



**QUARTERLY REPORT**  
**OF THE**  
**BOARD OF DIRECTORS**  
**S.N. NUCLEARELECTRICA S.A.**  
**(“SNN”)**  
**Fourth quarter of 2020**

**Report date: March 2021**

This is a free translation from the Romanian version.  
In case of any differences between the Romanian and English version, the Romanian version prevails.

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## 1. BASIS OF REPORT

The quarterly report of the Board of Directors for the period January 1 - December 31, 2020 was drafted according to the provisions of art. 55 of the Government Emergency Ordinance no. 109/2011 regarding corporate governance of the public enterprises, as further amended and supplemented (“GEO no. 109/2011”) and of the mandate contracts concluded by the Board of Directors with SNN.

## 2. FINANCIAL STATEMENT ANALYSIS

The information and Individual Financial Statements on the date and for the financial year that ended on December 31, 2020 presented in this report are audited by the financial auditor of S.N. Nuclearelectrica S.A. - S.C. Mazars Romania S.R.L., and were drafted according to the Order of the Ministry of Public Finances no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”) adopted by the European Union.

The presented indicators are in thousand lei (RON) unless otherwise stated.

### 2.1. Financial position statement as of December 31, 2020

The financial position as of December 31, 2020 is presented in **Annex 1**.

<b>Indicator [thousand RON]</b>	<b>December 31, 2020 (audited)</b>	<b>December 31, 2019 (audited, restated)</b>	<b>Variation</b>
Non-current assets	5,995,542	6,301,960	(4.9%)
Current assets	2,848,928	2,508,894	13.6%
<b>Total assets</b>	<b>8,844,470</b>	<b>8,810,854</b>	<b>0.4%</b>
Non-current liabilities	722,101	936,157	(22.9%)
Current liabilities	602,684	539,763	11.7%
<b>Total liabilities</b>	<b>1,324,785</b>	<b>1,475,920</b>	<b>(10.2%)</b>
<b>Equity</b>	<b>7,519,685</b>	<b>7,334,934</b>	<b>2.5%</b>
<b>Total equity and liabilities</b>	<b>8,844,470</b>	<b>8,810,854</b>	<b>0.4%</b>

**Non-current assets** registered a slight drop of 4.9% compared to the level registered on December 31, 2019, especially due to the drop of the net value of the tangible assets by acknowledging the amortization for 2020. The impact of the period’s depreciation was partially compensated by the investments performed for Units 1 and 2 Cernavoda NPP. At the same time, the financial assets at amortised cost of the Company, representing collateral deposits related to letters of bank guarantee with maturities longer than 12 months, issued by the Company, recorded a decrease as of December 31, 2020 compared to December 31, 2019, contributing to the decrease of non-current assets.

**Current assets** recorded a 13.6% increase compared to December 31, 2019, based on the increase of banking deposits, inventory and other financial assets at amortised cost. This increase is partially compensated by the decrease of monetary availabilities (cash and cash equivalents) and commercial receivables.

**Non-current liabilities** decreased by 22.9%, as compared to the values recorded on December 31, 2019. The decrease is mainly caused by the decrease of the long-term portion of the external credits contracted from EURATOM for building and starting up Unit 2 Cernavoda NPP, following the reclassification of the outstanding installments in the short-term portion, gradually with the maturity of the credits.

**Current liabilities** increased by 11.7% compared to the values recorded on December 31, 2019, based on the increase of commercial debts and other debts, the payable profit tax and debts from short-term leasing contracts. This increase is partially compensated by the decrease of short-term advance revenues, the current portion of provisions for risks and expenses and the current portion of long-term loans.

## 2.2. Profit and loss account for the 12 months period ended on December 31, 2020

During the 12 months period ended on December 31, 2020, SNN recorded a net profit of 699,322 thousand RON.

Indicator [thousand RON]	12 months period ended on December 31, 2020 (audited)	12 months period ended on December 31, 2019 (audited)	Variation
<b>Production (GWh)*</b>	10,558	10,347	2.0%
Operating income, out of which:	2,500,172	2,417,433	3.4%
<i>Income from electricity sales**</i>	2,432,279	2,365,564	2.8%
Operating expenses, minus depreciation and amortization	(1,184,029)	(1,232,455)	(3.9%)
<b>EBITDA</b>	<b>1,316,143</b>	<b>1,184,978</b>	<b>11.1%</b>
Depreciation and amortization	(544,752)	(555,553)	(1.9%)
<b>EBIT</b>	<b>771,391</b>	<b>629,425</b>	<b>22.6%</b>
Finance costs	84,530	67,337	25.5%
Finance income	(40,513)	(65,487)	(38.1%)
Net income tax expense	(116,086)	(95,608)	21.4%
<b>Net profit</b>	<b>699,322</b>	<b>535,667</b>	<b>30.6%</b>

\*Electricity produced and delivered by Cernavoda NPP in the National Energy System.

\*\*Including revenues from the sale of thermal energy, insignificant in the total revenues.

**Operating profit (EBITDA)** increased by 11.1% compared to the same period of the previous year. The increase was caused by a decrease in operating expenses, minus depreciation and amortization by 3.9%, and an increase in operating income of 3.4%, influenced by a 2.8% increase in income from electricity sales.

**Operating income** increased by 3.4%. This increase was caused by the increase by 1.4% of the weighted average price of the electricity sold in 2020, as compared to the weighted average price from the same period of 2019, considering the sale of a total quantity of electricity that was higher by 1.4%.

Following Government Emergency Ordinance no. 114/28.12.2018, which amends and supplements Electricity and natural gas law no. 123/2012, ANRE issued Order no. 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers. According to ANRE Resolution no. 2213/23.12.2019, the quantity assigned to SNN for the first half-year of 2020 for regulated contracts was 1,087 GWh, out of which 701.4 GWh for Q1 2020 and 385.6

GWh for Q2 2020. For the first half-year of 2020, ANRE established a regulated price for SNN of 188.47 RON/MWh (without Tg). For the second half-year of 2020, ANRE issued Order no. 88/12.06.2020 for approving the Methodology for setting regulated fees and prices applied by last-instance providers to end clients for period July 1 - December 31, 2020 [...]. According to ANRE Resolution no. 1077/29.06.2020, the quantity assigned to SNN for the second half-year of 2020 for regulated contracts was 1,095 GWh, out of which 394.9 GWh for Q3 2020 and 700.1 GWh for Q4 2020. For the second half-year of 2020, ANRE established a regulated price for SNN of 182.63 RON/MWh (without Tg). According to ANRE Decision no. 326/2019, the quantity of electricity assigned to SNN for 2019 under regulated contracts was 1,377 GWh, at a regulated price of 188.33 RON/MWh (without Tg). Thus, in 2020, the Company sold 20.2% of its energy on the regulated market (2019: 12.9%), at a regulated price.

Compared to the same period of the previous year, the quantity of electricity sold on the competition market of bilateral contracts decreased by 28%, and benefitted from an increase in the average sale price on this market by 17% (price without Tg). The quantity of electricity sold by SNN on the spot market (PZU and PI) in 2020 increased by 155%, given an average sale price on this market that was 25% lower (price without Tg).

**Operating expenses, minus depreciation and amortization** decreased by 3.9% in 2020, compared to the same period of 2019. This evolution was caused by the decrease of other operating expenses, expenses with the purchased electricity and expenses with spare parts, partially compensated by the increase of expenses with nuclear fuel, personnel expenses, expenses with repairs and maintenance and expenses with electricity transportation.

**The financial result (net financial revenues)** recorded a significant increase, from 1,850 thousand RON to 44,017 thousand RON, and positively influenced the net result. The main currencies to which there are exposures are EUR and CAD.

The increase of **net profit tax expense** decreased the positive influence of the other elements. This increase was caused by the increase of the taxable profit calculated for financial year 2020 compared to the one calculated for financial year 2019.

The profit and loss account for the 12 months period ended on December 31, 2020 is presented in **Annex 2**.

### 2.3. Execution of the Revenues and Expenses Budget as of December 31, 2020

The Revenues and Expenses Budget (“BVC”) of SNN for the year 2020 was approved by the Resolution of the General Meeting of Shareholders no. 3/05.03.2020.

The company is monitored regarding the compliance with the performance indicators, objectives and criteria, respectively the compliance with the salary payroll level, with the revenues and expenses level, the program to reduce the arrears and the outstanding receivables.

The BVC execution on December 31, 2020 is presented in **Annex 3** to this report.

As per the analysis of the Budget of Revenues and Expenses execution as of December 31, 2020 (presented in **Annex 3**), a degree of accomplishment of the programmed operating revenues of 97% and a reduction of the operating expenses compared to the budgeted level of 10.5%. The performance level of the total income is 98%, higher than the performance level of the total expenses of 89.1%.

## 3. OPERATIONAL ACTIVITIES

### 3.1. Electricity production

The gross production of electricity of the two operational units of CNE Cernavoda was 11,466,405 MWh in 2020 (out of which 3,112,392 MWh in Q4 2020); from this gross production, the own technological consumption of the Units during the operation, and during the outages ensured from own production was 909 thousand MWh in 2020 (out of which 239 thousand MWh in Q4 2020).

Thus, the electricity produced and delivered in the National Energy System (“NES”) was 10,557,776 MWh in 2020, compared to 2019 (10,346,746 MWh), which accounts for an increase of 2%. The increase is mainly due to the modification of the thresholds of triggering the ROPT local supra-power protection systems (the system of protecting the reactor at high zonal powers) implemented at the end of last year at Unit 1 of Cernavoda NPP, which caused the increase of the reactor power, after cleaning the steam generators in 2016.

In Q4 2020 the electricity quantity produced and delivered in SEN was 2,873,873, 1.8% higher than the level recorded in Q4 2019 of 2,822,984 MWh.

The net electricity production program approved by the Board of Directors for 2020 (revision June 2020) targeted a quantity of 10,391,265 MWh, implemented 101.6%, and for Q4 2020, it targeted a quantity of 2,751,331 MWh, and was implemented 104.5%.

The installed power usage factor, recorded by each operational unit within the CNE Cernavoda during the fourth quarter of 2020, and cumulated after the start of commercial usage (Unit 1 on December 2, 1996, Unit 2 on November 1, 2007) until December 31, 2020 was:

Cernavoda NPP unit	Cumulated Third quarter 2020	October 2020	November 2020	December 2020	Cumulated 2020	Cumulated from the commercial exploitation
Unit 1	82.73%	100.34%	101.05%	101.11%	87.29%	90.54%
Unit 2	97.89%	99.28%	99.77%	99.70%	98.32%	94.45%

The lower value of the factor for using the installed capacity at Unit 1 CNE Cernavoda reflects the influence of the planned outage for an actual duration of 1.053 hours, registered as of June 20, at 11:00, completed on August 3, at 08:00. The unplanned extension of the planned outage of Unit 1 CNE Cernavoda lasted for 65.5 hours, and the resynchronization was on August 6, at 04:04.

In August there was an unplanned outage of Unit 2 of Cernavoda NPP, with a duration of 46.6 hours, starting with August 29, at 08:21.

### 3.2. Electricity sales

Within the activity of electricity trading, the Company is obligated to submit letters of bank guarantee to certain contractual partners, according to the provisions stipulated in the electricity sale-purchase contracts. Mainly, these refer to: the contract concluded with C.N. Transelectrica S.A. for electricity transportation; the agreement concluded with OPCOM S.A. for electricity trading on PZU (Next Day Market ) and PI (Intra-daily Market); regulated contracts, concluded with last resort providers, based on ANRE Decisions no. 2213/2019 and 1077/2020; contracts concluded on the PCCB – NC platform (centralized market of bilateral electricity contracts – the trading method according to which contracts are awarded by Continuous Negotiation); contracts concluded on the PCSU platform (centralized market for the universal service), plus tender procedure securities; the agreement for participating in the PE (balancing market) concluded with C.N. Transelectrica S.A. and the contract concluded with Ciga Energy S.A. for providing the representation service as the part in charge with balancing (PRE).

For this activity, in 2020:

- 39 letters of bank guarantee were issued, in value of 104,178,941 RON;
  - 49 letters of bank guarantee were liquidated, amounting to 152,111,190 RON (issued in 2018, 2019 and 2020), out of which for 29 letters of bank guarantee, there were collateral deposits of 96,659,494 RON.
  - the value of 9 letters of bank guarantee was increased, from 21,543,199 RON to 21,552,053 RON.
- As of December 31, 2020, 42 letters of bank guarantee were issued, in value of 117,028,702 RON.

The quantities of electricity sold during the year 2020 and the corresponding incomes, distributed on sale contract types are presented in the table below:

#### Electricity sales (quantities, prices and values) in 2020

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with Tg included]	Revenues from sales [Ron]
Sales on the regulated market	2,181,607	20.2%	186.84	407,610,770
Sales on the competitive market (bilateral contracts and PZU and PI contracts), out of which:	8,589,781	79.5%	236.03	2,027,435,851
- Sales on PCCB – LE, PCCB – LE Flex, PCCB – NC, PC – OTC contracts and supply contracts	5,908,307	54.7%	266.05	1,571,903,363
- PZU and PI sales	2,681,474	24.8%	169.88	455,532,488
PE positive imbalances <sup>*)</sup>	33,757	0.3%	152.76	5,156,798
<b>Total sales in 2020</b>	<b>10,805,145</b>	<b>100%</b>	<b>225.84</b>	<b>2,440,203,419</b>

<sup>\*) NB: 290,374 RON of the value presented represents revenues redistributed in 2020 resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017, ANRE Order no. 31/2018 and ANRE Order no. 61/2020.</sup>

The electricity quantity sold on the regulated market, based on contracts, on the spot market (PZU and PI) and on PE is 10,805,145 MWh, 2.1% more than the sales program, of 10,586,457 MWh (sized on the production estimate, without estimating unplanned outages) and 1.4% more than the electricity quantity sold in 2019.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (247.4 thousand MWh) is represented by the electricity purchased for the full coverage of the contractual obligations, an electricity quantity that was purchased 43% from the spot market, 42% by long-term contracts, and the rest on PE.

The revenues obtained from the electricity market related to electricity deliveries in 2020 are 2,440,203,419 RON (out of which 290,374 RON represents redistributed revenues resulted from balancing the system), 4.4% lower than the budget revenues for 2020, and 2.9% higher than the previous year.

According to the sales strategy:

- in period May - June 2020, 4 purchase contracts were concluded on PCCB - NC and 10 purchase transactions were performed on PC - OTC in July, for an hourly quantity of 95 MWh, at an average price of 233.2 RON/MWh which partially covered the sale obligations assumed by the contracts whose average weighted price in July 2020 was 266.77 RON/MWh;
- in June 2020, 5 purchase contracts were concluded on the Centralized Markets in June 2020, for a constant power of 50 MWh, with delivery in week June 22-28, at an average price of 163.3 RON/MWh which partially covered the sale obligations assumed by the contracts whose average weighted price in June 2020 was 249.16 RON/MWh.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted in 2020, is of 236.03 RON/MWh (including T<sub>g</sub>). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated in 2020 (PCCB – LE, PCCB – LE flex, PCCB – NC, PC – OTC, PZU and PI), calculated according to the values published by OPCOM in the monthly market reports, is 235.19 RON/MWh. In 2019, the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was 227.7 RON/MWh (including T<sub>g</sub>).

