

## Remuneration report

**This remuneration report is drafted according to the provisions of art. 107 of Law on issuers of financial instruments and market operations no. 24/2017, republished**

### *1. Nuclearelectrica SA National Company Overview*

Nuclearelectrica S.A. National Company, hereinafter referred to as “S.N. Nuclearelectrica S.A.”, “SNN” or “Company,” is a Romanian legal entity, legally organized as a joint-stock company, incorporated in virtue of GR no. 365/1998 following the reorganization of the Autonomous Electricity Administration “RENEL”.

The registered office of S.N. Nuclearelectrica S.A. is in Romania, Bucharest, No. 65, Polona Street, District 1.

S.N. Nuclearelectrica S.A. is registered with the Trade Register under no. J40/7403/1998, and its goal is the generation and sale of electricity, by performing trading, in full observance of the applicable law, according to its scope of activity, NACE 3511 “Production of electricity”.

According to the articles of incorporation, the company is managed in a one-tier system. The executive body of the Company is the Board of Directors, composed of 7 (seven) members, of whom at least 4 (four) members must be independent directors. The members of the Board of Directors are elected for a 4-year term, and can be reelected. The members of the Board of Directors are elected by the Ordinary General Meeting of Shareholders, in compliance with the legal provisions.

The Board of Directors delegates the management of the company to a Chief Executive Officer. The Chief Executive Officer may be appointed from among the directors, becoming thus an executive director or from outside the Board of Directors. Within the Board of Directors, only one director may be an executive director.

The Chief Executive Officer and the Managers appointed by the Board of Directors shall have the duties established under the mandate contracts approved by resolution of the Board of Directors, the Chief Executive Officer shall coordinate and monitor the activity of the Managers appointed by the Board of Directors.

According to the Articles of Incorporation of SNN, the term "Chief Executive Officer" means the person who has been delegated management duties regarding the company by means of a resolution of the Board of Directors and who concludes a mandate contract with the Company, in compliance with the applicable legal provisions.

Within SN Nuclearelectrica SA, the remuneration and the other advantages offered to the directors and managers of the company under mandate contracts is granted according to the remuneration policy, which details the principles that are at the basis of the officers' remuneration, all the remuneration elements to which they are entitled, and the substantiation of granting these remunerations in relation to the short, medium and long term objectives of the company, according to the provisions of GEO no. 109/2011 on the corporate governance of

public companies (“*GEO no. 109/2011*”), corroborated with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, republished (“*Law no. 24/2017*”), approved by the shareholders of the company by Resolution of the Ordinary General Meeting of Shareholders no. 5 of 26.04.2021.

## ***2. Defining terms and expressions***

<b>Articles of Incorporation</b>	The Articles of Incorporation of the Company, approved by the General Meeting of Shareholders of the Company
<b>Officer</b>	Member of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer
<b>Board of Directors (BoD)</b>	A corporate body composed of the directors of the Company in a one-tier management system
<b>Director</b>	A member of the Board of Directors, including the Chairman of the Board of Directors
<b>Officer</b>	A person who concluded with the company a mandate contract for fulfilling company management attributions in a one-tier management system, as provided under article 143, par. (1) and (5) of Law no. 31/1990
<b>Applicable legal framework</b>	All the Romanian legal norms comprised in GEO no. 109/2011 on the corporate governance of public companies, Law on companies 31/1990, GR no. 722/2016, Law on the issuers of financial instruments and market operations no. 24/2017, republished, and other legislative acts that are applicable to this policy
<b>Remuneration</b>	Is composed of a fixed monthly indemnification and a variable component set by complying with the provisions of Law no. 31/1990, and GEO no. 109/2011
<b>Conflict of interests</b>	Any situations or circumstances determined/determinable pursuant to the applicable legal framework, wherein the direct or indirect interest of the officer is contrary to the interest of the Company, so that it affects or might affect the independence and impartiality thereof in business decision-making or the timely and objective fulfillment of the duties incumbent thereupon during the exercise of the mandate thereof for the <i>Company</i>
<b>Performance measurement</b>	The methodology based on which a public supervisory authority assesses the results of its public enterprises in relation to the objectives, targets and mission established by the public supervisory authority for them
<b>Key performance indicators (KPI)</b>	Quantitative and qualitative measurement tools for financial and non-financial performance, indicating the achievement of quantifiable objectives in relation to specific performance targets

