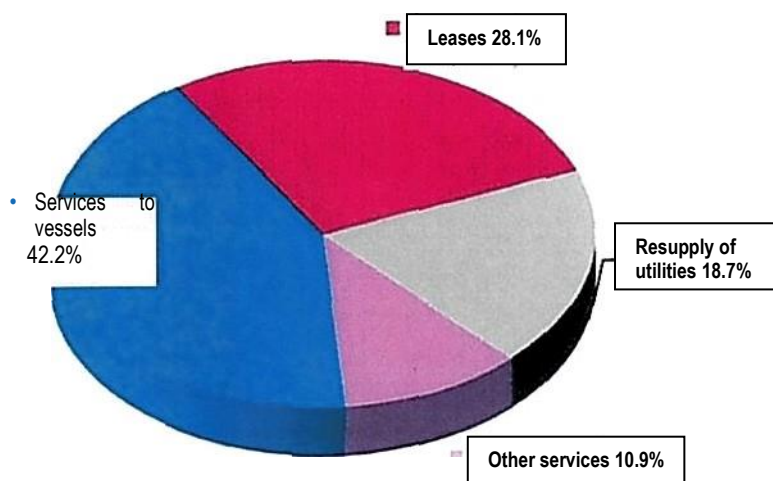
**Table no. 3 Turnover**

In 2022, in contrast to the previous year, each significant category of income that is included in the calculation of the turnover will register a higher value, with the exception of income from services, where the proportion is 98.7% (table no. 4).

Indicators	Thsnd RON		
	Executed 2021	Scheduled 2022	%
Turnover	418,906	479,165	114.4
Provisions of services related to vessels	174,909	202,304	115.7
Leases	136,708	134,867	98.7
Resupply of utilities	68,995	89,736	130.1
Other services	38,294	52,258	136.5

**Table no. 4 Turnover structure**

The share of each revenue category within the total revenues is visually rendered in the following chart:



**Chart no. 1 Share of each revenue category within the total revenues from services**

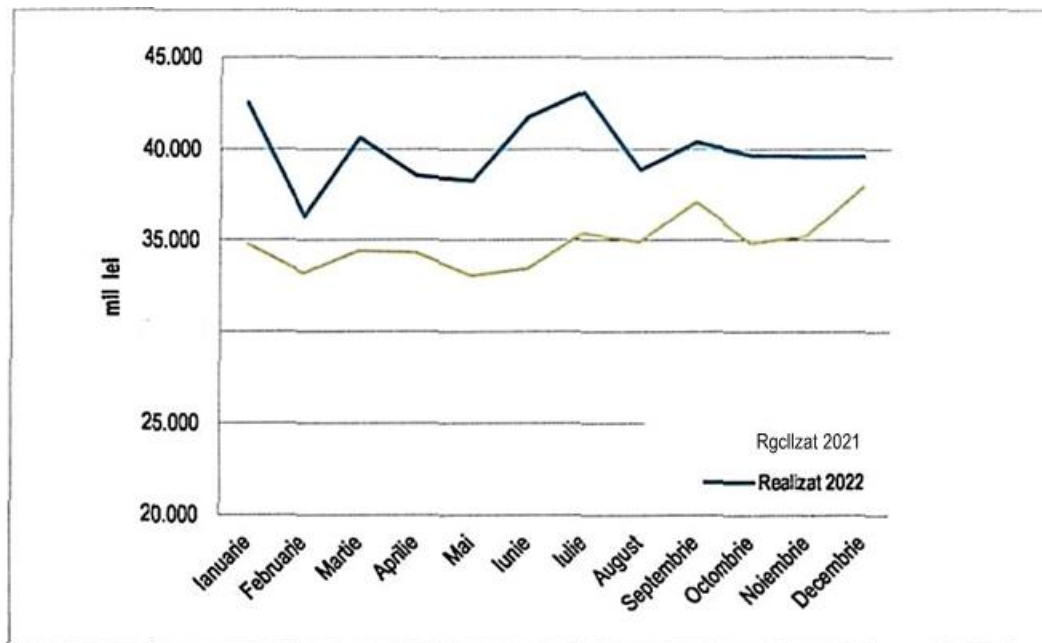
**Monthly evolution of turnover during 2021-2022 (table no. 5)**

	Executed 2021	Executed 2022	Thsnd. RON %
Turnover	<b>418,906</b>	<b>479,165</b>	<b>114.4</b>
January	34,815	42,503	122.1
February	33,221	36,307	109.3
March	34,433	40,625	118.0
April	34,343	38,523	112.2
May	33,109	38,276	115.6
June	33,471	41,727	124.7
July	35,420	43,100	121.7
August	34,916	38,856	111.3
September	37,117	40,388	108.8
October	34,862	39,661	113.8
November	35,266	39,605	112.3
December	37,933	39,165	122.1

**Table no. 5 Monthly evolution of turnover**

As it can be seen, compared with 2021, for each month of 2022 turnover registers a higher value.

Graphic representation of the turnover's monthly evolution for the years 2021-2022:

**Chart no. 2 Monthly evolution of turnover**

**1.2. The financial income** achieved in 2022 is in value of RON 30,906 thsnd. and, within them, the highest share (73.7%) belongs to the revenues from foreign exchange gains. Foreign exchange transactions were influenced by a multitude of both financial and commercial factors, however, the careful management of the structure of deposits secured a balance in achieving the financial revenues (see table no.6):

	Executed 2021	Scheduled 2022	Executed 2022	Thsnd. RON % year	Thsnd. RON % program
Financial income	18,357	21,744	30,906	168.4	142.1
Interest income	2,910	2,808	5,136	176.5	182.9
Foreign exchange revenues	15,256	18,934	22,787	149.4	120.3
Other revenues	191	2	2,983		

**Table no.6 Financial income**

**2. The total expenditure** recorded in 2022 is in value of RON 399,638 thsnd., registering an increase of 31.7% compared to 2021 (+ RON 96,091 thsnd.), and to the budget with 1.7% (+ RON 6,675 thsnd.) (see table no. 7):

	Executed 2021	Scheduled 2022	Executed 2022	Thsnd. RON % year	Thsnd. RON % program
Total expenditure	303,547	392,963	399,638	131,7	101,7
Operating expenses	299,182	375,581	378,898	126,6	100,9
Financial expenses	4,365	17,382	20,740	475,1	119,3

**Table no. 7 Total expenditure**

### **2.1. Costs from operating activities**

The **costs from operating activities** incurred in 2022 amount in total to RON 378,898 thsnd., indicating a 26.6% increase compared with 2021, and a slight increase of 0.9% to the budget with the following structure (see table no. 8):

	Executed 2021	Scheduled 2022	Executed 2022	Thsnd. RON % year	Thsnd. RON % program
Operating expenses	299,182	375,581	378,898	126.6	100.9
Inventory costs	61,330	110,6R4	86,118	140.4	77.8
Third-party service costs	59,427	81,643	67,513	113.6	82.7
Expenses with taxes, duties and levies	9,464	10,177	10,690	113.0	105.0
Staff expenditure	116,301	143,591	135,248	116.3	94.2
Other operating expenses	51,574	24,922	77,301	149.0	310.2
Expenses with European projects	1,086	4,554	2,028	186.7	44.5

**Table no. 8 Costs from operating activities**



In the structure, the expenses that exceed the budget for 2022 are the expenses with:

- taxes and duties (+5%), the excess being registered to the royalty expenses for the concession of public goods and mineral resources;
- other operating expenses (+210.2%), the excess is caused by the increased level of provisions made in 2022.

**Inventory expenses** are composed of raw materials, consumables, inventory items, energy and water and are in the amount of RON 86,118 thousand, with an increase of 40.4% compared to 2021, falling within the 2022 budget.

**The expenses regarding the services performed by third parties** in 2022, in the amount of RON 67.513 thousand, register a 13.6% increase compared to 2021 and fall within the 2022 budget, repairs executed by third parties having a signified importance in the framework.

An overview of the **repairs executed by third parties** carried out in 2022, compared with those of 2021 and the budget, is presented in table no. 9:

	Executed 2021	Scheduled 2022	Executed 2022	Thnsnd. RON % year	% program
Repairs performed by third parties	12,454	19,000	15,813	127.0	83.2

**Table no. 9 Repairs**

OBJECTIVES	Thnsnd. RON 2022
Current repairs of Vasile Pistolea uneven road passage	4,516
Planned repairs to the marine signaling system	2,168
Maintenance dredging in maritime stations	1,488
Work to strengthen roads and platforms with concrete linings	1,365
Underwater inspections with divers in the harbor's piers and quays	321
Maintenance services of railway lines, track devices and derailment shoes in the Port of Constanța	775
Equipment maintenance services for hybrid centralization installations (Siemens and CED) at Constanța Port CF station ZONE C	603
Maintenance work of roads and traffic platforms with asphalt clothing in maritime ports	801
Mechanized filling, crushed stone replenishments, wooden sleeper replacements, dowel drilling of concrete sleepers at Constanța Port Area C and Constanța Ferry-Boat railway stations	655
Providing inspection, maintenance and repair services for motor vehicles	410

**Table no. 10 Repairs executed by third-party**

The category of third-party services performed also includes the expenses of perimeter protection, maintenance, security, administrative services related to the perimeter system of the port (RON 30,191 thousand), postal expenses and telecommunication fees (RON 2,291 thousand), expenses regarding legal services (RON 1,072 thousand), expenses of sanitation (RON 1,131 thousand), cleaning of administrative, special, and general service areas (RON 898 thousand), representative expenses (RON 345 thousand), fees paid to various bodies (RON 245 thousand), etc.

**Expenses with taxes, duties and levies** amount in total to RON 10,690 thsnd. and comprise royalties for duties, for the concession of public property and mineral resources (RON 7,357 thsnd.) and other local taxes, duties and levies (RON 3,288 thsnd.).

**Personnel connected expenditure** amounted at the end of 2022 to RON 135,248 thsnd., which comprise salaries and wages, expenses pertaining to the contract of mandate, social security and welfare costs, special funds and other legal obligations.

**Other operating expenses** register a value of RON 77,301 thsnd. in 2022 and comprise: expenses related to fixed assets (RON 967 thsnd.), other expenses (RON 4,220 thsnd.), amortizations of tangible and intangible assets (RON 37,120 thsnd.), impairment adjustments and provisions (RON 34,994 thsnd.), etc.

We should mention that the total amount of the company's operating expenses also comprises expenses from European funds, in total amount of RON 1,2,028 thsnd., according to the Annual financial statements.

## 2.2. Financial expenses

The financial expenses in the amount of RON 20,740 thousand are mainly the result of unfavorable differences in the exchange rate and record an excess of the budget by 19.3% (+ RON 3,358 thousand) and a substantial excess of the value of the previous year by 375.1% (+RON 16,358 thousand), volatility on the market significantly influencing the financial result. (see Table no. 11):

	Executed 2021	Scheduled 2022	Executed 2022	% year	Thsnd. RON %
Financial expenses	4,365	17,382	20,740	475.1	119.3
Costs from foreign exchange differences	4362	17,377	20,735	475.4	119.3
Other financial expenses	3	5	5	166.7	100.0

**Table no. 11 Financial expenses**

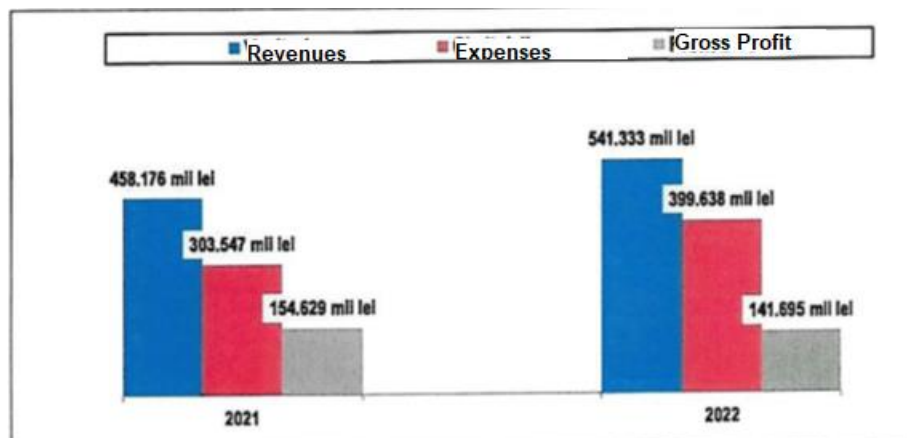
## 3. Gross outturn

The volume of activities carried out throughout 2022 of C.N. APM S.A., materialized as economic indicators: revenues, expenses and gross outturn, compared with 2021, is presented in Table no.12:

	Executed 2021	Scheduled 2022	Executed 2022	% year	Thsnd. RON %
Total revenues	458,176	494,485	541,333	118.1	109.5
Total expenditure	303,547	392,963	399,638	131.7	101.7
Gross profit	154,629	101,522	141,695	91.6	139.6

**Table no. 12 Revenues, expenditure and gross outturn**

Graphic representation:



**Chart no. 3 Revenues, expenditure and gross profit**

Although the company's total revenues increased in 2022 by 18.1% compared to the previous year, because the level of expenses registered a higher increase than revenues (+31.7%), this fact led to the achievement of a gross result lower by 8.4% than the one in the previous year. Compared to the budget, the realized profit increased by 39.6%, the indirect effect being the fact that the proportion in which the revenues increased compared to the budget (+9.5%) is higher than the rate in which the expenses increased (+1.7%).

For the gross profit structure, see table no. 13.

	Executed 2021	Scheduled 2022	Executed 2022	Thsnd. RON % year	% program
Gross profit	154,629	101,522	141,695	91.6	139.6
Operating profit	140,637	97,180	131,529	93.5	135.4
Financial profit	13,992	4,362	10,166	72.7	233.1

**Table no. 13 Gross profit structure**

#### 4. Analysis of the main economic indicators

##### 4.1. EBITDA

The EBITDA indicator achieved in 2022, amounting to RON 178,752 thsnd., registered a 11.2% decrease compared with the previous year (RON -22,652 thsnd.), whereas the gross profit rate decreased by 19.9% (*Table no. 14*):

	Executed 2021	Executed 2022	Thsnd. RON %
Net profit	130,461	114,511	87.8
Corporate income tax	24,168	27,184	112.5
Interest	0	0	n/a
Adjustments & Amortization	46,775	37,057	7.2
EBITDA	201,404	178,752	88.8
Revenues from output sold	418,906	479,165	114.4
Gross profit	154,629	141,695	91.6
Gross profit rate %	36.9%	29.6%	80.1

**Table no. 14 Economic indicators****4.2. Liquidity**

The status of receivables for the years 2021 and 2022, depending on their seniority, is presented in *Table no. 15*:

Year	Indicators	Balance	Age groups					Thsnd. RON
			1-30 days	31-60 days	61-90 days	91-120 days	More than 120 days	
2021	Trade receivables	106,706	24,723	3,369	2,396	2,044	74,174	
	Current receivables	24,723	24,723					
	Outstanding receivables	81,983		3,369	2,396	2,044	74,174	
	Adjustments*	4,350						
2022	Current receivables	99,554	26,894	2,462	196	186	69,816	
	Current receivables	26,894	26,894					
	Outstanding receivables	72,660		2,462	196	186	69,816	
	Adjustments**	1,001						

**Table no. 15 The status of receivables**

\*) In 2021, of the total receivables amounting to RON 106,706 thsnd., RON 81,983 thsnd. represent outstanding receivables. Following the adjustments amounting to RON 4,350 thsnd. brought to the receivables, are payment rescheduling and invoices with their due dates in January 2022, the amount of outstanding receivables was RON 77,633 thsnd..

\*\*) In 2022, of the total receivables amounting to RON 99,554 thsnd., RON 72,660 thsnd. represent outstanding receivables. Following the adjustments amounting to RON 1,001 thsnd. are payment rescheduling and invoices with their due dates in January 2023, the amount of outstanding receivables was RON 71,659 thsnd..

At the end of 2022, the level of outstanding receivables registered a lower volume with RON 5,974 thousand compared to the previous level and also fell within the level established until 2022. Outstanding receivables as of 31.12.2022, in the amount of RON 71,659 thousand, is caused by the difficulties in recovering them, due to the systematic refusals to pay by some clients of the CN APM S.A. of ongoing proceedings in insolvency and bankruptcy situations.

Customer **turnover** decreased by approx. 11 days, indicating a reduction of the receivable collection period, whereas supplier turnover decreased by approx. 4 days from the previous year (see table no. 16):

	Executed 2021	Executed 2022	%
Customer turnover (days)	89.54	78.56	87.7
Supplier turnover (days)	13.24	9.07	68.5

**Table no. 16 Customer and supplier turnovers**

**Liquidity** was maintained within reasonable parameters, being well above the minimum safety limits (current liquidity with the safety ratio = 2 and Spot liquidity or the Acid test with the safety ratio = 1), as presented in Table no. 17:

	Executed 2021	Executed 2022	%	Minimum safety level
Current liquidity	10.12	9.62	95.0	2.0
Spot liquidity	10.07	9.55	94.9	1.0

**Table no. 17 Liquidity indicator**

It is important to also mention that CN APM SA Constanta does not have any arrears.

#### **4.3 Risk indicators**

The company's rate of debt decreased by 28.4% compared to 2021, reaching 7%, as opposed to the minimum safety level of 30% (see table no. 18):

	Executed 2021	Executed 2022	%	Minimum safety level
Rate of debt (%)	0.09	0.07	71.6	30.0

**Table no. 18 Rate of debt**

#### **4.4. Labor productivity**

Labor productivity expressed in value units, and obtained by the company during the 2022 financial exercise showed an increase by 15.0% compared to 2021, following a well-thought use of human resources and particular attention paid to placing the indicator within the budget limits (table no. 19):

	Executed 2021	Executed 2022	%
Labor productivity (thsnd. RON/person)	493.51	567.41	115.0

**Table no. 19 Labor productivity**

## IV.COMMERCIAL ACTIVITY

### 1. Freight traffic

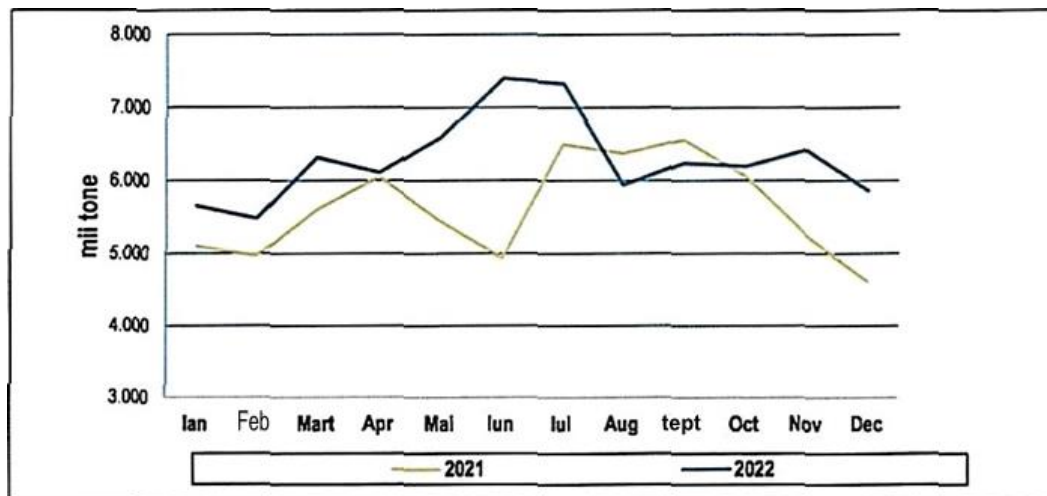
Within the commercial activity, freight traffic is the main revenue generator which leads to a strong correlation between the company's core activities.

