



**QUARTERLY REPORT**  
**OF**  
**the BOARD OF DIRECTORS**  
**S.N. NUCLEARELECTRICA S.A.**  
**(“SNN”)**  
**Third quarter of 2021**

**Date of the report: November 2021**

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## 1. BASIS OF THE REPORT

The quarterly report of the Board of Directors for the period January 1 - September 30, 2021 is drafted in virtue of the provisions of art. 69 of Law no. 24/2017 on issuers of financial instruments and market operations, republished, and the mandate contracts concluded by the Board of Directors with SNN.

## 2. FINANCIAL STATEMENT ANALYSIS

The information and the Individual Interim Financial Statements as of and for the period of 9 months ended on September 30, 2021 presented in this report are not 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 Finance no. 2844/2016 for the approval of the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”) adopted by the European Union, based on International Accounting Standard 34 - “Interim financial reporting”.

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

### 2.1. Financial position statement as of September 30, 2021

The financial position as of September 30, 2021 is presented in **Annex 1**.

<b>Indicator</b> <b>[thousand RON]</b>	<b>September 30, 2021</b> <b>(unaudited)</b>	<b>December 31, 2020</b> <b>(audited)</b>	<b>Variation</b>
Non-current assets	5,849,987	5,995,542	(2.4%)
Current assets	2,946,460	2,848,928	3.4%
<b>Total assets</b>	<b>8,796,447</b>	<b>8,844,470</b>	<b>(0.5%)</b>
Long-term liabilities	579,320	722,101	(19.8%)
Current liabilities	528,919	602,684	(12.2%)
<b>Total liabilities</b>	<b>1,108,239</b>	<b>1,324,785</b>	<b>(16.3%)</b>
<b>Equity</b>	<b>7,688,208</b>	<b>7,519,685</b>	<b>2.2%</b>
<b>Total equities and liabilities</b>	<b>8,796,447</b>	<b>8,844,470</b>	<b>(0.5%)</b>

**Non-current assets** registered a slight drop of 2.4% as compared to the level registered on December 31<sup>st</sup>, 2020, especially due to the drop of the net value of the tangible assets by acknowledging the amortization related to the period January 1 - September 30, 2021. The impact of the depreciation of the period was partially compensated by the investments made for Units 1 and 2 of Cernavoda NPP, and other investments. Also, the reduction of the net value of tangible assets was partially compensated by the increase of financial investments in branches and the increase of the financial assets assessed at amortized cost.

**Current assets** recorded an increase of 3.4% compared to December 31, 2020, based on the increase of monetary liquidities (the increase of cash and cash equivalents, partially compensated by a decrease of banking deposits, with maturity longer than 3 months). This increase is also supported by the increase of commercial receivables and inventory.

**Long-term liabilities** decreased by 19.8%, as compared to the values recorded as of December 31, 2020. The decrease is mainly caused by the decrease of the long term portion of the external loans contracted from EURATOM for building and starting up Unit 2 of Cernavoda NPP, following the reclassification of outstanding installments from the long-term portion to the short-term portion, gradually as the maturity of the loans is reached.

**Current liabilities** decreased by 12.2% as compared to the values recorded as of December 31, 2020, on the account of the decrease of trade receivables and other debts. This decrease is partially compensated by the increase of the current part of the provisions for risks and expenses and long-term loans, as well as an increase of the payable profit tax.

## 2.2. Profit and loss account for the 9-month period ended on September 30, 2021

In the 9-month period ended on September 30, 2021, SNN recorded a net profit of RON 640,608 thousand.

Indicator [thousand RON]	9-month period ended on September 30, 2021 (unaudited)	9-month period ended on 30 September 2020 (unaudited)	Variation
<b>Production (GWh)*</b>	7,572	7,684	(1.5%)
Operating revenues, of which:	2,186,432	1,777,182	23.0%
<i>Revenues from the sale of electricity**</i>	2,114,818	1,731,673	22.1%
Operating expenses, less depreciation and amortization	(1,014,377)	(830,690)	22.1%
<b>EBITDA</b>	<b>1,172,055</b>	<b>946,492</b>	<b>23.8%</b>
Impairment and depreciation	(417,428)	(408,763)	2.1%
<b>EBIT</b>	<b>754,627</b>	<b>537,729</b>	<b>40.3%</b>
Net financial result	17,295	34,904	(50.4%)
Net income tax expense	(131,314)	(94,944)	38.3%
<b>Net profit</b>	<b>640,608</b>	<b>477,689</b>	<b>34.1%</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 23.8% as compared to the same period of the previous year, mainly following the increase of operating revenues by 23%, influenced by the increase by 22.1% of the revenues from the sale of electricity.

**Operating revenues** increased by 23%. This increase was caused by the increase by 19.8% of the weighted average price of the electricity sold between January 1 and September 30, 2021, as compared to the weighted average price from the same period of 2020, considering the sale of a total quantity of electricity that was by 1.9% higher.

Starting with 2021, ANRE no longer established delivery obligations for manufacturers on the regulated market. The contracts concluded by SNN on the regulated market for the second half of 2020 have delivery in CET hours; the last delivery time in 2020 being the first in January 2021 (361 MWh, regulated price amounting to RON 182.63/MWh (price without T<sub>g</sub>)).

As compared to the same period of the previous year, the quantity of electricity sold on the competition market of bilateral contracts increased by 72%, given that the average sale price on this market was 6.4% lower (price without Tg). The quantity of electricity sold by SNN on the spot market (PZU and PI) in period January 1 - September 30, 2021 decreased by 53%, given an average sale price on this market that was 116.6% higher (price without Tg).

**Operating expenses, minus impairment and amortization**, increased by 22.1% in period January 1 - September 30, 2021, compared to the same period of 2020. This evolution is mainly determined by the increase of the expenses with purchased electricity, repair and maintenance expenses, expenses with nuclear fuel and other operating expenses, partially compensated by the decrease of the personnel expenses.

The **financial result** (net financial revenues) decreased by 50.4%, and negatively 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 taxable profit calculated for the period January 1 - September 30, 2021 compared to the one calculated for the similar period of 2020.

The profit and loss account for the 9-month period ended on September 30, 2021 is presented in **Annex 2**.

### **2.3. Execution of the Revenues and Expenses Budget as of September 30, 2021**

The income and expense budget ("BVC") of SNN for the year of 2021 was approved by the Resolution of the General Meeting of Shareholders no. 7/06.05.2021. Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders approved the rectification of the Revenue and Expense Budget for 2021 (section 3 of the OGMS Agenda of October 28, 2021).

The company is monitored in terms of 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 September 30, 2021 is presented in **Annex 3** to this report.

From the analysis of the manner of performance of the Revenue and Expense Budget as of September 30, 2021 (presented in **Annex 3**), a degree of accomplishment of the programmed operating revenues of 109.4% and a reduction of the operating expenses by 3.7% as compared to the budgeted level result. The accomplishment degree of total revenues is 109.3%, higher than the accomplishment degree of total expenses of 96.5%.

## **3. OPERATIONAL ACTIVITIES**

### **3.1. Electricity production**

The gross production of electricity of the two operational units of Cernavoda NPP was 8,241,915 MWh over the period January 1 - September 30, 2021 (of which 2,923,498 MWh in the 3<sup>rd</sup> quarter of 2021); from this gross production, the own technological consumption of the Units during operation, and during

the outages ensured from own production was of 670 thousand MWh over the period January 1 - September 30, 2021 (of which 241 thousand MWh in the 3<sup>rd</sup> quarter of 2021).

Thus, the electricity produced and delivered in the National Energy System (“SEN”) was 7,571,854 MWh in period January 1 - September 30, 2021, compared to the same period of 2020 (7,683,903 MWh), a decrease of 1.5%. In Q3 2021 the electricity quantity produced and delivered in SEN was 2,682,131, 22.7% higher than the level recorded in Q3 2020 of 2,185,269 MWh.

The net electricity production program approved by the Board of Directors for 2021 (April 2021 review) considered a quantity of 10,456,074 MWh; of this, for the period January 1 - September 30, 2021, the production program considered a quantity of 7,638,390 MWh, being implemented in a percentage of 99.1% and for the 3<sup>rd</sup> quarter of 2021 it considered a quantity of 2,756,439 MWh, being implemented in a percentage of 97.3%.

The installed power usage factor, recorded by each operational unit within the CNE Cernavoda during the 3<sup>rd</sup> quarter of 2021, and cumulated after the start of commercial usage (Unit 1 on December 2, 1996, Unit 2 on November 1, 2007) until September 30, 2021 was as follows:

Cernavoda NPP unit	Cumulated First semester 2021	July 2021	August 2021	September 2021	Cumulated Third quarter 2021	Cumulated from the commercial commissioning
Unit 1	95.03%	95.66%	95.70%	95.58%	95.24%	90.68%
Unit 2	79.26%	81.83%	96.57%	98.44%	83.62%	93.86%

The lower value of the installed power usage factor at Unit 2 CNE Cernavoda reflects the influence of the planned outage with an actual duration of 836 hours operated as of May 9, 2021, 11:00. The unplanned extension of the scheduled outage of Unit 2 CNE Cernavoda lasted until June 14, 2021, 17:58.

Between January 1 and September 30, 2021, the following events took place:

In January 2021, there was an unscheduled stop of Unit 1 of Cernavoda NPP with an actual duration of 163 hours, recorded in period January 23, 2021 - January 29, 2021, in order to perform remedy works after the occurrence of a malfunction in the classical/secondary technological circuit;

- in July 2021, there were two unscheduled stops of Unit 2 of Cernavoda NPP with an actual duration of 51.6 hours, from July 10, 2021, 18:03, and 46 hours, from July 28, 2021, 23:08;

- in September 2021, starting with September 18, 2021, 01:00, Unit 1 of Cernavoda NPP operated for 50 hours at low power, in order to perform repair works on a piece of equipment in the legacy section

### 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); 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); 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 the purpose of this activity, between January 1st and September 30th, 2021:

- 21 letters of bank guarantee were issued, amounting to RON 50,488,333 (issued in 2019 and 2020); and
- the value of letters of bank guarantee was modified (the value of a letter of bank guarantee was increased from 2,000,000 RON to 4,600,000 RON, and the value of a letter of bank guarantee was decreased from 2,460,000 RON to 1,340,000 RON).

As of September 30, 2021, 21 letters of bank guarantee were issued, amounting to RON 68,020,369.

The quantities of electricity sold in the first 9 months of 2021, and the corresponding incomes, broken down by types of sale contracts, are presented in the table below:

### Electric power sales (quantities, prices and values) over the period January 1 - September 30, 2021

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with T <sub>g</sub> included]	Revenues from sales [RON]
Sales on the regulated market <sup>*)</sup>	361	0.0%	183.93	66,347
Sales on the competitive market (bilateral contracts and PZU and PI contracts), out of which:	8,036,733	99.7%	263.06	2,114,110,030
- Sales on PCCB – LE, PCCB – LE Flex, PCCB – NC, PC – OTC contracts and supply agreements	6,930,338	86.0%	250.17	1,733,740,074
- PZU and PI sales	1,106,395	13.7%	343.79	380,369,956
PE positive imbalances on PE <sup>**)</sup>	25,818	0.3%	223.30	5,765,189
<b>Total sales January 1 - September 30, 2021</b>	<b>8,062,912</b>	<b>100%</b>	<b>262.93</b>	<b>2,119,941,566</b>

<sup>\*)</sup> NB: Starting with 2021, ANRE no longer established delivery obligations for manufacturers on the regulated market. The contracts concluded on the regulated market for the second half of 2020 have delivery in CET hours; the last delivery time in 2020 being the first in January 2021 (361 MWh, regulated price amounting to RON 183.93/MWh (including T<sub>g</sub>)).

<sup>\*\*)</sup> NB: RON 43,857 of the value presented represents revenues redistributed in January 2021 resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 61/2020. The value of positive imbalances for September 2021 is estimated.

The electricity quantity sold on the regulated market, based on contracts, on the spot market (PZU and PI) and on PE is 8,062,912 MWh, 5.2% more than the sales program, of 7,666,743 MWh (sized on the production estimate, without estimating unplanned outages) and 1.9% more than the electricity quantity sold in the same period of 2020.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (491.1 thousand MWh) is represented by the electricity purchased for the full coverage of the contractual obligations, an electricity quantity that was purchased 86% from the spot market, 12% by long-term contracts, and the rest on PE.

