



**Endorsed by,
Minodor-Teodor CHIRICA
Chairman of the Board of Directors**

NOTE

on the approval by the Extraordinary General Meeting of Shareholders of the conclusion of the Contract having as object “Supply of reactor components and retubing tools required for the refurbishment of the Cernavoda NPP Unit 1 reactor”

1. General aspects and phases covered / approval authority

The Strategy and plan for the refurbishment of the Cernavoda NPP Unit 1 was approved in order to extend its lifespan by the Resolution of the Extraordinary General Meeting of Shareholders of SNN no. 27 dated 23 December 2013.

In the implementation of the strategy, the Cernavoda NPP Unit 1 Lifespan Extension Refurbishment Project (the “**Project**”) is structured in 3 distinct phases as follows:

- **Phase 1** of the Project (2017 - 2022) which started in December 2017 on the basis of the EGMS Resolution no. 9 dated 28 September 2017 and had as main objective the definition of the Unit 1 refurbishment scope (refurbishment activities, design changes, implementation of recommendations from the systems and components condition assessment, etc.) and the preparation of the Feasibility Study;
- **Phase 2** of the Project (2022 - 2026) started after the approval of the Investment Decision on the Cernavoda NPP Unit 1 Refurbishment Project based on the Feasibility Study and includes the activities of preparing the works identified and defined in the Phase 1, securing the financial resources, conclusion of the Engineering, Procurement and Construction contracts, procuring the necessary equipment, planning the activities, as well as obtaining all necessary licenses, approvals and permits;
- **Phase 3** of the Project (2027 - 2029) will start with the shutdown of Unit 1 and consists of the actual implementation of the Refurbishment Project works, followed by the commissioning of the unit and the trial running.

Within the framework of Phase 1 of the Project, SNN organized in 2019 a solution contest that aimed at finding the best technical and economic solution for the Replacement of the Nuclear Fuel Channels, of the Calandria Tubes and of the Feeders (Inlocuirea Canalelor de Combustibil nuclear, a Tuburilor Calandria si a Fiderilor - ICCTCF) of the U1 reactor of Cernavoda NPP.

The winning solution was submitted by Candu Energy Inc (“**CANDU**”), such solution being previously applied to the nuclear power plant refurbishment projects of Point Lepreau (Canada), Wolsung 1 (Korea), Embalse (Argentina), Darlington 2 (Canada) and Bruce 1 and 2 (Canada). The winning solution was subsequently detailed (under contract no. RUEC 881/2020), by CANDU in the form of a technical and economic documentation on the use of the ICCTCF solution at the Cernavoda NPP Unit 1, resulting in document “79-01000-PLA-002 - Technical solution to replace nuclear fuel channels, Calandria tubes and feeders (ICCTCF) of the Cernavoda NPP U1 Reactor”.

Phase 1 of the Project was finalized on 23 February 2022 by EGMS Resolution no. 4 dated 23 February 2022,

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Subscribed and paid-up share capital: RON 3,016,438,940.

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whereby, on point 2, the Investment Decision on the Cernavoda NPP Unit 1 Refurbishment Project was approved on the basis of the Feasibility Study prepared in this regard by Ernst & Young S.R.L.

In Phase 2 of the Project, after assessing the long time periods involved in the manufacturing of reactor components, it was concluded that the first activity to be carried out is the engineering/design (drafting of the technical specifications) for the retubing equipment. In this regard, at the beginning of July 2022, on the basis of a public procurement procedure, a contract was signed (contract no. RUEC1108 dated 8 July 2022) having as object services for the evaluation of the technical condition of the retubing tool set, as well as the elaboration of the technical documentation related to their customization to the particularities and needs of the Project, together with services for the elaboration of the technical specifications for the procurement of the reactor components with long manufacturing lead time (mainly Fuel Channels, Calandria Tubes and Feeders, but also various elements/components for clamping, support, insulation, locking, protection, etc.).