In 2022, as opposed to 2021, freight traffic registered an increase by 8,055 thsnd. tons (+11.9%), the monthly evolution being presented in table no. 20:

	2021	2022
Thsnd. tons		
<b>Total maritime and inland waterway traffic</b>	<b>67,484</b>	<b>75,538</b>
January	5,099	5,648
February	4,975	5,476
March	5,608	6,318
April	6,054	6,109
May	5,440	6,592
June	4,937	7,402
July	6,513	7,329
August	6,370	5,942
September	6,518	6,244
October	6,096	6,196
November	5,248	6,422
December	4,626	5,860

**Table no. 20 Monthly evolution of freight traffic during the 2022-2021 period**

In the chart below we present the evolution of monthly (maritime and inland waterway) traffic in 2022 vs 2021:



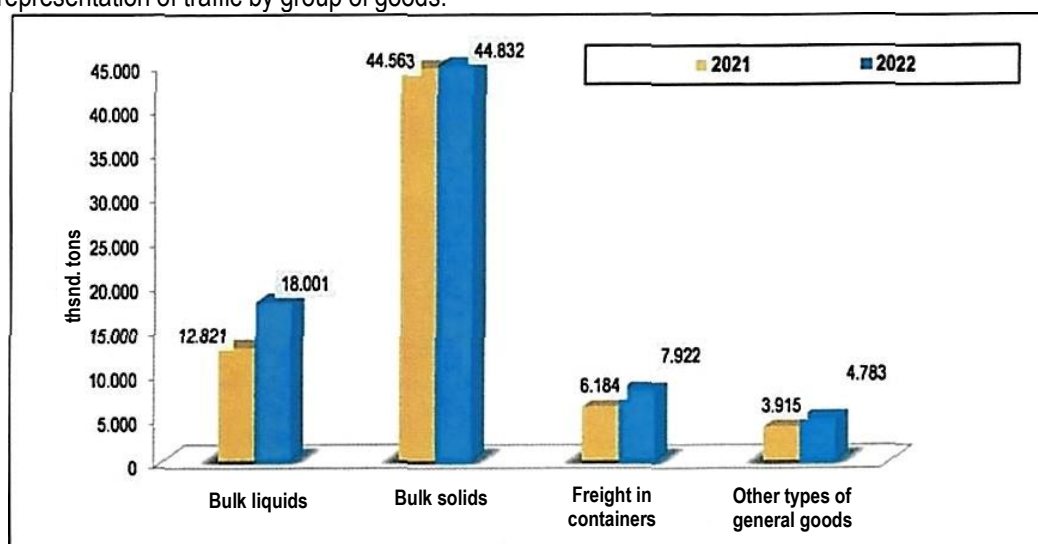
**Chart no. 4 Evolution of monthly (maritime and inland waterway) traffic, 2022 vs 2021**

Traffic by main freight category (bulk liquids, bulk solids, containers, general goods) in 2022 vs 2021 appears as follows (see table no. 21):

	2020	2021	Thsnd. tons %
Total maritime and inland waterway traffic	67,483	75,538	111,9
Bulk liquids	12,821	18,001	140,4
Bulk solids	44,563	44,832	100,6
Freight in containers	6,184	7,922	128,1
Other types of general goods	3,915	4,783	122,2

**Table no. 21 Comparative evolution of total traffic 2022 vs 2021**

Graphic representation of traffic by group of goods:



**Chart no. 5 Traffic by group of goods for the years 2021-2022**

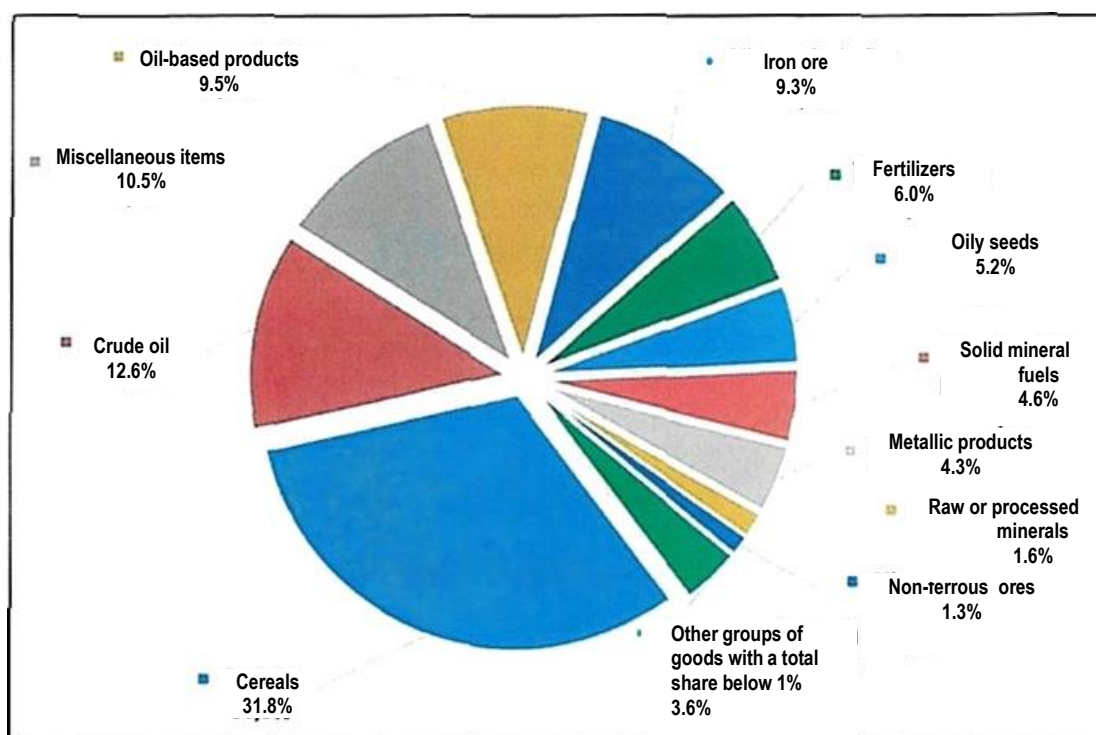
Freight traffic structured by main group of goods (see table no. 22):

	2020	2021	Thsnd. tons %
Total operated freight	67,483	75,538	111.9
Cereals	25,175	24,011	95.4
Crude petroleum	6,715	9,513	141.7
Miscellaneous items	6,197	7,940	128.1
Oil-based products	5,439	7,202	132.4
Iron ore	4,766	7,002	146.9
Fertilizers	4,103	4,507	109.8
Oily seeds	2,205	3,741	169.7
Solid mineral fuels	3,439	3,482	101.3
Metallic products	2,503	3,226	128.9

Raw or processed minerals	893	1,224	137.1
Non-ferrous ores	3,150	954	30.3
Other groups of goods with a total share below 1%	2,898	2,736	94.4

**Table no. 22 Total operated freight by group**

### Share of the main groups of goods



**Chart no. 6 Share of the main groups of goods within the total traffic**

The freight traffic analyzed by operated group of goods emphasizes the fact that in 2022, as opposed to 2021, there is a significant increase in traffic in the case of certain groups of goods with a significant share within the total traffic, namely:

- crude oil, with a share in total traffic of 12.6, registered an increase of 41.7% (+2,798 thousand tons);
- oil products group, with a share in total traffic of 9.5%, registered an increase of 32.4% (+1,763 thousand tons);
- iron ores, with a 9.3% share in traffic of goods, registered an increase of 46.9% (+2,236 thousand tons);
- fertilizers, with a share of 6.0% in total traffic of goods, registered an increase of 9.8% (+404 thousand tons);
- oilseeds, with a share in total traffic of goods of 5.0%, registered an increase of 69.7% (+1,536 thousand tons);
- metal products, with a share of 4.3% in total traffic of goods, registered an increase of 28.9% (+723 thousand tons).

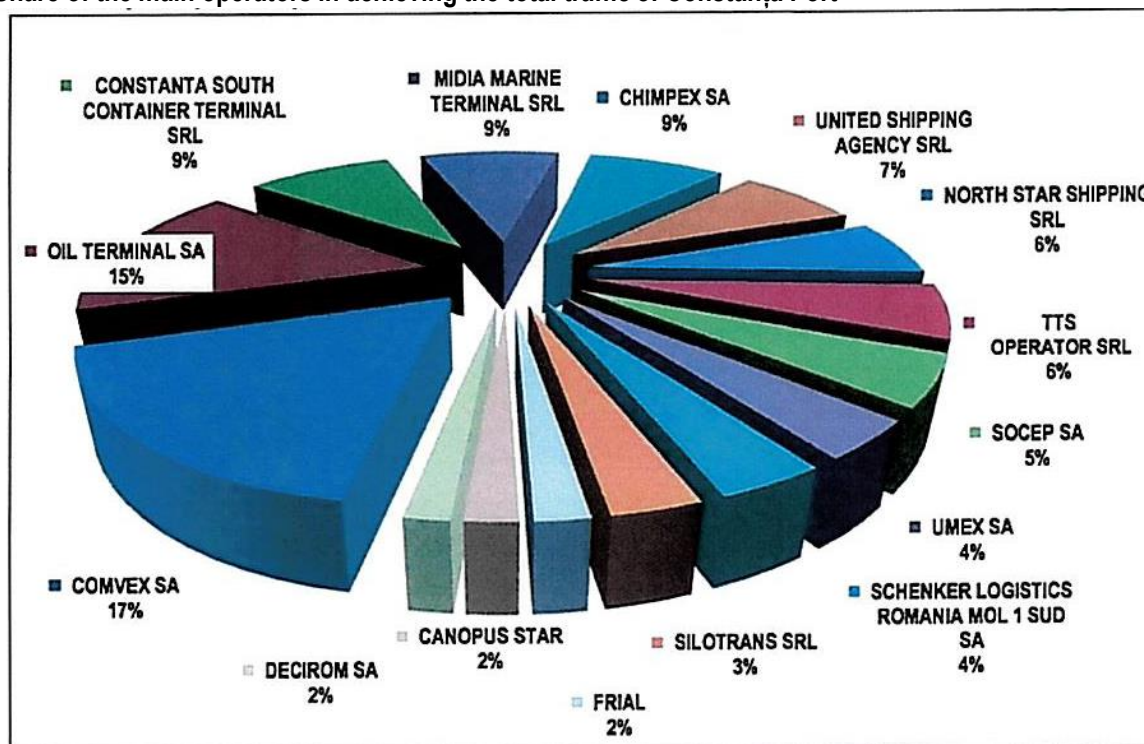


Freight traffic achieved by the main port operators (see table no. 23):

	Thsnd. tons	
	2021	2022
<b>Total traffic of goods, of which:</b>	<b>67,483</b>	<b>75,538</b>
COMVEX SA	11,045	12,337
OIL TERMINAL SA	7,124	10,861
CHIMPEX SA	5,185	6,433
UNITED SHIPPING AGENCY SRL	5,293	6,225
MIDIA MARINE TERMINAL SRL	5,561	6,114
CONSTANTA SOUTH CONTAINER TERMINAL SRL	5,396	5,210
NORTH STAR SHIPPING SRL	5,036	4,478
SOCEP SA	4,296	4,199
US OPERATOR SRL	4,325	3,747
SILOTRANS SRL	2,781	2,729
UMEX SA	1,725	2,653
SCHENKER LOGISTICS ROMANIA MOL 1 SUD SA	3,319	2,153
CANOPUS STAR	454	1,298
DECIROM SA	1,181	1,221
OTHER OPERATORS < 1%	957	1,077

*Table no. 23 Total operated freight by group*

Share of the main operators in achieving the total traffic of Constanța Port

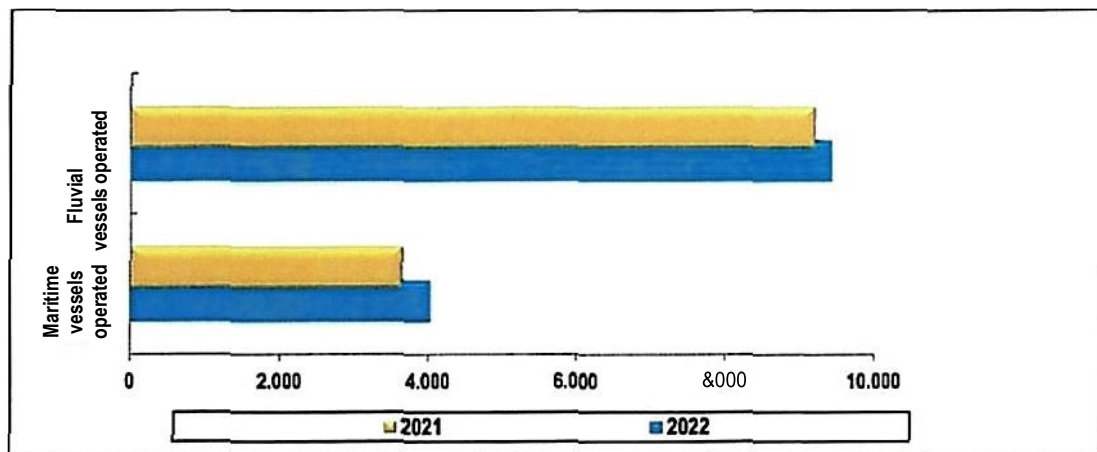


*Chart no. 7: Share of traffic on port operators in 2022*

The freight traffic achieved in Constanța Port is in close correlation with the number of maritime and fluvial transportation vessels making port calls as part of operation (loading/unloading), which is highlighted in table no. 24 and chart no. 7, respectively:

	No. of vessels	
	2021	2022
Maritime vessels operated	3,657	4,039
Fluvial vessels operated	9,205	9,419

**Comparative evolution, 2022 vs 2021, of the number of operated vessels:**



**Chart no. 8 Comparative evolution of the number of operated vessels**

## 5.2 Analysis of the deliverables rendered for vessels

CN APM SA handles the pricing of the deliverables and services rendered by CN APM for the account of the vessels carrying the Romanian or a foreign flag and calling / stopping in the Romanian maritime ports. At the same time, manages Agent and Ship-owner contracts, any agreements on fishing boats, as well as contracts for maneuvering towage of maritime vessels.

### **A. Pursuant to Agent contracts valid over the 01.01-31.12.2022 period, CN APM SA provided:**

- the use the port infrastructure in Constanța (Constanța area, Midia area and partially Basarabi area) and Mangalia, for the entry/exit and the stopping of vessels represented by the Agent, in line with the domestic and international legal provision in effect and the provisions of the contracts, using the tariffs and the implementation requirements published on the CN APM portal, at [www.portofconstantza.com](http://www.portofconstantza.com);
- the services expressly stated in the Tariff Conditions for the vessels represented by the agent, using the tariffs and the conditions stipulated in said Tariff Conditions;
- the safe navigation service for maritime and sea/fluvial vessels, intended for the vessels represented by the agent, rendered by CN APM's navigator corps and/or by means of specialized and certified Agents, as the case may be, to whom CN APM SA has granted the right to render such services;
- the safe maneuvering towage service for maritime and sea/fluvial vessels, intended for the vessels represented by the agent, rendered by means of specialized and certified Agents to whom CN APM SA has granted the right to render such services. These safety services may be enjoyed by any type of vessel bearing a maritime or sea/fluvial class;

- anti-pollution dam installing services for vessels represented by the agent, which have handled hydrocarbons/oil-based products in the oil-based terminals of Constanța port (Constanța area, Midia area), using the tariffs and conditions stated in the Tariff Conditions published on the CN APM portal. All the vessels that handle hydrocarbons by using maritime ports are bound to use anti-pollution dam, which are to be properly installed so as to avoid/prevent polluting the port waters in cases of accidental or controlled discharges of oil-based products/hydrocarbons.

- vessel waste and household waste pick-up services for vessels represented by the agent, which called or operated in one of the Constanța (Constanța area, Midia area and partially Basarabi area) and Mangalia ports, using the tariffs and conditions stated in the Tariff Conditions. Picking up the waste and household waste from the vessels constitutes a release for free circulation, in accordance with the provisions of art. 79 in Regulation (EEC) no. 2.913/1992 of the Council from October 12, 1992 establishing the Community Customs Code.

Between 01.01-31.12.2022, there were 108 ongoing agent contracts of which 100 extended de jure and 8 newly concluded). Furthermore, 9 contracts were ceased, leading to a number of 99 valid agent contracts as at 31.12.2022.

**B. Pursuant to ship-owner contracts valid over the 01.01-31.12.2022 period, CN APM SA provided:**

- use the port of Constanța infrastructure (Constanța area, Midia area and partially Basarabi area) and Mangalia, for the entry/exit and the stopping of the Ship-owner's vessels, in line with the domestic and international legal provision in effect and the provisions of the contracts, using the tariffs and the implementation requirements published on the CN APM portal, at [www.portofconstantza.com](http://www.portofconstantza.com);

- the services expressly stated in the Tariff Conditions for the Ship-owner's vessels, for a fee, using the tariffs and the conditions stipulated in said Tariff Conditions;

- the safe navigation service for maritime and sea/fluvial vessels, intended for the Ship-owner's vessels, rendered by CN APM's navigator corps and/or by means of specialized and certified Agents, as the case may be, to whom CN APM SA has granted the right to render such services;

- the safe maneuvering towage service for maritime and sea/fluvial vessels, intended for the Ship-owner's vessels, rendered by means of specialized and certified Agents to whom CN APM SA has granted the right to render such services. These safety services may be enjoyed by any type of vessel bearing a maritime or sea/fluvial class;

- anti-pollution dam installing services for the Ship-owner's vessels, which have handled hydrocarbons/oil-based products in the oil-based terminals of Constanța port (Constanța area, Midia area), using the tariffs and conditions stated in the Tariff Conditions published on the CN APM portal. All the vessels that handle hydrocarbons by using maritime ports are bound to use anti-pollution dam, which are to be properly installed so as to avoid/prevent polluting the port waters in cases of accidental or controlled discharges of oil-based products/hydrocarbons;

- vessel waste and household waste pick-up services for the Ship-owner's vessels, which called or operated in one of the Constanța (Constanța area, Midia area and partially Basarabi area) and Mangalia ports, using the tariffs and conditions stated in the Tariff Conditions. Picking up the waste and household waste from the vessels constitutes a release for free circulation, in accordance with the provisions of art. 79 in Regulation (EEC) no. 2.913/1992 of the Council from October 12, 1992 establishing the Community Customs Code.

During the 01.01 – 31.12.2022 period, there were 60 ongoing ship-owner contracts, of which 53 extended de jure and 7 concluded and signed within the reported interval. Furthermore, 4 contracts were ceased, leading to a number of 56 valid ship-owner contracts on 31.12.2022.

**C. Pursuant to agreements on fishing boat fees and charges, valid over the 01.01-31.12.2022 period,** CN APM SA provided, for a fee, the use of the port infrastructure on the premises of Constanța port – Midia area, for the entry/exit and the stopping of legally owned fishing boats, not exceeding 20 m in length, in accordance with the domestic and international legal provisions in force.

During the 01.01 – 31.12.2022 period, there were 15 ongoing agreements on fishing boat fees and charges, of which 14 extended de jure and 1 concluded and signed within the reported interval. Furthermore, within the reported interval no convention was ceased, so that on 31.12.2022, 15 agreements on fishing boats were valid.

**D. Pursuant to maritime vessel maneuvering towage contracts, valid over the 01.01-31.12.2022 period,** CN APM SA granted to operators the non-exclusive right to render the safe maneuvering towage service for maritime vessels in Constanța (Constanța area, Midia area and partially Basarabi area) and Mangalia.

Between 01.01 to 31.12.2022, 3 contracts for the towing of sea vessels in Constanța Port (Constanța area, Midia area, Mangalia area and finally Basarabi area) were in progress, of which 2 contracts were extended by additional act and 1 contract extended de jure, and 1 contract for maneuvering towage of maintenance vessels under repair or construction in the Midia Shipyard (extended by additional act). We note that during the reported period, there were not perfected or signed contracts for the towing of vessels, so that on 31.12.2022 there were 4 valid towing contracts for the maneuvering of marine vessels.

For all of the above-mentioned contracts, the equivalent value of the deliverables and the services was secured by means of the issuance of performance bonds (letter of bank guarantee, guarantee transferred to a current guaranteed account of CN APM, deposit placed into a collateral account made available to CN APM), according to the contractual clauses.

During the 01.01 – 31.12.2022 period, there were 22,688 expense statements issued for deliverables rendered in regard to vessels (maritime, fluvial, and technical).

### 5.3 Analysis of lease activities

Lease contracts for port infrastructure and superstructure are awarded by auction and direct purchase, in accordance with the legislation in force and internal regulations.

The contracts managed are:

- a) property rental contracts (public domain land, platforms, warehouses, administrative spaces, cranes, crane tracks, railway equipment, etc.);
- b) verbal procedures for the use of goods (public domain lands, platforms, warehouses, administrative spaces, etc.);
- c) association contracts (regarding mobile assets from the patrimony of CN APM SA);
- d) land and immovable property concession contracts;
- e) loan agreements.

In the procedures for awarding public domain land through auctions and direct award, **57 evaluation reports** were commissioned (replaced by ANEVAR approved by CN APM SA) <sup>1</sup>.

