S.N. Nuclearelectrica S.A.

2023 Sustainability Report

March 2024

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ESRS 2 GENERAL DISCLOSURES

General Basis for Preparation of the Sustainability Statements | *BP-1*

S.N. Nuclearelectrica S.A. (SNN of the Company) publishes the sixth Sustainability Report for the period 1 January - 31 December 2023. Sustainability reporting allows SNN to exhibit its ESG (environmental, social and governance) performance and reinforce its commitment to sustainable development in a way that can be evidenced to both internal and external stakeholders. Since, as of 2025 (for the financial year 2024) SNN will fall under the scope of the Corporate Sustainability Reporting Directive (CSRD) and, therefore also under the scope of the European Sustainability Reporting Standards (ESRS), in order to meet these requirements, the Company has decided to prepare its **Sustainability Statement** as part of its 2023 Annual Report.

For 2023, SNN aims to align its ESG reporting as much as possible with the ESRS. SNN's goal was to implement as much of the Standards' requirements as possible in 2023. The sustainability statement is underpinned by the results of the double materiality assessment, according to the ESRS. The double materiality assessment was carried out according to the first ESRS set, as adopted on 31 July 2023. In its previous report, SNN identified a number of specific material topics which it integrated into the relevant ESRS topics, sub-topics and sub-sub-topics.

According to the results of the double materiality assessment, climate change, own workforce and business conduct (ESRS topics E1, S1, G1) are considered the most important sustainability issues, followed by pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy, workers in the value chain and affected communities (ESRS E2, E3, E4, E5, S2, S3). We also take a particular interest in the digital and nuclear safety.

SNN activity data for the full financial year 2023 and the value chain information collected are presented. Where appropriate, strategic targets, action plans for the future, measures and proposed actions have been introduced.

Annual reporting covers all the activities of S.N. Nuclearelectrica S.A., which are carried out 100% in Romania, in accordance with the legal provisions in force. SNN is a national joint stock company, managed under single-tier system, with the Headquarters in Bucharest, Sector 1, Bulevardul Iancu de Hunedoara, nr. 48, and has two Branches without legal personality, *i.e.* **Cernavoda Nuclear Power Plant Branch (Cernavoda NPP), and Pitesti Nuclear Fuel Plant (Pitesti NFP).**

Cernavoda NPP Branch supports operation of the two functional CANDU 6 Nuclear Units, as well as the management of all SNN assets of Cernavoda (Units 1 and 2 in operation, Units 3 and 4 are in various stages of construction; for Unit 5, the Company's shareholders approved the change of initial application as early as March 2014, and this would be used to support the activities related to operation of Units 1 and 2, as well as the district heating system).

Pitesti NFP Branch produces CANDU 6 nuclear fuel bundles for Units 1 and 2 of Cernavoda.

SNN also has 3 subsidiaries, and is actively involved as shareholder in Special Purpose Vehicle set up for development of small modular reactors; there are not addressed in this report because the current legal requirement applies only to entities with more than 500 employees:

- EnergoNuclear Subsidiary – is the Special Purpose Vehicle in charge of building, commissioning and operating Units 3 and 4 of Cernavoda NPP.

- The Subsidiary Fabrica de Prelucrare a Concentratelor de Uraniu Feldioara – processes the technical uranium concentrates to obtain the sintered UO2 powders needed for production of the nuclear fuel bundles at Pitesti NFP Branch.
- The Subsidiary Nuclearelectrica Serv provides critical services that support the core business, i.e. production of electricity.

As of 2022, SNN has been holding 50% of the shares of RoPower Nuclear SA, the Special Purpose Vehicle set up to develop small modular reactors (SMRs) in Romania.

Reporting is not limited to the Company's own operations, as information about the upstream and downstream value chain is also included. The impact materiality assessment includes the impacts related to SNN's own operations and value chain, including its products and services, as well as its business relationships. Once an impact, a risk or an opportunity has been identified as material, the Company identifies the relevant information to be considered for disclosure under ESRS, or prepares a relevant entity-specific disclosure. Management has a holistic approach to inclusion of the ESG criteria into SNN's strategy and development plans. This holistic approach is broken down across the entire Company and SNN collaborators into established processes and procedures, and particularly into objectives and targets cascaded from the fundamental objectives of SNN, down to an individual level, through the set performance metrics. Information about the value chain is found in the chapters addressing the thematic standards.

SNN has not omitted information about intellectual property, know-how or innovation results.

Disclosure concerning the specific circumstances | *BP-2*

Changes in preparation or presentation of the sustainability information

Unlike the current financial year, the Sustainability Report produced for the financial year 2022 was prepared in reliance of the GRI Standards, "Core" option.

For the financial year 2023, a double materiality assessment was performed in accordance with the ESRS standards with a view to complying with the Corporate Sustainability Reporting Directive (the CSRD Directive). The material topics identified for FY 2022 were compared against identified according under the ESRS.
In terms of the sustainability assessment, the Company is assessed annually by international bodies/rating agencies, which issue an annual rating based on the sustainability report assessment and the relevant policies. If need be, certain information disclosed under the ESRS is supplemented by additional information to meet the requirements of the rating agencies' criteria, with presentation of how certain metrics evolve over more consecutive years, and analyze that indicator's development trend.

Disclosure of information under other legislation or generally-accepted sustainability reporting decisions

The applicable laws or other standards used for reporting purposes are indicated, as applicable, in the text of the report.

Provision of information through references

The report makes references to additional documents or to information included in another thematic standard.

Role of Administration, Management and Supervisory Bodies | *GOV-1*

The corporate bodies of SN Nuclearelectrica SA, a company managed under single-tier system, are structure in the **General Meeting of Shareholders** (GMS), which is the ultimate decision-making forum of SNN, as well as in the **Board of Directors** (BoD).

Under the Resolution of the SNN's Ordinary General Meeting of Shareholders no. 1 of 27 January 2021, shareholders took note of the Updated Regulation on the organization and performance of the General Meetings of Shareholders, accommodating the legislative amendments.

The updated Regulation on the Organization and Performance of SNN's GMSs documents all amendments and supplements to the legal provisions laid down in the Financial Supervisory Authority (FSA) Regulation no. 5/20218, Law no. 24/2017 on the issuers of financial instruments and market operations, republished, as subsequently amended and supplemented, Bucharest Stock Exchange (BSE) Governance Code, Law 31/1990 of the Companies, and Government Emergency Ordinance no. 109/2011 on corporate governance of public undertakings, as subsequently amended and supplemented. The updated Regulation on the Organization and Performance of SNN's GMSs[1] is public on the SNN website under the section dedicated to the General Meetings of Shareholders. The section intended for the GMS can be accessed on the SNN website[2] and is being constantly updated, after each decision of the Board of Directors approving a GMS convening. The Regulation for Organization and Conduct of the General Meetings of Shareholders are easily accessible, and information material is available for each GMS.

[1] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2022/01/RO-REGULAMENT-AGA_SNN_-septembrie-2020-1.pdf
accesat 29.01.2024

[2] https://www.nuclearelectrica.ro/ir/
accesat 29.02.2024

The General Meeting of Shareholders is the main corporate governance body of SNN, and decides on the activity and financial and business policy. SNN has devised and put in place sound internal procedures for organization and performance of the GMSs, as well as rules that govern its legal and statutory activity, in accordance with the Articles of Incorporation and the applicable legislation. As to of its structure, depending on the matters that require approval by shareholders, the General Meeting of Shareholders can be ordinary or extraordinary.

SNN developed, based on the Government Emergency Ordinance 109/2011, a robust organizational structure, able to ensure the implementation of the long-term strategy, the efficiency of processes and procedures, to operationalize the action lines, to implement the investment projects in correlation with the approved development stages, to evaluate correctly through the risk management system, to act transparently, ethically with the inclusion of the interests of all stakeholders.

According to the Articles of Incorporation of SNN, the company is managed under single-tier system. The executive body of SNN is the Board of Directors, consisting of 7 (seven) members of which at least 4 (four) members must be independent directors. The members of the Board of Directors are elected for a 4-year term of office, and can be re-elected. The members of the Board of Directors are elected by the Ordinary General Meeting of Shareholders, according to the legal provisions.

The Board of Directors is the executive body of the Company, and is formed of 6 members, of each one executive and 5 non-executive members. The members of the **Board of Directors** have committed to exercise their mandate with the prudence and diligence of a good director, with loyalty, in the interest of the Company, its stakeholders and society at large.

The **executive management** is committed to implement the company's strategy and to represent the company's development interests.

The membership of SNN's Board of Directors of is presented below: More information can be read on the Company's website:

https://www.nuclearelectrica.ro/ir/consiliul-de-administratie/

Item no.	Name	Position	Relevant experience	Date appointed	Office expiry date	Political affiliation	Status
1	Mr. Teodor Chirica, PhD	Chairman of the Board of Directors, Independent Non-Executive Member	Engineer, specializing in nuclear energy, with technical and management experience. CV	29.09.2022	29.09.2026	No political affiliation	Full
2	Mrs. Vasilica Grajdan	Independent Non-Executive Member	Relevant experience in labor relations/negotiations with trade unions CV	15.02.2023	15.02.2027	No political affiliation	Full
3	Mrs. Elena Popescu, PhD	Non-Executive Member	PhD in energy engineering, specific expertise in the nuclear field CV	29.09.2022	29.09.2026	No political affiliation	Full
4	Mr. Cosmin Ghita	Executive Member	Background in international political economy, CEO of SNN CV	29.09.2022	29.09.2026	No political affiliation	Full
5	Mr. Remus Vulpescu	Independent Non-Executive Member	Background in law and politics, lawyer, administration experience CV	15.02.2023	15.02.2027	No political affiliation	Full
6	Mr. Dumitru Chirlesan, PhD	Independent Non-Executive Member	PhD in physics, experience in applied physics in the field of nuclear materials and technologies CV	15.02.2023	15.02.2027	No political affiliation	Full

SNN's Board of Directors has various powers an duties concerning:

- Operation of nuclear units in nuclear safe and security conditions for the staff, population, environment and production assets;
- Maintaining the electricity generation capacity above the industry average;
- Putting in place the organizational framework for the development of the group structure which should integrate all SNN subunits, branches and subsidiaries;
- Continuously optimizing and increasing the efficiency of the organizational structure of the Company, developing and implementing the human resources strategy at the company level by reference to the activity volume, as well as to complexity of the investments projects developed;
- Achieving the planned physical production of fuel bundles, in accordance with the approved revenues and expenditures budgets, respectively with the manufacture plans of Pitesti Nuclear Fuel Plant Branch;
- Ensuring an energy production at the level of the industry related standards being the first 25% (top quartile - in WANO/INPO terminology) reactors in the world from the point of view of the capacity factor mediated during the commercial operation (since in service);
- Capitalizing the electricity production, in conditions of economic efficiency and predictability;
- Ensuring the financial performance of the Company in conditions of economic efficiency and medium-term and long-term sustainability;
- Developing investment projects in compliance with the approved investments goals;
- Implementation of projects to modernize, integrate and secure the information flow and IT infrastructure (hardware, software and cybersecurity);
- Developing the internal control system within SN Nuclearelectrica S.A.;
- Compliance with the principles of corporate governance and the code of ethics and integrity;
- Consolidating the external communication strategy as the basis for a sustainable development, closely related to the acceptance and public support for nuclear energy in Romania.

In order to sit in the Board of Directors, a person must meet a number of criteria, according to the selection procedure that can be read on the Company's website:

Membership, and Diversity of Members, of the Board of Directors

Number of members holding executive positions	1
Number of members holding non-executive positions	5
Percentage of members of the administration, management and supervision bodies	6 of 7 (85.7%)
Gender ratio of the board (Board of Directors) (to be calculated as the average ratio between the female and male members of the Board of Directors)	66.7% - men 33.3% - women
Percentage of independent members of the board (Board of Directors)	6 of 6 (100%)

The Board of Directors delegates the management of the Company to one or more Executives , naming one of them as CEO. The CEO represents the Company in relations with third parties and before the courts of law. The CEO is responsible for taking all measures related to the management of SNN, within the scope of the Company's business and observing the exclusive powers reserved under the law or the Articles of Incorporation to the Board of Directors and to the General Meeting of Shareholders. If need be, the Board of Directors may delegate, under a duly passed resolution, one or more of powers stated as belonging to the CEO. The membership of SNN's Executive Management is shown in the table below and on the Company's website:

https://www.nuclearelectrica.ro/ir/directori/

[3] https://www.nuclearelectrica.ro/ir/procedura-de-selectie-a-unui-administrator-snn-2/

According to the Articles of Incorporation of the Company and in accordance with Government Emergency Ordinance no. 109/2011, the Board of Directors of SNN established 4 advisory committees, formed by at least 2 members of the Board of Directors. The Advisory Committees are tasked with performance of analyses and making recommendations for the Board of Directors, in specific fields, and are under obligation to regularly submit activity reports to the members of the Board of Directors. These committees are listed in the table below, including their respective chairmen.

Item no.	Name	Position	Relevant experience	Date appointed	Office expiry date	Political affiliation	Status
1	Mr. Cosmin Ghita	CEO	Background in international political economy; experience in diplomatic communication and economic field CV	11.02.2019	11.02.2023	No political affiliation	Full
				12.02.2023	12.02.2027		Full
2	Mrs. Laura Constantin	Deputy Chief Corporate Services Officer	Legal background, specializing in private law and nuclear law; lawyer, experience in management and coordination positions in financial and energy companies CV	01.02.2022	Employment agreement	No political affiliation	Full
3	Mr. Marian Serban	Deputy Chief Operating Officer	Background in physics, industrial engineering and management, and expertise in operations, nuclear safety and management of nuclear facilities, including extensive operational experience in the nuclear industry	01.09.2022	01.05.2023 Individual Employment Agreement	No political affiliation	Full
4	Mr. Alexandru Visan	Deputy Chief Operating Officer	Background in electromechanical engineering, expertise in nuclear power generation and green energy equipment manufacturing CV	01.05.2023	31.07.2023 Employment agreement	No political affiliation	
				01.08.2023	31.04.2024	No political affiliation	Full
5	Mr. Dan Niculaie-Faranga	Chief Financial Officer	Economic background; management experience in finance, and in industries such as financial services, real estate development, consultancy, mergers and acquisitions, and energy CV	13.12.2022	13.02.2023	No political affiliation	Interim
				14.02.2023	14.06.2024		Interim
				03.05.2023	14.06.2024		Interim
				03.05.2024	03.05.2027		Full
6	Mr. Valentin Ovidiu Nae	Cernavoda NPP Branch Manager	Background in physics; experience in nuclear safety, leadership and operations CV	19.10.2020	Employment agreement	No political affiliation	Full
7	Mr. Sorin Andrei Popescu	Pitesti NFP Branch Manager	Background in nuclear technology, physics technology and nuclear materials	01.03.2022	28.02.2023	No political affiliation	Full
8	Mr. Florin Ovidiu Gheba	Pitesti NFP Branch Manager	Background in systems and computer science, unconventional driving systems, automation and industrial informatics	02.03.2023	18.06.2023	No political affiliation	Full
9	Mr. Andrei Musetoiu	Pitesti NFP Branch Manager	Background in mechanics, business management and nuclear technologies; management experience in the Technical Directorate of Pitesti NFP CV	19.06.2023	18.12.2023	No political affiliation	Interim
				19.12.2023	Employment agreement		Full

Management of advisory committees

Committee	Chairman
Nomination and Remuneration Advisory Committee	Mrs. Vasilica Grajdan
Audit Advisory Committee	Mr. Remus Vulpescu
Nuclear Safety Advisory Committee	Mr. Teodor Chirica, PhD
Strategy, Development and Large Investment Projects Advisory Committee	Mrs. Elena Popescu, PhD

The role of the Audit Advisory Committee is to provide assistance to the Board of Directors in carrying out its internal audit duties, and performs an advisory function concerning the Company's strategy and policy on the internal control system, internal audit and external audit, as well as control of material risks management. The Audit Advisory Committee regularly examines the financial reporting efficiency, the internal control and the risk management system put in place by SNN;

As to risk management, the Committee's role is to:

- monitor the effectiveness of the Company's internal control, internal audit, where applicable, and risk management systems;
- review the internal control and risk management system efficiency.