CANDU has informed SNN that, due to the length of time required for the negotiations with subcontractors involved in concluding an EPC agreement for the Project, it is necessary to sign a separate contract for the procurement of reactor components and customized / upgraded retubing tools in order to maintain the critical path of the Project according to the project schedule, as these are long lead items.

In this context, the invitation to tender was sent to CANDU on 20 July 2023, together with the tender documentation, and the value of the Contract resulting from this procedure, is of CAD 781,843,204 - for the retubing tools rental option, respectively of CAD 741,843,204 - for the retubing tools purchase option. The object of this Contract is "Supply of reactor components and retubing tools required for the refurbishment of the Cernavoda NPP Unit 1 reactor."

According to the provisions:

- art. 91(1) of Law no. 24/2017 on issuers of financial instruments and market operations according to which *"Deeds of procurement, alienation, exchange or pledge of assets from the category of fixed assets of the issuer, the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total fixed assets, less receivables, shall be concluded by the directors or managers of the issuer only after prior approval by the extraordinary general meeting of shareholders"*;
- art. 13(3)(m) of the Articles of Incorporation of SNN, updated as at 5 April 2021, according to which the Extraordinary General Meeting of Shareholders of SNN decides on the *"procurement, alienation, exchange or pledge of assets in the category of fixed assets of the Company, the value of which exceeds, individually or cumulatively, during a financial year, 20% of the total fixed assets of the Company less receivables"* and art. 13(4)(a) which provides that *"the conclusion, by the Company, of any agreement, undertaking any obligation or commitment which may involve expenditure or undertaking any other significant obligation by the Company, in accordance with the limits of competence set out in Appendix no. 1 to this Articles of Incorporation"*

and considering that:

- 20% of the value of the fixed assets of SNN, minus receivables, on 30 September 2023, is RON 1,149,020,779;
- the value of the agreement is CAD 781,843,204 (without VAT), equivalent to about EUR 543,459,869, respectively RON **2,700,017,320** exceeding 20% of the value of the fixed assets of SNN minus receivables,

the power to approve the conclusion of this Contract lies with the Extraordinary General Meeting of Shareholders of SNN.

2. Brief presentation of the procurement procedure for the Contract award

2.1. Legal basis for awarding this Contract

The tender procedure applied for the award of the Contract was *"Negotiation without a prior call for competition"* pursuant to the provisions of art. 117(1)(c), in conjunction with para. (2)(b) and para. (4) of Law no. 99/2016 on sectoral procurement:

- "(1) The contracting entity shall be entitled to apply the negotiated procedure without a prior call for competition for the award of sectoral contracts only in one of the following cases: [...]*
- c) if the works, products or services can only be supplied by a particular economic operator for one of the reasons referred to in para. (2); [...]*

- (2) *The grounds referred to in para. (1)(c) are the following: [...]*
b) *the competition is lacking due to technical reasons;*
c) *protection of exclusive rights, including intellectual property rights. [...]*”

In addition, for the procurement of the reactor components are applicable the provisions of the Joint Order issued by the National Commission for Nuclear Activities Control (Comisia Națională pentru Controlul Activităților Nucleare - CNCAN) and the National Agency for Public Procurement (Agenția Națională pentru Achiziții Publice - ANAP) on 28 December 2022 on the approval of the specific conditions for the award of certain public procurement contracts and sectoral contracts for products, services and/or works intended for systems ensuring nuclear safety, radiological safety and physical protection functions, protection against cyber threats and reliable operation of nuclear installations, considering that CANDU is the “successor” of the Original Designer due to the fact that, following the reorganization of AECL (since 2011), CANDU has received from the original designer an exclusive license to use all of AECL’s intellectual property in relation to CANDU 6 reactors:

Art. 3

(1) These specific conditions apply to the procurement of products, services and/or works for the following categories of systems in nuclear installations:

a) *systems with nuclear safety functions; include all systems providing these functions under normal operating conditions, under transient conditions and design basis accidents and under design basis expansion conditions;*

[...]