#### • Direct acquisitions of land in the public domain

The direct acquisition procedure took place, although the companies that acquired this right to complete lease contracts through this method, due to the fact that they bought goods, have become superstructure owners.

28 public domain land lease contracts were completed by direct award, of which 21 contracts for a period of 6 months <sup>2</sup>.

### • Public domain land auctions

In 2022, were registered **78 applications for renting public land** under a public tender procedure, for which the possibility of renting through a public auction was analyzed according to the law and the work instructions (internal correspondence to the specialized and external departments, rentability analysis studies).

All rental requests were analyzed (through the lens of the internal points of view requested from specialized departments) and, as a consequence, correspondence was conducted with the applicants (negative opinions were sent to some of them as part of the analysis, for another part of the requests, the analysis of the rental opportunity is in progress, and other applicants gave up the request).

**12 auction procedures were held for 11 plots** (two auction procedures were organized for one of the plots) and 11 land lease contracts were completed for a total area of 21,187.60 sqm.

### • Administrative spaces/sheds

In 2022, 76 rental requests were registered for warehouse spaces/lots owned by CN APM SA. Following the auction session, **69 rental contracts** were completed, and 5 requests were materialized in contracts as part of the direct award procedure (4 contracts for a period of max. 3 months and one contract for a period of 5 years, according to the framework contract), under the Regulation regarding the division of administrative and storage spaces, other than platforms, owned by CN APM SA, which supports the reconciliation in individual functional spaces and the worship of several economic operators.

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<sup>1</sup> In all of the documents, the evaluation forms used in the rent negotiations according to the contractual conditions or the revaluation of the public domain land for the companies that have not signed the contract for the construction of the land under the contract are also included.

<sup>2</sup> 16 contracts have ceased, and this area was not put up for auction because 15 contracts were signed with companies in Tomis Port (still remaining tenants of TOMIS MARINA MANAGEMENT SRL), and 1 contract (with CONSTANTA SOUTH CONTAINER SRL) who no longer wanted to use the area (it had been rented in an emergency regime due to the situation in the area - the war in Ukraine).

On 31.12.2022, there were 483 contracts (lease, concession and association) in progress and 41 situations in which companies use assets owned by CN APM SA or the state, without contractual regulations, these being in various stages of negotiation, litigation (including evictions) or bankruptcy.

Throughout 2022, were concluded:

- 484 additional documents to the ongoing contracts

-113 rental contracts, of which 28 contracts with a validity of less than 5 years and 85 contracts with a validity between 5 and 33 years.

Out of the total, 39 contracts regulate the lease of public domain land (11 contracts by auction adjudication, 7 contracts by direct assignment and 21 contracts by direct assignment for 6 months), and 74 are real estate lease contracts owned by CNAPM SA (64 contracts by adjudication at Auction and 10 contracts by direct acquisition).

At the same time, throughout 2022, **21 lease contracts were terminated**, of which 16 lease contracts for public domain land (direct lease for a maximum of 6 months) and 5 lease contracts for CN APM SA goods (administrative spaces, warehouses, platforms, etc.).

## VI. THE DEVELOPMENT ACTIVITY

Investments play a significant part in the rehabilitation, upgrading and development of existing facilities.

For 2022, the company scheduled investments amounting to RON 190,258 thsnd. and executed RON 185,492 thsnd. (97.5%), 97.5% from own sources and 99.2% from other sources, that include investments from European funds, as follows (table no.25):

	Executed 2021	Program 2022	Executed 2022	Degree of program execution %	Thsnd. RON Degree of execution % year
Investment financing sources, of which:	141,429	190,258	185,492	131.2	97,5
Own sources	61,671	136,117	132,748	215,3	97,5
Budget allowances for investments	0	1,459	505	n/a	34,6
Other sources, of which:	79,758	52,682	52,239	65,5	99,2
<i>European Regional Development Fund - ERDF</i>	3,175				
- Large Infrastructure Operational Program - LIOP	43,679	30,169	29,964	68.6	99.3
- Connecting Europe Facility - CEF	12,173	3,116	2,879	23.7	92.4
- Transfers for rehabilitation (rates, interest)	20,731	19,397	19,396	93.6	100

**Table no. 25 Investments in 2022**

## 6.2 Own sources

The main investment objectives fulfilled by employing own sources in 2022 (see table no. 26):

Thsnd. RON	
OBJECTIVES	2022
Repairs of the North Port Constanta Pier and the organization of the execution of the works	40,266
Constanta and Midia pier repair works	32,841
Modernization of electricity distribution infrastructure in Constanta Port Connection fee + COFINANCING	6,191
Works of RK Overpass Gate 5 and modernization of the lighting network	4,895
Design + Execution of works RK Pedestrian Footbridge Gate 2	2,694
Works of RK quay Berth 63, Port Constanta and the organization of the execution of the works	2,274
Work of RK Overpass at Gate 4 and the organization of the execution of the works	1,925
Works of RK quay Berth 38, Port Constanta and the organization of the execution of the works	1,420
Operation platform and transfer containerized goods	1,211
CCTV monitoring system of the objective "Road bridge at km 0+540 of the Danube Canal - Black Sea", parking lot 10 Bis and platform of berths 98-99	1,101
Modernization of outdoor lighting electrical networks - Execution: Lot 1 - Modernization of street lighting network on Mol 2S router passage Lot2 - Modernization of the perimeter lighting network on the East and West sides, RO R0 Terminal Precinct, Berth 120 - Port Constanta South Lot3 - Modernization of the outdoor lighting network from Radacina Mol 1S Lot4 - Modernization of the lighting network Access gate no. 10, Port Constanta South Lot5 - Modernization of the outdoor lighting network PT 6 - Gate no. 5	1,322
PT+ Execution - Modernization and expansion of the water supply network at Berths 85 - 99	2,326
The implementation of the second phase of the integrated sensor system for the special monitoring of the behavior in operation of the construction' Road bridge over CDMN at km, 0+540', according to project 12127-DE-POD-2013	1,128
Modernization work of the broad embankment – Berth 0	2,224
Design and construction of two multifunctional technical vessels	3,874

**Table no. 25 – Main investments from own sources**

## 6.4 EUROPEAN PROJECTS

As part of the development activity throughout 2022, the projects carried out with European funds are distinctly significant, the achievements being as follows:

## 6.3.1 PROJECTS IN IMPLEMENTATION WITH FINANCING FROM LIOP 2014-2020

No.	Name of project	Financial stage	Deadline	Stage of achievement
1	<p>Expansion of the existing traffic road at Gate 10 to 4 lanes</p> <p>Cod SMIS: 139378</p> <p><u>Financing contract no. 100/25.05.2021</u> Value: RON 59,923,500 CN APM SA Contribution: RON 127,500</p> <p><u>Design contract + execution of works</u></p> <p>Completed on 15.07.2021 Value: RON 33,686,881.60 (before VAT) Duration: 24 months (4 months design and 20 months execution) + 60 months warranty period</p> <p><i>Contractor: Asocierea SC Acvatot SRL - SC OMNI CONSTRUCT LOGISTIC SRL- SC SIRIUS PROIECTARE STUDII SRL – SC DIMEX – 2000 COMPANY SRL</i></p> <p><u>Contract for services' supervision concluded on 13.12.2021</u> Value: RON 1,005,102 (without VAT) Duration: 85 months (24 months execution + 1 month reception's organization + 60 months warranty period) Supervisor: TPF INGINERIE SRL</p>	Financial stage 47.48%	August 2023	<p><u>Financing contract:</u> Additional act no. 1/11.03.2022- To be completed with annex 6 - Stage indicators, according to order MTI no. 1419/24.11.2021 Additional act no. 2/04.08.2022— the eligible / ineligible value of FC is updated + the reimbursement schedule is updated, including price adjustments within each category of eligible expenses, the update of the value of the invoices related to the 9/25 "cash flow expenses with the purchase of fix assets, inventory items, consumables", update mode "Information on applicant"</p> <p><u>Design &amp; execution contract</u> Execution stage: 50% Commencing date for the contract -02.08.2021. Obtained Building Authorization for works: 48/17.01.2022; Obtained Building Authorization for OS: 282/23.83.2022; Signed the Minute of handing over the site 24.03.2022.</p> <p><b>Stage on 31.11.2022:</b></p> <ul style="list-style-type: none"> <li>• installation of discharge pipe PEHD Dn 560mm, 400mm, 160mm</li> <li>• installation of the gravity sewer line Dn 315 mm</li> <li>• road traffic diversion on Section 1</li> <li>• implementation of telecommunications network - optical fiber</li> <li>• notification of claim - domestic sewerage deficiencies existing in the area adjacent to the works sent on 25.11.2022.</li> <li>• Regarding the Notice of Claims, the Supervisor sent an address to the Contractor requesting the General Designer to evaluate the situation and send a solution. The designer submitted a solution in draft form, which needs to be discussed during the January 2023 progress meeting.</li> </ul> <p><b>Supervision services contract</b> Contact in progress. The contractor reviews monthly the report on the status of the works, and the supervisor adjusts his weekly schedule and allocates time to monitor the works according to the communicated schedule</p>



No.	Name of project	Financial stage	Deadline	Stage of achievement
2	<p><b>Modernization of distribution of electricity infrastructure in Constanta Port</b></p> <p>Code SMIS: 140396</p> <p><b>Financing contract no. 125/23.11.2021</b>  <b>Value: RON 113,390,408.47</b>  <b>CNAPMSA contribution: RON 20.43 thnds.</b></p> <p><b>Design + execution of works contract</b>  Concluded on 26.11.2021  Value: RON 46,863,325.65 (without VAT)  Duration: 32 (4 months of design and 28 months of execution of works) + 60 months (warranty period)</p> <p><b>Contractor :Asocierea SC ELECTROMONTAJ SA - SIEMENS</b></p> <p><b>ENERGY SRL – ENEVO GROUP SRL</b></p>	Financial stage 18.80%	August 2024 (According to the contract) December 2023 (according to the estimates)	<p><u>Financing contract:</u>  Additional act no. 1/11.03.2022-To be completed with Annex 6 - Stage indicators according to MTI order no. 1419/24.11.2021  Additional act no. 2/18.10.2022 - Modifying values for certain categories of eligible expenses as well as the merging of all non-eligible expenses related to the objective. Connection level (connection tariff regime)</p> <p><u>Design &amp; execution contract</u>  Physical stage: 18.91%, (actual physical stage of the contract 25% - includes the equipment tested in the factory, ready for delivery in the first quarter of 2023)  Contract's starting order - 21.12.2021.  The works were executed on several fronts, according to the execution schedule:</p> <p>Electric station:</p> <ul style="list-style-type: none"> <li>• construction works and metal structure assembly works at the GIS Building 110 KV;</li> <li>• construction works at Command Building;</li> <li>• construction works at transformer tanks; making foundations for external 110 KV equipment;</li> <li>• construction works for cable channels at station 110 KV;</li> </ul> <p><u>20 KV underground electric lines:</u></p> <ul style="list-style-type: none"> <li>• construction works for the 20 KV grid on sections 4-14, 18-20, 22-32, 50-56;</li> </ul> <p><u>Transformation positions:</u></p> <ul style="list-style-type: none"> <li>• construction of foundations PT Faraj Marin</li> </ul> <p><u>Equipment:</u></p> <ul style="list-style-type: none"> <li>• the equipment related to the GIS Station are stored in the spaces owned by the Beneficiary, namely the Energy Branch Ports and Storage Supply</li> </ul> <p><u>Works on the connection tariff:</u></p> <ul style="list-style-type: none"> <li>• from the information transmitted by E-Distributie, according to the execution contract, the works to be executed on the connection tariff are in progress</li> </ul>

No.	Name of project	Financial stage	Deadline	Stage of achievement
3	<p>Supervision services' contract concluded on 20.09.2021 Value: RON 1,086,060 (without VAT) Duration: 94 months</p> <p><b>Supervisor: SC VENTURO INVESTMENTSRL</b></p> <p>Extension of the quays 10 and 12 of the berths in the Midia Zone, including consolidation behind the quays</p> <p>Code SIMS: 153124</p> <p><u>Financing contract no. 149/13.07.2022</u> Value: RON 82,947,750.24 (including VAT) Design + execution of works contract Concluded on: 12.07.2022 Value: RON 51,193,073.37 (without VAT) Duration: 24 months (3 months design and 21 months for execution of works) + 36 months (faults notification period)</p> <p>Contractor: Association ABC VAL SRL &amp; BETOANE si PREFABRICATE SRL &amp; ALMMA CONTRACTORS GROUP SRL</p> <p>Supervision of services' contract concluded on 12.07.2022 Value: RON 1,414,376.00 (excluding VAT) Duration: 62 months (from commencement of order)</p> <p><b>Supervisor: SC TPF INGINERIE SRL Bucharest</b></p>	Financial stage: 0%	2024	<p><u>Supervision Services Contract</u> The supervisor carries out its activity in accordance with the contractual agreement for the provision of services.</p> <p>Physical stage: design in progress Current stage: PAC documentation obtained CTE Approval of CN APM SA no. 192/16.12.2022</p> <ul style="list-style-type: none"> <li>• Issued Construction Authorization no. 522129.12.2022 for Permanent Works</li> <li>• Documentation for obtaining the Urban Planning Certificate for the organization of the site has obtained the CTE Approval of CN APM SA no. 193/16.12.2022 and the Urbanism Certificate for the Organization of the District is to be signed at Năvodari City Hall.</li> <li>• in the week of 16.01-20.01.2023, the Technical Project will be submitted in final and complete form to be given for analysis and study to the departments of CN APM SA, with a view to approval by the CTE; The documentation for obtaining the Environmental Approval for O.S. is currently being prepared.</li> <li>• Additional Act no. 1/55206/23.12.2022 to the works contract was signed, regarding the establishment of the Good Execution Guarantee through successive renewals.</li> </ul> <p>The contractor submitted 3 Claim Notifications to which he did not submit the Details of the Claim within the contractual term of 30 days</p>

No.	Name of project	Financial stage	Deadline	Stage of achievement
				<p>Description:</p> <p>within the Master Plan of the Constanta Port, for the Midia area, the objective "Strengthening the current position of the Midia Port in the Black Sea region and the European transport system" Project. Extending the quays of berths 10 and 12 in the Midia area, including reinforcements behind berths is promoted as part of a complex phased project of modernization for the infrastructure of the Midia area and its alignment with European standards. The development of the mooring infrastructure presents a practical utility and enables an added value to the functionality of the area, in general through the development of a transport node for petroleum products and liquid goods as well as a cluster for related services and providers of maintenance of oil equipment.</p> <p>Within the project, berth 10 will be extended with a berth of blocks, over a length of 53.90 m, perpendicular to the existing quay, and it will be completed to the edge of berth 9 with a slope with blocks to protect the berth pier 9. Thus, new territories will be created for the exploitation of the Midia area. In order to ensure the access of ships to the wharf, dredging works are necessary to ensure the depths of 6 mdMN both along the wharf and on the access channel with a sufficient blade for handling the ships. Extension of berth no. 12 involves the creation of a quay founded from prefabricated concrete blocks, over a length of 306 m, as well as dredging steps for the excavation of depths of -8 md MN as much as along both the quay and the access channel with a sufficient width for handling the ships. The dredged material will be used for the fillings behind the discharge prism of the quay, to create the structure of the future platform. As part of the investment objective, works will also be carried out for connecting and providing utilities for ships (water supply and electrical energy).</p> <p>The technical and economic indicators were approved by the CTE - MTI with Approval no. 66/74/19.10.2021 and in CI with Opinion no. 52129.10.2021. The GD for the approval of the technical-economic indicators was approved by the Government on 16.02.2022.</p>

**Table no. 27 – Projects in progress with LIOP 2014-2020 financing**

## 6.3.2 PROJECTS TO BE IMPLEMENTED WITH CEF FINANCING

No.	Name of project	Financial stage	Deadline	Stage of achievement
1	PROJECT - Infrastructure modernization and environmental protection in Constanta Port  Financing contract no. INEA/CEF/TRAN/M 2015/1131569 between CN APM SA Constanta and INEA was signed on 24.10.2016.		31.05.2023	The project is financed by the CEF program. Amendment no. 5 to the GA was signed, to extend the validity of the Grant Agreement by 12 months, respectively from 31.05.2022 to 31.05.2023, when it is estimated that all the objectives and activities of the project will be completed. The ASR report for 2021 was approved by CINEA on 01.04.2022.
	Signaling system (lighthouses and buoys)	100%	2018	Contract value – RON 4,743,093 (without VAT) - completed Concluded on 22.12.2017 Duration 12 months SC Utilinavorep SA
	Tanker Nereus			Minutes of reception at the end of the works for the investment “Modernization of the signaling system in the port basins and on the navigable path - Port Constanta” no. 48641/06.12.2018  Contract value – RON 8,970,000 (without VAT) - completed, Nereus Ship entered into operation Concluded on 29.12.2017 Duration 18 months SC Navrom SY SRL Receipt report no. 50962/30.12.2020
	Mooring infrastructure for technical vessels and arrangement of platform superstructure (equipment + utilities) for services related to technical vessels <u>Design and execution contract</u> Value: RON 33,993,737 Order of commencing 04.07.2018 Duration 26 months Association SC Ave Tebia SRL - SC Consal Trade SRL - SC Aduro Impex SRL	10%- advance arrangement according to the contractual conditions	Sept 2020 2020	<u>Advance</u> The contractor elaborated the work situation no. 00/01.08.2018 in order to grant the advance in accordance with the contractual conditions.
	2.1. Extension of the DA2 quay	100%	2021	<u>Infrastructure</u> Value of infrastructure RON 16,158,908, 16 - completed and received

No.	Name of project	Financial stage	Deadline	Stage of achievement
	2.2. Construction of a station for the collection and treatment of waste from ships	53.08% compared to the value of the entire contract	2023	<p>Physical status: 66%</p> <ul style="list-style-type: none"> <li>• stage 2 in execution (superstructure).</li> <li>• Executed works (superstructure): Reinforcement, formwork pouring concrete basin B4;</li> <li>• Supply and unloading of laboratory containers + administrative area (3 pcs);</li> <li>• Reinforcement, formwork, and concrete casting basin B5;</li> <li>• Creation of pedestal for the equipment related to the treatment plant in the technological hall and the biological hall</li> <li>• supply and discharge of bilge separator (2 pcs)</li> <li>• Functional tests, training of the serving staff, as well as verification of the entry into the parameters of the treatment plant will be completed in the 2 months after the completion of the works</li> </ul> <p>It was obtained Urban planning certificate no. 635/05.03.2019 for the objective of the project "Platform superstructure development".</p> <p>The Agency for Environmental Protection issued the Decision of the framing stage no. 6321RP/01.07.2019 establishing the need to downgrade the environmental impact assessment procedure.</p> <p>Considering the fact that the urban planning certificate no. 635/05.03.2019 has expired, a new urban planning certificate was obtained for this objective, namely the urban planning certificate no. 1228/20.03.2020.</p> <p>Environmental opinion obtained on 15.06.2021. issued BP phase 1 - construction works within the superstructure and the start of work was issued on 07.01.2021.</p> <p>BP for the second stage of the superstructure was issued on 05.04.2022, the commencing order was issued on 14.04.2022. The final technological project was sent to the Beneficiary and the contractor on 12.05.2022. They had management meetings to identify a viable solution that would lead to the change of the leader of the Contractor's association, the correspondence was sent to the members of the association with the recommendation in this regard.</p>

				<p>Stage: The Contractor has informed the Beneficiary regarding the change of owner, namely Consal Trade replacing Ave Tebia, according to which AA2 was concluded to the association agreement which entered into force on 01.06.2022. In addition to this fact, the Contractor was requested to present an estimated execution graph, to transmit the PT for approval in the CTE, ordering equipment and renewing contractual guarantees, etc. The technological project was accepted by the Beneficiary and the engineer on 30.06.2022. The mobilization in the site has resumed, the conditions for ordering the main equipment of the treatment plant, including the payment of the advance by the Contractor to the supplier, have been concluded.</p>
	<p>2.3. Supervision of construction works (pt. 2.1 + 2.2) Value: RON 1,374,412.20 Concluded: 30.08.2018 Duration: 51 months</p> <p>Asocierea TPF INGINERIE SRL - TPF GETINSA EUROESTUDIOS SL</p>		Realized	<p>Taking into account the technical conflict between the Contractor and the engineer regarding the approval/rejection of the technical project for the infrastructure part, the fact that the engineer did not respond to the Beneficiary's requests regarding the identification of solutions to unlocking the situation and start the execution of works, it was decided to terminate the contract no. 35474/30.08.2018. In this regard, the notice of termination of the contract registered at CNAPM SA Constanta with no. 2515/13.03.2020, the termination taking effect within 15 days from the notification.</p> <p>After the termination of the contract for consultancy and supervision, design and execution of the works, the engineer's duties were exercised by CNAPM SA. For the selection of another engineer, there were four procedures, which were canceled due to lack of offers, receiving only some incorrect/inadmissible offers, etc.</p> <p><u>In addition to the aforementioned, it was decided that the monitoring of the superstructure works should be done by the beneficiary's team, including the co-opting of specialists (2 environmental experts) with experience in the implementation of wastewater treatment plant projects.</u></p>