Following Government Emergency Ordinance no. 114/28.12.2018, which amends and supplements Electricity and natural gas law no. 123/2012, ANRE issued Order no. 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers. According to ANRE Resolution no. 2213/23.12.2019, the quantity assigned to SNN for the first half-year of 2020 for regulated contracts was 1,087 GWh, out of which 701.4 GWh for Q1 2020 and 385.6 GWh for Q2 2020. For the first half-year of 2020, ANRE established a regulated price for SNN of 188.47 RON/MWh (without T<sub>g</sub>). For the second half-year of 2020, ANRE issued Order no. 88/12.06.2020 for approving the Methodology for setting regulated fees and prices applied by last-instance providers to end clients for period July 1 - December 31, 2020 [...]. According to ANRE Resolution no. 1077/29.06.2020, the quantity assigned to SNN for the second half-year of 2020 for regulated contracts was 1,095 GWh, out of which 394.9 GWh for Q3 2020 and 700.1 GWh for Q4 2020. For the second half-year of 2020, ANRE established a regulated price for SNN of 182.63 RON/MWh (without T<sub>g</sub>).



The sold electricity quantities on the competitive market of bilateral contracts represented in 2020 a percentage rate of 54.7% out of the total volume of the sold energy. The average sale price on bilateral contracts in this period was 266.05 RON/MWh (with included T<sub>g</sub>), recording an increase of 16.7% as compared to the average price recorded in 2019, of 228.01 RON/MWh (with included T<sub>g</sub>); given the fact that the values of the electric power input transport fee in the T<sub>g</sub> network were the following: 1.18 RON/MWh for the period July 1, 2018 - December 31, 2019, according to ANRE Order no. 108/20.06.2018 and 1.30 RON/MWh for 2020, according to ANRE Order no. 218/11.12.2019.

On the spot market (PZU and PI), in 2020, a quantity of electricity representing 24.8% of the total sales volume was sold, compared to a percentage rate of 9.9% registered in 2019. The average sale price of energy on the spot market (PZU and PI) performed by SNN in 2020 was 169.88 RON/MWh (with T<sub>g</sub> included), compared to 225.23 RON/MWh (with T<sub>g</sub> included) registered in 2019.

In 2020, SNN performed 207 energy sales contracts, as follows:

- 17 regulated contracts, out of which 5 with delivery on the first hour of January;
- 86 contracts concluded on PCCB - LE;
- 1 contract concluded on PCCB - LE Flex;
- 47 contracts concluded on PCCB - NC;
- 54 transactions concluded on PC - OTC;
- 2 supply contracts for 2 end users.

No contracts were terminated and no significant delays were notified compared to the due payment terms provided in the contracts in 2020. In all the cases in which there have been delays, the Company sent notifications and charged penalties according to the contractual provisions.

The quantities of electricity sold in the fourth quarter of 2020 and the corresponding incomes, separated on types of sale contracts, are presented in the table below:

#### **Electricity sales (quantities, prices and values) during the fourth quarter of 2020**

<b>Sales by types</b>	<b>Quantities in MWh</b>	<b>% of total sales</b>	<b>Average price [Ron/MWh with T<sub>g</sub> included]</b>	<b>Revenues from sales [Ron]</b>
Sales on the regulated market	700,049	24.2%	183.93	128,760,048
Sales on the competitive market (bilateral contracts and PZU and PI contracts), out of which:	2,181,680	75.5%	262.19	572,018,674
– Sales on PCCB – LE Flex, PCCB – NC, PC – OTC contracts and supply contracts	1,867,539	64.6%	264.51	493,983,061
- PZU and PI sales	314,141	10.9%	248.41	78,035,613
PE positive imbalances <sup>*)</sup>	8,132	0.3%	216.97	1,764,433
<b>Total sales in the fourth quarter of 2020</b>	<b>2,889,861</b>	<b>100%</b>	<b>243.11</b>	<b>702,543,156</b>

<sup>\*)</sup> NB: 117,401 RON of the value presented represents revenues redistributed in the fourth quarter of 2020 resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 61/2020.

The electricity quantity sold on the regulated market, based on contracts, on the spot market (PZU and PI) and on PE is 2,889,861 MWh, 1.6% more than the sales program, of 2,844,445 MWh (sized on the production estimate, without estimating unplanned outages) and 2.2% more than the electricity quantity sold in the same period of 2019.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (15.9 thousand MWh) is represented by the electricity purchased for the full coverage of the contractual obligations, an electricity quantity that was purchased 69% by term contracts, 30% on PE and the rest on the spot market.

The revenues obtained from the electricity market related to electricity deliveries in the fourth quarter of 2020 are 702,543,156 RON (out of which 117,401 RON represents redistributed revenues resulted from balancing the system), 0.7% lower than the budget revenues for the fourth quarter of 2020, and 17.9% higher than the same period of the previous year.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted in Q4 2020, is of 262.19 RON/MWh (including T<sub>g</sub>). In Q4 2019 the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was 219.52 RON/MWh (including T<sub>g</sub>).

The sold electricity quantities on the competitive market (bilateral contracts) represented in Q4 2020 a percentage rate of 64.6% out of the total volume of the sold energy. The average sale price on bilateral contracts to be delivered in Q4 2020 was 264.51 RON/MWh (with T<sub>g</sub> included), registering an increase of 20% compared to the average price registered in Q4 2019, of 220.8 RON/MWh (T<sub>g</sub> included), given that T<sub>g</sub> in Q4 2019 was lower by 0.12 RON/MWh.

On the spot market (PZU and PI), in Q4 2020, a quantity of electricity representing 10.9% of the total sale volumes was sold, as compared to the percentage share of 4.6% recorded in Q4 2019. The energy average selling price on the spot market (PZU and PI) achieved by SNN in Q4 2020 was 248.41 RON/MWh (with T<sub>g</sub> included), compared to 201.11 RON/MWh (with T<sub>g</sub> included) recorded during the same period of 2019 (PZU and PI).

In Q4 2020, SNN implemented 130 energy sale contracts, as follows:

- 7 regulated contracts;
- 50 contracts concluded on PCCB - LE;
- 1 contract concluded on PCCB - LE Flex;
- 18 contracts concluded on PCCB - NC;
- 52 transactions concluded on PC - OTC;
- 2 supply contracts for 2 end users.

### **3.3. Expenses in the energy market**

In 2020, the total value of the expenses on the electric power market, incurred by SNN, is of 72,116,805 RON, out of which 15,035,358 RON represent expenses on the balancing market (PE), 13,724,548 RON represent T<sub>g</sub> (the regulated tariff paid to C.N. Transelectrica S.A. for the injection of the electric power produced by Cernavoda NPP in the electric power transport network), 25,809 RON represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the

supplied electric power, 1,268,032 RON represent the tariffs paid to OPCOM S.A. for the sale and purchase transactions carried out on the platforms managed by OPCOM S.A.

In 2020 the expenses with the purchase of electricity from the Centralized Markets were 23,505,178 RON – for 102,840 MWh, and those from the spot market (PZU and PI) were 18,055,783 RON – for 106,291 MWh. The expenses with electricity purchase (Centralized Markets and spot market) amounted to 41,560,960 RON (2019: 64,890,129 RON), for the purpose of ensuring the full compliance with the electricity delivery contractual obligations during the planned outage (including the unplanned outage, following the extension of the planned outage) of Unit 1 CNE Cernavoda, and for the unplanned outage of Unit 2 CNE Cernavoda from August 2020; the purchased quantity of electricity was 209,131 MWh (2019: 264,158 MWh), at an average price of 198.73 RON/MWh (2019: 245.65 RON/MWh).

The PE expenses in 2020 were 15,035,358 RON, and the purchased electricity quantity was 38,237 MWh (2019: 19,270,060 RON, with the purchased quantity of electric power amounting to 41,319 MWh). This amount represents the equivalent value of the energy received from PE for compensating the negative unbalance, which occurred because of the differences between the energy quantities that were actually delivered and the quantities notified on the market according to the daily estimates for each hourly interval, and the value of the unbalance from notification, the penalties for the partial delivery of the balancing energy and redistributed costs resulted from the system balancing, based on ANRE Order no. 76/2017, ANRE Order no. 31/2018 and ANRE Order no. 61/2020.

The purchases associated to the unplanned extension of the planned outage of Unit 1 CNE Cernavoda and the unplanned stoppage of Unit 2 Cernavoda on the spot market (PZU and PI) were in value of 7,303,738 RON, for a total quantity of 39,558 MWh, at an average price of 184.63 RON/MWh.

In Q4 2020, the total value of the expenses on the electric power market, incurred by SNN, is of 9,248,509 RON, out of which 2,203,206 RON represent expenses on the balancing market (PE), 3,735,894 RON represent Tg (the regulated tariff paid to C.N. Transelectrica S.A. for the injection of the electric power produced by Cernavoda NPP in the electric power transport network), 6,975 RON represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the supplied electric power, 290,716 RON represent the tariffs paid to OPCOM S.A. for the sale and purchase transactions carried out on the platforms managed by OPCOM S.A.

In Q4 2020 the expenses with the purchase of electricity from the Centralized Markets amounted to 2,777,818 RON – for 11,045 MWh, and those from the spot market (PZU and PI) amounted to 62,130 RON – for 212 MWh. The expenses with electricity purchase (Centralized Markets and spot market) amounted to 2,839,947 RON (Q4 2019: 75,223 RON), for the purpose of ensuring the full compliance with the electricity delivery contractual obligations; the purchased electricity quantity was 11,257 MWh (Q4 2019: 225 MWh), at an average price of 252.29 RON/MWh (Q4 2019: 334.32 RON/MWh).

The PE expenses in Q4 2020 were 2,203,206 RON, and the purchased electricity quantity was 4,730 MWh (Q4 2019: 879,039 RON, with the purchased quantity of electric power amounting to 4,518 MWh).

The expenses with purchases of electricity and negative imbalances were higher in Q4 2020, compared to Q4 2019, following the implementation of an electricity purchase contract for resale purposes.

### 3.4. Investment program as of December 31, 2020

The total value of the investment program of SNN for 2020 is 309,544 thousand RON (without the component allocated to the payment of the debt service related to long-term loans), a program approved by Resolution no. 3/05.03.2020 of the Ordinary General Assembly of Shareholders of SNN, as part of the Revenues and Expenses Budget ("BVC") of SNN for 2020.

The comparative situation of the investment accomplishments (value and percentage) for 2020 compared to the same period of 2019 is presented in the table below:

Year	Value of the investment program [thousand RON]	Performed (01.01 - 31.12) [thousand RON]	Achievement level (01.01 - 31.12) (%)
2020	309,544	223,947	72.3%
2019	256,548	218,455	85.2%

As in the previous years, Nuclearelectrica S.A. structured its investment development program on objectives defined in relation to the needs of the production branches (Cernavoda NPP and Pitesti NFF), so as to achieve a high level of utilization of the production capacity (EAF Energy Availability Factor) in compliance with the nuclear safety norms and the long-term maintenance of the level of excellence in the operation of the plant. At the same time, the goal of the development program is to cover the necessity to upgrade/refurbish certain systems, for economic reasons (specific consumption reductions, improvement of certain parameters related to served processes, with a positive impact on efficiency), and legal ones – the need to implement upgrades associated with nuclear security, environment protection and labor security, representing imperative requirements from the regulatory authorities in the field.

#### Analysis of the completion degree of the investment program on December 31, 2020

The investment program of SNN for 2020 annexed to BVC was value-sized by considering the ongoing contractual commitments, the estimates regarding the investment objectives to be made in the following year, including amounts allocated to investment projects for which the fulfillment of certain requirements outside the control of SNN is anticipated (e.g. prior approvals of regulation authorities, legal terms regarding the completion of public tender procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects by fitting into the approved budget values.

The largest investment projects that are planned to be completed in 2020 were: Module 11 DICA; modernization and expansion of the Physical Protection System – priority 2, stage 1; refurbishing the power outlet transformer and delivering it to CNE Cernavoda and fitting the Seiru Warehouse. In addition, the investment program includes inspections and capital repairs carried out at Unit 1 of CNE Cernavoda during the scheduled shutdown, other necessary investment projects within the CNE Cernavoda branch, the FCN Pitesti branch and the headquarters, as well as investment objectives with completion in the next years.

Out of the investment projects provided in the investment program we mention:

- **“Planned outage of Unit 1 CNE Cernavoda (regular general inspections and capital repairs)”**: budgeted 111,297 thousand RON – the value degree of implementation as of December 31, 2020 is 90.0%.
- **“Extending the life cycle of unit 1 by re-tubing the reactor and refurbishing the main systems”**: budgeted 49,710 thousand RON – the value degree of implementation as of December 31, 2020 is 90.1%.
- **“Burnt fuel intermediary storage”**: budgeted 10,053 thousand RON – the value degree of implementation as of December 31, 2020, is 82.7%. The reception of Module 11 took place on June 5, 2020. The process of contracting the construction works of Modules 12 – 17 has been completed, and the contract signed on June 12, 2020 is in progress.
- **“Modernization and expansion of the physical security system”**: budgeted 8,511 thousand RON – the value degree of implementation as of December 31, 2020 is 50.9%.
- **“Fitting the Seiru Warehouse”**: budgeted 2,871 thousand RON – the value degree of implementation as of December 31, 2020, is 130.5%. The budgeting of this investment was carried out with caution, since on the date on which BVC 2020 was drafted there were uncertainties related to its continuation.
- **“Increasing the safety in the operation of the power evacuation system of CNE Cernavoda, by refurbishing the power evacuation transformers and providing a backup transformer for two units”**: budgeted 2,194 thousand RON – the value degree of implementation as of December 31, 2020 is 131.8%.
- **“Improving the CNE Cernavoda response, respectively the nuclear security functions in case of events outside the design bases following the nuclear accident occurred at the Fukushima 1 nuclear plant, Japan”**: budgeted 1,486 thousand RON – the value degree of implementation as of December 31, 2020 is 6.9%.
- **“Modernization of the bundle manufacture line”**: budgeted 551 thousand RON – the value degree of implementation as of December 31, 2020 is 92.7%.
- **“Fittings”**, representing procurements of goods and other investment expenses: budgeted at 71,478 thousand RON – the value degree of implementation as of December 31, 2020 is 50.7%.