The revenues obtained from the electricity market related to electricity deliveries over the period January 1 - September 30, 2021 are of RON 2,119,941,565 (of which RON 43,857 represent redistributed revenues resulted from balancing the system, 9.5% higher than the budget revenues over the period January 1 - September 30, 2021, and 22% higher than the revenues in the same period of 2020, respectively. Compared to the budgeted revenues comprised in the rectification of the Revenue and Expense Budget of 2021, approved by Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders, the revenues obtained on the electricity market related to the electricity deliveries in period January 1 - September 30, 2021 is 0.9% higher.

The average weighted sale price, for the electricity quantities sold (without the resulted market and PE), resulted over the period January 1 - September 30, 2021, is of 263.06 RON/MWh (including  $T_g$ ). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated over the period January 1 - September 30, 2021 (PCCB – LE, PCCB – LE flex, PCCB – NC, PC – OTC, PZU and PI), calculated based on the values published by OPCOM in the monthly market reports, is of RON 295.20/MWh. Over the period January 1<sup>st</sup> - September 30<sup>th</sup>, 2020, the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was of RON 227.15/MWh (including  $T_g$ ).

The electricity quantities sold on the competitive market of bilateral contracts represented in period January 1 - September 30, 2021 a percentage share of 86% out of the total volume of the sold electricity, compared to the percentage of 51.1% recorded in period January 1 - September 30, 2020. The average sale price for bilateral contracts in this period was 250.17 RON/MWh ( $T_g$  included), a decrease of 6.2% compared to the average price recorded in period January 1 - September 30, 2020, of 266.81 RON/MWh ( $T_g$  included); given that the value of the transportation fee for introducing electricity in the network  $T_g$  has remained unmodified since January 2020 (1.30 RON/MWh according to ANRE Order no. 218/11.12.2019).

On the spot market (PZU and PI), over the period January 1 - September 30, 2021, a quantity of electricity representing 13.7% of the total sales volume was sold, compared to the percentage share of 29.9% recorded over the same period of 2020. The energy average selling price on the spot market (PZU and PI) achieved by SNN over the period January 1 - September 30, 2021 was of RON 343.79/MWh (with  $T_g$  included), as compared to RON 159.46/MWh (with  $T_g$  included) recorded over the same period of 2020.

Over the period January 1 - September 30, 2021, SNN implemented 300 energy sale contracts, as follows:

- 7 regulated contracts (contracts concluded for the 2nd half-year of 2020);
- 50 contracts concluded on PCCB - LE;
- 41 contracts concluded on PCCB – LE Flex;
- 33 contracts concluded on PCCB - NC;
- 167 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 over the period January 1 - September 30, 2021. 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 3rd quarter of 2021 and the corresponding incomes, separated on types of sale contracts, are presented in the table below:

### Electricity sales (quantities, prices and values) during the 3rd quarter of 2021

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with T <sub>g</sub> included]	Revenues from sales [RON]
Sales on the free market (bilateral contracts and PZU contracts), out of which:	2,758,706	99.6%	281.13	775,563,333
– Sales on PCCB – LE Flex, PCCB – NC, PC – OTC contracts and supply contracts	2,539,126	91.6%	256.79	652,010,722
- PZU sales	219,580	7.9%	562.68	123,552,611
PE positive imbalances	11,995	0.4%	245.64	2,946,479
<b>Total sales in the 3rd quarter of 2021</b>	<b>2,770,701</b>	<b>100%</b>	<b>280.98</b>	<b>778,509,812</b>

<sup>\*)</sup>The value of positive imbalances for September 2021 is estimated.

The electricity quantity sold based on contracts, on the spot market (PZU) and on PE is 2,770,701 MWh, 0.5% less than the sales program, of 2,784,792 MWh (sized on the production estimate, without estimating unplanned outages) and 17.1% more than the electricity quantity sold in Q3 of 2020.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (88.6 thousand MWh) is represented by the electricity purchased for fully covered the contractual obligations, an electricity quantity that was purchased 58% on the spot market and 42% on the PE market.

The revenues obtained from the electricity market related to electricity deliveries in the 3rd quarter of 2021 are 778,509,812 lei, 17.2% higher than the budget revenues for the 3rd quarter of 2021, and 35% higher than the results from the 3rd quarter of 2020. Compared to the budgeted revenues comprised in the rectification of the Revenue and Expense Budget of 2021, approved by Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders, the revenues obtained on the electricity market related to the electricity deliveries from the 3rd quarter of 2021 is 2.6% higher.

The average weighted sale price, for the electricity quantities sold (without PE), resulted in the second quarter of 2021, is 281.13 lei/MWh (including T<sub>g</sub>). In the 3rd quarter of 2020 the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was 256.15 lei/MWh (including T<sub>g</sub>).

The electricity quantities sold on the competitive market of bilateral contracts represented in the 3rd quarter of 2021 a percentage rate of 91.6% out of the total volume of the sold electricity, compared to a percentage rate of 73% recorded in the 3rd quarter of 2020. The average sale price for bilateral contracts in this period was 256.79 RON/MWh (T<sub>g</sub> included), a decrease of 2.6% compared to the average price recorded in the 3rd quarter of 2020, of 263.57 RON/MWh (T<sub>g</sub> included); given that the value of the transportation fee for introducing electricity in the network T<sub>g</sub> has remained unmodified since January 2020 (1.30 RON/MWh according to ANRE Order no. 218/11.12.2019).

On the spot market (PZU), over the third quarter of 2021, a quantity of electricity representing 7.9% of the total sale volumes was sold, as compared to the percentage share of 10% recorded over the third quarter of 2020. The average energy selling price on the spot market (PZU) achieved by SNN in the third quarter of 2021 was 562.68 lei/MWh ( $T_g$  included), compared to 202.23 lei/MWh ( $T_g$  included) recorded in the third quarter of 2020.

In third quarter of 2021, SNN implemented 171 energy sale contracts, as follows:

- 6 contracts concluded on PCCB - LE;
- 40 contracts concluded on PCCB – LE Flex;
- 17 contracts concluded on PCCB - NC;
- 106 transactions concluded on PC - OTC;
- 2 supply contracts for 2 end users.

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

In the period January 1 - September 30, 2021, the total value of the expenses on the electric power market, incurred by SNN, is of RON 194,947,251, of which RON 41,223,515 represent expenses on the balancing market (PE), RON 9,842,974 represent  $T_g$  (the regulated tariff paid to CN Transelectrica SA for the injection of the electric power produced by Cernavoda NPP in the electric power transport network), RON 22,043 represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the supplied electric power, RON 1,182,310 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 period January 1 - September 30, 2021, the expenses with the purchase of electricity from the Centralized Markets were 1,556,880 lei – for 7,925 MWh, and those from the spot market (PZU and PI) were 140,970,871 lei – for 423,237 MWh. The expenses with electricity purchase (Centralized Markets and spot market) amounted to RON 142,527,751 (period January 1 - September 30, 2020: RON 38,721,013), 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 2 of CNE Cernavoda, and for the unplanned stoppage of Units 1 and 2 of CNE Cernavoda; the purchased quantity of electricity was 431,162 MWh (January 1 - September 30, 2020: 197,875 MWh), at an average price of 330.57 RON/MWh (January 1 – September 30, 2020: 195.68 RON/MWh).

The PE expenses, in period January 1 - September 30, 2021, with the estimated value of the negative imbalances from September 2021 amounted to RON 41,223,515, and the purchased quantity of electric power was 59,896 MWh (January 1 - September 30, 2020: RON 12,832,152, with the purchased quantity of electric power amounting to 33,507 MWh). This amount represents the counter value of the energy received from the PE for the compensation of the negative imbalances which occurred because of the differences between the quantities of actual delivered energy and quantities notified on the market as per the daily prognosis for each hour frame.

In the third quarter of 2021, the total value of the expenses on the electricity market, incurred by SNN, is of RON 64,525,141, out of which RON 32,042,418 represent expenses on the balancing market (PE), RON 3,486,640 represent  $T_g$  (the regulated fee paid to CN Transelectrica SA for injecting the electricity produced by Cernavoda NPP in the electric power transportation network), RON 6,399 represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the

supplied electric power, RON 363,583 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 the third quarter of 2021, the expenses with the purchases of electricity on the spot market (PZU and PI) were 28,588,572 RON – for 50,982 MWh, at an average price of 560.76 lei/MWh (3rd quarter of 2020: 32,850,492 lei, the purchased energy quantity was 157,825 MWh, at an average price of 208.15 RON/MWh), for the purpose of ensuring the full compliance with the electricity delivery contractual obligations.

The PE expenses in the third quarter of 2021, with the estimated value of the negative imbalances from September 2021 amounted to RON 32,042,418, and the purchased quantity of electricity was 37,587 MWh (3rd quarter of 2020: RON 8,338,493, with the purchased quantity of electric power amounting to 22,720 MWh).

The expenses with purchases of electricity and negative imbalances were higher in the 3rd quarter of 2021, compared to the 3rd quarter of 2020, following the significant increase as of July 2021 of the price recorded on PZU and imbalance prices.

### **3.4. Investment program as of September 30, 2021**

The total value of the investment program of SNN for 2021 is 433,860 thousand RON (without the component allocated to the payment of the debt service related to long-term loans), a program approved by Resolution no. 7/06.05.2021 of the Ordinary General Meeting of Shareholders of SNN, as part of the Income and Expense Budget ("BVC") of SNN for 2021.

Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders approved the rectification of the Revenue and Expense Budget for 2021. According to this rectification, the total value of the investment program of SNN for 2021 is 356,774 thousand RON (without the component allocated to the payment of the debt service related to long-term loans).

The comparative situation of the investment accomplishments (value and percentage) for January 01 - September 30, 2021 compared to the same period of 2020 is presented in the table below:

<b>Year</b>	<b>Value investment program [thousand RON]</b>	<b>Performed (01.01 - 30.09) [thousand RON]</b>	<b>Achievement level (01.01 - 30.09) (%)</b>
2021	433,860	244,022	56.2%
2020	309,544	157,112	50.8%

As in the previous years, Nuclearelectrica S.A. structured its investment development program according to goals defined in relation to the needs of the branches (Cernavoda Nuclear Power Plant (CNE) and Pitesti Nuclear Fuel Factory (FCN)) regarding production continuity, so as to achieve a high level of utilization of the production capacity (EAF Energy Availability Factor) in compliance with the nuclear safety regulations 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 the served processes, with a positive impact on efficiency), as well as legal ones – the need to implement upgrades in relation to nuclear security, environmental

protection and labor security representing imperative requirements imposed by the regulatory authorities in the field.

### **Analysis of the completion degree of the investment program as of September 30, 2021**

The investment program of SNN for 2021 enclosed to BVC was value-sized, considering the ongoing contractual commitments, the estimates regarding the investment goals to be accomplished over 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 the regulatory authorities, legal terms regarding on completion of public procurement procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects within the limits of the approved budget values.

The largest investment projects that are planned to be completed in 2021 are: Module 12 DICA; modernization and expansion of the Physical Protection System – priority 2, stage 1; fitting the Seiru Warehouse and the software and hardware refurbishing of the full-scope simulator. Besides these, the investment program includes inspections and capital repairs conducted at Unit 2 of Cernavoda NPP during the scheduled shutdown, other investment projects necessary within the Cernavoda NPP branch, Pitesti NPP branch and the Head Office, as well as investment objectives with completion over the following years.

Among the investment projects provided for in the investment program, we mention:

- **“Extending the life cycle of Unit 1 of Cernavoda NPP by re-tubing the reactor and refurbishing the main systems”**: budgeted 118,624 thousand RON - the implementation value degree as of September 30, 2021 is 51.5%;
- **“Planned outage of Unit 2 CNE Cernavoda (regular general inspections and capital repairs)”**: budgeted 79,423 thousand RON – the value degree of implementation as of September 30, 2021 is 86.1%;
- **“Units 3 – 4 of NPP Cernavoda”**: budgeted 25,650 thousand RON – the implementation value degree as of September 30, 2021 is 97.7%;
- **“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”**: budget 17,937 thousand RON - achievement value degree as of September 30, 2021 is of 12.0%.
- **“Burnt fuel intermediary storage”**: budgeted 16,836 thousand lei – the value achievement degree as of September 30, 2021, is 76.0%;
- **“D2O tritium removal plant”**: budgeted RON 15,776 thousand – value achievement degree as of September 30, 2021 is 28.5%;
- **“Software and hardware refurbishment of the full-scope simulator”**: budgeted RON 5,916 thousand – the value degree of achievement as of September 30, 2021 is 102.4%;

- **“Increasing the reliability of the EVA 8000 storage system that ensures the centralized storage of the production data of the computer system of CNE Cernavoda by replacing it”**: budgeted 5,819 thousand RON – the achievement value degree as of September 30, 2021 is 111.5%. The budgeting of this investment was carried out with caution since, when BVC 2021 was drafted, there was not a contract in force;
- **"Improving the performance of the DCC display system by replacing the Ramtek FS2400 graphics system at U1 and VDMC at U2"**: budgeted 4,987 thousand RON – the value achievement degree as of September 30, 2021 is 74.7%;
- **“Modernization and expansion of the physical security system”**: budgeted 2,303 thousand RON – the achievement value degree as of September 30, 2021 is of 99.4%;
- **“Fittings”**, representing procurements of goods and other investment expenses: budgeted at RON 91,687 thousand – the value degree of implementation as of September 30, 2021 is 29.8%.

