Registration no.:

APPROVED BY,

Chairman of the Board of Directors
Laurentiu Nicolae Cazan

NOTE
on the approval by the Extraordinary General Meeting of Shareholders of Societatea Nationala Nuclearelectrica S.A. of the Company retaining legal assistance, advice and/or representation services, and the empowering of the executive management of SNN (CEO and CFO) to carry out, whenever necessary, selection of law firms/law practices and to sign the relevant legal services orders/contracts therewith

1. General matters/powers

According to the applicable legal provisions in force (Article 113(1)(m) of the Law no. 31/1990 on companies, republished, as subsequently amended and supplemented ("LSC"), the Extraordinary General Meeting of Shareholders has the power to approve any other amendment to the Articles of Association or **any other resolution for which the approval of the extraordinary general meeting is required**.

Article 13(3)(o) of the Articles of Association of Societatea Nationala Nuclearelectrica S.A. ("SNN"), in conjunction with the provisions of Article 113(1)(m) of the LSC, stipulates that **the Extraordinary General Meeting of Shareholders of SNN has the competence to approve any other resolution for which the approval of the extraordinary general meeting is required.**

Article I(1) of the Government Emergency Ordinance no. 26/2012 on certain measures to reduce public spending and strengthen financial discipline and amending and supplementing some normative acts (Government Emergency Ordinance no. 26/2012), approved by Law no. 16/2013, establishes that national enterprises, national companies and companies with full or majority State capital, as well as autonomous administrations that have in their organizational structure their own legal specialized staff may not purchase legal consultancy, assistance and/or representation services. Paragraph (3)(a) of the same article establishes derogation from

the above-mentioned rule, in the sense that in duly justified situations, in which the legal activities of consultancy, assistance and/or representation, necessary for national enterprises, national companies and companies, as well as autonomous administrations provided for in paragraph (1), cannot be provided by the specialized legal staff employed in these entities, this type of services may be acquired, under the conditions of the law, **only with the approval and mandate of the State representatives in their governing bodies by the coordinating principal authorizing officer, in the case of those in which the State is a full or majority shareholder.**

To sum up, for Societatea Nationala Nuclearelectrica S.A., as a national company placed under the authority of the Ministry of Energy and held more than 80% by the Romanian State, the retaining of legal advice, assistance and/or representation services shall be approved by the Company's (Extraordinary) General Meeting of Shareholders.

2. Presentation

By Resolution of the Extraordinary General Meeting of the Shareholders (EGMS) of SNN no. 2/29.04.2015 the amount of EUR 100,000 was approved for the purchase of legal services of consultancy, assistance and/or representation from different companies/law firms, depending on their specialization and the company's actual need for legal services, on specific and complex issues, in situations exceeding the competence and workload of the company's legal advisors.

We would like to point out, in this particular case, the services concerned are legal services other than legal advice on the Company's investments and matters related to financing the major investment projects, on which the Company's shareholders have already ruled. Specifically, under SNN EGMS Resolution no. 6/15.07.2026, SNN shareholders approved (item 4 of the said EGMS Resolution) the retaining of specialized legal assistance, advice and/or representation services for the investment projects featured in the 2025–2030 Investment Strategy, with a 2035 outlook, of S.N. Nuclearelectrica S.A., including for matters related to the financing of these projects and other matters in connection therewith, under the conditions detailed in the Note presented to the shareholders at that EGMS meeting. The total amount of these services is EUR 5,500,000 (net of VAT), and they are to be contracted out on two lots: Lot 1 - matters relating to international law, and Lot 2 - matters relating to domestic and European law (Community legislation). The amount of the contracts shall be utilized exclusively at SNN's request, depending on its actual needs for legal assistance/advice or representation in the matters listed above. Hence, should the projects concerned do not progress for reasons beyond SNN's control, or should there be no actual need for such services, no sums shall be utilized from the aforementioned amount, with the caveat that the amounts required to cover for the costs of engaging these services shall be borne from SNN's own funds and shall be included in the Company's annual budgets, while any unspent amounts shall be carried forward in SNN's budgets for subsequent years. As a matter of fact, as it was explained to the shareholders in the then presented Note, these services did not cover for any potential disputes, including disputes stemming from the investment activities as their purpose was solely to provide the legal advice needed for the investment projects and their related financing.

For instance, the services covered by this Note include assistance and representation in court/arbitration/mediation cases (including any advice related to such litigation/arbitration/mediation) which involve or involved SNN employees and/or former employees, including SNN management staff, as well as specific (one-off) legal assistance, advice and representation services on matters relating to the Company's day-to-day activities, where and when the Company's in-house legal advisors lack the necessary skills to provide legal solutions to problems that are only seemingly minor. These services are also intended to

secure assistance and representation in disputes/arbitrations relating to investments in general (including related legal advice).

At the time when SNN EGMS Resolution no. 6/15.07.2026 referred to above was passed, the general structure of the Legal and Corporate Governance Directorate (DJGC) of SNN HQ was described in detail in the Note then presented to shareholders. Please be reminded that the organizational structure of SNN HQ currently includes 8 staff members with legal background (including the head of the unit), all part of the aforementioned DJGC; additionally, 3 other legal advisors work for the SNN's two branches. The DJGC (of the HQ) currently includes a Litigation Unit/Service staffed by only one (1) legal advisor. In practice, the legal staff listed above provide **all the consultancy, advice and/or representation required by both SNN's HQ and its two branches**. The legal advisors working in the branches provide not only advice/assistance/representation before courts or other administrative and judicial bodies, including arbitral tribunals where need be, but also day-to-day legal advice and assistance, and issue legal opinions and lawfulness clearances for their respective branches.

