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Cleared by,
Laurentiu Niculae Cazan
Chairman of the Board of Directors

Note

providing information to the General Meeting of Shareholders about the decision to invest in the project “Procurement and installation of a full-scope Simulator for Unit 2”

I. Approval Powers

By reference to:

- The provisions of Article 20(2) of SNN’s Articles of Association, as updated (18 December 2025) (“The Board of Directors has powers to clear/approve contracts, loans and various other Company operations, according to the power limits set out in the Appendix to these Articles of Association”), read in connection with paragraph 2 of Appendix 1, lead to the conclusion that the investment decisions with an amount higher than or equal to EUR 3,000,000, but lower than EUR 50,000,000 **shall be approved by the SNN Board of Directors, subject to subsequent information of the General Meeting of Shareholders;**
- The total amount of the investment, according to the Preliminary Cost Estimate Sheet, is **EUR 13,801,836**, an amount that will be financed from own resources, as provided for in the SNN Investment Programme;
- The fact that in accordance with the provisions of SNN Procedure - *Preparation, Approval and Monitoring of the Programme of Investments, Facilities and Financing Sources* - the project qualifies as an investment project, for the purposes of the definition provided in the Procedure,

This Note is intended to provide the General Meeting of Shareholders with information about the decision to invest in the project **“Procurement and installation of a full-scope Unit 2 Simulator”**.

II. Background

Update of the CNCAN Norm NSN-23 “*Nuclear Safety Norms for selection, training, qualification and certification of the staff of organizations providing design, siting, construction, assembly, commissioning, operation and decommissioning of nuclear installations*” by Order no. 37/2023 of 28 February 2023, Article 14, requires the license holder

to provide one full-scope simulator for each unit/reactor separately, where there are significant differences between units in terms of design, operation, and the monitoring and control equipment in the Main Control Room. With this revision of the relevant CNCAN norm, the regulator requires that the staff operating Unit 2 be trained on a full-scope simulator that has Unit 2 as reference.

Currently, at Cernavoda NPP the initial and continuous training, as well as the licensing of operating personnel for both Unit 1 and Unit 2, is carried out on the full-scope simulator located in Pavilion 2, which has Cernavoda NPP Unit 1 as its reference unit. This simulator was built and commissioned in 1994 and has undergone several refurbishments aimed at updating the components and technologies used and improving its fidelity to the reference unit, Unit 1.

At Cernavoda NPP, the refurbishment project of Unit 1 is underway, which also includes the updating of the full-scope simulator in order to maintain its fidelity to the reference unit.

Under these conditions, the inventory of differences between the two units is expected to increase. Thus, the set of compensatory measures currently applied to provide the training and licensing of main control room operators for Unit 2 will no longer be applicable after the refurbishment of Unit 1 is completed.

III. Need for, and Advisability of, the Project

As presented above, the applicable legal norm places on the license holder the obligation to provide one full-scope simulator for each unit/reactor separately, where there are significant differences between units in terms of design, operation, and the monitoring and control equipment in the main control room. Following the CNCAN audit conducted in 2025, quarterly reporting to CNCAN on the status of the project was ordered.

According to the aforementioned norm, the simulator will be used for the training of Unit 2 main control room operators. It will run an official training and examination configuration, which will be developed with reference to the Unit 2 design data, starting from the official training and examination configuration of the existing full-scope simulator. The official training and examination configuration of the Unit 2 full-scope simulator will be periodically updated and improved.

In the event that the investment objective proposed by this Note is not approved, and therefore not implemented, in addition to non-compliance with the mandatory CNCAN NSN-23 provisions to ensure one full-scope simulator for each unit/reactor separately, the training of operating personnel for both Unit 1 and Unit 2 may deteriorate, due to the reduced degree of fidelity to Unit 2 following the refurbishment of Unit 1 (and implicitly of the Unit 1 full-scope simulator), as well as to the overloading of the current simulator.

The full-scope simulator currently used for the training and licensing of main control room operators for both units is located on the ground floor of Pavilion 2. This building does not have sufficient space to host a second full-scope simulator.

Inter-departmental analyses have indicated that the optimal location for the full-scope Unit 2 simulator is the top floor of the building to be constructed under the investment project “Development of additional office spaces to properly accommodate the Cernavoda NPP staff”.

IV. Project Description

The Unit 2 full-scope simulator is part of a package of three important projects of Cernavoda NPP, for which the information report “Analysis of the necessity, opportunity and contracting strategy for the simulators of the nuclear fuel loading and unloading system, Unit 2 and simulator with virtual panels in accordance with NSN-23 and NSN-14 norms” has been prepared and approved. By this Note, the shareholders are informed about the investment project related to the Unit 2 full-scope simulator.