Membership of the Board of Directors' Audit Committee

Name	Position
Mr. Remus Vulpescu	Chairman
Mrs. Vasilica Grajdan	Member
Mr. Dumitru Chirlesan, PhD	Member

On a quarterly basis, the Director of Audit and Risk Management Directorate (ARMD) submits and discusses with the Audit Committee the risk management report prepared by the Risk Management Service, after having been approved by the CEO.

In accordance with the provisions of Law no. 319/2006 on occupational health and safety, the Occupational Safety and Health Committee (OHSC) is organized across the entire Company, and is led by a chairman nominated by SNN's CEO. The worker representatives in the OHSC are nominated for a period of 2 years by the representative trade union of SNN (Cernavoda NPP Trade Union). There are 2 other trade unions in SNN: the Free Energetica Nucleara '90 Trade Union, and the Pitesti NFP Trade Union, but these are not representative in the Company.

There are also a number of policies and commitments targeted by the Board of Directors.

- ESG Policy (environment/social/governance)[4]
- Commitment to respect human rights[5]
- Commitment to ensure environmental protection[6]
- Commitment to observe ESG principles[7]

In 2023, the Board of Directors decided to set up a Working Group for ESG Management in SNN and along the supply chain. This ESG Working Group has representatives for each ESG pillar (environment, social and governance), including financial and risk, depending on the relevant expertise of each member.

[4] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/07/Politica-ESG_RO_20230310_.pdf
accesat 15.02.2024

[5] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/07/SNN_Angajament_Drepturile-omului_RO_20230530.pdf
accesat 15.02.2024

[6] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/07/SNN_Angajament_Mediu_RO_20230531.pdf
accesat 15.02.2024

[7] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/07/SNN_Angajament_respectare-ESG_RO_20230530.pdf
accesat 15.02.2024

Membership of the ESG Working Group

Item no.	Name	Position	Role in the ESG Working Group
1	Ludmila Tones	Director of the Communication, Sustainability and Investor Relations Directorate	Group Coordinator
2	Valentina Dinu	Head of Communication, Sustainability and Public Relations Department	Member
3	Roxana Stamate	Head of Financial Reporting and Budget Department	Member
4	Liviu Dumitru Radu Gheorghiu	Chief Engineer in the Prevention and Protection Department	Member
5	Laura Blaga	Director of the Strategy and Human Resources Directorate	Member
6	Monica Anton	Head of Risk Management Service	Member
7	Florenta Irina Marin	Head of Management Systems Development and Monitoring Department, Cernavoda NPP	Member
8	Vasilica Olaru	Head of Nuclear Safety Department, Pitesti NFP	Member
9	Daniela Costea	Chief Engineer with the Quality Management Directorate, Pitesti NFP	Member
10	Flavia Nuta	Employee of the Communication, Sustainability and Investor Relations Directorate, SNN Headquarters	Secretariat

The governance bodies ensure that there is an adequate mechanism in place to monitor ESG performance, through the ESG Working Group they approved, with a risk register, by quarterly reporting on risks (including the ESG risks).

Information supplied to the undertaking's administration, management and supervisory bodies and sustainability matters approached by them | *GOV-2*

Risk assessment in SNN is carried out periodically (quarterly), according to Risk management procedure in S.N. Nuclearelectrica S.A., and results are described in the Risk Management Report, with a focus on the main risks which the Company faces. Thus, the administration, management and supervisory bodies are advised of the sustainability matters and how these were addressed during the reporting period. If need be, corrective measures are instructed.

The main categories of risks presented on a quarterly basis in the Risk Management report are:

- Risks related to nuclear safety (Nuclear Safety);
- Information security, nuclear safeguard and physical protection risks (protection of nuclear raw material and radioactive materials);
- Compliance risks, broken down into 3 subcategories:
  - fraud risks;
  - compliance risks (ethics, integrity and conflict of interest)
  - the compliance risks (risks related to observance of the external regulation framework - for instance, laws, ordinances, rules, internal regulation framework, such as internal policies, processes and procedures).

No ESG-related risks material enough to be presented to the SNN administration, management and supervisory bodies were identified in 2023.

Integration of sustainability performance into the incentive systems | *GOV-3*

In SNN, the Remuneration Policy[8] does not include performance metrics related to ESG matters.

Declaration on the Due Diligence Process | *GOV-4*

SNN has developed and maintains a General Management System, which complies with the provisions of Law no. 111/1996, republished, and the Quality Management Rules applicable in the nuclear field (NMC), issued by the National Commission for Nuclear Activities Control (CNCAN). The SNN Management System is authorized by

[8] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2021/05/AGOA-PCT-8-Politica-de-remunerare-CA-si-Directori_final_tc.pdf
accesat 13.02.2024

CNCAN according to Law no. 111/1996 under the Permit for the quality management system in the nuclear field for management activities; permit no. SNN EX - 01/2021, valid until 30 April 2023; the permit currently in place, i.e. SNN EX-01/2023, is valid until 30 April 2025. The requirements of the SNN Management System apply to all activities and processes carried out in the company.

The Management System developed and implemented in SNN addresses, in a coherent, coordinated and unitary fashion, the components related to nuclear safety, quality, protection against ionizing radiation, environmental protection, occupational health and safety, physical protection, protection against cyber threats, nuclear safeguard control, protection of classified information, planning and response to emergencies, sale of the electricity generated, and aspects related to the economic performance, and ensures that their requirements are not addressed separately from nuclear safety, as this takes priority over any other requirements, considerations and interests.

The implementation of the management system ensures identification and integration of all legal and regulatory requirements, good practices and voluntarily adopted standards, such as ISO 37001, ISO 27001, in order to attain the general objectives of the Company and meet the expectations of all stakeholders.

The management of SNN has delegated to the Branches the responsibility for development and implementation of parts of the Management System of SNN, for the specific activities they carry out, without this leading to reduction of its responsibility for the effectiveness of the system as a whole. Consequently, the Branches have developed their own Management Systems aligned to the requirements of the SNN Management System, as well as to the legal requirements applicable to their specific field of business. The Management Systems of the Branches are reviewed and accepted by the SNN management.

The integrated management system applied by **Cernavoda NPP** focuses on meeting the nuclear safety requirements that stem from the CNCAN rules and requirements, which underlay the issue of the operating permit for Units 1 and 2 of Cernavoda and for the Spent Fuel Storage (DICA), and is developed in accordance with the requirements of the IAEA GSR Part2 standard and the CNCAN Rules for Quality Management Systems, voluntarily integrating the requirements of the management standards ISO 14001, ISO 45001, ISO 17025, ISO 27001, ISO 37001, and the requirements of the EMAS Regulation - Eco Management and Audit Scheme. The management system of Cernavoda NPP is authorized according to the requirements of Law no. 111/1996, republished, on *Operation, design, supply, repair and maintenance, use and maintenance of nuclear software products activities* (CNCAN permit no. SNN Cernavoda NPP - 01/2023, valid until 30 April 2025).

The integrated management system applied by **Pitesti NFP** focuses on meeting the requirements that stem from the CNCAN rules and requirements that underpin the issue the operating permits issued for the nuclear fuel production activity, and is developed in accordance with the requirements of the Canadian standard CSA N299.2-16 and the CNCAN Rules for Quality Management Systems, voluntarily integrating the requirements of the management standards ISO 9001, ISO 14001, ISO 45001, ISO 17025, and ISO 37001 and the requirements of the EMAS Regulation - Eco Management and Audit Scheme. The management system of Pitesti NFP is authorized according to the requirements of Law no. 111/1996, republished, on Manufacturing activities in the nuclear field, class 2 of gradual application, granted to the management system (CNCAN permit no. 22-038, valid until 17 September 2024).

The branches Cernavoda NPP and Pitesti NFP hold certificates for compliance of the Management System with the requirements of the standards ISO 14001 Environmental Management Systems and ISO 45001 Occupational Health and Safety Management Systems. Pitesti NFP also holds a certificate of conformity for the Management System, in accordance with the standard ISO 9001, as of September 2023.
Both branches are enrolled in the Eco-Management and Audit Scheme (EMAS), according to the Regulation (EC) no. 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) and the Regulation (EU) 2017/1505 of the Commission of 28 August 2017 amending Appendices I, II and III.

It should be noted that the provisions of the CNCAN Rules that contain requirements for the quality management systems cover the requirements of the standard ISO 9001:2015 and even exceed them, being intended for organizations acting in the nuclear field. However, for a better recognition of the performance of the management system implemented in SNN, both the Headquarters and

the Pitesti NFP Branch are certified in accordance with the requirements of the International Standards ISO 9001:2015 and ISO 45001:2018 – Occupational Health and Safety Management System.

SNN has developed structures, process data-sheets, procedures and a risk management that proactively and reactively address the key activities of the Company. This approach helps identify, prevent and mitigate, and assess the impact assessment across all business areas, including ESG, devise and put in place improvement measures, follow-up on response and developments, and communicate on how to impact, risk and opportunities are to be addressed under the materiality matrix.

SNN alignment with the UN Guiding Principles is presented in Annex 1 - Results of the Minimum Social Safeguards Attainment Verification.

KEY DUE DILIGENCE PROCESS ELEMENTS	POINTS IN THE SUSTAINABILITY STATEMENT
Inclusion of the due diligence into the governance, strategy and business model	**Annex 1** -Results of the assessment of compliance with the minimum social guarantees
Work together with all affected stakeholders in all key stages of the due diligence process	**Annex 1** -Results of the assessment of compliance with the minimum social guarantees
Identify and assess the negative impacts	**Annex 1** - Results of the assessment of compliance with the minimum social guarantees
Take measures to address these negative impacts	**Annex 1** - Results of the assessment of compliance with the minimum social guarantees
Monitor the effectiveness of these efforts and communication	**Annex 1** - Results of the assessment of compliance with the minimum social guarantees

Risk management and internal controls related to sustainability reporting | *GOV-5*

In SNN, the main categories of risks are presented on a quarterly basis in the Risk Management Report.

The risks listed under the Chapter **SNN - Impact, Risk and Opportunities Management**, and which are repeated also under each material topic and sub-topic are the result of the double materiality assessment, according to the ESRS. SNN keeps a previously-developed risk register, where the risks were included, merged and linked to an impact, according to the ESRS.

The strategy being prepared in 2024 will take stock of all risks again, according to the ESRS, and an ESG risk register will be prepared to underpin this strategy.

Strategy, Business Model and Value Chain | *SBM-1*

Societatea Nationala Nuclearelectrica S.A. is a national joint stock company, managed under single-tier system, with a Headquarters and two Branches without legal personality. The main scope of business of the Company is "Electricity generation" – NACE Code 3511 and is registered with the Trade Register under number J40/7403/1998, Unique Registration Code 10874881, tax attribute RO.

Type of shareholder	Number of shares held	% of share capital holding
Romanian State – Ministry of Economy, Energy and Business Environment	248,850,476	82.4981%
Other shareholders	52,793,418	17.5019%
Legal Entities	38,466,942	12.7521%
Natural persons	14,327,476	4.7498%
Total	**301,643,894**	**100%**

Electricity is sold under the electricity generation license, as follows:

1. On the competitive market, under contracts for the sale and purchase of electricity:
   - on markets managed by the market operator OPCOM SA, with long-term delivery: CM-OTC, CMBC-EA-flex, and CMBC-CN; with short-term delivery: DAM (Day-Ahead Market) and IM (Intraday Market);
   - under bilateral transactions with the Electricity Transmission and Distribution Operators and with an electricity supplier to ensure supply of consumers served in accordance with the provisions of the Government Emergency Ordinance no. 27/2022, as subsequently amended and supplemented;
   - under a bilateral contract concluded with the supplier designated by the Government of the Republic of Moldova in order to ensure electricity supply safety for the neighboring country, considering the exceptional situation caused by the effects of the war in Ukraine.
2. On the balancing market managed by Transelectrica SA, in case of positive imbalances.
3. Under energy supply contracts concluded with two consumers supplied directly from the facilities of Cernavoda NPP, based on the electricity production license.
4. Under the Electricity Centralized Purchase Mechanism (ECPMA), according to the requirements of the laws in force.

An Administration Plan for the 2023-2027[9] period was prepared in accordance with the provisions of Article 30(1) and Article 36(1) of the Government Emergency Ordinance no. 109/2011 on the corporate governance of public undertakings, as subsequently amended and supplemented, by the members of the Board of Directors and the Executives of SNN, as appointed further to completion of the selection procedures provided for in aforementioned regulatory act under the Resolution no. 6/10.08.2022 and the Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN Shareholders.

SNN is the only electric power producer based on nuclear technology from Romania, by Cernavoda NPP branch. With its Pitesti NFP Branch, SNN also produces CANDU 6-type nuclear fuel bundles that are used to keep its own nuclear reactors in use. Decay heat is used to produced heat in centralized system.

SNN has no strategy in relation to, or that impacts, the sustainability matters; this will be written in 2024.

Total number of employees by geographical area/branches	SNN Executive - 226
	Pitesti NFP - 372
	Cernavoda NPP - 1754
Total revenue	RON 7,469,308,958
Revenue by key ESRS Sectors[10]	Electricity: 7,455. 563,848RON Heat RON 6,097,431
Revenue from fossil fuels (coal, oil and gas)	Not applicable
Revenue from coal	Not applicable
Revenue from oil	Not applicable
Revenue from natural gas	Not applicable
Revenue obtained from business activities aligned to the fossil gas-related taxonomy	Not applicable
Revenue from chemicals	Not applicable
Revenue from controversial arms	Not applicable
Revenue from tobacco growing and production	Not applicable

Due to the need to speed up the response to climate change, nuclear energy has become an essential solution for decarbonation and a basic source of energy security, energy independence, social and economic development, innovation and talent fostering, which all also addresses the ESG challenges. SNN, as a company, develops at national level and gets actively involved at international level with a view to supporting the energy transition, and develops and deploys cutting-edge technical solutions able to help attainment of the environmental targets.

Given the critical role of nuclear energy both in the transition towards a clean economy, and in attaining the decarbonation targets assumed by Romania, for SNN, the outlooks of 2050 lay ahead the following priorities, which are also the pillars of current operation, development and contribution to a clean and sustainable economy:

- Safe, environmentally-friendly and employee and population protection-centered operation of Units 1 and 2, the Nuclear Fuel Plant and Feldioara Branch;
- Maintaining and developing the management system, including the environmental management system, to cope with the future challenges raised by the major investment projects;
- Protection of the environment, staff and population;
- Development of SNN's investment projects in the defined timeline;
- Expanding the nuclear production facilities that do not generate CO2 emissions, which will contribute to reaching Romania's environment targets;
- Development of corporate governance as a coagulation and efficient integration process for all

[9] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/05/PCT-2-SI-4-SNN-Plan-Administrare-2023-2027-Sumar-executiv_Versiune-PV-Comisie-Negociere-Indicatori-19.05.2023.pdf
accesat 10.02.2024

[10] generează mai mult de 10 % din veniturile companiei și sau are legătură cu impacturi reale semnificative sau cu impacturi negative semnificative potențiale ale companiei.