<b>Financial performance indicators</b>	Performance measurement tools, used to determine the efficiency of the usage of resources to generate revenue, cover costs, and earn profit
<b>Non-financial performance indicators</b>	Performance measurement tools, determining how well the Company is using the resources
<b>Results</b>	The effects of the Company's activity, having an impact either on the creation or delivery of value, or on the reduction or decrease of value
<b>Target</b>	A numeric value of the performance indicator with reference to the period of time that the indicator was established for, which meets a performance objective
<b>Remuneration policy</b>	It details the principles that are at the basis of the officers' remuneration, all the remuneration elements to which they are entitled, and the substantiation of granting these remunerations in relation to the short, medium and long term objectives of the company, according to the provisions of GEO no. 109/2011 on the corporate governance of public companies, corroborated with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations, republished.
<b>Issuer</b>	An entity with or without legal personality, including the state, which has issued, issues or intends to issue financial instruments
<b>Remuneration report</b>	A report drafted by the issuer, which offers a comprehensive overview of remunerations, including all benefits, in any form, granted or payable during the last financial year, to individual managers, including newly recruited ones, and to former managers, according to the remuneration policy

According to the provisions of art.107 of Law on issuers of financial instruments and market operations no. 24/2017, republished ("*Law no. 24/2017*"), SNN must submit to the General Meeting of Shareholders a **Remuneration report** regarding remunerations, including all benefits, irrespective of form, granted or payable during the last financial year, to individual managers, including newly recruited ones, and former managers, according to the Remuneration policy.

The annual remuneration report contains, as the case may be, the following information on the remuneration of each manager:

a) The total remuneration divided into components, the relative share of the fixed and variable remunerations, an explanation of the manner in which the total remuneration complies with the adopted remuneration policy, including the manner in which it contributes to the long-term

performance of the issuer, and information on the manner in which the performance criteria were applied;

b) annual modification of the remuneration, of the issuer's performance and of the average remuneration based on the fulltime equivalent of the issuer's employees who are not managers at least during the last 5 financial years, presented together in a manner that allows comparison;

c) any remuneration received from any entity that belongs to the same group;

d) the number of shares and share options granted or offered, and the main conditions for exercising the related rights, including the exercising price and the date, with any modifications thereof;

e) information in using the possibility of recovering the variable remuneration;

f) Information regarding any deviation from the procedure for the implementation of the remuneration policy provided under art. 106 par. (8) - (12) and any derogations applied according to art. 106 par. (6), including explanations on the nature of exceptional circumstances and indicating the specific elements from which the derogation was made.

The remuneration report related to the most recent financial year is submitted for voting to the annual Ordinary General Meeting of Shareholders art. 111 of Law no. 31/1990 republished, as further amended and supplemented ("*Law no. 31/1990*"), and the opinion of shareholders within the general meeting on the remuneration report, resulted after the vote, has a consultation role.

### ***3. The structure of the remuneration, including all the benefits, granted or payable, by explaining the weight of the variable component and of the fixed component, granted in 2021***

SNN directors and managers receive for their activity a fixed monthly allowance and a variable compensation. The variable allowance is payable depending on the fulfillment of the indicators and performance criteria established in the mandate contracts. The fixed monthly allowance is set in accordance with the legal provisions, namely Government Emergency Ordinance No. 109/2011. The fixed and variable allowance for the members of the Board of Directors is approved by the General Meeting of the Shareholders of SNN.

General limits on the remuneration of directors under mandate contracts are approved by the General Meeting of Shareholders; under these general limits, the Board sets the amount of remuneration of directors.

#### ***➤ Remuneration of the managers with a mandate contract***

**In January 2021, SNN had mandate contracts concluded with the managers of SNN, for a period of 4 years, as follows:**

- I. Mandate contract concluded with Mr. Cosmin Ghita for the position of Chief Executive Officer of the company;

- II. Mandate contract concluded with Mr. Laurentiu Dan Tudor for the position of Deputy Chief Executive Officer;
- III. Mandate contract concluded with Mr. Paul Ichim for the position of Chief Financial Officer;

The remuneration for the officers with mandate contracts (with a term of office of 4 years) is as follows:

- **The annual variable component** is 36 times the average of the monthly gross average salary earnings for the activity performed according to the main scope of business registered by the company at class level according to NACE, communicated by the National Statistics Institute prior to the appointment, respectively **the amount of RON 222,464** (36 x RON 6179.58), according to section 3, Annex No. 3 to Addendum No. 1 to the Mandate Contracts, as amended by Addendum No. 3 to the Mandate Contracts, and is set based on three components: short term, medium term and long term.
- **The variable short-term component** is calculated and paid for a financial year, the amount being granted in quarterly installments of 18% of the annual value forecast for the financial year in progress, corresponding to the achievement of the indicators over the time lapsed from the financial year, within 10 calendar days of the closing date of the quarterly reporting, within 15 days of the date of approval of the audited annual financial statements by the General Meeting of Shareholders, the due amount based on the cumulative achievement percentage of the key performance indicators being subsequently adjusted, according to section 4 in Annex 3 to Addendum No. 1 to the Mandate Contracts.

According to the provisions of section 3, letter c in Annex 3 to Addendum No. 1 to the Mandate Contracts, the annual variable component is granted with a percentage reduced by the degree of achievement of the key performance indicators, if these cumulatively meet within the financial year an achievement percentage less than 100 %, but not lower than 75 %.

The medium-term variable component is calculated and paid for a period of two financial years, based on the percentages set by the mandate contract. The amount is granted in annual instalments of 50 % of the estimated medium-term value, within 15 calendar days of the date of the approval of the audited annual financial statements by the General Assembly of Shareholders, within 15 calendar days of the date of the approval by the General Assembly of Shareholders of the audited annual financial statements corresponding to such year of the mandate, ending the analysis of the medium-term goals, the due amount based on the cumulated accomplishment percentage of the medium-term key performance indicators being subsequently adjusted.

The long-term variable component is calculated and paid for the entire mandate of four years of activity. The amount is paid in annual instalments of 25 % of the estimated medium-term value, within 15 calendar days of the date of the approval of the audited annual financial statements by the General Assembly of Shareholders, within 15 calendar days of the date of the approval by the General Assembly of Shareholders of the audited annual financial statements containing the last months of the mandate, the due amount based on the cumulated achievement percentage of

the medium-term key performance indicators being subsequently adjusted.

➤ **Remuneration of the non-executive directors:**

In 2021, the following persons were members of the Board of Directors of SNN:

- Minodor Teodor Chirica - Chairman of the Board of Directors, with a mandate for period 27.07.2020 – 28.09.2022;
- Popescu Elena, Vulpescu Dumitru Remus, Ghita Cosmin (executive director), Anita Mihai Daniel, with a mandate term of 4 years, by the method of cumulative voting, in accordance with the Resolution of the General Meeting of Shareholders No. 12/September 28, 2018;

The mandate contracts concluded by the Company with the members of the Board of Directors for a 4-year term stipulate that the directors benefit from a remuneration made up of:

(i) a gross monthly fixed remuneration of RON 11,331 approved by Resolution No. 12/September 28, 2018 of the Ordinary General Meeting of Shareholders, for the accomplishment of the entrusted mandate, equal to twice the average for the last 12 months of the average gross monthly salary for the activity performed according to the main scope of activity registered by the company at class level according to the classification of activities from the national economy, by the National Institute of Statistics prior to the appointment.

(ii) a variable component established based on the financial and non-financial performance indicators negotiated and approved by the General Meeting of Shareholders, determined in full observance of the methodology stipulated by GR no. 722/2016 for approving the methodological norms for applying provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public entities (“GR no. 722/2016”) aiming at the long-term sustainability of the Company and ensuring the compliance with the adequate governance principles.

The Contract of Mandate concluded by the Company with Mr. *Minodor Teodor Chirica*, as director of SNN, for a 26-month mandate, stipulates that the director benefits from a remuneration made up of:

(i) a gross monthly fixed remuneration of RON 15,057 approved by Resolution No. 9/July 27, 2020 of the Ordinary General Meeting of Shareholders, for the accomplishment of the entrusted mandate, equal to twice the average for the last 12 months of the average gross monthly salary for the activity performed according to the main scope of activity registered by the company at class level according to the classification of activities from the national economy, by the National Institute of Statistics prior to the appointment.

(ii) a variable component, established based on the financial and non-financial performance indicators - as such have been negotiated with the current directors in office of the company, and approved by the General Meeting of the Shareholders, by Resolution No. 3/April 10, 2019. The variable component shall be calculated and paid in full observance of the methodology set out in Annex No. 3 to the contract of mandate.