(2) Products intended for the systems referred to in para. (1) include the following:

[...]

b) *structures, subsystems, components, subcomponents, equipment, assemblies, integrated functional sub-assemblies and spare parts;*

[...].

In the specified context, for the purchase of Reactor Components, the provisions of art. 5(3)(c) from the CNCAN-ANAP Joint Order apply:

Art. 5

(1) In applying these specific conditions, the authorization holder, namely the contracting authority/entity, shall be entitled to apply the negotiation procedure without publication within the meaning of art. 4 (1)(b) for the award of public procurement agreements or sectoral agreements where the products, services and/or works which are the subject of such public procurement / sectoral agreements relate to the systems provided for in the list drawn up in accordance with art. 3(5).

[...].

(3) In application of para. (1), for the purchase of products, the contracting authority/entity shall proceed as follows, as appropriate:

[...];

c) where the initial products have been supplied by the original designer of the system for which they are intended, and where the provisions of points (a) or (b) cannot be applied, the negotiation procedure without publication is initiated by sending an invitation to negotiate, accompanied by the tender documents, to the original designer of the system or his successor.

2.2. Conduct of the procurement procedure - brief presentation of the phases covered

- The initiation of the procurement was approved by the Board of Directors of SNN by **Decision no. 149 dated 17 July 2023**.
- The invitation to tender together with the tender documentation was sent to CANDU on **20 July 2023**. The deadline for submission of the initial offer has been set for **7 August 2023**.
- On **1 August 2023** ANAP sent to SNN the verification decision no. 6565 dated 27 July 2023, the award procedure being selected for ex-ante control according to art. 9 of the Government Emergency Ordinance no. 98/2017 *on the ex ante control function of the award process of public procurement agreement / framework agreements, sectoral agreements / framework agreements and works concession and service concession agreements*.
- Upon ANAP’s request, the deadline for the submission of the initial offer has been postponed to **21 August 2023**.
- On **16 August 2023** ANAP issued the **Unconditional Compliance Opinion** no. 6565/12763/DGCECMSS dated 16 August 2023 *for the quality and regularity control of the*

conclusions regarding the way in which the contracting entity has demonstrated compliance with the legal provisions invoked, which allow the application of the negotiation procedure without prior invitation to a competitive tender procedure, as well as concerning the tender documentation provisions.

- On **21 August 2023** the initial technical and financial offer was submitted by the consortium formed by CANDU and Canadian Commercial Corporation (“CCC”), hereinafter referred to as the “**Consortium**”.
- During the period **23 August 2023 - 18 September 2023** several sets of clarifications were requested from the bidder on technical, financial and contractual aspects contained in the initial offer and the answers received were analysed;
- During the period **21 September 2023 - 29 September 2023** direct discussions and negotiations were held between SNN and the representatives of the Consortium at the headquarters of SNN;
- On **2 October 2023** the Consortium submitted the technical and financial offer updated following the negotiations;
- On 25 October 2023 the ANAP ex-ante control team issued the Unconditional Compliance Opinion no. 6565/17103/DGCECMSS dated 25 October 2023 thereby fulfilling the legal and procedural conditions for signing the Contract; and
- SNN and the Consortium intend to sign the Agreement, which will enter into force after obtaining the corporate approvals of the parties.

2.3. Securing financial resources for the payment of the price of the Agreement

Given that this Contract involves the pre-ordering of equipment and Retubing Tools so that they are available at the time of the start of the refurbishment, it is necessary to ensure financing for this Contract through a mix of own sources of SNN (represented by the company’s excess cash) and bank loans.

The current funding strategy for the Contract involves a mix of funding: 65-70% loans / 30-35% own sources (excess cash). Therefore, the total amount of the loan foreseen to be contracted for the financing of the Contract will be of about 350 million Euro.