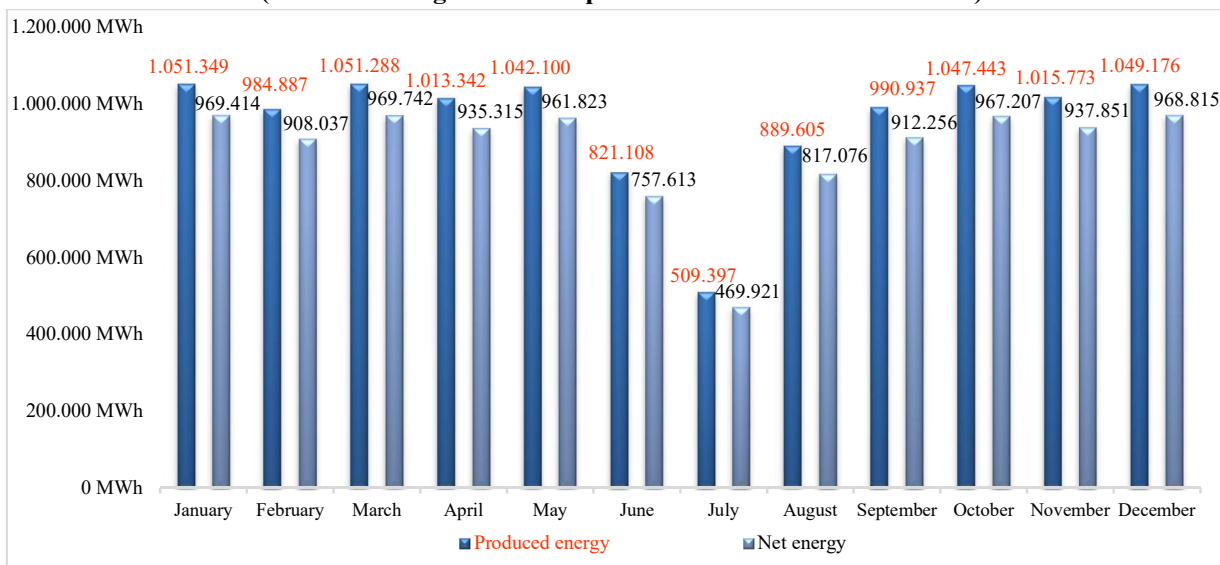
### 3.5. Activity of the Cernavoda NPP Branch

The operation activity was conducted without events that might have impact an impact on nuclear safety, upon the own personnel, population and environment. The relationship with the regulators was conducted in compliance with the requirements and conditions in the operation licenses.

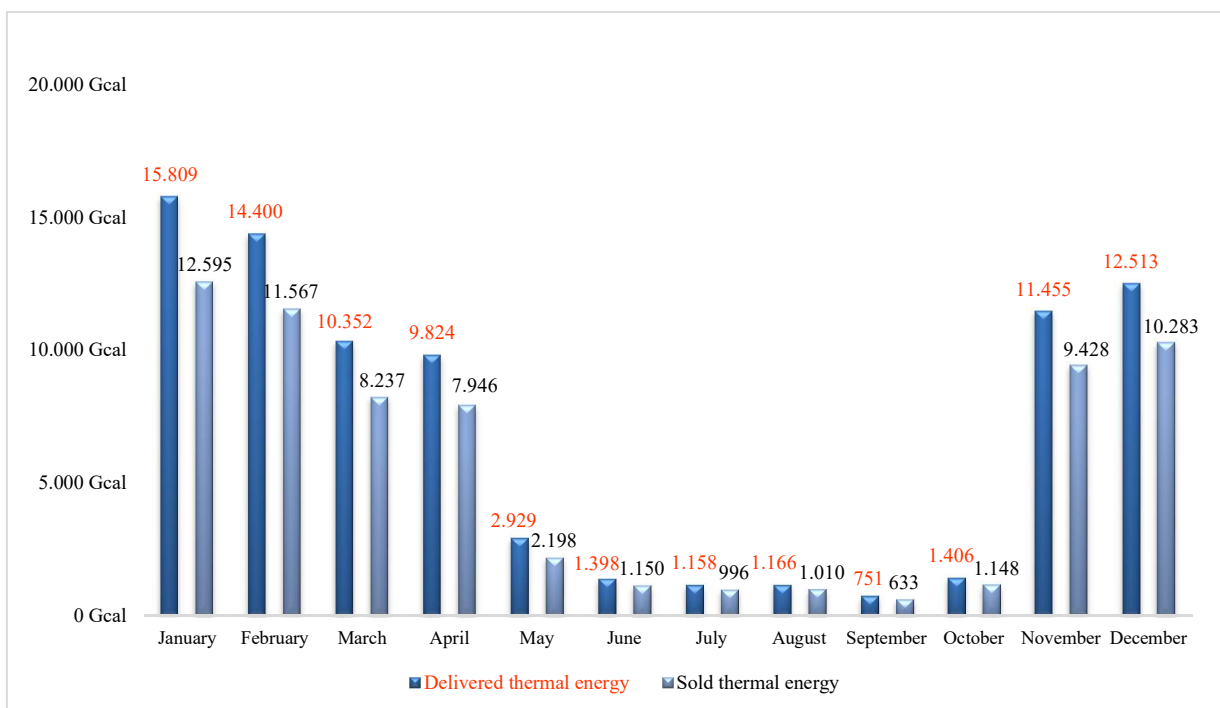
Over the 12 months period that ended on December 31, 2020, no operation event exceeding level 1 on the international scale of the nuclear events was registered, regarding the degrading of the in depth defense barriers, impact on the site or outside (INDICATOR 1).

The main indicators of the production activity are shown in the following graphics.

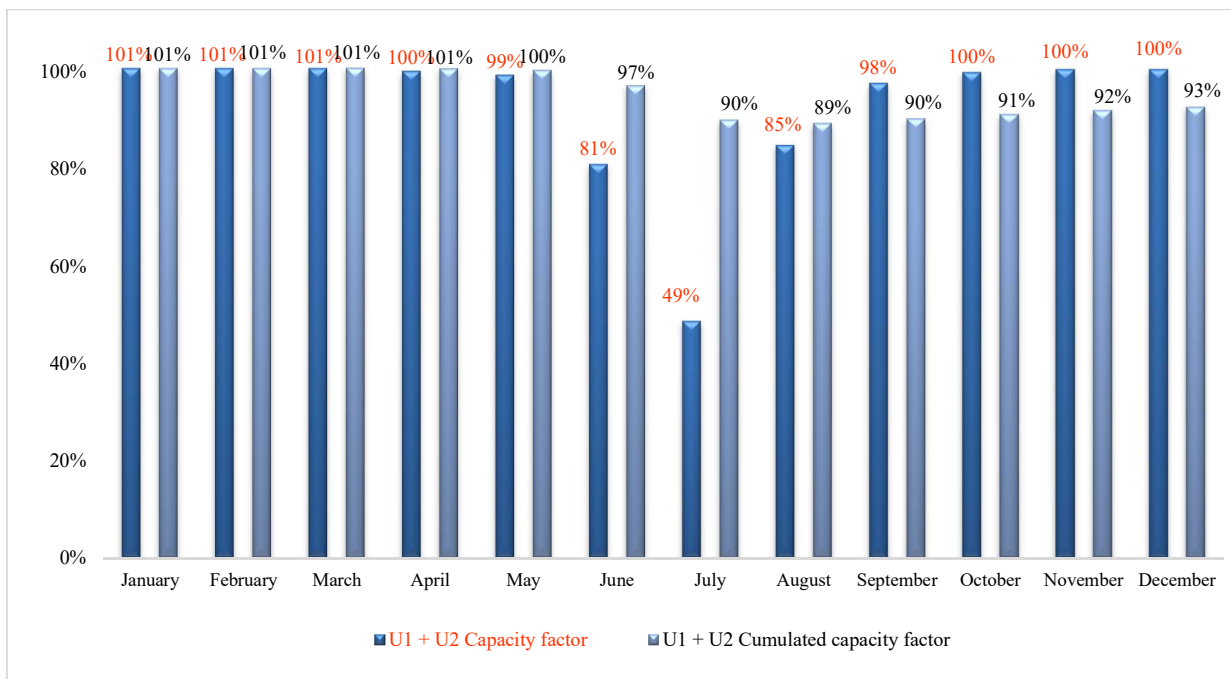
**Produced/net electrical energy U1 + U2 (MWh)**  
**(Produced electrical energy: 11,466,405 / Net electricity delivered: 10,575,070)**  
**(Own technological consumption cumulated for 2020: 7.79%)**



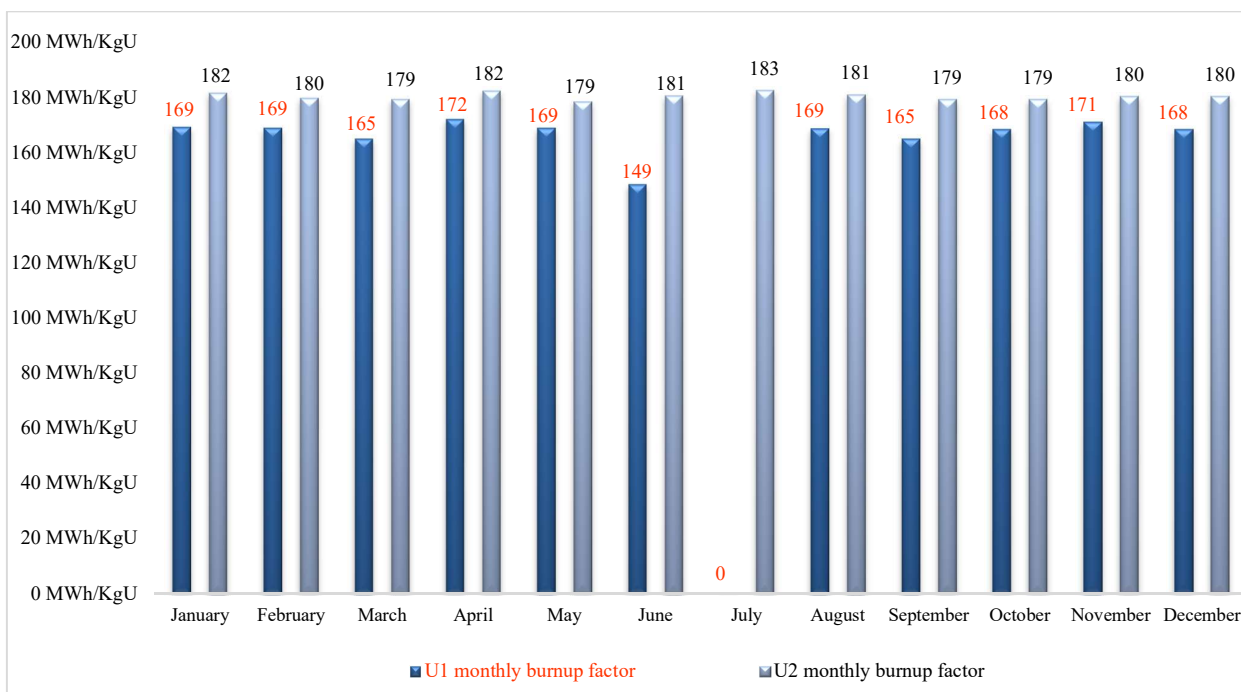
**Thermal energy delivered to the district heating/ sold (Gcal)**  
**(Delivered thermal energy: 83,161/Sold thermal energy: 67,191)**



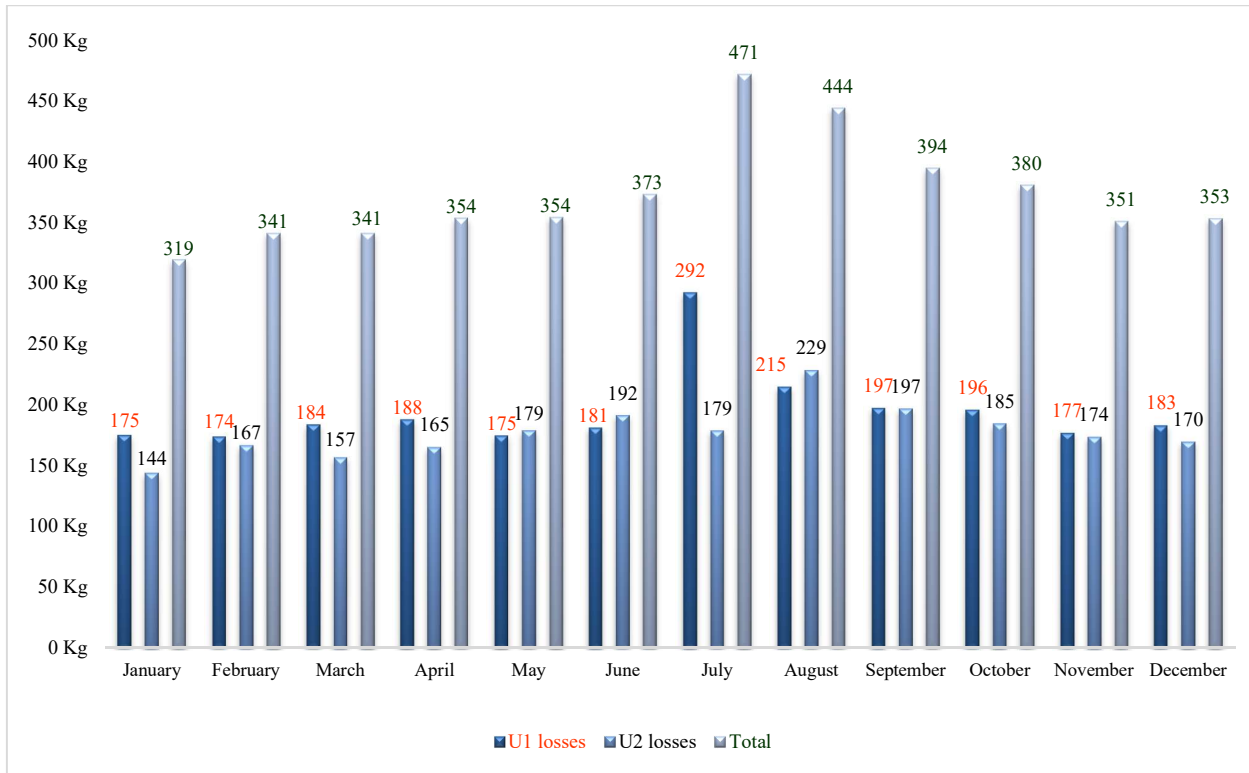
**Installed capacity factor U1 + U2 (%)**  
**(Cumulated 2020: 92.80%)**