No.	Name of project	Financial stage	Deadline	Stage of achievement
2	<p><b>E-COLD • Providing shoreside electrical power to ships at berthing in the Port of Constanta (Cold Ironing)</b></p> <p><b>Ensuring the electrical conditions for connecting ships to the quay in the Port of Constanta (Cold Ironing regime) in view of the interconnection to TEN-T for the implementation of the project EALING</b></p> <p><b>Financing contract: financing contract no. was signed with CINEA on 14.10.2022 under no.101079700 - 21- RO-TC-E-COLD</b></p>	0%	2025	<p>Project value 18.8 million euro including VAT Implementation duration: 36 months (1 January 2023 - 31.12.2025) of which 9 months design and 27 months execution.</p> <p><b>Description:</b> The project includes the implementation of works for the installation of cold-ironing technology for 10 berths in the Port of Constanta, in order to ensure the conditions for the energy supply of all types of ships at sea (cruise, RO-RO, ferry, multifunctional ships, bulk cargo ships, bulk carriers, etc.), regardless of size, supply voltage, frequency and power gain requested.</p> <p>The technical-economic indicators of the investment objective were approved by CTE MTI, the Ministerial Commission and ministerial order no. 91/19.01.2023.</p> <p>Steps were taken to include in PAAS 2023 the procurement procedures for the awarding of contracts for production and execution, respectively supervisory consultancy, following that by the end of February 2023 these will be completed.</p>

**Table no. 28 - Projects under implementation with CEF financing**

**6.3.3 MODERNIZATION AND DEVELOPMENT PROJECTS CONSIDERED FOR THE NEXT OPERATIONAL PROGRAM FOR TRANSPORT 2021-2027  
(IN STAGE OF PREPARING DOCUMENTS)**

No.	Name of project	Financial stage	Deadline	Stage of achievement
1	<p>The extension to 4 lanes of the road between Gate 7 and the junction with the "CDMN road bridge" objective with the road connecting Gate 9 and Gate 8 to the North area of Constanta Port</p> <p>The value of the estimate: General: Ron 179,262,678, the equivalent of 36 million euro (FS complex, route option 4) Total duration of the investment: 51 months, of which 45 months of execution and 9 months of design, of which 3 overlap with the period of execution</p> <p><b>Design contract no. 12415/14.03.2018</b> Issued b: TPF INGINERIE SRL - TPF GETINSA EURESTUDIOS SRL</p> <p>Design duration: 6 months (without approval period).</p> <p>- Duration of project's execution 36 months</p>	According to service contract	2027	<p>Current stage: FS+ACB completed; on 08.06.2022 the GD was approved related to the technical-economic indicators of the investment objective</p> <p>The Ministry of Finance approved with comments the draft GD for the approval of the work site and the initiation of the expropriation procedures, following that for their termination forms 1 and 23 to be sent again for the allocation of budget credits in 2023.</p> <p>The project financing request will be submitted under the Transport Program 2021-2027 Estimated submission date: June-July 2023 (depending on the opening of calls for projects)</p> <p>Description: The existing road that extends is located outside the Constanta Nord port, between the existing roundabout at the eastern end of the A4 highway and the P7 &amp; P9 access roads to the port. In order to restore the investment, expropriations are required according to Law no. 255/2010. The project will be carried out in 2 stages. In the first stage: a 4-lane road outside the port, with a length of 2.5 km, partial relocation of the port fence L= 800m and gate cabin 8, relocation of support pillars for the railway contact line, relocation of utilities (electrical cables, drinking water pipe, discharge pipe). In the second stage, an uneven road passage with a length of 420 m, a 2-lane road outside the port L = 0.7 km, a new roundabout and the rehabilitation of a roundabout will be built.</p> <p>A Route Study was developed that presents five route options. Considering the fact that the project involves the expropriation of land, belonging both to Constanta and Agigea city halls, and to private persons, the optimal route was analyzed from the point of view of minimal impact on the land, which would ensure a flow of traffic in the port. Field studies and expertise were carried out.</p>



No.	Name of project	Financial stage	Deadline	Stage of achievement
2	<p>The rehabilitation, modernization and expansion of the road infrastructure (roads, passages, including the road bridge over the connecting canal) and access in the Port of Constanta and the Midia area.</p> <p>SF/DALI area in the development stage by ADURO Impex SRL</p> <p>Duration of the SF development contract: 12 months (waiting periods for notices/agreements are not counted in the actual service term)</p>	According to service graphic	2027	<p>Up to now, funds have been paid only for the preparation of the project, the amounts necessary for the preparation of the feasibility study, ACB, cadastral, expropriation documentation and the financing application were provided from the own sources of CN APM SA Constanta (contract value RON 1,433,570 without VAT)</p> <p>Estimated value: Euro 100 million (without VAT)</p> <ul style="list-style-type: none"> <li>The following deliverables were handed over: Road survey, approved by CTE of CN APM SA on 14.03.2022; Field study; safety audit, approved by CTE of CN APM SA on 27.05.2022; Documents for obtaining Urban Planning Certificates, approved in CTE - CNAPMSA.</li> <li>All the requested approvals have been obtained, with the exception of the environmental one, APM is additionally requesting for the Constanta area to obtain the ABADL approval, the document has just been submitted and is under the approval procedure. For the Midia area, was obtained the Decision of the Inclusion Stage no. 499/22.11.2022, registered with the Beneficiary under no. 51926/06.12.2022.</li> </ul> <p>This project was decided to be registered under the technical assistance of Jaspers, in order to establish the final form of SF/DALI, ACB. Considering the fact that this is a major project, with an estimated value of over 75 million euro, JASPERS must issue a Concept Note before the final financing approval.</p> <ul style="list-style-type: none"> <li>on 08.12.2022, we had an online meeting with JASPERS-MTI-Beneficiary-Consultance, in which certain aspects of the draft completed at previous meetings were clarified. JASPERS will analyze in detail whether the maintenance of the bridge within this project is justified, considering the fact that there is no FS that analyzes the increase in the operating capacity by building specialized terminals on the artificial island.</li> </ul>

No.	Name of project	Financial stage	Deadline	Stage of achievement
3	<p>Investment dredging in Constanta Port (Constanta, Midia, &amp; Mangalia areas), including widening of the entrance</p> <p>• FS in the development stage by TPF INGINERIE SRL</p> <p>Duration of the SF development contract: 6 months (term of obtaining such approvals/agreements is not included in the calculation of the actual delivery time)</p>	According to services' graphic	2026	<p><b>Estimated value: 120 ml. euro</b></p> <ul style="list-style-type: none"> <li>The approvals were obtained, including the environmental approval for the Mangalia and Midia areas. For Midia it was submitted the last public announcement from the press, following which the notice will be issued (estimated end of October 2023). For the Mangalia area, the documentation was completed with the ABADL approval for the approval of the new dredged material storage area and CN APM SA sent the documentation to the National Agency for Protected Areas.</li> <li>The project benefits from the technical assistance of Jaspers for the necessary justification and the opportunity of financing the project within PT 2021-2027 and subsequently the stages regarding the approval of the Feasibility Study will be completed in the inter-institutional process.</li> </ul> <p>An online meeting was held with Jaspers experts, with the participation of all parties involved on 08.12.2022, during which the Project Note was updated by the Provider, and the ACB will be developed after the formal agreement of Jaspers.</p>
4	<p>Modernization of the electrical energy distribution infrastructure in Constanta Port - Stage II</p> <p>FS under development by ADREM INVEST SRL</p> <p>The duration of the FS development contract: 4 months (the period for drafting opinions/agreements is not included in the calculation of the actual delivery time)</p>	According to services' graphic	2026	<p><b>Estimated value: 100 ml. euro</b></p> <p>The revision 1 of the FS is prepared, taking into account the Beneficiary's requests regarding the revision of the costs related to the investment, by reducing the lighting works and transferring it to another project (road MP)</p> <ul style="list-style-type: none"> <li>FS revision 1 is being analyzed by the specialized departments of the Beneficiary, following the approval of the CTE of CN APM SA until the end of January 2023</li> </ul> <p><b>Implementation calendar:</b></p> <p>- FS approval quarter II 2023, project implementation 2024-2022</p>
5	<p>The development of railway capacity in the Fluvial - Maritime Sector of the Constanta Port - Phase II</p> <p>FS Under development by TPF INGINERIE SRL</p> <p>Duration of the FS development contract: 8 months (the waiting period for obtaining approvals/agreements is</p>	According to services' Graphic	2026	<p><b>Estimated value: 10 ml. euro</b></p> <p>The ABADL approval was obtained, the project being in the phase of obtaining the Environmental Approval for which the procedural steps are being complete.</p> <p>Shall convene the internal commission (CN APM SA Constanta, CNCFR SA, AFER) according to Order 880/2005, in order to</p>

	not included in the calculation of the actual delivery time)			establish the point of connection.
6	<p>Extension and modernization of the water and sewerage infrastructure I</p> <p>- FS under development by Proiect AIC SRL</p> <p>Duration of the FS development contract: 7 months (the waiting period for obtaining approvals/agreements is not included in the calculation of the actual delivery time)</p>	According to services' graphic	2026	<p>Implementation calendar: - approval of the 2023 quarter II FS, project implementation 2024-2026</p> <p><b>Estimated value: 24 million euro</b></p> <ul style="list-style-type: none"> <li>• Finalized and approved by the CTE APMC in December 2022</li> <li>• Preparation of the presentation note document for approval in the CTE MTI</li> </ul> <p>Calendar Implementation: - approval FS in IV quarter 2022, implementation of the POT2024-2026 project</p>
7	<p>Creation of quays in the Port of Constanta - Midia area, including filling behind the mooring buildings and systematization of the territory</p> <p>FS to be prepared by SC Consitrans SRL</p> <p>Duration of the FS development contract: 9 months (the waiting period for obtaining approvals/agreements is not included in the calculation of the actual delivery time)</p>	According to services' graphic	2027	<p><b>Estimated value: 75 ml. euro</b></p> <ul style="list-style-type: none"> <li>• it has been completed Stage II - elaboration of the design theme - approval CTE CN APM SA, no. 164/20.10.2022</li> <li>• It was also completed Stage II consisted in the elaboration by the designer of the Documentation for obtaining the Urban Planning Certificate. The documentation together with the supporting documents, after being approved by the CTE of CN APM SA, will be submitted to the Navodari City Hall.</li> <li>• The designer has submitted the Traffic Study and is preparing the studies related to the Feasibility Study (topo-geo) as well as the documents for obtaining the approvals.</li> <li>• the project benefits from technical assistance from Jaspers; on 08.12.2022 it was held an online meeting with JASPERS-MTI-Beneficiar-Consultanti, during which it was analyzed the Project Sheet updated by the Provider, including existing requests from some private companies to develop terminals in the Midia area of Constanta Port; during the discussions, Jaspers experts expressed their intention to visit the Midia area and hold discussions with possible investors, these discussions clarifying the justification of the need and opportunity for the development and financing of the project.</li> </ul>

No.	Name of project	Financial stage	Deadline	Stage of achievement
8	<p>Realization of a photovoltaic park – FS, ACB under development by SC Energy Design &amp; Consulting SRL</p> <p>Duration of the FS development contract: 3 months (the waiting period for obtaining approvals/agreements is not included in the calculation of the actual delivery time)</p>	According to services' Graphic	2025	<p><b>Estimated value: 7.5 ml. euro</b></p> <p>Current status: Certificate of urban planning issued by Constanta City Hall, all approvals and agreements have been obtained, except for the environmental one. Designed and framed by CNAPMSA Constanta to go through the environmental impact assessment procedure. APM requested on 12.10.2022 the completion of the submitted document with information regarding the monitoring of the non-confined garbage ramp, which is currently covered and remains open for the 30-year post-closure period. Additional centralized information files were sent to APM on 25.11.2022</p> <p>Estimated implementation calendar: FS approval, Q II 2023, project implementation 2024-2025</p> <p>The land area allocated for this project (photovoltaic panels, electrical cable routes and electrical switchboards) is 111,946 m<sup>2</sup>. The maximum installed power will be 5 MW, the photovoltaic park designed and located within the Constanta port will be connected to the utility plant existing in the transformation station under the management and operation of the Port Energy Branch within CN APM SA Constanta.</p> <p>The photovoltaic park contains all the facilities necessary for the production of electricity and the delivery of the 6 kV electricity to the utility facility, starting from the sources of electricity, the necessary cables with the related routes, including the medium voltage electrical network and the grounding installation.</p> <p>The current global context, in which climate changes are increasingly accentuated, imposes an increasing pressure for the use of clean technologies, which generate few emissions of greenhouse gases, especially CO<sub>2</sub>, which has a weight of two thirds of the total gases with effect was released in the atmosphere.</p> <p>A part of the energy needed for consumption in the maritime river area of the Port of Constanta can be created through the conversion of solar energy, through a photovoltaic power station, which will reduce</p>

				<p>the amount of energy purchased, the installation of this solar energy conversion system with photovoltaic panels represents a step in achieving the objectives proposed in Integral National Plan in the field of Energy and Climate Change 2021-2030, as well as the provisions of Directive (EU) 2018/2001 regarding the promotion of the use of energy from renewable sources.</p> <p>Current stage: the phase of obtaining approvals according to the Urbanism Certificate</p>
9	<p>Secured parking with parking lot, near the access from A4</p> <p>Duration of contract for FS development: 6 months (the waiting period for obtaining approvals/agreements is not included in the calculation of the actual delivery time)</p>	According to services' graphic	2027	<p><b>Estimated value of own works: 15-18 mil. euro</b></p> <p>Status: By BOD Decision no. 34431/16.08.2022, the necessity and opportunity to introduce in the REB 2022-2023 the amounts necessary for the preparation of the documentation was approved about RON 1,000,000.</p> <p>The procurement procedure has been completed, currently the contract for the provision of FS drafting services, approval documentation, expropriation documentation, ACB and Financial application is on the internal circuit for signing.</p>
10	Molls IIS si IVS from Constanta South Port		2030	<p>Current status:</p> <p>CN APM SA and MTI have confirmed GIF/IFC (Investment Division of the World Bank) the official request for financing through a technical assistance grant for the evaluation of the project by a multidisciplinary consulting team from the perspective of lending for implementation in PPP / works concession. The pre-feasibility study developed by World Bank experts will be completed by March 2023.</p>

**Table no. 29- Modernization and development projects planned for the next  
OPERATIONAL TRANSPORT PROGRAM 2021-2027**

## VII. HUMAN CAPITAL

### Employed personnel and salary fund

In 2022, staff employment and allocation by functional compartment took place in manner aimed at conducting business across the company in optimum conditions, in observance of the organizational set-up and the maximum number of personnel provided in the Revenue and Expenditure Budget. The salary fund used as at 31.12.2022 was RON 114,595 thsnd., representing 98.41 % of the annual salary fund proposed in the Revenue and Expenditure Budget for 2022, amounting to RON 116,448 thsnd.

### Professional training

Professional training is a skills upgrade method that can help amassing new knowledge and practical skills, while also being a continuous learning process. This manner of personal development for the employees represents a high-level investment in human capital, with an impact in terms of boosting the employees' level of professional competence and the quality of work across the Company. To that end, on a yearly basis and upon consulting the syndicates, the Company draws up the Professional training plan, by pooling from all the functional structures proposals on necessary training courses and programs.

During 2022, CN APM SA employees participated in various professional training programs, individual or in group, training programs, conferences, webinars, or projects funded through the European Erasmus program, courses and specialization programs organized by the Company or others professional formation services, both in the country and abroad.

327 employees participated in the professional training programs held between 01.01.2022 and 31.12.2022, these being organized both at the company's headquarters - in an online/in-person system, as well as in the locations organized by the professional training service representatives.

The main topics tackled were: *Management* (including: leadership, integrated management system, the internal managerial control system, prevention of, and fight against, corruption, money laundering prevention), *Internal Audit*, *Human Resources*, *Occupational Health and Safety*, *Prevention of fires – emergency situations*, *Trade (contract management)*, *Development* (including: project management, European projects, FIDIC, Public Procurements), *Information Technology (IT)*, *Financial Accounting*, *Operation, Maintenance* (including: monitoring construction behavior over time, Railroads - certification/retesting of SC LFI (*traffic safety – industrial railways*) officer, skills upgrade and certification for the personnel in charge with maintaining and operating electrical installations, port operation – ISPS, GMDSS - ROC courses), IMO courses, Annotations on boarding / disembarking stages for cabin crew and validity extension for seaman's book / certificate of capacity, GMDSS - RO courses, thus ensuring that the company's employees get to enhance their problem-solving capacity, in the context of specific works, which will secure their suitable performance in the activities carried out.

The professional training programs carried out within the Company have been performed by professional training providers accredited by the Ministry of Education or the Ministry of Labor and Social Protection or authorized by the National Authority for Qualifications, to organize professional training programs and have been completed by qualification certificates or of graduation with national recognition and diplomas of participation.

As a Practice Partner, through the practical internships organized for students and master's students, CN APM SA offers the opportunity to interact with professionals in different fields of activity of the Company and to form a clearer picture of the specific flows and activities performed. Thus, the Campaign ensures a professional environment close to the interests of the students, offering them, at the same time, the acquisition and deepening of new knowledge and skills, useful in their future career, but also the applied use of the theoretical knowledge that they possess as a result of completed studies, up to the time of completing the internship. At the end, the participants receive a certificate attesting the completion of the internship within CN APM SA.

## Integrated management system

CN APM SA Constanta adopted and clearly implemented a Management System in accordance with the standards SR EN ISO9001:2015, SR EN ISO 14001:2015 and SR ISO45001:2018, as well as with the applicable legal requirements in force, a system that allows the achievement of its purpose and mission.

The main objective for 2022 was the unification of the three components of the Integrated Management System (IMS) and the expression in a single document of its policies regarding the quality of the environment, health, and safety at work.

This objective was achieved by the Company through the renewal audit of the certification of the integral management system, effective by the accredited certification body Bureau Veritas Romania, which was completed with the maintenance of the certification of the management system that integrates all the business components of the company, combining the requirements of the reference standards implemented in a coherent, unified system. In this way, the processes that use the resources - human, material, infrastructure, financial, informational - are interconnected to fulfill the established objectives, respectively the satisfaction of the demands of clients and interested parties.

The campaign constantly monitors the compliance with the conditions of quality assurance, environmental protection and safety at work and health. Thus, in accordance with the requirements of the standards of reference and of the monitoring and fulfillment of the proposed objectives, between 01.01.2022-31.12.2022, 236 documents related to the Integrated Management System have been developed/reviewed, and a number of 14 documents have been withdrawn from system.

At the same time, in 2022 (the month of September) the Company went through a reorganization process, according to the Decision of the Administrative Council no. 20/30.09.2022, which led to the need to review the entire comprehensive integrated management system.

In the new context created by changing the organizational structure, reorganizing/fluidizing the activities within some compartments, and establishing functional structures, but also abolishing others, it was necessary to resume the process of inventorying the procedural activities, review the procedures of the existing documented work instructions, as well as the elaboration of new ones. All of these imply going through some steps to substantiate the activities and work processes, to redefine and reevaluate the specific documentation.

The monitoring of the performance of the activities performed is carried out for the fulfillment of the objectives established at the level of the IMS processes, in order to inform the Company's management about the achievement of the proposed objectives. In 2022 (Quarter I and II), the setup indicators were partially achieved, highlighting the applicability and effectiveness of the implemented system.

## Occupational health and safety

During 2022, within the Occupational Health and Safety at work Office, specific activities were carried out that aimed at: implementing the necessary measures to ensure the safety and health protection of workers according to the legal provisions, based on the general principles of prevention, respectively, carrying out the evaluation/reevaluation risks of accidents and occupational diseases, the establishment of risk prevention measures, the coordination and control of occupational health and safety activities, the training of workers, the investigation, recording and reporting of occupational accidents, monitoring the state of workers' health, monitoring the occupations that require authorization, following up and carrying out technical checks for work equipment, following the way of using the Individual protective equipment, following the correct use of it, hygienic and sanitary materials, food and protection, establishing the necessary budget for the expenses regarding occupational safety and health at work and following the inclusion in the values allocated by the budget.

