



## **CODE OF GOVERNANCE**

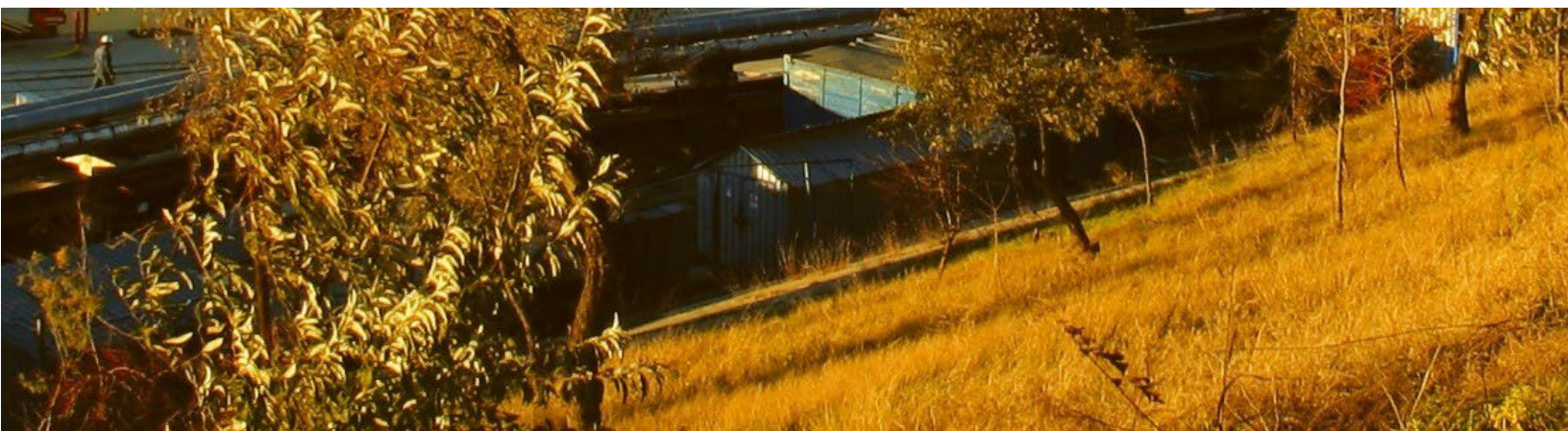
### **General standards**

**Societatea Nationala Nuclearelectrica S.A.**

*July 2024*



**NUCLEARELECTRICA**





**Approved,**  
Cosmin GHITA  
CEO

**Endorsed by,**  
Vasile DASCALU  
CFO

**Endorsed by,**  
Laura CONSTANTIN  
Deputy General Director Corporate  
Services

**Endorsed by,**  
Mihai Laurentiu GIOARA  
Deputy Chief Commercial and  
Development Officer

**Endorsed by,**  
Alexandru Florin VISAN  
Deputy Chief Operating Officer

**Endorsed by,**  
Cosmin Mugurel ANGHEL  
Manager of the Information  
Technology and Information Security  
Directorate

**Endorsed by,**  
Alexandra-Loredana Macaneata  
Manager of the Human Resources  
Strategy Directorate

**Endorsed by,**  
Mihai SANDULESCU  
Manager of the Audit and Risk  
Management Directorate

**Prepared by,**  
Irina Dicieanu  
Head of the DEVELOPMENT  
AND EVALUATION OF  
MANAGEMENT SYSTEM  
DEPARTMENT S

**Prepared by,**  
Mircea Preda  
Head of the PROCESS MANAGEMENT  
ANALYSIS DEPARTMENT

**Prepared by,**  
Carmen Pirvan  
Head of the FINANCIAL AND  
MANAGERIAL  
CONTROL DEPARTMENT

## Table of Contents

<b>1. Executive Summary</b> .....	<b>4</b>
<b>2. Introduction</b> .....	<b>5</b>
<b>3. Business Management Model - SNN Group</b> .....	<b>7</b>
<b>4. General standards</b> .....	<b>11</b>
1.0 Nuclear Safety.....	11
2.0 Environmental Protection and Radiological Safety .....	12
3.0 Production Process Coordination and Technical Support .....	12
4.0 Management System.....	13
5.0 Financial.....	13
6.0 Trading.....	14
7.0 Investments.....	14
8.0 IT&C and Cybersecurity.....	14
9.0 Physical Protection and Protection of Classified Information.....	15
10.0 Internal Managerial Control.....	16
10.1 Financial Management Control and Controlling .....	17
11.0 Human Resources .....	17
12.0 Audit .....	18
13.0 Risk Management.....	18
14.0 Occupational Health and Safety (OHS).....	19
15.0 Legal.....	20
16.0 Procurement .....	20
17.0 Communication.....	20
18.0 Anti-Corruption, Ethics and Integrity.....	22
<b>5. Specific corporate policies - Annexes</b> .....	<b>23</b>

The **code of governance at SNN Group level** aims to establish and implement a set of rules for the administration and management of the group companies, in order to determine the way in which the rights and obligations are established, respectively the structure and functioning of the decision-making system, to ensure the consistency of strategic directorates within the group and their management in accordance with uniform standards of good corporate governance.

It also establishes the framework for the operationalization of the management strategy of the SNN Group companies by promoting, implementing and maintaining in a unified manner the general standards and specific corporate policies at the level of the companies over which Nuclearelectrica has significant control of decisions and operations, with the aim of exploiting synergies, reducing costs and increasing operational efficiency.

The general standards contain common principles and are established on the basis of the functional areas defined in SNN. Associated with these are specific corporate policies that define unitary requirements for implementation.

The principles and requirements of the code of governance are propagated in the subsidiaries in line with the group's values, formalized in specific corporate documents and transposed into objectives, policies and documents of the management systems (manuals, process sheets, procedures, instructions, etc.).

## 2. Introduction

SNN plays a strategic role in the national economy, since it is the sole nuclear technology-based electricity producer in Romania and one of the most important producers on the domestic electricity market. Nuclear energy, the source of energy with low-carbon emissions, has a significant share in the total of the national electricity production (approximately 18 %) and represents a main component of Romania's energy mix.

SNN generates electricity and thermal energy using two CANDU 6 nuclear reactors with an installed power of approximately 700 MW each, which are operated by Cernavoda NPP Branch. Moreover, through the Nuclear Fuel Plant Pitesti Branch ("Pitesti NFP"), SNN produces the nuclear fuel needed for the operation of the two nuclear power units.

SNN's vision is to build a sustainable future for the tomorrow's generation, its mission is to generate clean energy at standards of excellence, while its values revolve around professional excellence, care for the employees, safety and sustainability, empathy and accountability, as well as sustainable development.

The company is listed on the Bucharest Stock Exchange (stock symbol SNN), and the shareholding structure is presented as follows: The Romanian State through the Ministry of Energy - 82.4981 % and other shareholders - 17.5019 %.

SNN has two branches:

- ▶ Cernavoda NPP Branch, operating Cernavoda NPP Units 1 and 2 and also the ancillary services;
- ▶ Pitesti NFP Branch, a company qualified to produce CANDU nuclear fuel.

SNN, as the parent company, is the sole shareholder / sole member for:

- ▶ S.C. Energonuclear S.A. subsidiary, for acquiring Cernavoda reactors 3 and 4;
- ▶ Nuclearelectrica Serv S.R.L. subsidiary, a company specializing in the provision of services to the SNN Group companies, under safety and economic predictability conditions;
- ▶ Fabrica de Procesare a Concentratelor de Uraniu - Feldioara S.R.L. subsidiary, carrying out production, purification and conversion of the technical-grade uranium concentrates, to obtain sinterable uranium dioxide powder.

Moreover, SNN, together with Nova Power & Gas (a member of E-INFRA), established Ropower Nuclear S.A. as the special purpose vehicle in charge with the development of small modular reactors (SMRs) in Romania.

The SNN Group of companies (hereinafter referred to as the SNN Group) consists of the National Company "Nuclearelectrica" SA (Head Office and the 2 Branches) and the Subsidiaries Energonuclear, FPCU Feldioara and Nuclearelectrica Serv.

The provisions of this code of governance as well as the measures for its realization are based on the main directions of action included in the National Strategy for the development of the nuclear field in Romania for the period 2022 - 2030, with a 2050 perspective and convergent with the directions of action of the European Union's energy policy. The Letter of Expectations issued by SNN's majority shareholder, the Ministry of Energy, set out the general objectives, expectations and wishes of the shareholders, which were transposed into the Management Plan.

One of the general objectives requested in the Letter of Expectations is "To provide the organizational framework for the development of the group structure integrating all SNN subunits, subsidiaries and branches". This code of governance is the framework for implementing this objective.

### **The SNN Group values are:**

#### **SAFETY AND SUSTAINABILITY**

**Together, we are responsible for nuclear safety , our overriding priority!** Team, public and environmental safety, alongside operational safety and sustainability, come first for each of us, irrespective on the position we hold.

Our Nuclear Safety Culture relies on WANO PL 2013 – 1 standards.

#### **PROFESSIONAL EXCELLENCE**

**Together we are a Nucleus of Excellence!** In everything we do, we aim to achieve and sustainably maintain the highest performance standards. Together, we set ambitious targets for which we assume responsibility, as a team and individually.

**Our performance and continuous improvement culture** relies on the Staying on Top, INPO 19-003 principles.

#### **CARE FOR OUR EMPLOYEES**

Each and every colleague is a **valuable member of the team** and each colleague brings an important contribution to the success of the organisation. Each of us must be proud of our personal contribution and, at the same time, responsible for the continuous professional development and for the preparation of our team and of the new colleagues for the future.

We offer **appreciation** and **recognition** for excellence level results.

We respect the Staying on Top, INPO 19-003 principles, including leadership and talent development, continuous learning, self-awareness and self-correction.

#### **EMPATHY AND RESPONSIBILITY**

**Together we are a Nucleus of Care ! We support the communities in which we operate!** We contribute substantially through socially responsible projects targeting the **education, healthcare** and **social/environmental** sectors.

We comply with the ESG (environmental, social and governance) principles and with the sustainability goals of the United Nations, as Nuclearelectrica has been affiliated to United Nations Global Compact starting with 2021.

#### **SUSTAINABLE DEVELOPMENT**

Everything we do today impacts the future. Nuclearelectrica's strategic projects contribute to **Re-energising Romania** with clean energy!

This is precisely why we comply with the Staying on Top, INPO 19-003 standards and pay particular attention to establishing and promoting the strategic directions, which are also our values.

### 3. Business Management Model - SNN Group

The SNN Group's specific business management model centralizes functional areas based on criteria of efficiency and judicious allocation of resources, exploiting synergies between the different components of the business chain, leveraging the competences, benefits and optimizations resulting from centralized support services.

The SNN Group carries out its activity in an organizational framework that represents the set of dynamic, complex activities, grouped into functional areas that condition each other and whose integration allows the companies and the group to react to changes in the internal and external context, to develop and evolve efficiently.

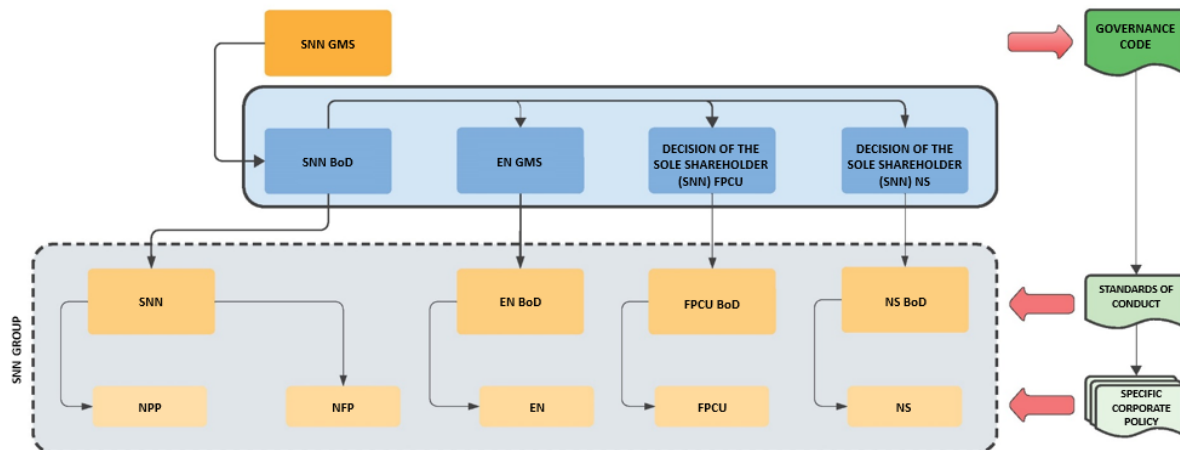
Providing the organizational framework for the development of the group structure integrating all subunits of SNN aims to maximize value for the company through efficient allocation of resources, improving their performance through corporate governance, with a focus on cost-effectiveness, efficiency and responsible behaviour towards all stakeholders.

The Ministry of Energy, in its capacity as a public supervisory authority, has iterated the need to develop a group structure in order to optimize and streamline the activities carried out at the level of all subunits, align the internal normative/regulatory framework, respectively expand the internal control system with the integration of subsidiaries and develop control and reporting capabilities at group level.

The group structure provides the basis for SNN, as the sole shareholder/majority shareholder, to exercise control over the decision-making and operations carried out within the companies of the SNN Group.

From the corporate governance perspective, both SNN and its subsidiaries are subject to the provisions of Law no. 31/1990 corroborated with the provisions of the Government Emergency Ordinance 109/2011, as supplemented and amended by Law no. 187/2023, taking into account the definition given to public enterprise, namely: art. 2, point 2 b) national companies, national enterprises and companies in which the state or an administrative-territorial unit is the sole or majority shareholder or in which it holds the controlling interest; c) companies in which one or more public enterprises referred to in a) and b) above hold a majority stake or a controlling interest.

#### ANNEX A - DECISION-MAKING STRUCTURE GOVERNANCE CODE SNN GROUP



### Decision-making structure:

The organization and functioning of SNN, as a public enterprise, public entity and parent company ensures compliance with the provisions of Government Emergency Ordinance 109/2011, with the provisions of Law no. 31/1990, republished, as subsequently amended and supplemented, with the provisions of Law no. 24/2017 and with Law no. 287/2009 on the Civil Code, republished, as subsequently amended and supplemented.