In the light of the above, and bearing in mind that:

- In terms of their status as employees of the company, legal advisors are in a relationship of subordination and dependence on the company, which acts as their employer. This relationship of subordination may generate, in certain situations, incompatibilities or potential conflicts of interest;
- Where the legal acts giving rise to disputes/arbitrations were initially cleared by the Company's in-house legal advisors, one may raise concerns as to their objectivity and impartiality when providing representation in the resulting proceedings and, in many instances, an external, specialized and impartial approach is advisable;
- The status of employees of the legal advisors naturally leads to a specialization focused primarily on recurring issues in the company's day-to-day activities. In this context, certain situations with a high degree of complexity and difficulty require specialized skills, which cannot be covered objectively and effectively by the company's legal advisors, in the absence of relevant experience in certain areas (e.g.: seeking the setting aside of certain regulatory acts; raising pleas of unconstitutionality; labour disputes challenging dismissal decisions; large-scale/highly complex international disputes and arbitrations; specific matters of European law; relationship between European and domestic legislation; dealings and procedures involving European institutions, etc.);
- Labor disputes pose the same concern regarding the impartiality and objectivity of the in-house legal advisors, as the opposing parties in such proceedings are current or former employees, *i.e.,* their very coworkers or former coworkers, including former line managers. Whenever the Company loses such cases, the representation provided by the advisors concerned inevitably raises suspicions as to how the Company's defence was conducted,

against this backdrop, we believe that retaining law firms/law practice is essentially a way for the Company's management to enjoy independent legal opinions and highly specialized legal assistance and representation, including representation in disputes on such matters where, for objective and independent reasons, the involvement of the Company's in-house legal advisors are unable to secure attainment of these objectives.

For all the reasons listed above, we believe to be both necessary and advisable for the Company to continue retaining legal advice, assistance and/or representation services from various law firms/law practices, depending on their areas of expertise and the Company's actual needs for legal services, for specific and complex matters and in instances (other than legal advice

required for SNN's investment activities and the financing of its major investment projects) that exceed the competence and workload of the Company's in-house legal advisors, under the conditions detailed in this Note. These services would be retained on an as-needed basis, by decision of the Company's management and under specific business cases setting out the need for, and advisability of, the procurement, and justifying the criteria to be applied to select a given law firm/law practice. Essentially, the key criteria shall be the specialization of the law firm/law practice in the matter for which SNN intends to retain it, and the fees charged by the said law firms/law practices (specifically, should several law firms/law practices be found to specialize in a particular matter, the firm/practice to be ultimately selected shall be that offering the lowest fee).

Given the significant evolution of the Company's business activity, the increasing complexity of disputes, the small number of legal advisors addressing disputes, and the need for specialized expertise on matters with material financial and legal impact, and taking into account that, as emphasized above, the Company's shareholders approved a fixed amount as early as 2015 (based on the then prevailing circumstances) for the procurement of legal advice, assistance and/or representation services from various law firms/law practices, depending on their specialization and the Company's actual needs for legal services, for specific and complex matters and in cases exceeding the competence and workload of the Company's in-house legal advisors, we believe it now necessary, in the light of the circumstances SNN is currently facing and the highly complex and varied matters involved by the Company's activities, to approve an additional ceiling of EUR 800,000 for the continued retaining, in the same instances as those detailed above, of legal advice, assistance and/or representation services for disputes and other current matters, save for legal advice required for investment activities and for the financing and guaranteeing of the major investment projects. As noted above, the Company's shareholders already approved the retaining of specialized legal services for these matters in July 2026. The aforementioned amount is intended primarily to cover for the costs of potential disputes before ordinary courts or domestic and/or international arbitral tribunals in connection with the deployment of investment projects and/or their financing, given that, as SNN's major investment projects advance, the risk of disputes with its contractual partners increases. However, at the international level, the costs of international litigation are substantial.

The procurement of these legal services will comply with the legal provisions in force (Law no. 99/2016), in the sense that, although this type of services is an exception from the procedures regulated by Law no. 99/2016, their contracting will ensure compliance with the principles governing procurement legislation, namely competitiveness, transparency, non-discrimination, equal treatment, proportionality, efficiency of use of funds. We also mention that the amounts necessary to cover the costs for contracting these services will be covered from SNN's own sources, will be provided for in SNN's annual budgets and, at the same time, the remaining unspent amounts will be carried over to SNN's budgets for the following years.

3. <u>Proposals</u>

In light of the information presented in this Note, **we submit for approval by the Extraordinary General Meeting of SNN Shareholders:**

(i) An additional ceiling of EUR 800,000 (net of VAT), for the continued retaining, in the instances detailed in this Note, of legal assistance, advice and representation services, both for disputes (including disputes, before ordinary courts and/or domestic and/or international arbitral tribunals in connection with the Company's major investment projects and their financing), and for the legal

resolution of matters relating to the Company's day-to-day activities, other than those relating to investment activities and the financing and guaranteeing of the major investment projects; these services are to be retained in accordance with the governing procurement principles, namely competitiveness, transparency, non-discrimination, equal treatment, proportionality and efficient use of funds, and in compliance with the requirements/conditions set out in this Note. Furthermore, the retaining of these services shall be done whenever necessary, by decision of the company's management, based on specific supporting notes that will justify the necessity and opportunity of the purchase and will justify the criteria for which a particular law firm/office will be used

(ii) **Empowering the executive management of the SNN** (CEO and CFO) **to carry out,** whenever necessary as listed at the previous point, s**election of law firms/law practices and to sign the relevant legal services orders/contracts therewith, subject to the conditions detailed in this Note.**

Endorsed

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