



NUCLEARELECTRICA

**CUSTOMIZED PROFILE OF CANDIDATES FOR THE  
POSITION OF MEMBER OF THE BOARD OF DIRECTORS  
OF SN NUCLEARELECTRICA SA**

## I. Introduction

The Ordinary General Meeting of Shareholders of April 25th, 2018, approved the initiation of the selection procedure for the Directors of SN Nuclearelectrica SA (“SNN”) according to the provisions of GEO No 109/2011 on the corporate governance of the State-owned enterprises, as further amended and supplemented (“GEO No 109/2011”), and such procedure is to be carried out by the Board of Directors of SNN. The Appointments and Compensation Committee was mandated, through Board Resolution no 64/25-04-2018, to carry out the procedure for the selection of SNN Directors, with the support of an independent experts in HR recruitment. On May 7th, 2018, the initial component of the selection plan, as defined by Article 1(8) of Annex no. 1 to GD No 722/ 2016 approving the methodological rules for the enforcement of some provisions of the Government Emergency Ordinance No. [109/2011](#) on the corporate governance of State-owned enterprises (“GD No 722/2016”), was completed, based on the consultation with the Shareholders and on the amendment/supplementation proposals submitted by the Ministry of Energy.

Article 34 of Annex no 1 to the GD No 722/2016 establishes the following: *“The profile for the Board shall be approved as follows: (...) b) in case of companies, by the General Meeting of Shareholders, after it was pre-approved by the Board, upon the recommendation of the Appointments and Compensation Committee or of the tutelary public authority, as the case may be.”*. Article 36(1) of GD No. 722/2016 sets forth that the candidate profile shall be approved according to Article 34 aforementioned, respectively by the General Meeting of Shareholders.

Therefore, the General Meeting of Shareholders has the ability to approve the profile of the candidate for the director position. This document includes the profile of the candidate for the director position and is subjected to the approval of the Ordinary General Meeting of Shareholders of SNN.

**The profile of the candidate** for the position of Director is the description of the role that the candidate should fulfill, based on the background requirements specific to the role, as well as the technical skills and behavioral attributes, the experience and the specific aspects that he/she should demonstrate, in line with the mission, goals and targets of the public enterprise, as well as the stage of its development. When preparing the profile, both the mandatory criteria and levels of qualification and the optional criteria and levels of qualification, both individually and collectively for the entire board, under the form of minimum competence thresholds are mentioned.

The context described in the Board of Directors Profile subjected to the approval of the Ordinary General Meeting of Shareholders, along with this document representing the profile of the candidate for the Director position, requires that the members of the Board of Directors met the following background requirements:

- To have a good vision of the company’s role, the company’s position on the market and the restrictions the company is faced with
- To have the ability to identify and put in place quick optimal solutions, able to effectively respond to the technical, financial, economic and social restrictions the company is faced with.
- To have the ability to analyze firstly different cases, then to make correct and timely decisions, as suitable as possible with the company’s context
- To be able to induce in the entire organization, through appropriate measures and actions, the desire to make the efforts required to reach strategic goals
- To have the ability to institute an organizational culture based on customer need knowledge and satisfaction, quality and performance.

Besides those background requirements, abilities, knowledge and experience aforementioned, the members of the Board of Directors shall also satisfy the following characteristics and requirements:

1. To possess the minimum knowledge, abilities and experience required to successfully fulfill the mandate of director.
2. To know the job duties and to be able to form long-term and short-term vision.
3. To have the ability to take responsibility before the entire Board and to prove independence.
4. To prove integrity, honesty and transparency in the relationship with the other members and the company.
5. To have the knowledge, skills and experience required in the field of constructive criticism, team work, communication, financial culture, decision-making and pattern identification in order to contribute to the activity of the entire Board.
6. To be familiarized with the financial governance requirements and the current financial management practices, including the fiduciary responsibilities of the Board and the financial accounting, audit and reporting principles.
7. To understand the importance of the assessment and mediation of the organizational risks and to be familiarized with the risk management methodologies and processes.

We formulate all those requirements in order to be sure that the abilities necessary to form the best Board are identified.

**The candidate profile matrix** - a table which must range within the Board matrix, when all Board members currently active will be candidates for the future Board structure. When only a part of the Board members shall be selected and not all of them, the candidate profile matrix shall include a more limited set of criteria, requirements or Board matrix elements, whose meeting will ensure the complementarity with the member profile, according to the Board structure.