The variable component of the directors’ remuneration is reviewed on a yearly basis, depending on the level of achievement of the goals included in the management plan and the degree of

achievement of the financial and non-financial performance indicators approved by the General Meeting of Shareholders.

*a) The variable component of the non-executive directors, according to the contract of mandate*

**The annual variable component** is of 12 fixed gross monthly indemnities, namely the amount of RON 135,972 (12 x RON 11,331 ), according to section 3, letter d of Annex No. 3 to Addendum No. 1 to the Mandate Contracts.

**The variable short-term component** is calculated and paid for a financial year, the amount being granted in quarterly installments of 18 % of the annual value forecast for the financial year in progress, corresponding to the achievement of the indicators over the time lapsed from the financial year, within 10 calendar days of the closing date of the quarterly reporting, within 15 days of the date of approval of the audited annual financial statements by the General Meeting of Shareholders, the due amount based on the cumulative achievement percentage of the key performance indicators being subsequently adjusted, according to section 4 in Annex 3 to Addendum No. 1 to the Mandate Contracts.

According to the provisions of section 3, letter c in Annex 3 to Addendum No. 1 to the Mandate Contracts, the annual variable component is granted with a percentage reduced by the degree of achievement of the key performance indicators, if these cumulatively meet within the financial year an achievement percentage less than 100 %, but not lower than 75 %.

The medium-term variable component is calculated and paid for a period of two financial years, based on the percentages set by the mandate contract. The amount is granted in annual instalments of 50 % of the estimated medium-term value, within 15 calendar days of the date of the approval of the audited annual financial statements by the General Assembly of Shareholders, within 15 calendar days of the date of the approval by the General Assembly of Shareholders of the audited annual financial statements corresponding to such year of the mandate, ending the analysis of the medium-term goals, the due amount based on the cumulated accomplishment percentage of the medium-term key performance indicators being subsequently adjusted.

The long-term variable component is calculated and paid for the entire mandate of four years of activity. The amount is paid in annual instalments of 25 % of the estimated medium-term value, within 15 calendar days of the date of the approval of the audited annual financial statements by the General Assembly of Shareholders, within 15 calendar days of the date of the approval by the General Assembly of Shareholders of the audited annual financial statements containing the last months of the mandate, the due amount based on the cumulated achievement percentage of the medium-term key performance indicators being subsequently adjusted.

**The table below shows the structure of the remuneration of SNN officers for 2021:**

Surname and first name	Capacity	Total remuneration	Fixed component	Variable component	Relative weight of the fixed remuneration	Relative weight of the variable remuneration
Cosmin Ghita	Chief Executive Officer / Executive Director	667.388	444.924	222.464	67%	33%
Tudor Laurentiu Dan	Deputy CEO	651.188	428.724	222.464	66%	34%
Paul Ichim	Chief Financial Officer	667.388	444.924	222.464	67%	33%
Popescu Elena	Director	271.944	135.972	135.972	50%	50%
Vulpescu Dumitru Remus	Director	271.944	135.972	135.972	50%	50%
Anitei Mihai Daniel	Director	271.944	135.972	135.972	50%	50%
Chirica Minodor Teodor	Director	361.368	180.684	180.684	50%	50%

**4. Financial and non-financial indicators, variable component of the directors' remuneration; ratio between achieved performance and remuneration**

1. The financial and non-financial indicators (operational and for corporate governance), distributed over a short, medium and long term, with the related shares and with the indication of the verification tools thereof, are specified in the annex to the mandate contract, as follows:
  - a. **Annex 3.1** - Financial and non-financial indicators broken down per each year corresponding to the mandate period;
  - b. **Annex 3.2** - Financial and non-financial indicators broken down per each quarter of the annual financial period.
2. The Agent shall benefit from the variable component of the remuneration, subject to the cumulative fulfillment of the targets related to the key performance indicators set out in Annex 3.1 and Annex 3.2 to the contract of mandate, as follows:
  - a. The annual variable component shall be granted in a percentage of 100 %, if the key performance indicators cumulatively meet an achievement percentage equal to or above 100 %;
  - b. The annual variable component is granted pro rata, in relation to the months of activity during the last year of the mandate;
  - c. The annual variable component is granted in a percentage reduced by the degree of achievement of the key performance indicators, if these cumulatively meet, within the financial year, an achievement percentage less than 100 %, but not

lower than 75 %. If the key performance indicators cumulatively record, within a financial year, an achievement percentage below 75 %, the annual variable component is not granted. The calculation formula is:

- PrICP = 100 % results PrCv = 100 %
- $75 \% \leq \text{PrICP} < 100 \%$  results PrCv = PrICP achieved (%)
- PrICP < 75 % results PrCv = 0 %

where: PrICP – achievement percentage of the Key Performance Indicator

PrCv – granting percentage of the Variable Component

- d. The annual variable component of the Director amounts to 12 gross fixed monthly allowances, the short, medium and long term value of the component is determined by applying the percentage shares specified in Annex 3.1 to the mandate contract, resulting in the variable component payment value for each year of the mandate, according to the following algorithm:

- **The var. comp. for 2019 is calculated:** 80% for reaching the objectives of 2019 (short term) + 10% for reaching the objectives of 2020 (medium term) + 10% for reaching the objectives of 2022 (long term, at the end of the mandate)

- **The var. comp. for 2020 is calculated:** 80% for reaching the objectives of 2020 (short term) + 10% for reaching the objectives of 2020 (medium term) + 10% for reaching the objectives of 2022 (long term, at the end of the mandate)

- **The var. comp. for 2021 is calculated:** 80% for reaching the objectives of 2021 (short term) + 10% for reaching the objectives of 2022 (medium term) + 10% for reaching the objectives of 2022 (long term, at the end of the mandate)

- **The var. comp. for 2022 is calculated:** 80% for reaching the objectives of 2022 (short term) + 10% for reaching the objectives of 2022 (medium term) + 10% for reaching the objectives of 2022 (long term, at the end of the mandate)

3. The variable short-term component shall be calculated and paid for a financial year, the amount being granted in quarterly installments of 18% of the annual value forecast for the financial year in progress corresponding to the achievement of the indicators over the time elapsed from the financial year, within 10 calendar days of at the date when the quarterly reporting is closed, and, within 15 days from the date of approval by the General Meeting of Shareholders of the audited annual financial statements, the due amount based on the cumulative achievement percentage of key performance indicators, shall be adjusted.
4. In the event that, the cumulative achievement percentage of key performance indicators for a quarter lies below 75%, the granting of the annual variable component shall be suspended until the end of the financial year, with the difference being subsequently

settled within 15 calendar days from the date of approval by the General Meeting of Shareholders of the audited annual financial statements.

5. The medium-term variable component is calculated and paid for a period of two financial years, based on the percentages set in Annex 3.1. The amount is paid in annual instalments of 50 % of the estimated medium-term value, within 15 calendar days of the date of approval of the audited annual financial statements by the General Meeting of Shareholders, and within 15 calendar days of the date of approval by the General Meeting of Shareholders of the audited annual financial statements corresponding to such year form the mandate, indicated in Annex 3.1, ending the period under review of the medium-term objectives, and the due amount based on the cumulated accomplishment percentage of the medium-term key performance indicators being subsequently adjusted.
6. The long-term variable component is calculated and paid for the entire mandate of four years of activity. The amount is paid in annual instalments of 25 % of the estimated medium-term value, within 15 calendar days after the date of the approval by the General Meeting of Shareholders of the audited annual financial statements, and within 15 calendar days after the date of the approval by the General Meeting of Shareholders of the audited annual financial statements, which contains the last months of the mandate, and the due amount based on the cumulated implementation percentage of the medium-term key performance indicators will be adjusted.
7. If the key performance indicators record, on the level of the financial year, an implementation percentage lower than 75 %, granting the medium and long term variable component rate is ceased until the closure of the financial year of the medium and long mandate period, respectively, and the difference will be adjusted within 15 calendar days after the date of the approval by the General Meeting of Shareholders of the audited annual financial statements, for the medium and long period, respectively, of the mandate.
8. If the mandate ceases before the end of the term of the mandate, for reasons not related to the person of the Director, the variable component shall be granted proportionally, accordingly, until the last full month of activity during the mandate term.
9. If the mandate terminates before the end of the term of the mandate, for reasons related to the person of the Director, the company is entitled to claim and the Director undertakes to return the full amount granted during that year, representing the payment of the variable component related to the year in which the termination of the mandate became effective.
10. The key performance indicators and the achievement degree may be amended, as applicable, in the following situations:
  - a) Force majeure, as such is defined by law;
  - b) Other causes not imputable to the directors and not affecting the achievement of the goals and targets set for the entire mandate.