3. Main provisions of the Contract

3.1. Parties

The parties of the Contract are:

- SN Nuclearelectrica S.A., in capacity of Purchaser;
- and
- The Consortium of CANDU and CCC, in capacity of Supplier.

CCC is an agent of the Government of Canada, reporting to the Minister of Export Promotion, International Trade and Economic Development and, through that Minister, to the Parliament of Canada. As such, CCC is the official contracting agency for the Government of Canada when foreign state-owned companies wish to purchase goods and/or services from Canadian suppliers. The benefits of CCC’s participation in the Contract are that CCC and CANDU will be jointly and severally liable to SNN for the fulfilment of their obligations under the Contract; thus, in the event that CANDU does not fulfil its contractual obligations, the continuation of the Contract will be ensured by CCC.

3.2. Object

The object matter of the Contract:

- a) Supply of reactor components required for the retubing, as well as spare and training components;
- b) Supply of Retubing Tools (including training tools) and related spare parts, upgraded/customized in advance to meet the specific technical requirements of Unit 1 of Cernavoda NPP. *These tools will be provided on a lease basis until 31 December 2030, but SNN will have, through the Contract, the right to exercise its option to purchase the Retubing Tools until 31 March 2024;*
- c) Engineering services for the development of 3D plans (3D scanning and modelling) of the Cernavoda NPP Unit 1 reactor facility, necessary for the retubing works;
- d) Engineering services related to the manufacturing, testing and approval/homologation of the prototype K-box waste containers.
- e) Engineering/technical assistance/technical support services, 3,000 man-hours to be provided at the Purchaser’s request.

The transport of all reactor components from the manufacturers and the Retubing Tools from the CANDU facilities to the Cernavoda NPP shall be under the responsibility of the Consortium, delivery condition DDP, Cernavoda, Romania.

After completion of the retubing work, SNN shall be obliged to carry out the decontamination of the retubing tools at its own cost, so that they can be transported in type A containers (defined according to the Agreement concerning the International Carriage of Dangerous Goods by Road - ADR). The Retubing Tools that cannot be decontaminated to the permitted limit will be taken over by SNN at no additional cost and treated as its own radioactive waste.

3.3. Price. Retubing Tools purchase option. Payment. Fitting into the Project Estimate

According to the technical and financial offer submitted by the Consortium, revised after the negotiations, the total price of the Agreement is **CAD 781,843,204 - for the tools rental option, respectively CAD 741,843,204 - for the tools purchase option**, broken down as follows:

		Rental*	Purchase
1	Reactor components	CAD 346,064,000	CAD 346,064,000
2	Retubing Tools	CAD 362,144,000	CAD 349,144,000
3	K-Box engineering services	CAD 8,530,000	CAD 8,530,000
4	3D scanning engineering services	CAD 1,262,000	CAD 1,262,000
5	Technical support services on request	CAD 927,000	CAD 927,000
6	DDP transport/delivery services*	CAD 62,916,204	CAD 35,916,204
	TOTAL	CAD 781,843,204	CAD 741,843,204
	Discount compared to initial offer	CAD - 30,000,500	CAD - 70,000,500

*The price of the DDP transport/delivery services is a variable price, it will be invoiced to SNN by the Consortium at cost, in a transparent regime - “open books”, without a profit margin, and SNN shall have the right, for a period of 6 years after the expiry of the Contract, to verify these costs. The Consortium will contract DDP transport/delivery services involving SNN.

If SNN continues to use the Retubing Tools for the Project after 31 December 2030, it shall pay a price per day, equivalent to the price per day incurred by SNN during the rental period.

According to what was agreed during the negotiations, the Contract will be concluded under the lease version of the Retubing Tools, and SNN will be able to exercise its purchase option until 31 March 2024, with the actual transfer of ownership taking place in 2029. In the event that SNN exercises this option, the sale and purchase transaction of the Retubing Tools shall be completed and detailed through the execution of an addendum to the Contract.