Therefore, considering all the foregoing, the set of assessment criteria to be used in the selection of the members of the Board of Directors, is the following:

			<b>Criteria</b>	<b>Mandatory (OB) or Optional (OP)</b>	<b>Percent</b>
<b>I. Skills</b>	<b>C1. Energy sector-specific skills</b>	<b>C1.1</b>	Ability to understand and overcome technical and economic challenges specific to the activity sector	OB	2
		<b>C1.2</b>	Proven ability to optimize the efficiency of an energy producer	OB	2
		<b>C1.3</b>	Ability to understand, integrate and comply with the activity-specific environmental requirements	OB	2
		<b>C1.4</b>	Ability to integrate the critical security requirements in his decisions and actions and to motivate the organization to also include and comply with these critical requirements	OB	2
		<b>C1.5</b>	Ability to understand the need and facilitate the execution of investments required by the company in order to achieve its strategic objectives	OB	2
		<b>C1.6</b>	Ability to facilitate the integration in the company and the use of quality management principles	OB	2



	<b>CPP7</b>	Total work experience of at least 10 years in total within public or private companies and/or public institutions	OB	1
	<b>CPP8</b>	Management/administration experience of minimum 5 years	OB	1
	<b>CPP9</b>	Previous experience in the energy field	OB	1
	<b>CPP10</b>	No dismissals in the last 12 months	OB	1
	<b>CPP11</b>	No conflict of interests	OB	1

Out of the 7 members of the Board of Directors:

- At least 2 members shall have long-term academic training in the economic, legal, accounting, audit or financial fields

Such accumulation of skills of the Board is represented at the level of members as follows:

- The members with technical education shall have:
  - o More than 75% of the skills specific for the company's area of activity, already developed
  - o The strategically important skills already developed at a level equal with the minimum collective threshold
  - o The social and personal skills already developed at a level equal with the minimum collective threshold
  - o Decision-making ability and a developed delegation ability
- The members with economic or legal education shall have:
  - o Developed ability to understand the economic and financial mechanisms of the company
  - o Good knowledge of the laws in force
  - o Ability to explain to the other members of the Board, the economic, financial and/or legal implications of the operational decisions

The Board of Directors member shall meet the following minimal requirements:

1. Romanian Citizenship, Citizenship of other Member States of the European Union or states belonging to the European Economic Area and residence in Romania
2. Advanced knowledge of Romanian (written and spoken)
3. Independent knowledge of at least one international language
4. Appropriate health condition and full capacity of exercising his/her job

5. graduate(s) of a higher education program completed with a Bachelor's Degree (or equivalent) from a higher education institution; a post-graduation education diploma is an advantage
6. Total work experience of at least 10 years in total within public or private companies and/or public institutions and a management or administration experience of at least 5 years;
7. At least 5 years of experience in the economic or legal field; such criterion is applicable to the candidates applying for minimum 2 offices within the structure of the Board of Directors to be occupied by directors educated in the economic or legal field;
8. Previous experience in the energy field;
9. According to Article 28(2) of GEO NO 109/2011, there can be no more than two members who are civil servants or fall under other categories of staff within the public supervisory authority or other public authorities or institutions;
10. In case of Board of Directors whose number of members complies with the provisions of Article 27(1) of Law No 111/2016, there can be no more than one member who is a civil servant or falls under other categories of staff within the public supervisory authority or other public authorities or institutions.
11. It is mandatory that they are not subject to a conflict of interest that would make them incompatible with the exercise of the position of Director within the Board of Directors of SN Nuclearelectrica SA;
12. They have not been dismissed from a position within any public institutions or mostly state-owned enterprises or have not had their individual employment agreement terminated on disciplinary grounds in the last 12 months.
13. They have not been convicted by means of a judicial decision by a trial court for the committing an offense against humanity, against the state or against the authority, for corruption and in-service offenses, for obstructing justice, for fraud, for offenses against equity, for the offenses set out by Law no. 656/2002 on preventing and sanctioning money laundering and on setting up certain measures for the prevention and combating terrorism financing, as subsequently amended and supplemented, or for the offenses set out by Law no. 85/2014 on the procedures completed with intent, that would make him/her incompatible with the exercise of the position;
14. They were not part of any political police, as defined by the law;
15. They meet the criteria required by GEO no. 109/2011 on corporate governance of public enterprises, approved with amendments and supplements by Law no. 111/2016 and Government Decision no. 722/2016;
16. They do not exercise more than 3 mandates of Director and/or member of a Supervisory Board in joint stock companies/public undertakings at the same time, as per Article 7 of GEO No 109/2011 updated by Law No 111/2016 - affidavit;

### **Optional Criteria**

- A postgraduate Diploma is an advantage
- Knowledge in the field of capital markets;
- Experience in investors' communication and relationship;
- Relevant experience both locally and internationally;
- Experience in dealing with public authorities, energy regulatory and supervisory authorities;
- Experience in training, coordinating and developing teams/staff and planning the succession within them;
- Experience in the fields of audit, economic, accounting, financial or legal, risk management;

- Knowledge and experience in corporate governance and strategy; Interpersonal communication skills.
- Knowledge and experience in the nuclear field is considered an advantage
- Relevant experience in relation to European institutions is considered an advantage.

Drawn up by

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