Targets may be amended in case of a rectification of the Revenue and Expenditure Budget, approved within the terms of the law and of the Articles of Incorporation.

11. The description, verification tool and target values of the key performance indicators are specified in Annex 3.1 and Annex 3.2, respectively, to the mandate contract.
12. The financial performance indicators are verified in reference to the obtained values of these indicators, as such are registered in the financial -accounting records of the company.
13. The method of verification of non-financial indicators is performed by analyzing the state of achievement of these indicators included in the Reports/Formulas indicated in the "Verification tools" column in Annex 3.1, and Annex 3.2, respectively, to the mandate contract.

#### **5. *Benefits granted by SNN to officers in 2021***

According to the mandate contracts concluded by the Company with the officers under mandate contract, they benefit from a gross monthly fixed indemnification and a variable component set based on financial and non-financial performance indicators negotiated and approved by the Board of Directors, determined in full observance of the methodology stipulated by HG No. 722/2016, for the fulfilment of the entrusted mandate, and the following monetary advantages:

1. Professional liability insurance, the amount insured being of Euro 3 million;
2. The right to reimbursement of travel expenses for professional purposes;
3. The right for the entire period of time during which they were Manager within SNN to be considered seniority and/or years of service in the electricity, thermal and nuclear field;
4. The right to permanently benefit from a company car (the cost whereof will be fully borne by SNN) company telephone, laptop, desktop, office equipment, fax machines, logistics, stationery etc. and any other devices/equipment/facilities that are specific to the level of representation of the position of Manager;
5. The right to benefit from an office space, according to the position of Manager thereof, with all the appropriate equipment and facilities;
6. The right to benefit from insurance against occupational accidents and occupational diseases, at the expense of the Company;
7. The right to benefit from the services of a secretariat, whereupon the cost of the salaries corresponding to this position will be fully covered by the Company;
8. The right to request mediation, consultancy and/or other protective measures from the Board of Directors, the General Meeting of the Shareholders, the confederation, federation or employer organization that the Company is part of, in resolving conflict situations with the trade unions and/or the employees' representatives, as well as with other organizations, with the right to receive, in these cases, the necessary legal

assistance, at the expense of SNN;

9. The right to have a protocol fund from the protocol fund of the Company, approved by the Board of Directors;
10. The right to be provided with a job corresponding to the training and professional experience thereof within SNN (according to an individual employment contract of indefinite duration, concluded within the terms of the law), and all rights related to this job, according to legal provisions and/ or of the Collective Labor Agreement applicable to the Company, after the termination of the mandate contract for any reason, or after the dismissal from this position for reasons not related to them.

According to art. 37 of GEO no. 109/2011, the remuneration of the members of the board of directors of SNN is determined by the general meeting of shareholders in the structure and limits stipulated in this ordinance and by the following monetary benefits:

1. The director is entitled to be reimbursed for all the expenses related to the implementation of the mandate, according to the substantiating documents and the law. The level at which the transportation, accommodation and per diem expenses shall be settled are going to be those set for the Chief Executive Officer/officers.
2. The director has the right to use inventory items/ fixed assets necessary for performing the activity, the access to informational equipment, including telephony, transportation means, office space suitable for the exercise of the duties, even outside board meetings.
3. The director is ensured against civil professional liability (Directors and Officers Liability insurance) for his/her activities within the Board of Directors, and the insured amount is EUR 3 million. The payment of the premiums related to this insurance will be made by the company and will not be deducted from the director's remuneration. The right to benefit from legal charges in order to defend against a claim of a third party against the Director related to the accomplishment of the duties under the mandate contract, the Articles of Incorporation, the Legal Framework, the Internal Regulations of the Board of Directors is ensured, to the extent that they are not already covered by the standard directors and officers liability insurance policy in force at such time.
4. The Director benefits from the payment and withholding of any taxes owed by the Director in relation to the remuneration and benefits under the mandate contract by the Company on behalf and on account of the Director;
5. The Director benefits from the same package of medical services and/or medical insurance contracted by the company for the officers.
6. *Any remuneration received from any entity that belongs to the same SNN group;*

Not applicable.