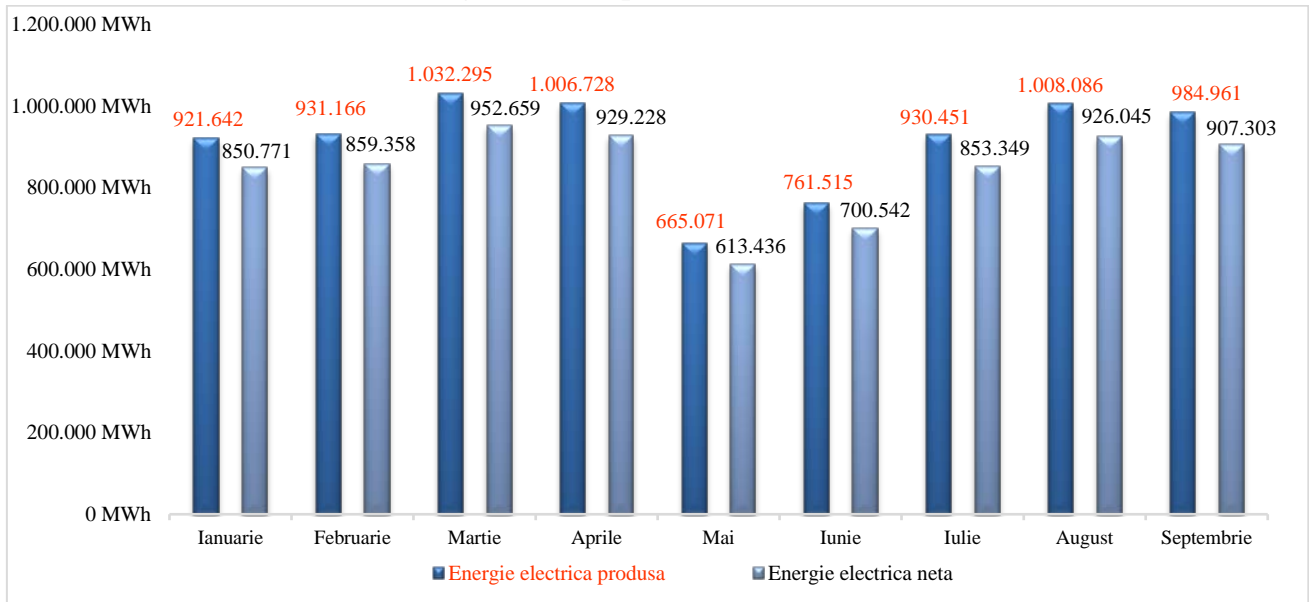
### **3.5. Activity of the Cernavoda NPP Branch**

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.

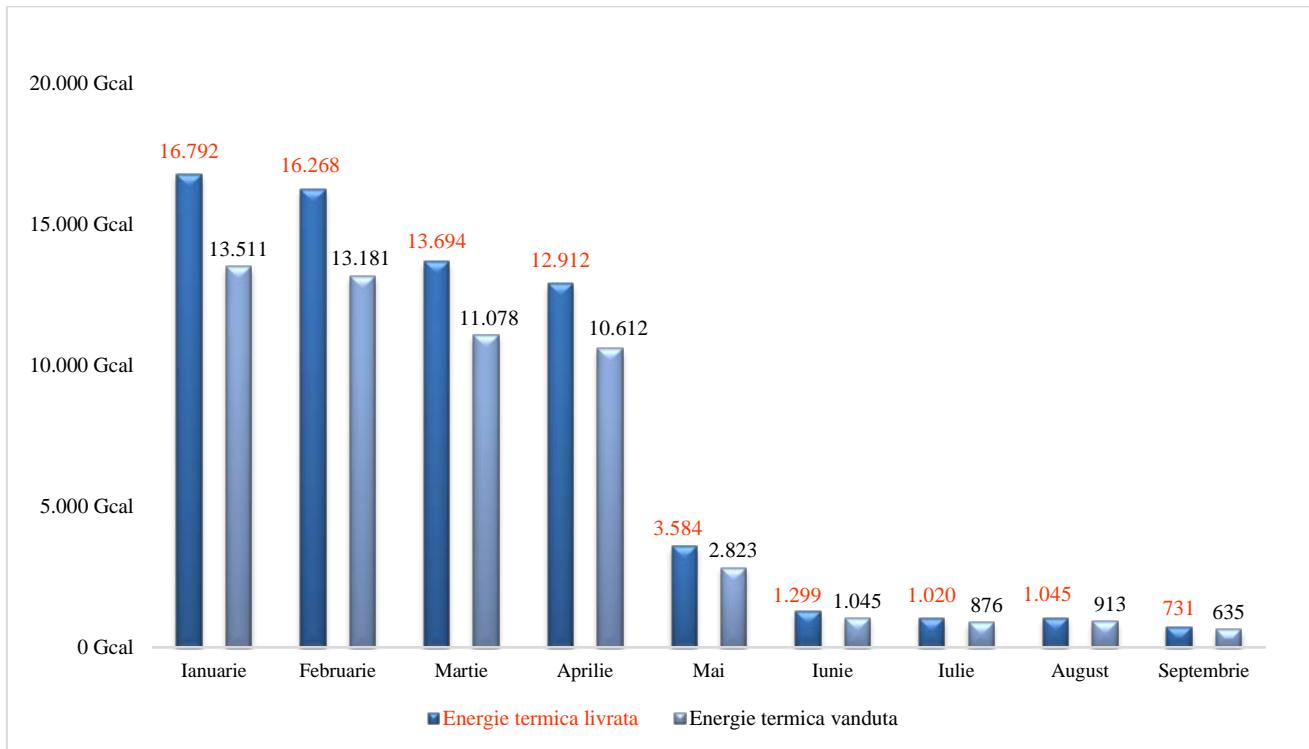
Over the 9-month period that ended on September 30, 2021, no operation event exceeding level 1 on the international scale of the nuclear events was registered, regarding the degrading of the in depth defense barriers, impact on the site or outside (INDICATOR 1).

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

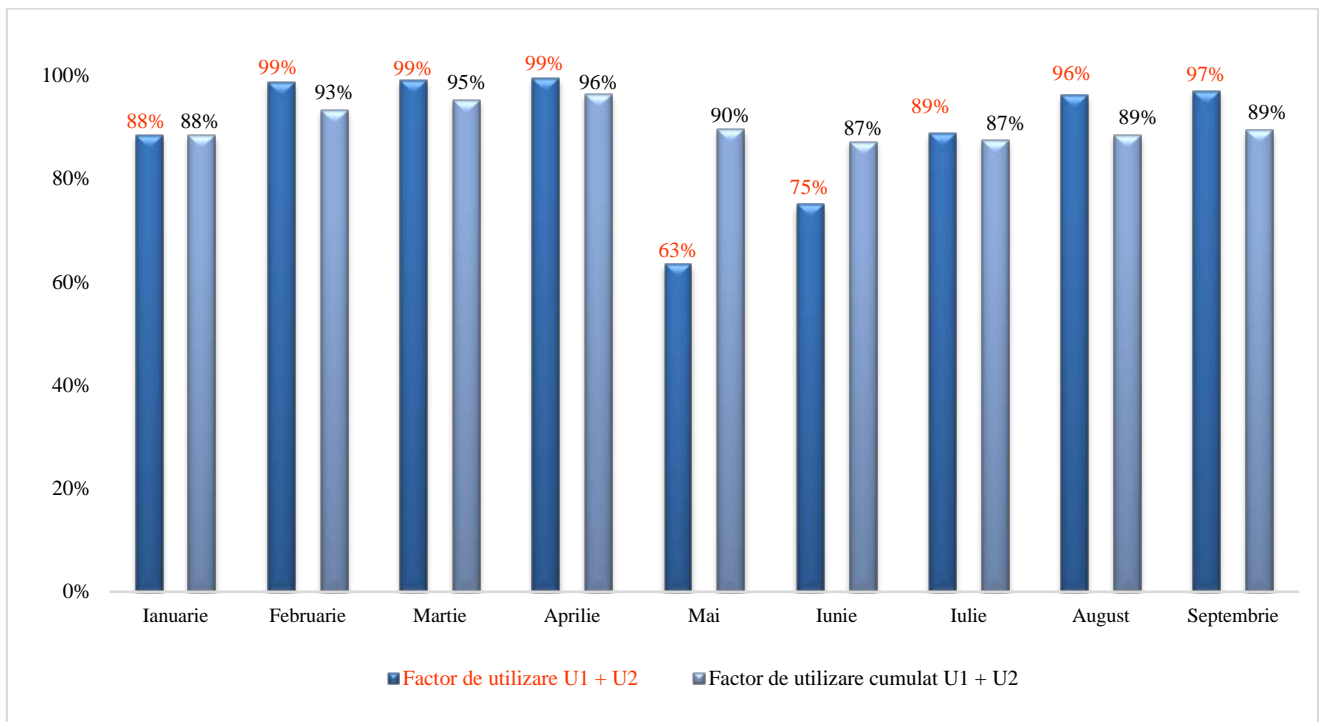
**Produced/net electrical energy U1 + U2 (MWh)**  
**(Produced electrical energy: 8,241,915 MWh / Net electricity delivered: 7,592,691 MWh)**  
**(Own technological consumption cumulated for 2021: 7.87%)**



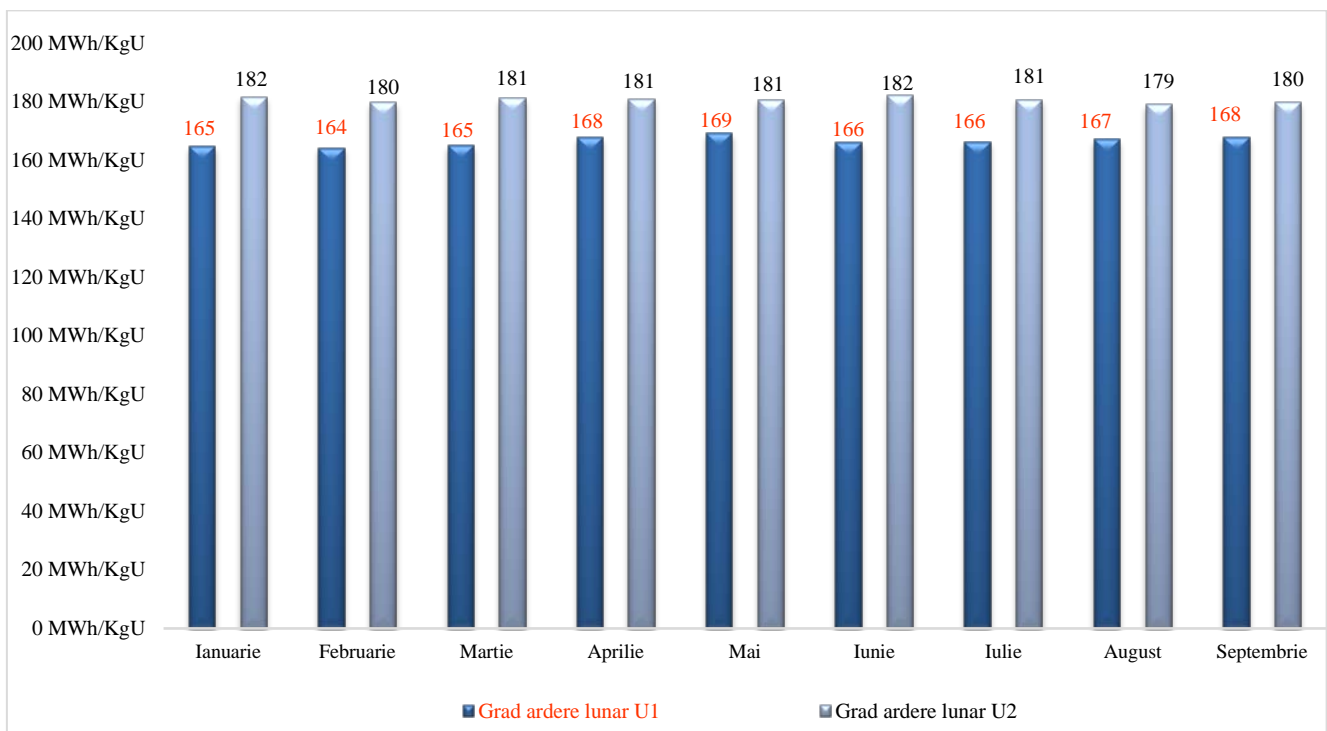
**Thermal energy delivered to the district heating/ sold (Gcal)**  
**(Delivered thermal energy: 67,345 Gcal / sold thermal energy: 54.674Gcal)**