#### **SN Nuclearelectrica SA**

- ▶ is managed by the **General Meeting of Shareholders (GMS)**, which decides on the company's activities and its economic and business policy;
- ▶ is managed by the **Board of Directors (BoD)** - entrusted with the fulfilment of all actions necessary for achieving the company's object of activity, except those reserved by law for the General Meeting of Shareholders;
- ▶ **The Executive Management** - responsible for taking all measures related to the management of the Company, within the scope of the company's business and observing the exclusive powers reserved under the law or the Articles of Association to the Board of Directors and to the General Meeting of Shareholders.

According to the provisions of the Articles of Incorporation of SN Nuclearelectrica SA, the General Meeting of Shareholders, respectively the Board of Directors of SNN, approves the mandate of the SNN representatives in the General Meeting of Shareholders of the Subsidiary SC Energonuclear S.A., respectively mandates the SNN CEO to exercise control by the agreement (decision) of the sole shareholder for the subsidiaries Nuclearelectrica Serv S.R.L. and FPCU - Feldioara S.R.L. In this case, the rights and obligations of the General Meeting of Shareholders (GMS) are vested in the SNN's CEO, the role of the GMS being thus substituted by decisions of the sole shareholder (SNN).

At the same time, according to the decision/provisions of the Articles of Incorporation of the **Subsidiaries Energonuclear S.A., Nuclearelectrica Serv S.R.L. and Fabrica de Procesare a Concentratelor de Uraniu - Feldioara S.R.L.**, the Board of Directors of SNN is constituted in the General Meeting of Shareholders (GMS) of Energonuclear S.A., respectively sole shareholder in respect of Nuclearelectrica Serv and FPCU by the mandate of the CEO of SNN.

Within the SNN and its subsidiaries as a group structure, decisions are made by reference to a model that subsumes the ownership policy established by the supervising authority, in accordance with the public interest and the principles of efficient allocation of resources in order to maximize results.

In accordance with the provisions of the articles of incorporation, through the GMS and BoD, Subsidiaries ensure the implementation of an internal control system, namely the introduction of reporting mechanisms, the decision-making control being realized through the approval mechanisms provided by law.

The SNN Group carries out its activity in an organizational framework that represents the total set of activities, which condition each other and whose integration allows companies to develop and evolve efficiently, individually, as well as the group to react to changes in the internal and external context.

The SNN Group's specific business management model, centralizes processes and activities (functional areas) at SNN level (parent company) based on efficiency criteria and judicious allocation of resources, exploiting synergies between the different components of the business chain, leveraging the competences, benefits and optimizations resulting from centralized support services.

Thus, general standards and specific corporate policies are applied at the level of the main (similar) functional areas at the Group level, which summarize unitary principles and working practices, in order to ensure a common reporting system with homogeneous and comparable information, the basis for management analysis and decisions.

Depending on the specifics of the operations, the activities may be categorized as shareholder costs incurred for the benefit of the Group, or they may be in the nature of expenses that are charged between Group companies as a result of specific corporate policies.

Regardless of the specific nature of the activities carried out, within the SNN Group, a series of governance standards and policies are systematically and uniformly defined and complied with, as set out in this document. The general standards include the common principles applicable to each functional area, and the requirements that should be taken into account in the implementation are set out in the specific Corporate Policies (included in the Annexes to Chapter 5 of this document). Specific corporate policies are considered as stand-alone documents, they are disseminated and updated separately, their revisions coming into force and taking effect with the approval of the Board of Directors of the National Company "Nuclearelectrica" SA.

Within each policy, the management function, i.e. the functional area coordinator is responsible for:

- ✓ defining expectations set by specific standards and policies,
- ✓ monitoring the implementation mechanisms established by the subsidiary management and their effectiveness through evaluation and monitoring activities,
- ✓ providing the necessary support whenever requested by the subsidiary management,
- ✓ actively participating in solving reported bottlenecks.

The executive management of each subsidiary assumes the responsibility and formulates the commitment to fully comply with these principles and requirements, establishing appropriate implementation mechanisms, depending on the specific activities carried out. The principles and requirements formulated in this code and specific policies are operationalized by incorporation in policies, manuals, procedures and instructions developed and applied at the level of each subsidiary. SNN is responsible for communicating the Group's specific policies to all subsidiaries, including updating or revising them. Communication mechanisms will be established between the subsidiaries and SNN, which will allow to take and analyse the proposals and recommendations made by the subsidiaries, which are intended to improve the code and specific corporate policies. SNN management encourages feedback from the subsidiaries.

As the implementation, at subsidiary level, of the requirements formulated in the specific policies depends to a large extent on concrete actions initiated at SNN level, the functional area coordinator ensures the transmission to all subsidiaries of the information necessary for the implementation of the requirements and the establishment (where appropriate) of a common action plan.

The chart in Annex B shows the functional areas by values.

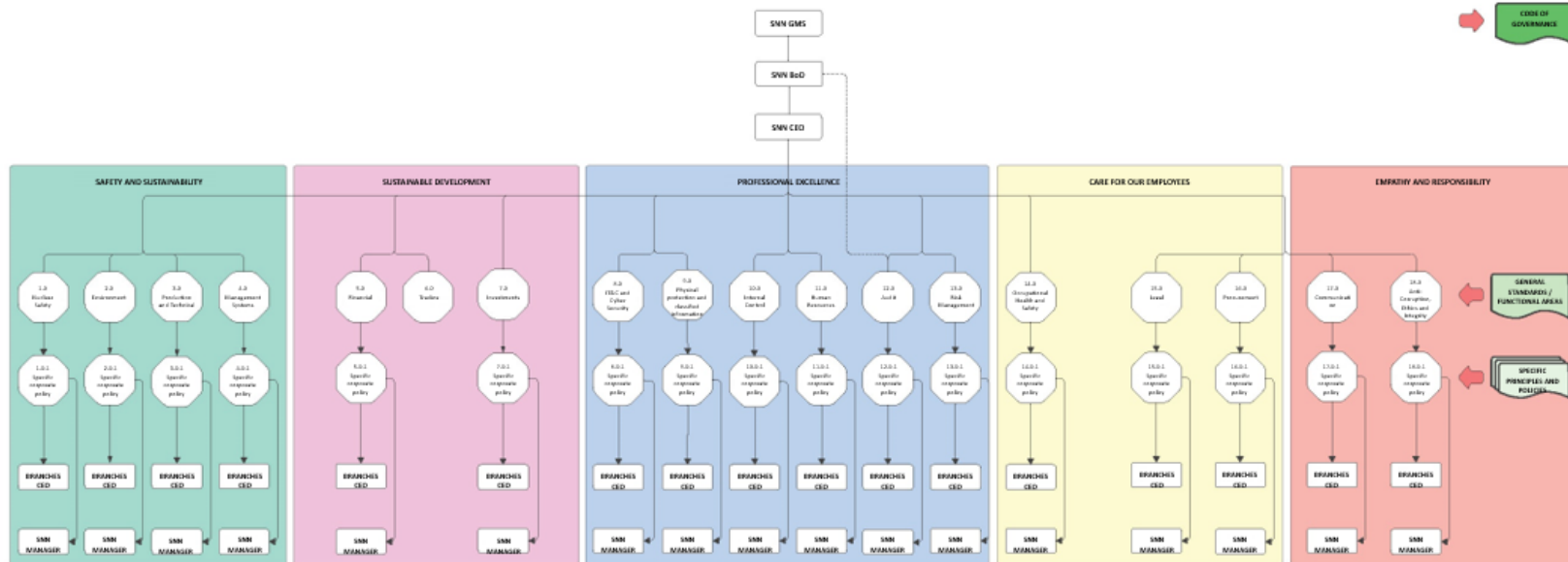
ANNEX B - FUNCTIONAL AREAS IN THE SNN GROUP

**SNN'S MISSION**

We generate clean energy at standards of excellence

**SNN'S VISION**

We are building a sustainable future for tomorrow's generation



## 4. General standards

### 1.0 Nuclear Safety

In order to meet the overall objective of nuclear safety, namely minimizing the risks associated with exposure to ionizing radiation for the personnel performing professional activities, the population and the environment, the companies of the SNN Group are committed to maintaining high standards of nuclear safety, expressed through clear strategies, plans, targets and objectives, supported by adequate financial, material and human resources.

The continued maintenance of high standards of nuclear safety has the highest priority in all activities related to nuclear installations and takes precedence over other requirements, such as production, cost and schedule aspects; the decision-making process emphasizes the importance given to nuclear safety and respects this principle.

The management staff of SNN Group companies promote, by personal example, the behavioural patterns, values and beliefs that lead to the continuous development of a strong nuclear safety culture. At the same time it ensures that each employee is responsible for nuclear safety and the quality of his or her work and must behave in accordance with the traits of a healthy nuclear safety culture.

The companies of the SNN Group, depending on the specific nature of their activities, are responsible for complying with the legal and regulatory requirements on emergency management and nuclear safeguards.

The general principles to be adopted, depending on the specificity of the activities carried out, by all the companies of the SNN Group are contained in the **"Nuclear Safety Policy at the level of the National Company "Nuclearelectrica" S.A.", code SN-00-01.**

In accordance with the provisions of the CNCAN Standard NSN 20 "Rules on Nuclear Safety Policy and Independent Nuclear Safety Assessment", when required, the SNN Group companies establish and ensure the necessary measures for the implementation of an independent nuclear safety assessment process, as a whole, for all nuclear facilities, processes and activities for which they are responsible.

**Independent assessment of nuclear safety** refers to an integrated, continuous assessment of compliance with all applicable nuclear safety requirements, carried out by personnel who have the necessary expertise, experience and qualifications and who are not involved in the activities they assess. The organizational entity with responsibilities for the independent assessment of nuclear safety must have sufficient competence, authority and independence to implement the assigned responsibilities and report to the highest level of management within the organization.

The organizational entity responsible for the independent assessment must be separate from the entities responsible for design, engineering, construction, commissioning, operation, decommissioning, from the organizational entity responsible for the design, development, maintenance and continuous improvement of the management system and from the organizational entity responsible for the ongoing nuclear safety assessments.

The size and areas of expertise of the organizational entity with responsibilities for the independent assessment of nuclear safety must be determined according to the complexity of the nuclear installations under the control of the authorization holder and the related activities.

The specific requirements in the field of nuclear safety that apply in a unitary manner throughout the SNN Group are set out in **Annex SNN-POL-1.0.1 "Specific corporate policy on nuclear safety"**.

## ***2.0 Environmental Protection and Radiological Safety***

At the level of all SNN Group companies, the concept of sustainable development is supported and respected by reflecting its values in environmental protection activities, radiological safety assurance, working practices and professional culture.

The executive management of the SNN Group companies formulates and assumes a commitment to environmental protection, radiological safety, compliance with legal and regulatory requirements and continuous improvement of performance in these areas.

All activities with impact on the environment and radiological safety, have a preventive character and are carried out on the basis of authorizations / agreements issued by the competent environmental authorities and the regulatory authority in the field of nuclear activities, CNCAN, with the consistent application of the **ALARA** principle, where appropriate, being permanently in view.

All measures are taken in order to ensure the protection of ecosystems, the efficient use of energy and resources as well as to prevent pollution.

Within the SNN Group companies a responsible management is implemented of radioactive and non-radioactive waste that ensures compliance with legal requirements, national and international standards applicable to ensure both the protection of the population, personnel and the environment.

The specific requirements in the field of environmental protection and radiological safety, which are applied in a unitary manner throughout the SNN Group, are set out in **Annex SNN-POL-2.0.1 "Specific corporate policy on environmental protection and radiological safety"**.

## ***3.0 Production Process Coordination and Technical Support***

The management of the SNN Group companies is responsible for organizing and conducting the technical and production processes, specific to their own activities, in compliance with all applicable legal and regulatory requirements, standards, specifications, design documentation, etc. and in accordance with the limits and conditions of the authorizations held.

On the basis of the mandate contract and the letter of expectations, all measures are taken to achieve the set objectives and performance indicators in an efficient and effective manner.

Production activities are organized in conditions of safety and security. All the necessary measures are taken to ensure that the products and services realized meet all the performance requirements requested by contractual documents, design requirements, specifications, legal requirements, etc.

At the level of the SNN Group companies involved, the implementation of policies and strategies for securing raw materials for the fabrication of nuclear fuel and for building up safety stocks will be ensured.

The specific requirements in the field of coordination of production and technical support that apply in a unitary manner at SNN Group level are set out in **Annex SNN-POL-3.0.1 "Specific corporate policy on the coordination of production processes and technical support"**.

#### **4.0 Management System**

In compliance with the legal and regulatory requirements in the nuclear field, SNN Group companies develop and implement, maintain and continuously improve their own management systems. The CEO of each Group company is responsible for the development and operation of the Management System and for its efficiency and effectiveness.

When required by the legal and regulatory requirements in the nuclear field, the management systems developed and implemented within the SNN Group companies will be authorized by CNCAN, for the specific areas of activity. If CNCAN authorization is not required, the Management System will comply with the requirements of ISO 9001:2015 "Quality Management Systems. Requirements" and will be certified by an accredited Certification Body, in the field of the activities performed.

The management systems ensure the safe and efficient organization and operation processes, in order to achieve the proposed objectives and the expected performance of each company in the Group, in compliance with legal and regulatory requirements.

The management system gives due priority to nuclear safety over any other requirements, considerations and interests, and ensures implementation of the policies and principles defined in the organization, either in an integrated fashion or on fields of activity, covers all processes and activities that are important for the nuclear safety of the nuclear installations, and advances the nuclear safety culture. At the same time, management systems ensure that the requirements and expectations of customers and stakeholders are met.

The management system is evaluated and monitored in order to ensure its adequacy to changes in the internal and external context and to continuously improve its efficiency and effectiveness.

All activities are carried out in accordance with the approved work processes and procedures and any deviation from the established provisions is promptly reported, recorded, evaluated and measures are taken to resolve it.

The specific requirements in the field of management systems, which are applied in a unitary manner at the SNN Group level, are set out in **Annex SNN-POL-4.0.1 "Specific corporate policy on management systems"**.

