



**Cleared under the  
Decision of the Board of Directors no. .... dated .....**

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

**Note on the approval by the Ordinary General Meeting of Shareholders of National Company Nuclearelectrica S.A. ("SNN") of: (i) Appointment of a provisional member of the Board of Directors, for a period of 4 months, in accordance with the provisions of Article 64<sup>1</sup>(3) and (5) of the Government Emergency Ordinance no. 109/2011; (ii) Approval of the template mandate contract to be signed by the Company with the provisional member of the Board of Directors, as well as authorization of the representative of the Ministry of Energy in the General Meeting of Shareholders to sign the mandate contract with the provisional director for, and on behalf of, the Company; (iii) Approval of remuneration of the provisional member of the Board of Directors**

## **I. General matters/powers**

The Ordinary General Meeting of Shareholders of National Company Nuclearelectrica SA ("SNN") has powers to make decisions on appointment of new members to the Board of Directors, *i.e.*, of provisional members in the open director offices.

The power of electing new members/appointing provisional members to the Board of Directors belongs to the Ordinary General Meeting of Shareholders, as this stems from the following legal and statutory provisions:

- The provisions of Article 111 para. (2) letter (b) of Law no. 31/1990 on Trading Companies, republished, as subsequently amended and supplemented („Law no. 31/1990”), according to which the General Meeting of Shareholders must *"elect and dismiss the members of the Board of Directors, the Supervisory Board and the censors"*;
- The provisions of Article 29(1) of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented („GEO no. 109/2011”), according to which *„The members of the Board of Directors are appointed by the General Meeting of Shareholders, at the proposal of the Board of Directors in office, or of the shareholders”*;
- The provisions of Article 13(2)(c) of the Articles of Incorporation of SNN, as updated on

5 April 2021, according to which the Ordinary General Meeting “*elects and revokes the members of the Board of Directors*” and “*sets the remuneration of the members of the Board of Directors, as well as the terms and conditions of the mandate contract concluded with the members of the Board of Directors*”;

- The provisions of Article 64<sup>1</sup>(3) and (4) of the Government Emergency Ordinance 109/2011 according to which, when one or more offices of director of a company become(s) open, the shareholders, including the State shareholder, through the supervisory public authority, can call the general meeting of shareholders to appoint one or more provisional directors, until completion of the director selection procedure, according to this emergency ordinance. **The shareholders, including the State shareholder, through the supervisory public authority, may make proposals of candidates in the general meeting of shareholders.**
- The provisions of Article 64<sup>1</sup>(5) of the Government Emergency Ordinance no. 109/2011, according to which the term of office of the provisional director is of 4 months, with possibility of renewal, for good reasons, up to a maximum of 6 months;
- The provisions or Article 64<sup>1</sup>(7) of the Government Emergency Ordinance no. 109/2011, according to which the remuneration of the provisional director shall be equal to the remuneration of the directors provided at Article 64(3);
- The OGMS Resolution no. 6/10.08.2022 approving the remuneration of the non-executive directors of SNN, the office of whom was renewed for a period of four years, in line with the procedure followed in observance of the Government Emergency Ordinance no. 109/2011;
- Pursuant to the provisions of Article 64(3) of the Government Emergency Ordinance no. 109/2011, the remuneration of the members of the board of directors who were not appointed under the terms of the Government Emergency Ordinance no. 109/2011 is set by assimilation to those provided at Articles 8, 37 and 38, subject to observing the budget provisions approved for the public enterprise;
- Pursuant to the provisions of Article 37(2) of the Government Emergency Ordinance no. 109/2011 "*The remuneration of the non-executive members of the board of directors or the supervisory board consists of a fixed monthly allowance and a variable component. The fixed allowance cannot exceed two times the average gross monthly salary for the last 12 months for the activity carried out according to the registered main scope of business of the company, at a class level according to the classification of activities in the national economy, as communicated by the National Institute of Statistics before appointment. The variable component shall be based on financial and non-financial performance indicators, as negotiated and approved by the general meeting of shareholders, which are different from those approved for non-executive directors, determined according to the methodology provided at Article 31(5), and which cover including the long-term sustainability of the company and ensuring observance of the good governance principles. The amount of the variable component of the non-executive members may exceed a maximum of 12 fixed monthly allowances.*”;

- The recommendation of the Nomination and Remuneration Committee dated 25.11.2022, registered under no. 13900/25.11.2022.