In accordance with the provisions of art. 243(1) of Law 99/2016, the value of the products and services covered by the Contract may be adjusted by a series of indices, the Parties agreeing that this will be applied at the request of the Consortium, after the first 12 months from the effective date of the Contract, for the value of the undelivered/unpaid products/services at the date of the adjustment.

SNN will pay an advance of 30% of the value of the reactor components, retubing tools and engineering services and the remaining payments to be made in installments, in accordance with the production and delivery schedule of reactor components and retubing tools.

In the case of Engineering Services, payments will be made upon completion of the associated phase demonstrated by the issuance of a Design Acceptance Report / Service Acceptance Report.

Payment for the DDP transport/delivery services will be made by SNN, in accordance with the supporting documents submitted by the Consortium. A mechanism has also been agreed, whereby the Consortium makes a forecast of the variable costs for a period of 3 months and issues an invoice in this respect, these costs being settled on the date of the actual payment of the services and the presentation of the supporting documents attesting the price of the services in question.

The advance granted is financially depreciated gradually, in relation to the phased schedule of payments and deliveries for reactor components and retubing tools;

Details on the Project Estimate / Feasibility Study:

The approval of the Investment Decision on the Project, by EGMS Resolution no. 4 dated 23 February 2022, was based on the Feasibility Study prepared for this purpose, namely the implementation of Scenario 2 Enhanced Safety as the optimal option for the refurbishment of Cernavoda NPP Unit 1, with a total estimated cost of 1.85 billion Euro, without taking into account the financing costs and the inflation rate update at the date when the EPC Contract for the refurbishment of Cernavoda NPP Unit 1 will be signed.

In order to be able to compare the total negotiated value of the Contract with the corresponding value estimated in the Feasibility Study (FS), certain clarifications are necessary, as follows:

- Compared to the object matter of the Contract, it contains, in addition to the activities and cost items considered in the preparation of the FS, requirements relating to:
 - o transport services, transport assistance and transport insurance;
 - o 3D scanning services and preparation of technical documentation in order to obtain model approval for the K-Box unit;
 - o certain new retubing tools;
 - o engineering/technical assistance/technical support services carried out at the request of SNN, amounting to 3,000 hours;
- Updating the value of costs related to the replacement of fuel channels, calandria tubes and feeders, provided by Candu Energy Inc. in 2020, respectively using 2019 prices, at the date of launching the award procedure was done by adjusting the prices for these categories with the statistical indicator - Inflation (Consumer Price Index - manufacturing machinery and equipment), communicated by the National Institute of Statistics of Canada for the period 2019-2023 and the forecast indicator (lead) of the consumer price index for the period 2023-2024;
- The value of the newly introduced items in the object matter of the Contract has been estimated, including by reference to the estimated values for transportation services (including insurance, customs duties, interim storage, etc.) submitted by Candu Energy Inc. during tenders and negotiations;
- The total value also took into account commercial, global, regional and national supply chain context issues, namely the estimated financial costs of letters of guarantee and insurance, as well as market response for reactor component manufacturing and refurbishment of retubing tools (over 50 direct manufacturers and international suppliers), the process of licensing and approval of materials and manufacturers with the regulatory authorities, given the current international economic and geo-political context, which puts pressure on the supply chains of designers and manufacturers.

3.4. Duration. Entry into force

The Contract shall come into force after corporate approvals have been obtained by SNN and CCC, and if such approvals are obtained after 15 December 2023, the Parties will agree upon the necessary adjustments to the Agreement.

The Contract shall end on 31 December 2031.

3.5. Delivery. Transfer of property and risks

The transport of all reactor components from the manufacturers and the Retubing Tools from the CANDU facilities to the Cernavoda NPP shall fall within the responsibility of the Consortium, under the terms of Cernavoda DDP, Romania.

Ownership of the reactor components shall pass to SNN upon acceptance.