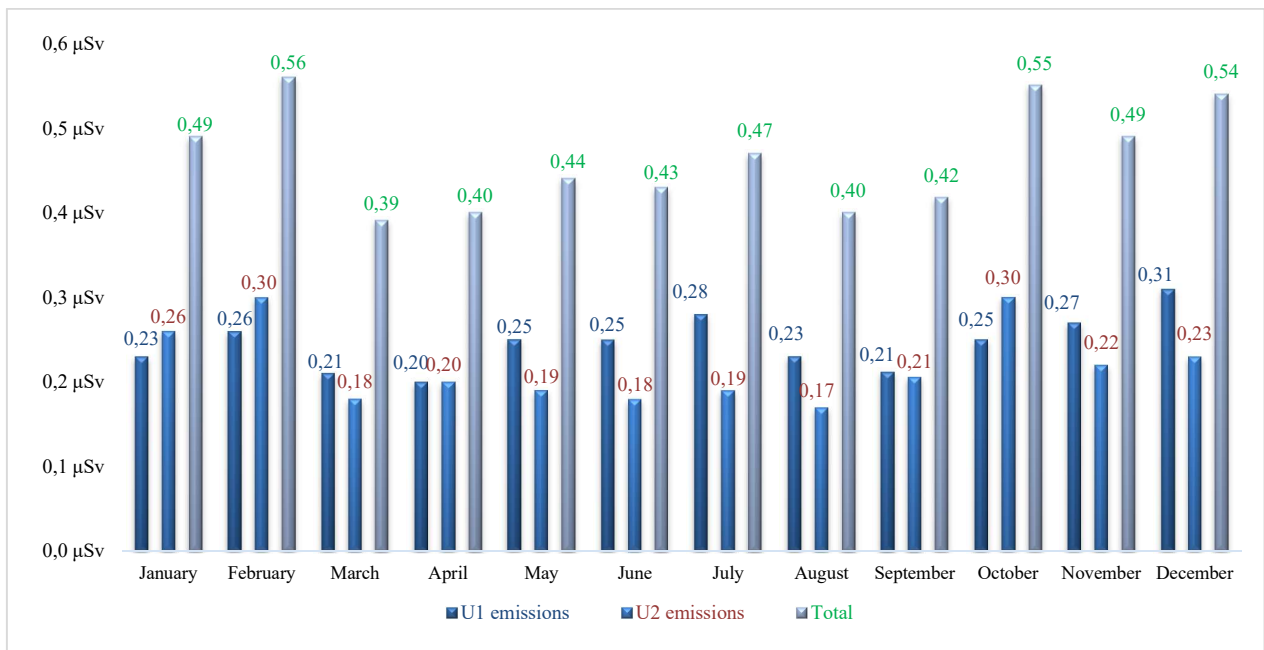
**Nuclear fuel burnup degree (MWh/KgU)**  
**(Cumulated 2020: 173/Provided in the project: min. 156)**



**Heavy water loss U1+U2 (Kg)**  
**(Cumulated 2020: 4,475/Provided: max. 10,280)**



**Volume of radioactive emissions in the environment U1+U2 (µSv)**  
**(Total cumulated 2020: 5.58/Annual limit: 250)**





### **3.6. Activity of the Pitesti NFF Branch**

Over the period January 1 - December 31, 2020, the FCN Pitesti Branch manufactured, controlled and accepted 10,800 nuclear fuel bundles, according to the manufacture plan, all of them within the specifications, and the production of nuclear fuel bundles decreased by 3.6% as compared to the same period of 2019, when 11,200 bundles were manufactured, inspected and accepted. In the context of the establishment of the state of emergency on the territory of Romania, between 01.04.2020 and 18.05.2020 the activity of the FCN Pitesti Branch was interrupted.

Over the period January 1 - December 31, 2020, FCN Pitesti Branch delivered to CNE Cernavoda a quantity of 10,080 nuclear fuel bundles (January 1 - December 31, 2019: 10,800 bundles), and complied with the agreed delivery schedule.

In 2020, for the production of nuclear fuel, sintered uranium dioxide powder was consumed, at an average price of 521.13 RON/kg, from the existing stock on January 1, 2020, and from the purchases from CNU (National Company of Uranium) - Feldioara Branch and Cameco Marketing Inc. Canada.

## **4. OTHER SIGNIFICANT ASPECTS**

### **4.1. Main aspects of continuing the Project for Increasing the Production Capacity**

The main actions performed by SNN in order to continue the Project for Increasing the Production Capacity are as follows:

- By Resolution of the Extraordinary General Meeting of Shareholders (“EGMS”) no. 8/12.06.2020, the following measures were approved:

1. Repealing of the “Strategy for the continuation of the Units 3 and 4 Project from Cernavoda NPP by organizing an investor selection procedure” (2014) and of the “Revised strategy for the continuation of the Units 3 and 4 Project from Cernavoda NPP by organizing an investor selection procedure” (2018) (item 2 of the EGMS agenda of June 12, 2020).
2. Authorizing the SNN Board of Directors to initiate the procedures/steps/actions regarding the termination of negotiations with CGN, as well as the termination of the legal effects (by agreement of the parties, denunciation, etc.) of the following documents: "Memorandum of Understanding on the development, construction, operation and decommissioning of Units 3 and 4 of CNE Cernavoda (MoU)" and "Investor Agreement in preliminary form", respectively (item 3 of the EGMS agenda of June 12, 2020).
3. Mandating the Board of Directors of the SNN to initiate the steps for the analysis and crystallization of strategic options for the construction of new nuclear power generation capacities (item 4 of the EGMS agenda of June 12, 2020).

- By Resolution of the Prime Minister of Romania no. 281/14.07.2020, published in the Official Gazette of Romania, Part I, no. 618/14.VII.2020, the Strategic Coordination Committee for the Implementation of the Project for CNE Cernavoda Units 3 and 4 was created.

- By Resolution of the Prime Minister of Romania no. 20/2021, published in the Official Gazette of Romania, Part I, no. 12/6.I.2021, the Strategic Coordination Committee for the Implementation of the Project for CNE Cernavoda Units 3 and 4 was modified.

#### **4.2. The litigation initiated by the Union of Cernavoda NPP and employees of the Cernavoda NPP Branch**

On the docket of the Constanta Court, a case was filed against SNN, no. 5802/118/2017, and its scope is unpaid salary rights, representing the equivalent value of the occupational risk (hazardous conditions) bonus, and the plaintiff is the Union of Cernavoda NPP on behalf of 757 employees of the Cernavoda NPP Branch.

The company deems these claims as groundless, as all due salary rights were paid to the employees, including the amounts of money that are subject to this litigation. The court rejected the exception of the work authority on trial, invoked by SNN, as groundless, and approved the evidence with documents and accounting studies, and prorogated the technical study related to the classification in the radiological risk areas after SNN submitted the documents. The accounting expertise report was completed and objections were submitted. The following hearing is on 26.03.2021.

#### **4.3. The litigation initiated by the Free Union Energetica Nucleara '90 and employees of the Cernavoda NPP Branch**

On the docket of the Constanta Court, a case was filed against SNN, no. 7036/118/2017, and its scope is unpaid salary rights, representing the equivalent value of the occupational risk (hazardous conditions) bonus, and the plaintiff is the Energetica Nucleara '90 on behalf of 291 employees of the Cernavoda NPP Branch.

The company deems these claims as groundless, as all due salary rights were paid to the employees, including the amounts of money that are subject to this litigation. The court approved the evidence with documents and accounting study, and prorogated the technical expertise related to the classification in the radiological risk areas after SNN submitted the documents. The technical expertise procedure is in progress with the Autonomous Administration of Technologies for Nuclear Energy – CITON. The court asked CNCAN for the list of experts in order to appoint an expert. The following hearing is on 26.03.2021.

#### **4.4. Litigations initiated by S.N. Nuclearelectrica S.A. against the Energy Regulation National Authority “ANRE”**

S.N. Nuclearelectrica S.A. initiated the action of suspending ANRE Order no. 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers and for setting maximum electricity quantities that may be imposed as sale obligations based on regulated contracts - File no. 7222/2/2019. The court approved the SNN application and ordered the suspension of the execution of ANRE Order no. 216/11.12.2019 until the merits court issues its judgment. Judgment no. 132/02.03.2020 is legally enforceable. Against this judgment, ANRE filed an appeal, settled by the High Court of Cassation and Justice, by Resolution no. 5713/04.11.2020, namely it approved the exception of the lack of interest in supporting the appeal, invoked by the appellee - plaintiff SNN and rejected the appeal filed by defendant ANRE against Civil judgment no. 132/02.03.2020, ruled by the Court of Appeal of Bucharest - Section IX - administrative and fiscal unit, for lack of interest (final).

S.N. Nuclearelectrica S.A. initiated the action of cancelling ANRE Order no. 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers and for setting maximum electricity quantities that may be imposed as sale obligations based on regulated contracts (“ANRE Order no. 216/11.12.2019”) - File no. 97/2/2020. In the Current Report published on August 3, 2020, SNN informed its shareholders and investors of the notification on the court portal, of the rejection of the application for annulment of ANRE Order no. 216/11.12.2019. The judgment of the Court of Appeal of Bucharest was appealed within the legal term, registered on the docket of the High Court of Cassation and Justice, and the hearing is to be scheduled.

S.N. Nuclearelectrica S.A. has initiated the action to cancel ANRE Order no. 12/30.03.2016 on the approval of the Performance Standard for the electricity transmission service and for the system service (published in the Official Gazette no. 279/13.04.2016) – File no. 2659/2/2020, registered on the docket of the Bucharest Court of Appeal, Section IX – administrative and fiscal litigation. The court rejected the application for the recovery of the material right to action within the statute of limitation as ungrounded, and allowed the exception of the delay in submitting the application and partially approved the application for notifying the Constitutional Court and ordered its notification with the solution of the non-constitutionality exception of the provisions of art. 5 paragraph 7 of GEO no. 33/2017 on amending and supplementing Electricity law no. 13/2007 and Gas law no. 351/2004, approved by Law no. 160 of October 2, 2012. The decision is appealable.

S.N. Nuclearelectrica S.A. initiated the action of canceling and suspending the execution of ANRE Order no. 88/2020 for approving the Methodology for setting regulated fees and prices applied by last-instance suppliers to end clients for period July 1 - December 31, 2020 and for amending and supplementing the Electricity sale-purchase framework contract concluded between producers of electricity and last-instance suppliers, approved by Order of the Chairman of the National Authority for Energy Regulation no. 34/2019 - File no. 3570/2/2020 on the docket of the Bucharest Court of Appeal, hearing - December 10, 2020. On December 17, 2020, the court rejected the execution suspension application and set the hearing on the merits of the case on March 4, 2021.

#### **4.5. Changes in the management of the Company - Managers**

By the Current Report published on March 27, 2020, SNN informed its shareholders and investors regarding the resolution of the Board of Directors of SNN to temporarily suspend the selection procedure, during the state of emergency declared on the territory of Romania. Upon the recommendation of the Nomination and Remuneration Committee, considering the current context, in order to ensure the continuity of SNN activities under optimal conditions, the Board of Directors of SNN approved the appointment of Mr. Paul Ichim as Chief Financial Officer with a provisional mandate of 4 months from April 1, 2020 to July 31, 2020, with the possibility of its extension for 2 more months, until September 30, 2020.

By the Current Report published on July 23, 2020, SNN informed its shareholders and investors of the Resolution of the Board of Directors no. 158/23.07.2020 approving the appointment of Mr. Paul Ichim as Chief Financial Officer of SNN with a mandate for a period of 4 years as of August 1, 2020, following the completion of the selection procedure, organized in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented.

By the Current Report published on October 19, 2020, SNN informed its shareholders and investors regarding the termination of the individual employment contract of Mr. Dan Bigu, the Manager of the Cernavoda NPP Branch, by meeting the standard cumulative age conditions and the minimum contribution level for retirement. Following the completion of the internal selection procedure, this position will be taken over by Mr. Valentin Nae as of October 19, 2020.

#### **4.6. Changes in the management of the Company - Board of Directors**

Resolution no. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN (“OGMS”) approved the following activities for selecting a member in the Board of Directors:

1. Approving the initiation of the procedure of selecting a member in the Board of Directors, according to the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public entities, as further amended and supplemented (item 2 of the OGMS agenda of January 30, 2020).
2. Approving the mandating of the Board of Directors for the implementation of the procedure for selecting a member in the Board of Directors (item 3 of the OGMS agenda of January 30, 2020).
3. Appointing Mr. Teodor Minodor Chirica as a provisional member of the Board of Directors, with a mandate duration of 4 months from January 30, 2020 to May 30, 2020 (item 4 of the OGMS agenda of January 30, 2020).

By Resolution no. 6/28.05.2020 of the Ordinary General Meeting of Shareholders (“OGMS”) of SNN, the following were approved:

1. Extension of the mandate of Mr. Teodor Minodor Chirica which was completed on 30.05.2020, for a period of 2 months, as of 31.05.2020, in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, or until the mandate acceptance date by a director appointed in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, if the selection is completed before the indicated deadline (item 2 of the OGMS agenda of May 28, 2020).
2. Maintaining the monthly gross fixed payment and the variable component as approved by Resolution no. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN (item 3 of the OGMS agenda of May 28, 2020).
3. Form of the addendum to the mandate contract (item 4 of the OGMS agenda of May 28, 2020).

By the Current Report published on July 10, 2020, SNN informed its shareholders and investors that the members of the Board of Directors of SNN have taken note, by Resolution no. 130/10.07.2020, of the resignation request of Mr. Iulian Robert Tudorache pertaining to his position of member of the Board of Directors of SNN, as of August 24, 2020.

By the Current Report published on July 23, 2020, SNN informed its shareholders and investors that at the meeting of the Board of Directors of July 23, 2020, the appointment of Mr. Teodor Minodor Chirica as Chairman of the Board of Directors of SNN was approved as of July 23, 2020 until the expiry of his mandate (Resolution of the Board of Directors no. 131/23.07.2020).

By Resolution no. 9/27.07.2020 of the Ordinary General Meeting of Shareholders (“OGMS”) of SNN, the following were approved:

1. The election of Mr. Teodor Minodor Chirica as a member of the Board of Directors of the SNN, with a term of office until September 28, 2022, the date on which the term of office of the directors in office ends (items 3.2 and 4 of the OGMS agenda of July 27, 2020).
2. The monthly gross fixed payment, equal to two times the average of the last 12 months of the monthly gross average wage for the activity performed according to the main scope of business registered by SNN, at class level, according to the national classification of economic activities, communicated by the National Institute of Statistics prior to appointment (item 5 of the OGMS agenda of July 27, 2020).
3. The annual variable component amounting to 12 fixed monthly allowances, determined based on the financial and non-financial performance indicators - as such have been negotiated with the current directors in office of SNN, and approved by the General Meeting of Shareholders, by Resolution no. 3/10.04.2019 (item 6 of the OGMS agenda of July 27, 2020).
4. The form of the mandate contract to be concluded with Mr. Teodor Minodor Chirica (item 7 of the OGMS agenda of July 27, 2020).

