

ADDENDUM NO. 1
to the Mandate Contract no. /

Between:

National Company Nuclearelectrica - S.A. a company managed under single-tier system, with the registered office in Bucharest, 48 Iancu de Hunedoara Boulevard, Unique Registration Code 10874881, registered with the Trade Register Office attached to Bucharest Tribunal under no. J40/7403/1998, IBAN account, opened with, duly represented by Mr., appointed under the Resolution of the Ordinary General Meeting of Shareholders no., as **principal**, hereinafter referred to as "*Company*",

and

Mr....., a Romanian citizen, born on....., in....., with the domicile in, identified with the Identity Card series, no., PIN, as director or **agent** hereinafter referred to "Executive Director/Agent"

Hereinafter collectively referred to as "Parties", and individually as "Party"

In view of the aspects listed below:

- the provision of the Emergency Ordinance no. 109/2011 on the corporate governance of public undertakings, as subsequently amended and supplemented ("G.E.O. no. 109/2011");
- the provisions of the Government Decision no. 722/2016 for approving the Methodological Norms for applying some provisions of the Government Emergency Ordinance no. 109/2011 on corporate governance of public enterprises;
- provisions of the Companies' Law no. 31/1990, as subsequently amended and supplemented ("Law no. 31/1990");
- the provisions of the Articles of Incorporation of the Company into force ("Articles of Incorporation");
- Resolution of the Ordinary General Meeting of Shareholders no. / ... 2023 by which it was approved as follows: the form of the addendum to be concluded to the mandate agreement of executive directors of the company, as proposed by the Ministry of Energy; the financial and non-financial performance ratios that will constitute the annex to the mandate agreement of the executive directors;
- Decision of the Board of Directors no.90/27.04.2023 on the approval of the Management Plan of SNN 2023 - 2027;
- Article 4.2 of the Mandate Contract no. / ("Contract") according to which the contract shall be supplemented by an addendum that will include the variable remuneration, the goals and financial and non-financial performance indicators established by the general meeting of shareholders, as well as those in the letter of expectations;
- Article 12.1 of the Mandate Contract according to which the contract may only be amended with the written agreement of the parties, as duly documented in an addendum hereto,

The parties hereby agree upon this addendum to the Mandate Contract no...../....., further to agreement of the signatory parties.

Art.I

Article 4 of the Contract shall be supplemented by item 4.4 which shall have the following content:

“4.4. The financial and non-financial performance indicators, as well as the detailed description of the calculation method and granting of the variable component of the remuneration due to the Executive Director are indicated in Appendix no.3 to this mandate contract, being an integral part of the mandate contract.”.

Article II

Appendix no. 3 to the Contract shall be inserted in the form attached to this addendum.

Article III

Article 13 of the Contract shall be supplemented by item 13.4, which shall have the following content:

“The event of termination of the Contract provided for in item 13.1 letter (c) letter (ii) shall be exclusively applied in the case in which the cumulated degree of achievement of the financial and non-financial performance indicators assumed under the Mandate Contract is below 75% and this level is due to the Executive Director’s fault.”

Art.IV

Article 5.2 of the Contract shall be supplemented by a new letter e), which shall have the following content:

“e) The Executive Director agrees with the Company’s processing, as the case may be, of personal data in accordance with Regulation no. 679/2016 and any generally mandatory rules adopted in connection with the protection of personal data. The processing by the Company of the personal data received from the agent shall be done only for the purposes of concluding and implementing the Contract and performing the legal obligations. Any personal data whose processing is no longer required, according to the law, after the performance of the Contract, will be returned to the other Party or destroyed.

Article V

Article 6.9, letter b of the Contract shall be amended and shall have the following content:

“b) to endorse and adopt, in accordance with the limits of powers established according to the law and Articles of Incorporation of the company, all necessary measures to protect the assets of the Company, together with the other members of the Board of Directors;”

Article VI

Article 10.3 of the Contract shall be supplemented at the end with the following sentence:

“This liability shall be incurred according to law for the damages caused to the company due to negligence or wilful misconduct proven, by abusive use of the managed funds or by any other act

contrary to the company’s interests, committed either intentionally or unintentionally, and which was found according to law.”

