



Registration no.: _____

Cleared by,
Laurentiu - Nicolae CAZAN
Chairman of the Board of Directors

NOTE

on the approval by the Extraordinary General Meeting of Shareholders of the authorization of the Board of Directors and/or the SNN General Manager to approve/sign the conclusion of addenda to: (i) the RUEC Sectoral Services Contract no. 1607/27.11.2023 (PPC3), and (ii) the RUEC Framework-Agreement no. 519/16.04.2024 (PMO)

I. General matters and power

As of the date of this Note, the Cernavoda NPP Unit 1 Refurbishment Project (the “**Project**”) is in Phase 2, which started after the approval of the Investment Decision under the Resolution of the Extraordinary General Meeting of Shareholders of S.N. Nuclearelectrica S.A. (“**SNN**”) no. 4/23.02.2022, Item 2; the updated Investment Decision for the continuation of the investment in the Project was approved, based on the updated Feasibility Study, under the SNN Extraordinary General Meeting of Shareholders’ Resolution no. 2/22.01.2025 (Item 2).

This phase is expected to be completed in September/October 2027, when Cernavoda NPP Unit 1 will be shut down to commence the effective refurbishment works. The purpose of Phase 2 of the Project is to carry out all preparatory activities and to conclude all contracts for the procurement of services, products and/or works, as necessary to deploy the refurbishment.

Under Phase 2 of the Project, SNN has concluded the following contracts:

- 1) RUEC Contract no. 1108/08.07.2022 (“**PPC1**”) for *Engineering services for the preparation of the documentation for purchase of the reactor components and assessment of the condition of the set of specialized tools that will be used to replace the components.*
Provider: Candu Energy Inc., Canada. Value: CAD 64,280,000;
- 2) RUEC Contract no. 277/02.03.2023 (“**PPC2**”) for *Engineering services for preparation of: (i) technical specifications and the design documentation for the refurbishment activities that require acquisition of equipment/components with a long manufacturing term, and for complex activities with a long design time; and (ii) the technical documentation required to commence the process for obtaining the building permit for the infrastructure needed to retube the reactor of Unit 1.*
Provider: Candu Energy Inc., Canada. Value: CAD 65,470,000;
- 3) RUEC Contract no. 1607/27.11.2023 (“**PPC3**”) for *Supply of reactor components and retubing tools required for the refurbishment of the Cernavoda NPP Unit 1 reactor.*

Supplier: The Joint Venture composed of Candu Energy Inc. of Canada and Canadian Commercial Corporation. Initial value: CAD 781,843,204, reduced to CAD 741,843,204 following the exercise of the option to purchase re-tubing tools;

- 4) RUEC Framework-Agreement no. 519/16.04.2024 (“PMO”) for *project management, technical assistance, consultancy and staff training services needed for preparation and implementation of the Unit 1 Refurbishment Project at Cernavoda NPP.*

Provider: Canadian Nuclear Partners SA. Maximum value: EUR 243,616,360.70;

- 5) RUEC Contract no. 1607/ 27.11.2023 (“EPC”) for *Cernavoda NPP Unit 1 Refurbishment Works.*
Suppliers: the consortium formed by Candu Energy Inc. (“Candu”), Canadian Commercial Corporation (“CCC”), Ansaldo Nucleare S.p.A (“Ansaldo”) and Korea Hydro & Nuclear Power Co., Ltd. (“KHNP”). The contract value is EUR 1,904,141,391;

- 6) RUEC Contract no. 1225/20.08.2025 for *Refurbishment Services for Cernavoda NPP Unit 1’s Turbo-Generator.*

Suppliers: ARABELLE SOLUTIONS ROMANIA SRL and ARABELLE SERVICE FRANCE. The contract value is EUR 175,000,000.

Pursuant to the provisions of:

- Article 91 para. (1) of Law no. 24/2017 on issuers of financial instruments and market operations according to which “*Deeds of procurement, alienation, exchange or pledge of assets from the category of fixed assets of the issuer, the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total fixed assets, less receivables, shall be concluded by the directors or managers of the issuer only after prior approval by the extraordinary general meeting of shareholders*”;
- Article 13 para. (3) letter (m) of the Articles of Association of SNN, updated as at 18 December 2025, according to which the Extraordinary General Meeting of Shareholders of SNN decides on the “*procurement, alienation, exchange or pledge of assets in the category of fixed assets of the Company, the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total non-current assets of the Company minus receivables*” and Article 13 para. (4) letter (a) which provides that “*the conclusion, by the Company, of any contract/agreement, undertaking any obligation or commitment which may involve expenditure or undertaking any other significant obligation by the Company, in accordance with the limits of powers set out in Appendix no. 1 to these Articles of Association*”;

and since the PPC3, PMO and EPC contracts exceeded, at the time of their conclusion the abovementioned legal and statutory threshold, these were approved by the SNN Extraordinary General Meeting of Shareholders, as follows:

- a. at the Resolution no. 8/7.12.2023, for PPC3 contract (Item no. 10);
- b. at the Resolution no. 6/25.04.2024 for PMO contract (Item no. 2);
- c. and at the Resolution no. 2/22.01.2025, for EPC (Article 4).