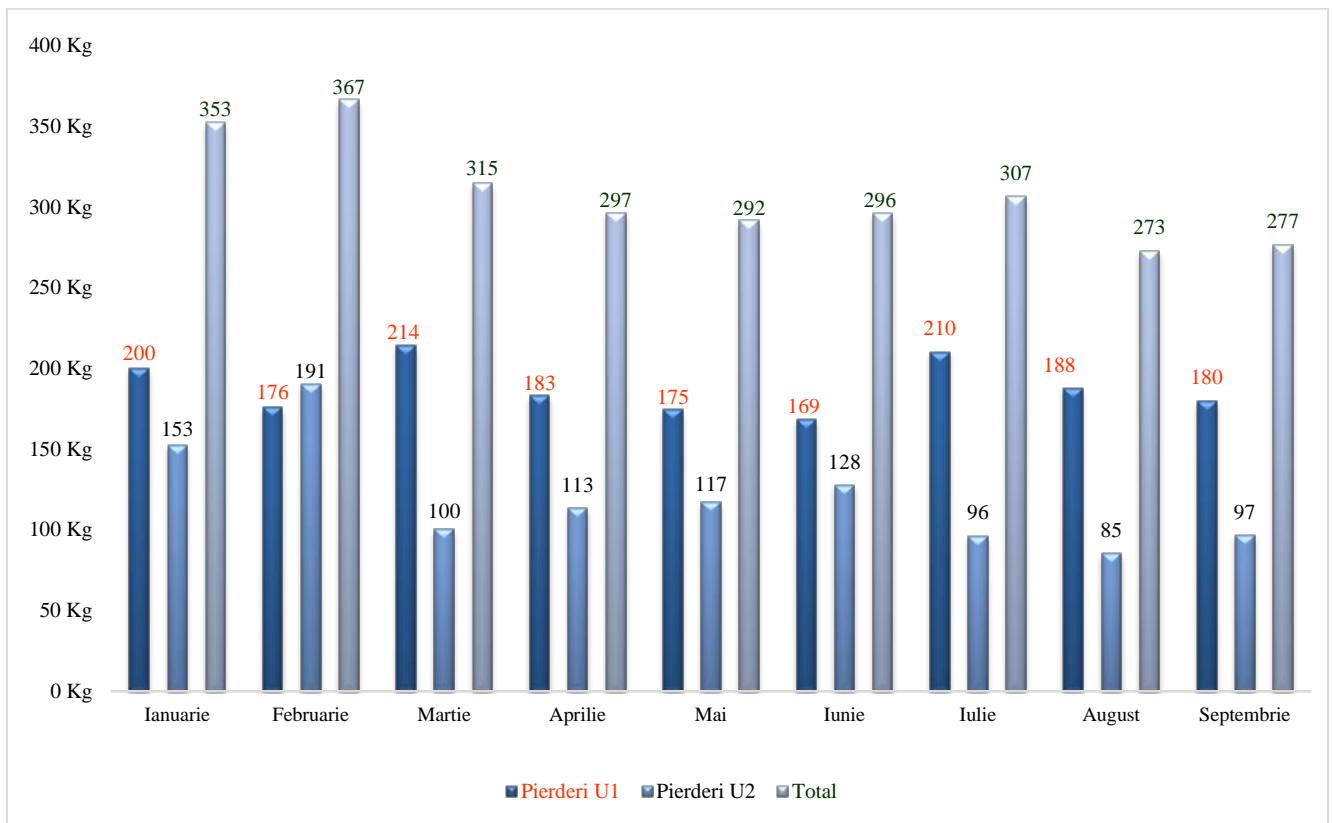
**Installed power capacity factor U1 + U2 (%)**  
**(Cumulated 2021: 89.43%)**



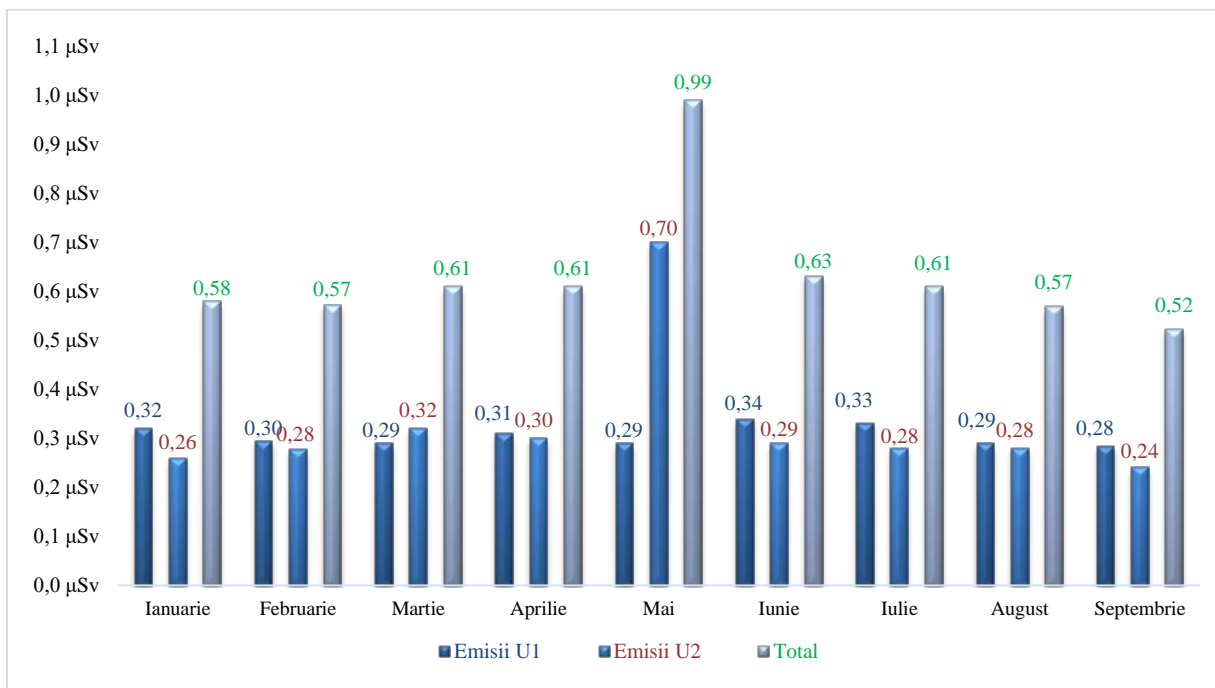
**Nuclear fuel burn up degree (MWh/KgU)**  
**(Cumulated 2021: 173.4 / Provided in the project: min. 156)**



**Heavy water loss U1+U2 (Kg)**  
**(Cumulated 2021: 2,775 / Provided: max. 10,280)**



**Volume of radioactive emissions in the environment U1+U2 ( $\mu$ Sv)**  
**(Total cumulated 2021: 5.7 / Annual limit: 250)**





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

Over the period January 1 - September 30, 2021, the FCN Pitesti Branch manufactured, controlled and accepted 8,290 nuclear fuel bundles, according to the manufacture plan, all of them within the specifications, and the production of nuclear fuel bundles increased by 6.9% as compared to the same period of 2020, when 7,756 bundles were manufactured, inspected and accepted.

Over the period January 1 - September 30, 2021, FCN Pitesti branch delivered to CNE Cernavoda a quantity of 7,200 nuclear fuel bundles (January 1 - September 30, 2020: 7,920 bundles), and complied with the agreed delivery schedule.

In the period January 1 - September 30, 2021, for the production of nuclear fuel, sintered uranium dioxide powder was consumed, at an average price of RON 491.64 /kg, from the existing stock on January 1, 2021, and from the purchases from CNU - 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 the Shareholders ("EGMS") no. 8/June 12<sup>th</sup>, 2020, the following measures were approved:

1. Repealing of the "Strategy for the continuation of the Units 3 and 4 Project at Cernavoda NPP by organizing an investor selection procedure" (2014) and of the "Reviewed strategy for the continuation of the Units 3 and 4 Project at Cernavoda NPP by organizing an investor selection procedure" (2018) (section 2 on the agenda of the EGMS of June 12<sup>th</sup>, 2020).
2. Authorizing the SNN Board of Directors to initiate the procedures/steps/actions on the termination of the negotiations with CGN, as well as the termination of the legal effects (by agreement of the parties, termination, 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 agenda of EGMS of June 12<sup>th</sup>, 2020).
3. Empowering the Board of Directors of the SNN to initiate the steps for the analysis and crystallization of the strategic options for the construction of new nuclear power generation capacities (item 4 of the agenda of the EGMS of June 12<sup>th</sup>, 2020).

- By Resolution of the Prime Minister of Romania No. 281/July 14<sup>th</sup>, 2020, published in the Official Gazette of Romania, Part I, No. 618/July 14<sup>th</sup>, 2020, the Strategic Coordination Committee for the Implementation of the Project for Cernavoda NPP Units 3 and 4 was set up.

- By Resolution of the Prime Minister of Romania No. 20/2021, published in the Official Gazette of Romania, Part I, No. 12/January 6<sup>th</sup>, 2021, the structure of the Strategic Coordination Committee for the Implementation of the Project for Cernavoda NPP Units 3 and 4 was amended.

- With Resolution No. 3/05.04.2021 of the Ordinary General Meeting of Shareholders ("OGMS"), the "Strategy of for Continuing the Project of Units 3 and 4 of Cernavoda NPP" (point 2 of the OGMS agenda of April 5, 2021).
- With Resolution No. 4/April 5, 2021 of the Extraordinary General Meeting of Shareholders ("EGMS") it was approved that SNN, through Energonuclear, wholly owned subsidiary of SNN, shall bear the expenses generated by Stage 1 of the Project for Units 3 and 4 of Cernavoda NPP, according to the provisions of the approved Strategy, under the conditions of meeting the income and expense budget approved in compliance with the legal provisions (point 7 of the EGMS agenda of April 5, 2021).

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

Pending with Constanta Law Court, a case was filed against SNN, no. 5802/118/2017, contemplating unpaid salary entitlements, representing the equivalent value of the occupational risk (hazardous conditions) bonus, the plaintiff being the Cernavoda NPP Trade Union, on behalf of 757 employees of the Cernavoda NPP Branch.

The company deems these claims unsubstantiated, as all due salary entitlements were paid to the employees, including the amounts of money contemplated by this litigation. The court dismissed the exception of res judicata, invoked by SNN, as unsubstantiated, and approved the evidence by documents and forensic accounting, prorogating the technical expert appraisal contemplating the classification in the radiological risk areas after SNN submitted the documents. The administration of the evidence and the accounting analysis are in progress. The following hearing date is 3.12.2021.

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

Pending with Constanta Law Court, a case was filed against SNN, no. 7036/118/2017, contemplating unpaid salary entitlements, representing the equivalent value of the occupational risk (hazardous conditions) bonus, the plaintiff being Energetica Nucleara '90 Free Trade Union on behalf of 291 employees of Cernavoda NPP Branch.

The company deems these claims unsubstantiated, as all due salary entitlements were paid to the employees, including the amounts of money contemplated by this litigation. The court approved the evidence by documents and forensic accounting, prorogation the technical expert appraisal contemplating the classification in the radiological risk areas after SNN submitted the documents. The technical expert appraisal procedure is in progress with the Autonomous Administration of Technologies for Nuclear Power – CITON. At the next hearing, on 3.12.2021, the litigation will be resolved in the merits stage.

#### **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 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 petition and ordered the

suspension of the enforcement of ANRE Order no. 216/ December 11<sup>th</sup>, 2019 until the ruling of the court of first instance. 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/November 04, 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/March 02, 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 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<sup>rd</sup>, 2020, SNN informed the shareholders and investors of the notification on the court portal, of the dismissal of the petition for the annulment of ANRE Order No. 216/December 11<sup>th</sup>, 2019. The judgment of the Bucharest Court of Appeal was appealed within the legal timeframe, being registered pending with the High Court of Cassation and Justice, and the hearing date is set for 24.03.2022.