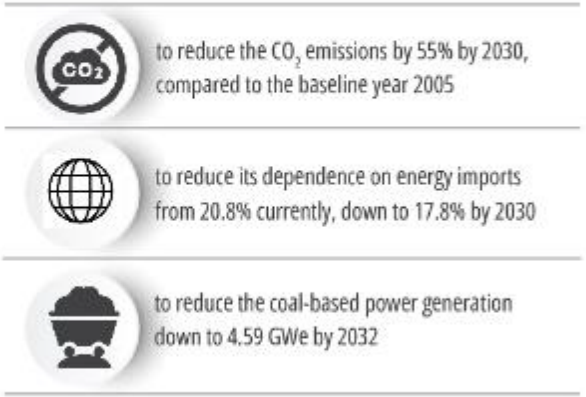
processes in SNN;
- Care for employees, collaborators and the population, by responsibly managing all operating and development activities;
- SNN stakeholders involvement in development of the Company and communicating of the SNN relevant aspects of governance, ethics and integrity to them;
- Development of a new generation of nuclear energy specialists to continue operation and development of nuclear projects and, implicitly development of multiple staff attraction, retention and training programmes;
- Ensuring supply security for the Romanian energy system, source availability in SEN, and backup provision for renewable sources, by and beyond 2050.

SNN's medium and long-term investment projects amount to approximately EUR 12 billion.

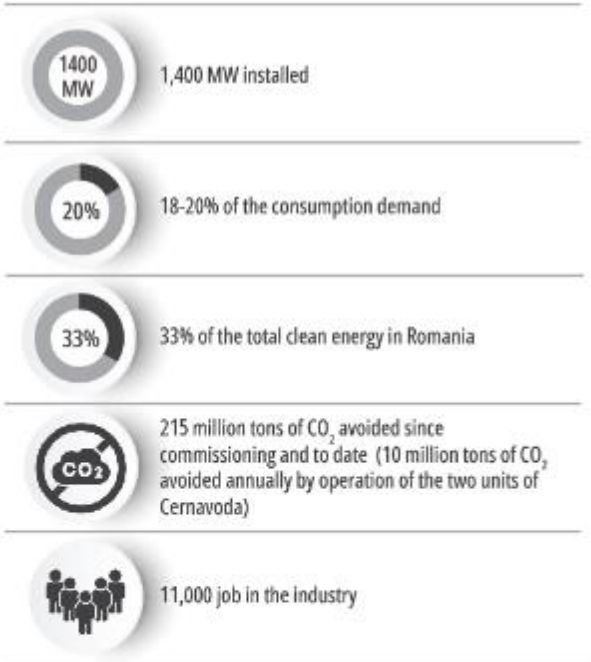
Their impact is quantifiable both in terms of both the increased supply security for Romania and the region, considering the unified European market which is estimated to reach a 15% interconnectivity by 2030, as well as development of the related industries, the infrastructure, the research and development, the education, and attainment of the decarbonization targets assumed by Romania.

The three major investment projects of SNN are complementary: refurbishment of Unit 1, the Project of CANDU 6 Units 3 and 4, and small modular reactors - SMR US. The first two provide clean energy, base load, implicitly security in the provision and availability of the energetic system, and the small modular reactors provide flexibility, the opportunity to protect economically and socially the areas with coal-fired power stations decommissioned, local development, workplaces. An essential balance will be struck between the power reactors and small modular reactors - SMR in terms of production and response to decarbonization and the energy system or local needs.

Targets assumed by Romania:
- to reduce the CO_2 emissions by 55% by 2030, compared to the baseline year 2005;
- to reduce its dependence on energy imports from 20.8% currently, down to 17.8% by 2030, which means sustained investments in generation capacities free of carbon emissions or transition capacities, with base load delivery to ensure stability for the national power system;
- to reduce the coal-based power generation down to 4.59 GWe by 2032, which means to replace these sources by other clear energy sources.

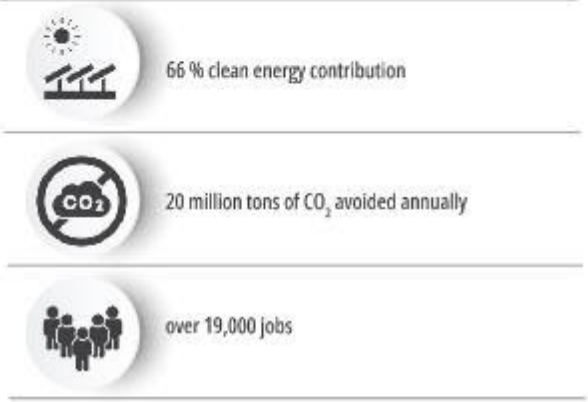


The two nuclear units that SNN operates contribute to Romania's energy security, but also to attainment of decarbonization targets by:
- 1,400 MW installed
- 18-20% of the consumption demand
- 33% of the total clean energy in Romania
- 215 million tons of CO_2 avoided since commissioning and to date (10 million tons of CO_2 avoided annually by operation of the two units of Cernavoda)
- 11,000 job in the industry.



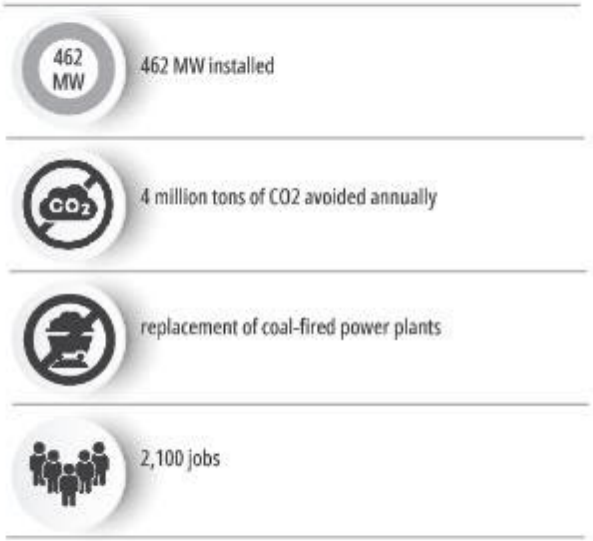
Expansion of the nuclear capacity with 2 new CANDU 6 units in Romania, SNN contributes with:

- 66 % clean energy contribution
- 20 million tons of CO_2 avoided annually
- over 19,000 jobs.



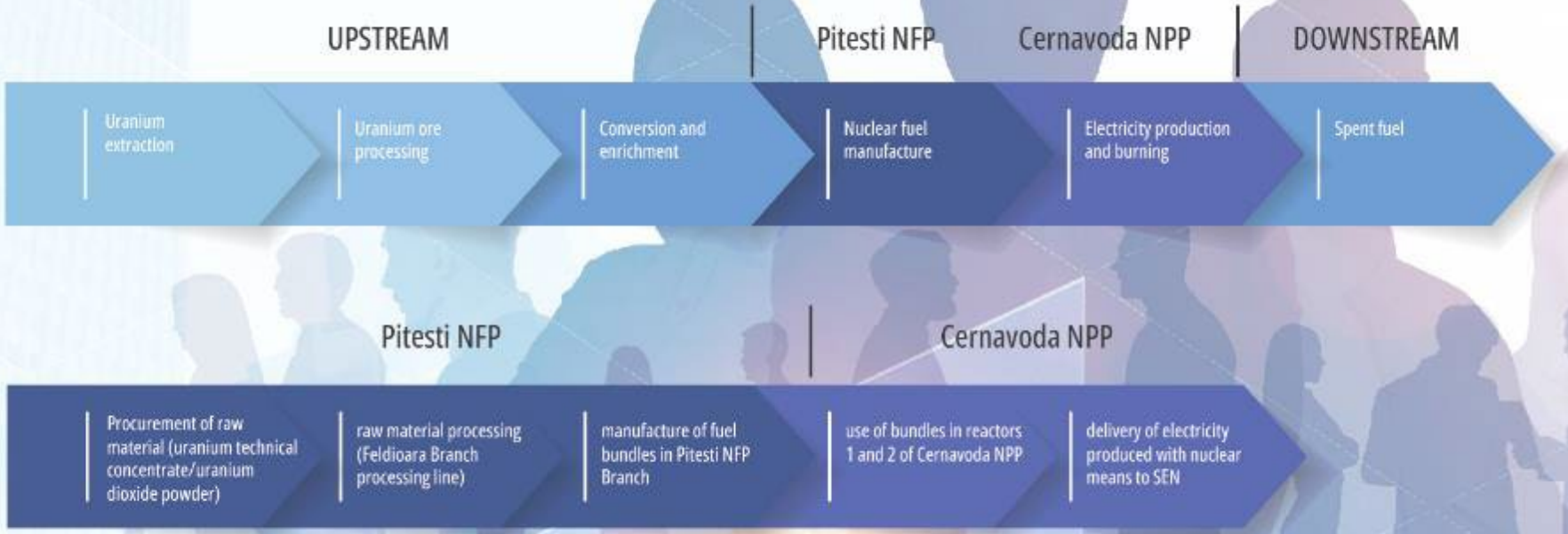
Adding also small modular reactors - SMR implementation:

- 462 MW installed
- 4 million tons of CO_2 avoided annually
- replacement of coal-fired power plants
- 2,100 jobs.



We protect the interests of the investors and the society through a careful selection of our suppliers and partners. SNN purchases products, services and works under the provisions of Law no. 99/2016 on sectoral procurements. SNN suppliers who supply products, services or works classified as important for nuclear safety and intended for Cernavoda NPP and Pitesti NFP, must obtain the status of "qualified supplier", prior to the conclusion of the contract. The Company is authorized by the National Commission for Nuclear Activities Control (CNCAN) and, according to the law, it is required to see that its suppliers of products, services or works, as well as their sub-suppliers along the chain put in place and maintain their own controlled quality management system.

Value chain - key components[11]



[11] Nu sunt menționate toate inputurile lanțului valoric

Stakeholder Interests and Views | *SBM-2*

The management of Cernavoda NPP, as part of Compania Nationala Nuclearelectrica SA, pays particular attention to communication with, and transparency towards, all stakeholders: staff, population, local and national authorities, NGOs and media, seeking to depict and maintain a realistic image based on facts and concrete data able to strengthen the positive characteristic of nuclear energy, as well as it major social and economic impact.

The nuclear energy is regulated and controlled and always under careful watch of the control authorities, national and international governmental organizations, non-governmental organizations, mass-media and public. Cernavoda NPP abides by, and puts in place, the highest environment, staff and population protection standards.

In terms of social matters, SNN continues to focus on increasing its positive impact for the benefit of communities, by creating a responsible value and increasing nuclear safety. SNN pays particular attention to the systematic training of its staff, to the highest standards of professional competence, implementing continuous training, succession and mentoring programmes for its employees. SNN also kicks-off traineeship, internship and dual education programmes to train new specialists and grow a new generation of specialists in the nuclear energy.

Key categories of SNN stakeholders

STAKEHOLDER CATEGORIES	EXAMPLES OF STAKEHOLDERS
Shareholders	- the Romanian State, through the Ministry of Economy, Energy and Business Environment; - Other shareholders
Investors and financial institutions	- Other investors, banks
Central and local authorities	- Government, parliament, ministries - Municipalities, local councils, county councils
Regulatory and control authorities	- In the nuclear field: CNCAN - Environmental protection - Environmental Guard, Environmental Protection Agency/Authority (EPA) - Water management - "Apele Romane" National Authority (ARNA) (at central level) and Danube-Seashore Water Basin Administration (DS-WBA) (at local level) - Labor Inspection, through the Territorial Labor Inspectorate - Public Health Directorate
Business partners	- Electricity customers - Electricity carriers - Consumers
Employees	- Own employees - Contract employees
Suppliers	- Suppliers of goods and services (*e.g.* raw materials, utilities, equipment, etc.)
National and international NGOs	
External organizations (WANO, INPO)	- WANO - World Association of Nuclear Operators - INPO - Institute of Nuclear Power Operations
Media	
Local communities and general public	- Local communities - Population at large
Education units	- Vocational education - Universities

The stakeholders' expectations from **Cernavoda NPP** are:

- **The Government, the Parliament, the Ministries, the Central Authorities, the Local Authorities, and the Regulatory and Control Authorities.** Cernavoda NPP is expected to comply with the legal requirements (i.e. compliance obligations under permits, protocols, clearances, etc. or further to the incidental requirements of the authorities) and operate the nuclear power plant in observance of the limits and conditions imposed under permits or the duly executed protocols. Cernavoda NPP is further expected to safely and securely delivery the amount of energy projected to be delivered, in order help ensure Romania's energy security.
- **Business partners** (energy users, energy transmitters, consumers). Cernavoda NPP is expected to produce electricity and heat in compliance with all legal requirements applicable to environmental protection and the voluntarily implement, in its own work system, the latest environmental and OHS standards, conveying them the trust that Cernavoda NPP is a reliable business partner. All agreements signed with them concerning environmental protection (e.g. environmental agreements with contractors, protocols, etc.) become mandatory to be observed.
- **NGOs, the Public, the Local Community, External Organizations** (WANO, INPO, etc.). The organization is expected to carry out its activity showing care for the environment and the population and these stakeholders need to be provided with relevant information about the activity carried out by Cernavoda NPP, in compliance with all legal environmental protection requirements. The expectations listed above are duties compliance duties towards these entities for Cernavoda NPP. These also expect to be regularly informed about the environmental performance, be consulted about future projects, and be consulted in the permitting process, in accordance with the rights acquired under the Aarhus Convention and the legislative framework regulated at national level. They expect to received answers to their requests for information and concerns made known via the communication channels with SNN/NPP through the information centers, public relations departments, and the local advisory committee.
- **NPP employees and contractors.** They expect that their work is recognized and rewarded according to their expectations of the required performance, and they need a healthy and safe work environment. All agreements signed with contractors of services or products concerning environmental protection (e.g. environmental agreements) become mandatory to be observed.

The stakeholders' expectations from **Pitesti NFP** are:

SNN Headquarters:
- Alignment with the Management Model of SNN SA
- Observance of the governance requirements, strategies, management plan and advanced principles
- Implementation of SNN's organizational policies
- Observance of the Code of Business Ethics and Conduct
- Compliance with requirements of the Collective Bargaining Agreement (CBA), the Internal Regulations (IR), the SNN Organization and Functioning Regulation (OFR), the SNN SA Management System Manual
- Compliance with the Income and Expenditure Budget

Cernavoda NPP Branch (as main client):
- Observance of the contractual commitments
- Compliance with the manufacturing and control technology of nuclear fuel bundles;
- Safe delivery of nuclear fuel bundles
- Ensuring compliance with agreed quality requirements
- Communication

Shareholders
- Attaining a high level of nuclear safety performance;
- Increasing the turnover and profit
- Observance of the resolutions of the General Meeting of Shareholders
- Long-term business viability

Investors
- Honesty and transparency to support a decision to invest in the Company's financial instruments

RATEN-NRI
- Compliance with the contractual commitments and concluded agreements
- Compliance with the measures set out in the Emergency Plan

Public and local community
- Safe operation of the plants to protect the population and the environment
- Involvement in the community as a responsible "citizen".
- Voluntary environmental commitments
- Compliance with agreements concluded with the community groups
- Communication for visibility and credibility

NFP staff and trade unions

- Compliance with the organizational requirements according to the CBA, Internal Regulation, and SNN OFR
- Trust, recognition, and reward to contribute to, and share, the success of the organization
- Professional development opportunities
- Workplace safety
- Participation and consultation
- Adequate working conditions, and a competitive work environment, in observance of the occupational health and safety requirements;

Regulatory bodies (Ministry of Environment, Water and Forests, National Commission for Nuclear Activities Control, National Environmental Guard, Public Health Directorate, etc.)