II. Presentation of the contracts that are the subject of the note

For the award of the PPC3 and PMO contracts, the following procurement procedures were conducted:

1. For PPC3: “*Negotiation without prior invitation to a competitive bidding procedure*” pursuant to the provisions of Article 117 para. (1) letter (c), in conjunction with para. (2) letter (b) and para. (4) of Law no. 99/2016 on sectoral procurement. In addition, the provisions of the Joint Order issued CNCAN and ANAP on 28 December 2022 on the approval of the specific conditions for the award of certain public procurement agreements and sectoral agreements for products, services and/or works intended for systems ensuring nuclear safety, radiological safety and physical protection functions, protection against cyber threats and reliable operation of nuclear installations, apply for the purchase of reactor components, given that CANDU is the “successor” of the Original Design, following the reorganization of AECL (since 2011), CANDU has received

from the original designer an exclusive license to use all of AECL's intellectual property in relation to CANDU 6 reactors.

2. For PMO: "*Competitive Negotiation*" pursuant to the provisions of Article 12 para. (1) letter (a), in conjunction with Article 82 para. (1) letter (c) and para. (2) of Law no. 99/2016 on sectoral procurement.

Currently, with regard to the PPC3 and PMO contracts, there is a delegation of corporate authority pursuant to the SNN Extraordinary General Meeting of Shareholders' Resolution no. 10/14.11.2024, which grants the SNN's CEO the authority to conclude addenda to these contracts, as follows:

- "*Authorization of the SNN's CEO to approve non-substantial amendments to the Framework-Agreement no. 519/16.04.2024 (n.n. PMO), during its implementation, in accordance with the provisions of Law no. 99/2016, except for amendments leading to an increase in the contract price in other situations than by strictly applying the hourly rate escalation clause provided for in the framework agreement, and to sign the Addenda to Framework Agreement no. 519/16.04.2024 which include these non-substantial amendments, on behalf of and for the Company. Also, the CEO of SN Nuclearelectrica S.A. will be authorized to delegate this task, in whole or in part, to the Manager of the Cernavoda NPP Branch*" (Item no. 12); and

- "*Authorization of the CEO of SN Nuclearelectrica S.A. to approve non-substantial amendments to the Sectoral Contract for the supply of Products and Services no. RUEC 1607/27.11.2023 (n.n. PPC3), in accordance with the provisions of Law no. 99/2016, except for amendments leading to an increase in the contract price in other situations than through application of the escalation clause for unit prices and hourly rates provided for in the Contract, and to sign the Addenda to the Contract containing these non-substantial amendments, on behalf of and for the Company (including as a result of application of the revision clauses within the meaning of Article 236 of Law 99/2016), the CEO being able to sub-delegate these powers to the Manager of the Cernavoda NPP Branch, in whole or in part*" (Item no. 13).

Given the above, as well as the specific nature of the Unit 1 Refurbishment Project, respectively a complex investment project of SNN, a more dynamic management of the PPC3 and PMO contracts is required in order to eliminate potential delays caused by the statutory periods for convening SNN's general meetings of shareholders.

For these reasons, and also because the international market has become extremely volatile in terms of supply chains, as well as the fact that the dynamics of management decision-making must keep pace with the dynamics of contract execution, we propose for approval the granting of a delegation to the SNN Board of Directors and/or the SNN General Manager to approve/ sign the conclusion of addenda to the PPC3 contract and the PMO framework agreement, within the limits provided by Law 99/2016, as amended and supplemented, and subject to remaining within the total amount specified in the General Investment Estimate.

Through this delegation to the SNN Board of Directors and/or the SNN General Manager, in accordance with the statutory limits of authority established at the Company level for initiating procurements and in accordance with the express provisions of Law 99/2016, as amended and supplemented, the following shall be ensured:

1. strict adherence to contract implementation schedules, allowing management to approve contractual amendments in a timely manner, thereby maintaining workflow continuity and avoiding late penalties;
2. decision-making agility in the active management of contracts, allowing for the immediate adjustment of technical or administrative elements. Delegation ensures the operational alignment of clauses with on-the-ground realities, without going through the steps of reconfirming agreements in principle already validated by the EGMS;
3. prevention of operational bottlenecks caused by routine or recurring contractual changes.

III. Proposal

In light of the information presented in this Note:

1. **We hereby submit for approval by the Extraordinary General Meeting of the SNN Shareholders:**
 - a. **Authorizing the Board of Directors of SNN and/or the SNN's CEO**, as applicable, within the statutory authority provided for at the Company level for initiating procurements, to approve/sign the conclusion of addenda to RUEC Contract No. 1607/27.11.2023, for Supply of reactor components and retubing tools, as required for the refurbishment of the reactor of Unit 1 at Cernavoda NPP, within the limits and subject to the conditions laid down by Law no. 99/2016, with the clarification that those addenda to be signed within the scope of authority of the SNN CEO shall be subject to periodic reporting to the SNN Board of Directors and provided they fall within the total amount of the General Investment Estimate. The delegation to the Board of Directors or the SNN's CEO shall include the possibility for them to sub-delegate this authority to other representatives of the company's management, including those of its branches; and
 - b. **Authorizing the Board of Directors of SNN and/or the SNN's CEO, as applicable**, within the statutory authority provided for at the Company level to initiate procurements, to approve/sign the conclusion of addenda to RUEC Framework Agreement No. 519/April 16, 2024, for project management, technical assistance, consultancy and staff training services, as needed for preparation and implementation of the Cernavoda NPP Unit 1 Refurbishment Project, within the limits and subject to the conditions laid down by Law no. 99/2016, with the clarification that any addenda to be signed within the scope of authority of the SNN CEO shall be subject to periodic reporting to the SNN Board of Directors and provided that they fall within the total amount specified in the General Investment Estimate. The delegation to the Board of Directors or the SNN's CEO shall include the possibility for them to sub-delegate this authority to other representatives of the company's management, including those of its branches.

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