S.N. Nuclearelectrica S.A. initiated the action to cancel ANRE Order No. 12/March 30<sup>th</sup>, 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/April 13<sup>th</sup>, 2016) – File No. 2659/2/2020, recorded pending with Bucharest Court of Appeal, Division IX of the administrative and tax Court. 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 amending and supplementing the Electricity Law no. 13/2007 and Gas Law no. 351/2004, approved by Law no. 160 of October 2<sup>nd</sup>, 2012. Against this judgment, SNN filed an appeal within the legal term, and the file is to be submitted to the High Court of Cassation and Justice, which will set the hearing date.

S.N. Nuclearelectrica S.A. initiated the action of canceling and suspending the enforcement of ANRE Order no. 88/2020 for the approval of the pricing Methodology for the regulated fees and prices charged by last-instance providers to end customers for the period July 1<sup>st</sup> - December 31<sup>st</sup>, 2020, amending and supplementing the electricity sale-purchase framework agreement concluded between electricity producers and last-instance providers, approved by Order of the President of the National Energy Regulatory Authority no. 34/2019 - File no. 3570/2/2020 registered with the Bucharest Court of Appeal. At the hearing of December 17, 2020, the court rejected the application to suspend the implementation. By Judgment no. 247 of 04.03.2021, the court rejected the case as groundless. The judgment is pending drafting and an appeal can be filed.

#### **4.5. The litigation initiated by S.N. Nuclearelectrica S.A. regarding certain measures of regulating the facilities granted to pensioners from the electricity sector**

S.N. Nuclearelectrica S.A. initiated the action of suspending the implementation, the cancellation of Government Resolution no. 1041/2003 on certain measures of regulating facilities granted to pensioners from the electricity sector, as amended, and Government Resolution no. 1461/2003 for amending and supplementing Government Resolution no. 1041/2003 on certain measures of regulating facilities granted to pensioners from the electricity sector and the order to pay damage compensations of

820,422.44 RON, resulted from the application in the last three years of Government Resolution no. 1041/2003 and Government Resolution no. 1461/2003 – File no. 4419/2/2021 submitted with the Bucharest Court of Appeal Section VIII for Administrative and Fiscal Litigations. The hearing is to be determined by the court.

#### **4.6. Signing the contract with National Uranium Company - Feldioara Branch**

By the current report published on March 19, 2021, SNN informed its shareholders and investors that on March 18, 2021, it signed a sale-purchase contract for some assets (lands, buildings, special buildings, installations, machinery and equipment) within the line for processing uranium concentrate from National Uranium Company - Feldioara Branch. By this transaction, SNN will integrate the cycle for manufacturing CANDU nuclear fuel, except for the mining activity.

#### **4.7. Branch incorporation – Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L.**

Resolution No. 4/April 5, 2021 of the Extraordinary General Meeting of Shareholders (“EGMS”) approved the following activities for incorporating a new subsidiary:

1. Approving the incorporation of a subsidiary, fully owned by the Company, as a sole shareholder, in compliance with the note submitted to the shareholders for this point of the agenda (point 2 of the EGMS agenda of April 5, 2021). The scope of business of the subsidiary shall include the "processing of nuclear fuel".
2. Approving the empowerment of the Board of Directors of SNN to fulfill all the formalities for the incorporation of the new subsidiary (point 3 of the EGMS agenda of April 5, 2021).

By the Current Report published on September 24, 2021, SNN informed its shareholders and investors that on September 24, 2021, the SNN branch, Fabrica de Prelucrare a Concentratelor de Uraniu Feldioara S.R.L.

#### **4.8. Filiala S.C. Energonuclear S.A.**

With Resolution No. 4/April 5, 2021 of the Extraordinary General Assembly of Shareholders (“EGAS”) the following have been approved:

1. The increase of the share capital of S.C. Energonuclear S.A. by the amount of RON 25 mil. and, at the same time, the approval of the participation of SNN in the increase of the share capital of S.C. Energonuclear S.A., the wholly owned subsidiary of SNN, with the amount of RON 25 mil. (point 4 of the EGMS agenda of April, 5 2021).
2. The mandate of SNN representatives in the EGMS of Energonuclear to vote in favor of changing the share capital of Energonuclear, in the sense of increasing it by the amount of RON 25 mil., and, at the same time, the approval of the mandate of the SNN representatives in the EGMS of Energonuclear to vote in favor of the full subscription, by the sole shareholder of Energonuclear, i.e. SNN, of the additional (increased) share capital, of RON 25 mil., in the form of a cash contribution from SNN to the share capital of Energonuclear, amounting to RON 25 mil. (point 5 of the EGMS agenda of April 5, 2021).
3. The empowering of the SNN Board of Directors to initiate, conduct and approve the procedures, operations and corporate decisions necessary to increase the share capital of Energonuclear, operationalize Energonuclear and provide the necessary resources, according to the Strategy approved by the OGMS of SNN (point 6 of the EGMS agenda of April 5, 2021).

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

By Resolution no. 4/05.04.2021 of the Extraordinary General Assembly of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this topic on the agenda (topic 8 of the AGEA agenda of March 5, 2021), was approved.

#### **4.10. Approving the Distribution of the Net Profit of the Financial Year 2020**

With Resolution No. 5/April 26, 2021 of the Ordinary General Meeting of Shareholders ("OGMS"), the distribution of the net profit for the financial year 2020 per destinations, the total value of gross dividends amounting to RON 472,117,575, the value of the gross dividend per share amounting to RON 1.56514879, the dividend payment date, i.e. June 25, 2021 and the payment methods, have been approved, according to the note submitted to the shareholders for this point of the agenda (point 5 of the OGMS agenda of April 26, 2021).

#### **4.11. Planned outage of Unit 2 CNE Cernavoda**

Starting from May 9, 2021 at 11:00, Unit 2 CNE Cernavoda entered the planned outage program and the synchronization with the National Energy System was made on June 14, 2021.

Over the period of planned outage made once every two years, more than 12,000 activities of the following programs were carried out:

- Preventive and corrective maintenance program;
- Inspection program;
- The mandatory testing program over 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 of implementation of the project amendments per certain systems/equipment/components.

All the works over the scheduled outage 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 Cernavoda NPP Branch and in full observance of all the protection measures against COVID 19.

#### **4.12. Mission, Vision and Values of S.N. Nuclearelectrica S.A.**

By the Current Report published on July 8, 2021, SNN informed its shareholders and investors regarding the launch of new:

- Mission - "We generate clean energy at standards of excellence";
- Vision - "We are building a sustainable future for the next generation"; and
- Values "Professional excellence", "Care for employees", "Safety and stability", "Empathy and responsibility" and "Durable development".

The Mission, Vision and Values of SNN represents the commitment of the SNN team for durable development, innovation and energy security.

#### **4.13. Taking over the license for the concession of the operation activity at Tulghes – Grinties**

By the Current Report published on August 5, 2021, SNN informed the shareholders and investors that on August 4, 2021, it signed the Addendum for taking over the license for the concession of the Tulghes-Grinties operation activity, in virtue of the Order of the National Agency for Mineral Resources

regarding the transfer of the rights and obligations set by the license for the concession of the activity of operating the uranium ore from the Tulghes-Grinties, Neamt County, perimeter.

Taking over the license for the concession of the Tulghes-Grinties perimeter, corroborated with taking over assets of the CNU Feldioara branch considers the consolidation of the integrated cycle of nuclear fuel and creating the premises for the development of the internal supply chain for the competitive advantage of Romania and SNN.

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

By the Current Report published on October 06, 2021, S.N. Nuclearelectrica S.A. informs its shareholders and investors that, on 06.10.2021, the Board of Directors of SNN took note, by Resolution no. 171/06.10.2021, of the resignation of Mr. Paul Ichim from his position of Chief Financial Officer of SNN. According to the concluded mandate contract, the mandate of Mr. Paul Ichim is to end following his resignation within 90 days of the resignation, namely as of 11.02.2022.

#### **4.15. S.N. Nuclearelectrica S.A joins the World Economic Forum – „WEF”**

SNN is the first Romanian company which has joined the World Economic Forum as a member in two strategic fields: The Platform for Shaping the Future of Energy Materials and Infrastructure, and the Partnership Initiative Against Corruption, supporting the strategic vision of the company to build a durable future for the generation of tomorrow, providing clean energy at the highest excellency standards.

#### **4.16. Approving the rectification of the Revenue and Expense Budget for 2021**

Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders approved the rectification of the Revenue and Expense Budget for 2021 (section 3 of the OGMS Agenda of October 28, 2021).

#### **4.17. Major litigations**

The situation of the major litigations (in amount of over RON 500 thousand) and of the monetary unevaluated ones in progress as of September 30, 2021 is presented in **Annex 4**.

#### **4.18. Other information**

The quarterly report of the Board of Directors for the period January 1 - September 30, 2021, is accompanied by the Individual Interim Financial Statements on the date and for the period of 9 months ended on September 30, 2021; these financial statements are published on the website of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), Investors relation section.

**5. MAIN ECONOMIC AND FINANCIAL INDICATORS AS OF 30.09.2021**

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

Indicator name	Calculation method	M.U.	Value 30.09.2021 <sup>*)</sup>
<b>1. The current liquidity indicator</b>	Current assets/ Current debts	x	5.57
<b>2. Debt ratio indicator</b>			
2.1. Debt ratio indicator (1)	Borrowed capital/ Equity x 100	%	2.0%
2.1. Debt ratio indicator (2)	Borrowed capital/ Engaged capital x 100	%	1.9%
<b>3. Accounts receivables turnover rate</b>	Average accounts receivables/ Turnover x 270	days	23
<b>4. Asset turnover speed<sup>**)</sup></b>	Turnover/ Non-current assets	x	0.48

<sup>\*)</sup> Based on the Individual Interim Financial Statements on the date and for the 9-month period ended on September 30, 2021.

<sup>\*\*)</sup> The asset turnover speed is calculated by updating the quarterly turnover (360 days/270 days).

## **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-year 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 amount of the annual variable component of the remuneration of non-executive directors, in the amount of 12 fixed monthly 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. Domnului Teodor Minodor Chirica as a temporary member of the Board of Directors of SNN, with a 4-month duration, for 30.01.2020 – 30.05.2020, according to the provisions of Emergency Ordinance 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 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 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/January 27, 2021 of the Ordinary General Assembly of Shareholders (“OGAS”), 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 September 30, 2021, the members of the Board of Directors were as follows:

Item no.	Name and surname	Date of mandate expiry
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 calculation of the total achievement percentage of the key performance indicators for the 3rd quarter of 2021 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 100% for the 3<sup>rd</sup> quarter of 2021 cumulated (so over the 75% threshold) for each member of the Board of Directors:

Mandate contract	Achievement level Quarter III 2021 (total)
Board of Directors	100%

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

**Approved,  
Paul Ichim,  
Chief Financial Officer**

**Annex 1 – Report on the financial position as of September 30, 2021**

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Tangible assets	5,591,087,025	5,794,727,840
Assets representing rights to use underlying assets under a leasing contract	1,225,667	621,233
Intangible assets	50,004,170	53,470,674
Financial assets valued at amortized cost	35,232,054	5,056,031
Financial investments in subsidiaries	172,438,308	141,666,101
<b>Total non-current assets</b>	<b>5,849,987,224</b>	<b>5,995,541,879</b>
<b>Current assets</b>		
Inventories	452,229,671	435,434,531
Non-current assets held for sale	-	2,231,633
Trade receivables	208,466,140	157,943,751
Other assets valued at amortized cost	74,449,849	85,367,796
Bank deposits	1,496,971,000	1,621,384,000
Cash and cash equivalents	714,343,096	546,565,840
<b>Total current assets</b>	<b>2,946,459,756</b>	<b>2,848,927,551</b>
<b>Total assets</b>	<b>8,796,446,980</b>	<b>8,844,469,430</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital, of which:	3,211,941,683	3,211,941,683
<i>Subscribed and paid in share capital</i>	<i>3,016,438,940</i>	<i>3,016,438,940</i>
<i>Inflation adjustments to the share capital</i>	<i>195,502,743</i>	<i>195,502,743</i>
Share premiums	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	177,253,795	198,799,898
Retained earnings	4,245,984,608	4,055,915,983
<b>Total equity</b>	<b>7,688,207,772</b>	<b>7,519,685,250</b>
<b>Liabilities</b>		
<b>Long-term liabilities</b>		
Long-term loans	152,370,680	290,478,567
Debts from long-term leasing contracts	961,082	515,074
Provisions for risks and expenses	243,280,469	235,409,546
Deferred revenues	76,622,541	86,067,969
Deferred tax liability	62,982,451	66,526,912
Obligations concerning employee benefits	43,102,434	43,102,434
<b>Total long-term liabilities</b>	<b>579,319,657</b>	<b>722,100,502</b>
<b>Current liabilities</b>		
Trade payables and other liabilities	171,968,809	285,020,150
The current share of provisions for risks and expenses	69,584,185	57,272,874
Corporate tax due	52,337,131	32,049,397
Deferred revenues	13,324,793	16,228,454
Current share of long-term loans	221,430,224	211,995,082
Debts from short-term leasing contracts	274,409	117,721
<b>Total current liabilities</b>	<b>528,919,551</b>	<b>602,683,678</b>
<b>Total liabilities</b>	<b>1,108,239,208</b>	<b>1,324,784,180</b>
<b>Total equities and liabilities</b>	<b>8,796,446,980</b>	<b>8,844,469,430</b>