By the Current Report published on November 24, 2020, SNN informed its shareholders and investors that the members of the Board of Directors of SNN took note of the notification of Mr. Cristian Gentea on the legal expiry of its mandate as a member of the Board of Directors as of November 19, 2020, and the notification was registered with SNN on November 23, 2020. As of November 19, 2020, Mr. Cristian Gentea is the mayor of Pitesti, a position which is incompatible with exercising the mandate of member of the Board of Directors of SNN.

By Resolution no. 1/27.01.2021 of the Ordinary General Meeting of Shareholders (“OGMS”), the following were approved:

1. Dismissing Mr. Iulian Robert Tudorache from the position of member of the Board of Directors, as he waived his mandate (item 4 of the OGMS agenda of January 27, 2021).
2. Dismissing Mr. Cristian Gentea from the from the position of member of the Board of Directors, as a result of the termination of his legal rights to hold this position, because of a case of incompatibility, namely being appointed in a position within the public administration (item 5 of the OGMS agenda of January 27, 2021).
3. Approving the initiation of the procedure of selecting two members in the Board of Directors of SNN, according to the provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public entities, as further amended and supplemented (item 6 of the OGMS agenda of January 27, 2021)
4. Approving the mandating of the Board of Directors of SNN for the implementation of the procedure for selecting a member of the Board of Directors (item 7 of OGMS agenda of January 27, 2021).

#### **4.7.Pre-SALTO assessment mission regarding the implementation of the project for refurbishment Unit 1 of NPP Cernavoda**

By the press release published on February 21, 2020, SNN announced that in February 2020 there was at CNE Cernavoda an international Pre - SALTO (Safety Aspects of Long Term Operation) assessment mission of the International Atomic Energy Agency on the implementation of the project for refurbishment Unit 1 of CNE Cernavoda.

The international assessment team ascertained an efficient use of the programs related to the implementation of the first stage of the project, by complying with the time schedule and an efficient use of international experience in refurbishment projects implemented within other CANDU units, and recommended the continuous improvement of the long-term operational strategy and the permanent revision of the process correlated with the implementation of a comprehensive methodology regarding the structures and components of the long-term operation process.

#### **4.8. Concluding a contract for market making services**

By the Current Report published on March 10, 2020, SNN informed its shareholders and investors on concluding a contract for market making services on March 9, 2020 with SSIF BRK Financial Group, for 12 months. The contract is concluded according to the legislative provisions set by the Bucharest Stock Exchange and considers increasing the liquidity of the SNN shares and decreasing their volatility on the market. Following the results of 2019, when SNN shares recorded the highest performance in the BET index, and recorded the highest increase, SNN aims for the registration in the FTSE index of the London Stock Exchange.

#### **4.9. Implementing Standard ISO 37001 - Anti-bribery management system**

By the Current Report published on March 24, 2020, SNN informed the shareholders and investors on the completion of the process of implementing Standard ISO 37001 - Anti-bribery management system, and SNN obtained the certification for implementing this standard. The main goal of this standard is to create a management system that would continuously enhance a culture of integrity, transparency, openness and compliance and promote trust within the relations between business partners.

#### **4.10. Activities approved regarding the procurement by SNN of the uranium octoxide processing line from Compania Nationala a Uraniului S.A. – Feldioara Branch**

Resolution no. 4/30.03.2020 a of the Extraordinary General Meeting of Shareholders (“EGMS”) approved the following activities for purchasing the uranium octoxide processing line from Compania Nationala a Uraniului S.A. – Feldioara Branch:

1. Approving the initiation of procedures for purchasing the assets related to the Feldioara Branch belonging to Compania Nationala a Uraniului S.A. (item 3 on the EGMS agenda of March 30, 2020).
2. Mandating the SNN managers for implementing the necessary procedures for purchasing the assets related to the Feldioara Branch belonging to Compania Nationala a Uraniului S.A., including for discussions and negotiations in order to prepare the necessary documentation and the acquisition offer (item 4 on the EGMS agenda of March 30, 2020).
3. Approving the initiation of endeavors for transferring the license for the concession of the operation activity in the Tulghes – Grinties perimeter (Neamt county), concluded between the National Agency of Mineral Resources and Compania Nationala a Uraniului S.A. (item 5 on the EGMS agenda of March 30, 2020).

#### **4.11. Participation of S.N. Nuclearelectrica S.A. in the incorporation of the Association of Electricity Producers - HENRO**

Resolution no. 4/30.03.2020 of the Extraordinary General Meeting of Shareholders (“EGMS”) approved the following activities in order for SNN to participate in the Association of Electricity Producers - HENRO:

1. Approving the participation of SNN in the incorporation of the Association of Electricity Producers - HENRO and the contribution to its patrimony, according to the note presented to the shareholders for this topic on the agenda (item 6 on the EGMS agenda of March 30, 2020).
2. Mandating the Chief Executive Officer to implement all the necessary formalities for incorporating the association and to sign all the necessary incorporation documents, on behalf of SNN (item 7 on the EGMS agenda of March 30, 2020).

#### **4.12. Approving the distribution of the net profit of financial year 2019**

By Resolution no. 5/27.04.2020 of the Ordinary General Meeting of Shareholders (“OGMS”) the distribution of the net profit for the financial year 2019 by destinations was approved, the total value of gross dividends in value of 498,421,396 RON, the value of the gross dividend per share in value of 1.65306302 RON, the dividend payment date, namely the date of June 25, 2020 and the payment methods, according to the report submitted to the shareholders for this item of the agenda (item 6 of OGMS agenda from April 27, 2020).

#### **4.13. Planned outage of Unit 1 CNE Cernavoda**

Starting from June 20, 2020 at 11:00, Unit 1 CNE Cernavoda entered the planned outage program and the synchronization with the National Energy System was made on August 6, 2020 at 04:04.

During the period of planned outage made once every two years, more than 10,000 activities of the following programs were carried out:

- Preventive and corrective maintenance program;
- Inspection program;
- The mandatory testing program during the period of planned outages, according to the requirements of the National Committee for Nuclear Activities Control which can be made only with the plant stopped;
- Program for implementation of the project modifications by certain systems/equipment/components.

All the works in the planned stoppage period were performed under safety conditions for the staff of the plant, for the public and the environment, according to the procedures approved used by CNE Cernavoda Branch and by complying with all the protection measures against COVID 19.

#### **4.14. Approval of the Investment Strategy for the period 01.07.2020 – 01.07.2025**

By Resolution no. 7/12.06.2020 of the Ordinary General Meeting of Shareholders (“OGMS”), the Investment strategy of SNN for period 01.07.2020 - 01.07.2025, according to the report submitted to the shareholders for this item on the agenda (item 2 of the OGMS agenda of June 12, 2020), was approved.

#### **4.15. The contribution of nuclear energy to the generation of clean hydrogen**

By the press release published on June 16, 2020, SNN announced that is signed, on June 15, 2020, along with other energy companies, research institutes and associations, a joint letter to the attention of the European Commission on the contribution of low carbon sources to hydrogen production, thus leading to the achievement of decarbonization targets set for 2050.

#### **4.16. Approval of regulated prices and quantities for the period July 1, 2020 - December 31, 2020**

By the Current Report published on June 29, 2020, SNN informed the shareholders and the investors about the Decision of the National Energy Regulatory Authority no. 1077/29.06.2020, according to which SNN is bound to sell on the regulated market, in period July 1, 2020 - December 31, 2020, a quantity of 1,095,005.088 MWh, representing 10.54% of the total production quantity scheduled for 2020 at the regulated price of 182.63 RON/MWh. This regulated price does not include the electricity transmission fee, in the amount of 1.30 RON/MWh (according to the Order of the National Regulatory Authority for Energy no. 218/11.12.2019).

#### **4.17. Inclusion in the emerging market indexes of FTSE Russell**

By the Current Report published on September 21, 2020, SNN informed its shareholders and investors on the inclusion in the indexes of the global index provider FTSE Russell in the context of the capital market of Romania passing from the status of Border Market to that of Secondary Emerging Market, as of September 21, 2020. The shares of SNN will be included in the following indexes: FTSE Global All – Cap, FTSE Global Total – Cap, FTSE Global Small Cap, FTSE Emerging Index and FTSE Emerging All Cap Index.

#### **4.18. Share capital increase**

On the date on which this report was drafted, the share capital increase process was completed. Thus, the share capital of SNN was increased by subscribing 130,043 new shares, in value of 1,300,430 RON, representing the in-kind contribution of the Romanian State, represented by the Ministry of Economy, Energy and Business Environment, and the cash contribution of the Company shareholders. The share capital increase was performed according to the Proportional Offer Prospectus related to share capital increases, approved by Resolution of the Financial Supervision Authority no. 976/13.08.2020 and Resolutions no. 2/04.01.2019 and no. 12/19.12.2019 of the Extraordinary General Assembly of Shareholders, registered with the Trade Register National Office according to Mention Certificate no. 484154/30.09.2020. The value of the share capital of SNN resulted following this operation is 3,016,438,940 RON, fully subscribed and paid by the company's shareholders, corresponding to a number of 301,643,894 registered, dematerialized shares, each with a nominal value of 10 RON.

#### **4.19. Authorizing the Agreement between the Romanian Government and the USA Government**

By the Current Report published on October 9, 2020, SNN informed its shareholders and investors regarding the signing of the Agreement between the Government of Romania and the Government of the United States of America was signed regarding the cooperation in connection with the nuclear-energy projects from Cernavoda and in the civil nuclear energy sector in Romania, on October 9, 2020, in Washington DC. In relation to the investment projects implemented by SNN, the stage of authorizing this agreement mainly refers to the extension of the capacity of the NPP Cernavoda and the Project for Refurbishment Unit 1 of NPP Cernavoda.



Also, the USA Government expressed its interest to find financing institutions that would support the global funding of the projects by complying with the policies, procedures and the decision independence of these institutions, and this financial component was included in the Inter-Government Agreement. According to the national and European legislation, the Inter-Government Agreement draft is to be sent to the European Commission according to the provisions of the Euratom Treaty.

#### **4.20.Partnership between S.N. Nuclearelectrica S.A. and US - TDA**

By the Current Report published on January 13, 2021, SNN informed its shareholders and investors on the granting by US - TDA of a non-reimbursable grant of 1,277,115 USD, in order to finance the costs for providing technical support for identifying and performing a preliminary assessment of potential nuclear locations compatible with small modular reactor (“SMR”) technologies in Romania, and drafting a roadmap for licensing them.

#### **4.21.Amendment of the Articles of Incorporation of the Company**

By Resolution no. 2/27.01.2021 of the Extraordinary General Meeting of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this item on the agenda (item 2 of the agenda of the Extraordinary General Meeting of Shareholders of January 27, 2021), was approved.

#### **4.22.Subsidiary incorporation**

Resolution no. 2/27.01.2021 of the Extraordinary General Meeting of Shareholders (“EGMS”) approved the following activities for incorporating a new branch:

1. Approving the incorporation of a subsidiary, fully owned by the Company, as a sole shareholder, according to the report submitted to the shareholders for this point of the agenda (item 3 of the agenda of the EGMS of January 27, 2021). The scope of activity of the subsidiary shall include “treating and removing hazardous waste, collecting hazardous waste and decontamination activities”.
2. Approving the mandating of the Board of Directors of SNN to fulfill all the formalities for incorporating the new subsidiary (item 4 of the agenda of the Extraordinary General Meeting of Shareholders of January 27, 2021).

#### **4.23.Major litigations**

The situation of the major litigations (in amount of over 500,000 RON) and of the monetary unevaluated ones in progress on December 31, 2020 is presented in **Annex 4**.

#### **4.24.Other information**

The quarterly report of the Board of Directors for January 1 - December 31, 2020 is accompanied by the Audited Individual Financial Statements on the date and for the financial year ended on December 31, 2020; these financial statements are published on the website of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.

**5. MAIN ECONOMIC AND FINANCIAL INDICATORS AS OF 31.12.2020**

SNN performances are reflected in the accomplishment of the main economic financial indicators, as follows:

<b>Indicator name</b>	<b>Calculation method</b>	<b>M.U.</b>	<b>Value 31.12.2020<sup>*)</sup></b>
<b>1. The current liquidity indicator</b>	Current assets/ Current liabilities	x	4.73
<b>2. Debt ratio indicator</b>			
2.1. Debt ratio indicator (1)	Borrowed capital/ Equity x 100	%	3.9%
2.1. Debt ratio indicator (2)	Borrowed capital/ Engaged capital x 100	%	3.7%
<b>3. Turnover speed, for client debit items</b>	Average accounts receivables/ Turnover x 360	days	24
<b>4. Assets turnover ratio</b>	Turnover/ Non-current assets	x	0.41

*\*) Based on the Audited Individual Financial Statements on the date and for the financial year ended on December 31, 2020.*

## **6. ACHIEVEMENT DEGREE OF THE KEY PERFORMANCE INDICATORS**

By Resolution no. 12/28.09.2018 of the Ordinary General Meeting of the Shareholders of SNN, the structure of the Board of Directors of SNN was approved, for a 4 years term, starting with September 28, 2018, as follows: Mr. Iulian – Robert Tudorache, Mr. Cosmin Ghita, Mr. Dumitru Remus Vulpescu, Mr. Cristian Gentea, Mrs. Elena Popescu, Mr. Cristian Dima and Mr. Mihai Daniel Anitei.

By the Resolution of the Board of Directors no. 187/29.10.2018, the administration component of the Administration Plan was approved. By the Resolution of the Board of Directors no. 33/07.03.2019, the management component of the Administration Plan and the overall Administration Plan were approved.

By Resolution no. 3/10.04.2019 of the Ordinary General Meeting of Shareholders of SNN, the following were approved:

- the financial and non-financial performance indicators that will form the annex to the contract of mandate of non-executive directors;
- the equivalent value corresponding to the annual variable component of the remuneration of non-executive directors of the company, amounting to 12 monthly fixed allowances;
- the form of the addendum to be concluded to the contract of mandate of the company's non-executive directors.

The mandate contracts and the addendums to the mandate contracts signed by SNN with the members of the Board of Directors provide their key performance indicators, and the quarterly and annual targets for 2019 - 2022. According to the provisions of the mandate contracts (section 5 of Annex 3 to the mandate contracts), the total achievement percentage of the key performance indicators is calculated for each quarter.

On October 9, 2019, Mandate Contract no. 54/28.09.2018, concluded by the Company with Mr. Dima Cristian, legally expired, in virtue of art. 13.1 letter k), according to which the contract is terminated when the director does not pass within 12 months after the start of the mandate the CNCAN verifications provided in NSN norms - 23 and of art. 23 par. (8) of NSN 23 "Nuclear security norms regarding the training, qualification and authorization of the personnel of the organizations that operate nuclear installations" according to which "the members of the Board of Directors and/or of the supervisory board of the authorization holder with attributions and authority for taking decisions with impact on nuclear security must prove that they have the necessary knowledge, skills and attitudes, following the verification by CNCAN, by using the examination objectives and the questions from annexes no. 1 and 2 to these norms, according to the provisions of par. (5)."