#### **5.0 Financial**

SNN ensures the preparation of the consolidated financial statements, monitoring the recording and settlement of transactions within the group and provides support to the group companies in order to establish a common approach and proper recording of joint transactions.

Subsidiary financial reporting policies are harmonized with the inclusion of reporting requirements for consolidation at the SNN Group level.

SNN monitors the monthly activity of the subsidiaries in terms of balance sheet items, profit and loss account and cash flows.

The specific requirements in the field of coordination of financial processes that apply in a unitary manner at SNN Group level are set out in **Annex SNN-POL-5.0.1 "Specific corporate policy on the coordination of financial processes"**.

## **6.0 Trading**

SNN is a joint-stock commercial company that derives its revenues primarily from the sale of electricity produced at Cernavoda NPP. The sale of electricity by SNN to buyers is done on a contractual basis, the contracting activities and the actual execution being the responsibility of the Electricity Transactions Directorate (DTEE).

As the operator of nuclear power plants, SNN gives the highest priority to nuclear safety requirements for the protection of the population, the environment and personnel. Nuclear safety takes precedence over production and commercial requirements, and maintaining a high level of nuclear safety at all times during all phases of the construction and operation of nuclear facilities and installations is of vital importance. As an electricity producer, SNN sells electricity in compliance with the provisions of the Energy Law and the Licenses issued to SNN by ANRE.

As a public enterprise, SNN acts in accordance with the principles of corporate governance, set out in the Corporate Governance Regulation of SNN SA.

SNN actively participates in the process of developing the electricity market, analysing, debating and improving the laws and regulations in the field, promoting provisions that meet SNN interests. SNN also participates in the institutionalized forms of collaboration of electricity market participants: Advisory Council of the Wholesale Electricity Market, Working Groups on given topics, organized by OPCOM, BRM, ANRE, AFEER etc.

## **7.0 Investments**

Within the companies of the SNN Group, the unitary application of the general principles of project management is ensured by taking over, and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in their own procedures developed and adapted to the specific activities of the subsidiaries. Investment project management is the process that has as purpose: the strategic integration of project initiatives, prioritization based on the identification of needs and opportunities, achieving the objectives of investment projects, their implementation within the planned deadlines, within the approved budgets and at the quality level according to the legal requirements and provided by the contracts, with strict compliance with nuclear safety requirements.

The SNN Group keeps a common record of the implementation status of investment projects.

The specific requirements regarding the investment activity within the SNN Group are set out in Annex **SNN-POL-7.0.1 "Specific corporate policy on investment activity within the SNN Group"**.

## **8.0 IT&C and Cybersecurity**

IT&C governance and cybersecurity within the SNN group is defined as a collaborative process that is based on both common and specific strategies and objectives, with the aim of reducing risks, ensuring that the resources allocated and consumed of time, manpower and funding deliver the expected benefits. Thus, within the companies of the SNN Group, the unitary application of the general principles for the governance of IT&C processes and cybersecurity is ensured by taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in its own procedures developed and adapted to the specific activities of the subsidiaries.

The IT&C governance and cybersecurity framework provides a common structure for planning and controls and can be characterized by the following:

- The mission, vision and specific IT&C and cybersecurity objectives are defined in relation to those of the SNN group;
- Effective and clear decision-making and prioritization mechanisms, cyber risk management, resource management and performance evaluation and monitoring;
- Multi-annual strategy for communicating objectives and expectations to IT&C and cybersecurity staff and decision makers;
- Tracking, monitoring and continuous improvement of the IT&C governance process and cybersecurity.

Within all SNN Group companies, the necessary measures are established and implemented to protect the confidentiality, integrity and availability of IT (Information Technology) and OT (Operational Technology) resources, processes and services, as well as to ensure and maintain information security.

The specific requirements for IT&C and Cybersecurity activities, which apply in a unitary manner at SNN Group level, are set out in Annex **SNN-POL-8.0.1 "Specific corporate policy on IT&C and Cybersecurity within the SNN Group"**.

### ***9.0 Physical Protection and Protection of Classified Information***

The governance of physical protection and the protection of classified information within the SNN group is defined as a collaborative process that is based on both common and specific strategies and objectives, with the aim of reducing risks, ensuring that the resources allocated and consumed in terms of time, manpower and funding deliver the expected benefits. Thus, within the companies of the SNN Group, the unitary application of the general principles for the governance of physical protection processes and protection of classified information is ensured by taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in its own procedures developed and adapted to the specific activities of the subsidiaries.

The principles of governance of physical protection and protection of classified information established by the SNN group are represented in: group security framework policy, common procedures, integrated easy maintenance, constant upgrades, efficient procurement of parts and subassemblies, group-wide risk analysis, correlation with human resources policy and IT&C and Cybersecurity policy, continuous specialized training at group level, integrated managerial assessment, environmental commitments, social responsibility and ethical conduct.

Processes for physical protection, classified information and critical infrastructure aim to ensure consistent adherence to international norms and recommendations, national legislation, regulatory requirements, internal policies and standards adopted for the entire group.

The Physical Protection, Classified Information, Critical Infrastructure and Special Issues processes must establish uniform implementation standards in relation to the activities encountered. The central role remains under the responsibility of the process manager within the branch, who is responsible for verifying the process capability and stability, as an essential aspect for quality control and process performance improvement through process monitoring, measurement and control. Process control ensures the stability and predictability of results, including an efficient relationship with regulatory and control authorities (in particular institutions of the Romanian State such as the Romanian Government, CNCAN, MAI, Gendarmerie, Police, MapN, SRI and ORNISS), respectively reduced expenses for eliminating non-compliances.

The specific requirements concerning the activity of Physical Protection and Protection of Classified Information, which apply in a unitary manner at SNN Group level, are contained in Annex **SNN-POL-9.0.1 "Specific corporate policy on physical protection and classified information within the SNN Group"**.

### ***10.0 Internal Managerial Control***

Within the companies of the SNN Group, an internal managerial control system is developed in order to ensure the principles of corporate governance, as well as real bases for improving the economic efficiency, implicitly the value of the SNN Group and the investment climate, increasing the level of transparency and trust for the benefit of all stakeholders, shareholders, business partners, employees. The internal control system ensures monitoring and supervision at all essential points, both at the level of each company within the Group and at the level of the Group as a whole.

The Internal Managerial Control System (SCIM) developed and implemented by the companies of the SNN Group must ensure:

- Compliance, in a coherent and integrated manner, with all legal and regulatory requirements applicable to the activities carried out, the internal control standards promoted by the General Secretariat of the Government, as well as the applicable rules of good practice;
- Adherence and compliance with the policies and principles established within the group structure;
- Implementation of policies and achievement of objectives set within the company;
- Effectiveness and efficiency in carrying out the established activities, processes and objectives.

SN Nuclearelectrica SA (SNN) organizes its own internal managerial control system, adapted to the specifics and size of the company, according to the particularities of the legal framework of organization and operation as well as the standards of internal managerial control, respectively in correlation with the management systems implemented within SNN (Head Office, branches and subsidiaries), so as to ensure compliance with all applicable legal requirements, norms and standards (Internal Managerial Control Standards promoted by the General Secretariat of the Government, CNCAN Standards, international internal control standards, etc.).

On the basis of the information provided by the internal control, the management of each subunit has the possibility to consolidate its decisions concerning the activity plan, the organization and coordination of structures, the exact establishment of responsibilities by structures and persons involved in the company's activities.

SNN centralizes, consolidates and provides statutory reports as well as reports to the management on the internal managerial control system, the process of cascading objectives, periodic monitoring of indicators and associated targets for all companies in the SNN Group.

Subsidiary procedures are harmonized with SNN procedures and include reporting requirements for consolidation at the SNN Group level, using common/current practices, reporting requirements, common planning documents.

The management internal control, through its objectives and procedures, aims to: ensure a good use of resources (financial, human) and their correlation with company objectives; improve information flow; risk management, fraud prevention and document quality.

Internal managerial control provides management with data on its progress or regression in achieving its objectives.

### ***10.1 Financial Management Control and Controlling***

The financial management control is organized at the level of SNN S.A. (within SNN Head Office) with responsibilities for exercising control in all subunits (including subsidiaries) - considering the shareholding structure of the companies over which SNN S.A. has significant control in decisions and operations.

Financial management control, within the preventive component, approves the draft of income and expenditure budget project for SN Nuclearelectrica and its subsidiaries, and also carries out monitoring checks on the execution of the IEB.

SNN, through the instrument of operational control/controlling, facilitates the link between managerial decision and execution, elaborates analyses that lead to optimization, to the improvement of the budgeting process by increasing the accuracy of the basis of the budgeted and forecast values. In correspondence, the subsidiaries follow the unitary application of the general principles, taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in their own procedures developed and adapted to the specific activities of the subsidiaries.

The specific requirements regarding the internal control system, which are applied in a unitary manner throughout the SNN Group, are set out in Annex **SNN-POL-10.0.1 "Specific corporate policy on the internal control system within the SNN Group"**.

### ***11.0 Human Resources***

Within each company of the SNN Group, a strong organizational structure is developed and maintained, with well defined roles and responsibilities at all levels, staff have the necessary competencies, are adequately trained and qualified to perform their tasks and duties.

The strategic directions of human resources management within SNN Group companies include:

- Attracting and retaining qualified staff to enable the achievement of set objectives and performance indicators;
- Streamlining and rendering more efficient the organizational structure;
- Setting tactical directions for action in the field of human resources.

In response to the particularities of the fields of activity of the Group's companies, the training and qualification requirements of the staff, but especially the need to ensure a response capacity according to specific projects and development plans, the investment in employee training and the establishment and application of detailed procedures and methods of recruitment and selection of personnel, uniform at Group level, together with the development of tools for loyalty, reward and recognition of individual values, is imperative.

In this regard, a priority direction of the management teams is to attract young people from the stage of university and high school, as well as access to internship programs. On a generalized trend in the global nuclear industry of migration of highly specialized personnel to new nuclear projects, either due to financial or general motivational factors, the need was identified to develop and implement a human resources strategy that would simultaneously ensure the retention of highly specialized personnel and the identification, recruitment and training of a new generation of specialists. Thus, by strategic planning of human resources, the transfer of knowledge and skills is fluidized, but also eliminates the operational gaps caused by the lack of specialized staff due to the natural withdrawal of human resources reaching retirement age and the migration trend. Also, the strategic coherence in constantly providing the necessary staff helps reduce the costly staff turnover, as the cost of replacing one employee is statistically three times higher than their pay.

SNN Group companies show a permanent concern in optimizing and streamlining the organizational structure, taking into account the following considerations:

- i. Compliance with the applicable legal and regulatory requirements, in particular those specified in the Standards issued by CNCAN;
- ii. Implementation of recommendations resulting from evaluation, audit, inspection and control missions;
- iii. Alignment with relevant international standards and best practices (IAEA standards and recommendations and WANO recommendations);
- iv. Ensuring a strong organizational and nuclear safety culture in all Group companies.

The specific requirements concerning the human resources management activity, which are applied in a unitary manner at the SNN Group level, are set out in **Annex SNN-POL-11.0.1 "Specific corporate policy on the human resources management activity within the SNN Group"**.

### **12.0 Audit**

Internal Audit ensures the internal public audit function for the National Company Nuclearelectrica SA (SNN), including the Head Office, Cernavoda NPP and Pitesti NFP branches (units / entities without separate / individual legal personality).

Internal public audit departments within hierarchically subordinated entities (under the coordination or under the authority of another public entity) may be established according to Art. 11, letter f) of Law 672/2002, namely: *"the head of the subordinate public entity, respectively under the coordination or under the authority of another public entity shall establish and maintain a functional public internal audit department, with the consent of the superior public entity; if this consent is not given, the audit of the entity concerned shall be carried out by the public internal audit department of the public entity that decided so."*

At SNN group level, the Internal Audit within SN Nuclearelectrica SA ensures the coordination and aggregation of the annual internal audit plans, the provision of human resources, or methodological advice in the execution of audit missions as well as the follow-up and aggregation of results through the preparation of the annual report of the IPA activity.

The specific requirements on internal audit that apply in a unitary manner at the SNN Group level are set out in Annex **SNN-POL-12.0.1 "Specific corporate policy on internal audit activities within the SNN Group"**.

### **13.0 Risk Management**

S.N. Nuclearelectrica S.A. ensures in a centralized manner, at SNN Group level, the maintenance and constant improvement of the risk management framework so that it remains adequate and adapted to changes in the internal and external environment of the organization. Efficient risk management is essential for Group companies.

In this respect the following are ensured:

- Implementation within the SNN Group companies of standardized procedures, policies, instructions, aligned with the risk management methodology of SN Nuclearelectrica SA, adapted

- to the specific field of activity;
- Standardized assessment across the SNN Group, using a common metric to assess likelihood of occurrence and potential impact;
- Regular monitoring and reporting on the risk situation, as required by the Group.

The specific requirements on risk management activity, which are applied in a uniform manner throughout the SNN Group, are set out in Annex **SNN-POL-13.0.1 "Specific corporate policy on the risk management activity within the SNN Group"**.

#### ***14.0 Occupational Health and Safety (OHS)***

The SNN Group companies undertake to take all measures to ensure adequate working conditions, to carry out activities and prevent occupational diseases, by identifying hazards, permanent control of risks and their minimization and control of the health of employees in order to maintain the ability to work and continuously improve the performance of occupational health and safety.

The implementation and maintenance of a unified Occupational Health and Safety coordination system, carried out at group level, aims to achieve the process performance objectives derived from the strategic objectives, the use of a uniform standard of reporting and promotion of excellence in order to ensure the safety of staff, facilities and other stakeholders with regard to occupational health and safety risks, respect for human rights and sustainability requirements.