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**Annex 2 - Profit and Loss Account for the 9-month period ended on September 30, 2021**

	<b>3-month period ended on September 30, 2021 (unaudited)</b>	<b>3-month period ended on September 30, 2020 (unaudited)</b>	<b>9-month period ended on September 30, 2021 (unaudited)</b>	<b>9-month period ended on September 30, 2020 (unaudited)</b>
<b>Incomes</b>				
Income from electricity sales	775,237,956	574,153,486	2,114,818,186	1,731,672,957
Electricity transmission income	3,486,641	2,840,711	9,842,974	9,988,653
<b>Total income</b>	<b>778,724,597</b>	<b>576,994,197</b>	<b>2,124,661,160</b>	<b>1,741,661,610</b>
Other income	25,170,207	17,203,540	61,770,543	35,520,874
<b>Operating expenses</b>				
Impairment and depreciation	(139,785,853)	(130,508,099)	(417,428,284)	(408,763,469)
Personnel expenses	(122,762,981)	(107,640,056)	(316,551,910)	(326,171,173)
Cost of purchased electricity	(60,630,991)	(41,188,984)	(183,751,266)	(51,553,165)
Repairs and maintenance	(24,378,272)	(24,722,887)	(70,440,767)	(46,849,121)
Electricity transmission expenses	(3,486,641)	(2,840,711)	(9,842,974)	(9,988,653)
Cost of spare parts	(4,613,613)	(5,135,073)	(15,377,567)	(13,437,295)
Cost of nuclear fuel	(44,184,839)	(31,494,662)	(115,118,874)	(96,084,383)
Other operating expenses	(104,572,751)	(101,547,062)	(303,293,081)	(286,605,701)
<b>Total operating expenses</b>	<b>(504,415,941)</b>	<b>(445,077,534)</b>	<b>(1,431,804,723)</b>	<b>(1,239,452,960)</b>
<b>Operating profit</b>	<b>299,478,863</b>	<b>149,120,203</b>	<b>754,626,980</b>	<b>537,729,524</b>
Financial expenses	(5,821,274)	(11,150,313)	(28,305,260)	(33,730,056)
Financial revenues	13,788,527	21,445,468	45,599,989	68,634,135
<b>Net financial revenues</b>	<b>7,967,253</b>	<b>10,295,155</b>	<b>17,294,729</b>	<b>34,904,079</b>
<b>Profit before income tax</b>	<b>307,446,116</b>	<b>159,415,358</b>	<b>771,921,709</b>	<b>572,633,603</b>
Net income tax expense	(52,231,094)	(24,948,550)	(131,314,158)	(94,944,348)
<b>Profit for the period</b>	<b>255,215,022</b>	<b>134,466,808</b>	<b>640,607,551</b>	<b>477,689,255</b>

## Annex 3 - Execution of the Revenue and Expense Budget as of September 30, 2021

		thousand RON							
0	1	2	3	4	5	6	7	8	9
		Indicators	Row no.	BVC 2021 Quarter III 2021 (approved by OGMS Resolution no. 7/06.05.2021)	BVC 2021 Quarter III 2021 (approved by OGMS Resolution no. 11/28.10.2021)	Performed Quarter III 2021	% Achieved vs. Approved initial [Col.6/Col.4]	Variation (abs.) [Col.6- Col.4]	% Achieved vs. Approved rectified [Col.6/Col.5]
I.		<b>TOTAL REVENUES (Row 2 + Row 5)</b>	1	2,036,321	2,210,491	2,225,219	109.3%	188,898	100.7%
	1.	<b>Total operating income, out of which:</b>	2	1,992,142	2,166,824	2,179,619	109.4%	187,477	100.6%
		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	44,180	43,667	45,600	103.2%	1,420	104.4%
II.		<b>TOTAL EXPENSES (Row 7 + Row 21)</b>	6	1,506,313	1,484,301	1,453,297	96.5%	(53,015)	97.9%
	1.	<b>Operating expenses (Row 8 + Row 9 + Row 10 + Row 20)</b>	7	1,480,440	1,454,139	1,424,992	96.3%	(55,448)	98.0%
	A.	<b>Expenses on goods and services</b>	8	581,775	548,136	532,172	91.5%	(49,604)	97.1%
	B.	<b>Expenses on taxes, duties and similar payments</b>	9	87,220	86,050	86,405	99.1%	(815)	100.4%
	C.	<b>Personnel expenses (Row 11 + Row 14 + Row 18 + Row 19)</b>	10	343,145	331,745	319,474	93.1%	(23,670)	96.3%
	C0	<b>Salary expenses (Row 12 + Row 13)</b>	11	311,965	300,432	292,822	93.9%	(19,144)	97.5%
	C1	<b>Salary expenses</b>	12	276,385	261,820	256,263	92.7%	(20,122)	97.9%
	C2	<b>Bonuses</b>	13	35,580	38,612	36,558	102.7%	978	94.7%
	C3	<b>Other personnel expenses, out of which:</b>	14	-	-	-	-	-	-
		a) Expenses on compensations for personnel lay-offs	15	-	-	-	-	-	-
		b) Expenses on salary entitlements owed in virtue of court decisions	16	-	-	-	-	-	-
		c) Salary expenses related to restructuring, privatization, receiver, other commissions and committees	17	-	-	-	-	-	-
	C4	<b>Expenses related to the mandate contract and other management and inspection bodies, commissions and committees</b>	18	2,626	2,681	1,810	68.9%	(816)	67.5%
	C5	<b>Expenses related to social security and protection, special funds and other legal obligations</b>	19	28,553	28,631	24,842	87.0%	(3,711)	86.8%
	D.	<b>Other operating expenses</b>	20	468,301	488,208	486,941	104.0%	18,641	99.7%
	2.	<b>Financial expenses</b>	21	25,872	30,162	28,305	109.4%	2,433	93.8%
III.		<b>GROSS RESULT (profit/loss) (Row 1 - Row 6)</b>	22	530,009	726,190	771,922	145.6%	241,913	106.3%
IV.		<b>CORPORATE TAX</b>	23	93,336	125,663	131,314	140.7%	37,978	104.5%
V.		<b>ACCOUNTING PROFIT REMAINED AFTER CORPORATE TAX DEDUCTION (Row 22 - Row 23)</b>	24	436,673	600,526	640,608	146.7%	203,935	106.7%

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**Annex 4 – Major litigations in progress on September 30, 2021 (over RON 500 thousand), including the non-monetary evaluated ones**

Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
<b>SNN Executive</b>								
1.	9089/101/2013	Civil Law Court Mehedinti	Creditor	Autonomous Administration for Nuclear Activities (RAAN)	Insolvency. Winding-up bankruptcy. Claim RON 7,828,405.48	First Instance	Procedure in progress.	10.02.2022
2.	873/1259/2008	Civil Law Court Arges	Creditor	Termoficare 2000 S.A.	Insolvency Bankruptcy. Claim RON 2.713.986,71	First Instance	Procedure in progress.	23.11.2021
3.	1794/118/2016	Criminal Law Court Constanta Constanța Court of Appeal	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor SC Davy Security S.R.L. as a civilly liable party by official receiver.	Damage EUR 3,471,463.	First Instance	Solution type: the deed is not stipulated by the criminal law (art. 10 let. b in the Criminal Procedure Code).  In virtue of art. 396 par. 5 in the criminal procedure code in ref. to art. 17 par. 2 in the criminal procedure code and art. 16 let. b in the criminal procedure code, brings the verdict of not guilty for defendant Bucur Ionel for having perpetrated the crime of abuse of office, if the public servant obtained for themselves or for another party an undue benefit stipulated by art. 132 of Law 78/2000 in reference to art. 297 par. 1 in the Criminal Code, by applying art. 309 and art. 183 in the Criminal Code by applying art.5 in 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 stipulated by art. 301 in the Criminal Code by applying art. 5 in 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.). In virtue of art. 396 par. 5 in the criminal procedure code in ref. to art. 17 par. 2 in the criminal procedure code and art. 16 let. b in the criminal procedure code, brings the verdict of not guilty for Negulici Elena Marinela for having perpetrated the crime of abuse of office and for having perpetrated the crime of conflict of interests stipulated by art. 301 in the Criminal Code by applying art. 5 of the criminal code, brings the verdict of not guilty for defendant Encica Ionel for having perpetrated the crime of abuse of office, brings the verdict of not guilty for defendant Nicola Laurentiu Theodor having perpetrated the crime of abuse of office,	The hearing is next.

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

Quarterly report of the Board of Directors for the period January 1 - September 30, 2021

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

Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							brings the verdict of not guilty for defendant Daramus Victor having perpetrated the crime of complicity to the crime of occupational abuse, brings the verdict of not guilty for defendant Olteanu Madalina having perpetrated the crime of abuse of office, in virtue of art. 397 in the criminal procedure code and art. 25 in the criminal procedure code, dismisses the civil case filed by civil party S.N. Nuclearelectrica S.A., as unsubstantiated. Lifts the distraint upon property established by Ordinance no. 279/P/2015 of January 6 <sup>th</sup> , 2016 of DNA – ST Constanta, as amended by decision no. 9/January 19 <sup>th</sup> , 2016 of Constanta Law Court and by Ordinance 279/P/2015 of February 11 <sup>th</sup> , 2016 of DNA – ST Constanta, on the assets of defendants Bucur Ionel, Negulici Elena - Marinela and Daramus Victor. In virtue of art. 275 par. 3 in the criminal procedure code, and the legal charges paid by the state continue to remain incumbent thereupon. Subject to appeal within 10 days of intimation. Passed in public session this day of February 19 <sup>th</sup> , 2021 Court Decision no. 125/February 19 <sup>th</sup> , 2021.	
							Appeal	
4.	3490/121/2015*	Civil Law Court Galati Galati Court of Appeal High Court of Cassation and Justice	Plaintiff	S.C. ArcelorMittal Galati S.A.	Claims RON 8,575,245.78 difference amount energy sale made redundant and other related expenses.	Appeal retrial	<p>First Instance Dismisses the action of compelling the defendant to the payment of liquidated damages deriving from contract no. 207/ February 22<sup>nd</sup>, 2013 as unsubstantiated.</p> <p>Appeal Approves the appeal filed by plaintiff S.N. Nuclearelectrica S.A. against civil judgment no. 278/December 20<sup>th</sup>, 2016 issued by Galati Law Court - Civil Division II in Case File no. 3490/121/2015. Fully changes the appealed sentence and, in retrial. Partially admits the action. Compels the defendant ArcelorMittal Galati S.A. to the payment towards plaintiff S.N. Nuclearelectrica S.A. of the amount of RON 8,645,467.52, as damages. Dismisses as unsubstantiated the appeal filed against the court decision of May 26<sup>th</sup>, 2016 of the same law court. Compels the defendant to the payment towards the plaintiff of the amount of RON 142,132.97, legal charges - in the first court and appeal. Court Decision no. 227/September 27<sup>th</sup>, 2017.</p> <p>Second appeal Admits the appeal of the appellant-defendant S.C. ArcelorMittal Galati S.A. against civil judgment no. 227/A of September 27<sup>th</sup>, 2017</p>	The hearing is next.