Board of Directors Resolution no. 216/19.12.2019 approved the recommendation of the Nomination and Remuneration Committee regarding the appointment by the Board of Directors of Mr. Teodor Minodor Chirica as a temporary member of the Board of Directors of SNN until the General Meeting of Shareholders, GMS, summoned for January 30, 2020.

Resolution no. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN approved the appointment of Mr. Teodor Minodor Chirica as a temporary member of the Board of Directors of SNN, with a 4 months duration, for 30.01.2020 – 30.05.2020, according to the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public companies, as further amended and supplemented. The remuneration of Mr. Teodor Minodor Chirica is composed of a fixed monthly gross compensation and a variable component set based on short-term financial and non-financial performance

indicators for 2020, as approved for the current members of the Board of Directors of SNN with mandate contracts in force.

Resolution no. 6/28.05.2020 of the Ordinary General Meeting of Shareholders of SNN approved the extension of the mandate of Mr. Teodor Minodor Chirica which was completed on 30.05.2020, for a period of 2 months, as of 31.05.2020, in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, or until the mandate acceptance date by a director appointed in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, if the selection is completed before the indicated deadline. It also approved maintaining the monthly gross fixed payment and the variable component as approved by Resolution no. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN.

By resolution no. 130/10.07.2020, the Board of Directors of SNN took note of the resignation request of Mr. Iulian Robert Tudorache pertaining to his position of member of the Board of Directors of SNN, as of August 24, 2020.

Resolution of the Board of Directors no. 131/23.07.2020 approved the appointment of Mr. Teodor Minodor Chirica as Chairman of the Board of Directors of SNN as of July 23, 2020 until the expiry of his term of office.

By Resolution no. 9/27.07.2020 of the Ordinary General Meeting of Shareholders of SNN, the following were approved:

- the election of Mr. Teodor Minodor Chirica as a member of the Board of Directors of the SNN, with a term of office until September 28, 2022, the date on which the term of office of the directors in office ends;
- the remuneration of Mr. Teodor Minodor Chirica consisting of a fixed monthly gross payment, equal to twice the average over the last 12 months of the average gross monthly earnings for the activity carried out according to the main scope of activity of SNN, at the class level according to the classification of activities in the national economy, communicated by the National Statistics Institute prior to the appointment, and an annual variable component amounting to 12 monthly fixed allowances determined on the basis of financial and non-financial performance indicators, as they were negotiated with the current directors in office of SNN and approved by the Ordinary General Meeting of Shareholders by Resolution no. 3/10.04.2019;
- the form of the mandate contract to be concluded with Mr. Teodor Minodor Chirica.

On November 23, 2020, Mr. Cristian Gentea notified the Company about the fact that as of November 19, 2020 he took over a position within the public administration, which is incompatible with the position of a member of the Board of Directors of SNN, according to the provisions of art. 87 par. 1 let. d) of Law no. 161/2003 and the provisions of art. 13.1 let. g) of Mandate contract no. 58/28.09.2018 concluded with SNN. The members of the Board of Directors took note, during the meeting of November 23, 2020, of the notification regarding the legal termination of Mandate contract no. 58/28.09.2018 of Mr. Cristian Gentea, because of a case of incompatibility, namely being appointed in a position within the public administration. As of November 19, 2020, Mr. Cristian Gentea is the mayor of Pitesti, a position which is incompatible with exercising the mandate of member of the Board of Directors of SNN.

By Resolution no. 1/27.01.2021 of the Ordinary General Meeting of Shareholders (“OGMS”), the following were approved:

- dismissing Mr. Iulian Robert Tudorache from the position of member of the Board of Directors, as he waived his mandate;
- dismissing Mr. Cristian Gentea from the from the position of member of the Board of Directors, as a result of the legal termination of the mandate contract, because of a case of incompatibility, namely being appointed in a position within the public administration;
- approving the initiation of the procedure of selecting two members in the Board of Directors of SNN, according to the provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public entities, as further amended and supplemented;
- mandating the Board of Directors of SNN for the implementation of the procedure for selecting a member in the Board of Directors.

As of December 31, 2020, the members of the Board of Directors were as follows:

<b>Item no.</b>	<b>Name and surname</b>	<b>Date of mandate expiry</b>
1.	Teodor Minodor Chirica <sup>*)</sup>	28.09.2022
2.	Cosmin Ghita <sup>**)</sup>	28.09.2022
3.	Dumitru Remus Vulpescu	28.09.2022
4.	Elena Popescu	28.09.2022
5.	Mihai Daniel Anitei	28.09.2022

<sup>\*)</sup> *Chairman of the Board of Directors of SNN, in virtue of the Resolution of the Board of Directors no. 131/23.07.2020.*

<sup>\*\*)</sup> *Also occupies the position of Chief Executive Officer of SNN.*

The cumulated calculation of the total achievement percentage of the key performance indicators for the fourth quarter of 2020 is presented in **Annex 5**. The achievement degree of the key performance indicators is determined by the total achievement percentage of the key performance indicators, in relation to the achievements to the weights of each short, medium and long term indicator. The achievement degree of the key performance indicators is limited to the 100% threshold, if the achievements exceed the targets proposed by the mandate contract.

Thus, the indicators of the key performance indicators were achieved 99.7% for the fourth quarter of 2020 cumulated (so over the 75% threshold) for each member of the Board of Directors:

<b>Mandate contract</b>	<b>Achievement level Q4 2020 (cumulated)</b>
Board of Directors	99.7%

**Teodor Minodor Chirica,**  
**Chairman of the Board of Directors**

**Endorsed,**  
**Paul Ichim,**  
**Chief Financial Officer**

**Annex 1 - Financial position statement as of December 31, 2020**

	<b>December 31, 2020</b> <b>(audited)</b>	<b>December 31, 2019</b> <b>(audited, restated)</b>	<b>January 1, 2019</b> <b>(audited, restated)</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5,794,727,840	6,056,697,319	6,364,461,135
Assets representing rights to use underlying assets under a leasing contract	621,233	-	-
Intangible assets	53,470,674	60,760,656	54,834,052
Financial assets at amortised cost	5,056,031	42,836,031	110,474,559
Financial investments in subsidiaries	141,666,101	141,666,101	141,666,101
<b>Total non-current assets</b>	<b>5,995,541,879</b>	<b>6,301,960,107</b>	<b>6,671,435,847</b>
<b>Current assets</b>			
Inventories	435,434,531	402,936,159	368,742,400
Assets classified as held for sale	2,231,633	2,231,633	-
Trade receivables	157,943,751	169,994,236	157,665,341
Other financial assets at amortised cost	85,367,796	81,706,755	36,230,570
Bank deposits	1,621,384,000	58,879,494	20,954,979
Cash and cash equivalents	546,565,840	1,793,145,389	1,611,175,766
<b>Total current assets</b>	<b>2,848,927,551</b>	<b>2,508,893,666</b>	<b>2,194,769,056</b>
<b>Total assets</b>	<b>8,844,469,430</b>	<b>8,810,853,773</b>	<b>8,866,204,903</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital, out of which:	3,211,941,683	3,210,641,253	3,210,641,253
<i>Subscribed and paid in share capital</i>	<i>3,016,438,940</i>	<i>3,015,138,510</i>	<i>3,015,138,510</i>
<i>Inflation adjustments to the share capital</i>	<i>195,502,743</i>	<i>195,502,743</i>	<i>195,502,743</i>
Share premiums	31,474,149	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537	21,553,537
Revaluation reserve	198,799,898	227,996,066	257,407,532
Retained earnings	4,055,915,983	3,843,269,056	3,658,054,141
<b>Total equity</b>	<b>7,519,685,250</b>	<b>7,334,934,061</b>	<b>7,179,130,612</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term borrowings	290,478,567	499,908,597	683,967,469
Long term lease liabilities	515,074	-	-
Provisions for risks and expenses	235,409,546	213,470,997	182,883,283
Deferred revenues	86,067,969	100,412,631	114,757,293
Deferred tax liability	66,526,912	80,743,008	102,644,715
Employee benefit obligations	43,102,434	41,621,644	38,617,348
<b>Total non-current liabilities</b>	<b>722,100,502</b>	<b>936,156,877</b>	<b>1,122,870,108</b>
<b>Current liabilities</b>			
Trade and other payables	285,020,150	220,236,112	197,107,880
Current portion of provisions for risks and expenses	57,272,874	65,442,649	33,831,052
Current tax liability	32,049,397	13,329,182	98,958,158
Deferred revenues	16,228,454	27,863,600	30,913,233
Current portion of long term borrowings	211,995,082	212,891,292	203,393,860
Short term lease liabilities	117,721	-	-
<b>Total current liabilities</b>	<b>602,683,678</b>	<b>539,762,835</b>	<b>564,204,183</b>
<b>Total liabilities</b>	<b>1,324,784,180</b>	<b>1,475,919,712</b>	<b>1,687,074,291</b>
<b>Total equity and liabilities</b>	<b>8,844,469,430</b>	<b>8,810,853,773</b>	<b>8,866,204,903</b>

**Annex 2 - Profit and Loss Account for the 12 months period ended on December 31, 2020**

	<b>3 months period ended on December 31, 2020 (audited)</b>	<b>3 months period ended on December 31, 2019 (audited)</b>	<b>12 months period ended on December 31, 2020 (audited)</b>	<b>12 months period ended on December 31, 2019 (audited)</b>
<b>Revenues</b>				
Sales of electricity	700,606,518	594,207,821	2,432,279,475	2,365,563,574
Electricity transmission revenues	3,735,895	3,330,979	13,724,548	12,208,626
<b>Total revenues</b>	<b>704,342,413</b>	<b>597,538,800</b>	<b>2,446,004,023</b>	<b>2,377,772,200</b>
Other income	18,647,056	9,676,186	54,167,930	39,660,952
<b>Operational expenses</b>				
Depreciation and amortization	(135,988,642)	(139,970,760)	(544,752,111)	(555,552,520)
Personnel expenses	(114,109,434)	(73,785,523)	(440,280,607)	(425,597,378)
Cost of traded electricity	(5,043,154)	(954,263)	(56,596,319)	(84,160,189)
Repairs and maintenance	(19,328,582)	(15,304,365)	(66,177,703)	(63,139,508)
Electricity transmission expenses	(3,735,895)	(3,330,979)	(13,724,548)	(12,208,626)
Cost of spare parts	(1,919,514)	(3,871,406)	(15,356,809)	(16,311,993)
Cost of nuclear fuel	(36,681,873)	(27,521,312)	(132,766,256)	(106,122,681)
Other operating expenses	(172,519,981)	(233,732,700)	(459,125,682)	(524,914,494)
<b>Total operating expenses</b>	<b>(489,327,075)</b>	<b>(498,471,308)</b>	<b>(1,728,780,035)</b>	<b>(1,788,007,389)</b>
<b>Operating profit</b>	<b>233,662,394</b>	<b>108,743,678</b>	<b>771,391,918</b>	<b>629,425,763</b>
Finance costs	(6,783,458)	(11,566,212)	(40,513,514)	(65,486,790)
Finance income	15,896,076	18,120,127	84,530,211	67,336,735
<b>Financial result</b>	<b>9,112,618</b>	<b>6,553,915</b>	<b>44,016,697</b>	<b>1,849,945</b>
<b>Profit before income tax</b>	<b>242,775,012</b>	<b>115,297,593</b>	<b>815,408,615</b>	<b>631,275,708</b>
Net income tax expense	(21,142,038)	4,424,033	(116,086,386)	(95,608,444)
<b>Profit for the period</b>	<b>221,632,974</b>	<b>119,721,626</b>	<b>699,322,229</b>	<b>535,667,264</b>

## Annex 3 - Execution of the Revenues and Expenses Budget as of December 31, 2020

							thousand RON	
1		Indicators	Row no.	BVC 2020 (approved by OGMS Resolution no. 3/05.03.2020)	Performed 2020	% Performed vs. Approved [Col. 5/Col. 4]	Variation (abs.) [Col. 5 - Col. 4]	Variation (%) [Col. 7/Col. 4]
1		2	3	4	5	6	7	8
I.		<b>TOTAL REVENUES (Row 2 + Row 5)</b>	1	2,637,573	2,585,894	98.0%	(51,679)	(2.0%)
	1.	<b>Total operating income, out of which:</b>	2	2,578,573	2,501,364	97.0%	(77,210)	(3.0%)
		c1 Subsidies, in compliance with the legal provisions in force	3	-	-	-	-	-
		c2 Transfers, in compliance with the legal provisions in force	4	-	-	-	-	-
	2.	<b>Financial revenues</b>	5	59,000	84,530	143.3%	25,530	43.3%
II.		<b>TOTAL EXPENSES (Row 7 + Row 21)</b>	6	1,986,236	1,770,485	89.1%	(215,751)	(10.9%)
	1.	<b>Operating expenses (Row 8 + Row 9 + Row 10 + Row 20)</b>	7	1,932,157	1,729,972	89.5%	(202,185)	(10.5%)
	A.	<b>Expenses with goods and services</b>	8	643,761	522,070	81.1%	(121,691)	(18.9%)
	B.	<b>Expenses with taxes, duties and similar payments</b>	9	171,472	182,693	106.5%	11,221	6.5%
	C.	<b>Personnel expenses (Row 11 + Row 14 + Row 18 + Row 19)</b>	10	471,283	453,790	96.3%	(17,493)	(3.7%)
	C0	<b>Salary expenses (Row 12 + Row 13)</b>	11	429,252	415,654	96.8%	(13,599)	(3.2%)
	C1	<b>Salary expenses</b>	12	384,790	370,411	96.3%	(14,379)	(3.7%)
	C2	<b>Bonuses</b>	13	44,462	45,243	101.8%	781	1.8%
	C3	<b>Other personnel expenses, out of which:</b>	14	0	0	-	0	-
		a) Expenses with compensations for early release of personnel	15	-	-	-	-	-
		b) Expenses with salary rights ordered by judgments	16	-	-	-	-	-
		c) Salary expenses related to restructuring, privatization, receiver, other commissions and committees	17	-	-	-	-	-
	C4	<b>Expenses related to the mandate contract and other control authorities, commissions and committees</b>	18	3,601	3,505	97.3%	(96)	(2.7%)
	C5	<b>Expenses related to social protection, special funds and other legal obligations</b>	19	38,429	34,631	90.1%	(3,798)	(9.9%)
	D.	<b>Other operational expenses</b>	20	645,641	571,419	88.5%	(74,222)	(11.5%)
	2.	<b>Financial expenses</b>	21	54,079	40,514	74.9%	(13,565)	(25.1%)
III.		<b>GROSS RESULT (profit/loss) (Row 1 – Row 6)</b>	22	651,337	815,409	125.2%	164,071	25.2%
IV.		<b>CORPORATE TAX</b>	23	99,879	116,086	116.2%	16,207	16.2%
V.		<b>PROFIT AFTER CORPORATE TAX (Row 22 – Row 23)</b>	24	551,458	699,322	126.8%	147,864	26.8%



**S.N. Nuclearelectrica S.A.**

Quarterly report of the Board of Directors for fourth quarter of 2020

(All amounts are expressed in RON, unless otherwise specified.)