The occupational health and safety activity aims at ensuring safe and healthy workplaces, improving the health of workers, achieving its specific objectives and targets, adapting work to people, adapting to technical progress, adopting, as a priority, of collective protection measures in relation to the individual protective measures and providing the instructions corresponding to the workers.

For the process of occupational health and safety at work it has been established as objective "Reducing the number of work accidents, which has as indicator  $I_1 = 0$  (zero) work accidents with permanent disability registered at Labor Office". The value of indicator  $I_1$  for the year 2022 is  $I_1=0$ . In the year 2022, within CN APM SA Constanta, there was

no work accident that caused a permanent disability, but there was a work accident, as of 11.04.2022, which left an employee with temporary incapacity for work.

We should state that all CN APM SA Constanta employees benefit during 2022 of a private medical insurance concluded based on the provisions of art. 172 paragraph 2 of the Collective Labor Contract 2019-2021 (valid until 01.07.2022), as well as after the mentioned date, based on art. 170 paragraph 2 of the Collective Labor Agreement 2022-2024.

The company carried out the necessary steps, in 2022, to insure company staff in case of occupational disease, accidents or death caused during or due to the performance of their duties during interventions, professional competitions, training or other specific missions for defense against fires (based on art.172 paragraph 1 of the 2019-2021 Collective Labor Agreement valid until 01.07.2022, as well as in accordance with art. 170 paragraph 1 of the Collective Labor Agreement 2022-2024.

Following the conclusion of the Collective Labor Agreement 2022-2024, the employees of CN APM SA Constanta also benefit as from 01.07.2022, of an optional pension fund (Pillar III), the company contributing to these funds in the fiscal amount provided by law.

With regard to the control actions by the Constanta Territorial Labor Inspectorate, during 2022 there were two such control actions, namely: in October 2022, on the subject of the inapplicability of the provisions of art. 153-155 of the Collective Labor Agreement 2022- 2024, regarding the granting of meal tickets/food allowances to employees who carry out the activity of a maritime pilot, the conclusion of ITM Constanta is that the food allowance is granted at the level of CN APM SA, in compliance with the applicable legal provisions; the second control action carried out during the year 2022, in the month of April 2022, concerned compliance with the legal provisions in force in the field of safety and health at work, ascertaining the company's compliance with the relevant legal provisions.

### **Relations with the trade unions**

Throughout 2022, the employers - trade union relations were conducted within CN APM SA Constanța under the conditions imposed by the SARS COV 2 pandemic, the company executives and the representatives of the two trade union organizations that signed the Collective Labor Agreement in force, namely the CN APM SA Constanța Trade Union and Constanța Port Authority Trade Union, maintaining a good collaboration aimed at taking the steps required to protect the employees and prevent the spread of the disease across the company.

Since the 2019-2021 Collective Labor Agreement (validity extended by additional act until 01.07.2022) was due to expire at the beginning of July 2022, in the interval 23.05-30.06.2022 negotiations took place in which 3 trade union federations participated, namely: the National Federation of Port Unions (for the Constanta Port Authority Union), the National Federation of Airport Unions (for the Constanta CN APM SA Union) and the Trans-Conex Union Federation (for the Romanian Port Union and the Neptun Pilots Union).

In accordance with the provisions of art. 146 paragraph 2 of Law no. 621/2011 of the Social Dialogue (*"Unity level, the collective work contract will be registered with the signature of all parties, only in the case where the signatory party representing the employees covers more than half of the total number of employees"*), on 01.07.2022, they are not registered in the Sole Register of the Constanta Territorial Labor Inspectorate the Collective Labor Agreement 2022-2024 applicable at CN APM SA Constanta level, with the company as signatory, the Port Authority Constanta Union, through the National Federation of Port Unions, and the CN APM SA Constanta Union, through the National Federation of Airport Unions, these two union organizations together being representative at the company's level.

After the entry into force of the new Collective Labor Agreement, the management of CN APM SA and the two organizations and its signatories participated in five more meetings of the joint commission until the end of 2022, meetings during which they discussed various aspects related to the implementation of rights deriving from the established collective agreement, in order to support the interests of the company's employees, both from a financial and human/social point of view, in compliance with the provisions of the company's Revenue and Expenditure Budget.



### Implementation of the 2011-2025 national anti-corruption strategy for 2022:

Following the adoption, as per Government Decision no. 1269/2021 on the National Anti-Corruption Strategy for 2021-2025, the sets of performance indicators, the risks associated to the objectives and measures in the strategy, the verification sources, the inventory of institutional transparency and corruption prevention measures, the assessment indicators, as well as the general standard on publishing information of public interest, the General Manager, in their capacity of legal representative of CN APM SA, committed to the fundamental values and principles promoted by the 2021-2025 National Anti-Corruption Strategy and acknowledged the importance of its objectives and of the mechanisms designed to monitor it, by signing the **Declaration of adhesion** to the fundamental values, principles, objectives, measures and deadlines stipulated by the National Anti-Corruption Strategy for the 2021-2025 period, adopted at CN APM SA Constanța level and updated in the second semester of 2022.

The company hereby declares:

- 1) It assumes the main pillars of the organizational integrity agenda, namely the consolidation of institutional transparency and integrity, the development of an organizational culture of integrity, the increase of anti-corruption education and the promotion of ethical principles and values;
- 2) undertakes the observance and application of the legal standards of integrity simultaneously with the implementation of the measures to remedy the identified risks and vulnerabilities, included in the own integrity plan, developed in accordance with the values and principles of the National Anticorruption Strategy 2021-2025, in order to ensure a high degree for implementing measures to prevent corruption and strengthening the company's capacity to assess the risks and vulnerabilities of corruption;
- 3) participate in the cooperation and monitoring mechanism of the National Anticorruption Strategy 2021-2025, both through the annual self-evaluation and reporting the degree of implementation of the measures provided for in the integrity plan applicable at the company level, and through the annual self-evaluation and reporting the degree of implementation of the preventive measures provided for in Annex no. 3, to Government Decision no. 1269/2021 regarding the approval of the 2021-2025 National Anticorruption Strategy.

In order to comply with the measures in the integrity plan, the company monitored the observance of the legal provisions on the publication of information of public interest, namely Annexes no. 4 and 5 in GD no. 583/2016, the transparency of the resource management processes, accessible on the company's portal, consisting in information related to the REB, PAAS (*Annual Sectoral Procurement Plan*), ROGOP (*Register of operations generating payment obligations*), making sure there was full compliance with the legal provisions on the publication of information of public interest, in line with the provisions of GD no. 583/2016, Annex no. 4 – General standard for the publication of information of public interest, as well as Annex no.5 – Publication of public interest information.

At the level of 2022, the IMS manual has updated the work instruction regarding: "Identification, evaluation and monitoring of risks and vulnerabilities to corruption".

In order to ensure the increase, the degree of awareness and comprehension of the integrity standards by the employees, as well as the increase in the level of education in corruption, at the company's level, informative materials on the risks and icons of corrupt facts were disseminated at the company's level, the column dedicated to the National Anticorruption Strategy was permanently updated on the company's intranet network. At the same time, during the entire year 2022, in addition to the one from 2021, a number of 3 awareness campaigns among the staff, with regard to the methods of preventing and combating acts of corruption, supported by the Ministry of Internal Affairs, General Anti-corruption Directorate - County Anti-corruption Service Constanta took place.

In order to secure the tools that facilitate strengthening institutional integrity, the company hosts the activity of the Working Group for implementing the Standard Methodology for the assessment of corruption risks within central government authorities and institutions, approved as per Decision no. 599/2018, focused on identifying corruption-prone vulnerabilities and regular self-assessment of risks. During 2022, the composition of the group will be modified accordingly by decisions of the general manager, respectively Decree no. 382/12.09.2022 and Decision

471/18.10.2022.

At the same time, in 2022, questionnaires were distributed to the functional structures to identify the threats/risks of corruption, the collected data being centralized and analyzed by WG in order to identify the risks and vulnerabilities of corruption for 2022, based on the information and data obtained, WG proceeded to analyze the activities vulnerable to corruption, as well as possible sources of risks, for subsequent recording in the Register of risks of corruption.

Depending on the responses of the functional structures, the WG members estimated both the level of probability by assessing the means of materialization, as well as the impact of the effects of the materialization of a risk of corruption, using the indicators from the work chain regarding the identification, evaluation and monitoring of corruption risks and vulnerabilities.

For the identified corruption risks, WG has not established additional intervention measures, considering the fact that, for the corruption risks whose values are classified at a low level of exposure, it is not necessary to adopt any additional intervention measures, maintaining the application of existing ones, respectively those mentioned in point 5.4.8. paragraph (1) of IL02P21 (Rev.3). Of all the identified and assessed corruption risks, no medium or high exposure risk was determined.

### VIII. DECISIONAL TRANSPARENCY

In order to comply with the legal provisions regarding Decisional Transparency at the level of the National Company the Administration of Maritime Port Constanta, the communication process between the company and interested parties is provided. In the conduct of public consultation procedures at the company level, are taken into account both the improvement of the decision elaborated by the involvement of all interested persons in the proposals subject to public consultation, effective collection of proposals/recommendations/suggestions; obtaining a consensus in case of contradictory opinions and ensuring greater legitimacy regarding the result of the consultation, as well as increasing the level of confidence regarding the decision-making process.

The public consultation procedures were carried out in compliance with Regulation (EU) 2017/352 of the European Parliament and the of Council from 15 February 2017 establishing a framework regarding port services and common rules/norms regarding the financial transparency of ports (art. 15 paragr. 1, 2), of the **Ordinance no. 22/1999** regarding the administration of ports and waterways, the use of infrastructures of naval transport belonging to the public domain, as well as carrying out naval transport activities in ports and inland waterways [art. 24 (1<sup>1</sup>) and art. 40<sup>1</sup>] and of the **Guide issued by the Council of Supervision in the Naval Domain** with regard to the elaboration of substantiation and consultations of norms tariffs' practices administered under Government Ordinance no. 2211999.

During the year 2022, the following public consultations were held:

- draft proposal for a pilot framework contract
- proposed amendments of the provisions of art. 123 paragraph 3 letter from the Port's Regulation
- proposed fees/tariffs for the use of distinct port infrastructure for self-propelled and unpropelled river vessels
- proposal for a contract for port services for the maneuvering towing of maritime and river vessels
- proposal for port services for maneuvering towing guidelines in the ports of Constanta and Mangalia
- proposal for minimum requirements for port services for maneuvering towing of vessels in service, repairs, modernizations in naval construction sites
- proposal for the procedure for granting the right for maneuvering towing port services
- rules for substantiating the Indirect tariff for taking waste from ships and the Direct tariff for taking waste from ships
- proposal for a framework contract for the use of the port infrastructure and the provision of specific services in the relation with agents
- proposal for a framework contract for the use of the port infrastructure and the provision of specific services in relation with shipowners
- rates substantiation rules for 2023
- norms for substantiating the Indirect tariff for taking over waste from ships, of the direct takeover tariff for taking over waste from ships for 2023.

## IX. THE IT ACTIVITY

### 1. Securing the optimum and uninterrupted operation of the existing IT infrastructure

The activity of monitoring the behavior of user applications and requests throughout the reference period continues to display the significant share of technical support intended to obtain from the IT system the data required to elaborate analysis and statistical summaries within the modules specific to commercial activities (agent and ship-owner contracts, lease and concession contracts, navigator and towage contracts), port-related activities (freight traffic summaries), and to adapting the IT system to legislative or organizational changes (implementation of the current SAF-T declaration, updates D112, D394).

Compared with the previous periods, there was an increase in the number of users and, with it, in the number of requests for support, particularly for those that need to use the online payment application and registration of applications to issue port access passes for cars.

Maintenance and servicing continued to be provided for the central hardware infrastructure (servers, network equipment), desktop and portable computer systems, printers, as were extension and repair works for the UTP network. There were no incidents that could have disturbed the users' activity.

Throughout the reference period, the procurement procedures for IT products and services required for the users to conduct their current activities were completed.

### 2. Development of the company's IT infrastructure through implementation of competitive managerial record and analysis solutions and digitalization of administrative procedures in order to streamline and improve services intended for the business environment

Towards implementing IT solutions intended to support the digitalization of administrative procedures, as well as streamlining and enhancing the services intended for the business environment, the following procurement procedures were commenced:

***- Integrated company resource management and managerial reporting IT system.***

The need to implement a competitive IT system aligned with the current digitization trends determined the revision of the purchase documentation, respectively the updating of the technical and functional specifications and implicitly, the estimated value. The procedure initiated by the announcement published in SEAP on 15.07.2022 was canceled because the offer presented did not meet the eligibility conditions. The acquisition of the system will be resumed in 2023.

***- Elaboration of the specifications for the design and implementation of a Port Community System in Constanța and Mangalia maritime ports.***

Following the fact that no tenderer responded to the announcement published in SICAP, it was decided to put the specifications to the market consultation, in order to obtain the most relevant information/recommendations regarding the minimum requirements of the specifications, information regarding the value procurement estimate, completion time and resource requirements. The information provided by the participants in the consultation was taken into account in preparing the acquisition documents and the procedure was initiated in December 2022.

In addition to the procedures mentioned above, other actions have also been carried out in order to implement some IT solutions in order to optimize the services dedicated to the port community, among which are included:

- Market consultation through SEAP in order to identify the technical and functional specifications for the implementation of a geospatial information system for the integral management of infrastructure of Port Constanța.*

- *Market studies and analysis for the implementation of a ticketing system whose proposed objective is to streamline access to the port for heavy traffic through automation solutions, so that delays at the port entrance should be avoided.*

In the reference period, the implementation of the *mobile payment application for car access in the Constanta port was completed - Constanta PortALL*. In order to simplify the procedures related to car access in the premises of Constanta port, this application was developed both for the economic agents that carry out their activity in this perimeter, as well as for transport companies that perform occasional activities, allowing online payment of the port access fee. Connecting the online payment system with the control system car access from the gates, respectively the detection of the presence of a vehicle at the barrier with the paid entrance fee, will shorten the transit time and any possible bottlenecks at the gates.

For real-time information management and the correct application of taxes, the application is interconnected with the IT system of the Directorate for Driving Licenses and Vehicle Registration (D.P.R.C.I.V.) by querying the National Register of Driving Licenses and registered vehicles for the purpose of obtaining the information necessary to validate the technical characteristics of vehicles requesting access to the Constanta Port perimeter.

The application is available both for mobile terminals with Android and iOS operating systems, as well as from the browser, from February 2022. A continuous increase in receipts through online payment has been observed.

### **3. Ensuring cybersecurity in the operation of the company's integrated IT system.**

In order to prevent IT security incidents and to reduce the risk of information loss due to security threats, an evaluation of the IT infrastructure was carried out through a service provision contract for the validation of compliance with Law no. 362/2018 - on ensuring a common high level of security of networks and IT systems and its application norms. The objectives of the contract are to assess the level of cyber security in relation to the mandatory minimum requirements specified in the legislation, as well as to carry out security tests to identify and evaluate the vulnerabilities of the IT infrastructure and propose remedial measures.

Also, in the monitoring activities of IT threats to the IT infrastructure, a series of threats were identified, having as a vector of propagation, mainly electronic messaging through attachments of office documents and using the exploits of Office applications.

These threats were countered by resorting to the antivirus and firewall solutions available, together with the implemented cybersecurity policies.

## **IX. THE PROCUREMENT ACTIVITY**

9.1 In 2022, 173 sectoral purchase contracts/framework agreements for providing services and works were awarded, with a total value of RON 206,885,573.34, excluding VAT, as follows:

- 57 sectoral procurement contracts/framework supply agreements, in total amount of RON 55,052,982.55, excluding VAT, of which:
  - 1 sectoral procurement contract for services awarded through the negotiation procedure without prior invitation to the bidding procedure, in the amount of RON 42,153,916, excluding VAT;
  - 1 sectoral procurement contract for services awarded by open bidding, in the amount of RON 4,644,300, without VAT;
  - 24 sectoral procurement contracts for services awarded through a simplified procedure, in the amount of RON 7,303,115.83, without VAT;
  - 31 sectoral procurement contracts for services through direct purchase, in total value of RON 951,650.72, without VAT

- 93 sectorial procurement contracts/framework agreements for the provision of services, in the total amount of RON 30,244,486.34 lei, excluding VAT, of which:
  - 2 sectorial procurement contracts for services awarded by negotiation without prior invitation to bidding procedure, in the total amount of RON 7,721,878.94 lei, without VAT;
  - 3 sectorial procurement contracts for services awarded by open bidding, in the total amount of RON 9,034,686, without VAT;
  - 35 sectorial procurement contracts for services awarded through a simplified procedure, in the total amount of RON 12,161,248.93, excluding VAT;
  - 53 sectorial procurement contracts for services through direct purchase, in total amount of RON 1,326,672.47, without VAT.
- 23 sectorial procurement contracts/framework agreements for the execution of works, in total value of RON 121,588,104.45, excluding VAT, of which:
  - 2 sectorial procurement contracts for works awarded by open bidding, in total value of RON 71,088,189.29, without VAT
  - 8 sectorial procurement contracts for works awarded through a simplified procedure, in total value of RON 50,322,415.16, without VAT;
  - 3 sectorial procurement contracts for works by direct purchase, in total value of RON 177,500, without VAT.

9.2 On December 31, 2022, 26 sectorial procurement procedures for services and works were in progress, with a total estimated value of RON 135,634,268, excluding VAT, as follows:

- 4 sectorial procurement procedures, estimated total value of RON 108,964,070, excluding VAT, of which:
  - 1 sectorial procurement procedure for services by open bidding, with an estimated value of RON 107,282,350, excluding VAT;
  - 2 sectorial procurement procedures for services through a simplified procedure, total estimated value of RON 1,618,000, without VAT;
  - 1 sectorial procedures for services by direct purchase, with an estimated value of RON 63,720, without VAT.
- 16 procedures for the sectorial procurement of services, in the estimated total value of RON 14,772,298, excluding VAT, of which:
  - 3 procedures for the sectorial procurement of services through open bidding, in the estimated total value of RON 8,571,536, excluding VAT;
  - 4 procedures for sectorial procurement of services through the simplified procedure, with a total estimated value of RON 5,270,000, without VAT;
  - 9 sectorial procurement of services through direct purchase, with a total estimated value of RON 930,762, without VAT.
- 6 procedures for the sectorial procurement of works, with a total estimated value of RON 11,897,900, without VAT, of which:
  - 5 procedures for the sectorial procurement of works through the simplified procedure, with a total estimated value of RON 11,862,900, without VAT;
  - 1 sectorial procurement of works through direct procurement, with an estimated value of RON 35,000, without VAT.

9.3. In 2022, a number of 40 sectorial procurement procedures for services and works, with a total estimated value of RON 216,082,908 lei, without VAT, were cancelled/relinquished, as follows:

- 15 procedures for the sectorial procurement of services, total estimated value of RON 56,489,192, excluding VAT, of which:
  - 4 procedures for the sectorial procurement of services through open bidding, with a total estimated value of RON 52,676,605 lei, without VAT;
  - 6 procedures for the sectorial procurement of services through the simplified procedure, estimated total value of RON 3,624,772, without VAT;

- 5 procedures for the sectorial procurement of services through direct purchase, with a total estimated value of RON 187,815 lei, without VAT.

• 16 procedures for the sectorial purchase of services, with a total estimated value of RON 8,633,784, excluding VAT, of which:

-1 sectorial procurement procedure for services through open bidding, with an estimated value of RON 4,661,000, without VAT;

- 8 procedures for the sectorial purchase of services through a simplified procedure, with a total estimated value of RON 3,753,393, without VAT;

- 7 sectorial purchases of services through direct purchase, with a total estimated value of RON 219,391, without VAT.

• 9 procedures for the sectorial procurement of works, with a total estimated value of RON 150,959,932, without VAT, of which:

- 1 procedure for the sectorial procurement of works by negotiation without prior invitation to the bidding procedure, with an estimated value of RON 3,491,311, without VAT;

- 2 procedures for the sectorial acquisition of works by open bidding, with a total estimated value of RON 140,673,600, without VAT;

- 4 procedures for the sectorial procurement of works through the simplified procedure, with a total estimated value of RON 6,665,600, without VAT;

- 2 sectorial purchases of works by direct purchase, in total estimated value of RON 129,421, without VAT.