## II. Presentation

SNN is a company managed under a single-tier system, with a Board of Directors of up to 7 members, 6 of whom are non-executive members, in accordance with the provisions of the Government Emergency Ordinance no. 109/2011. The members of the Board of Directors were elected by the Ordinary General Meeting of Shareholders, as follows:

- Mr. Minodor Teodor Chirica – chairman, his office was renewed for a period of four years, effective 29 September 2022, according to the OGMS Resolution no. 6/10.08.2022;
- Mr. Cosmin Ghita – member, his office was renewed for a period of four years, effective 29 September 2022, according to the OGMS Resolution no. 6/10.08.2022;
- Mrs. Elena Popescu – member, her office was renewed for a period of four years, effective 29 September 2022, according to the OGMS Resolution no. 6/10.08.2022;
- Mr. Dumitru Remus Vulpescu – provisional member, his provisional office shall come to an end on 19 February 2023;
- Mrs. Grajdan Vasilica – provisional member, her provisional office shall come to an end on 19 February 2023;
- Mr. Niculescu George Sergiu – provisional member, his provisional office shall come to an end on 19 February 2023;
- Mr. Dumitru Chirlesan – provisional member, his provisional office shall come to an end on 10 December 2022;

The launch of the selection procedure for the directors of Nuclearelectrica S.A. National Company (“SNN”) was approved within the Ordinary General Meeting of Shareholders dated 10 August 2022, according to the provisions of the Government Emergency Ordinance no. 109/2011 on corporate governance of public enterprises, as subsequently amended and supplemented (“GEO no. 109/2011”), the procedure will be developed by the Board of Directors of SNN. According to the Decision of the Board of Directors no. 155/10.08.2022, the Nomination and Remuneration Committee was authorized to develop the selection process of SNN directors, being assisted by an independent expert in human resources recruitment.

The recruitment and selection process is performed in observance of the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, and those of the Government Decision no. 722/2016 approving the methodological rules for implementation of certain provisions of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, a procedure that covers recruitment and selection of the candidates for 4 (four) director offices to sit in the Board of Directors of SNN.

Considering the situation described above, it follows that, effective 11 December 2022, one office of member of the Board of Directors remains open. Thus, **the Ordinary General Meeting of Shareholders** is hereby prudently and diligently submitted for approval, in accordance with the provisions of Article 28(6) and Article 64<sup>1</sup>(3) and (5) of the Government Emergency Ordinance 109/2011, **appointment/election of one provisional member, for a period of 4 months, with the possibility of renewal, for valid reasons, up to a maximum of 6 months**, or until appointment of a director for a 4-year term of office, further to completion of the Director selection procedure in accordance with the provisions of the Government Emergency Ordinance no. 109/2011, provided that this selection is completed before the expiry of the term of the provisional office.

### **III. Proposals for the office of provisional member of the Board of Directors**

In accordance with Article 29(1) read in connection with Article 64<sup>1</sup>(3) of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, SNN shareholders may make proposals of candidates for provisional membership of the SNN's Board of Directors. In this regard, the shareholders, including the State shareholder, through the supervisory authority (being the Ministry of Energy), shall submit proposals of candidate during the general meeting of shareholders of 19 October 2022.

Pursuant to Article 187(8) of Regulation no. 5/2018 on the issuers of financial instruments and market operations, as subsequently amended and supplemented, SNN shareholders may file written proposals of candidates for the office of director, when election of directors is included in the agenda, where they are to provide information about to the name, place of residence and professional qualification of the persons proposed for the said office (CV), before the time-limit set in the invitation.

The identification requirements written in the call notice of the General Meeting of Shareholders, under the section concerning supplementation of the agenda, are also applicable to shareholders who make proposals of candidates for the office of provisional director.

The list with information about the name, place of residence and professional qualification of the persons proposed for the office of provisional member of the Board of Directors shall be available to the shareholders on the Company's website, under the section Investor Relations, General Meeting of Shareholders, and may be supplemented by shareholders before the set time-limit.

At the end of the proposal submission period, the candidates proposed by shareholders for the office of provisional administrator, and due to be written on the ballots in the alphabetical order of their names, shall be displayed on the company's website.

Appointment of the new member to the Board of Director shall comply including, but not limited to, the legal provisions of Article 28 and Article 33 of the Government Emergency Ordinance no. 109/2011, the provisions of the Government Decision no. 722/2016, as subsequently amended and supplemented, and Article 138/2 of Law no. 31/1990, as well as the provisions of the corporate governance code of the BSE.

### **IV. Proposals**

In the light of the above, we ask the Ordinary General Meeting of the Shareholders of SNN SA to approve the following proposals:

- Appointment of one provisional member of the Board of Directors, for a period of 4 months, as of their respective appointment date by the General Meeting of Shareholders, in accordance with the provisions of Article 64<sup>1</sup>(3) and (5) of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented;
- Approval of the template mandate contract to be signed by the Company with the provisional member of the Board of Administration, as well as authorization of the

representative of the Ministry of Energy in the General Meeting of Shareholders to sign the mandate contract with the provisional director for, and on behalf of, the Company;

-Approval of the fixed gross monthly allowance for the provisional member of the Board of Directors at an amount of Lei 17,926, equal to that of the directors the office of whom was renewed according to the OGMS Resolution no. 6/10.08.2022, as well as of a variable component determined in the same as for the directors in office, in the amount of the short-term component granted pro-rate with the period of the provisional office.

Appendix no. 1 – Template Mandate Contract

CEO  
Cosmin Ghita

CFO  
Dan Niculaie Faranga

Deputy General Manager  
Corporate Services  
Laura Constantin

Director of the Legal Directorate  
George Codrut Tudor

Manager of the Human Resources Strategy Directorate  
Laura Blaga

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