- Compliance with the legal requirements, and the international, national and local laws and regulations;
- Attainment of a high level of nuclear safety;
- Communication for visibility and credibility;

External organizations in the nuclear field

- Reliable partner
- Driver in the nuclear industry
- Compliance with the relevant organizational or industrial standards;

Government and customers

- Delivery of nuclear fuel bundles for safe generation and delivery of electricity to the national system;

Non-Governmental Organizations

- Communication for visibility and credibility
- Activity improvement
- Voluntary practice principles
- Compliance with the nuclear safety, environment, OSH and Emergency commitments
- Suppliers
- Mutually beneficial, profitable and safe business relationships
- Compliance with the contractual commitments (order stability, delivery planning)
- Media
- Open, immediate and accurate communication.

The stakeholder, and applicable legal and regulatory, requirements are integrated into the IMS processes, activities and documentation, and the set of verification, monitoring and control activities aims not only to meet these requirements, but also to increase stakeholder satisfaction.

Significant Impact, Risks and Opportunities, and their Interaction with the Business Strategy and Model| *SBM-3*

The environmental, social and governance impacts, risks and opportunities were identified and assessed as part of the dual materiality process, in an internal workshop and in consultations with other relevant sources, such as the permits needed for duly operation of the sites. The ESG risks entered in the risk register are integrated into the SNN's business strategy, but the 2023 - 2027 Administration Plan covers also issues related to nuclear safety and security risks for the staff, population, environment and production assets. Thus, the nuclear units operate under nuclear safety and security conditions with a view to minimizing the risks attached to exposure of the staff rendering professional activities, the population and the environment to ionizing radiation.

The link between the identified impacts and risks and associated opportunities (IROs) are presented for each topic/sub-topic according to the ESRS; however, no detailed quantification of the anticipated financial effects has been conducted in monetary terms. Instead, the Company's risk capacity is calculated quarterly on the basis of all SNN risks entered in the risk register (save for the insured risks).

[12] Conform procedurii interne, se poate face o cuantificare a impactului riscurilor. Trimestrial se calculează capacitatea de risc a companiei, pe baza tuturor riscurilor SNN

Description of the processes pursued to identify and assess the material risks and opportunities| *IRO-1*

Double Materiality Assessment
A sustainability matter is the material when it generates or is likely to trigger a material financial effect on the Company. This happens when it gives, or may give rise to, risks or opportunities that have a material influence (or can reasonably be expected to have a material influence) on the Company's cash flows, growth, performance, position, cost of capital or access to financing in the short, medium and long term.

As part of the obligations arising from transposition of the ESRS, SNN has conducted a Dual Materiality Assessment to determine the material topics in terms of impacts, risks and opportunities. Materiality assessment is the process whereby SNN determines the material aspects and related information due to be reported in its sustainability statement. Performance of an objective materiality assessment is essential for sustainability reporting, which must include relevant and reliable information about all impacts, risks and opportunities (IROs) on environmental, social and governance matters determined to be material in terms of impact materiality or financial materiality perspective, or both.

A topic is material where it meets the criteria defined for the impact materiality OR the financial materiality OR both.

This assessment is not limited to the Company's own operations, as it covers also the upstream and downstream value chain. Once an impact, risk or opportunity has been identified to be material, SNN:

- refers to the requirements of the related ESRS to identify the relevant information to be considered for the disclosure; or
- where the impact, risk or opportunity is not covered, or is insufficiently covered, by the ESRS, prepares a relevant entity-specific presentation.

Relevance refers to the criteria that support identification of the information to be disclosed. Relevance is underpinned by:

- the information materiality by reference to the problem it describes, or
- its decision-making utility.

Not all material topics are equally important and the approach in the report will reflect this. In order to prepare for sustainability reporting in accordance with the ESRS, SNN applies the specific principles of the Dual Materiality Assessment. For the financial year 2023, SNN updated its material topics in line with the requirements of the European ESRS (according to the first ESRS set, as passed on 31 July 2023), without overlooking the particulars of the nuclear power industry. The stakeholder interests, the economically, socially and environmentally material external impacts of SNN, the material financial impact of particular topic on SNN, and the related risks and opportunities have all been considered along the entire value chain. The materiality assessment for the financial year 2023 was a structured process, which only involved consultation with internal stakeholders, *i.e.* representatives of several SNN departments, as experts in their respective fields of competence.

The materiality assessment process was structured as follows:

- Analysis of the relevant internal and external stakeholders, based on the stakeholders identified in the FY 2022 Sustainability Report. Of course, we also did due consideration to the information reported by

the stakeholders identified by other companies operating in the same field, so as not to overlook any relevant information.

- **Impact materiality assessment.** Identification of the Company's material topics according to the ESRS proposed topics, sub-topics and sub-sub-topics, and revision of the material topics identified for FY 2022, that underpinned the initial assessment. This process identified the topics relevant and irrelevant to the Company, and for each topic, the nature of the actual and potential adverse and positive impacts on the environmental, social and economic matters, over different time periods (2023, short-, medium- and long-term) was assessed. Impacts were identified relying on the analysis conducted by the current stakeholders, the Company's documentation and the industry-wide analysis.
- **Financial materiality assessment.** The results of the impact materiality assessment, supplemented by additional internal information, underpinned determination of the ESG risks in the context of financial materiality. Throughout this process, the likelihood of occurrence and the potential scale of the financial effects are factored into assessment of the significance of the risks and opportunities.
- The final list of material matters was put together based on an assessment of the significance of the impacts, risks and opportunities.
- Each year, materiality is to be supplemented by reviews of the legal requirements, materiality analyses on other industry players (peer analysis), interviews with top management, strategic documents prepared by the Company, expert opinions and a benchmarking of global trends in the literature, as well as the data collected about SNN's history, or other relevant sources, as appropriate. The materiality assessment will be filled out for the data points applicable to the metric, based on the consultations and studies referenced above.

The list of sustainability matters considered for FY 2023 in SNN is highlighted in the table below, with arguments for any matters left out. The result below depicts an accurate picture of the impacts and risks of SNN; however, we do admit that the methodology applied has some limitations; therefore, in 2024, we will improve our double materiality assessment.

List of sustainability matters considered for the FY 2023	Comments
ESRS E1 – Climate change	
Climate change adaptation	
Climate change mitigation	
Energy	
ESRS E2 - Pollution	
Air pollution	
Water pollution	
Soil pollution	
Pollution of living organisms and food resources	
Substances of concern	These are to be managed according to legal and other applicable requirements, with identification of the substances of concerned in each SNN unit
Substance of very high concern	These are to be managed according to legal and other applicable requirements, with identification of the substances of concerned in each SNN unit
Microplastics	No microplastics are used in the activity of SNN
ESRS E3 - Water and marine resources	
Water*(Water withdrawals, Water consumption; Water discharges)*	
Marine resources*(Water discharges in the oceans, Extraction and use of marine resources)*	SNN does not use any water from the seas and oceans in its activity, and does not discharge any water in the seas and oceans
ESRS E5 – Circular economy	
Resources inflows, including resource use	
Resource outflows related to products and services	There are no significant material outflows, other than waste
Waste	
ESRS E4 – Biodiversity and ecosystems	
Direct impact drivers of biodiversity loss*(Pollution; Other)*	
Direct impact drivers of biodiversity loss *(Climate change, Land-use change, fresh-water use change and sea-use change, Direct exploitation, invasive alien species)*	The sub-sub-topic is also addressed in the climate change chapter. SNN only uses drinking water from drills. SNN's activity does not involve direct exploitation of any fauna or flora and does not lead to the appearance of alien species
Impact on the state of species	There is no activity impacting on the state of species
Impacts on the extent and condition of ecosystems	There is no activity impacting on the extent and condition of ecosystems
Impacts and dependencies on ecosystem services	There is no activity impacting, or giving rise to dependencies on, ecosystem services

In addition to the ESRS topics and sub-topics, the topic of the nuclear safety and digital security has also been identified.

ESRS S1 – Own workforce	
Working conditions *(Secure employment; Working time; Adequate wages; Social dialogue; Freedom of association, including the existence of works councils and the information consultation and participation rights of workers; Collective bargaining, including rate of workers covered by collective agreements; Work-life balance; Health and safety)*	SNN has duly concluded a Collective Bargaining Agreement setting out the commitments of the parties in terms of the working conditions. For all workplaces in the Company, risk assessments are carried out in terms of occupational safety, and health and prevention and protection measures are adopted, the implementation stages of which are reviewed in the OHSC
Equal treatment and opportunities for all *(Gender equality and equal pay for work of equal value; Training and skills development; Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity)*	Under the Collective Bargaining (CBA) Agreement, and the HR Internal Regulations and Procedures issued by the Company, the matters related to equal opportunities and treatment for all employees are addressed in detail
Other work-related rights *(Child labor; Forced labor; Adequate housing; Privacy)*	The CBA, the Internal Rules, the individual employment agreement and the regulations issued by the Company in the field of human resources detail other work-related rights
ESRS S2 – Workers in the value chain	
Working conditions (suppliers) *(Secure employment; Working time; Adequate wages; Social dialogue; Freedom of association, including the existence of works councils and the information consultation and participation rights of workers; Collective bargaining, including rate of workers covered by collective agreements; Work-life balance; Health and safety)*	The matters related to occupational health and safety are dealt with in the occupational safety agreement to be concluded with each service provider carrying out any activities in the sites of SNN units
Equal treatment and opportunities for all (suppliers) *(Gender equality and equal pay for work of equal value; Training and skills development; Employment and inclusion of persons with disabilities; Measures against violence and harassment in the workplace; Diversity)*	
Other work-related rights (suppliers) *(Child labor; Forced labor)*	
Other work-related rights (suppliers) *(Adequate housing; Privacy; Water and sanitation)*	Not relevant, housing is not a relevant topic.
ESRS S3 – Affected communities	
Communities' economic social and cultural rights *(Security-related impacts)*	
Communities' economic social and cultural rights *(Adequate housing, Adequate food, Water and sanitation, Land-related impacts)*	Not relevant. SNN's activity does not influence any of these matters.
Communities' civil and political rights *(Freedom of expression; Freedom of assembly; Impact on human rights defenders)*	
Rights of indigenous peoples *(Free, prior and informed consent; Self-determination; Cultural rights)*	There is no indigenous population in Romania
ESRS S4 – Consumers and end users	Not applicable - SNN's business model is business-to-business
ESRS G1 – Business conduct	
Corporate culture	
Protection of whistleblowers	
Animal welfare	SNN does not perform any experiments on animals. Also, SNN's activity does not involve breeding and exploitation of animals.
Political engagements	There are NO political interests
Management of relationships with suppliers, including payment practices	
Corruption and bribery *(Prevention and detection of corruption and/or bribery incidents, including training; Confirmed incidents)*	
Nuclear safety and digital security	
Nuclear safety	
Digital security	

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Topic	Impact	Risk/Opportunity (R/O)
Climate change		
Climate change mitigation	**Significant positive impact** of the company's business on the climate at national level, through production of energy with zero direct GHG emissions from the core business.	**Opportunity:** Efficient operation of SNN facilities, with investments in new production capacities for energy security and nuclear safety of its operations. **Physical risk:** Improper operation of the nuclear plant can lead to additional activation of the diesel back-up installations, with the following consequences: - Delay in meeting the conditions imposed by CNCAN under the U1 and U2 Operating Permits, including in preparation of the Periodic Nuclear Safety Review; - Damages to the nuclear safety equipment and systems; - Breakdown of power discharge lines to SEN; - Accidental increase in the greenhouse gas emissions.
Climate change adaptation	**Potential negative impact** at medium scale, unless the SNN sites not protected against flooding or wildfires.	**Physical risk:** Safety and production in SNN are affected, with a potential breach of legal risk prevention requirements.
Energy	**Significant positive impact** of the company's business on the climate at national level, through production of energy with zero direct GHG emissions from the core business.	**Opportunity:** Efficient operation of SNN facilities, with investments in new production capacities for energy security and nuclear safety of its operations.
Pollution		
Air pollution	**Potential negative impact** at medium scale due to the release of non-radioactive NOx emissions. The emissions of tritium, solid particles, iodine, noble gases and Carbon-14 into the air are generated by the nuclear power generation activities (for Cernavoda NPP). **Potential negative impact** as a result of radioactive releases into the air: Release of airborne dusts with uranium/radioactive aerosols in concentrations higher than the permitted values due to installation incidents, into the work environment and the external environment (for Pitesti NFP).	**Risk:** Air emissions have a more localized, but still material, impact on human health and the environment. Air emissions are subject to licensing, and emission reduction may result into operating costs or require capital expenditure. **Risk:** Increase in the average annual radioactive concentration for airborne dusts with uranium/radioactive aerosols, compared to the limits set by CNCAN
Water pollution	**Potential negative impact** at medium scale when the Danube downstream heating limit is exceeded (for Cernavoda NPP). **Potential negative impact** at medium scale due to pollutant infiltration into the groundwater.	**Risk:** risk of noncompliance with the requirements of the Water Management Permit. It can also give rise to tensions, which in turn can disrupt the production operations. **Risk:** Liquid radioactive waste handling and disposal can give rise to operating costs, capital expenditures and, in some instances, regulatory costs.
Soil pollution	**Potential negative impact on** the medium scale as a result of pollutants seeping into the soil in case event of an accident or improper (radioactive) waste management.	**Risk:** Liquid radioactive waste handling and disposal can give rise to operating costs, capital expenditures and, in some instances, regulatory costs.