Thus, the general standards are formulated in compliance with the responsibilities, authorities and duties established by the applicable legal requirements as well as those defined in the statutory documents applicable to each company of the SNN Group, whose main directions are:

- I. Uniformization of policies in the field of prevention and protection, use of standards in a unitary way, applying common principles oriented towards the achievement of the strategic objectives assumed by SNN at the level of performance in the area of excellence of the nuclear energy industry;
- II. Implementing coordinated monitoring and oversight actions in the prevention and protection functional area to ensure that standards are met and performance is maintained at the expected level;
- III. Implementation of mechanisms to support the corresponding prevention and protection processes in the entities composing the SNN group through additional resources and specialized skills, technical or other advice or guidance necessary to achieve safe and reliable operations and achieve the expected performance;
- IV. Implementing and supporting the coordinated way of setting objectives, performance indicators and targets within the prevention and protection process organized in each company of the SNN group, so that they are correlated and support the strategic objectives and performance targets set at group level.
- V. Adoption in a coordinated manner of the general principles of prevention in terms of safety and health provided for by the legal and regulatory requirements applicable to the architectural, technical and organizational solutions for the major development projects of SNN.

The specific requirements on occupational health and safety, which apply uniformly throughout the SNN Group, are set out in Annex **SNN-POL-15.0.1 "Specific corporate policy on occupational health and safety within the SNN Group"**.

## **15.0 Legal**

The Legal Functional Area ensures the lawfulness of the activity carried out by the Company, protecting its patrimonial and non-patrimonial interests.

Within this functional area, the following activities are coordinated at SNN Head Office level:

- representing the SNN's interests before the courts, criminal investigation bodies and public prosecutors' offices attached to the courts, on the basis and within the limits of the given mandate, drawing up the necessary procedural documents;
- ensuring the lawfulness of the corporate actions and activities of SNN and its Subsidiaries, such as drafting documents and registering corporate documents with the competent authorities.
- the approval of documents related to procurement procedures in terms of their legality;
- ensuring the representation of SNN's interests before contractual partners, regulatory authorities and other authorities and third parties, on the basis and within the limits of the mandates granted;
- providing consultancy and support in drafting agreements/conventions and/or other types of legal acts related to the commercial activity and current activity of the Company (Confidentiality Agreements, Memoranda, Decisions, etc.).

The specific requirements concerning legal activity, which apply uniformly throughout the SNN Group, are set out in **Annex SNN-POL-14.0.1 "Specific corporate policy on the legal activity within the SNN Group"**.

## **16.0 Procurement**

The purpose of the policy regarding the coordination of procurement processes within the SNN group is to achieve a flexible supply chain adaptable to the needs of the Power Plant and the group's business, but also to implement the uniform application of current practices and policies used within SNN, so as to allow the adaptation of the performance indicators of all entities to the way in which they influence the Power Plant's supply chain, to make compatible the data used in the supply chain management applications in order to coordinate operationally and efficiently the procurement processes related to all entities of the SNN group. The policy sets out the standards and accountability for meeting the commitment to excellence within the supply chain definition.

The specific requirements regarding the coordination of procurement processes, which apply uniformly throughout the SNN Group, are set out in **Annex SNN-POL-16.0.1 "Specific corporate policy on the coordination of procurement processes within the SNN Group"**.

## **17.0 Communication**

SNN Group companies develop strategies, policies, processes, procedures that will address both external and internal communication requirements.

Two-way communication between the companies of the SNN Group is and must be understood as a support function necessary for the good functioning of the group and a strategic component of corporate governance. In a fundamental way, relationships develop through communication, and the proper functioning and perception of organizations is based on effective relationships between individuals and groups. Communication helps individuals and groups coordinate their activities to achieve goals and is vital in decision-making, problem solving and change processes.

The horizontal and vertical integration of internal communication is an imperative both from the point of view of streamlining processes and activities through the timely use of important information, the adoption of solutions and the involvement of all the necessary factors to solve a situation, but also from the point of view of compliance with corporate governance standards and reporting requirements and overcoming possible risk or crisis situations.

Through internal communication, employees receive important information about the organizational culture (company's mission, vision and values, nuclear safety culture, continuous improvement culture etc.), strategic projects, organizational structure and its changes and about important activities within the company, important events and achievements. Also, through internal communication, employees receive information about their role, their position and management's expectations from them, about other colleagues (diverse teams, employee profiles) and about the industry and external environment in which the company operates. Internal communication can help to motivate employees, build trust, create a common culture and identity or increase personal involvement and accountability. Internal communication is the way individuals and groups understand their organization, what it is and what it stands for and is intrinsically linked to the idea of belonging to the team and the company.

External communication processes ensure:

- Increasing the level of confidence and acceptance of different segments (public, shareholders, investors, authorities and other stakeholders) in the nuclear industry, in the professionalism, safety and security of its operation and in the benefits of the strategic investments and projects that are being carried out in the nuclear field;
- Enhancing the reputation and improving the image of each SNN Group company and the Group as a whole;
- Increasing the degree of support for different internal and external organizations;
- Openness and transparency in relations with the public and the media.

The specific communication requirements, which apply uniformly throughout the SNN Group, are set out in **Annex SNN-POL-17.0.1: "Specific corporate policy on communication within the SNN Group"**.

### **17.1 ESG (Environment, Social, Governance)**

A clean, stable, efficient and affordable source of energy has a significant impact in reducing Romania's carbon footprint and achieving its decarbonization targets. Thus, the management of SN Nuclearelectrica SA has a holistic approach regarding the inclusion of ESG (ENVIRONMENT/SOCIAL/GOVERNANCE) criteria in the company's strategy and development plans, which are included in the ESG Policy of Nuclearelectrica.

SNN respects the ESG principles and sustainability objectives of the United Nations, as Nuclearelectrica is affiliated to the United Nations Global Compact starting 2021.

We also strive for transparency in reporting through the annual publication of the Sustainability Report, and we want our business partners to do likewise to add value to the supply chain, using relevant ESG reporting indicators.

### ***18.0 Anti-Corruption, Ethics and Integrity***

Ethics is a prerequisite for the sustainable development of the SNN Group. Thus, the development of a culture of ethics at group level, the internalization of ethical standards and values of the organization, as well as ensuring an adequate system of internal control, are priority areas for the companies within the SNN Group, which are committed to developing business practices with the highest degree of integrity and compliance.

The principles of diversity, non-discrimination, objectivity and transparency, integrity, adoption of appropriate business practices, anti-fraud, protection of information and personal data, avoidance of conflicts of interest, implementation of the measures of the national anti-corruption strategy are applied.

In this regard, within the subsidiaries, own policies on ethics, integrity and anti-corruption are developed and implemented in line with the following documents issued at SNN level: Compliance Guide; Code of Ethics and Business Conduct; Code of Ethics of the Board of Directors; Anti-Corruption Policy of SNN S.A. code AC-00-01 and Anti-Corruption Policy of SNN S.A. code AC-00-01.

The specific requirements on anti-corruption, ethics and integrity that apply in a uniform manner throughout the SNN Group are set out in **Annex SNN-POL-18.0.1 "Specific corporate policy on anti-corruption, ethics and integrity within the SNN Group"**.

The Ethics and Compliance Program is also adopted within SNN, which highlights the commitment of SNN S.A.'s management to implement corporate policies that lead to the highest standards of governance, ethics and compliance, in particular with regard to:

- Anti-bribery commitment - prohibition of bribery and corruption in all its forms, in all business transactions and relationships, wherever the company operates;
- prohibiting the use of SNN S.A. funds or other assets for illegal or inappropriate purposes;
- promoting equal opportunities and equal treatment between women and men in the field of work, to specifically recognize the right of every citizen to a working environment free from violence and harassment, to encourage and maintain a work culture based on mutual respect and dignity.

The principles underlying the Ethics and Compliance Program and the Code of Ethics and Business Conduct are summarized in the Business Partner Integrity Guide, which is made available to business partners, in order to promote the fundamental values that they must unconditionally apply in the performance of contracts with SNN.

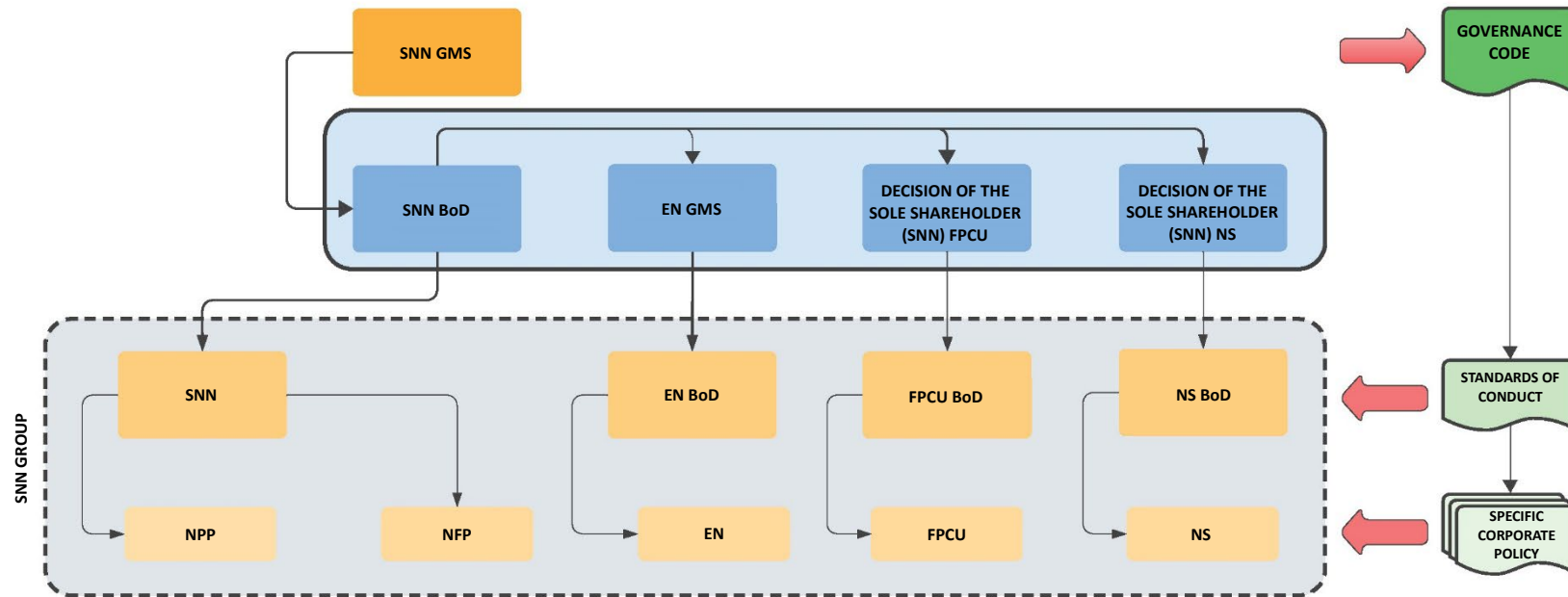
## 5. Specific corporate policies - Annexes

- ▲ ANNEX A: Decision-making structure in the SNN Group
- ▲ ANNEX B: Functional Areas in the SNN Group
- ▲ SNN-POL-1.0.1 Nuclear Safety
- ▲ SNN-POL-2.0.1 Environmental Protection and Radiological Safety
- ▲ SNN-POL-3.0.1 Production Coordination and Technical Support
- ▲ SNN-POL-4.0.1 Management Systems
- ▲ SNN-POL-5.0.1 Financial
- ▲ SNN-POL-7.0.1 Investments
- ▲ SNN-POL-8.0.1 IT&C and Cybersecurity
- ▲ SNN-POL-9.0.1 Physical Protection and Protection of Classified Information
- ▲ SNN-POL-10.0.1 Internal Control
- ▲ SNN-POL-11.0.1 Human Resources
- ▲ SNN-POL-12.0.1 Audit
- ▲ SNN-POL-13.0.1 Risk Management
- ▲ SNN-POL-14.0.1 Occupational Health and Safety
- ▲ SNN-POL-15.0.1 Legal
- ▲ SNN-POL-16.0.1 Procurement
- ▲ SNN-POL-17.0.1 Communication
- ▲ SNN-POL-18.0.1 Anti-Corruption, Ethics and Integrity



NUCLEARELECTRICA

## ANNEX A - DECISION-MAKING STRUCTURE GOVERNANCE CODE SNN GROUP



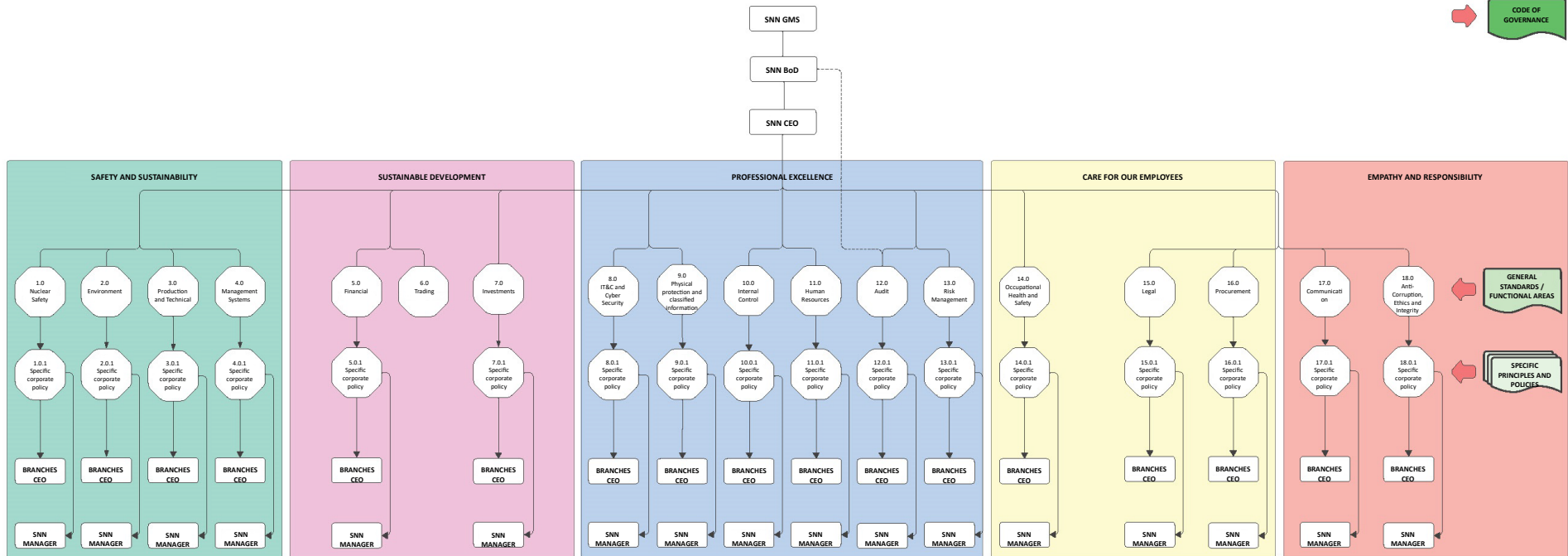
# ANNEX B - FUNCTIONAL AREAS IN THE SNN GROUP

