

No. 8879/18.07.2024

ENDORSED BY
Board of Directors
Chairman
Teodor Chirica

NOTE

on the submission for approval to the General Meeting of Shareholders of S.N. Nuclearelectrica S.A. ("SNN GMS") of the *SNN Code of Governance: General Standards and Specific Corporate Policies*

I. Brief presentation of the request context

- The document must reflect the general vision of the public supervisory authority and, in general, of the shareholders, regarding the objectives of the National Company "Nuclearelectrica" S.A. contained in the letter of expectations for the period 2022-2026, which establishes *"Ensuring the organizational framework for the development of the group structure that integrates all the sub-units of SNN, branches and subsidiaries in which, considering the shareholding structure, SNN S.A. manifests significant control of decisions and operations, as well as the development of the internal control system within S.N. Nuclearelectrica S.A. as well as at the level of the companies/subunits of the SNN Group;*
- Thus, this Note addresses Point II, 5.1 of SNN's letter of expectations, approved by Order of the Minister of Energy no. 1309/22.12.2022, the context of the request being the development process that the company is currently undergoing, considering the prospect of the development and implementation of large-scale projects that bring a diversification of activities carried out at the level of organizational structures;
- By Decision no. 32/26.02.2024 of the Board of Directors of S.N. Nuclearelectrica S.A. the Code of Governance of SNN in its entirety, containing the General Standards and Specific Corporate Policies, was endorsed, in order to submit this document for approval at a subsequent meeting of the General Meeting of Shareholders;
- By Decision no. 73/20.03.2024 of the Board of Directors of S.N. Nuclearelectrica S.A., on the occasion of the debate of the Note which is submitted for approval to the General Meeting of the Shareholders of S.N. Nuclearelectrica S.A. ("SNN GMS") SNN Code of Governance: General Standards and Specific Corporate Policies, the Board of Directors of SNN reviewed the opinion of the previously mentioned meeting, considering necessary and opportune some improvements and harmonization of certain aspects included in the documents;
- Through the *General Standards*, starting from the functional areas defined in SNN, the framework of common principles is created and specific corporate policies are defined with unitary requirements for implementation, adapted to the complexity of the activities performed and in correlation with the documents of the

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Share capital subscribed and paid up: RON 3,016,438,940.

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management systems of each company of the SNN Group (manuals, process sheets, procedures, instructions, etc.).

II. Need and opportunity of the request, conclusions

- 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.
- The governance code at the SNN Group level follows, regulates the principles underlying the group's management in the best conditions, taking into account the listed company character of SN Nuclearelectrica SA and all applicable rules arising from this status, aiming to protect and harmonize the interests of all participants in the company's activity - shareholders, directors, officers, managers / heads of departments, employees, etc. as well as to determine the manner in which the rights and obligations are established, respectively the structure and functioning of the decision-making system, the clear definition of roles and attributions in order to ensure the concordance of strategic directions within the group and their conduct in accordance with uniform standards of good corporate governance.
- At the same time, the Code of Governance establishes the necessary framework for the implementation and maintenance of 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 capitalizing on synergies, reducing costs and increasing operational efficiency.
- The principles and requirements of the code of governance are propagated in the subsidiaries in line with the group's values and are transposed into objectives, policies and documents of the management systems (manuals, process sheets, procedures, instructions, etc.).
- The Governance Code includes the following: (1) General Standards and Decision-Making Structure of the SNN Group and (2) Specific Corporate Policies grouped by functional areas.

III. Competence to approve the legal/statutory basis of the request, including supporting articles in SNN corporate documents

- The Order no. 1309/22.12.2022 of the Minister of Energy, approving the Letter of Expectations of the shareholders regarding the performance of the National Company "Nuclearelectrica" S.A. and its management and governing bodies, for a four-years period;
- Paragraph II, 5.1 of the Letter of Expectations issued by the Ministry of Energy, in its capacity as majority shareholder and public supervisory authority, which states: *"considering the perspective of development of a group structure, in order to optimize and streamline the activities carried out at the level of all sub-units, it is necessary to align the internal normative/regulatory framework, respectively the extension of the internal control system with the integration of subsidiaries and the development of control and reporting capabilities at the group level as a basis for SNN S.A. to exercise significant control over the decisions and operations carried out within the affiliated companies."*

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- By OGMS Resolution no. 6 of 10 August 2022, respectively by OGMS Resolution no. 1 of 15 February 2023, the members of the SNN Board of Directors were elected, selected on the basis of the provisions of the Government Emergency Ordinance no. 109/2011, with a 4-year term of office;
- By Decision no. 123/17.03.2023 of the Board of Directors of SNN the Project "SNN Group Policy" was started, in order to meet the objective of providing the organizational framework for the development of the group structure that integrates SNN subsidiaries, formalizing the project results being represented by the purpose of this Note.

IV. Proposals submitted for approval by SNN GMS

In view of the above, we submit to the approval of the SNN' GMS the following:

- Approval of the SNN Code of Governance, attached to this Note together with the General Standards and Specific Corporate Policies;
- The principles and requirements of the Code of Governance are propagated in the subsidiaries, in line with the group's values, formalized in corporate governance documents and translated into specific objectives, policies and procedures.

CEO
Cosmin Ghita

CFO
Vasile Dascalu

Deputy Chief Operating Officer
Alexandru Visan

Director of the Legal Directorate
Vlad Chiripus

Head of Financial and Managerial Control Department
Carmen Pirvan