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

Quarterly report of the Board of Directors for the period January 1 - September 30, 2021

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

Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							<p>issued by Galati Law Court - Civil Division I, annulling it and remanding the case for retrial to the same law court. Final.</p> <p>Retrial appeal Civil judgment no. 102/A approves the appeal filed by plaintiff S.N. Nuclearelectrica S.A. against civil judgment no. 278 /December 20<sup>th</sup>, 2016 issued by Galati Law Court - Civil Division II in Case File no. 3490/121/2015. Fully changes the appealed judgment and, in retrial, partially approves the case. Compels the defendant ArcelorMittal Galati S.A. to the payment towards plaintiff S.N. Nuclearelectrica S.A. of the amount of RON 8,575,245.78, as liquidated damages. Dismisses as unsubstantiated the appeal filed against the court decision dated May 26<sup>th</sup>, 2016 issued by the Galati Law Court in file no. 3490/121/2015. Compels the defendant to the payment towards the plaintiff of the amount of RON 142,132.97, legal charges - in the first court and appeal. Subject to appeal, to be filed at Galati Court of Appeal, within 30 days of intimation. Passed this day of June 26<sup>th</sup>, 2019, by making the solution available to the parties via the registry of the Court. Court Decision no. 102/June 26<sup>th</sup>, 2019.</p> <p>Appeal retrial</p>	
5.	4946/2/2015	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Auditors Intervener General Concrete	Measure annulment General Concrete	First Instance	<p>First Instance Admits the petition. Partially cancels resolution no. 59/July 17<sup>th</sup>, 2015 issued by the defendant, with regard to section 5, Decision no. 16/May 11<sup>th</sup>, 2015 issued by the defendant, on the measure ordered in section II.7 in the enactment terms of the decision, as well as section 3.3.1 of the Inspection Report No. 4371/April 10<sup>th</sup>, 2015 issued by the defendant. Admits the request of accessory intervention. Subject to appeal within 15 days of intimation. Court Decision no. 68/February 28<sup>th</sup>, 2020.</p> <p>Second appeal</p>	November 18 <sup>th</sup> , 2021

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

Quarterly report of the Board of Directors for the period January 1 - September 30, 2021

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

Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
6.	45494/3/2015**	Bucharest Law Court VI Civil party Court of Appeal High Court of Cassation and Justice	Plaintiff impleaded	Managers of S.N. Nuclearelectric a S.A. and GMS members.	Damage RON 708,407. Enforcement of the measure ordered by CC by the 2012 report on the D&O policies.	Appeal retrial	<p>First Instance Dismisses the exception of the lack of passive legal standing invoked by the defendants Grama Mioara, Popescu Lucia -Ioana, Chiriac Cristiana and Serbanescu Cristian Ovidiu. Admits the prescription exception. Dismisses the petition, ascertaining as limited the right to action. Dismisses the impleader as scope deprived. Compels the plaintiff to the payment of the following legal charges: RON 8,226.53 to defendant Grama Mioara, RON 7,873.53 to defendant Popescu Lucia - Ioana and RON 7,925.79 to defendant Chiriac Cristiana. Subject to appeal within 30 days of intimation. Court Decision no. 7583/November 29<sup>th</sup>, 2016.</p> <p>Appeal Approves the appeal. Partially cancels the appealed sentence as regards the approval of the limitation exception of the amount of EUR 6,465 paid on March 1<sup>st</sup>, 2011, of the amount of EUR 3,397 paid on May 2<sup>nd</sup>, 2011, of the amount of EUR 39,250 paid on June 7<sup>th</sup>, 2011 and the accessories of these amounts and with regard to the granting of the legal charges. Sends the case for retrial to the same law court within these limits. Maintains the remaining appealed verdict. Subject to second appeal within 30 days of intimation. Passed in public session this day of December 15<sup>th</sup>, 2017</p> <p>Second appeal Approves the second appeals filed 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<sup>th</sup>, 2017 issued by Bucharest Court of Appeal - Civil Division V, overruling it and sending the case for retrial to the same law court. Final.</p> <p>Dismisses the appeal as unsubstantiated. Compels the plaintiff in appeal to the payment of the legal charges to the respondents thus: for Chirica Minodor Teodor the amount of RON 22,519, for Budulan Pompiliu the amount of RON 7,469, for Chiriac Cristina the amount of RON 21,634, for Grama Mioara the amount of RON 21,634, for Serbanescu Cristian the amount of RON 6,354 and for Popescu Lucia the amount of RON 6,805. Subject to appeal. Court Decision no. 2215/December 20<sup>th</sup>, 2019.</p> <p>Second appeal</p>	15.12.2021
7.	409/2/2016	Bucharest Court of Appeal	Civil Party	Tudor Ion Criminal group	Tax evasion offenses, bribery, corrupt practices	First Instance	First Instance Procedure in progress.	29.11.2021

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

Quarterly report of the Board of Directors for the period January 1 - September 30, 2021

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

Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
				Banat insolvency firm, liquidator at CET Energoterm Resita.	RON 580,974.21.			
8.	41419/3/2016	Civil Law Court Bucharest II Division Bucharest Court of Appeal	Plaintiff-Defendant	Energoc Securent S.R.L.	SNN claims: RON 330,074.32 Claims of Energoc Securent: RON 2,206,539.80	First Instance	First Instance Partially admits the main petition. Orders the defendant to pay to the plaintiff 337,569.25 lei out of which 273,341.76 lei represents amounts paid in excess following the reduction of CAS, 64,254.49 lei represents the related VAT, plus legal interest of 31,399.28 lei. Approves the counterclaim as indicated, and consequently: Orders the plaintiff - defendant to pay to the defendant - plaintiff 1,257,880.8 lei, representing the value of the invoices issued and paid for the security services provided in period 01.07.2014 - 28.02.2016, out of which 1,022,112.46 lei representing the main debt and 235,786.34 lei representing the related VAT. Offsets trial expenses. With right to appeal within 15 days of communication. Pronounced today, 18.05.2021. Second appeal	not drafted
9.	5802/118/2017	Labour Law Court - Constanta	Defendant	CNE Trade Union for 757 employees.	Monetary rights hazardous conditions bonus.	First Instance	First Instance Management of forensic accounting.	3.12.2021
10.	7036/118/2017	Labour Law Court - Constanta	Defendant	SLEN trade union for 132 employees 159 plaintiffs on their own behalf.	Monetary rights hazardous conditions bonus.	First Instance	First Instance	3.12.2021
11.	6471/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Cancellation of the measure in section 1 of the Decision - Energonuclear loan.	First Instance	First Instance Admits the action. Partially cancels Decision no.29/July 31 <sup>st</sup> , 2018, respectively section 1, and Decision no.5/June 8 <sup>th</sup> , 2018, respectively the measure ordered in section I.4 for the removal of the deviation described in section 4. Compels the defendant to the payment of the	12.10.2022

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
		High Court of Cassation and Justice					legal charges. Subject to appeal within 15 days of intimation. Court Decision no. 1229/March 29 <sup>th</sup> , 2019. Second appeal	
12.	6472/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Auditors	Cancellation of the measure in section 4 of the Decision – Uranium.	First Instance	First Instance Admits the action. Partially cancels Decision no.29/July 31 <sup>st</sup> , 2018, respectively section 4, and Decision no.5/June 8 <sup>th</sup> , 2018, respectively the measure ordered in section I.8 for the removal of the deviation described in section 10. Compels to the payment of the legal charges. Subject to appeal within 15 days of intimation. Court Decision no. 1230/March 29 <sup>th</sup> , 2019. Second appeal	06.10.2022
13.	6479/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Auditors	Cancellation of the measure in section 5 in the Decision - ROEL Xerox.	First Instance	First Instance Partially admits the action. Partially cancels Decision no. 29/July 31 <sup>st</sup> , 2018 and Decision no. 5/June 8 <sup>th</sup> , 2018, both issued by defendant C.C.R. only in terms of the establishment of the damage related to the use of the equipment in question at the Ministry of Economy / Energy, only since the starting date of the activities of the negotiation Commission for the Project of Units 3 and 4 of Cernavoda (measure ordered in section II.3 of decision no. 5/ June 8 <sup>th</sup> , 2018, for which the administrative appeal was dismissed by section 5 of Decision no. 29/July 31 <sup>st</sup> , 2018). Dismisses the rest of the case. Subject to appeal within 15 days of intimation. Court Decision no. 1730/May 14 <sup>th</sup> , 2019. Second appeal	April 8 <sup>th</sup> , 2022
14.	6481/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Auditors	Cancellation of the measure in section 3 of the Decision - BVC substantiation.	First Instance	First Instance Dismisses the action as unsubstantiated. Subject to appeal within 15 days of intimation. Court Decision no. 1939/June 5 <sup>th</sup> , 2019.	January 13 <sup>th</sup> , 2022
15.	6487/2/2018	Administrative Bucharest Court of Appeal	Plaintiff	Court of Auditors	Cancellation of the measure in section 2 of the Decision - non-increase of the share capital.	First Instance	First Instance Dismisses the action as unsubstantiated. Subject to appeal within 15 days of intimation. Court Decision no. 1940/June 5 <sup>th</sup> , 2019.	May 4 <sup>th</sup> , 2022

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
		High Court of Cassation and Justice						
16.	35162/299/2018*	Civil – County Court of the 1 <sup>st</sup> District of Bucharest - Civil Division II	Third party in garnishment – SNN Debtor Claimant AAAS Respondent Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Appeal against enforcement RON 2,089,042.69.	First Instance retrial	First Instance Dismisses the exception of the lack of passive legal standing of the garnishee as unsubstantiated. Dismisses the appeal against the enforcement as unsubstantiated. Subject to appeal within 15 days of intimation. Court Decision no. 1611/March 21 <sup>st</sup> , 2019. Second appeal Approves the appeal. Approves the exception of the lack of the mandatory passive procedural framework, invoked ex officio. Overrules the judgment and sends the case for retrial to the same law court. Final. Passed in public session this day of January 14 <sup>th</sup> , 2020. Court Decision no. 7/January 14 <sup>th</sup> , 2020. Retrial merits - suspended in virtue of art. 412 NCPC until the submittal of evidence on the heir status.	9.11.2021
17.	5308/2/2019	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Auditors.	Cancellation of the findings in the follow-up Report no.7787 /July 1 <sup>st</sup> , 2019 on measures II.7 and II.9 in Decision no. 16/ May 11 <sup>th</sup> , 2015.	Second appeal	First Instance Admits the exception of non-admissibility. Dismisses the action as unsubstantiated. Subject to appeal within 15 days of intimation. The appeal shall be lodged with Bucharest Court of Appeal, under the penalty of nullity. Passed this day of March 16 <sup>th</sup> , 2020, by making the solution available to the parties via the registry of the Court. Court Decision no. 191/March 16 <sup>th</sup> , 2020. Second appeal	May 11 <sup>th</sup> , 2022
18.	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	Ascertainment of the absolute nullity of the addenda to the mandate and management contracts return of the collected amounts plus the legal interest and the inflation rate.	First Instance	First Instance Rejects the application for repeating the trial, formulated by the plaintiff, as ungrounded. Approves the exception for the expiry of the main application. Finds that the main application has expired. Dismisses the impleader as scope-deprived. Orders the plaintiff to pay to defendant Tcaciuc Sebastian Gabriel the amount of 5,681.06 RON, as trial expenses. With appeal within 5 days of the ruling. Resolution 1977/2021 13.07.2021 Second appeal	The hearing is next

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
19.	36200/3/2019	Civil Bucharest Law Court	Plaintiff	Ministry of Economy, Energy and Business Environment.	RON 2,217,600 plus interest and inflation index - damage representing the difference between the variable indemnification collected by the BoD members and the managers for the period 2015-2017.	First Instance	First Instance In virtue of Art. 413 par. 1 section 1 in the Civil Procedure Code, it orders the suspension of the case until the final settlement of file no. 6481/3/2018 pending before Bucharest Court of Appeal Division IX, administrative and tax court. Subject to appeal during the suspension, the appeal petition being lodged with Bucharest Court of Law – Civil Division VI. Passed in public session this day of May 26 <sup>th</sup> , 2020. Decision - Suspension May 26 <sup>th</sup> , 2020.	Suspended.
20.	6026/109/2019	Labour Arges Law Court	Defendant	Gheba Florin Ovidiu.	Appeal against Decision no. 344/October 17 <sup>th</sup> , 2019 on the termination of the individual employment contract and Decision no. 300/September 12 <sup>th</sup> , 2019 - disciplinary investigation commission.	First Instance	First Instance 244 in the civil procedure court Solution in brief: in virtue of the provisions of art. 413 par. (1) section 1 of the Civil Procedure Code, it suspends the judgment of the case until the final settlement of the case contemplated by file no. 1012/46/2019 of Pitesti Court of Appeal. Subject to appeal during the suspension, to be lodged with Arges Law Court. Passed this day of September 9 <sup>th</sup> , 2020, within the terms of art. 396 par. 2 in the Civil Procedure Code. Decision - Suspension September 9 <sup>th</sup> , 2020.	Suspended.
21.	5462/2/2019	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	General Regional Directorate of Public Finance Bucharest General Directorate for the Administration of Large Taxpayers.	Cancellation of fiscal documents	First Instance	First Instance Approves the exception of the lack of passive lawsuit status of the defendant, the Public Finance General Regional Division of Bucharest. Rejects the application formulated by plaintiff S.N. Nuclearelectrica S.A. against the defendant, the Public Finance General Regional Division of Bucharest, as formulated against a person without a passive lawsuit status. Admits the exception of the law prescription to the action. Rejects the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against defendant ANAF - Appeal Resolution General Division as exceeding the statute of limitations. Admits the exception of non-admissibility. Rejects the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against the defendant, the Large Taxpayer Management General Division, as inadmissible. With right to appeal within 15 days of communication. Judgment no. 985/22.06.2021. Second appeal	The hearing is next.
22.	97/2/2020	Civil Bucharest Court of Law.	Plaintiff.	NARE (National Energy	Cancellation of administrative order no.216/December 11 <sup>th</sup> , 2019.	Appeal	First Instance Dismisses the petition. Solution in brief: approves of the lateness exception for filing additional petitions, invoked by the defendant. Dismisses the action in voidance for Decisions 2213/December 23 <sup>rd</sup> , 2019 and no. 2214/December 23 <sup>rd</sup> ,2019, respectively notice no.	24.03.2022