## SNN'S MISSION

We generate clean energy at standards of excellence

## SNN'S VISION

We are building a sustainable future for tomorrow's generation





NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-1.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON NUCLEAR SAFETY</b>		
PURPOSE	The general objective of the Nuclear Safety Policy is the permanent maintenance of the highest level of nuclear safety, in order to minimize the risks associated with exposure to ionizing radiation for the personnel performing professional activities, the public and the environment.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"> <li>- Nuclear safety policies are established (as separate documents or as an integral part of documents presenting organizational policies and principles) aligned with the <b>"Nuclear Safety Policy at the level of the National Company "Nuclearelectrica" S.A.", code SN-00-01;</b> at the SNN Group level these policies are implemented in a uniform manner;</li> <li>- The SNN Group companies ensure the promotion of a healthy nuclear safety culture; periodic assessment of the degree of implementation of the nuclear safety culture is ensured and the necessary actions for continuous improvement are determined;</li> <li>- The necessary measures are applied to provide nuclear safety oversight and nuclear safeguards;</li> <li>- Compliance with the requirements and observance of the conditions imposed by the authorizations issued by the nuclear regulatory and control authorities are maintained;</li> <li>- The evolving legislative and regulatory requirements in the nuclear field are identified and monitored to ensure continued compliance;</li> <li>- Activities are organized on the line of emergency response and drawing up the related intervention plans, in accordance with the regulations in force;</li> <li>- In correlation with the specific activities carried out by the companies of the SNN Group, when required, nuclear materials management and nuclear safeguards control activities are organized;</li> <li>- Regular reports, minutes and briefings on nuclear safety and, if applicable, nuclear safeguards are prepared;</li> <li>- When appropriate, depending on the specificity of the activities carried out by the companies of the SNN Group, an independent nuclear safety assessment team/person in charge is appointed to participate in the meetings of the Internal Oversight Team, organized at SNN level, and to prepare specific reports, in accordance with the requirements of the OV-00-01 procedure;</li> <li>- Designated staff from the SNN Group companies participate in joint meetings organized by DSN-SNN Head Office both for the exchange of experience and request for support as well as for the coordination of issues related to licensing, policy implementation, promotion of nuclear safety culture, nuclear safeguards' control etc.;</li> <li>- The designated representatives of the DSN-SNN Head Office are invited to attend the meetings on nuclear safety issues organized within the SNN Group companies as observers.</li> </ul>		
ASSOCIATED PROCEDURES	SN-00-01 - Nuclear Safety Policy at the level of the National Company "Nuclearelectrica" S.A.; OV-00-01 - Nuclear Safety Oversight		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Doc. no.: SNN-POL-2.0.1	Revision: 0

<b>TITLE</b>	<b>SPECIFIC CORPORATE POLICY ON ENVIRONMENTAL PROTECTION AND RADIOLOGICAL SAFETY</b>		
<b>PURPOSE</b>	The overall objective is to promote the continuous improvement of environmental performance, to ensure radiological safety, to comply with the obligations resulting from the applicable authorizations and legal requirements and to implement high performance technologies in order to prevent environmental pollution and to maintain a clean environment.		
<b>APPLICATION REQUIREMENTS</b>	All SNN Group company officers <ul style="list-style-type: none"><li>- The executive management of SNN Group companies formulates and undertakes a commitment regarding the environmental protection and continuous improvement of environmental performance;</li><li>- Environmental protection and radiological safety policies are established (as separate documents or as an integral part of documents presenting organizational policies and principles) aligned with SNN Policies; at SNN Group level these policies are implemented in a uniform manner;</li><li>- The environmental and radiological safety objectives and targets are established so as to provide the level of protection required by the legal regulations in force, being reviewed and adapted according to their evolution and the interests of the companies of the SNN Group, in order to continuously improve performance;</li><li>- The necessary measures to ensure the supervision of radiological safety and environmental protection are taken;</li><li>- Compliance with the requirements and conditions imposed by the authorizations issued by the environmental and nuclear regulatory authorities is maintained;</li><li>- Developments in legislative and regulatory requirements in the field of environmental protection and radiological safety are identified and monitored to ensure continued compliance;</li><li>- The management and handling of non-radioactive, radioactive waste, including spent nuclear fuel, if applicable, are organized in compliance with all applicable legal requirements;</li><li>- Regular reports, minutes and information on radiological safety and environmental protection, including regular reports on radioactive waste management and handling are produced;</li><li>- The responsible staff from the companies of the SNN Group, designated by their management, participates in the quarterly meetings of the Environmental Protection and Radiological Safety Collective (CPMSR) organized at the SNN Head Office level and prepares the required reports on radiological safety and environmental protection, including aspects related to authorization;</li><li>- The designated representatives of the DSN-SNN Head Office are invited to attend the meetings on environmental protection and radiological safety issues organized within the SNN Group companies, as observers.</li></ul>		
<b>ASSOCIATED PROCEDURES</b>	SN-00-05 - Environmental policy SN-00-12 - Coordination of environmental protection and radiological safety activities at SNN SA level		
<b>EFFECTIVE DATE</b>	On the date of approval	<b>APPROVAL</b>	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-3.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON THE COORDINATION OF PRODUCTION PROCESSES AND TECHNICAL SUPPORT</b>		
PURPOSE	Coordination of production processes to ensure the solution of interface problems and the realization of products and services in the field of activity of SNN Group companies in conditions of safety and security, quality, efficiency and economic effectiveness in compliance with contractual, legal and regulatory requirements and in accordance with the set out objectives and performance indicators.		
APPLICATION	All officers of the SNN Group companies involved		
REQUIREMENTS	<ul style="list-style-type: none"><li>- The elaboration and correlation of proposals for the realization of major objectives by sub-units and specific objectives associated with production processes / technical field and resource requirements are ensured;</li><li>- According to a pre-established schedule, proposals for production and service provision programs are elaborated in order to correlate it between SNN Branches (Cernavoda NPP and Pitesti NFP) and Subsidiaries (FCPU Feldioara and Nuclearelectrica Serv) in order to meet the objectives, needs and contractual requirements; production / service provision programs are submitted to the SNN Head Office for acceptance;</li><li>- According to a pre-established schedule, reports are prepared and submitted on the results and performances obtained, the status of production programs, the degree of achievement of specific objectives associated with production processes;</li><li>- Problems encountered or important events in the production or service delivery processes, threats and vulnerabilities are reported and the necessary support is requested to solve them;</li><li>- Reports, technical analysis, briefing notes and issues arising from the evaluation and monitoring processes are prepared and support is requested to resolve them;</li><li>- Reports are made to national and international bodies, as required by law, regulation or established agreements;</li><li>- Designated staff from SNN Group companies participate in joint meetings organized by DT-SNN Head Office both for the exchange of experience and request for support as well as for the coordination of issues related to authorization, policy implementation, correlation of production processes, programs etc.;</li><li>- Designated representatives from the DT-SNN Head Office are invited to participate as observers in the technical thematic meetings organized within the companies of the SNN Group;</li><li>- In order to solve certain specific technical problems or to deal in a unified manner with certain requirements formulated by domestic or external organizations, working groups may be formed by specialists from the companies of the SNN Group, respecting the hierarchical approval circuit. The activities carried out by these Working Groups are aimed at obtaining coherent, uniform results and ensuring a unified approach to common issues, thus contributing to a superior exploitation of results.</li></ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-4.0.1	Revision: 0

<b>TITLE</b>	<b>SPECIFIC CORPORATE POLICY ON MANAGEMENT SYSTEMS</b>
<b>PURPOSE</b>	Development, implementation and maintenance of a management system, specific to the field of activity of each company in the SNN Group, establishing monitoring and evaluation methods and practices in order to continuously improve its efficiency and effectiveness in meeting the objectives and expected performance.
<b>APPLICATION</b>	All SNN Group officers
<b>REQUIREMENTS</b>	<ul style="list-style-type: none"><li>- Management systems developed and implemented by SNN Group companies must ensure:<ul style="list-style-type: none"><li>- Compliance, in a coherent and integrated manner, with all legal and regulatory requirements applicable to the activities carried out as well as the applicable rules of best practice, recommended in international guidelines and standards and/or issued by CNCAN;</li><li>- Adherence and compliance with the policies and principles established within the group structure;</li><li>- Implementation of policies and objectives set out within the company;</li><li>- Effectiveness and efficiency in carrying out activities and processes.</li></ul></li><li>- When developing the management system, the process approach will be used, assuring adequate documentation of processes in procedures or process sheets. The effectiveness of processes, by indicating the stage of achievement of performance indicators, is reported annually in the Report analysing the efficiency and effectiveness of the management system;</li><li>- The management systems must cover all activities and processes relevant for product/service quality, nuclear/radiological safety including activities carried out by contractors and subcontractors. In this respect, SNN Group companies must develop practices and procedures to ensure that both contractors and their subcontractors, which carry out activities falling under Law 111/1996, have implemented and maintain quality management systems in the nuclear field that comply with the general and specific requirements (applicable to the contracted activities) described in the CNCAN Standards;</li><li>- The Subsidiaries holding the quality of supplier for Cernavoda NPP and/or Pitesti NFP must be evaluated and qualified by them, for the services and products covered by the contracts concluded, in accordance with the requirements of the procedures issued by the Branches. The management system developed and implemented by Energonuclear, in its capacity of participant, must be accepted by SNN Head Office;</li><li>- The documents issued at SNN Head Office level (such as procedures, policies, strategies etc.) that contain requirements, responsibilities or information of interest to the companies of the SNN Group will be officially disseminated to them. The document control system of each company in the Group will ensure the availability and easy retrieval of all SNN procedures/documents in force that have been officially disseminated. The requirements and responsibilities applicable to each company in the Group, set out in the documents issued at the SNN Head Office level, are taken over in the own procedures issued by the companies in the Group;</li><li>- Expectations, alignment requirements, agreeing on uniform practices, significant problems encountered, request for support etc. and reporting on the results in the management system area will be communicated in regular coordination meetings. These meetings will be attended by representatives of the management system management from the companies of the SNN Group;</li><li>- The SNN Group maintains a common record of the authorizations held by the companies</li></ul>

within the Group and in this regard, the lists of valid authorizations are periodically submitted to DDESM-SNN Head Office;

- The SNN Group companies promptly inform about any deviation from the legal requirements identified by the National Inspection and Control Bodies that result in warnings and/or fines;
- The SNN Group companies submit for information to the DDESM - SNN Head Office, the annual Audit Plans, before submitting them for approval to CNCAN. These will be discussed in the coordination meetings in order to optimize the assessment actions carried out by all companies in the Group;
- A report on the analysis of the efficiency and effectiveness of the management system will be submitted annually to the SNN Head Office.

ASSOCIATED  
PROCEDURES

AQ-00-18.01 - Organization of management systems coordination meetings

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-5.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON FINANCIAL PROCESSES WITHIN THE SNN GROUP</b>
PURPOSE	The coordination of financial processes within the SNN Group reassert the commitment of the SNN Board members to the efficient operational coordination of financial processes across all SNN Group entities. The policy sets out the implementation requirements and accountability for fulfilling this commitment.
APPLICATION	All SNN Group officers
REQUIREMENTS	<ul style="list-style-type: none"><li>- The intra-group relationships are based on maximization of shareholders at the level of SN Nuclearelectrica SA as well as at the level of the group companies;</li><li>- The Group Policy promotes:<ul style="list-style-type: none"><li>- capitalizing on synergies at group level by promoting and utilizing the experience and role of the executive headquarters, branches and subsidiaries of Nuclearelectrica;</li><li>- compliance with the relevant legislation, with the corporate governance principles followed in the management plans of each of the group's companies, with best practices in the field of internal controls over the management of the assets of the group's companies, including financial reporting, by following:<ul style="list-style-type: none"><li>- the implementation of the reporting package that meets the information requirements necessary to consolidate the financial statements of SNN according to the relevant regulations;</li><li>- subsidiaries' financial reporting policies need to be harmonized by including of reporting requests for consolidation (common policies, current/common practices, reporting requirements, common planning documents or documents to be submitted in order to meet the requirements and expectations of the process owner);</li><li>- correlated and calibrated budgeting procedures, including the definition of the timetable and the system for the endorsement, approval and monitoring of the revenue and expenditure budgets;</li><li>- Improving the process of <u>estimating</u> financial needs by periodically assessing and planning operational and capital expenditures in relation to the assumed objectives;</li><li>- defining a <u>funding strategy</u> as part of the group's funding policy, taking into account the specificities, priorities and approved objectives;</li><li>- determining the <u>funding structure</u>, the ratio between equity and debt at the level of the entities in order to anticipate access to financial markets and secure resources;</li><li>- defining <u>roles and responsibilities</u> in the funding process and how funding is provided;</li><li>- <u>negotiating credit facilities</u> and selecting banking institutions in order to obtain optimal funding conditions at group level;</li><li>- identification and monitoring of <u>financial risks</u>;</li></ul></li></ul></li></ul>

- the authority and responsibilities in relation to decisions regarding operational activity, such as the thresholds and responsibilities for approval of expenditure, established by unitary rules, in compliance with specific legislation;
- the uniform implementation of internal controls to safeguard assets through specific methods such as segregation of duties to avoid conflict of interest, elimination of cash transactions and cashier offices;
- fraud prevention protocols/procedures.