7. *The number of shares and share options granted or offered, and the main conditions for exercising the related rights, including the exercising price and the date, with any modifications thereof*

SNN does not grant such bonuses to directors and managers under mandate contracts.

**8. Information in using the possibility of recovering the variable remuneration;**

If the mandate terminates before the end of the term of the mandate, for reasons related to the person of the **Director**, the company is entitled to claim and the Director undertakes to return the full amount granted during that year, representing the payment of the variable component related to the year in which the termination of the mandate became effective.

If the mandate terminates before the end of the term of the mandate, for reasons related to the person of the **Officer**, the company is entitled to claim and the officer committed to return the full amount granted during that year, representing the payment of the variable component related to the year in which the termination of the mandate became effective.

**9. Information regarding any deviation from the procedure for the implementation of the remuneration policy provided under art. 106 par. (8) - (12) and any derogations applied according to art. 106 par. (6), including explanations on the nature of exceptional circumstances and indicating the specific elements from which the derogation was made.**

Not applicable.

**10. Annual modification of the remuneration, of the SNN performance and of the average remuneration based on the fulltime equivalent of the SNN employees who are not managers during the last 5 financial years**

Surname and first name	Remuneration / modification / achievement degree	2021	2020	2019	2018	2017
<b>Ghita Cosmin</b> executive director and Chief Executive Officer	fixed remuneration	444.924	444.924	441.917	148.108	109.479
	variable remuneration	222.464	221.797	199.417	N/A	N/A
	annual modification	unmodified	unmodified	unmodified	N/A	N/A
	KPI achievement degree	100 %	99,7 %	100 %	N/A	N/A
<b>Tudor Dan Laurentiu</b> Deputy Chief Executive Officer	fixed remuneration	428.724	428.724	425.829	92.755	N/A
	variable remuneration	222.464	221.797	199.417	N/A	N/A
	annual modification	unmodified	unmodified	unmodified	N/A	N/A
	KPI achievement degree	100 %	99,7 %	100 %	N/A	N/A
<b>Ichim Paul</b> Chief Financial Officer	fixed remuneration	444.924	328.293	N/A	N/A	N/A
	variable remuneration	222.464	92.718	N/A	N/A	N/A

<b>Surname and first name</b>	<b>Remuneration / modification / achievement degree</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	annual modification	unmodified	unmodified	N/A	N/A	N/A
	KPI achievement degree	100 %	99,7 %	N/A	N/A	N/A
<b>Chirica Minodor Teodor</b> non-executive director	fixed remuneration	180.684	155.412	3.966	N/A	N/A
	variable remuneration	180.684	78.001	N/A	N/A	N/A
	annual modification	unmodified	unmodified	N/A	N/A	N/A
	KPI achievement degree	100 %	99,7 %	N/A	N/A	N/A
<b>Anitei Mihai Daniel</b> non-executive director	fixed remuneration	135.972	135.972	135.972	44.715	9.476
	variable remuneration	135.972	135.564	135.972	N/A	N/A
	annual modification	unmodified	unmodified	unmodified	N/A	N/A
	KPI achievement degree	100 %	99,7 %	100 %	N/A	N/A
<b>Vulpescu Dumitru Remus</b> non-executive director	fixed remuneration	135.972	135.972	135.972	11.331	N/A
	variable remuneration	135.972	135.564	135.972	N/A	N/A
	annual modification	unmodified	unmodified	unmodified	N/A	N/A
	KPI achievement degree	100 %	99,7 %	100 %	N/A	N/A
<b>Popescu Elena</b> non-executive director	fixed remuneration	135.972	135.972	135.972	44.715	55.898
	variable remuneration	135.972	135.564	135.972	N/A	N/A
	annual modification	unmodified	unmodified	unmodified	N/A	N/A
	KPI achievement degree	100 %	99,7 %	100 %	N/A	N/A
<b>Dumitriu Adrian Gabriel</b> manager	fixed remuneration	N/A	105.557	425.829	100.009	N/A
	variable remuneration	N/A	36.360	199.417	N/A	N/A
	annual modification	N/A	unmodified	unmodified	N/A	N/A
	KPI achievement degree	N/A	99,7 %	100 %	N/A	N/A
<b>Gentea Cristian</b> non-	fixed remuneration	N/A	120.675	135.972	44.715	83.284
	variable remuneration	N/A	112.965	135.972	N/A	N/A