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
		Bucharest Court of Appeal High Court of Cassation and Justice		Regulatory Authority).			110703/December 23 <sup>rd</sup> ,2019, as filed delayed. Dismisses the rest of the writ of summons as unsubstantiated. Subject to appeal within 15 days of intimation, the petition being lodged with Bucharest Court of Appeal - Administrative and Tax Court- Division VIII. Passed by making the solution available to the parties via the registry of the Court this day of July 31 <sup>st</sup> , 2020. Court Decision no. 681/July 31 <sup>st</sup> , 2020.  Appeal Accepts the lateness exception for filing additional petitions, invoked by the defendant. Dismisses the action in voidance for Decisions 2213/December 23 <sup>rd</sup> , 2019 and no. 2214/December 23 <sup>rd</sup> ,2019, respectively notice no. 110703/December 23 <sup>rd</sup> ,2019, as filed delayed. Dismisses the rest of the writ of summons as unsubstantiated. Subject to appeal within 15 days of intimation. Court Decision no. 681/July 31 <sup>st</sup> , 2020. Second appeal	
23.	3083/3/2020	Civil Bucharest Court of Law. Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff.	Transelectrica National Electricity Transportation Company.	RON 1,472,785.	First Instance	First Instance Approves of the writ of summons. Compels the defendant to the payment of the amount of RON 1,290,533,156, as liquidated damages, to the update of this amount by the inflation rate from September 27 <sup>th</sup> , 2018 and until the date of the actual payment, to the payment of the amount of RON 182,251.94 representing the legal penalty interest calculated from September 27 <sup>th</sup> , 2018 until January 31 <sup>st</sup> , 2020, as well as the continued payment of the legal penalty interest, calculated from February 1 <sup>st</sup> , 2020 until the date of the actual payment. It compels the defendant to the payment, in favour of the plaintiff, of the amount of RON 23,441.66 as legal charges representing the judicial stamp duty. Dismisses the petition of the defendant on the payment of the legal charges as unsubstantiated. Subject to appeal within 30 days of intimation. The demand for appeal shall be lodged with Bucharest Court of Law - Civil Division VI. Passed this day of December 22 <sup>nd</sup> , 2020, by making the solution available to the parties at the registry of the Court. Court Decision no. 2698/December 22 <sup>nd</sup> , 2020. Appeal	The hearing is next.
24.	2929/3/2020*	Administrative	Defendant.	General Concrete Cernavoda.	Cancellation of the public procurement ascertaining	First Instance	First Instance Postpones the case. In order to provide to the plaintiff the possibility of formulating a reexamination application against the authentication	09.11.2021

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
		Bucharest Court of Law, Civil Division VI			Document no. 2865/October 15 <sup>th</sup> , 2019.		which resolved the application of granting the facilities for paying the judicial stamp tax.	
25.	1506/118/2020	Civil/ Law Court - Constanta	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 right of use, easement, free use of publicly-owned land.	First Instance	First Instance	5.11.2021
26.	1663/118/2020	Civil Medgidia County Court	Plaintiff	Romanian State by the Ministry of Public Finance "Apele Romane" National Administration Dobrogea Litoral Water Basin Administration.	Declaratory action for the right of management of the land related to the river basin Cismelei Valley, use, easement, free use of public property land 31,050 sq.m. and 73,428 sq.m.	First Instance	First Instance Rejects the exception of the lack of passive lawsuit status of the Ministry of Environment, Waters and Forests, invoked by the statement of defense, as ungrounded. Approves the exception of the inadmissibility of the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against defendants the Romanian State, by the Ministry of Finance, the Romanian Waters National Administration, the Dobrogea Litoral Basin Administration and the Ministry of Environment, Waters and Forests, an exception which was invoked ex officio. Rejects the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against defendants the Romanian State, by the Ministry of Finance, the Romanian Waters National Administration, the Dobrogea Litoral Basin Administration and the Ministry of Environment, Waters and Forests, as inadmissible. With appeal within 30 days from the intimation. Judgment no. 891/17.06.2021 Appeal	The hearing is next.

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
27.	2659/2/2020	Administrative Court Bucharest Court of Appeal	Plaintiff	NARE	Cancellation of Order No. 12/2016.	First Instance	First Instance  Dismisses as unsubstantiated the petition for the recovery of the material right to action within the limitation term. Approves the exception of the lateness in filing the petition. Dismisses the petition as filed late. Partially approves the petition of notification the Constitutional Court and orders the notification of the Constitutional Court with the settlement of the lack of constitutionality exception of the provisions of art. 5 paragraph 7 of GEO no. 33/2017 amending and supplementing the Electricity Law no. 13/2007 and Gas Law no. 351/2004, approved by Law no. 160 of October 2 <sup>nd</sup> , 2012. Dismisses the rest of the petition of notification of the Constitutional Court as inadmissible. Subject to appeal within 48 hours of ruling, on the rejection as inadmissible of the petition of notification of the Constitutional Court. Subject to appeal within 15 days of intimation. Passed this day of February 9 <sup>th</sup> , 2021, by making the solution available to the parties via the registry of the Court. Court Decision no. 139/February 9 <sup>th</sup> , 2021.	15.12.2022
28.	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	First Instance	First Instance Administration of evidence for the technical expertise in constructions.	8.11.2021
29.	3570/2/2020	Administrative Court/ Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	NARE	Cancellation of documents issued by the regulatory authorities. Order no. 88/2020.	First Instance	First Instance Dismisses the indicated action, as unsubstantiated. Subject to appeal within 15 days of intimation. Judgment no. 247/04.03.2021. Second appeal	The hearing is next.
30.	13682/3/2020	Civil/ Bucharest Law Court	Defendant	ISPE Proiectare si Consultanta S.A.	Cancellation of a public procurement ascertaining Document	First Instance	First Instance In virtue of art. 413 par. 1 pt. 1 from the Civil Procedure Code, suspends trial until the final resolution of file no. 16597/3/2020. With appeal. Passed in public session on 27.04.2021.	Suspended.
31.	433/256/2021	Civil/ Medgidia County Court	Plaintiff	Territorial Labor Inspectorate of Constanta	Contravention complain protocol series CT no. 21907/06.01.2021.	First Instance	First Instance Approves the panel supplementation application formulated by claimant S.N. Nuclearelectrica S.A. Supplements the panel of the civil judgment no. 421 of 30.03.2021 with the solution on the count on granting trial expenses formulated by the claimant, with the	Completed

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							following content: "Orders the appellee to pay to the claimant RON 20, representing trial expenses." Orders the correction of the material error on the number of the protocol, and the order will be read as "Exonerates the claimant from paying the fine of 8,000 RON applied by protocol series CT no. 21907 of 06.01.2021". Subject to appeal within 30 days of intimation. Judgment no. 712/19.05.2021	
32.	6463/3/2021	Administrative Law Court - Constanta	Plaintiff	Labor Inspection, ITM Constanta	Administrative act cancellation ITM Resolutions no. 2772, 2773/25.02.2021.	First Instance	First Instance	The hearing is next
33.	544/109/2015	Civil/ Arges Law Court Pitesti Court of Appeal	Appellant CNU	Goga Gheorghe	Invention patents.	First Instance Appeal	First Instance Partially admits the action. Orders the defendant to pay RON 4,015,582 representing patrimonial rights derived from the operation of the technical methods that are subject to the investments related to period 2014-2018. With appeal. Judgment no. 343/26.09.2018  Appeal In order to continue the ORNISS procedure and conduct the analysis, postpones the trial.	17.11.2021
34.	4419/2/2021	Administrative Bucharest Court of Appeal	Plaintiff	Government of Romania	Suspension of the implementation and cancellation of G.R. no. 1041/2003.	First Instance		The hearing is next.
<b>Cernavoda NPP Branch</b>								
1.	7023/118/2019	Labour/ Law Court - Constanta	Defendant.	17 MID employees.	Granting a 30% bonus.	First Instance	First Instance conducting an accounting analysis	2.12.2021
2.	2221/118/2019	Civil / Constanta Court of Law	Plaintiff.	Sorex S.A.	Notice of claim/return of cranes or the equivalent value thereof - EUR 114,000.	First Instance	First Instance Rejects the exception of the lack of passive lawsuit capacity of NUCLEARELECTRICA SA, Cernavodă NPP branch, as ungrounded. Partially approves the action formulated by plaintiff SOREX SA, undergoing the bankruptcy procedure, by judicial liquidator CII Ursache Aurel against the defendant NUCLEARELECTRICA SA, Cernavodă NPP Branch. Orders the defendant to return to the plaintiff, in kind, the following assets: tower crane type MTA 125 with inventory number 651417 and manufacture series 679/1984 located inside reactor no. 3; tower crane type MTA 125 with inventory number 651424 and manufacture series 690/1985 located inside reactor no. 4; tower crane type MTA	not drafted

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Item no.	File number	Litigation nature/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							125 with inventory number 651372 and manufacture series 689/1985 located inside reactor no. 5. If the assets are no longer in the current actual state, as ascertained by the judicial technical expertise report drafted by expert Popa Teodor, orders the defendant to pay to the plaintiff the amount of EUR 10,000 for each of the three assets. Rejects the rest of the case, as ungrounded. Orders the defendant to pay to the plaintiff the amount of RON 1,500 representing trial expenses (part of the fee paid to the expert). With appeal within 30 days from the intimation. Resolution 1034/2021 30.09.2021	
3.	6144/118/2019	Civil/ Law Court - Constanta Constanța Court of Appeal	Plaintiff.	Public Utilities.	Recovery of the equivalent value of the damage following the non-acceptance of the new fee - RON 810,257.60.	First Instance	<p>First Instance Dismisses the action filed by plaintiff S.N. Nuclearelectrica S.A. against defendant S.C. Utilitati Publice Cernavoda S.R.L., as unsubstantiated. Subject to appeal within 30 days of intimation, the appeal being lodged with Constanta Law Court. Passed this day of October 1<sup>st</sup>, 2020, by making the solution available to the parties via the registry of the Court.</p> <p>Appeal Dismisses the appeal as unsubstantiated. With appeal within 30 days of the intimation, which may be submitted to Constanta Court of Appeal. Pronounced today, 07.04.2021, by making the solution available to the parties by the registry of the Court. NAL (clerk M.H.).</p>	4.11.2021

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**Annex 5 – Achievement degree of key performance indicators as of 30.09.2021 – Board of Directors**

Nr. Crt.	Objective/Performance indicators			Verification tool	Target Quarter III 2021	Realised Quarter III 2021	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	40,00%	56,24%	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%	89%	100%	9%
4	EHS - Annual collective dose	2,00%	-	-	Total dose, average per unit, man Sv (ALARA quarterly report)	Annual indicator level (0,32 om/Sv)	0,17	100%	2%
5	EHS - Effluents in the environment	2,00%	-	-	MSv/CNE (ALARA quarterly report)	250	5,70	100%	2%
6	EHS - Maximum allowable dose	-	0,50%	0,50%	Msv/man (ALARA annual report)	20	7,01	100%	1%
<b>Financial indicators</b>									
1	Gross profit	7,00%	1,00%	1,00%	Form "Profit and Loss Account"	70.000.000 lei	771.921.709 lei	100%	9%
2	Average price/MWh on the competitive market	8,00%	1,00%	1,00%	Price published by OPCOM	90% * ROPEX_FM 31.12.2020 (90% * 245,83 lei/MWh = 221,25 lei/MWh)	263,06 lei/MWh	100%	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>100%</b>

Note 1: Values "Target Quarter III 2021": according to Annex no. 3.2. to Mandate Contracts no. 56, 57, 59/28.09.2018 (including related additional) and no. 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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