**Annex 4 – Major litigations in progress on December 31, 2020 (over RON 500 thousand), including the non-monetary evaluated ones**

Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
<b>SNN Executive</b>								
1.	9089/101/2013	Civil Court of Law Mehedinti	Creditor	Autonomous Administration for Nuclear Activities (RAAN)	Insolvency. Winding-up bankruptcy. Claim RON 7,828,405.48	Merits	Procedure in progress.	June 03, 2021
2.	873/1259/2008	Civil Court of Law Arges	Creditor	Termoficare 2000 S.A.	Insolvency Bankruptcy. Claim RON 2.713.986,71	Merits	Procedure in progress.	May 11, 2021
3.	1794/118/2016	Criminal Court of Law Constanta	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor SC Davy Security S.R.L. as a civil liability party by a legal administrator.	Prejudice 3,471,463 EUR.	Merits	Solution type: the deed is not provided by criminal law (art. 10 let. b C.P.P.).  Pursuant to art. 396 par. 5 of the criminal procedure code in ref. under art. 17 par. 2 of the criminal procedure code and art. 16 let. b of the criminal procedure code, acquits defendant Bucur Ionel for committing the crime of occupational abuse, if the public official obtained for himself or for another party an undue benefit provided by art. 132 of Law 78/2000 297 par. 1 from the Criminal Code, by applying art. 309 and art. 183 of the Criminal Code by applying art.5 of the Criminal Code (fraudulently granting the physical protection and monitoring service to S.C. Davi Security S.R.L.; S.C. Davi Protect & Security S.R.L., S.C. Davi Protect Comp S.R.L.) and for committing the crime of conflict of interests provided by art. 301 of the Criminal Code by applying art. 5 of the Criminal Code (Conflict of interests related to the security of building FE5 by S.C. Davi Security S.R.L./S.C. Davi Protect & Security S.R.L., S.C. Davi Protect Comp, S.C. Energosecurent S.R.L.). Pursuant to art. 396 par. 5 of the criminal procedure code in ref. under art. 17 par. 2 of the criminal procedure code and art. 16 let. b of the criminal procedure code, acquits Negulici Elena Marinela for committing the crime of occupational abuse and for committing the crime of conflict of interests provided by art. 301 of the Criminal Code by applying art. 5 of the criminal code, acquits defendant Encica Ionel for committing the crime of occupational abuse, acquits defendant Nicola Laurentiu Theodor for committing the crime of occupational abuse, acquits defendant Daramus Victor for committing the crime of accessory to the crime of occupational abuse, acquits defendant Olteanu Madalina	The hearing is next.

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**S.N. Nuclearelectrica S.A.**

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							for committing the crime of occupational abuse, in virtue of art. 397 of the criminal procedure code and art. 25 of the criminal procedure code, rejects the civil case formulated by civil party S.N. Nuclearelectrica S.A., as ungrounded. Lifts the seizure instituted by Ordinance no. 279/P/2015 of January 06, 2016 of DNA – ST Constanta, as amended by authentication no. 9/19.01.2016 of Constanta Court and by Ordinance 279/P/2015 of February 11, 2016 of DNA – ST Constanta, on the assets of defendants Bucur Ionel, Negulici Elena - Marinela and Daramus Victor. Pursuant to art. 275 par. 3 of the criminal procedure code, and the judiciary expenses paid by the state continue to remain its responsibility. With appeal within 10 days from the intimation. Pronounced in public session today, 19.02.2021  Judgment no. 125/19.02.2021.	
4.	3490/121/2015*	Civil Court of Law Galati Court of Appeal Galati ICCJ	Plaintiff	S.C. ArcelorMittal Galati S.A.	Claims RON 8,575,245,78 difference amount energy sale made redundant and other associated expenses.	Retrial recourse	Merits Rejects the action to oblige the defendant to pay damages deriving from contract no. 207/22.02.2013 as ungrounded.  Appeal Approves the appeal filed by plaintiff S.N. Nuclearelectrica S.A. against civil judgment no. 278/20.12.2016 issued by Galati Court of Law - Civil Section II in Case File no. 3490/121/2015. Fully changes the appealed judgment and, in retrial. Partially admits the action. Orders the defendant ArcelorMittal Galati S.A. to pay to the plaintiff S.N. Nuclearelectrica S.A. the amount of RON 8,645,467.52, as damage compensations. Rejects as ungrounded the appeal filed against the resolution of May 26,2016 of the same court. Orders the defendant to pay to the plaintiff the amount of RON 142,132.97, trial expenses - merits and appeal. Judgment no. 227/27.09.2017.  Second appeal Admits the appeal of the appellant-defendant S.C. ArcelorMittal Galati S.A. against civil judgment no. 227/A of September 27, 2017 issued by Galati Court of Law - Civil Section I, which it annuls remanding the case for retrial to the same court. Final.  Retrial appeal Civil judgment no. 102/A approves the appeal filed by plaintiff S.N. Nuclearelectrica S.A. against civil judgment no. 278/20.12.2016 issued by Galati Court of Law - Civil Section II in Case File no. 3490/121/2015. Fully changes the appealed judgment and, in retrial,	The hearing is next.

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Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
							partially approves the case. Orders the defendant ArcelorMittal Galati S.A. to pay to the plaintiff S.N. Nuclearelectrica S.A. the amount of RON 8,575,245.78, as damage compensations. Rejected as groundless the appeal filed against the judgment of 26.05.2016 issued by the Court of Law of Galati in file no. 3490/121/2015. Orders the defendant to pay to the plaintiff the amount of RON 142,132.97, trial expenses - merits and appeal. With the right to appeal, which is to be submitted to the Galati Court of Appeal, within 30 days after the issuance. Pronounced today, 26.06.2019, by making the solution available to the parties by the registry of the Court. Judgment no. 102/26.06.2019.  Retrial recourse	
5.	4946/2/2015	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts Intervener General Concrete	Measure annulment General Concrete	Merits	Merits Admits the request. Partially cancels resolution no. 59/17.07.2015 issued by the defendant, regarding point 5, resolution no. 16/11.05.2015 issued by the defendant, regarding the measure ordered under section II.7 of the resolution, and section 3.3.1 of the Inspection Report No. 4371/ 10.04.2015 issued by the respondent. Admits the request of accessory intervention. With appeal within 15 days from intimation. Judgment no. 68/28.02.2020.  Second appeal	November 18, 2021
6.	45494/3/2015**	Bucharest Law Court Civil party Court of Appeal ICCJ	Plaintiff asked to pay a security	Managers S.N. Nuclearelectric a S.A. and GMS members.	Prejudice 708,407 lei. Execution of measure disposed by CC through the 2012 report regarding D&O policies.	Retrial recourse	Merits Rejects the exception of the invoked procedure quality by the defendants Grama Mioara, Popescu Lucia -Ioana, Chiriac Cristiana and Serbanescu Cristian Ovidiu. Admits the prescription exception. Dismisses the request, stating as prescribed the right to action. Dismisses the application of calling in warranty as left without object. Compels the plaintiff to pay the following trial expenses: RON 8,226.53 towards the defendant Grama Mioara, RON 7,873.53 towards the defendant Popescu Lucia - Ioana and RON 7,925.79 towards the defendant Chiriac Cristiana. With appeal within 30 days from the intimation. Judgment no.7583/29.11.2016. Appeal Approves the appeal. Partially cancels the appealed judgment regarding the approval of the exception of prescription of the amount of 6,465 EUR paid on 01.03.2011, of the amount of 3,397 EUR paid on 02.05.2011, of the amount of 39,250 EUR paid on 07.06.2011 and the accessories of these amounts and regarding the granting of trial expenses. Sends the case for retrial to the same court in these limits.	The hearing is next.

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							<p>Maintains the appealed judgement undecided. With second appeal within 30 days from communication. Pronounced in public session today, 15.12.2017.</p> <p>Second appeal</p> <p>Approves the appeals formulated by defendants Budulan Pompiliu and Teodor Minodor Chirica, Chiriac Cristiana, Grama Mioara, Popescu Lucia Ioana, Serbanescu Cristian - Ovidiu against civil judgment no. 2250 of December 15, 2017 issued by the Bucharest Court of Appeal - Civil Section V, which it cancels and sends the case for retrial to the same court. Final.</p> <p>Retrial merits</p> <p>Dismisses the appeal as reasonless. Obligates the appellant to pay trial expenses to the appellees as follows: for Chirica Minodor Teodor the amount of 22,519 lei, for Budulan Pompiliu the amount of 7,469 lei, for Chiriac Cristina the amount of 21,634 lei, for Grama Mioara the amount of 21,634 lei, for Serbanescu Cristian the amount of 6,354 lei and for Popescu Lucia the amount of 6,805 lei. With the right to appeal. Judgment no. 2215/20.12.2019.</p> <p>Second appeal</p>	
7.	409/2/2016	Bucharest Court of Appeal	Civil Party	Tudor Ion Criminal group House of insolvency Banat liquidator CET Energoterm Resita.	Tax evasion offenses, bribery, corrupt practices RON 580,974.21.	Merits	Merits Procedure in progress.	March 12, 2021
8.	41419/3/2016	Civil Court of Law Bucharest S II	Plaintiff-Defendant	Energ Securent S.R.L.	SNN claims: RON 330,074.32 Claims Energ Securent: RON 2,206,539.80	Merits	Merits Management of the evidence with accounting expertise.	March 23, 2021
9.	5802/118/2017	Labor Constanta Court	Defendant	CNE Union for 757 employees.	Monetary rights hazardous conditions bonus.	Merits	Merits Accounting expertise administration.	March 26, 2021

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10.	7036/118/2017	Labor Constanta Court	Defendant	SLEN union for 132 employees 159 plaintiffs on their own behalf.	Monetary rights hazardous conditions bonus.	Merits	Merits Technical expertise administration.	March 26, 2021
11.	26294/3/2018	Civil Bucharest Court of Law Bucharest Court of Appeal ICCJ	Plaintiff	Davi Comfire	Estimated damage RON 1,915,490 + Legal interest and trial expenses.	Appeal	Merits Dismisses the application as groundless. Dismisses the application requiring the defendant to pay the trial expenses, as groundless. Compels the plaintiff to pay to the defendant the amount of RON 7,000, as trial expenses, representing the lawyer's fee. With appeal within 30 days from the intimation. Judgment no. 1060/22.04.2019. Appeal Unfounded. Brief solution: Dismisses the appeal as reasonless. Dismisses the application of the appellant requiring the defendant to pay the trial expenses, as groundless. Compels the appellant to pay the amount of RON 4.500 to the appellee as trial expenses. With second appeal within 30 days from communication. The application for appeal will be submitted to the CAB. Pronounced in public session today, 11.06.2020. Judgment no. 542/11.06.2020. Second appeal	The hearing is next.
12.	6471/2/2018	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts	Measure annulment point 1 of the Authentication - Energonuclear loan.	Merits	Merits Admits the action. Partially cancels Resolution no.29/31.07.2018, respectively point.1, and Decision no.5/08.06.2018, respectively the measure ordered at point.I.4 to remove the deviation described in point 4. Compels the defendant to pay the trial expenses. With appeal within 15 days from the intimation. Judgment no. 1229/29.03.2019. Second appeal	Settled on the merits.
13.	6472/2/2018	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts	Measure annulment point 4 of the Authentication – Uranium.	Merits	Merits Admits the action. Partially cancels Resolution no.29/31.07.2018, respectively point.4, and Decision no.5/08.06.2018, respectively the measure ordered at point.I.8 to remove the deviation described in point 10. Compels the payment of trial expenses. With appeal within 15 days from the intimation. Judgment no. 1230/29.03.2019. Second appeal	The hearing is next.
14.	6479/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Accounts	Measure annulment point 5 in the Decision - ROEL Xerox.	Merits	Merits Partially admits the action. Partially cancels Authentication no. 29/31.07.2018 and judgment no. 5/08.06.2018, both issued by defendant C.C.R. only regarding the establishment of the damage related to the use of the respective equipment at the Ministry of	April 8, 2022

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		ICCJ					Economy / Energy, only starting with the start date of the activities of the Negotiation commission for the Project of units 3 and 4 of Cernavoda (an order issued under section II.3 of judgment no. 5/08.06.2018, regarding which the administrative appeal was rejected by section 5 of Authentication no. 29/31.07.2018). Rejects the rest of the case. With appeal within 15 days from intimation. Judgment no. 1730/14.05.2019. Second appeal	
15.	6481/2/2018	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts	Measure annulment point 3 of the Authentication - BVC substantiation.	Merits	Merits Dismisses the action as groundless. With appeal within 15 days from intimation. Judgment no. 1939/June 05, 2019.	January 13, 2022
16.	6487/2/2018	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts	Measure annulment point 2 of the Authentication - Non-increase of the share capital.	Merits	Merits Dismisses the action as groundless. With appeal within 15 days from intimation. Judgment no. 1940/05.06.2019.	May 4, 2022
17.	35162/299/2018*	Civil – Bucharest District I Court Section II Civil	Third party under seizure – SNN Debtor Claimant AAAS Appellee Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Appeal against enforcement RON 2,089,042.69.	Merits retrial	Merits Rejects the exception of the lack of passive procedural quality of the third party under seizure as groundless. Rejects the appeal against the enforcement as groundless. With appeal within 15 days from intimation. Judgment no. 1611/21.03.2019. Second appeal Approves the appeal. Approves the exception of the absence of the mandatory passive lawsuit framework, invoked ex officio. Cancels the judgment and sends the case for retrial to the same court. Final. Pronounced in public session today, 14.01.2020. Judgment no. 7/14.01.2020. Retrial merits	March 16, 2021
18.	5308/2/2019	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Accounts.	Cancellation of the findings from the follow- up report no .7787/01.07.2019 regarding measures II.7 and II.9 of Resolution no. 16/11.05.2015.	Second appeal	Merits Admits the exception of non-admissibility. Dismisses the action as groundless. With appeal within 15 days from intimation. The recourse shall be lodged with the Bucharest Court of Appeal, under the sanction of nullity. Pronounced by making the solution available to the parties by the registry of the Court today, 16.03.2020. Judgment no. 191/16.03.2020.  Second appeal	May 11, 2022

