



DECISION

No. 331, Dated 18.12.2025

ON

**THE ASSESSMENT OF THE COMPLIANCE OFFICER ANNUAL REPORT OF
“TRANS ADRIATIC PIPELINE AG”, A FOREIGN BRANCH COMPANY, FOR THE
IMPLEMENTATION OF THE REGULATORY COMPLIANCE PROGRAM FOR
2024**

Based on Article 16 of Law no. 43/2015, “*On Power Sector*”, as amended; articles 16 and 47, point 5 letter “b” of Law no. 102/2015 “*On Natural Gas Sector*” as amended; decision no. 149, dated 10.09.2020 of Energy Regulatory Authority board (ERE), “*On approving the Regulatory Compliance Programme*” submitted by TAP AG according to the “*Final Joint Opinion*” in the framework of the exemption procedure for TAP pipeline”; ERE Board Decision no. 105, dated 29.06.2020, as amended with Decision no. 150, dated 10.09.2020, “*On approving the Compliance Officer of TAP and the Contract for Providing the Services of the Compliance Officer*”, as well as the implementation of Directive 2009/73/EC of the European Parliament and of the Council, dated 13 July 2009, “*On the common rules for the internal market of natural gas and abrogation of Directive 2003/55/EC*”; as well as Article 15 of the *Regulation for ERE organization, operation and procedures*, approved with ERE Board Decision no. 96, dated 17.06.2016; ERE Board, on their meeting dated 8.12.2025, after reviewing the report prepared by the Compliance and Assessment of the Regulatory Impact Directory, protocol no. 3085, dated 17.12.2025, “*On the analysis and assessment of the Regulatory Compliance Annual Report for 2024 of “TRANS ADRIATIC PIPELINE AG”, foreign branch of the company*”,

Observed that:

1. Submission and review of the Annual Compliance Report for 2024

- Implementing article 47, point 5 letter “b”, of Law no. 102/2015, “On natural gas sector”, as amended, as well as ERE Board Decision no.149, of date 10.09.2020, “On approving the “Regulatory Compliance Program, and decision no. 105, of date 29.06.2020, as amended with decision no. 150, of date 10.09.2020, “On approving the Compliance Officer of TAP and the Contract for the Provision of Compliance Officer Services”, the Compliance Officer is charged to submit at ERE annually the report on the monitoring and implementation of the respective program.
- ERE, in exercising its surveillance competences, assesses the report submitted by the Compliance Officer, to guarantee the operational independence, transparency and non discriminatory treatment in natural gas market.
- ERE Board, with decision no. 149, dated 10.09.2020, approved the “Regulatory Compliance

Program" of "Trans Adriatic Pipeline AG", foreign branch of the company, while with decision no. 105, dated 29.06.2020, as amended with decision no. 150, dated 10.09.2020, it is approved the Compliance Officer of TAP AG and the Contract for Providing its Services.

2. Submission and review of the report for 2024

- Implementing the obligations of the Compliance Program, on 28.03.2025, the Compliance Officer of TAP submitted at ERE the Annual Compliance Report for 2024, in confidential and non confidential version, in Albanian and English language complying with the terms and requirements defined on point 3.1.1.1(g) of the Compliance Program.
- ERE performed the assessment and analysis of this report, considering it as an official document aiming to inform the regulatory authorities on the measures taken for the implementation of the Compliance Program obligations and any possible violation case.
- ERE Board, on their meeting no. 36, of date 09.09.2025, following the assessment of the report, required from the Compliance Officer additional information regarding: the implementation of the request for publishing the non-confidential version of the report on TAP official website, in the function of transparency principle, refering to the Program (point 3, letter "g") and the requirements of Natural Gas Directive; the method to administer the notifications for suspected violations/concerns ("speak up"), according to Point 5 of the Program, including the functionality and publication of the dedicated address regulatorycompliance@tap-ag.com.
- Complying the above requirements, the Compliance Officer of TAP, with the official letter REF NR. LT-TAP-ERE-00061, dated 10.10.2025, subject: "Response of TAP for the questions raised by ERE regarding the Annual Report of the TAP Regulatory Compliance", submitted the responses and the clarifications in Albanian and English language.

3. Compliance of the obligations from the Compliance Officer for 2024

- From the analysis of the submitted documentation and the verifications performed, it results that the Annual Compliance Report for 2024 has been prepared and submitted in accordance with the requirements of the Regulatory Compliance Program and the legal/regulatory framework in force.
- Regarding the concern of publishing the non-confidential version, it has been clarified that, according to point 3.1.1.1(g) of the Program, the publication of the non-confidential version is carried out only if required by the national legislation in force, while the reporting is regularly submitted to the regulatory authorities within the annual deadlines. In this context, ERE assesses that the monitoring report on the implementation of the Program is handled with confidential status and may be published only if and to the extent required by the relevant legislation/regulations in force.
- It has been observed that during 2024, no cases of violation of the ITO status, or of the principles of functional allocation, equal and non-discriminatory handling, and the protection of commercially sensitive information have been reported and identified.
- TAP AG Regulatory Compliance Program is published on TAP official website and, in accordance with the provisions of point 5 thereof, also includes "speak up" reporting mechanisms, as well as the dedicated email address regulatorycompliance@tap-ag.com, which serves as a communication channel for reports/concerns regarding regulatory compliance.
- The reporting and additional documentation submitted by the Compliance Officer, upon TAP request, is handled as confidential information, in accordance with ERE Board Decision no. 65, dated 26.03.2018, "On the protection of confidential information", and, if requested, TAP expresses its willingness to draft a non-confidential version of the documentation.