The risk for reactor components and Retubing Tools will be transferred to SNN at the time of their delivery to the Cernavoda NPP, prior to their unloading (which will fall within the responsibility of SNN).

3.6. Penalty clause. Liability

The Contract includes a penalty clause:

- a) for the benefit of the Purchaser for delays in the delivery to the port of origin of the reactor components and the Retubing Tools and
- b) for the benefit of the Consortium for late payment.

The amount of penalties is limited to a certain percentage of the value of the Fixed Price and the Contract also includes limitations of liability.

In addition, the Parties have agreed to a contractual mechanism whereby, in the event that reactor components or Retubing Tools are not ready to be shipped after the expiry of 200 days from the agreed date, the Consortium will reimburse SNN, upon its first request, the amounts representing the value of the advances paid for the delayed reactor component / retubing tools, less the value of any interim products (*work in progress*) available to be transferred to SNN.

3.7. Early warning. Insolvency in the supply chain

The Contract includes an early warning mechanism for any issue that may impact the price of the Contract, delivery schedule or the ability of the Consortium to deliver on the object matter of the Contract so that the parties can agree on appropriate mitigation solutions, including amendment of the Contract provisions.

In order to limit the risk of insolvency of a sub-supplier, the Consortium has assumed the obligation to monitor at least annually the creditworthiness of those sub-suppliers who are considered, according to CANDU procedures, to be at risk of insolvency. A risk of insolvency of a sub-supplier shall be addressed through the early warning mechanism.

3.8. Intellectual Property Rights (IPR)

CANDU shall retain ownership of all IPR created (including IPR created included in the Deliverables) and each Party shall retain ownership of existing IPR.

SNN acquires under this Contract the non-exclusive right to use in Romania, for the entire term of protection, Licensed IPR strictly for the Permitted Purpose. The price of this license is included in the price of the Contract, and this license includes all the rights mentioned on art. 13 of Law no. 8/1996 on copyrights and related rights. The non-exclusive right also includes the right to modify existing IPR and created IPR of CANDU for the permitted purpose (as defined by the Contract), provided that Supplier shall have no liability for any loss or damage arising from such changes or SNN's use of such changes. SNN may sublicense its right to use Licensed IPR for the Permitted Purpose to:

- a) PMO / Engineer - to enable the PMO / Engineer appointed by SNN to manage the Contract on behalf of SNN and the Execution Works related to the Project;
- b) the contractor appointed by SNN to carry out the Execution Works,
- c) any contractor appointed by SNN for the correction of defects (as per the clauses relating to the Component Warranty or Engineering Deliverables); and
- d) any contractor appointed in connection with the construction, operation, monitoring, maintenance, improvement, change, refurbishment and decommissioning of the Cernavoda NPP Unit 1 during the second life cycle after completion of the Execution Works,

provided that SNN and each such contractor shall enter into a Sublicense Agreement substantially in the form of the Sublicense Agreement attached as an Appendix to the Contract.

3.9. Performance bond

The Consortium shall establish 2 performance bonds, one for the Components and one for the Retubing Tools, each amounting to 2.5% of the price of the Components and respectively of the Tools.

3.10. Component warranty

The Consortium guarantees that the reactor components are new and unused, have no defects as a result of design, materials, transport, loading or manufacturing, comply with the applicable Romanian and EU legal provisions, comply with the technical specifications provided under the PPC1 Agreement (the latter being complete, correct and without omissions or errors), are the property of CANDU and are free from encumbrances.

CANDU undertakes not to transfer ownership nor to encumber or create rights in favour of third parties in the Retubing Tools during the term of the Contract.

The warranty period is of 2 years from the final acceptance of the last batch of components delivered.

3.11. Retubing Tools Warranty

The Consortium guarantees that the Retubing Tools are free from defects due to design, materials, transport, loading or manufacturing, comply with the applicable Romanian and EU legal provisions, comply with the Retubing Tools Test Plan (the latter being complete, correct and without omissions or errors) and are free from encumbrances.