Project Implementation Strategy

The project will be implemented by carrying out two stages simultaneously: the construction and fitting-out of the technical area within the new office building and equipping it with a full-scope simulator.

1. Construction of building/fitting-out the space that will host the Unit 2 full-scope Simulator

The installation of the Unit 2 full-scope simulator will be carried out on the 6th floor of the office building to be constructed under the investment project “Development of additional office spaces to properly accommodate the Cernavoda NPP staff”.

This project allocates an entire floor to the operation of the Unit 2 full-scope simulator, integrating auxiliary areas and state-of-the-art facilities. At the same time, the furniture and computer equipment required for operating the simulator under optimal conditions are provided.

The implementation stages of this project follow their own course, in parallel with the stages of the project for the procurement of the Unit 2 full-scope simulator. The expenses required for the construction and fitting-out of the space, as well as for the related facilities (furniture, IT equipment, communications equipment, etc.) needed to ensure the proper conduct of the activities for which they are allocated, are included in the costs of the investment project “Development of additional office spaces to properly accommodate the Cernavoda NPP staff”, under which the new office building is constructed.

To reduce the risk of impacting the simulator installation deadline, as a result of delays in the building completion date, the following measures have been taken:

- The projects have a common coordinator to manage implementation schedules and issues that arise more efficiently;
- After the contracts are signed and the completion deadlines for the two projects are set, CNCAN will be consulted regarding its agreement on the commissioning date of the Unit 2 simulator.
- The possibility of a partial acceptance of the floor hosting the simulator, prior to the acceptance of the entire building, is also considered, so that the conditions for installing the simulator are met in compliance with the project schedule and contractual conditions.

2. Procurement and installation of the actual full-scope simulator for Unit 2

This phase consists in the procurement, by applying the negotiated procedure without prior call for competition, of a turnkey project for the design, development, installation, commissioning and testing of the Unit 2 full-scope simulator proper.

The project implementation strategy, as it is currently envisaged, has been devised taking into account the project schedule, with an estimated time for completion of the project in October 2030 and the following implementation stages:

- Preparation and approval of the project documentation in CTE, CTES and BoD (16 months, deadline: July 2026);
- Preparation and approval of the PID package for the project procurement for “Procurement and installation of Unit 2 full-scope Simulator” (3 months, deadline October 2026);
- Preparation of the award documentation, conduct of the award procedure and signing of the procurement contract for the Unit 2 full-scope Simulator (11 months, deadline December 2027);
- Preparation, analysis, design and acceptance of the Unit 2 simulator project, Cernavoda NPP (5 months, deadline May 2028);
- Development of the Unit 2 full-scope simulator project at the manufacturer’s site and performance of Pre-FAT tests (16 months, deadline October 2029);
- Performance of FAT tests, shipment, acceptance, installation of the Unit 2 full-scope simulator and performance of SAT tests (12 months, deadline October 2030);
- Taking-over at completion of the works and commissioning (21 days, October 2030).

Investment Amount

The total amount of the investment is given by the costs of the actual procurement and commissioning of the Unit 2 full-scope simulator, carried out under an external contract. The costs for the construction and fitting-out of the space that will host the Unit 2 simulator, as well as the costs for equipping it with furniture and auxiliary computer technology, have not been included in the calculation of the total value of this project. These will be paid from the budget of the investment project under which the new office building is constructed.

The estimated amount of the project is EUR 13,801,836, equivalent to RON 69,997,393 (at an exchange rate of 1 EUR = 5.0716 RON dated 9 September 2025), with financing from SNN's own funds, the investment budget of Cernavoda NPP, D-PR Section, consisting of:

1	Externally-contracted costs	EUR 12,345,217	RON 62,610,000
2	Costs of NPP’s internal resources	EUR 345,550	RON 1,752,493
3	10% contingent expenditure	EUR 1,111,069	RON 5,634,900
	Total	EUR 13,801,836	RON 69,997,393

According to the BoD approval, the major subsequent stages involve the contracting of a turnkey project for the procurement and installation of the Unit 2 full-scope Simulator, based on the revised documentation. At the same time, a complementary project will be carried out to construct the office building and equip it with utilities, furniture and the related computer technology.

V. Proposals submitted for information to SNN GMS

1. In light of the above, we propose to the General Meeting of Shareholders to take note of the SNN Board of Directors' decision to approve the investment decision for the project "Procurement and installation of a full-scope Unit 2 Simulator".

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