Article VII

The other provisions of the Mandate Contract no. / remain unchanged. This addendum was signed in three copies, two copies for the company and one for the Executive Director.

The Company

.....

Executive Director

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FINANCIAL AND NON-FINANCIAL INDICATORS, VARIABLE COMPONENT OF THE REMUNERATION

1. Definitions of terms and expressions used in this mandate contract
 - (i) **performance measurement** - the methodology the competent public authority relies on to assess the results of its public enterprises against the objectives, targets and mission that the tutelary public authority has set for them;
 - (ii) **performance indicators** - instruments for quantitative and qualitative measurement of financial and non-financial performance, that indicate attainment of the quantifiable objectives against specific performance targets;
 - (iii) **key performance indicators** - performance indicators, as set out in Appendices 3.1 to the mandate contract, hereinafter referred to as KPIs;
 - (iv) **financial performance indicators** - administration measurement tools, used to determine the resource use efficiency in generation of income, coverage of costs and profit-making;
 - (v) **non-financial performance indicators** - performance measurement tools which determine how well the Company uses its resources;
 - (vi) **results** - the effects of the Company's business, which have an impact either on creation or delivery of value, or on reduction or diminution of value;
 - (vii) **purposes** - general statements about the activities the desired results are intended to be achieved with. Whether the purposes or results have been attained is determined *ex-post* following the activities carried out during a relevant period of time and, usually, these are set for a medium or long term;
 - (viii) **target** - a numerical value of the performance indicator related to the time period for which the indicator was set, which attains a performance objective.
2. The financial and non-financial indicators (operational and corporate governance), distributed on short-, medium- and long-term with related weights and with indication of the tools applied to measure them are listed in:
 - a. **Appendix 3.1** – Financial and non-financial indicators broken down by each year related to the term of office;
3. The agent shall receive the variable component of the remuneration only conditional upon simultaneous attainment of the targets related to the key performance indicators set out in Appendix 3.1 to the Mandate Contract, as follows:
 - a. The annual variable component is granted in a percentage of 100%, if the key performance indicators have a cumulative achievement rate equal to or greater than 100%;

- b. The annual variable component is granted in proportion to the months of activity of the last year of the term of office;
- c. The annual variable component is granted in a reduced percentage, pro-rata with the degree of attainment of the key performance indicators, when these cumulatively report, for the entire financial year, an attainment rate lower than 100%, but not lower of 75%. If the key performance indicators report a cumulative attainment rate, for the entire financial year, below 75%, the annual variable component shall not be granted. The calculation formula is:

- $\text{PrICP} = 100\%$ results into $\text{PrCv} = 100\%$
- $75\% \leq \text{PrICP} < 100\%$ results into $\text{PrCv} = \text{actual PrICP} (\%)$
- $\text{PrICP} < 75\%$ results in $\text{PrCv} = 0\%$

where: PrICP – percentage of attaining the Key Performance Indicator

PrCv – percentage of granting the variable component

- d. The gross annual variable component of the Executive Director is equal to 2.5 gross annual fixed allowances related to the entire financial year, payable to the Executive Director, the amount of the short, medium and long-term component is determined by applying the percentage rates set out in appendix 3.1, resulting in the payable amount of the variable component for each year of mandate, according to the following algorithm:

- **the 2023 variable component is calculated as follows:** 80% for attaining the objectives for 2023 (on short-term) + 10% for attaining the objectives for 2024 (on medium-term) + 10% for attaining the objectives for 2026 (on long-term at end of mandate)
- **the 2024 variable component is calculated as follows:** 80% for attaining the objectives for 2024 (on short-term) + 10% for attaining the objectives for 2024 (on medium-term) + 10% for attaining the objectives for 2026 (on long-term at end of mandate)
- **the 2025 variable component is calculated as follows:** 80% for attaining the objectives for 2025 (on short-term) + 10% for attaining the objectives for 2026 (on medium-term) + 10% for attaining the objectives for 2026 (on long-term at end of mandate)
- **the 2026 variable component is calculated as follows:** 80% for attaining the objectives for 2026 (on short-term) + 10% for attaining the objectives for 2026 (on medium-term) + 10% for attaining the objectives for 2026 (on long-term at end of mandate)

4. The short-term variable component is calculated and paid for a financial year. The amount is granted in quarterly installments of 18% from the annual projected value for the corresponding ongoing financial exercise, based on the achievement of short-term key performance indicators during the elapsed period of the financial exercise, the payment should be made within 10 calendar days from the date of closing the quarterly reports, and within 15 days from the date of approval by the General Shareholders Meeting of the audited annual financial statements, the amount due based on the cumulative achievement percentage of the key performance indicators should be adjusted.

5. In the event that the cumulative achievement percentage of the key performance indicators determined for a quarter is below 75%, the allocation of the annual variable component shall be suspended until the end of the financial year, and the difference shall be adjusted within 15 calendar days from the date of approval by the General Shareholders Meeting of the audited annual financial statements.
6. The medium-term variable component is calculated and paid for a period of two financial years, based on the percentages established in Annex 3.1. The amount is granted in annual installments of 50% of the projected value for the medium term, within 15 calendar days from the date of approval by the General Shareholders Meeting of the audited annual financial statements. Within 15 calendar days from the approval date by the General Shareholders Meeting of the audited annual financial statements corresponding to the respective year of the mandate specified in Annex 3.1, which concludes the analysis period of the medium-term objectives, the amount due based on the cumulative achievement percentage of the medium-term key performance indicators should be adjusted.
7. The long-term variable component is calculated and paid for the entire four-year term of activity. The amount is granted in annual installments of 25% of the projected long-term value within 15 calendar days from the date of approval by the General Shareholders Meeting of the audited annual financial statements. Within 15 calendar days from the approval date by the General Shareholders' Meeting of the audited annual financial statements, which includes the last months of the mandate, the amount due based on the cumulative achievement percentage of the long-term key performance indicators should be adjusted.
8. In the event that the cumulative achievement percentage of the key performance indicators is less than 75% at the financial exercise level, the allocation of the medium-term and long-term variable component shall be suspended until the end of the financial exercise for the medium and long periods of the mandate, respectively, and the difference shall be adjusted within 15 calendar days from the date of approval by the General Shareholders Meeting of the audited annual financial statements for the medium or long period of the mandate.
9. In the event that the mandate terminates before the completion of the term, due to reasons not attributable to the Executive Director, the variable component shall be granted proportionally until the last full month of activity within the mandate period.
10. In the event that the mandate terminates before the completion of the term, due to reasons attributable to the Executive Director, the company is entitled to demand, and the Executive Director is obliged to return, the entire amount granted in the respective year representing the payment of the variable component for the year in which the termination of the mandate occurred.
11. The key performance indicators and degree of achievement of indicators may be modified, as appropriate, in the following situations:

- a) Force majeure, as defined by the law;
- b) Other causes not attributable to the directors and which do not affect the achievement of the goals and targets set for the entire term of office.

Targets may be changed if the Income and Expenditure Budget approved according to the law and to the articles of association is amended.

- 12. The description, checking tool and target values of the key performance indicators are indicated in Appendix 3.1
- 13. Financial performance indicators are checked by reference to the achieved values of these indicators as recorded in the company's financial accounting records.
- 14. The check method of the non-financial indicators is carried out by analysing the status of achievement of these indicators included in the Reports / Calculation formulas indicated in the column "Verification tools" of the Appendix 3.1.

The Company

By:.....

Executive Director

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