ASSOCIATED  
PROCEDURES

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



Internal distribution SNN Group	
Code: SNN-POL-7.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON INVESTMENT ACTIVITY WITHIN THE SNN GROUP</b>		
PURPOSE	Operational coordination of the investment projects management process and for its efficiency and effectiveness for all SNN group entities.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"> <li>- Uniform application of the project management’s general principles, respectively taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in own procedures developed and adapted to the subsidiaries’ specific activities;</li> <li>- Investment projects management is the process that has as purpose: the strategic integration of project initiatives, prioritization based on the identification of needs and opportunities, achieving the objectives of investment projects, their implementation within the planned deadlines, within the approved budgets and at the quality level according to the legal quality requirements and specified by the contracts, with strict compliance with nuclear safety requirements;</li> <li>- Periodically, review meetings will be organized on the status and management of the investment projects, in order to monitor progress against the approved schedule and budget, estimated/manifested risks and measures to address, opportunities and threats, forecasts of critical path damage, identified solutions, requests for support or actions to be taken, as well as to set up expectations, alignment requirements, lessons learned, agree on common practices and activities, results etc.</li> <li>- The companies of the SNN Group transmit to the DDI the information on which the investment budget associated with a project is based, namely information on its substantiation, reports on budget execution and substantiated proposals for revising the investment program;</li> <li>- The SNN Group monitors the implementation of investment projects.</li> </ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-8.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON IT&amp;C AND CYBERSECURITY WITHIN THE SNN GROUP</b>
PURPOSE	The purpose of the policy on IT&C and Cyber Security within the SNN Group is to establish the necessary framework for the implementation of process governance principles at SNN Group level that will ensure the efficient implementation, evaluation, prioritization and funding of IT and cybersecurity services, their monitoring and implementation and the evaluation of the results obtained. This policy also defines unitary principles applicable to the SNN group for IT services and cybersecurity.
APPLICATION	All SNN Group officers
REQUIREMENTS	<ul style="list-style-type: none"><li>- IT&amp;C governance and cybersecurity is an integral part of the SNN Group's code of governance and consists of principles to be adopted by each of the member organizations and ensures that IT&amp;C and cybersecurity processes support the group's strategy and objectives;</li><li>- The goal of IT&amp;C governance and cybersecurity is to coordinate efforts and ensure that the performance of these two areas meets the following objectives:<ul style="list-style-type: none"><li>- Alignment of digitization strategies and objectives and thus major projects;</li><li>- Maximizing the added value of using IT&amp;C solutions;</li><li>- Responsible use of IT resources;</li><li>- Proper cyber risk management.</li></ul></li><li>- IT&amp;C governance and cybersecurity at SNN group level ensure the fulfilment of common IT objectives and the mitigation of cyber risks so that the two areas deliver value to support the group's development. This governance policy drives the strategic alignment between IT&amp;C and cybersecurity teams and processes across subsidiaries and SNN;</li><li>- The IT&amp;C governance and cybersecurity policy defines a set of 7 SNN group core principles for the development and implementation of an IT&amp;C governance and cybersecurity framework. These principles incorporate COBIT, ITIL and ISO standards and are based on the premise that IT must deliver the services the business needs to achieve its objectives;</li><li>- The seven core principles for SNN group governance are:<ul style="list-style-type: none"><li>- Linking IT&amp;C and cybersecurity objectives with those of the SNN group and in particular with those of the subsidiaries;</li><li>- Ensuring IT&amp;C and cybersecurity performance through dedicated, properly sized and prepared organizational structures that can run the specific processes. They are constantly evaluated and deficiencies are responsibly addressed;</li><li>- The contracting of IT&amp;C and cybersecurity services and systems is done through rigorous needs assessment, selection and proper vetting of partners and suppliers;</li><li>- Suppliers' performance management is realized based on contractual conditions;</li><li>- Business continuity/disaster recovery is considered through requirements and practices implemented in technology and processes to address potential incidents that may affect both the SNN group and subsidiaries;</li><li>- Ensuring the necessary measures for data confidentiality, integrity, availability and cybersecurity;</li><li>- Compliance with the applicable legal and regulatory framework is ensured and compliance is continuously monitored.</li></ul></li><li>- The IT&amp;C governance and cybersecurity framework within the SNN group is defined as</li></ul>

follows:

- SNN has assumed responsibility for IT&C governance and cybersecurity by ensuring the necessary governance framework without affecting the specific objectives of the subsidiaries. The SNN group's IT&C governance and cybersecurity core principles have been adopted to ensure strategic alignment and common goals. Independent assessment of the effectiveness of the IT&C governance and cybersecurity framework is carried out by internal (group audit) and external auditors (if applicable);
- Group-wide IT strategy objectives are aligned with the group strategy and opportunities to improve IT&C and cybersecurity services;
- Optimal funding is provided for the operation of IT&C and cybersecurity services, the development of new projects and costs are efficiently managed and the return on investment is measured. Where appropriate, IT&C and cybersecurity projects and initiatives are aligned/coordinated/merged, including from a procurement perspective, so that they are in the best interest of the organization as a whole;
- IT risks are identified and adequately addressed in accordance with existing group risk management practices. The SNN group and its subsidiaries ensure that it has adequate resilience mechanisms in place for disaster recovery;
- IT&C and cybersecurity services are optimally contracted, keeping essential capabilities in-house;
- Processes and procedures are in place to ensure that SNN group IT&C and cybersecurity systems are managed, maintained, replaced and decommissioned effectively and in accordance with applicable procedures;
- Providing specific infrastructure, systems and processes for cyber and information security;
- IT&C and cybersecurity operations and processes are subject to specific audits, both internal and external, in terms of business continuity, cybersecurity, procurement, etc;
- The use of environmentally sustainable IT&C systems is promoted.

ASSOCIATED  
PROCEDURES

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-9.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON PHYSICAL PROTECTION AND THE PROTECTION OF CLASSIFIED INFORMATION WITHIN THE SNN GROUP</b>
PURPOSE	The goal of the physical protection and the protection of classified information policy within the SNN group is to implement and maintain an unified system of coordination of physical protection, classified information and critical infrastructure processes, integrating the subsidiaries by ensuring consistent adherence to international norms and recommendations, national legislation, regulatory requirements, internal policies and single group-wide standards. The policy sets the standards and accountability for meeting the commitment.
APPLICATION	All SNN Group officers
REQUIREMENTS	<b>Physical Protection</b> <ul style="list-style-type: none"><li>- Development and implementation of security, guarding and physical protection framework policies, in a coherent and consolidated structure at the level of SNN Group's companies (as regulated by Law no. 111/1996 and Law no. 333/2003) by:<ul style="list-style-type: none"><li>- elaboration of Physical Protection Risk Analyses;</li><li>- elaboration of the Security Plan;</li><li>- integrated management of the physical protection system regarding controlled access, burglar alarm and video system;</li><li>- physical protection of classified information.</li></ul></li><li>- Implementing, maintaining and analysing the physical protection system at SNN group level by:<ul style="list-style-type: none"><li>- Developing and issuing policies, programs, procedures, guidelines and work instructions with uniform requirements at group level;</li><li>- Advice on aligning access procedures with the organizational structure;</li><li>- Compliance with legal compliance requirements regarding personnel access to sites or premises, vital, protected or security areas (security rooms);</li><li>- Approval of changes or updates of specific procedures, methodologies and forms.</li></ul></li><li>- Providing the function by supplying resources and methodological advice in the realization of missions for the implementation of technical systems for new projects, elaboration and implementation of specific working procedures;</li><li>- Ensuring a training and education program on the areas under coordination as well as providing and endorsing support materials for mandatory and periodic training in the field of physical protection;</li><li>- Implementing physical protection policy and procedures and work methodologies, in defining objectives and identifying risks;</li><li>- Coordinating the planning of activities for the implementation of the strategic projects, the set of common objectives as well as the implementation of the measures provided in the Investment Plan adopted according to the development strategy of SNN;</li><li>- Consolidation of objectives, data and activity specific information required for group reporting (MRM) or required by legislation;</li><li>- Coordinating maintenance plans and programs and monitoring their implementation;</li><li>- Obtaining/renewing competences, certifications, endorsements and authorizations of PP staff;</li><li>- Equipment/investment plans/programs to maintain the physical protection system at the projected level of operation.</li></ul>

### **Classified Information - requirements for Group companies**

- Security Structure Assurance;
- Implementation of the guidelines on the protection of classified information in SNN;
- Ensuring the protection of classified information by updating the measures laid down in the PPLCI (Program to Prevent the Leakage of Classified Information);
- Providing measures to counter leaks of classified information;
- Obtaining / renewing certificates and authorizations for access to state secret information;
- Maintaining and upgrading the INFOSEC system;
- Ensuring compliance with legal compliance requirements regarding personnel access to security areas (security rooms);
- Providing training through CI protection courses and questionnaires;
- Human Resources Management (Classified Information Offices);
- Organization of Classified Information Offices;
- Management of classified information;
- Protection of classified information;
- Granting the right of access to classified information;
- Industrial safety;
- Protection of sources generating classified information -INFOSEC.

### **Critical infrastructure - requirements for Group companies**

- Identification and designation of NCI/ECI (National Critical Infrastructure/European Critical Infrastructure);
- Appointing the SLO (Critical Infrastructure Security Liaison Officer) - the contact person for reporting security incidents regarding the Critical Infrastructure SLO ME and completing the incident reporting forms.
- At SNN GROUP level there is a pyramidal reporting structure for the NCI/ECI: Central level SLO (liaises with the relevant authorities), SLO NPP and SLO NFP - through SLO SNN;
- Preparation of the OSP (Operator Security Plan) - where NCI/ECI are designated;
- Drafting the Exercise Plan according to the OSP;
- Drafting Exercise Analysis Reports;
- Drafting Security Incident Sheets;

### **Special Issues (preparing the Company for Mobilization)**

- Drawing up function-specific documents.

### **General**

- Governance structure: The group's Physical Protection, Classified Information Protection, Critical Infrastructure Protection and Special Issues programs shall have a centralized governance structure with a group-wide coordinating function responsible for establishing policies, standards and guidelines. This central oversight ensures coherence and coordination between the different entities;
- Communication and training: The group's Physical Protection, Classified Information Protection, Critical Infrastructure Protection, and Special Issues programs require effective communication and training mechanisms to disseminate policies and compliance guidelines to as many entities within the group as possible. These programs involve developing training materials, conducting workshops and implementing communication channels that reach



employees and stakeholders;

- Risk assessment: Risk assessment approaches are different for each group security program and also different and tailored for each branch or subsidiary. Group security programs usually require a comprehensive risk assessment process that takes into account the risks associated with each entity and the overall risks faced by the group as a whole, with legal requirements for each. This complicates "group policy" efforts and the efficient allocation of resources, but at the same time puts order into the wording and approach to these processes;
- Reporting and monitoring: Reporting and monitoring mechanisms within group security programs often involve the consolidation of data and information to provide a holistic view of compliance performance at the group level. This facilitates oversight, tracking key values and identifying emerging trends or issues.

ASSOCIATED  
PROCEDURES

N/A

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-10.0.1	Revision: 0

**TITLE** **SPECIFIC CORPORATE POLICY ON THE INTERNAL CONTROL SYSTEM WITHIN THE SNN GROUP**

**PURPOSE** Implementation and development of an internal control system, specific to the field of activity of each company of the SNN Group, in order to ensure a good use of resources (financial, human) and their correlation with the company's objectives; improvement of the information flow, ensuring the integrity of assets as a monetary expression of the economic means with their sources of financing, as well as the financial results of the economic activity, strengthening of the budgetary and economic-financial discipline, compliance with the legal provisions, regulations and internal decisions.

**APPLICATION** All SNN Group officers

**REQUIREMENTS** **Internal Managerial Control**

- The Internal Managerial Control System (SCIM) developed and implemented by the companies of the SNN Group must ensure:
  - Compliance, in a coherent and integrated manner, with all legal and regulatory requirements applicable to the activities carried out, the internal control standards promoted by the General Secretariat of the Government, as well as the applicable rules of good practice;
  - Adherence and compliance with the policies and principles established within the group structure;
  - Implementation of policies and achievement of objectives set within the company;
  - Effectiveness and efficiency in carrying out the established activities, processes and objectives.
- The Internal Managerial Control System (SCIM) developed and implemented by the companies of the SNN Group must:
  - Be adapted to the specifics and size of the company, depending on the particularities of the legal framework of organization and functioning, as well as the standards of internal managerial control, respectively in correlation with the management systems implemented within SNN (Head Office, branches and subsidiaries) so as to ensure compliance with all legal requirements, rules and standards applicable;
  - Operate with a set of procedures, means, actions, provisions, etc. established by the management, in order to allow it to have a good control over the functioning of the company as a whole; The control tools include the following elements: objectives, means, information system, organization, procedures and control.
- The management of each company of the SNN Group will use the information provided by the internal managerial control in order to consolidate the managerial decisions regarding the activity plan, the organization and coordination of the structures, the accurate determination of the responsibilities of the structures and of the persons involved in the company's activities;
- In order to monitor and coordinate the implementation and development of the SCIM at the SNN Group level, the Technical Secretariat within the DCFM-SNN Head Office carries out counselling activities for the staff of each company within the SNN Group;
- The management of each company in the SNN Group is responsible for the implementation of the SCIM within them, applying the internal managerial control tools, including the decision to establish a Monitoring Committee (CM-SCIM);

- The companies of the SNN Group submit, within the established deadlines, the reports on the internal managerial control system to the Technical Secretariat of the DCFM-SNN Head Office, for analysis, centralization and reporting to the SNN Group management, as well as to the relevant ministry;
- The SNN Group companies promptly inform about any deviation from the legal requirements identified by the national inspection and control bodies that result in warnings and/or fines.