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Pollution of living organisms and food resources	**Potential negative impact** at medium scale on crops in the area of influence of the site (for Cernavoda NPP).	**Risk:** The community or even regional food resources can be affected; SNN could risk losing its operating license, either in full or only for operation of the nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.
Substances of concern Substances of very high concern	**Potential negative impact** on a medium or large scale due to contamination of the floors or of various surfaces with chemicals and mixtures, including waste or radioactive chemicals and mixtures.	**Risk:** Process safety incidents can damage the plants, injure the workers and, to some extent, affect the environment.
Water and marine resources		
Water resources/Water withdrawals	**Potential negative impact** when the Danube water downstream heating limit is exceeded due to the use of water to cool down the plant. **Potential negative impact** across the distribution/suction basin below the admissible limit, *i.e.* lowering of the Danube water level. **Potential negative impact** due to the decrease in thermal efficiency of condensers as a result of the higher temperatures of the Danube water.	**Risk:** failure to comply with the limits set out in the Water Management Permit. To prevent this from reoccurring, specific technical measures are envisaged. **Risk:** shutting down the plant by Cernavoda NPP. To mitigate the risk exposure, number of technical and organizational measures are envisaged. **Risk:** lower thermal efficiency of condenser and, implicitly, reducing the quantity of produced electricity.
Water resources/Water consumption	**Potential negative impact** due to excessive consumption of drinking water from drills.	**Risk:** lowering of groundwater table.
Water resources/Water discharges	**Potential negative impact** due to the shutdown of the Cernavoda NPP Units for an unspecified period of time, as a result of the filter sieve clogging due to intrusion of invasive aquatic species that are not specific to the area and with virulent breeding, favored by the extreme weather conditions.	**Risk:** financial losses due to the shutdown of production Units. Risk mitigation measures: 1. Monitoring the temperature of cooling water in the intake canal 2. Organization of the site cleaning activity under a continuous working regime (work in 24/24 shifts) 3. Procedure for evacuation of algae from the Sieve Building via the U1-U5 collector; it is currently being issued
Biodiversity		
Direct impact drivers on biodiversity decline	**Potential negative impact** at large scale due to thermal pollution of the Danube water (for Cernavoda NPP) **Potential negative impact** at large scale, with serious consequences for the environment and population in case of a nuclear accident (for Cernavoda NPP)	**Risk:** the maximum permitted levels set out in the relevant permits are exceeded, and this can lead to fines or even interruption of the activities until such problems are fixed. **Risk:** SNN could risk losing its operating license, either in full or only for operation of the nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.
Resources use and circular economy		
Resources inflows, including resource use	**Potential negative impact** at medium scale because production of nuclear fuel bundles requires availability of certain resources, such as technical uranium concentrate/uranium dioxide powder, zircaloy-4, beryllium metal or substances in the category of drug precursors and explosives precursors, which require that special attention is paid to both their handling and waste storage, as they may pose a risk to the environment and humans	**Risk:** Mishandling and improper storage of raw materials and resulting waste can lead to production costs, capital expenditure or even regulatory costs.
Waste	**Potential negative impact** at large scale, with serious consequences for the environment and the population, when radioactive waste is improperly disposed	**Risk:** Waste management, particularly radioactive waste, can lead including to capital or regulatory costs.

NUCLEARELECTRICA

SOCIAL

Topic	Impact	Risk/Opportunity (R/O)
Own workforce		
Work conditions	Nuclear incidents, while extremely rare across the industry, can have a **potentially negative impact** at large scale on human health and the environment, affecting the reputation of SNN and certain legal requirements.	**Risk:** While SNN, like other nuclear power plant operators in many regions, has operated for decades without major public safety incidents, occurrence of rare, but large-scale, incidents anywhere in the world can have a major impact on the entire nuclear power sector. SNN could risk losing its operating license, either in full or only for operation of some nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.
Opportunities and equal treatment for all	**Potential positive impact** as SNN delivers adequate emergency training to all its staff and keeps in place a sound safety culture	**Opportunity:** A sound safety culture and proper oversight of operating safety across SNN can help detect the incidents earlier and respond to them more effectively, by mitigating the potential financial risks and improving operational efficiency.
Other work-related rights	A minimal **potential negative impact** when the rights of own employees are not respected, with the potential of damages to SNN's reputation and certain legal requirements	**Risk:** Where other employee rights (related to forced labor, child labor or privacy) are not respected, SNN's work may indirectly affect the rights of its own employees if cases of human rights violations are identified.
Workers in the value chain		
Work conditions	**Potential** small-scale **negative impact** when the rights of suppliers' employees, with consequential damages to SNN's reputation, and the legal requirements are not observed.	**Risk:** Where other employee rights (supplier) concerning the work conditions are not respected, SNN's work may indirectly affect the rights of upstream employees, if cases of human rights violations are identified. Working conditions include safe workplaces, working time, adequate wages, social dialogue, freedom of association and negotiation, work-life balance, and health and safety.
Opportunities and equal treatment for all	The civil and political rights of other workers (along the value chain), such as gender equality and equal pay for equal work, training and skills development, as well as employment and inclusion of people with disabilities, measures taken against violence and harassment in the workplace, and diversity, are all respected.	**Opportunity:** Observance of the civil and political rights of workers along the value is assessed as par of the public procurement process. All SNN suppliers are required to respect the human rights in their dealings with employees, and are audited in this respect. They adopt the principles of behavior required by SNN and thus make a contribution to the well-being of their employees, SNN's reputation and compliance with the legal requirements.
Other work-related rights (suppliers)	**Potential** small-scale **negative impact** when the rights of suppliers' employees, with consequential damages to SNN's reputation, and the legal requirements are not observed.	**Risk:** Where other employee rights (suppliers) (related to forced labor or child labor, as particular groups) are not respected, SNN's work may indirectly affect the rights of upstream employees if cases of human rights violations are identified for the workers in the value chain.
Affected communities		
Communities' economic social and cultural rights	**Potential negative impact** at large scale where the environment parameters subject to monitoring - water, air, food sources, etc. - are exceeded.	**Risk:** Where the communities' rights are not respected, SNN's work may affect the social (health) and economic development of the communities in the area where it operates, if the environmental monitoring parameters are exceeded.
Communities' civil and political rights	**Positive impact:** The communities' civil and political rights are respected	**Opportunity:** Local communities consulted as part of the licensing process, and there are channels in place to make complaints, thus facilitating the decision-making process related to definition of measures to protect the communities.

CORPORATE GOVERNANCE

Topic	Impact	Risk/Opportunity (R/O)
Business conduct		
Corporate culture	**Positive impact** of the Company's values on SNN and its stakeholders; however, these could be also a potential large-scale negative impact if the internal codes and procedures are not followed.	**Opportunity:** Effective management of the internal issues and ensuring fair remuneration, as well as providing adequate working conditions, all help prevent unpleasant situations in the own operations.
Protection of whistleblowers	**Potential negative impact** at medium scale, if whistleblowers are not protected.	**Risk:** Damage to SNN reputation and violation of the legal requirements.
Management of relationships with suppliers, including payment practices	**Potential negative impact** at medium scale if payments are not made in due time.	**Risk:** Damages to SNN's reputation due to the adverse financial impact on suppliers and/or the breach of contract terms.
Corruption and bribery	**Potential negative impact** at medium scale in case of incidents.	**Risk:** Damage to SNN reputation and violation of the legal requirements.

SECURITATE DIGITALĂ (SUBIECT ADIȚIONAL)

Topic	Impact	Risk/Opportunity (R/O)
ADDITIONAL TOPIC – DIGITAL SECURITY		
Nuclear safety	**Potential negative impact** at a very large scale in case of nuclear-impact incidents or accidents, with fatalities, long-term damage to human health and the environment, to SNN's reputation, violation of the legal requirements and business closure.	**Risk:** Nuclear incidents or accidents can have particularly serious consequences, with fatalities, long-term damages to people's health and the environment, SNN's reputation, litigation and business shutdown.
Digital security	**Potential negative impact** at a very large scale in case of safety incidents or accidents.	**Risk:** The consequences can be very serious and impact nuclear safety and power generation (*e.g.* outages due to cyber attacks), loss of SNN's reputation, litigation and business shutdown.

ESRS disclosure requirements covered by the Undertaking's Sustainability Statement | *IRO-2*

The disclosure requirements related to this report are included in the table below.

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS 2		
	BP-1 – General basis for preparation of the sustainability statements	5(a) 5(c) 5(d)
	BP-2 – Disclosure concerning the specific circumstances	13(a) 15 16 AR 2
	GOV-1 – Role of Administration, Management and Supervisory Bodies	21 22 23 AR 3
	GOV-2 – Information supplied to the undertaking's administration, management and supervisory bodies and sustainability matters approached by them	26(a) 26(b)
	GOV-3 – Integration of sustainability performance into the incentive systems	27
	GOV-4 – Declaration on the Due Diligence Process	30 AR 10
	GOV-5 – Risk management and internal controls related to sustainability reporting	34
	SBM-1 – Strategy, business model and value chain	40(a) 40(b) 42
	SBM-2 – Stakeholder interests and views	45
	SBM-3 – Significant Impact, Risks and Opportunities, and their Interaction with the Business Strategy and Model	48
	IRO-1 – Description of the processes pursued to identify and assess the material risks and opportunities	53
	IRO-2 – ESRS disclosure requirements covered by the Undertaking's Sustainability Statement	56 59
	MDR-P Policies – Policies adopted to manage the material sustainability matters	
	MDR-A actions – Actions and resources concerning the material sustainability matters	
	Metrics and targets	
	MDR-M – Metrics for the material sustainability matters	
	MDR-T targets – target-based tracking of the effectiveness of policies and actions	

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS E1 Climate change	E1-1 – Climate change mitigation transition plan	17
	E1-2 – Climate change mitigation and adaptation-related policies	22
	E1-3 – Actions and resources related to the climate change policies	26
	E1-4 – Targets related to climate change mitigation and adaptation	30
	E1-5 – Energy consumption and energy mix	37
	E1-6 – Gross Scopes 1, 2 and 3 GHG emissions, and total GHG emissions	44 48 49 51 52
	E1-7 – GHG removals and GHG emission mitigation projects financed through carbon credits	56
	E1-8 – Internal carbon pricing	62
	E1-9 – Anticipated financial effects from material physical and transition risks and the potential climate-related opportunities	64
ESRS E2 Pollution	E2-1 – Pollution-related policies	12
	E2-2 – Pollution-related actions and resources	16
	E2-3 – Pollution-related targets	20 23(d)
	E2-4 – Air, water and soil pollution	26 28(a) 30
	E2-5 – Substances raising concerns and substances raising particular concerns	32 34
	E2-6 – Anticipated financial effects from pollution-related risks and opportunities	36
ESRS E3 Water and marine resources	E3-1 – Policies related to water and marine sources	9
	E3-2 – Actions and resources related to water and marine resources	15
	E3-3 – Targets related to water and marine sources	20 25
	E3-4 – Water consumption	26 289a)
	E3-5 – Anticipated financial effects from risks and opportunities related to water and marine resources	

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS E4 Biodiversity and ecosystems	E4-1 – Transition plan and consideration of biodiversity and ecosystems in the business strategy and model	11
	E4-2 – Policies related to biodiversity and ecosystems	20
	E4-3 – Actions and resources related to biodiversity and ecosystems	25
	E4-4 – Targets related to biodiversity and ecosystems	29
	E4-5 – Impact metrics related to biodiversity and ecosystem changes	33
	E4-6 – Financial effects	42
ESRS E5 Resources use and circular economy	E5-1 – Policies related to resources use and circular economy	12 14
	E5-2 – Actions and resources related to resources use and circular economy	17 20(a) 20(e) 20(f)
	E5-3 – Targets related to the use of resources and the circular economy	21 24(e) 24(f)
	E5-4 – Resources inflows	28 31(a)
	E5-5 – Resources outflows	33 37(a) 37(b) 37(c) 38(d) 38 39
	E5-6 – Anticipated financial effects from impacts, risks and opportunities related to resources use and circular economy	

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS S1 Own workforce	S1-1 – Own workforce-related policies	17 19 20(a) 20(b) 20(c) 21 22 23 24(a) 24(b) 24(c) 24(d)
	S1-2 – Processes to work together with the own workforce and workers' representatives on impacts	25 27(a) 27(c) 28
	S1-3 – Processes to address the negative impacts and the channels provided to own workforce to voice their concerns	30 32(a) 32(b) 32(c) 32(d) 32(2)
	S1-4 – Adoption of measures concerning the material impacts on the own workforce and approaches to mitigate the material risks and to pursue the material opportunities related to the own workforce, and effectiveness of these actions	35 38(a)
	S1-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities	44
	S1-6 – Characteristics of the undertaking's employees	48 50(a) 50(b) 50(c)
	S1-7 – Characteristics of non-employee workers in the undertaking's workforce	-

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS S1 Own workforce	S1-8 – Coverage of collective bargaining and social dialogue	58 60(a)
	S1-9 – Diversity metrics	64 66(a) 66(b)
	S1-10 – Adequate wage	67 69
	S1-11 – Social security	72 74
	S1-12 – People with disabilities	77 79 80
	S1-13 – Metrics for training and skill development indicators	81 83(a) 83(b)
	S1-14 – Health and safety metrics	86 88(a) 88(b) 88(c)
	S1-15 – Work-life balance metrics	91 93(a) 939b)
	S1-16 – Wage metrics (wage gap and total wage)	95 97(a) 97(b)
	S1-17 – Incidents, complaints and serious human rights problems and incidents	100

Standard	Disclosure Requirements (DR)	Applicable data points
ESRS S2 Workers in the value chain	S2-1 Policies concerning workers in the value chain	17(a)
	S2-2 – Impact-related collaborative processes with the workers in the value chain	20
	S2-3 – Processes to address the negative impacts and the channels provided to workforce in the value chain to voice their concerns	25 27(a) 27(b) 27(c) 27(d)
	S2-4 – Adoption of measures concerning the material impacts on the workers in the value chain, and approaches to mitigate the material risks and to pursue the material opportunities related to the workers in the value chain, and effectiveness of these actions	30 32(a)
	S2-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities	
ESRS S3 Affected communities	S3-1 – Affected communities-related policies	12
	S3-2 – Impact-related collaborative processes with the affected communities	19 21(a) 21(b)
	S3-3 – Processes to address the negative impacts and the channels provided to affected communities to voice their concerns	25 27(a) 27(b) 27(c) 27(d)
	S3-4 – Adoption of measures concerning the material impacts on the affected communities, and approaches to mitigate the material risks and to pursue the material opportunities related to the affected communities, and effectiveness of these actions	30
	S3-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities	39(a)
ESRS S4 Consumers and end-users	S4-1 – Consumers and end-users-related policies	Not applicable, because the SNN's business model is B2B: the electricity generate is sold under electricity sale and purchase contracts/agreements.
	S4-2 – Impact-related collaborative processes with consumers and end-users	
	S4-3 – Processes to address the negative impacts and the channels provided to consumers and end-users to voice their concerns	
	S4-4 – Adoption of measures concerning the material impacts on consumers and end-users, and approaches to mitigate the material risks and to pursue the material opportunities related to consumers and end-users, and effectiveness of these actions	
	S4-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities	
ESRS G1 Business conduct	G1-1 – Corporate culture and business conduct and corporate culture-related policies	7 10(a) 10(b) 10(c)
	G1-2 – Management of relationships with suppliers	12
	G1-3 – Prevention and detection of corruption and bribery	16 18(a)
	G1-4 – Confirmed cases of corruption or bribery	22 25(a)
	G1-5 – Exercise of political influence and lobbying	Not applicable; there are no political interests
	G1-6 – Payment practices	31

A sustainability matter is material when: it pertains to the Company's material actual or potential positive or negative impacts on people or the environment (environmental, social and governance matters), over the short- medium- or long-term.

The final list of material matters was put together based on an assessment of the significance of the impacts, risks and opportunities. The materiality is ±1 out of ±5 in the average score for the impact resulting from consultations, but legal requirements, studies and other relevant sources contributed to the final materiality determination, from the topic to the applicable data points.

SNN
Minimum disclosure requirements regarding policies and actions

Policies adopted to manage the material sustainability matters |*MDR-P Policies*

Material matters are managed by SNN under a set of policies and actions aimed at preventing, mitigating and addressing the actual and potential significant impacts, addressing the material significant risks, and/or pursuing the significant opportunities. These are included in SNN's ISO management systems, which ensure not only compliance with the legal requirements, but also alignment with the international good practice.