Retubing tools for each series of works shall be guaranteed from the Final Acceptance until the first of: (i) 31 December 2030; and (ii) completion of the respective series of works

3.12. Settlement of disputes

The Contract includes provisions whereby disputes are cascaded to facilitate out-of-court settlements as follows:

- c) The project coordinators appointed by the Parties will make every effort to resolve any dispute/divergence amicably through direct negotiations/talks;
- d) If, within 15 days from the start of such negotiations, the Parties are unable to amicably resolve the contractual dispute, either Party may escalate the dispute to the Project Steering Committee;
- e) Should, within 30 days of escalation of the dispute to the Project Steering Committee, the Parties fail to resolve the dispute amicably, or if the solution proposed by the Project Steering Committee is not satisfactory to the Parties, either Party may escalate the dispute to the CEOs / Executive Vice Presidents;
- f) Should the CEO / Executive Vice Presidents fail to resolve the dispute within 30 days, either Party may refer the dispute to the Dispute Review Board (DRB) in accordance with the Dispute Board Rules of the International Chamber of Commerce (ICC). The DRB will issue a Recommendation within a maximum of 90 days;
- g) Where:
 - the DRB does not issue a Recommendation within 90 days, or
 - the DRB is dismissed before issuing the Recommendation, or
 - if a Contracting Party does not comply with the Recommendation, or
 - if either Party notifies in writing its dissatisfaction with the Recommendation,The dispute will be finally settled by arbitration as set out below.
- h) Any dispute which could not be resolved by the Parties through the above phases shall be finally settled in accordance with the Arbitration Rules of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with the Arbitration Rules mentioned above. The place of arbitration shall be Vienna, Austria. The language of the arbitration shall be English. The arbitral award shall be final and binding and enforceable on the Contracting Parties.

3.13. Governing Law

The Contract is governed by the Romanian law.

The Contract shall be made available to the shareholders following the signing of a Confidentiality Agreement, based on the verification of the shareholder status on the reference date, 20 November 2023, after receipt of the Shareholders Register from the Central Depository, as provided for in the Confidentiality Agreement template published on the SNN website, Investor Relations page, GSM Information, GSM dated 7 December 2023. The Appendices no. 1, no. 2, no. 3.1, no. 3.2, no. 7, no. 9, no. 11 and no. 14 to the Agreement confidential, representing trade secrets.

Specifically, the data in the Appendices mentioned in the above paragraph represent detailed information of a commercial nature, the disclosure of which could lead to the repositioning of competitors and stakeholders in relation to the activities planned by SNN in the planned process of development of the Project or in relation to the activity of the Consortium. Also, publication of or access to such information could lead to the adoption of unfair practices that could harm the legitimate interests of SNN and/or the Consortium.

4. Proposals submitted to approval

In the context of the above, we submit to the approval of the **Extraordinary General Meeting of Shareholders**:

1. Approval of the conclusion of the Contract for the *“Supply of reactor components and retubing tools required for the refurbishment of the reactor of Unit 1 of the Cernavoda NPP”*, in the amount of CAD 781,843,204, excluding VAT, equivalent to about EUR 543,459,869, respectively RON 2,700,017,320, with the Consortium formed by Candu Energy Inc. and Canadian Commercial Corporation, in the form

made available to SNN S.A. shareholders.

2. Delegation of authority to the executive management of SNN to sign the Contract in the name and on behalf of SNN.

Cosmin Ghita
CEO

Deputy CEO
Corporate Services
Laura Constantin

Chief Financial Officer
Dan Niculaie-Faranga

Endorsements:

Director of Legal Directorate
Codrut Tudor

Director of Procurement Directorate
Razvan Sandu

Director of Investment Development
Roxana Tompea

Head of Investments Legal Support
Paul Farca

Director of Audit and Risk Management Directorate **Unit 1 Refurbishment Chief Engineer**
Mihai Sandulescu **Viorel Vasilache**