### **Financial Management Control**

- In support of its activity, the achievement of business objectives and compliance with national legislation, S.N. Nuclearelectrica S.A. has implemented, developed and constantly improved an internal control system in order to ensure the economical, efficient and effective management of assets. A component of this set of control forms exercised at the level of the company is the financial management control, which is part of the second line of defence of the internal control system, with the mission to ensure that the first line of defence is adequate, implemented and functioning properly.
- The financial management control is organized at the level of SNN S.A. (within SNN Head Office) with responsibilities for exercising control in all sub-units (including subsidiaries) - considering the shareholding structure of the companies over which SNN S.A. has significant control over decisions and operations, and is exercised by the staff of the Financial and Managerial Control Department (DCFM) on the basis of the annual control program approved by the CEO and the Board of Directors of SNN S.A.
- The DCFM staff also carries out actions of verification, guidance, optimization of internal control activities according to the organizational and operational needs of SNN (including all sub-units).
- It is the policy of the Financial and Managerial Control Department of SNN to exercise within the subsidiaries:
  - *Financial management control*, as part of the preventive component of verifying the basis for the draft budget of revenue and expenditure and/or through the instrument of operational control that is exercised on certain activities or economic and financial operations carried out during the current financial year, to prevent the causes of the occurrence of dysfunctions;
  - *Financial management control (post-factum)* - which provides assurance on:
    - execution of operations in an orderly, ethical, economic and efficient manner;
    - fulfilment of the obligations with responsibility; compliance with the laws and internal regulations in force;
    - protection of the resources against loss, abuse and damage;
    - consolidation of the internal control system so as to effectively ensure prevention of irregularities and recovery of losses caused by irregularities or fraud.
  - *Verification, Guidance, Optimization of Internal Control Activities*, which includes the analysis of the way in which the company's processes are managed, in compliance with the principles and standards of internal control, their efficiency and effectiveness, as well as the establishment of actions to optimize these processes in order to improve their efficiency and effectiveness from the economic point of view.
- Communication and interaction with SNN's subunits and subsidiaries in the exercise of activities within the control and guidance processes are carried out in accordance with the applicable procedures;



- SNN, through the instrument of financial management control, respectively operational control/controlling, facilitates the link between managerial decision and execution, elaborates analyses that lead to optimization, to the improvement of the budgeting process by increasing the accuracy of the basis of the budgeted and forecast values. In correspondence, the subsidiaries follow the uniform application of the general principles, taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in their own procedures developed and adapted to the specific activities of the subsidiaries;
- The SNN Group companies promptly inform about any deviation from the legal requirements identified by the national inspection and control bodies that result in warnings and/or fines.

ASSOCIATED PROCEDURES

- CM-00-01 rev. 6 "Organization and functioning regulation of the Commission for monitoring the implementation and development of the internal managerial control system (CM-SCIM) of the National Company Nuclearelectrica S.A."
- CM-00-03 rev. 2 Setting and monitoring objectives within SNN SA
- CF-00-01 rev. 5 "Organization and exercise of financial management control"
- AIMP-00-01 rev. 1 "Verification, guidance and optimization of internal control activities"
- CM-00-02 rev. 1 Management of sensitive functions at SNN SA level

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLÉARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-11.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON HUMAN RESOURCES MANAGEMENT WITHIN THE SNN GROUP</b>
PURPOSE	The goal of this policy is to develop an efficient human resources management function and to ensure the competence of the personnel that will contribute to the sustainable development of the organization and promote an environment based on performance and excellence within the companies of the SNN Group.
APPLICATION	All SNN Group officers
REQUIREMENTS	<ul style="list-style-type: none"><li>- In human resources management, training and staff development, all legal requirements, regulations issued by regulatory bodies and best practices applicable to the nuclear field, such as:<ul style="list-style-type: none"><li>- Law no. 53/2003 - the Labor Code, as subsequently amended and supplemented;</li><li>- Law no. 111/1996 on the safe performance, regulation, authorization and control of nuclear activities, as subsequently amended and supplemented;</li><li>- Basic Nuclear Safety Standards for Nuclear Installations (NSN-21), approved by Order of the President of CNCAN no. 86/2020 and published in the Official Gazette. Part I, no. 597 of 8 July 2020;</li><li>- Nuclear Safety Standards on the training, qualification and authorization of personnel of organizations operating nuclear installations (NSN-23), published in the Official Gazette, Part I no. 438 of 13 June 2017;</li><li>- Rules on the issuance of exercise licenses for operating personnel, management personnel and specific training personnel of nuclear power plants, research reactors and other nuclear installations (NSN-14 rev. 1) of 01/05/2014 published in the Official Gazette, no. 350/bis of 13/05/2014;</li><li>- INPO 12-012, Traits of a Healthy Nuclear Safety Culture, Revision 1, Institute of Nuclear Power Operations, 2013;</li><li>- INPO 20-005, Leadership and Talent Development, Institute of Nuclear Power Operations, 2020;</li><li>- Law no. 176/2018 on internship; - MMSS Order no. 64/2003 for the approval of the framework model of the individual labour contract;</li><li>- GD no. 905/2017 on the general record of employees</li></ul></li><li>- Developing and implementing in a uniform way policies and procedures on human resources management, training and staff development;</li><li>- Establishing the need of competent personnel for the realization of the activities within the company processes in SNN Group;</li><li>- Efficient development and utilization of human resources using human resources management tools in order to attract, retain, motivate, develop and increase the individual performance of employees, in order to achieve the strategic objectives of the SNN Group companies;</li><li>- Development and implementation of HR processes and procedures as well as building a high performing team;</li><li>- Identification and fulfilment of the competence requirements for the staff to the nuclear specific requirements in order to perform the service tasks to the requirements of excellence;</li><li>- Identifying and ensuring training needs through the development and implementation of training and development programs; monitoring the effectiveness of the training programs;</li><li>- Ensuring staff qualification and authorization requirements in accordance with legal and regulatory requirements;</li></ul>

- Maintaining competence through knowledge refresher programs;
- Evaluation of individual employee performance;
- Managing succession/rotation plans;
- Administration of human resources databases;
- Establishing common indicators for monitoring and reporting performance in human resources management at the level of SNN Group companies;
- Periodic presentation and information to DSRU on the activity, objectives, data and specific information for reporting / centralization / control at group level or to the relevant ministry according to the legislation in force;
- Ensuring an exchange of information and best practices between organizations, a vital component for targeted and effective actions.

ASSOCIATED  
PROCEDURES

N/A

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-12.0.1	Revision: 0

TITLE **SPECIFIC CORPORATE POLICY ON INTERNAL AUDIT ACTIVITIES WITHIN THE SNN GROUP**

PURPOSE Implementation and development of a system of internal control, specific to the field of activity of each company of the SNN Group, in order to ensure a good use of resources (financial, human) and their correlation with the company's objectives; improvement of the information flow, ensuring the integrity of assets as a monetary expression of the economic means with their sources of financing, as well as the financial results of the economic activity, strengthening of the budgetary and economic-financial discipline, compliance with the legal provisions, regulations and internal decisions.

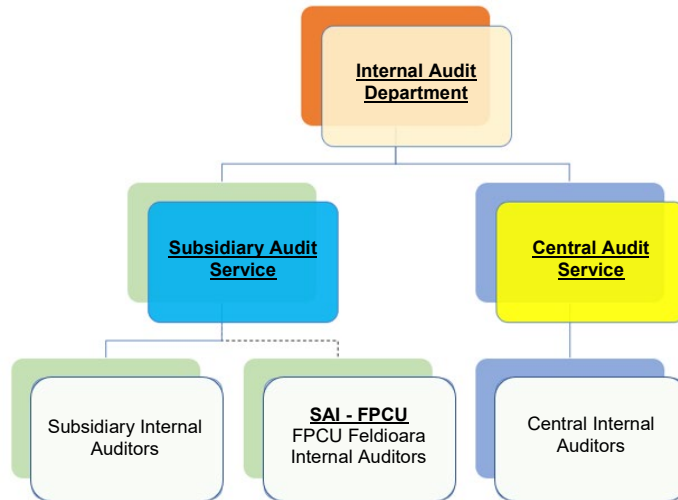
APPLICATION All SNN Group officers

REQUIREMENTS **Internal Audit**

- The Internal Audit Department within the Audit and Risk Management Department of SNN (DAI-SNN) ensures (since its establishment and through its own approved Charter/Methodological Standards) the IPA function for the National Company Nuclearelectrica SA (SNN), including the Head Office, the branches Cernavoda NPP and Pitesti NFP (units/entities without separate/individual legal personality);
- Public internal audit departments within hierarchically subordinated entities (under the coordination or under the authority of another public entity) may be established according to Art. 11, letter f) of Law 672/2002, namely: "the head of the subordinate public entity, respectively under the coordination or under the authority of another public entity shall establish and maintain a functional public internal audit department, with the consent of the superior public entity; if this consent is not given, the audit of the entity concerned shall be carried out by the public internal audit department of the public entity that decided so.";
- According to Art. 2, letter c<sup>1</sup>) of Law 672/2002, the internal public audit department is organized and functionally ensured "by setting up an internal public audit department consisting of at least 2 internal auditors' positions, full time and with the provision of the financial resources necessary to fill the positions and the functioning of the department, or by ensuring the internal public audit function by the higher hierarchical body";
- The SNN Internal Audit Department's policy is to give its consent for the establishment of the public internal audit department to the SNN subsidiaries (subordinated public entities, with separate legal personality) that wish and request this, including their methodological advice or the supplementation of human resources where they are insufficient or their supplementation is not economically justified (e.g.: the subsidiary FPCU Feldioara has its own and fully functional Internal Audit Service starting with July 2023; the other subsidiaries do not have internal public audit departments established, even if they have or do not have these structures in their own organizational charts, and then DAI SNN must provide assurance on the activities of these subsidiaries, as they become operational and increase the materiality of the budgets / risks managed);
- Both upstream (by the Internal Public Audit Department of the Ministry of Energy - CAPI-ME) and downstream (in relation to the Internal Audit Service of the FPCU Feldioara subsidiary - SAI-FPCU, the other subsidiaries having the internal audit function provided by the hierarchically superior body DAI-SNN), the hierarchical coordination, on levels, of the Internal Public Audit function, performed by the IPA structure of the hierarchically superior entity, is manifested (without being limited to these) by:
  - Agreement / notice of establishment of IPA structures in subordinate entities;

- Opinion for the head / coordinator of the IPA structure in subordinate entities;
  - opinion on the Internal Audit Charter / Methodological rules on the exercise of the IPA activity (for the purposes of the group unit, the option of DAI-SNN is to recommend adherence to and advise on the adoption of the SNN methodology);
  - coordination and aggregation of the annual Internal Audit Plans at SNN Group level for their approval and endorsement by the CEO and the Audit Committee (AC) of SNN;
  - providing the function, human resources or methodological advice in the execution of audit missions;
  - monitoring and aggregating the results by elaborating the Annual Report of the IPA activity at the SNN group level, which is submitted for approval and endorsement to the CEO and AC of SNN, respectively, for submission to CAPI-ME and the Court of Auditors of Romania.
- DAI-SNN has given its consent (by letter no. 6310/27.05.2022) for the establishment of the internal audit structure of the FPCU Feldioara subsidiary, guiding the adherence and advising the adoption by SAI-FPCU of the SNN audit methodology (Charter/ Methodological standards of internal audit). Also, DAI-SNN granted a favourable opinion (no. 4686 / 12.04.2023) to the SAI-FPCU manager and obtained approvals for the reports (no. 6826 / 03.06.2020; no. 3168/07.03.2023) for taking over and ensuring the internal public audit function for the subsidiaries EnergoNuclear (EN) and Nuclearelectrica Serv (SER), respectively;
  - Regarding the Annual Internal Audit Plans and the Annual IPA Activity Report of SNN, they have always included the group perspective, by aggregating the information related to the subsidiary EnergoNuclear since its establishment (either through the IPA-EN structure aggregated until 2019, or through the IPA structure provided by the higher hierarchical body of DAI-SNN starting with 2020), a perspective that was extended to the newly established subsidiaries FPCU Feldioara and Nuclearelectrica Serv, starting with the documents related to 2022;
  - From the perspective of communication and interaction in the exercise of internal audit activity, they are direct, based on the Internal Audit Charter, which confers authority and unrestricted access to all information and resources (including human) necessary for the proper fulfilment of the function, being interfaced by SAI-FPCU only in relation to the Feldioara FPCU subsidiary;
  - For the purpose of operational efficiency of the activity, specialization and creation of effective lines of communication in step with the development needs of the SNN Group and the main strategic lines, the Internal Audit Department of SNN was reorganized during 2023 by establishing within it 2 structures, as follows:
    - The Central Audit Service (SAC), which carries out internal audit missions in the area of the parent company SNN - Head Office and branches Cernavoda NPP and Pitesti NFP, including audit planning, follow-up of recommendations (action plans) and activity reporting (quarterly / annual);
    - The Subsidiary Audit Service (SAS), which conducts the same types of engagements and actions:
      - ensuring the internal audit function in the area of entities (subsidiaries) within the SNN group, which have not organized their own functional internal audit structure;
      - coordinating the work of the internal audit functions within the same entities, which have set up their own internal audit structures (currently only SAI-FPCU), ensuring (where necessary) the needs for additional human resources.

- During 2023, the Procedure for the coordination and monitoring of internal audit activity within SNN subsidiaries was developed and issued;
- The new organizational structure of IPA in line with the need for development of the internal audit function at SNN Group level is graphically represented below:



ASSOCIATED PROCEDURES

Procedure AI-00-01 - Coordination and monitoring of internal audit activity within the Subsidiaries of Nuclearelectrica S.A.

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-13.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON RISK MANAGEMENT ACTIVITY WITHIN THE SNN GROUP</b>		
PURPOSE	Efficient risk management at company level and within the SNN Group, contributing to ensure asset protection, reliability of financial reporting, efficiency and effectiveness of activities and processes, in accordance with the relevant legislative framework, internal rules and procedures of the organization.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"><li>- Constant maintenance and improvement of the risk management framework for keep it adequate and adapted to changes in the internal and external environment of the organization, so that effective risk management is essential for SNN Group companies in achieving their objectives, operating in conditions of nuclear safety and security, and for maintaining standards of excellence in the long term;</li><li>- The main coordinates and instruments of the corporate risk management framework provided at SNN Group level are:<ul style="list-style-type: none"><li>- Entities (compartments), processes, roles, tools, responsibilities and managers established in a manner that provides reasonable assurance to the management of the organization and to third parties that the risks to which the organization is exposed are evaluated, managed, monitored and reviewed adequately;</li><li>- Circulation of information regarding risks within SNN through a dedicated IT application developed internally, for making informed decisions from a risk perspective;</li><li>- Uniform evaluation throughout the organization, using a common evaluation metric, of the probability of occurrence and the potential impact;</li><li>- A risk tolerance limit (risk appetite), expressed in score/ quotation/ risk exposure, between the quotations of medium risks and the quotations of high risks, low score risks being considered tolerable, and those above this score being considered intolerable;</li><li>- A constantly monitored risk profile.</li></ul></li><li>- Implementation within the SNN Group companies of standardized procedures, policies, instructions, aligned with the risk management methodology of SN Nuclearelectrica SA, adapted to the specific field of activity;</li><li>- Standardized assessment across the SNN Group, using a common metric to assess likelihood of occurrence and potential impact;</li><li>- Regular monitoring and reporting on the risk situation, as required by the Group.</li></ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-14.0.1	Revision: 0

**TITLE** **SPECIFIC CORPORATE POLICY ON OCCUPATIONAL HEALTH AND SAFETY IN THE SNN GROUP**

**PURPOSE** Implementation and maintenance of an uniform system for coordination of occupational health and safety activities carried out at group level in order to achieve process' performance objectives derived from the company's strategic objectives, the use of an unitary standard of reporting and promotion of excellence in order to ensure the safety of staff, facilities and other stakeholders with regard to occupational health and safety risks, respect for human rights and sustainability requirements.