The policies and actions required for each material matter (relevant ESRS topic) are presented in the ESRS Report's sections E1-E5, S1-S4, and G1. Where no policies or actions are in place, the time period during which the SNN envisages adopting such is presented in the Report's sections related to ESRS E1-E5 and S1-S4, and G1.

Material sustainability matters-related actions and resources | *MDR-A Actions*

The actions required for each material matter (relevant ESRS topic) are presented in the ESRS Report's sections E1-E5, S1-S4, and G1. If applicable, to indicate whether implementation of an action plan requires significant operating expenditure (OPEX) and/or significant capital expenditure (CAPEX) in Annex 1 of the taxonomy report, which the amount of the current financial is set out and explanations are provided about how these relate to the most relevant amounts presented in the financial statements.

Metrics and targets

Material sustainability matters-related metrics |*MDR-M*

Metrics and targets for each material topic (relevant ESRS topic) are presented in the ESRS report, sections E1-E-6, S1-S4, and G1. Where no metrics and targets have not been yet adopted, the reasons for not adopting them the timeframe in which the SNN intends to adopt them are presented in the Report's sections related to ESRS E1-E-6 and S1-S4, and G1.

Metrics are also presented in the Report's section 1.6 List of Disclosure Requirements, which summarizes the material topics, the disclosure requirements and the material data points related to the material topics and the metrics that SNN uses to assess performance and effectiveness with respect to topics of material impact, risk or opportunity.

Metric-base tracking of the effectiveness of policies and actions |*MDR-T*

SNN tracks the effectiveness of its actions to address the material impacts, risks and opportunities through the annual performance monitoring and reporting under the sustainability report, including performance for the metrics it uses in this regard, as presented in Report's section 1.6 List of Disclosure Requirements.

The SNN performance and the metrics and targets for each material topic (relevant ESRS topic) are detailed in the ESRS Report's sections E1-E-6, S1-S4, and G1. Where no result-oriented, measurable and time-bound metrics are in place, the time period during which the SNN envisages adopting such is presented in the Report's sections related to ESRS E1-E-6 and S1-S4, and G1, including when such metrics are not to be set and reasons for the why the undertaking does not envisage setting them. To indicate whether and how the effectiveness of policies and actions related to each material topic is monitored.

Data points arising from other EU legislation

The data points arising from other EU legislation related to this report are included in the table below:

Disclosure requirement and related data point	Reference from SFDR[13]	Reference from Pillar 3[14]	Reference from the Benchmark Regulation[15]	EU Reference from Climate Law[16]
	NOT APPLICABLE	NOT APPLICABLE		
ESRS 2 GOV-1 Gender diversity in the governing bodies item 21(d)	Metric no. 13 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816[17], Annex II	
ESRS 2 GOV-1 Percentage of members of the governing bodies who are independent, item 21(e)			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Due diligence statement, paragraph 30	Metric no. 10 in Table 3 of Annex 1			
ESRS E1-4 Greenhouse gas emission reduction targets, item 34;	Metric no. 4 in Table 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking portfolio - Climate change-related transition risk: alignment metrics	Commission Delegated Regulation (EU) 2020/1818, Article 6	
ESRS E1-5 Fossil energy consumption disaggregated by source (only sectors with high climate impact), item 38	Metric no. 5 in Table 1 and metric no. 5 in Table 2 of Annex 1			
ESRS E1-5 energy consumption and energy mix, item 37	Metric no. 5 in Table 1 of Annex 1			
ESRS E1-5 Energy intensity associated with activities in sectors with high climate impact, Paragraphs (40)-(43)	Metric no. 6 in Table 1 of Annex 1			
ESRS E1-6 Gross Scopes 1, 2 and 3 and total GHG emissions, item 44	Metrics nos. 1 and 2 in Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking portfolio - Climate change-related transition risk: credit quality of exposures by sector, emissions and residual maturity	Commission Delegated Regulation (EU) 2020/1818, Article 5(1), Article 6 and Article 8(1)	

[13] Regulamentul (UE) 2019/2088 al Parlamentului European și al Consiliului din 27 noiembrie 2019 privind informațiile privind durabilitatea în sectorul serviciilor financiare (JO L 317, 9.12.2019, p. 1).

[14] Regulamentul (UE) nr. 575/2013 al Parlamentului European și al Consiliului din 26 iunie 2013 privind cerințele prudențiale pentru instituțiile de credit și societățile de investiții și de modificare a Regulamentului (UE) nr. 648/2012 (Regulamentul privind cerințele de capital, „CRR") (JO L 176, 27.6.2013, p. 1).

[15] Regulamentul (UE) 2016/1011 al Parlamentului European și al Consiliului din 8 iunie 2016 privind indicii utilizați ca indici de referință în cadrul instrumentelor financiare și al contractelor financiare sau pentru a măsura performanțele fondurilor de investiții și de modificare a Directivelor 2008/48/CE și 2014/17/UE și a Regulamentului (UE) nr. 596/2014 (JO L 171, 29.6.2016, p. 1).

[16] Regulamentul (UE) 2021/1119 al Parlamentului European și al Consiliului din 30 iunie 2021 de instituire a cadrului pentru realizarea neutralității climatice și de modificare a Regulamentelor (CE) nr. 401/2009 și (UE) 2018/1999 („Legea europeană a climei") (JO L 243, 9.7.2021, p. 1).

[17] Regulamentul delegat (UE) 2020/1816 al Comisiei din 17 iulie 2020 de completare a Regulamentului (UE) 2016/1011 al Parlamentului European și al Consiliului în ceea ce privește explicația din declarația privind indicii de referință a modului în care se reflectă factorii de mediu, sociali și de guvernanță în fiecare indice de referință furnizat și publicat (JO L 406, 3.12.2020, p. 1).

Disclosure requirement and related data point	Reference from SFDR[13]	Reference from Pillar 3[14]	Reference from the Benchmark Regulation[15]	EU Reference from Climate Law[16]
ESRS E1-6 Gross GHG emissions intensity, Paragraphs (53)-(55)	Metric no. 3 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking portfolio - Climate change-related transition risk: alignment metrics	Commission Delegated Regulation (EU) 2020/1818, Article 8(1)	
ESRS E1-7 GHG removals and carbon credits, item 56				Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9 Exposure of the benchmark portfolio to physical climate risk, item 66			Commission Delegated Regulation (EU) 2020/1818, Annex II Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-9 Disaggregation of monetary values by acute and chronic physical risk, item 66(a) ESRS E1-9 Location of significant assets subject to significant physical risk, item 66(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, items 46 and 47, Template 5: Banking portfolio - Climate change-related physical risk: exposures subject to physical risk.		
ESRS E1-9 Breakdown of book value of real estate assets by energy efficiency classes, item 67(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, item 34; Template 2: Banking portfolio - Climate change-related transition risk: Loans secured by real estate - Energy efficiency of collateral.		
ESRS E1-9 Portfolio's exposure to climate-related opportunities, item 69			Commission Delegated Regulation (EU) 2020/1818, Annex II	

[13] Regulamentul (UE) 2019/2088 al Parlamentului European și al Consiliului din 27 noiembrie 2019 privind informațiile privind durabilitatea în sectorul serviciilor financiare (JO L 317, 9.12.2019, p. 1).

[14] Regulamentul (UE) nr. 575/2013 al Parlamentului European și al Consiliului din 26 iunie 2013 privind cerințele prudențiale pentru instituțiile de credit și societățile de investiții și de modificare a Regulamentului (UE) nr. 648/2012 (Regulamentul privind cerințele de capital, „CRR") (JO L 176, 27.6.2013, p. 1).

[15] Regulamentul (UE) 2016/1011 al Parlamentului European și al Consiliului din 8 iunie 2016 privind indicii utilizați ca indici de referință în cadrul instrumentelor financiare și al contractelor financiare sau pentru a măsura performanțele fondurilor de investiții și de modificare a Directivelor 2008/48/CE și 2014/17/UE și a Regulamentului (UE) nr. 596/2014 (JO L 171, 29.6.2016, p. 1).

[16] Regulamentul (UE) 2021/1119 al Parlamentului European și al Consiliului din 30 iunie 2021 de instituire a cadrului pentru realizarea neutralității climatice și de modificare a Regulamentelor (CE) nr. 401/2009 și (UE) 2018/1999 („Legea europeană a climei") (JO L 243, 9.7.2021, p. 1).

[17] Regulamentul delegat (UE) 2020/1816 al Comisiei din 17 iulie 2020 de completare a Regulamentului (UE) 2016/1011 al Parlamentului European și al Consiliului în ceea ce privește explicația din declarația privind indicii de referință a modului în care se reflectă factorii de mediu, sociali și de guvernanță în fiecare indice de referință furnizat și publicat (JO L 406, 3.12.2020, p. 1).

Disclosure requirement and related data point	Reference from SFDR[13]	Reference from Pillar 3[14]	Reference from the Benchmark Regulation[15]	EU Reference from Climate Law[16]
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, item 28	Metric no. 8 in Table 1 of Annex 1 Metric no. 2 in Table 2 of Annex 1 Metric no. 1 in Table 2 of Annex 1 Metric no. 3 in Table 2 of Annex 1			
ESRS E3-1 Water and marine resources, item 9	Metric no. 7 in Table 2 of Annex 1			
ESRS E3-1 Specific policy, item 13	Metric no. 8 in Table 2 of Annex 1			
ESRS E3-4 Total recycled and reused water, item 28(c)	Metric no. 6.2 in Table 2 of Annex 1			
ESRS E3-4 Total water consumption in m³ per net revenue from own operations, item 29	Metric no. 6.1 in Table 2 of Annex 1			
ESRS 2- IRO 1 - E4 item 16(a)(i)	Metric no. 7 in Table 1 of Annex 1			
ESRS 2- IRO 1 - E4 item 16(b)	Metric no. 10 in Table 2 of Annex 1			
ESRS 2- IRO 1 - E4 item 16(c)	Metric no. 14 in Table 2 of Annex 1			
ESRS E4-2 Sustainable land/farming practices or policies, item 24(b)	Metric no. 11 in Table 2 of Annex 1			
ESRS E5-5 Non-recycled waste, item 37(d)	Metric no. 13 in Table 2 of Annex 1			
ESRS E5-5 Hazardous waste and radioactive waste, item 39	Metric no. 9 in Table 1 of Annex 1			
ESRS S1-1 Human rights policy commitments paragraph (20)	Metric no. 9 in Table 3 and metric no. 11 in Table 1 of Annex 1			
ESRS S1-1 Due diligence policies on matters covered by the International Labor Organization's fundamental Conventions 1-8, paragraph (21)			Commission Delegated Regulation (EU) 2020/1816, Annex II	

[13] Regulamentul (UE) 2019/2088 al Parlamentului European și al Consiliului din 27 noiembrie 2019 privind informațiile privind durabilitatea în sectorul serviciilor financiare (JO L 317, 9.12.2019, p. 1).

[14] Regulamentul (UE) nr. 575/2013 al Parlamentului European și al Consiliului din 26 iunie 2013 privind cerințele prudențiale pentru instituțiile de credit și societățile de investiții și de modificare a Regulamentului (UE) nr. 648/2012 (Regulamentul privind cerințele de capital, „CRR") (JO L 176, 27.6.2013, p. 1).

[15] Regulamentul (UE) 2016/1011 al Parlamentului European și al Consiliului din 8 iunie 2016 privind indicii utilizați ca indici de referință în cadrul instrumentelor financiare și al contractelor financiare sau pentru a măsura performanțele fondurilor de investiții și de modificare a Directivelor 2008/48/CE și 2014/17/UE și a Regulamentului (UE) nr. 596/2014 (JO L 171, 29.6.2016, p. 1).

[16] Regulamentul (UE) 2021/1119 al Parlamentului European și al Consiliului din 30 iunie 2021 de instituire a cadrului pentru realizarea neutralității climatice și de modificare a Regulamentelor (CE) nr. 401/2009 și (UE) 2018/1999 („Legea europeană a climei") (JO L 243, 9.7.2021, p. 1).

[17] Regulamentul delegat (UE) 2020/1816 al Comisiei din 17 iulie 2020 de completare a Regulamentului (UE) 2016/1011 al Parlamentului European și al Consiliului în ceea ce privește explicația din declarația privind indicii de referință a modului în care se reflectă factorii de mediu, sociali și de guvernanță în fiecare indice de referință furnizat și publicat (JO L 406, 3.12.2020, p. 1).

Disclosure requirement and related data point	Reference from SFDR[13]	Reference from Pillar 3[14]	Reference from the Benchmark Regulation[15]	EU Reference from Climate Law[16]
ESRS S1-1 Processes and measures to prevent trafficking in human being, item 22	Metric no. 11 in Table 3 of Annex 1			
ESRS S1-1 Policy on prevention of accidents at work, or a system to manage them, item 23	Metric no. 1 in Table 3 of Annex 1			
ESRS S1-3 complaint handling mechanisms, item 32(c)	Metric no. 5 in Table 3 of Annex 1			
ESRS S1-14 Number of fatalities, and number and rate of accidents at work, item 88(b) and (c)	Metric no. 2 in Table 3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost due to injury, accidents, fatalities or illnesses, item 88(e)	Metric no. 3 in Table 3 of Annex 1			
ESRS S1-16 Gender pay gap in non-adjusted form, item 97(a)	Metric no. 12 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive ratio between the CEO pay and workers' pay, item 97(b)	Metric no. 8 in Table 3 of Annex 1			
ESRS S1-17 Discrimination incidents, item 103(a)	Metric no. 7 in Table 3 of Annex 1			
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, item 104(a)	Metric no. 10 in Table 1 and metric no. 14 in Table 3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II to Commission Delegated Regulation (EU) 2020/1818, Article 12(1)	
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain, item 11(b)	Metrics nos. 12 and 13 in Table 3 of Annex 1			

[13] Regulamentul (UE) 2019/2088 al Parlamentului European și al Consiliului din 27 noiembrie 2019 privind informațiile privind durabilitatea în sectorul serviciilor financiare (JO L 317, 9.12.2019, p. 1).

[14] Regulamentul (UE) nr. 575/2013 al Parlamentului European și al Consiliului din 26 iunie 2013 privind cerințele prudențiale pentru instituțiile de credit și societățile de investiții și de modificare a Regulamentului (UE) nr. 648/2012 (Regulamentul privind cerințele de capital, „CRR") (JO L 176, 27.6.2013, p. 1).

[15] Regulamentul (UE) 2016/1011 al Parlamentului European și al Consiliului din 8 iunie 2016 privind indicii utilizați ca indici de referință în cadrul instrumentelor financiare și al contractelor financiare sau pentru a măsura performanțele fondurilor de investiții și de modificare a Directivelor 2008/48/CE și 2014/17/UE și a Regulamentului (UE) nr. 596/2014 (JO L 171, 29.6.2016, p. 1).

[16] Regulamentul (UE) 2021/1119 al Parlamentului European și al Consiliului din 30 iunie 2021 de instituire a cadrului pentru realizarea neutralității climatice și de modificare a Regulamentelor (CE) nr. 401/2009 și (UE) 2018/1999 („Legea europeană a climei") (JO L 243, 9.7.2021, p. 1).