## **X. RISK MANAGEMENT**

There were risks identified, of which we can mention:

- The extent of the demand for services, which depends on multiple factors beyond the company's control, some of these being climate and economic conditions;
- The company's asset might be affected by natural disasters or disasters caused by human error;
- The operating profit/loss might be negatively impacted by litigations;
- The fiscal authority may impose additional tax obligations pertaining to previous periods, with implications upon the company's outturns;
- The company must comply with numerous legal and regulatory requirements, being exposed to significant sanctions if it is found to have infringed upon them.

Throughout 2022 the following risk factors were monitored:

### ***Liquidity risk***

The company possesses sufficient liquidity to repay its liabilities by their due date, under both normal and distressed conditions, in order to avoid any reputational or financial losses.

In order to diminish this risk, steps were taken in the following directions:

- cessations of service rendering to customers in default; the issuance of contractual performance bonds and claiming such bonds in cases of delayed payment or following indications of imminent insolvency; intensifying efforts to collect receivables.

### ***Foreign exchange risk***

The company's business model provides a natural hedging against the foreign exchange rate (fx) variations. A portion of the company's revenues is received directly in foreign currencies. Additionally, depending on the cash requirements,

the company keeps available funds as cash at the bank, both in RON and in foreign currencies.

### **Economic risk**

The operating activity largely depends on the manner of managing the internal and the external factors, and primarily on the evolution of the selling prices, the cost-price ratio, the price-performance ratio, the changes in the structure of expenses in relation to the volume of activity.

### **Financial risk**

The company executives permanently monitor the liquidity level and analysis coefficients.

The currency risk is managed by means of deposits in foreign currency. The payment risk is managed by monitoring customers with defaulted receivables and applying corrective measures as soon as one detects a possible decrease in their solvency levels. On the due date, payment rescheduling is negotiated and, if these are not complied with, the contract is terminated.

The company does not have any external debts, whereas its solvency indicators are far higher than the "2" threshold.

### **Operational risk**

Operational risk is managed by means of the insurance companies. All of the Company's assets are insured; furthermore, through the power of the law and regulations, both port operators and the vessels are insured against the damage these might generate (including pollution / damage to the environment).

## **XI. LEGAL ASPECTS**

### **9.1. General aspects concerning the legal activity**

During the 2022, the legal activity in terms of counselling, assistance, approval and representation was represented by 3,635 documents received (including annexes), supplemented by the electronic mails received from the functional compartments within the company.

As part of the legal counsel, legal aid, and approval activity:

- opinions were drawn up on the legality of various aspects emerged in the performance of the company's ongoing activities, in relation to the documents it issues or is party
- participation in negotiations the company is party
- approvals were given to judicial documents concluded by the company, for example: approvals for contracts concluded in the field of public procurements, consultancy, and approvals for, awarding documentations in the field of public procurements, approvals for lease contracts, agent and ship-owner contracts and for addenda thereto, approvals for utility contracts and for addenda thereto.

A significant part of the legal activity entails participation in the Technical and Economic Council of CNAPM SA (CTE-CNAPM), as well as in assessment committees, administrative and disciplinary investigation committees, leasing committees, units tasked with implementing European projects.

As part of the legal representation activity, procedural documents were drawn up for the litigations the Company is a party to, whereas company representation before authorities and institutions with jurisdictional duties (*also, but without limitation to, before law courts*) was ensured.

The legal activity in terms of counsel, assistance, approval, and representation was carried out by legal advisers employed by the company, with a single exception, namely the provision of representation before law courts, in the litigation with Van Oord, by a law practice pursuant to a legal aid and representation contract concluded prior to the reference period.

## 9.2. Case files on the docket of law courts

In the reference period, 461 files started in the previous period and 201 new files were instrumentalized, and as a result of the resolution of several disputes or the connection of files, at the end of 2022, 433 litigations were instrumental, in various stages of judgment.

## 9.3. Legal representation activities

Representation before law courts takes place over two tiers, with both legal actions in which CN APM SA acts as defendant (or an intervener for the defendant's benefit) and legal actions in which it acts as plaintiff.

At the end of the relevant period, there were still pending, in various phases, 433 litigations from which:

- 97 case files in which CN APM SA acts as defendant
- 263 case files in which CN APM SA acts as plaintiff seeking to collect invoice-based receivables
- 73 case files in which CN APM SA acts as plaintiff in relation to other receivables

## 9.4. Description of the litigations pending before law courts

### 9.4.1. Litigations in which CNAPM SA acts as defendant

For the reference period, a significant element of the representation activity concerns the litigations in which CN APM SA acts as defendant, of which we shall mention:

- ***Litigations on matters of corporate law, in various trial phases***, opened in order to challenge Shareholders' General Assembly Decisions. During the reference period, new litigations have emerged, conclusive settlements, and favorable to the company, were delivered on older litigations, whereas other litigations are suspended in the "settlement on the merits" phase. In this matter, there are also litigations that request the total or partial annulment of some Decisions of the Board of Directors, decisions that generally refer to the approval of some framework contracts, regulations or individual contracts. The files from this category of litigation have been resolved, generally favorable to the company, and other litigations are in various stages of resolution.
- ***Litigations on public procurement matters, in various trial phases, opened in order to challenge awarding procedures or to request that CN APM SA be ordered to pay certain amounts pursuant to previously concluded public procurement contracts***. In the reference period, the motions to challenge awarding procedures or procedure outcomes were dismissed by institutions with jurisdictional duties or by law courts. The older litigations related to public procurement contracts concluded with plaintiffs Van Oord, and Apolodor Com Impex are still pending before law courts.
- ***Litigations on the matter of expropriations***. In 2022, in the related criminal litigations, the law court ordered the cancellation of the initial sales and purchase agreements for the lands that were subsequently subject to expropriation, whereas continuing the civil litigations on the cancellation of the subsequent sales and purchase agreements will eventually have a favorable influence over the company, through the manner of settling additional claims for compensations.
- ***Litigations commenced by economic operators, in various trial phases, generated by the absence of the agreement on the conclusion of land lease contracts***. To exemplify, we will mention the litigations with A Group, Tomis Marina Management and Romned Port Operator, litigation in different phases of trial.
- ***Litigations on matters of labor law, in which CN APM SA employees challenged the employer's decision to respond with penalties to, or dismiss, various requests***. During 2022, older challenges filed by the employees were dismissed. Nevertheless, there are on the docket new case files on challenges against employer decisions pertaining to labor law.
- ***Litigations generated by the navigation activity***. The Company submitted requests for intervention in the interest of the defendant, the Ministry of Transport and Infrastructure. The disputes are currently in various phases of judgment. The litigations on the cancellation of Order no. 991/2020 were settled by the first instance



court, in the sense of having the motions dismissed, the decision being subject to the second appeal. In close connection to these litigations, the economic operators authorized to render the navigation service filed legal actions, demanding CN APM SA be ordered to pay indemnifications (*amounting to RON 20,000,000 and Euro 1,509,045.78*), on the grounds that they no longer carried out navigation tasks. These litigations are in the “merits” trial phase and suspended until the settlement of the litigations on the cancellation of Order no. 991/2020.

From the category of economic litigations (measurable in money) in which CN APM SA acts as defendant, we will mention:

- As part of the litigation with Rompetrol Rafinarie on the matter of damages resulted from the company's failure to fulfil its dredging obligation, the first instance court partly admitted the petition, ordered defendant CN APM SA to pay the amounts of Euro 1,570,000 and RON 73,173.27 representing court charges. Both parties filed an appeal, and the court dismissed the Rompetrol appeal and admitted the appeal by CN APM SA, completely changing the decision on the merits, in the sense of dismissing the petition. A second appeal was filed by Rompetrol Rafinare but was suspended on 09.05.2019 until the settlement of the unconstitutional exception. At this point, the unconstitutionality exception concerning the circumstance in which the litigations on the activity in the ports are not to be subject to second appeal has not yet been settled by the Constitutional Court.
- As part of the litigation with Van Oord, in arbitration case file no. 3/2017 of the Court of Commercial and Maritime Arbitration attached to Constanța CCINA (*Chamber of Commerce, Industry, Navigation and Agriculture*), plaintiff Van Oord Dredging and Maritime Contractors Bv filed against defendant CN APM SA final claims amounting to RON 154,376,979.28, resulted from the performance of the contract for FIDIC Red Cross works no. 3973/01.02.2013. Pursuant to Arbitration award no. 16 from 26.11.2019, delivered in case file no. 3/2017, the total payment obligations of CN APM SA are established at RON 25,411,056.76 in total, plus the contractual interest running since the issuance date of the invoices (for the cumulated amount of RON 19,320,509.33 and the cumulated amount of RON 1,913,339.52), thus resulting for CN APM SA a total estimated exoneration from payment of RON 126,350,685.65, plus the contractual interest differential pertaining to the correlative amount exonerated from payment (*of RON 35,973,296 and RON 38,972,862.70, respectively*). Against Arbitration award no. 16 from 26.11.2019 actions for annulment were filed by CN APM SA, Van Oord Dredging and Maritime Contractors Bv, as well as by expert Bumei David, dismissed by Constanța Court of Appeal in case file no. 662/36/2019. After the delivery of said award, the parties filed a second appeal, to be tried by HCCJ. We expect a retrial in 2023.
- As part of the litigations with Romcargo, in regard to this company's claims amounting to RON 16,058,241.00 and RON 1,252,636.93, the law courts conclusively dismissed Romcargo's claims, and CN AMP SA trial expenses were reimbursed by Romcargo.
- Pilot Service navigation company filed a joint petition against CN APM SA, with Black Sea Pilots, Canal Sea Services and Maritime Pilot, requesting that the defendants be ordered to pay the amount of RON 14,511,600, representing compensations on grounds of unfair competition. The case file is in the “trial on the merits” phase on the docket of Bucharest Court under no. 15896/3/2020 and, on 25.05.2021, the court admitted the request to cease until the conclusive settlement of the cancelling actions by the Competition Council Decision.
- Multraship took legal action against CN APM SA, requesting that the latter be ordered to pay the amount of Euro 5,952,740 representing compensations for the failure to conclude a towage contract. The case file is in the “trial on the merits” phase pending before Bucharest Court under no. 6648/118/2020.
- Intermodal Transports filed a motion against CN APM SA, requesting that the latter be ordered to pay the amount of Euro 60,000 per month for the period between 11.05.2018 and 15.02.2022, as unrealized gross profit. The case file is in the “trial on the merits” phase, pending before Bucharest Court under no. 1881/118/2020.

- As part of the litigation with Comvex, in which this company requested the court to acknowledge its right of ownership over several platforms amounting to 50,000 sq m, the first instance court admitted the action and later on, they immediately rejected the appeal and appeal filed by CN APM SA, the decision of the court of first instance remaining final. Further on, Comvex formulated a new request within file no. 3989/118/2017 pending at the Constanta Court, by which it requests CN APM SA to return/pay the amount of RON 1,591,935.86 representing amounts paid by Comvex as rent for the concrete platforms in question. The dispute was settled in the trial court of the merits by Civil Sentence no. 183/2021 accordingly, by admitting the request and the obligation of CN APM SA to pay the amount of RON 1,591,935.86 to which update and interest are added. CN APM SA filed an appeal, which was admitted with the consequence of changing part of the appealed civil sentence, in the sense, the rejection of the claim made by the plaintiff COMVEX SA in opposition to the defendant CN Administratia Porturilor Maritime SA Constanta regarding the claims relating to the period July 2014 - May 2019, as unfounded. This judicial decision was appealed by Comvex and is currently pending before the HCCJ. In relation to these platforms, Comvex has filed a new summons in file no. 6290/118/2020 pending at the Constanta Court, by which it requests the obligation of CN APM SA to return/pay the amount of RON 1,924,854.57 representing amounts paid by Comvex as rent for the concrete platforms in question. The litigation has now been suspended until the final settlement of file 6744/118/2015, which is currently on the HCCJ.
- The amounts in litigation (various procedural phases) within which CN APM SA is the defendant mainly concern the disputes with Van Oord, Apolodor, A Group, Bitholder, GSP Logistic, as well as the disputes stemming from the pilotage and towing activity. Although in 2022 and the beginning of 2023 they have successfully obtained final favorable solutions in the previous litigations which led to the exoneration of the company from the payment of the amount of RON 39,484,440.70, as a result of some clarifications of claims in older litigations and new litigations, the amount still registers an increase of RON 57,630,590.67 and Euro 161,940 compared to 2021, the values being highlighted in table no. 30:

	Value subject to litigation as at 31.12.2022
Amounts representing claims related to judicial case files in which CN APM SA acts as defendant, as at 31.12.2021	228,164,978.41 Lei 7,054,680.00 Euro 2,590,229.45 USD

**Table no. 30 - litigations in which CN APM SA acts as defendant**

We specify that out of the total amount of RON 228,164,978.41, the amount of RON 154,697,158.97, representing a percentage of 69.55%, is related to the litigation with Van Oord.

From the category of disputes that cannot be assessed in money, having as their object the establishment of nullity of legal acts, but which may have a possible financial impact later (*in case of an unfavorable definitive decision*), we mention file no. 7508/2/2018 in which Rompetrol Rafinare sued the Competition Council and CN APM SA, requesting the annulment of the Competition Council Decision no. 21/2018 regarding the acceptance of assumed commitments by CN APMSA. The Bucharest Court of Appeal rejected the request, finding it unfounded, and the High Court of Cassation and Justice rejected Rompetrol's appeal as unfounded. Under these conditions, the commitments assumed by CN APM SA through the Decision of the Competition Council no. 21/2018, and the company was definitively exempted from paying any fines related to addressing anti-competitive concerns on the port land rental market.

#### **9.4.2. Litigations in which CNAPM SA acts as plaintiff, seeking to collect invoice-based receivables**

In litigations where CN APM SA acts as plaintiff, a significant part of the activity was represented during period 01.01.2022 – 31.12.2022 by the legal actions taken to have debtors be ordered to pay their outstanding debts. These actions pursued the recovery of outstanding debts.

In the case of litigations on the matter of the refusal to pay issued by economic operators with which CN APM SA accommodates trade relations, the following debts are recorded under judicial case files (table no. 31):

Thsnd. lei	
Refusal to pay	Value
Amounts Representing receivables in thousands of lei, found in legal files on 31.12.2022	70,008

**Table no. 31 – Collections of invoice-based receivables**

We specify that the total amount of outstanding claims on 31.12.2022 was RON 71,677 thousand, and the amounts sued in court were RON 70,008 thousand, the difference resulting from the time required to prepare the files and take action for the judgment.

In the last 3 years, the efforts of representation in insolvency litigations have increased significantly, for which results have started to appear since 2018 (Ex: Ades, Tubomecanica, Europinvest) and we expect better results in 2023.

We will present below the amounts that pertain to the insolvency and bankruptcy case files on record with the Legal and Litigation Service (table no. 33):

Insolvency/bankruptcy	Thsnd. RON
31.12.2020	16,934
31.12.2021	13,876
31.12.2022	12,541
Total	43,351

**Table no. 33 – Insolvency, bankruptcy**

Due to the termination of some contracts with non-paying debtors, the increase in debt recovery activity and the continued judgment of debtors, for the month of December 2022, the outstanding debt indicator stood at the level of 87,26% of the budgeted level and fulfillment of the budgeted indicator is expected, as well as a decrease in outstanding debts in 2023.

#### **9.4.3. Litigations in which CNAPM SA acts as plaintiff seeking to collect other receivables**

Another relevant component is represented by litigations in which CN APM SA requests compensations in the absence of concluding certain port land lease contracts and/or that the opposing party be ordered to sign port land lease contracts. We expect to see these litigations concluded in 2022.

In its capacity as plaintiff, CN APM SA took legal actions towards evicting defaulting lessees and terminating contracts, while also pursuing to stop the increase of outstanding debts. Efforts focused on evicting only lessees that in bad faith failed to pay the lease.

Against economic operators that refused to conclude port land lease contracts, legal actions were taken to ascertain the circumstance where said economic operators may no longer use the naval transportation infrastructure provided under concession to CN APM SA. We reasonably expect that in 2023 these litigations will be finalized at the pre-judged stage of the fund.

For economic operators that challenged the amount of the lease as per the reference offer and the commitments made to the Competition Council, procedures to determine the lease are under way, conducted by an independent expert appointed by the law courts.

The litigation with the Competition Council, on the matter of the challenge against the Competition Council's Decision pursuant to which the company was ordered to pay the amount of RON 11,922,385, was settled on the merits by way of dismissing the challenge filed by CN APM SA, which decided to file a second appeal upon the delivery of the decision.

In regard to the investigations started by the Competition Council on the port land leasing market and access to port infrastructure, the company's commitments made to the Competition Council were accepted and the company was thus exempted from the payment of other fines, provided that it strictly complies with its commitments in the future and the above-mentioned case file no. 7508/2/2018 is successfully concluded.

On tax-related matters, as part of the litigations against Constanța Sud Agigea Customs Directorate (*represented by Galați DGRFP (General Regional Public Finance Directorate)*), following the issuance of tax assessment notices against the company, on tax liabilities related to certain customs debt (customs duties), resulted upon finding the absence of certain goods under seizure, the company was delivered favorable judicial orders during the trial on the merits. The case file in which the main obligation to pay customs duties, VAT and excise duties is on trial was referred for a retrial to Constanța Court of Appeal, and a new solution favorable to CN APM SA was delivered, the tax assessment notice being rescinded. Against this solution the defendants filed a second appeal, dismissed by the High Court of Cassation and Justice, the solution being definitive in the sense of canceling the tax decision.

On the same tax-related matters there are ongoing trials, in various phases, of several challenges against tax assessment notices issued by NAFA (*National Agency for Fiscal Administration*).

#### **9.4.4. Causes of litigations**

Statements of claim are filed by economic companies on legal/business/economic grounds and, in general, do not have any real or justified reasons, the latter requesting that the company be ordered to pay various amounts (*as damages, compensations, payments under contracts*), to invalidate certain judicial documents issued by the company or to cancel imputation/penalty orders issued by the company pursuant to the effects of ongoing contracts (which entails a proportionate decrease in the revenues of CN APM SA).

On the other hand, there are cases in which CN APM SA is compelled to take legal action to protect its rights or to collect debts on record – these, in general, are related to issues inherent to business developments.

#### **9.4.5. Risk analysis**

Exposure risk in the area of corporate law (cancellation of OGMS and MB (*Management Board*) decisions) is diminished following the dismissal of several actions for annulment filed against OGMS (*Ordinary General Meeting of Shareholders*) decisions.

Exposure risk in the area of expropriations is significantly lowered upon being delivered favorable decisions both in civilian disputes and in related criminal litigations (cancellation of sales and purchase agreements for lands that were subsequently subject to expropriation).

The risk of exposure to labor law litigations decreased with court laws dismissing most challenges filed against company's decisions. Nevertheless, there are pending case files on challenges filed against employer's decisions pertaining to labor law, especially in terms of end-of-career rewards.

It is worth highlighting the fact that the High Court of Cassation and Justice settled the “de jure” matter of the “end-of-career” reward payment to employees and, as a result, efforts are made to make said payments as provided by the law and the collective labor agreement.

The risk of exposure to litigations on public procurements decreased following the conclusive favorable settlement of older litigations, including, but without limitation to, litigations on challenges to awarding documentations, challenges to the awarding procedure report. Nevertheless, there is a persistent risk concerning older litigations resulting from public procurement contracts concluded with plaintiffs Van Oord, Apolodor and Apolodor Corn Impex.

In regard to the litigations generated by the lack of the parties' consent towards concluding the new port land lease contracts, based on direct award as provided by the law, once several port land lease contracts were signed in 2020 and 2022, legal relationships between the signatory parties enjoyed a positive legal certainty as to the extent of collecting current receivables.

The risk of bearing litigations generated by leases of port lands through direct award was addressed by concluding port land lease contracts. Furthermore, the risk is suitably addressed following the successful completion of the commitment procedure towards the Competition Council, by means of fulfilling the commitments made, but also by completing the public consultation, negotiation, and approval/endorsement procedures for the framework agreements, as provided by Law no. 235/2017.

Along the same lines, equal treatment for economic operators, by fulfilling the commitments made to the Competition Council and applying the legal provisions, the port land lease contracts (concluded pursuant to the framework agreements set up prior to the issuance of Law no. 235/2017) are amended in line with the new legal provisions, either at the request of interested economic operators or at the request of CN APM SA and with the consent of the economic operators in question.