4. Need to improve and the recommendations for the next period

- It is assessed that the Compliance Officer of TAP AG has regularly and fully fulfilled his obligations for 2024, by providing annual reporting to regulatory authorities and contributing to ensuring functional independence, transparency and non-discriminatory treatment in the natural gas market.
- The implementation of the Regulatory Compliance Program is assessed in accordance with the requirements of national legislation, Directive 2009/73/EC, and regulatory acts in force, while for the subsequent period it remains important to ensure the continuity of transparency measures, the functionality of internal reporting channels and the management of confidential information according to regulatory standards.

For all of the above mentioned, ERE Board,

Decided:

1. To approved the Annual Report of the “Trans Adriatic Pipeline AG”, Compliance Officer, a foreign branch of the company, for 2024.
2. The approval of ERE Assessments for 2024, regarding the Annual Report of the Compliance Officer. (attached to this decision)
3. Compliance and Regulatory Impact Directory, shall inform the Ministry of Infrastructure and Energy, “Trans Adriatic Pipeline AG” company, the Compliance Officer and the Energy Community Secretariat regarding ERE Board Decision.

This decision enters immediately into force.

Each party involved on this procedure may require ERE that within 7 calendar days from the notification, to review the board decision in case there are new evidences that may lead the board to take a different decision from the previous one or for observed material errors. Regarding this decision may be complained on Tirana Administrative Court, within 45 calendar days from the publication day in the Official Gazette.

This decision is published on the Official Gazette.

CHAIRMAN

Petrit AHMETI

On the assessment of TAP Compliance Officer report for 2024

The Energy Regulatory Authority (ERE), as the independent regulatory authority for the electricity and natural gas sectors in the Republic of Albania, based on the provisions of Law No. 43/2015 "On Power Sector", as amended, as well as on the relevant decisions of the ERE Board, exercises the supervisory and evaluation function over the implementation of the Compliance Program by the operators. In this context, one of the essential instruments is the review and evaluation of the annual report drafted by the Compliance Officer, which presents a report on the implementation of the program and the measures taken to guarantee the functional and legal unbundling as well as to promote the transparency, impartiality and non-discriminatory functioning of the operator in the market. For this reporting, we assess that the operator had a positive performance and that the Compliance Officer has generally fulfilled his legal and functional obligations in a qualitative manner in the implementation of the Compliance Program for the year 2024

ERE Board assesses for 2024:

1. *Compliance of legal and institutional obligations to deliver the Annual Report for 2024* in confidential and non-confidential versions, in both languages. The report contains the measures for the implementation of the Compliance Program and is assessed in conformity with the standards and regulations in force. The monitoring report on the implementation of the program is assessed with confidential status and may be published if and on the measure required from the respective legislation and regulations in force at any time.
2. *The implementation and monitoring of Regulatory Compliance Program.* According to the reporting, it is observed that the actions and processes implemented by TAP AG are in conformity with the Compliance Program approved by ERE with ERE Board Decision no. 149, of date 10.09.2020. The program is published on TAP website, ensuring transparency and the verification opportunity for the interested parties on the company's compliance with the legal requirements.
3. *Participation and information of the Board.* It is estimated that the Compliance Officer has regularly participated in TAP meetings and provided 12 updates to the Board structures, ensuring continuous surveillance and transparency in the implementation of the Program.
4. *Right of access to data.* It is assessed that the Officer has fully exercised his right of access to all TAP data, which enabled effective control over the implementation of legal and program obligations.
5. *Recommendations and assistance.* It is assessed that recommendations and professional assistance is provided for the implementation of the Program, strengthening the surveillance functions and contributing to the improvement of internal processes.
6. *Reporting of potential violations.* It is assessed that the Officer has respected the obligation to report potential violations to the authorities and governing bodies of TAP, ensuring the functioning of preventive mechanisms using the dedicated email address regulatorycompliance@tap-ag.com
7. *Commercial sensitive information.* It is assessed that the rules for the handling commercial sensitive information have been implemented, avoiding any risk of unauthorized distribution and preserving the integrity of confidential data.
8. *Commercial and financial relations.* It is assessed that the Officer provided regulatory advices regarding important commercial and financial concerns, including the market test, shareholder

relations and cases addressed to the European Commission.

9. *Cooperation with Authorities.* It is assessed to have maintained regular reporting and full cooperation with regulatory authorities, in accordance with the Gas Directive and institutional transparency practices.
10. *Operational independence.* It is assessed that TAP correctly implemented the rules on operational independence as an Independent Transmission System Operator and that the Officer has monitored their compliance in practice.
11. *Independence of the Board and employees.* It is assessed that there are respected the requirements for the independence of TAP Board members and employees, ensuring that the standards of integrity and impartiality are guaranteed.
12. *Appointment and renewal of management bodies.* It is assessed that the procedures for the appointment, renewal and termination of the mandate of the governing bodies have been carried out in accordance with the Compliance Program and the principles of good governance.
13. *Implementation of the Compliance Program.* It is assessed that the Officer implemented the obligations for the annual training of employees and Board members on the Program, as a mandatory part of the introduction for new employees and new Board members, in order to recognize and properly implement the Program from all employees. Improving innovative mechanisms in the framework of effectively guaranteeing the recognition of the program, making a difference with previous years, this year the questionnaires on the recognition of the program have been implemented through the HRMS human resources management system.