[17] Regulamentul delegat (UE) 2020/1816 al Comisiei din 17 iulie 2020 de completare a Regulamentului (UE) 2016/1011 al Parlamentului European și al Consiliului în ceea ce privește explicația din declarația privind indicii de referință a modului în care se reflectă factorii de mediu, sociali și de guvernanță în fiecare indice de referință furnizat și publicat (JO L 406, 3.12.2020, p. 1).

Disclosure requirement and related data point	Reference from SFDR[13]	Reference from Pillar 3[14]	Reference from the Benchmark Regulation[15]	EU Reference from Climate Law[16]
ESRS S2-1 Human rights policy commitments, item 17	Metric no. 9 in Table 3 and metric no. 11 in Table 1 of Annex 1			
ESRS S2-1 Policies concerning workers in the value chain, item 18	Metrics nos. 11 and 4 in Table 3 of Annex 1			
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines, item 19	Metric no. 10 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II to Commission Delegated Regulation (EU) 2020/1818, Article 12(1)	
ESRS S2-1 Due diligence policies on matters covered by the International Labor Organization's fundamental Conventions 1-8, item 19			Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights matters and incidents related to its upstream and downstream value chain, item 36	Metric no. 14 in Table 3 of Annex 1			
ESRS S3-1 Human rights policy commitments, item 16	Metric no. 9 in Table 3 of Annex 1 and metric no. 11 in Table 1 of Annex 1			
ESRS S3-1 Non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO principles, and the OECD Guidelines, item 17	Metric no. 10 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II to Commission Delegated Regulation (EU) 2020/1818, Article 12(1)	
ESRS S3-4 Human rights matters and incidents, item 36	Metric no. 14 in Table 3 of Annex 1			
ESRS G1-1 United Nations Convention against Corruption, item 10(b)	Metric no. 15 in Table 3 of Annex 1			
ESRS G1-1 Whistleblower protection, item 10(d)	Metric no. 6 in Table 3 of Annex 1			
ESRS G1-4 Fines for violations of anti-corruption and anti-bribery laws, item 24(a)	Metric no. 17 in Table 3 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Anti-corruption and anti-bribery standards, item 24(b)	Metric no. 16 in Table 3 of Annex 1			

[13] Regulamentul (UE) 2019/2088 al Parlamentului European și al Consiliului din 27 noiembrie 2019 privind informațiile privind durabilitatea în sectorul serviciilor financiare (JO L 317, 9.12.2019, p. 1).

[14] Regulamentul (UE) nr. 575/2013 al Parlamentului European și al Consiliului din 26 iunie 2013 privind cerințele prudențiale pentru instituțiile de credit și societățile de investiții și de modificare a Regulamentului (UE) nr. 648/2012 (Regulamentul privind cerințele de capital, „CRR") (JO L 176, 27.6.2013, p. 1).

[15] Regulamentul (UE) 2016/1011 al Parlamentului European și al Consiliului din 8 iunie 2016 privind indicii utilizați ca indici de referință în cadrul instrumentelor financiare și al contractelor financiare sau pentru a măsura performanțele fondurilor de investiții și de modificare a Directivelor 2008/48/CE și 2014/17/UE și a Regulamentului (UE) nr. 596/2014 (JO L 171, 29.6.2016, p. 1).

[16] Regulamentul (UE) 2021/1119 al Parlamentului European și al Consiliului din 30 iunie 2021 de instituire a cadrului pentru realizarea neutralității climatice și de modificare a Regulamentelor (CE) nr. 401/2009 și (UE) 2018/1999 („Legea europeană a climei") (JO L 243, 9.7.2021, p. 1).

[17] Regulamentul delegat (UE) 2020/1816 al Comisiei din 17 iulie 2020 de completare a Regulamentului (UE) 2016/1011 al Parlamentului European și al Consiliului în ceea ce privește explicația din declarația privind indicii de referință a modului în care se reflectă factorii de mediu, sociali și de guvernanță în fiecare indice de referință furnizat și publicat (JO L 406, 3.12.2020, p. 1).

NUCLEARELECTRICA

ESRS E1 CLIMATE CHANGE

SNN - Climate change

Strategy

Romania has committed to a number of strategic GHG emission reduction objectives and targets, such as: reduce its dependence on imports to meet the energy needs; replace coal in energy production by other less polluting sources; and other measures. Currently, SNN plays a strategic part at the national level, with 2 nuclear units operating at the highest safety and productivity standards, and contributing 20% to the total national energy demand. Now, the two nuclear units contribute to Romania's energy security by supplying 33% of Romania's total clean energy.

SNN continues to provide support to attainment of Romania's objectives by increasing the capacity to generate energy from nuclear sources by 2030. Nuclear energy has become an essential solution for decarbonization and a basic source of energy security and energy independence in the energy transition and attainment of the decarbonization targets.

Significant Impact, Risks and Opportunities, and their Interaction with the Business Strategy and Model | *SBM-3, IRO-1*

The impacts, risks and opportunities, including those related to climate change, were identified and assessed as part of the dual materiality process, in an internal workshop and in consultations with other relevant sources, such as the permits needed for duly operation of the sites. This looks into how impacts and dependencies become sources of risks or opportunities:

- when SNN's activity depends on a natural resource;
- when SNN's activities have negative impacts, the activities could be subject to more stringent government regulation and/or the impact could have serious physical or reputation-related consequences;
- when SNN's business partners face material sustainability risks, the undertaking may also be exposed to related consequences.

SNN then determines which of these are material based on (i) the likelihood of occurrence, and (ii) the potential magnitude of the short, medium and long-term financial effects. The financial effects of the material risks and opportunities arising from impacts associated with climate change on SNN, in the short, medium and long-run, are assessed as having maximum positive effects of over 3% of turnover, for the energy and emission reduction opportunities, as well as for the adaptation risks, as these were assessed in the dual materiality assessment.

Sub-topic	Impact	Risk/Opportunity
Climate change mitigation	**Significant positive impact** of the company's business on the climate at national level, through production of energy with zero direct GHG emissions from the core business.	**Opportunity:** Efficient operation of SNN facilities, with investments in new production capacities for energy security and nuclear safety of its operations. **Physical risk:** Improper operation of the nuclear plant can lead to additional activation of the diesel back-up installations, with the following consequences: - Delay in meeting the conditions imposed by CNCAN under the U1 and U2 Operating Permits, including in preparation of the Periodic Nuclear Safety Review; - Damages to the nuclear safety equipment and systems; - Breakdown of power discharge lines to SEN; - Accidental increase in the greenhouse gas emissions.
Climate change adaptation	**Potential negative impact** at medium scale, unless the SNN sites not protected against flooding or wildfires.	**Physical risk:** Safety and production in SNN are affected, with a potential breach of legal risk prevention requirements.
Energy	**Significant positive impact** of the company's business on the climate at national level, through production of energy with zero direct GHG emissions from the core business.	**Opportunity:** Efficient operation of SNN facilities, with investments in new production capacities for energy security and nuclear safety of its operations.

An analysis of the physical risks related to SNN adapting to climate change was conducted out as part of a **Anexa 1** vulnerability study, as required under the EU Taxonomy Regulation , its results were included in the DNSH analysis, and its findings are summarized in Annex 1 of this Report.

[18] Commission Delegated Regulation (EU) 2021/2139 - Classification of climate-related hazards

In addition, SNN's risk register also records the energy and climate-related risks in the implemented system. The stages/activities of the regular risk assessment process are:

- Risk identification and assessment by the divisions of SNN SA,
- Documentation of risk analysis and estimation in risk data-sheets, in the risk management IT application,
- Approval/validation the risk registers at departmental level by their heads in the application and, for branches, also by the risk officers at branch level,
- Submission of the risk and actions/measures data-sheets for risk treatment, via the IT application, to the Risk Management Service (RMS),
- Aggregation, processing and analysis of the risk registers and risk information,
- Issue the Risk Management Report and its dissemination across the organization.

Risk information is circulated between risk owners, heads of divisions, risk officers in branches and the Risk Management Service's staff as part of the risk management process, using the risk management application.

In SNN, no transition risks, nor their financial effects, have been reviewed according to the ESRS requirements. For each material climate-related risk identified by the Company, an analysis is to be conducted to determine whether the risk is a climate-related physical risk or a climate-related transition risk. No targets or measures have been yet set, as this is the first reporting year under the ESRS content requirements, published in November 2023.

For reporting year (2023), no climate-related considerations were factored in the remuneration of the SNN management. There is no percentage of remuneration recognized to be linked to climate considerations during the reporting period.

In the reporting year (2023), there was no transition/ emission reduction plan in place in SNN. SNN's Climate Strategy is under preparation, will include policies, targets and a transition/emission reduction plan for SNN, and is due to be adopted in 2024.

No specific policies have been devised for these areas, as these are to be developed as part of SNN's 2024 climate strategy and transition/emission reduction plan.

The core business of Cernavoda NPP is production of electricity. The technology used to produce electricity has zero direct CO2 emissions. One of the Company's main objectives is to operate its facilities at the highest nuclear standards. However, maintaining these standards requires leads to a correct operation of the nuclear installation, with the effect of reducing the use of fossil fuels.

As a result of the Stress Test Report issued after the Fukushima event, most of the world's nuclear power plants, including the Cernavoda NPP Branch, have also purchased emergency mobile diesel generators. All direct emissions are related to providing back-up for power supply, where the own power sources become unavailable. SNN's performance over time has proven that, so far, the back-up sources didn't have to be used.

For these installations, the Cernavoda NPP Branch has requested the point of view of the National Environmental Protection Agency (NEPA) on the need to have this equipment covered by the GHG Permit. The EU-ETS facilities of the Cernavoda NPP Branch do not operate during normal operation of the two nuclear units. The emergency and back-up diesel generators are kept on standby, are periodically checked for availability, and are designed to operate only in Class III or IV loss situations, for the purpose of supplying power to the main systems and secure nuclear safety for the reactors of Units U1 and U2. The start-up thermal plant (STP) is used to start up one unit of the Cernavoda NPP where both units are shut down and to provide heating of homes and spaces of Cernavoda NPP during this period. Because of this, after the start-up of Unit U2 and connection to the National Energy System (SEN), the STP use considerably reduced, with only regular testing for availability.

No specific and direct emission reduction actions have been taken in SNN because SNN's core business helps mitigation at national and global level, as a major energy producer without (significant) GHG emissions in the production process.

Actual GHG emission reduction*	emissions	NA
Projected GHG emission reduction	emissions	not determined**

* 2023 is the first reporting year under ESRS

*** A reduction occurred for Scope 2 (indirect) emissions from the purchase of renewable energy at Cernavoda NPP.*

Management of risks related to climate factors

The internal and external OPEX (operating experience) process is carefully monitored and reported on to through the External Nonconformity Reporting Process - CECA - the NCRs (Non Conformity Reports) classification committee reviews the issued NCRs and decides on the NCRs category. Important NCs are subject to root-cause investigations, followed by preventive/corrective/improvement actions. Also, within the plant management committees have available reports on these main NCs.

The investigations and root-causes are debated on in the weekly meetings of the NPP management and, once the reports are approved, either actions are taken, or action plans are devised to properly monitor application of the decisions made.

Daily, hydrological and meteorological data is received from national institutes and represents basic inputs to assessment of business-related risks (via EOOS-Risk Monitor). Participants in the daily management meeting are informed about the risk level results for the previous day and the current day estimates and, if necessary, additional actions are decided based on the risk level and the potentially affected safety issues.

At corporate level, there is a risk management process in place, and its deliverable is a 3-month integrated report of the risk register and the actions required to mitigate the risks. The report also contains the "Climate Risks" chapter, which details general information at corporate level.

Integrating physical climate changes into the regular risk assessments and the business strategy

The NPP's procedures in force, which also include instructions for extreme conditions related to climate change, are implemented in all activities of the power plant, and a regular daily risk assessment is carried out and discussed in the operational decision meeting, as presented above.

Every 3 months, is a meeting called Plant Safety Operating Committee (PSOC) is held with the first line management to discuss the Plant Risk Report with the aid of the Risk Monitor (EOOS) for the last 3 months and also for the last 12 months. The aggregate annual risk metric calculated for the period concerned is compared against the documentary limit set for the EPSN average risk level (2.61E-05); usually, this value is conservatively set below the limit recommended by the IAEA (1E-04).

Responsibility of the management or of Board of Directors level for the climate change risks

In SNN, the climate change risks and any other abnormal situations falls under the responsibility of the management and the Operations Division of the nuclear power plant, and actions are taken depending on the type of hazard and the action level contain in the main document of the OP&P power plant, i.e. the emergency procedures (depending on the specifics of extreme events of natural origin - EEON).

The report for the last part of 2022 was submitted to, and approved by, the SNN management in the second half of January 2023.

Initiatives to manage or adapt to climate change physical risks

Under contracts and/or through mutual Protocols, the weather conditions supplied by the Institute of Hydrology, the Institute of Meteorology and the Institute of Seismic Research (if necessary) are daily updated. This information is input data for the daily assessment of activities, plants and their related risks, carried out under the plant risk monitoring procedure (EOOS). The average risk template is presented and discussed daily in the operational meeting of the plant and, if necessary, additional actions are decided based on the estimated risk level.

After the Fukushima event, corrective actions were devised and implemented to accommodate the lessons learned from this event. The emergency plan and procedures, agreements, protocols and contracts in force have been revisited and revised to better adapt to the emergency response in case of serious accidents that overlap natural disasters. A sound accident management programme, with Abnormal Operating Procedures (APOP), is in place. Particular attention was paid to the communication systems, where measures were taken together with the special national communication services to complete and improve the existing communication systems.

In 2022, an independent assessment of the power plant's design was carried out against the assessment of external events regarding extreme air and water temperatures in terms of the actual results of the external events, such as extreme wind, tornado, extreme rainfall/snowfall and their potential risk to the power plant's systems and structures performing a nuclear safety function.

The results of the above assessments are included in the updates of the FSR (Final Safety Report), a document that is part of the basic design document required for approval by the nuclear authority and for the sustainability of the power plant's license.

Recognition of climate change physical risks

The final safety analysis report (FSAR) and the addenda thereto, as well as other permitting-supporting documents, make up the summary of the safety case for Cernavoda NPP. Under the FSAR, most hazards are addressed in Chapter 2 thereof, Site Characteristics, which includes the geography, demographics, nearby industrial, transport and military facilities, meteorology, hydrology, geology and seismology. FSAR's Chapter 3, Nuclear Power Plant's Buildings and Structures, describes the design characteristics to protect structures against the effects of hazards.

- **Earthquakes** - were tackled by a deterministic risk analysis to determine the parameters for a design earthquake.
- **Extreme weather conditions** – were determined based on data collected in the vicinity of the power plant, subject to a limited use of on-site weather data.