With regard to the disputes generated by the piloting activity, we mention that the disputes with the operators who previously performed the piloting service have either been definitively rejected, or are in the trial phase of the merits or the appeal (rejected on the merits), or are suspended until the litigation regarding the cancellation of the OMTI 991/2020.991/2020.

## 9.5. Analysis/Judicial prophylaxis/Preventive measures

A critical aspect related to judicial prophylaxis is represented by the fair and soundly guided contractual negotiations, starting from the master agreements approved according to the law, master agreements that can be supplemented by individual negotiations with economic operators, however, without impairing in any way the clauses set forth in the approved master agreement.

At the same time, the focus lies on adopting and implementing the settlements delivered by law courts in regard to decisive circumstances in the advisory, aid, and approval legal work.

Contracts can provide opportunities to prevent the occurrence of future conflicts and secure the safety of legal relationships, with positive influences upon the collection of current receivables.

The principles pursued in the fulfilment of this goal were the following:

- **Lowering the risk exposure levels:** the capacity to impose a contractual language that is standardized or negotiated in all of the company's contracts and business areas has been deemed a key element in contracting practices. The effective contract management lately implemented by the company (and primarily after the latest award bids) has lowered the levels of exposure, has avoided the loss of valuable opportunities, as well as losses or delays in receipts.
- **Increase in revenues:** the Management Board's members, together with the Executive Board members, identified suitable solutions to increase and secure the company's receipts by promoting payment methods adequate to the nature of the transaction. In this context, efforts were made to focus on drawing up contracts, on guaranteeing payment obligations and shortening as much as possible the debt floating cycle.

- **Ensuring the fulfilment of contractual obligations:** compliance with contractual clauses is closely monitored by the Executive Board members in close collaboration with the company's specialists, with a primary focus on each commercial partner and their obligations. Accuracy in drawing up and monitoring the execution has helped avoid disputes and lowered the costs required to settle litigations.
- **Performance monitoring:** the company's contracts are, and will become, useful diagnostic tools in analyzing profitability and the success level of each business initiative, leading in the long term to the elimination of less effective contractual clauses and the avoidance of inconsistent business partners.

The judicial prophylaxis principles applied in 2022 practically managed to stop the exposure increase through litigations following the settlement of certain historic litigations, concurrently with the visible reduction in new exposures. Considering that the Administration and Management Plans mention 2022 as reference, this cessation comes as a significant stage in the gradual reduction of this exposure over the following years.

In regard to the investigations started by the Competition Council on the port land leasing market and access to port infrastructure, the company's commitments made to the Competition Council were accepted and the company was thus exempted from the payment of other fines, provided that it strictly complies with its commitments in the future.

The success of the commitment procedure, corroborated with the conclusion of port land lease contracts with economic operators, in compliance with the law, and the completion of negotiations for the new framework can significantly help reduce the number of litigations, lower the amount of receivables for 2023 and in the future, concurrently with exempting the company from the payment of other fines and compensations equivalent to any amounts claimed by the interested economic operators, resulted from any possible violation of the competition law.

For the following period, the main goal is to reduce exposure to litigations and lower the amount of receivables by means of settling the pending litigations, settling amiably pre-litigation divergencies, also by means of concluding contracts as provided by the law, properly and adequately addressing all the related issues faced by the functional compartments, increasing the level of involvement in drawing up and/or negotiating documents/contracts and in the pre-litigation stages, all the while elevating the professional level by expanding knowledge, skills upgrade and better adapting to legislative changes.

Another objective is to increase effectiveness across document legality verifications by means of standardizing specific activities, communicating legislative novelties and the interpretation thereof in a consistent manner and improving relations with public institutions and courts of law.

## XII. PROMOTION ACTIVITIES

In 2022 activities were carried out to ensure the creation/editing/customization, as well as the distribution/dissemination, of the following Constanța Port promotion materials:

- The **2021 Annual Report**, drawn up (with own resources) in print and electronic .pdf formats, so as to be disseminated online, as well.
- **Constantza Port History, from the beginning to the present**, customized with an emblem insertion – it is an opportunity to promote due to the fact that it directly addresses persons interested in Constanța Port, being, as a matter of fact, distributed as a promotional material, as part of national and international promotion activities.
- The **“Romanian Maritime Service – Among Hundreds of Masts” Collector’s Album**, customized with an emblem and logo insertion – granted at a high level to representatives of institutions/companies during official visits, the organization of promotional events, as well as other company representation activities.
- **Constanța Port promotion leaflets**, dedicated to the main freight categories (bulk agricultural products, containers and general goods) operated by the main operators that conduct their activity on the port platform,

also comprising the new investments in operating machinery, as well as the contact details of the operators in question.

The promotion of, and participation in, events intended to promote Constanța Port nationwide and internationally for 2022 took place by means of implementing the 2022 Marketing Plan, drawn up in light of the limitations and legal regulations imposed by the efforts to stop the spread of the SARS COV2 virus.

At the end of February 2022, armed conflicts broke out between Russia and Ukraine, which resulted in the closure of Ukraine's ports, and the port of Constanta became a vital center for grain transport. Before the invasion, Ukraine and Russia provided 30% of the world's grain trade. Ukraine was the world's fourth largest grain producer.

Starting March 2022, the pandemic restrictions have been lifted after a period of approximately 2 years. On May 12, 2022, the XIV edition of the Constanta Port Day event was organized in the capital of Hungary, which focused on the perspectives of some opportunities for freight traffic, aiming to promote and support the connection with The Caspian Sea and the development of regular services for containerized transport on the Danube.

In the context presented, Constanța Port continued to strengthen its role of regional transit port and the most significant freight entry/exit gate from the European Union to Eastern Europe, the Danube remaining the most important and effective link with the served hinterland. Also, the Port of Constanta has been promoted as a transit node and connection for the Middle Corridor, and from the perspective of the railway corridor that runs between Constanta and Gdansk, a transit hub for the markets of three seas: the Baltic Sea, the Black Sea and the Caspian Sea

**A. PROMOTIONAL EVENTS (table no. 33):**

No.	Event	Period	Budget 9.200 EURO
1.	PIONEERS: Online workshop dedicated to stakeholders - Constanta Port Administration in search of more efficient and ecological practices	January 20	ONLINE (Free of charge)
2.	FERTILIZERS 2022: EASTERN EUROPE, BALTIC STATES & BALKANS	January 26-28	ONLINE (Free of charge)
3.	Black Sea connect innovation workshop- ISTANBUL	February 02	ONLINE (Free of charge)
4.	Intermodal Freight Forum Europe 2022	February 08	ONLINE (Free of charge)
5.	The 3rd PLATINA Stage Event-the Brussels sessions	February 10	ONLINE (Free of charge)

6.	Stakeholders meeting on Port Pricing System	February 17	ONLINE (Free of charge)
7.	REIF Project - Transfer Conference & REIF Shift to Regional Rail Award	March 09	ONLINE (Free of charge)
8.	The regional workshop "Promoting the cooperation of LitOUTer project partners with Romanian stakeholders for the reduction of waste in the Black Sea", the framework of the BSB-785 LitOUTer project	April 14-15	ONLINE (Free of charge)
9.	DIONYSUS Project: 3rd Workshop on Container Liner Services	April 14	ONLINE (Free of charge)
10.	Current Economic and Shipping Trends In Turkey And The Black Sea Region	April 28	ONLINE (Free of charge)
11.	EALING Mid-Term event: "Towards a harmonized onshore power supply in the European Union"	April 29	ONLINE (Free of charge)
12.	EALING Energy suppliers' workshop- "Towards a harmonized Onshore Power Supply development in Europe"	July 05	ONLINE (Free of charge)
13.	Workshop. The Atlantic Smart Ports Blue Acceleration Network (AspBAN) project: Exploiting the potential of ports in the Balkans and the Black Sea for the future of the blue economy	September 22	ONLINE (Free of charge)

**Table no. 33 Promotional events**

**B. Official visits to C.N. A.P.M. S.A. CONSTANTA (see table no.34):**

No.	Institution / company designation	Date	Composition of official delegation
1.	Embassy of Israel	03.02.2022	Embassy of Israel delegation
2.	Kazakhstan	04.02.2022	Kazakhstan delegation
3.	The Embassy of the Republic of Indonesia in Romania	15.02.2022	Ambassador of the Republic of Indonesia in Romania H.S. Amhar Azeth, Honorary Consul of Indonesia in Constanta, Emil Sârbu
4.	The Embassy of Israel in Romania, the General Staff of the Naval Forces	22.02.2022	The Ambassador of Israel in Romania, H.S. David Saranga, Chief of Staff of the Naval Forces, Rear Admiral Mihai Panait
5.	Ministry of Transport and Infrastructure, Chamber of Deputies	29.03.2022	Minister of Transport and Infrastructure, Sorin Grindeanu, President of the Chamber of Deputies, Marcel Ciolacu
6.	Delegates of Moldova (Agreement between Constanta and Chisinau)	12.04.2022	Moldova delegation
7.	Ministry of Transport and Infrastructure, Chamber of Deputies	19.04.2022	Minister of Transport and Infrastructure, Sorin Grindeanu, President of the Chamber of Deputies, Marcel Ciolacu
8.	Food World Program, UN humanitarian agency	27.04.2022	Food World Program representatives



9.	Ukraine	28.04.2022	Ukraine delegation
10.	The Embassy of USA to Bucharest	04.05.2022	Delegation of the Embassy of the United States of America in Bucharest, led by David Muniz, Charge D'affaires at the American diplomatic representative, Carolina Hidea, economic advisor, and Pamela Ward, commercially attached
11.	Millenium Israel - CyNergy Londra	24.05.2022	Sergiu Balan, General Manager-AJK Energy, Ana Bunicelu, Chief Global Business Development Officer-AJK Energy, Amy Mesika, Manaolno Partner- Symba Group Israel
12.	Embassy of Romania in Kazakhstan	12.05.2022	Mădălina Stan, Ambassador of Romania in Kazakhstan, Dorin Popescu, personal adviser to the Constanta mayor's office
13.	Ukraine	12.05.2022	Global Enterprise account
14.	DOLFEN A.S. Ankara, Turkey	16.05.2022	Laura Suta – Department of Business Development DOLFEN A.S, Denizhan Kocak and Saygin Kemal Derebay, DOLFEN A.S representative
15.	Nunninen Logistics – Finland	16.05.2022	Olli Pohjanvirta, President, and CEO Nunninen Logistics Plc at Nunninen Logistics Plc
16.	Czech Republic	18.05.2022	Czech delegation, LOGISON, Jan Ekl, Jan Vlcek
17.	European Parliament	24.05.2022	The Transport and Tourism Committee of the European Parliament which includes Marian Jean Marinescu (EPP Romania), Elzbieta Katarzyna Lukacijewska (EPP Poland) Donnel Rookmaker (EPP, Netherlands), Manfred Seitz, General Manager of the Danube Commission, together with the members of the committees for transport and infrastructure and the one for rent and tourism from the Romanian Senate.
18.	Millenium Israel-CyNergy Londra	24.05.2022	Corneliu Dica, CEO c-tech SRL
19.	The National College of Internal Affairs - within the Alexandru Ioan Cuza Police Academy	26.05.2022	Participants in the postgraduate course - Strategic Management of Internal Affairs • within the National College of Internal Affairs
20.	Mixed Commission Romania – Turkey	30.05.2022	The first meeting of the Joint Maritime Commission Romania - Turkey. The Turkish delegation was led by Unal Baylan - General Director for Maritime Affairs within the Turkish Ministry of Transport and Infrastructure, accompanied by representatives of the Ministry of Foreign Affairs, as well as the private sector, Emre Yurdakul, General Consul of the Republic of Turkey in Constanta and Aygun Eski, commercial attaché. The Romanian side was represented by delegates from the Ministry of Transport and Infrastructure and the Romanian Naval Authority, Customs, Coast Guard. as well as the port operators
21.	France delegation	02.06.2022	Marie-Luce GHIB, regional agricultural advisor, Embassy of France, Romeo STAVAR-VERGEA, General Manager, CMA SHIPS ROMANIA (future honorary consul for Constanta) Patrick CHABROL, attaché for internal affairs, Embassy of France Tiffany MALHERBE, defense mission from the French Embassy Florian OOGHE, defense mission from the

			French Embassy
23.	Consulate of Turkey	06.06.2022	Aygun Esky, Commercial Attaché Turkey
24.	UK Embassy in Bucharest - Commercial Section and British Parliamentary Commission	08.06.2022	Kim Best- British Embassy Bucharest Alice Lyle - British Embassy Bucharest, Marian Tudor - British Embassy Bucharest, Bob Blackman MP, UK Parliament, Lord Davies of Gower, UK Parliament, Baroness Smith, UK Parliament, Drew Hendry MP, UK Parliament, Carol Monaghan MP, UK Parliament, Gavin Newlands MP. UK Parliament
25.	Committee for Budget, Finance and Banks	20.06.2022	Deputies from the Committee for Budget, Finance and Banks, Chamber of Deputies
26.	World Bank	21.06.2022	Nadia Badea - Senior Infrastructure Specialist, Dominis Pasquale Patella - Senior Transport Specialist, Gozde Isik - Senior Transport Specialist, Simona Sulikova - Transport Expert, Rico Salomann – Transport Expert
28.	German Embassy, The Romanian-German Chamber of Commerce (AHK Romania)	23.06.2022	Ahmed Bekov, head of the Economic Section, Cristina Raiciu deputy of the Economic Section
29.	STOLZ. Embassy of France	28.06.2022	Marie-Luce GHIB, regional agricultural advisor, French Embassy
30.	FC- International Finance Corporation, World Bank Group	28.06.2022	Dragos A. Savca - Associate Investment Officer
31.	APM Terminals Poti, Georgia	30.06.2022	Iain Rawlinson, Chief Commercial Officer, APM Terminals, Levan Berdzenishvili, Senior Sales Executive, APM Terminal
32.	Delegation of Serbia and Croatia	05.07.2022	Representatives of companies, partners and authorities from Serbia and Croatia
33.	Delegates of the European Parliament	08.07.2022	Norbert Lins - Germany, Herbert Dorfmann - Italy, Martin Hlavacek - Czech Republic, Daniel Buda - Romania, Antonia Pop, Sebastian Jehle, representative of COCERAL - European Association of Traders and ARCBA - Romanian Association of Agricultural Product Traders
34.	The Customs service of the Republic of Moldova	11.07.2022	Representatives of the Customs service of the Republic of Moldova
35.	Port of Gdansk, Poland	13.07.2022	Michal Stupak - Shipping Manager - Port of Gdansk Authority SA Katarzyna Szczycińska - Account Manager - Port of Gdansk Authority SA Jakub Kakóbowksi - Coordinator of the Connectivity in Eurasia Project - Centre for Eastern Studies Kamil Calus - Senior Fellow on Romania and Moldova - Centre for Eastern Studies Adrian Urban - Railway Expert - Polish Railways
36.	Vice President of the European Bank for Reconstruction and Development (EBRO)	15.07.2022	The vice-president of the European Bank for Reconstruction and Development (EBRO), Mr. Alain Pilloux
37.	The German Minister of Foreign Affairs, the ambassador of the Federal Republic of Germany, together with local officials of German companies operating in Romanian seaports	15.07.2022	The German Minister of Foreign Affairs, Annalena Baerbock, the ambassador of the Federal Republic of Germany, Dr. Peer Gebauer, the head of the Department of Technical Policy, Digital Economy and Mobility, Tilman Enders, the Regional Representative for Eastern Europe, Caucasus and Central Asia, Mathias Luttenberg, spokesperson of the Federal Ministry of Foreign Affairs. Christofer Burger is the general director of the General Directorate of European Affairs, Sibylle Sorg

38.	Minister of Transport and Infrastructure	19.07.2022	Minister of Transport and Infrastructure Sorin Grindeanu
39.	Representatives of the Ministry of Commerce from the Republic of Turkey	01.08.2022	Representatives of the Ministry of Commerce of the Republic of Turkey, Yusuf Karakas and Akin AK, together with Aygun Eski, commercial attaché of the Republic of Turkey in Constanta
40.	Representatives of some companies in the field of goods transport from Hungary and Slovakia	02.08.2022	Representatives of some Hungarian companies, Eurogate Rail Hungary, ZRT, Mahart Container Center Kft, Rail Cargo Hungary and Slovakia Logistics Hungaria Kft, PPS Logistic. The port of Sturovo Slovakia
41.	Canada's ambassador to Romania	03.08.2022	The Canadian ambassador in Romania, E.S. Annick Goulet
42.	Abu Dhabi Ports Group	08.08.2022	The delegation of Abu Dhabi Ports Group, together with Secretary of State in MTI, Bogdan Aurescu
43.	The Ambassador Extraordinary and Plenipotentiary of the State of Qatar in Romania	19.08.2022	The Ambassador Extraordinary and Plenipotentiary of the State of Qatar in Romania, His Excellency Osama Yousef A.A. Alqaradawi
44.	Secretary General of International Maritime Organization	28.08.2022	Secretary General of the International Maritime Organization, Kitack Lim
45.	Ministry of Infrastructure of Ukraine	31.08.2022	Andrii Shchiar - Royal Haskoning DHV, Ievgen Apalkov - Minister of Infrastructure of Ukraine. Nestor Plotytsya - Minister of Infrastructure of Ukraine
46.	Nurminen Logistics, Finland, Kazakhstan Railways(KTZ)	01.09.2022	Olli Pohjanvirta - CEO Nurminen Logistics, Finland Askar Klzshbekov - CEO Kazakhstan Railways(KTZ), Zerfan Koishibazev - Deputy for Logistics
47.	JETRO - Japanese Foreign Trade Organization	08.09.2022	Mr. Daisuke Kudo, Vice President JETRO Mr. Shigeyo NISHIZAWA, General Manager JETRO Mr. Cristian Neamtu. Office Manager
48.	Online meeting representatives of Port Halifax	12.09.2022	Captain Allan Gray/Port Halifax – General Manager Mr. Gabriel Cristian - Minister Counselor within the Economic Commercial Promotion Office and the Consulate General of Romania in Montreal
49.	Railship Commerce. Estonia and TEP TRANSCO, Ukraine	16.09.2022	Stanislav Stereltskiy - founder of Railship Commerce, Estonia and TEP TRANSCO. Ukraine Alexander Stereltskiy, Commercial Manager TEP TRANSCO, Ukraine, Anton Gans - Member of the Board of Directors Railshio Commerce
50.	Interparliamentary working group Azerbaijan - Romania	28.09.2022	Azay Guliyev, the president of the Azerbaijan-Romania inter-parliamentary working group, Mr. Aghalar Valiyev, member of the group, Mr. Elman Mammadov, member of the group, Mr. Igar Nuri, head of the Department of International Relations, Mr. Vaghif Hasanov. Romanian-Azeri interpreter
51.	The President of Georgia, Salome Zourabichvili, representatives of MTI, secretaries of state	12.10.2022	The President of Georgia, Salome Zourabichvili, secretaries of state, Bogdan Mindrescu, Constantin Bunduc, the President of the Constanta County Council, Mihai Lupu, the mayor of the Municipality of Constanta, Vergil Chitac, the Prefect of the County Constanta, Silviu Cosa.
52.	The Lithuanian delegation and CFR Marfa representatives	18.10.2022	Mr. Mindaugas Skunkikas - Head of Business Development, AB LTG Cargo, Mr. Laimonas Nekrosius, Head of Sales AB LTG Cargo, Alexa Boiciuc, representative of CFR Marfa abroad
53.	MTI Minister Sorin Grindeanu and the president of the Chamber of Deputies Marcel Ciolacu	01.11.2022	MTI Minister Sorin Grindeanu and the president of the Chamber of Deputies Marcel Ciolacu