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19.	7086/2/2019	Administrative Bucharest Court of Appeal ICCJ	Plaintiff	Court of Accounts.	Cancellation of the findings from the follow-up report no. 10697/13.09.2019 regarding measures I.5 and II.11 of Resolution no. 5/08.06.2018.	Merits	Merits  Approves the inadmissibility exception of the request items for cancelling follow-up report no. 10697/13.09.2019, the issuance of a new follow-up report and cancelling letter no. IV/40.701/14.10.2019. Rejects the request items for cancelling follow-up report no. 10697/13.09.2019, the issuance of a new follow-up report and cancelling letter no. IV/40.701/14.10.2019, as inadmissible. Rejects the inadmissibility exception regarding the other request items. Dismisses the action as groundless. With appeal within 15 days from intimation.  Judgment no. 959/06.10.2020.	The hearing is next.
20.	31481/3/2019	Civil Bucharest Law Court Bucharest Court of Appeal	Plaintiff	Lulache Daniela, Darie Mihai, Bucur Ionel, Alexe Alexandru, Dragan Ioana, Popescu Dan, Radu Carmen, Sandulescu Alexandru, Stanescu Nicolae, Tcaciuc Sebastian	Finding of the absolute nullity of the addendums to the mandate and administration contracts return of the collected amounts plus the legal interest and the inflation rate.	Merits	Merits In virtue of art. 242 par. 1 of the New Code of Civil Procedure suspends the judgment of the case. With appeal throughout the duration of the suspension. The appeal application shall be submitted with the Bucharest Court of Law - Civil Section VI. Pronounced today, 03.07.2020, by making the solution available to the parties by the record office of the Court. Resolution - Suspension 03.07.2020. Second appeal	March 5, 2021
21.	36200/3/2019	Civil Bucharest Law Court	Plaintiff	Ministry of Economy, Energy and Business Environment.	2,217,600 lei plus interest and inflation index - damage representing the difference between the variable indemnification collected by the BoD members and the managers for 2015-2017.	Merits	Merits According to Art.413 par.1 section 1 from the Civil procedure code, it orders the suspension of the case until the final resolution of the file no.6481/3/2018 pending before the Bucharest Court of Appeal Section IX, administrative and fiscal litigation. With the right of appeal during the suspension, the appeal application will be submitted to the Bucharest Tribunal – Civil Section VI. Pronounced in public session today, 26.05.2020. Resolution - Suspension 26.05.2020.	The hearing is next.
22.	6026/109/2019	Labor Arges Tribunal	Defendant	Gheba Florin Ovidiu.	Appeal against Resolution No. 344/17.10.2019 on the termination of CIM and Resolution No 300/12.09.2019 -	Merits	Merits 244 c.pr.civ, Solution in brief: in virtue of the provisions of art. 413 par. (1) section 1 of the Civil procedure code, it suspends the case trial until the final resolution of the case which represents the object of file no. 1012/46/2019 of Pitesti Court of Appeal. With appeal	The hearing is next.

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					disciplinary investigation commission.		during the suspension, to be submitted at the Arges Court of Law. Pronounced today, 09.09.2020, according to art. 396 par. 2 from the Civil Procedure Code. Resolution - Suspension 09.09.2020.	
23.	5462/2/2019	Administrative Bucharest Court of Appeal	Plaintiff	General Regional Directorate of Public Finance Bucharest General Directorate for the Administration of Large Taxpayers.	Cancellation of fiscal documents	Merits	Merits	May 28, 2021
24.	28932/302/2019	Civil Bucharest Law Court	Claimant.	Multipack, Starmill, Micula, Romanian State by the Ministry of Finance		Merits	Merits Rejects the complaint as without object. Orders the plaintiff to pay to appellees S.C. Multipack S.R.L. and S.C. Stramill S.R.L. 802.3 RON transportation and accommodation expenses from October 2020 and the amount of 3,000 RON representing reduced attorneys' fees of 1,500 RON for each appellee. With appeal in 30 days after the issuance, to be submitted under the sanction of nullity at the court of law. Passed in a public session. Judgment no. 1472/06.10.2020.	The hearing is next.
25.	97/2/2020	Civil Bucharest Court of Law. Bucharest Court of Appeal IC CJ	Plaintiff.	NARE (National Energy Regulatory Authority).	Cancellation of administrative order no.216/11.12.2019.	Appeal	Merits Rejects the request. Solution in brief: accepts the lateness exception for formulating requests, invoked by the defendant. Rejects the cancellation case for Decisions 2213/23.12.2019 and no. 2214/23.12.2019, and notice no. 110703/23.12.2019, as formulated with a delay. Rejects the rest of the summons as ungrounded. With second appeal within 15 days from communication, the request will be submitted to Bucharest Court of Appeal - Administrative and Fiscal Law Section VIII. Pronounced by making the solution available to the parties through the mediation of the registry of the Court today, 31.07.2020. Judgment no. 681/31.07.2020. Appeal Accepts the lateness exception for formulating requests, invoked by the defendant. Rejects the cancellation case for Decisions 2213/23.12.2019 and no. 2214/23.12.2019, and notice no. 110703/23.12.2019, as formulated with a delay. Rejects the rest of the summons as ungrounded. With appeal within 15 days from the intimation. Judgment no. 681/31.07.2020. Second appeal	The hearing is next.

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26.	3083/3/2020	Civil Bucharest Court of Law. Bucharest Court of Appeal	Plaintiff.	National Electricity Transportation Company Transelectrica.	1,472,785 lei	Merits	Merits  Approves the summons. Orders the plaintiff to pay the amount of 1,290,533,156 lei, as damage compensations, to update this amount with the inflation rate as of 27.09.2018 and until the date of the actual payment, to pay 182,251.94 lei representing the legal penalty interest calculated from 27.09.2018 to 31.01.2020, and to continue to pay the legal penalty interest, calculated from February 01, 2020 to the date of the actual payment. It orders the plaintiff to pay 23,441.66 RON, as trial expenses, consisting of the judiciary stamp tax. Dismisses the request of the defendant on the payment of trial expenses, as groundless. With appeal within 30 de days from the intimation. The appeal application shall be submitted with the Bucharest Court of Law - Civil Section VI. Pronounced today, 22.12.2020, by making the solution available to the parties by the record office of the Court. Judgment no. 2698/22.12.2020.  Appeal	The hearing is next.
27.	2929/3/2020*	Administrative Bucharest Court of Law, Civil Section VI	Respondent.	General Concrete Cernavoda.	Cancellation of the public procurement ascertaining document no. 2865/15.10.2019.	Merits	Merits Postpones the case. Solution in brief: in order to allow the plaintiff to prove that it paid the judicial stamp tax. Session authentication 01.09.2020.	March 2, 2021
28.	1506/118/2020	Civil/ Constanta Court	Plaintiff.	U.A.T. Seimeni Commune, Romanian State by the Ministry of Public Finance, Ministry of Economy, Energy and Business Environment, Government of Romania.	Action for ascertaining the use right, servitude, free use of publicly-owned land.	Merits	Merits	May 7, 2021

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29.	1663/118/2020	Civil Medgidia Court	Plaintiff	Romanian State by MFP National Administration of Romanian Waters Administratia Bazinala de Apa Dobrogea Litoral	Action for finding the right of land management related to the river basin Cismelei Valley, use, servitude, free use of public property land 31,050 sqm and 73,428 sqm.	Merits	Merits Accepts the exception of the material non-competence of the Constanta Court, invoked ex officio. Declines the competence for resolving the request in favor of the Medgidia Court. Without appeal. Judgment no. 2485/14.10.2020.	March 17, 2021
30.	2659/2/2020	Administrative litigations Bucharest Court of Appeal	Plaintiff	NARE	Cancellation of Order No. 12/2016.	Merits	Merits Rejects as groundless the application for the recovery of the material right to action within the prescription term. Approves the exception of the lateness of submitting the application. Rejects the application as submitted late. Partially approves the request to notify the Constitutional Court and orders the notification of the Constitutional Court with the resolution of the non-constitutionality exception of the provisions of art. 5 paragraph 7 of GEO no. 33/2017 on amending and supplementing Electricity law no. 13/2007 and Gas law no. 351/2004, approved by Law no. 160 of October 2, 2012. Rejects the remaining of the counts of the request to notify the Constitutional Court. With appeal within 48 hours after ruling, on the rejection as inadmissible of the request to notify the Constitutional Court. With appeal within 15 days from intimation. Pronounced today, February 09, 2021, by making the solution available to the parties by the registry of the Court.  Judgment no. 139/February 09, 2021.	The hearing is next.
31.	16597/3/2020	Civil/ Bucharest Law Court	Plaintiff - Defendant	General Concrete Cernavoda S.R.L.	Cancellation of an administrative act RON 2,760,296,490	Merits	Merits	March 15, 2021
32.	3570/2/2020	Administrative litigations/ Bucharest Court of Appeal	Plaintiff	NARE	Cancellation of documents issued by the regulation authorities. Order no. 88/2020.	Merits	Merits	March 4, 2021

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33.	13682/3/2020	Bucharest Law Court	Respondent	ISPE Proiectare si Consultanta S.A.	Cancellation of a public procurement ascertaining document	Merits	Merits	March 2, 2021
<b>Cernavoda NPP Branch</b>								
1.	7023/118/2019	Labor/ Constanta Court	Respondent.	17 MID employees.	Granting a bonus of 30%.	Merits		March 25, 2021
2.	4133/118/2017	Labor / Constanta Court of Law Court of Appeal of Constanta	Respondent.	Employee group Catrangiu Rica, Bejenaru Alexandru and others	Monetary rights radiological risk bonus.	Appeal	Merits Rejects the civil action as groundless. With the right to appeal within 30 days after the notification of this Judgment. Judgment no. 3233/18.12.2019. Appeal Dismisses the appeal as reasonless. Final. Pronounced today, October 12, 2020, by making the solution available to the parties. Judgment no. 268/October 12, 2020.	The hearing is next.
3.	3990/118/2018	Civil / Constanta Court of Law Court of Appeal of Constanta	Plaintiff.	CNE S.A.	The obligation to demolish the building erected on the land owned by SNN in area of 579 sq m.	Appeal	Merits Approves the action formulated by plaintiff S.N. Nuclearelectrica S.A. against NPP S.A. Cernavoda. Obligates the defendant CNE S.A. Cernavoda to demolish the building Administrative Premises for offices and archive located on the land that belongs to the plaintiff, at No. 2, Medgidiei Street, registered in the land book under no. 100480 - C226. Obligates the defendant CNE S.A. Cernavoda to pay to the plaintiff the amount of 1,020 RON representing trial expenses (20 RON judiciary stamp tax and 1,000 RON expert fee). With the right to appeal within 30 days after the communication, and the appeal is to be submitted to the Court of Law of Constanta. Judgment no. 1993/19.12.2019. Appeal Approves the appeal. Fully changes the judgment, namely it rejects the trial request as groundless. Final. Pronounced in public session today, 15.10.2020.	The hearing is next.
4.	2221/118/2019	Civil / Constanta Court of Law	Plaintiff.	Sorex S.A.	Action on the claim/return of cranes or their equivalent value - Euro 114,000.	Merits	Merits	April 15, 2021

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*(All amounts are expressed in RON, unless otherwise specified.)*

Item no.	File number	Litigation nature/ Court	SNN title	Opposing party	Value	Stage	Description	Lawsuit stage Term
5.	6144/118/2019	Civil/ Constanta Court	Plaintiff	Public Utilities.	Recovery of the equivalent value of the damage following the non-acceptance of the new fee - 810,257.60 RON.		Rejects the action formulated by plaintiff S.N. Nuclearelectrica S.A. against defendant S.C. Utilitati Publice Cernavoda S.R.L., as groundless. With the right to appeal within 30 days after the communication, and the appeal is to be submitted to the Court of Law of Constanta. Pronounced by making the solution available to the parties by the registry of the Court today, 01.10.2020.  Appeal	April 7, 2021

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## Annex 5 – Achievement degree of key performance indicators as of 31.12.2020 – Board of Directors

Nr. Crt.	Objective/Performance indicators			Verification tool	Target Quarter IV 2020	Realised Quarter IV 2020	Accomplishment degree capped to 100%	Limity capped (%)	
	Indicator	Weighting in the variable component of the short - term indicators	Weighting in the variable component of the medium - term indicators						Weighting in the variable component of the long - term indicators
0	1	2	3	4	5	6	7	8	9
<b>Governance indicators</b>									
1	Monitoring the performance of the executive management	12,00%	-	-	Quarterly report of SNN directors	Accomplished	Accomplished	100%	12%
2	Monitoring of risk management	10,00%	-	-	Quarterly risk management report	Accomplished	Accomplished	100%	10%
3	Monitoring transparency in communication	8,00%	-	-	Regular publication of corporate governance information	Accomplished	Accomplished	100%	8%
4	Implementation of the company's strategy	-	5,00%	5,00%	Progress report	Accomplished	Accomplished	100%	10%
<b>Operational indicators</b>									
1	No operating events that exceeded Level 1 on the International Nuclear Event Scale	2,00%	-	-	INE Scale according to IEAE.org website	Accomplished	Accomplished	100%	2%
2	Degree of achievement of investment budget	10,00%	2,00%	2,00%	Annex no. 4 BVC	60,00%	72,35%	100%	14%
3	Obtaining an utilization coefficient of installed power capacity of minimum	7,00%	1,00%	1,00%	Realised production (MWh)/Maximum theoretical production (MWh)	80%	93%	100%	9%
4	EHS - Annual collective dose	2,00%	-	-	Total dose, average per unit, man Sv (ALARA quarterly report)	Annual indicator level (0,42 om/Sv)	0,36	100%	2%
5	EHS - Effluents in the environment	2,00%	-	-	MSv/CNE (ALARA quarterly report)	250	5,58	100%	2%
6	EHS - Maximum allowable dose	-	0,50%	0,50%	Msv/man (ALARA annual report)	20	7,50	100%	1%
<b>Financial indicators</b>									
1	Gross profit	7,00%	1,00%	1,00%	Form "Profit and Loss Account"	100.000.000 lei	815.408.615 lei	100%	9%
2	Average price/MWh on the competitive market	8,00%	1,00%	1,00%	Price published by OPCOM	90% * ROPEX_FM 31.12.2019 (90% * 270,47 lei/MWh = 243,42 lei/MWh)	236,03 lei/MWh	97%	10%
3	Fitting in the total budgeted operating expenses	9,00%	1,00%	1,00%	Annex no. 1 BVC	Accomplished	Accomplished	100%	11%
<b>The weighted average degree of accomplishment of the key indicators</b>									<b>99,7%</b>

Note 1: Values "Target Quarter IV 2020": according to Annex no. 3.2. to Mandate Contracts no. 56, 57, 58, 59/28.09.2018 (including related additional) and 70/27.07.2020.

Note 2: - N = Current year.  
- M = Micro.

Note 3: The short - term variable component granted based on quarterly indicators shall be adjusted depending on the cumulative achievements at the end of each financial year.  
For calendar quarters not fully covered by the contract of mandate, the variable component shall be granted proportionally, in relation to the period covered by the contract of mandate.

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