**APPLICATION** All SNN Group officers

**REQUIREMENTS**

- In carrying out occupational health and safety (OHS) activities, all applicable legal requirements will be observed, such as:
  - Law no. 319/2006 on occupational health and safety, as subsequently amended and supplemented;
  - Government Decision 1425/2006 for the approval of the methodological norms for the application of Law 319/2006 as subsequently amended and supplemented;
  - SR ISO 45001:2018 Occupational health and safety management systems. Requirements and guidelines for use;
  - Government Decision 355/2007 on workers' health surveillance
  - SNN SA Management System Manual, current revision.
  - Law 307/2006 on fire protection updated and amended.
  - Law 481/2004 on civil protection
  - OMAI 163/2007 "General fire protection rules".
  - OMAI 712/2005 "General provisions on the training of employees in the field of emergency prevention" amended and republished.
  - Order 1422/2012 "Regulation on the management of emergency situations generated by floods, dangerous weather phenomena, accidents at hydro-technical constructions, accidental pollution on water courses and marine pollution in coastal areas".
- The prevention and protection process contains activities strongly regulated by both legal requirements and SNN's adherence to ISO 45001:2018 and WANO's responsibility policies, in this regard the following general responsibilities are assigned to each subsidiary in terms of prevention and protection process:
  - Ensuring occupational health and safety in all aspects of work;
  - Ensuring occupational health and safety risk assessment for all workplaces within the subsidiary;
  - Organization of the internal structure responsible for the management/coordination at subsidiary level of the prevention and protection process;
  - Developing prevention and protection policies in accordance with applicable legal requirements, SR ISO 45001:2018 and WANO responsibility policies;
  - Ensuring the system of information, training, consultation of workers on occupational health and safety;
  - Implementation of the general principles of prevention in the field of occupational health and safety at the level of each process in the organization, according to the provisions of Law 319/2006;
  - Providing the framework for the realization of operational coordination activities at group level in the prevention and protection functional area;

- Providing support and resources for the implementation and improvement of the Business Continuity Plan (BCP) at SNN Group level;
- Ensuring the implementation of the requirements of European Union standards in terms of sustainability and good corporate governance;
- Ensuring and supporting the improvement of the information system in terms of reporting, support, information relations between the entities of the SNN group in order to increase efficiency, reduce bureaucratic aspects, introduce in a unified way the computerization, BI technologies and attract organizational know how;
- Implementation of regular coordination meetings for analysing the performance of the process with the participation of the responsible persons from all companies of the SNN Group;
- Implementation of a Thematic Observation Program carried out by joint teams following the provisions of procedure OI-00-01 "Observation and guidance of management staff in Branches", and discussion of the Observation Report in the regular coordination meetings;
- Periodic publication of a Newsletter containing briefly events in the work system, best practices, lessons to be learned, details on performance standards applicable to the prevention and protection process, feedback from brainstorming actions or participation in symposia, workshops and thematic conferences;
- For the prevention and protection functional area, the following general measures are proposed to optimize the prevention and protection process:
  - Organizing joint brainstorming actions, seminars, conferences, courses that improve the performance of the prevention and protection process;
  - Mentoring and or coaching actions, training of young specialists for the nuclear energy industry, specialized in the prevention and protection functional area;
  - Attracting specialized advice where appropriate;
  - Initiating projects to improve the national and EU legislative framework in the field of prevention and protection;
  - Development of policies on psycho-socio-professional aspects and mental health surveillance in a unified way at SNN group level.

ASSOCIATED  
PROCEDURES

N/A

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-15.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON LEGAL ACTIVITY WITHIN THE SNN GROUP</b>		
PURPOSE	The purpose of this policy is to develop a process to ensure a uniform legal support in terms of legal compliance in the activity carried out by each company in the SNN Group, protecting their patrimonial and non-patrimonial interests, ensuring coordination relations, by area of responsibility, with the companies in the SNN Group.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"><li>- This policy sets out the legal principles that guide the company and its subsidiaries, in accordance with applicable law and best corporate governance practices;</li><li>- As far as disputes are concerned, they will be managed prudently, with a priority on minimizing risks and costs. We are committed to assessing and resolving disputes in an efficient and ethical manner. The Advisory Department provides ongoing support in legal matters, ensuring that corporate decisions are informed, compliant and sustainable;</li><li>- In our procurement processes, we are committed to legal compliance, rigorous evaluation of contracts and partners, and promoting responsible procurement practices;</li><li>- Investment support focuses on detailed legal assessment, risk management and ensuring alignment with corporate strategic objectives;</li><li>- We emphasize the importance of corporate governance through transparency, accountability and adherence to high ethical standards in all aspects of business;</li><li>- The following actions will be initiated:<ul style="list-style-type: none"><li>- Drawing up a calendar of corporate events (General Meeting of Shareholders and Board of Directors) common for SNN-Subsidiaries that will allow efficient decision making;</li><li>- Identifying integrated reporting and communication with shareholders and regulators;</li><li>- Establishing how corporate information is shared internally and externally;</li><li>- Assessment and management of legal risks, including monitoring legislative amendments and their impact on the company's operations and subsidiaries;</li><li>- Integrated policy for the protection of personal data and confidential information in accordance with data protection laws;</li><li>- Forms and standards for drafting various legal documents.</li></ul></li></ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-16.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON THE COORDINATION OF PROCUREMENT PROCESSES WITHIN THE SNN GROUP</b>		
PURPOSE	The purpose of the policy regarding the coordination of procurement processes within the SNN group is to implement the uniform application of the current practices and policies used, indicators, supply chain management software applications, by using their data in compatible formats, which allow their processing in SNN applications, in order to coordinate the processes operationally and efficiently, in relation to all entities of the SNN group. The policy sets standards for the conduct of procurement processes at group level.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"><li>- Applying uniform policies/practices at group level based on the current practices and policies used in SNN, to the extent that they can streamline the work of the subsidiaries;</li><li>- Establishing and communicating the policy/strategy on the award of intra-group contracts;</li><li>- Determination of the needs for products/services and works to be purchased jointly at group level, as well as the methods of purchase and settlement mechanisms between the companies of the group;</li><li>- A clear and unitary definition of the indicators through which the performance of the procurement process is monitored within each company of the group as well as the formulas for their calculation;</li><li>- Monitoring process indicators and reporting it periodically to the SNN management;</li><li>- Implementing as much as possible the applications developed by SNN at subsidiary level or using compatible applications that can provide input/output data that can be integrated into the SNN supply chain management applications at group level (e.g.: RUEC; PAAS; FRAMEWORK AGREEMENT RE-OFFER; CONTRACT MANAGEMENT; DOCUMENT MANAGEMENT);</li><li>- Implementation of an uniform training system;</li><li>- Organizing information dissemination meetings and ensuring that information was understood at all levels of decision making in the group;</li><li>- The development of software solutions to track indicators and therefore the activity of the subsidiaries must be centrally managed and discussed in order to avoid imbalances of uneven development in relation to the indicators being tracked.</li></ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLEARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-17.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON COMMUNICATION WITHIN THE SNN GROUP</b>		
PURPOSE	The purpose of the SNN Group's communication policy is to implement the uniform application of current practices and policies used for their efficiency, effectiveness and transparency across all SNN Group entities. According to the communication strategies, communication actions are coordinated on SMART objectives derived from SNN's strategic objectives in order to increase the company's positive image and advantageous positioning on the energy and capital markets. The policy sets the standards and accountability for meeting the commitment.		
APPLICATION	All SNN Group officers		
REQUIREMENTS	<ul style="list-style-type: none"><li>- Uniform application of the general principles of external and internal communication, taking over and, where appropriate, detailing the procedures of SN Nuclearelectrica SA, in own procedures developed and adapted to the specific activities of the subsidiaries;</li><li>- The management of external and internal communication projects at group level, including branches and subsidiaries, has as purpose: the strategic integration of communication, key messages, prioritization based on the identification of needs and opportunities, achievement of common communication objectives, their implementation within the planned deadlines, within approved budgets and at standards of excellence, in strict compliance with nuclear safety requirements;</li><li>- Periodically, joint working sessions will be organized to manage communication projects in order to set up expectations, alignment requirements, lessons learned, agree on common practices and common activities, requests for support, particular issues, status, results etc.;</li><li>- SNN Group companies submit to the Communication, Sustainability and Investor Relations Department, information that is the basis for the elaboration of the communication and implementation budget associated with projects;</li><li>- At SNN Group level, a common record of the status of implementation of communication projects is maintained by reporting all indicators in an uniform way;</li><li>- A uniform training system will be implemented;</li><li>- The organization of meetings to disseminate the information received and ensure that it has been understood at all decision-making levels of the group, as well as meetings by areas of activity to develop a unified working concept.</li></ul>		
ASSOCIATED PROCEDURES	N/A		
EFFECTIVE DATE	On the date of approval	APPROVAL	SNN Board of Directors



NUCLÉARELECTRICA

Internal distribution SNN Group	
Code: SNN-POL-18.0.1	Revision: 0

TITLE	<b>SPECIFIC CORPORATE POLICY ON ANTI-CORRUPTION, ETHICS AND INTEGRITY WITHIN THE SNN GROUP</b>
PURPOSE	Development of the anti-corruption management system, in compliance with legal provisions and standards in the field of anti-corruption, ethics and integrity, reporting to all entities of the SNN Group.
APPLICATION	All SNN Group officers
REQUIREMENTS	<b>Anti-Corruption, Ethics and Integrity</b> <ul style="list-style-type: none"><li>- The anti-corruption, ethics and integrity policies and procedures developed and implemented by SNN Group companies must ensure:<ul style="list-style-type: none"><li>- Compliance with the requirements of the relevant normative acts and the applicable rules of best practice;</li><li>- Adherence and compliance with the policies and principles established within the group structure;</li><li>- Simple and easy access for employees and third parties to the whistleblowing system and provision of the resources required for a careful analysis and a rapid response to the complaints or reports received;</li><li>- Ethical guidance activity through employees designated by the management of the company and its subsidiaries, with responsibilities for monitoring compliance with the rules of conduct, to assist employees on ethical dilemmas and to support the management of the company in taking measures to reduce the risks and vulnerabilities that may lead to violations of the principles set out in the Code of Ethics.</li></ul></li><li>- The ethics and compliance program is uniformly applied by all group companies with the aim of ensuring consistent adherence to regulatory requirements, internal policies and ethical standards throughout the group;</li><li>- The group's ethics and compliance program establishes uniform standards of compliance;</li><li>- Implementing, maintaining and analysing the anti-corruption management system at SNN Group level by:<ul style="list-style-type: none"><li>- Development and issuance of anti-corruption policy, programs, procedures, guidelines and uniform working instructions at group level;</li><li>- Advice on aligning anti-corruption procedures with the organizational structure;</li><li>- Approval of changes or updates of specific procedures, methodologies and forms;</li><li>- Providing the function by supplying resources and methodological advice in carrying out investigative missions, developing and implementing specific working procedures;</li><li>- Ensuring a training and education program on the areas under coordination as well as ensuring and endorsing support materials for mandatory and regular training in the field of anti-corruption;</li><li>- Advising subsidiaries on the application of anti-corruption policy and procedures and working methodologies, in defining objectives and identifying corruption risks and potential conflicts of interest;</li><li>- The uniform application of the standards and rules regarding the granting-receipt of</li></ul></li></ul>

- benefits, applicable to all SNN employees, in order to protect the company against ethical misconduct and any aspects that may be interpreted as being able to influence the correct conduct of business relations with suppliers and customers;
- Improving the anti-fraud/anti-corruption prevention system by carrying out checks on potential conflicts of interest of employees in relation with suppliers/customers and establishing/implementing measures to avoid them.
- Coordination of the planning and activities for the implementation of the ethics and compliance program, of the established common objectives, as well as the implementation of the measures provided in the Integrity Plan adopted according to the National Anticorruption Strategy 2021-2025;
- Consolidation of objectives, data and information specific to the activity required for group level reporting or required by in-force legislation;
- The group's ethics and compliance programs follow a centralized governance structure, with a group-wide compliance function responsible for setting policies, standards and guidelines. This central oversight ensures coherence and coordination between the different entities;
- Reporting and monitoring mechanisms within group ethics and compliance programs involve the centralization/consolidation of data and information to provide a holistic view of compliance performance at the group level. This facilitates oversight, tracking key values and identifying emerging trends or issues.

**Anti-Fraud**

- Group-wide implementation of the Anti-Fraud Activity Policy and the Anti-Fraud Program adopted at the SNN level, as well as for the performance of periodic anti-fraud tests;
- Unified management of the Public Interest Warning system;
- The development and implementation in a unified manner of policies and procedures related to anti-fraud activity, adopted at group level;
- Providing support for periodic anti-fraud tests and any anti-fraud investigations carried out at each entity level;
- Contributions in terms of periodical assessment and completion of the Fraud and Corruption Risk Register, as well as the measures to deal with them, in accordance with the specificities of each entity within the group;
- The anti-fraud tests are conducted centrally and are tailored to the specificities of each subsidiary, in accordance with the volume, nature and complexity of the activities it carries out.

ASSOCIATED  
PROCEDURES

EFFECTIVE DATE

On the date of approval

APPROVAL

SNN Board of Directors