54.	Representatives of the British Embassy	17.11.2022	Mr. Alasdair Grant, Deputy Head of the Ukraine Grain Cell, Foreign, Commonwealth and Development Office, Mr. Rory Gibson, Head of Humanitarian Response, Ukraine Response Cell, Department of Transport, Mr. Ahmed Patel, Head of Foreign and Security Policy, British Embassy Bucharest, Mr. Chris Frean, Head of Economic Diplomacy, Ms. Emanuela Cristescu, Trade Development Adviser, Ms. Elena Maftai, Economic Diplomacy Assistant, Mr. Stephen Williams, Humanitarian Adviser, British Embassy
55.	Delegation of businessmen from Kazakhstan	23.11.2022	Kazakh components of the delegation consisting of Janibekov Nurtas- Transsistema - Partner, Artykbayev Abzal - Shuttle KZ-CEO, Raushanov Kanat - Shuttle KZ- Managing partner, Nurfan Abalyev - Commercial attaché at Embassy of Kazakhstan in Bucharest. Corina Martin, Honorary Consul of the Republic of Kazakhstan
56.	The Ambassador of the Republic of Austria, the Consul of the Republic of Austria in Bucharest. Honorary Consul of the Republic of Austria in Constanta	28.11.2022	The Ambassador of the Republic of Austria in Romania, H.S. Adelheid Folie, Consul of the Republic of Austria in Bucharest. Michael Schwed, Honorary Consul of the Republic of Austria in Constanta, Marius Puiu.
57.	Indonesian delegation, led by the Ambassador of the Republic of Indonesia in Romania	12.12.2022	The ambassador of the Republic of Indonesia in Romania, H.S. Amhar Azeth and representatives of the national company that manages the ports in Indonesia

Table no. 34 - Official visits

**C. PRESENTATIONS AND TECHNICAL TOURS IN THE PORTS ADMINISTERED BY CN APM SA CONSTANTA**  
(TV/media representatives from the national and international press)

	Name of delegation	Description of activity	Date
1.	Tribune of Geneve	Tour of the port, guide in shooting shots from different locations for editing the reportage	April 18, 2022
2.	France Press	Tour of the port, guide in shooting shots from different locations for editing the reportage	May 3, 2022
3.	Das Erste Television	Tour of the port, guide in shooting shots from different locations for editing the reportage	May 10, 2022
4.	Reuters	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	May 11, 2022
5.	Getty Images	Tour of the port, guide in photographing frames from different locations!	May 16, 2022
6.	Deutsche Welle	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	May 18, 2022
7.	Euronews	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	May 19, 2022
8.	SkyNews	Tour of the port, guide in shooting shots from different locations for editing the reportage, LIVE broadcasting, leading and waiting delegation at private operators for interviews	May 23-24, 2022
9.	ZDF	Tour of the port guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	May 2022
10.	TV from Japan	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting	May 31, 2022

		delegation at private operators for interviews	
11.	ZDF	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	June 9, 2022
12.	The Neue Zürcher Zeitung (NZZ)	Tour of the port, leading the delegation to private operators for interviews	June 20, 2022
13.	Free Europe	Tour of the port, guide in shooting shots from different locations for editing the reportage, leading and waiting delegation at private operators for interviews	July 2022
14.	Photographer + Journalist International Press	Tour of the port, guide in shooting the frame in different locations for the mounting of the reportage	July 12, 2022

**Table no. 35 - Presentations and technical tours in Constanța Port**

**C. PARTICIPATION OF CN APM SA IN EXTERNAL EVENTS (see table no. 36)**

No.	Name of event	Period
1	The inspection on the Maritime Security line of the European Commission, Ghent, Belgium	March 14-18, 2022
2	Romanian Intergovernmental Economic -Technical Cooperation Commission - Turkey, Istanbul, Turkey	March 29-31, 2022
3	Expo-Conference Black and Caspian Sea Ports and Shipping 2022, Poti, Georgia	April 05-07, 2022
4	The 6th edition of the international event Prague Karlboerse, Prague, Czech Republic	April 13, 2022
5	Constanta Port Day in Budapest	May 12, 2022
6	60th MedCruise General Assembly, Palamos - Roses, Spain	May 24-27, 2022
7	ESPO General Assembly and Annual Conference, Valencia, Spain	June 1-3, 2022
8	Ealing Seminar - Electrification in Ports and Vessels- Challenges And Sustainable Solutions in Europe, Athens, Greece	June 7, 2022
9	Steering Committee meeting, related to the PIONEERS project, Antwerp, Belgium	June 08-09, 2022
10	The Business Forum of the Big 3 initiative. Riga, Latvia	June 19-22, 2022
11	Romanian Black Sea Port of Constanta - Strategic Hub for Europe, Prague, Czech Republic	June 19-22, 2022
12	The Second Session of the Cooperation Commission between the Government of Romania and the Government of the United Arab Emirates, Abu Dhabi	June 21-22, 2022
13	Constanta Port Day, Novi Sad, Serbia	September 22, 2022
14	Eastern European Connected, Bucharest, Romania	September 27, 2022
15	Baltic & Black Sea Ports & Shipping, Palanga, Latvia	September 27-29, 2022
16	Eastern European Intermodal Conference, Budapest, Hungary	October 11, 2022
17	Translogistica, Bucharest, România	October 12-14, 2022
18	X Logistics & Transports Annual Conference, Belgrad	November 02, 2022
19	Regional WORKSHOP: River Cruise Industry in the Middle Danube Region Countries, Belgrad, Serbia	November 09, 2022
20	Forwarding 2022, Budapest, Hungary	November 23-25, 2022
21	Sustainable Maritime Fuels Forum, Berlin, Germany	December 06-07, 2022

**Table no. 36 • CNAPMSA participates in external events**

The use of online media and printed advertising materials to promote events and information of interest about Constanța Port was aimed at increasing visitor traffic on websites via online promotion, both on the company's official website, as well as on social media, and LinkedIn and Youtube management, the use of them having the following benefits:

- Real-time feedback on the impact of the content posted on social media profiles
- The ability to measure the impact of communication channels, as well as the way visitors interact with them
- The possibility of addressing the largest possible audience, even on a global level - global reach
- Promotion 24/7, no impact on the hourly rate

The online activity of C.N. A.P.M. S.A. Constanța was intense, with efforts to promote events organized by the company and others which were attended by its representatives, investment projects, both with European and own funds, as well as day-to-day activities within the maritime ports. The company's permanent activity on social media determined a gradual increase in user interactions with posts, as well as in their impact.

On the LinkedIn platform, the CN APM SA Constanța account has currently 4,101 followers and 208 posts, the number of interaction activities on the account reaching 279,678 during the last year, with an increase of 100% compared to the previous period. As far as the Youtube account is concerned, there are 64 subscribers in total, 9 video posts with 7,672 views and a watching duration of 161.6 hours. It should be mentioned that the resulting traffic on all C.N. A.P.M. Constanta social media platforms is made organically.

### **XIII. ENVIRONMENTAL ACTIVITIES**

In order to fulfil the environmental protection obligations, CN APM SA, via the Environmental Office, conducted throughout 2022 the following activities:

- Monitoring the manner of performing the sanitation/decontamination of the port docks (collection of solid waste and oil-based residues), aggregating and reporting to the local environmental authority the data concerning the amounts of waste collected from the port waters.
- Monitoring the activities carried out in cases of accidental port water pollution by the functional structures with duties as part of the action plan implemented across the port authority administration, informing the Company executives on the evolution and effectiveness of an intervention, as well as liaising with the local environmental authorities.
- Updating the intervention plan in cases of accidental pollution in the maritime ports, elaborated in line with the provisions of *GD no. 893 from July 5, 2006 on the approval of the National preparation, response and cooperation plan in cases of marine hydrocarbon pollution*, as a result of putting into operation some intervention vessels entered into the Company's equipment.
- Aggregating the data provided by the landfill operator on the types and quantities of waste stored within the ecological landfill and making sure this data is submitted to the environmental authorities.

- Aggregating the data and information provided by the Port Services Branch in regard to the categories and quantities of waste taken over from vessels that use the maritime ports, as well as those provided by the Port Technical Vessels Branch on the categories and quantities of hydrocarbon residues, used water and freight residues taken over from vessels that use the maritime ports, and sending them to the local environmental authorities.
- Specific activities aimed at having regulatory documents issued/revised or, as the case may be, having the annual permits stipulated by the legislation in force issued by the competent authorities, that is the environmental permits and the water rights permit for ports under administration.
- Constantly retaining the certification of CN APM SA environmental management system, in line with the requirements of ISO 14001/2015, by means of:
  - setting forth the environmental objectives and the progress monitoring objectives;
  - identifying the environmental requirements resulting from the legislation and the environmental and water rights permits, and communicating them to the compartments in charge;
  - environmental inspections intended to check the extent to which environmental requirements are complied with.
- Monitoring specific environmental factors (underground water, leachate, landfill gases, land stability, sinking behavior) across the former port landfill in the area of Constanța port gate 6, in line with the provisions of GD no. 349/2005 on waste storage, as subsequently amended and supplemented, and of the monitoring program approved by the environmental authority.
- Completion of the documentation required for the procurement procedure of the technical project for the closure of the port waste ecological deposit in accordance with the provisions of O.G. 212021 regarding waste storage.
- Completion of the necessary documentation for the procedure for the acquisition of noise-reducing pipes and the related action plan, for the Constanta area of the Constanta port, in accordance with the provisions of Law 121/2019 regarding the assessment and management of ambient noise.
- Taking part in the controls and inspections carried out by the environmental authorities, facilitating their access to environmental information held by the Company, and communicating how the measures set forth were implemented in the inspection reports drawn up following the controls.

#### **XIV. ACCES TO PUBLIC INFORMATION**

Throughout 2022, there were 316 requests for public information received and all of these received an answer within the legal deadline, without any regular and criminal complaints on record.

The requests received by e-mail, verbally, through the portal or by mail were from legal entities, including members of the press, and also from natural persons.

Throughout 2022, there was a flurry of activity on the company's social media pages: Facebook – [www.facebook.com/ConstantaPort](https://www.facebook.com/ConstantaPort) and Twitter - @ConstantaPort.

The company's activity in terms of repairs, professional meetings, investments, and initiatives of CN APM SA was promoted, whereas the dialogue with social media users was strengthened, for a greater opening towards those interested in the Romanian maritime ports.

In 2022, were already identified 159 posts on Facebook, 24 on Twitter and over 240 actions on the company's portal [www.portofconstantza.com](http://www.portofconstantza.com). The continuous updating of the information presented on the Facebook page determined

that at the end of 2022 to have over 7,000 followers of the page and many interactions with it.

On Facebook, the posts determined 22,171 visits to the page, registering a very great increase from the visits of 2021, in number 8,269.

In 2022, they received 5 requests to which they responded within the legal term, without exception.

The continuous updating of the information presented on the Facebook page allowed us to exceed, at the end of 2021, 6,000 likes for the page and conduct many interactions with the followers.

In 2022, there were 5 petitions received and replied to within the legal deadline, with no exceptions.

## **XV. CORPORATE GOVERNANCE / CONTROL**

### **Implementation of the corporate governance principles**

The governance system implemented by the company executives set forth as main objectives: providing asset management integrity, the effective use of the available technical means and maximizing newly created values so as to benefit for company growth and shareholders' satisfaction.

Considering the complexity of the processes and activities organized and carried out by the company, the management took the decision to set up and organize internal and external control mechanisms in order to identify and prevent (internal and external) risks and exert a thorough financial, administrative, managerial and system control.

According to the legal provisions, the company organizes and implements, as forms of control to be exercised over the entire activity focusing on asset management, company's leadership and organization and operation that make use of corporate tiers, and risk occurrence identification and prevention, **internal control**, and **external control**.

#### **a) Internal control**

The **internal control system**, organized and laid out across the company in order to ensure asset integrity and the efficient management and use of the assets available to the company, for the purpose of strengthening the shareholders' holdings, comprises the following elements:

##### **a1) Management financial control**

The Management Financial Control Office operates within Compania Nationala Administratia Porturilor Maritime SA Constanța pursuant to GEO no. 94/2011 on the organization and operation of the economic and financial inspection of undertakings and to GD no. 1151/2012 for the approval of the Methodological rules on organizing and exercising management financial control;

Management financial control represents a form of control focused on securing the integrity of corporate assets, as well as of the state public and private domain property under administration, under concession or under lease, on enhancing the effective use of the allocated resources, as well as on compliance with the legal provisions and the internal regulations applicable to the company's economic and financial activity;

The activity of financial control takes place based on the control programs elaborated, as per GD no. 1151/2012, on a yearly, quarterly, and monthly basis, approved by the General Manager of Compania Nationala Administratia Porturilor Maritime SA Constanța, but also based on spot controls initiated at the company executives' request.

In 2022, control actions mentioned in the 2022 Work Program were carried out, as were control actions conducted at the General Manager's request.



In this respect, control reports were drawn up in relation to:

**1. Checking the need for the purchase and the procedure for the purchase of the self-laboratory for defectoscopy, and electrical cable measurements.**

The objectives of the action consisted in the verification of the need for the purchase and the procedure for the purchase of the self-laboratory for defectoscopy and electrical cable measurements (inspection control in progress).

**2. Checking the procurement procedures and the performance of the contracts that are the object of the project "Modernization of the infrastructure and environmental protection in the Port of Constanta" PROTECT:**

**- technical vessel mooring infrastructure + platform superstructure arrangement (equipment and utilities) for services related to technical vessels (Design and execution)"**

The objectives of the action consisted in verifying the procurement procedures and the progress of the contracts that are the subject of the project "Modernization of the infrastructure and environmental protection in the Port of Constanța" - PROTECT

**3. Checking of the acquisition procedure for the investment: EXTENSION WITH ONE LANE THE BELFRY ROAD SOUTH PIER + OS -design and execution.**

The objectives of the action consisted in verifying the acquisition procedures for the investment Extension with one lane of belfry road south pier.

**4. Checking the performance of the contract no. CNAPM-07932-IDP-01/04.01.2016 concluded with SC Glass Design Concept SRL**

The objectives of the control action consisted in verifying the performance of the contract concluded with SC Glass Design Concept SRL.

**5. Checking the way of fulfilling the tasks established by the Board of Directors, the General Meeting of Shareholders, the Court of Accounts in December 2020 -present**

The objectives of the control action consisted in the verification of the way of fulfilling the tasks set by the Board of Administration, the Assembly General of the Shareholders, and the Court of Accounts.

**6. Actions in progress with regard to:**

- Checking the performance of contracts concluded with the GSP Group of companies that register large debts for the payment of utilities starting with 2021;
- Checking the execution of the contracts concluded with the GSP Group of companies, which registers large debts for the payment of rent starting from 2019;
- Checking the occupation of land surfaces by companies that have not concluded a lease contract (approx. 22.4 ha) with CN APM SA or of constructions erected without authorization (Romned, Comvex, Grup GSP, Sticerom, A Group).

The objectives of the action consist of:

- Checking the performance of utility and rental contracts concluded by CNAPM SA with the GSP Group and of the occupation of land areas by companies that have not concluded a lease agreement with CN APM SA, as well as the constructions erected without authorization on the port's pavement.
- Establishing both the factual and legal circumstances that led to the creation of large debts of the GSP Group and the situations in which they have occupied land without rental contracts and the people responsible for these situations.

## 7. Unannounced checks at the cashier of the CNAPM SA

These inspections verify compliance with the provisions of Law no. 70/2015 for strengthening financial discipline regarding cash receipts and cash payment operations and for the modification and completion of Government Emergency Ordinance no.193/2002 on the introduction of modern payment systems.

Following the verifications, the persons who performed the financial management controls recorded the findings in the bilateral control documents (control reports) which were submitted to the General Director of C.N. Administratia Porturilor Maritime SA Constanta, which (according to GD no. 1151/2012 for the approval of the Methodological Norms on the organization and exercise of financial management control) analyzes, arranges and monitors the implementation and fulfillment of the measures written in the control documents.

a2) preventive financial control over employment operations, patrimonial relations based on contracts with third-party natural and legal persons and operations of cash collection and cash payments, organized at the level of companies and branches;

The activity of preventive financial control is regulated from a normative perspective, by the following incident acts:

- Government Ordinance no. 119 / 1999 - regarding internal control and preventive financial control
- Law no. 84/ 2003 - for the modification and completion of Government Ordinance no. 119 / 1999 - on internal control and preventive financial control
- General Methodological Norm regarding the exercise of preventive financial control approved by the Order of the Minister of Public Finance no. 923 / 2014, with subsequent amendments.

The preventive financial control activity is carried out by the Preventive Financial Control Bureau, organized at the level of C.N. C.N. Administratia Porturilor Maritime S.A. Constanta, in accordance with the provisions of point 2.1 of the General Methodological Norm - regarding the exercise of preventive financial control and of the specific Code of professional norms - for persons carrying out their own preventive financial control activity, approved by Order of the Minister of Public Finance no. 923/2014.

The office operates within the Financial Directorate and is hierarchically subordinated to the Manager of the Financial Directorate, having the role of ensuring the administration of the patrimony of C.N. APM S.A. in legal conditions, to identify operations that do not respect the conditions of legality, regularity, opportunities, and efficiency before their approval.

According to the reports on preventive financial control activities drawn up quarterly, 11,463 operations with a financial effect on public funds and public patrimony, amounting to RON 2,235,798,254.5, were subject to preventive financial control, thus:

Period	No. operations subject to the PFC	Quarterly value of operations subject to PFC (RON)
Q 1	2,150	684,906,171.2
Q 2	3,460	590,131,393.4
Q 3	2,256	468,197,735.2
Q 4	3,597	492,562,954.7
TOTAL 2022	11,463	235,798,254.5

**Table no. 37 - operations subject to the PFC**

There were no operations that failed to receive the preventive financial control approval.

**a3) internal audit** is carried out across all of the company's corporate tiers, is independent of the organizational structures and assesses compliance with the effectiveness and ethical standards based on risk analyses and an audit plan approved by the Board of Directors.

6 (seven) regularity assurance engagements were planned for 2022 were conducted, as follows:

1. Regularity assurance engagement "**Substantiation, elaboration and preparation of the Revenue and Expenditure Budget, and that of the tariff in C.N.A.P.M. S.A. Constanta**", carried out at the level of the Budget Service, Economic Analyzes, and Tariffs, the Audit report being approved by the General Manager and registered with no. 13245/25.03.2022.
2. Regularity assurance engagement "**Assessment of financial management control in C.N. A.P.M. SA Constanta**", carried out at the level of the Financial Control Department. The audit report being approved by the General Manager and registered with no. 12962/23.03.2022;
3. Regularity assurance engagement "**Evaluation of the way of carrying out the special activities with regard to human resources in C.N. A.P.M. TO. Constanta**", carried out at the administrative level, the audit report being approved by the General Manager and registered with no. 23752/03.06.2022;
4. Regularity assurance engagement, "**Implementation of projects with external financing in C.N.A.P.M. SA. Constanta**" at the level of the European Projects Office, the audit report issued by the General Manager, registered with no. 35993126.08.2022;
5. Regularity assurance engagement, "**Evaluation of the representation of the Company's Interests in the field of maritime insurance and litigations in relation to third parties, coordination, monitoring, preventive measures, combating and control environment pollution according to the legislation in force and in accordance with the coordination of prevention activities and management of emergency services in C.N. A.P.M. SA. Constanta**", carried out at the level of the Maritime Litigation and Insurance Office; the Environment Office, and at the level of the PSI Bureau, Emergency Services, the audit report approved by the General Manager and registered with no. 44668/21.10.2022;
6. Regularity assurance engagement, "**Evaluation of the activities of tracking, guidance and control of the implementation module by the economic agents of the decisions of the Commission for Coordination of the Movement of Vessels regarding maritime and fluvial traffic, as well as the supervision of the maneuvers of the vessels in the ports of Midia and Mangalia in C.N.A.P.M.S.A. Constanta**", carried out at the level of the Port Authority Exploitation Service, the audit report being approved by the General Manager and registered with no. 49367/15.11.2022;
7. Regularity assurance engagement, "**Evaluation of the development module of the Internal managerial control system in C.N.A.P.M.S.A. Constanta**", carried out at the level of the Monitoring Committee for the development of the Internal managerial control system at the level of C.N. A.P.M. S.A. Constanta, the audit report being approved by the General Manager and registered with no. 35001/22.12.2022;

Within the reports, 4 partially implemented recommendations were formulated (in the course of implementation, within the terms established by the audited departments through the action plan and the implementation calendar of the recommendations formulated by the audit team as a result of the mission).

We mention that during 2022, at the request of the General Manager, the Internal Audit Office provided informal counselling.

**b) External control**

A concern of the Management Board came in the form of the gradual elimination of the External Auditor's comments by means of adopting and implementing the recommendations.

The Company is audited by **TGS Romania Assurance & Advisory Business Services S.R.L.**, Bucharest, which submits the Annual Economic and Financial Audit Report in line with the local regulations (statutory audit according to MPF Order 1802/2014).

We hereby enclose to the present report the Non-financial statement for 2022.

Signed on behalf of the Management Board,

**President of the Management Board**  
*GAVRUTIA ADRIAN DANIEL*