<b>Surname and first name</b>	<b>Remuneration / modification / achievement degree</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
executive director	annual modification	N/A	unmodified	unmodified	N/A	N/A
	KPI achievement degree	N/A	99,7 %	100 %	N/A	N/A
<b>Tudorache Iulian Robert</b> non-executive director	fixed remuneration	N/A	87.411	135.972	44.715	83.284
	variable remuneration	N/A	78.898	135.972	N/A	N/A
	annual modification	N/A	unmodified	unmodified	N/A	N/A
	KPI achievement degree	N/A	99,7 %	100 %	N/A	N/A
<b>Toni Viorel Lary</b> deputy Chief Executive Officer	fixed remuneration	N/A	N/A	66.761	92.755	N/A
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Dima Cristian</b> non-executive director	fixed remuneration	N/A	N/A	101.979	44.715	9.476
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Marcu Mirel Alexandru</b> non-executive director	fixed remuneration	N/A	N/A	N/A	33.384	46.652
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Banescu Dragos Ionut</b> non-executive director	fixed remuneration	N/A	N/A	N/A	33.384	28.224
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Daniela Lulache</b> executive director and	fixed remuneration	N/A	N/A	N/A	N/A	236.987
	variable remuneration	N/A	N/A	N/A	N/A	193.200

<b>Surname and first name</b>	<b>Remuneration / modification / achievement degree</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Chief Executive Officer	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017 and BoD Resolution no. 52/11.04.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Andreas Eva Georgeta</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	45.790
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Anton Cristian Romulus</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	83.102
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Banica Cezarina Roxana</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	27.882
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Misa Ionut</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	27.474
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Tatar Florin Constantin</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	36.632
	variable remuneration	N/A	N/A	N/A	N/A	N/A
	annual modification	N/A	N/A	N/A	N/A	N/A

<b>Surname and first name</b>	<b>Remuneration / modification / achievement degree</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
	KPI achievement degree	N/A	N/A	N/A	N/A	N/A
<b>Stanescu Nicolae Bogdan Codrut</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	16.092
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Tcaciuc Sebastian</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	89.100
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Radu Carmen</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	16.092
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Alexe Alexandru</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	16.092
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Sandulescu Alexandru</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	16.092
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017

Surname and first name	Remuneration / modification / achievement degree	2021	2020	2019	2018	2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Popescu Dan</b> non-executive director	fixed remuneration	N/A	N/A	N/A	N/A	16.092
	variable remuneration	N/A	N/A	N/A	N/A	34.788
	annual modification	N/A	N/A	N/A	N/A	Amended by OGMS Resolution no. 1/29.03.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %
<b>Darie Mihai</b> Chief Financial Officer	fixed remuneration	N/A	N/A	N/A	N/A	297.520
	variable remuneration	N/A	N/A	N/A	N/A	591898
	annual modification	N/A	N/A	N/A	N/A	Amended by BoD Resolution no. 51/11.04.2017
	KPI achievement degree	N/A	N/A	N/A	N/A	100 %

The remuneration granted to the employees of the company each year in the period of the Report, 2017-2021, reflects the conditions of the Collective Employment Contracts, applicable in this period, presented in the following table:

Indicator	2021	2020	2019	2018	2017
Labor productivity (thousand RON / pers.)	1.589	1.233	1.186	1.089	979
Monthly average earnings per SNN employee (RON/person)	16.180	15.879	16.094	14.166	9.757

### *11. SNN performance*

According to the legal requirements, the remuneration report presents the evolution of the managers' remuneration in relation to the evolution of the company performance and the evolution of the employees' salary average (non management).

Indicator (thousand RON)	2021	2020	2019	2018	2017
EBITDA	1.742.336	1.316.143	1.184.978	1.089.505	923.794
Net profit	1.036.262	699.322	535.667	410.611	306.543

## ***12. Conclusion***

We would like to mention that in 2021, there were no derogations from the remuneration policy of SNN, both for directors and for managers under mandate.

This remuneration report was drafted according to the requirements of Law no. 24/2017 and is subject to the consultation vote within the General Meeting of Shareholders, provided under art. 111 of Law No. 31/1990. SNN shall explain in the following remuneration report the manner in which the vote of the General Meeting was taken into consideration.

This Report shall be published on the website of SNN, [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro) and shall remain available for the public, free of charge, for 10 years after its publication, according to the provisions of Law no. 24/2017.