- **Historical wind data** - wind and seismic events have similar effects, but the seismic effects are more limiting; so, the effects of wind were not addressed separately (save for the outer wall panels, etc.). Tornadoes were deemed to occur at very low frequencies.
- **Snow** - the maximum snow-cover was determined to be 136 cm in 1954, based on records from nearby locations. The original design standard used in FSAR was compared against modern standards and it was concluded that the original design value is conservative.
- **Rainfall** - The highest value of these absolute maximum amounts of precipitation in 24 h in Cernavoda was 103.5 mm, recorded in July 1993; the longest duration of precipitation was recorded in Fetesti, in April 1984 and lasted 90 hours. The value used for the design/flood protection tasks is documented; additionally, the drainage on site and in Valea Cismelei and Valea Viteilor was identified and rated as adequate to avoid floods.
- **Drought** – The minimum levels of the Danube River (at specified confidence levels) are determined and documented in FSAR and have proven to be adequate to provide sufficient water for the safety systems of the plants. However, the operating procedures for maintenance of the safety case have been re-assessed and revised.
- **Hydrology** - The hazards related to surface and underground water are addressed.
- **Emergency water supply**
- **Ice** - even in icy winters, there is always enough water available for the unit's safety systems.
- **Floods** - The levels of the Danube River and the Danube-Black Sea canal were analyzed based on historical data and an assumption of failure of the upstream dam on the River. The result showed that the height of the site is sufficient to avoid safety problems in case of floods. The runoff from Cismelei Valley and Viteilor Valley was also analyzed for the level of precipitation and was taken into account in the design of the plant so as to avoid flooding. Unit 1 is protected against flooding caused by the rising groundwater levels by including a perimeter containment wall around the nuclear island, which provides protection against levels higher than the 100-year maximum groundwater level, and there are pumps available to remove any water intrusion.
- Additionally, areas, such as probabilistic security analysis (PSA), have been expanded and improved. Much of this development was supported and reviewed by organizations, such as the IAEA.
- **Biological hazards** (addressed under IAEA NS-G-1.5)
- A major study has been published and approved by the EU after the 2011 FUKUSHIMA event, known as the Stress Test Report, based on the requirements set by the Western European Nuclear Regulators Association (WENRA) and the European Nuclear Safety Regulators Group (ENSREG), which addresses the aspects required by the EU "stress test" specifications, where the initial design basis of nuclear power plant units is discussed, followed by a detailed assessment of each of the major aspects for the design basis overrun conditions.
- This detailed assessment concludes that both units of Cernavoda NPP nuclear power plant, as these were designed, meet the safety requirements laid down in the initial design, while also providing for sufficient safety margins against serious earthquakes, floods, power failures, and loss of final radiator. Ever since, improvements have since been identified and implemented to increase the available safety margins. A stand-alone assessment was conducted using a risk-based process to determine which improvements are recommended for implementation with priority.

There is also a number of NPP internal procedures, forms/checklists and briefings, in addition to the Design Base Documents (DBA) required for the Licensing Design Base Documents (DBA) of the nuclear power plant's units, which describe the methods and actions that must be taken depending on the type of extreme weather hazard and/or any combination of hazards and operational risks.

Anexa 1 shows the significant amounts of CapEx and OpEx required to implement the actions undertaken or planned for the climate objectives, these being investments in the core business of SNN, with the key performance indicators set out in the Commission Delegated Regulation (EU) 2021/2178 and the CapEx plan provided in the Commission Delegated Regulation (EU) 2021/2178.

No specific emission reduction actions have been taken in either Cernavoda NPP or Pitesti NFP. These are to be devised as part of SNN's 2024 climate strategy and transition/emission reduction plan.

The activities planned for the immediate future include investments to improve the energy efficiency of the buildings owned by SNN in Bucharest, resulting into a reduced energy consumption. **Under the exterior and interior refurbishment projects concerning the buildings owned by SNN in Bucharest, 8 Slavesti St., and 65 Polona St., which are in the progress for energy efficiency purposes, SNN envisaged the following climate change mitigation actions:**

- Investments in renewal of the thermal insulation system (replacement of the window frames with minimum thermal resistance (W/m2K):0.77; application of thermosystem on the upper floor with a thickness of 20 cm; application of thermosystem on the facade, with a thickness of 10 cm, in order to obtain a lower PNV for the buildings at 65 Polona St.
- Investments in renewal of the thermal insulation system (replacement of the window frames with minimum thermal resistance (W/m2K):0.77; application of thermosystem on the upper floor with a thickness of 20 cm; application of polystyrene/basaltic mineral wadding on the facade of the building, with a thickness of 10 cm, in order to obtain a lower PNV for the buildings at 8 Slavesti St.
- Thermal insulation of the envelope with mineral wadding of at least 20 cm.
- Replacement of existing lighting fixtures by economic lighting fixtures (LED) in the three buildings owned by SNN (Polona/Slavesti St.).

As to the types of contractual tools used for the sale and purchase of electricity, it should be noted that SNN sells the electricity produced by Cernavoda NPP:
MACEE (mecanismul de alocare centralizată de energie electrică)

- through the ECPM (Electricity Centralized Purchase Mechanism)
- under concluded on the trading platforms
- SNN buys electricity to perform two functions:
- Purchases as a participant in the wholesale market with the aim of optimizing its production and selling it on the wholesale market.
- Purchase of energy for own consumption, as end-consumer.

The own process consumption of NPP is mainly covered from in-house production. However, the electricity used for internal consumption and purchased from third parties (Electrica, Hidroelectrica and Enel) was 3,082.09 MWh in 2023.

Consumption of Pitesti NFP - in 2023, Pitesti NFP had a consumption of 4,844.72 MWh. This electricity was supplied by Enel, through RATEN-NRI of Pitesti.

Consumption in other buildings - is covered by Hidroelectrica, at the Bucharest location, Polona St., and by Renovation Trading, for the Crystal Tower Bucharest. In 2023, the consumption was 443.80 MWh.

Targets related to climate change mitigation and adaptation | *ESRS E1-4*

	M.U.	Baseline year 2023*	Target for 2030	Target for 2035	...	Sales by 2050
Absolute value of GHG emission reduction (tons, CO2e)	GHG emissions	0	to be determined	to be determined		to be determined
Percentage of GHG emission reduction, out of a baseline year's emissions	percentage	0	to be determined	to be determined		to be determined
Value of GHG emission reduction intensity	decimal	0	to be determined	to be determined		to be determined
Absolute value of GHG emission reduction - Scope 1	GHG emissions	0	not applicable	not applicable		not applicable
Percentage of Scope 1 GHG emission reduction, out of a baseline year's emissions	percentage	0	not applicable	not applicable		not applicable
Value of GHG emission reduction intensity - Scope 1	decimal	0	not applicable	not applicable		not applicable
Absolute value of GHG emission reduction - Scope 2, **depending on site**	GHG emissions	0	to be determined	to be determined		to be determined
Percentage of Scope 2 GHG emission reduction, depending on site, out of a baseline year's emissions	percentage	0	to be determined	to be determined		to be determined
Value of GHG emission reduction intensity - Scope 2, depending on site	decimal	0	to be determined	to be determined		to be determined
Absolute value of GHG emission reduction - Scope 2, **based on market**	GHG emissions	0	to be determined	to be determined		to be determined
Percentage of Scope 2 GHG emission reduction, based on market, out of a baseline year's emissions	percentage	0	to be determined	to be determined		to be determined
Value of GHG emission reduction intensity - Scope 2, base on market	decimal	0	to be determined	to be determined		to be determined
Absolute value of GHG emission reduction - Scope 3	GHG emissions	0	to be determined	to be determined		to be determined
Percentage of Scope 3 GHG emission reduction, out of a baseline year's emissions	percentage	0	to be determined	to be determined		to be determined
Value of GHG emission reduction intensity - Scope 3	decimal	0	to be determined	to be determined		to be determined

** The baseline year is the reporting year (2023) - the first reporting under ESRS*

SNN's Climate Strategy will include policies, targets and a transition/emission reduction plan for SNN, including adaptation, and is due to be adopted in 2024. In 2023, SNN did not set any GHG emission reduction targets, but a strategy will be devised with targets against this baseline year in 2024. Scope 1 emissions will be limited to the Company's secondary activities, if any, given that the core business (electricity generation) has zero direct emissions, as for the Scope 2 emissions from Cernavoda NPP.

SNN has not set any reduction targets for the direct GHG emissions from installations. The start-up thermal plant (STP) is used to start up one unit of the Cernavoda NPP where both units are shut down and to provide heating of homes and spaces of Cernavoda NPP during this period. Because of this, after the start-up of Unit U2 and connection to the National Energy System (SEN), the STP use considerably reduced, with only regular testing for availability. Consequently, the carbon dioxide emissions generated by the EU-ETS installations of Cernavoda NPP come from burning diesel and Light Liquid Fuel (LLF) (for STP), for the purpose of running the regular performance tests with the frequency instructed by CNCAN. SNN cannot set any GHG emission reduction targets because the purpose of these installations is to ensure emergency power supply to the plant's systems, when the electricity supply from own sources is unavailable. The current emission levels is already at the lowest possible because the combustion plants are only used to prove readiness before the Romanian nuclear regulator.

Energy consumption and energy mix | *ESRS E1-5*

Energy consumption and energy mix	Benchmark[15]	Year N (2023)
(1) Consumption of fuel from coal and coal products (MWh)	not applicable	0
(2) Consumption of fuel from crude oil and petroleum products (MWh)	not applicable	2347.13
(3) Consumption of fuel from natural gas (MWh)	not applicable	0
(4) Consumption of fuel from other fossil sources (MWh)	not applicable	0
(5) Consumption of electricity, heat, steam and coolant purchased or obtained from fossil sources (MWh)	not applicable	0
(6) Total fossil energy consumption (MWh) (calculated as sum of rows 1-5)	not applicable	2347.13
Share of fossil sources in total energy consumption (%)	not applicable	100%
(7) Consumption from nuclear sources (MWh)	not applicable	0
Share of consumption from nuclear sources in total energy consumption (%)	not applicable	0%
(8) Consumption from renewable fuel, including biomass (including industrial and municipal biowaste, biogas, renewable hydrogen, etc.) (MWh)	not applicable	0
(9) Consumption of electricity, heat, steam and coolant purchased or obtained from renewable sources (MWh)	not applicable	0
(10) Consumption of renewable energy, other than in-house produced fuels (MWh)	not applicable	0
(11) Total renewable energy consumption (MWh) (calculated as sum of rows 8-10)	not applicable	0
Share of renewables in total energy consumption (%)	not applicable	0
Total energy consumption (MWh) (calculated as sum of rows 6 and 11)	**not applicable**	**2347.13**

[15] Previous year, no data is entered for the first reporting year

Cernavoda NPP
In 2023, approximately 288.31 tons of liquid fuel were consumed (1 ton of conventional fuel (TCF) = 8.141 MWh)

Cuantumul veniturilor nete din activități în sectoarele economice cu impact climatic ridicat (activitatea SNN) utilizate pentru calculul intensității emisiilor de GES se regăsește în Situațiile Financiare Individuale ale SNN la Situația Individuală a Contului de profit și pierdere la linia „Total venituri".

Non-renewable energy production and renewable energy production, in MWh

Non-renewable energy production (MWh)*	**10,312,143.39 MWh**
Renewable energy production (MWh)	0

**Nuclear energy produced (net) by Cernavoda NPP (U1+U2)*

Pitesti NFP
Electricity was supplied through RATEN-NRI by ENEL, and the green label indicates the share of each energy source (available for 2022). In 2023, Pitesti NFP used 4,845 MWh of electricity.

Energy consumption and energy mix	Benchmark[20]	Year N (2023)
(1) Consumption of fuel from coal and coal products (MWh)	not applicable	557.6
(2) Consumption of fuel from crude oil and petroleum products (MWh)	not applicable	1.9
(3) Consumption of fuel from natural gas (MWh)	not applicable	544.09
(4) Consumption of fuel from other fossil sources (MWh)	not applicable	016.9
(5) Consumption of electricity, heat, steam and coolant purchased or obtained from fossil sources (MWh)	not applicable	0
(6) Total fossil energy consumption (MWh) (calculated as sum of rows 1-5)	not applicable	1120
Share of fossil sources in total energy consumption (%)	not applicable	23.11%
(7) Consumption from nuclear sources (MWh)	not applicable	1,592.5
Share of consumption from nuclear sources in total energy consumption (%)	not applicable	32.87%
(8) Consumption from renewable fuel, including biomass (including industrial and municipal biowaste, biogas, renewable hydrogen, etc.) (MWh)	not applicable	0
(9) Consumption of electricity, heat, steam and coolant purchased or obtained from renewable sources (MWh)	not applicable	2,132.2
(10) Consumption of renewable energy, other than in-house produced fuels (MWh)	not applicable	0
(11) Total renewable energy consumption (MWh) (calculated as sum of rows 8-10)	not applicable	2,132.2
Share of renewables in total energy consumption (%)	not applicable	44.01
Total energy consumption (MWh) (calculated as sum of rows 6 and 11)	**not applicable**	**4,845**

[20] Previous year, no data is entered for the first reporting year

Other offices/sites

Date about the consumption recorded by both **the buildings of Polona/Slavesti St., and at the new SNN headquarters - Crystal Tower building, is included below.**

Energy consumption and energy mix	Benchmark[25]	Year N (2023)
(1) Consumption of fuel from coal and coal products (MWh)	not applicable	0
(2) Consumption of fuel from crude oil and petroleum products (MWh)	not applicable	261.83
(3) Consumption of fuel from natural gas (MWh)	not applicable	327.72
(4) Consumption of fuel from other fossil sources (MWh)	not applicable	0
(5) Consumption of electricity, heat, steam and coolant purchased or obtained from fossil sources (MWh)	not applicable	71.71
(6) Total fossil energy consumption (MWh) (calculated as sum of rows 1-5)	not applicable	661.27
Share of fossil sources in total energy consumption (%)	not applicable	63.99%
(7) Consumption from nuclear sources (MWh)	not applicable	89.97
Share of consumption from nuclear sources in total energy consumption (%)	not applicable	8.70%
(8) Consumption from renewable fuel, including biomass (including industrial and municipal biowaste, biogas, renewable hydrogen, etc.) (MWh)	not applicable	1.31
(9) Consumption of electricity, heat, steam and coolant purchased or obtained from renewable sources (MWh)	not applicable	280.77
(10) Consumption of renewable energy, other than in-house produced fuels (MWh)	not applicable	0
(11) Total renewable energy consumption (MWh) (calculated as sum of rows 8-10)	not applicable	282.09
Share of renewables in total energy consumption (%)	not applicable	27.30
Total energy consumption (MWh) (calculated as sum of rows 6 and 11)	not applicable	1033.36

[25] Previous year, no data is entered for the first reporting year

Gross Scopes 1, 2 and 3 GHG emissions, and total GHG emissions | *ESRS E1-6*

Cernavoda NPP	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark[22]	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
GHG emissions - **Scope 1**								
Gross GHG emissions - Scope 1 (tCO2e)	3,621.069	not applicable	3,621.069	-	no targets are set*	no targets are set*	no targets are set*	
Percentage of category 1 GHG emissions from emissions regulated trading schemes (%)	0	not applicable	0	-	to be determined	to be determined	to be determined	
GHG emissions - **Scope 2**								
Gross GHG emissions - Scope 2 location-based (tCO2e)	153.456	not applicable	153.456	-	to be determined	to be determined	to be determined	
Gross GHG emissions - Scope 2 market-based (tCO2e)	688.077	not applicable	688.077	-	to be determined	to be determined	to be determined	
GHG emissions - Scope 3								
Gross GHG emissions - **Scope 3** (tCO2e)	40,072.526 (location based) 40,129.439 (market based)	not applicable	40,072.526 (location based) 40,129.439 (market based)	-	to be determined	to be determined	to be determined	
1 Purchased goods and services	34,119.497	not applicable	34,119.497	-	to be determined	to be determined	to be determined	
(Optional sub-category: Cloud computing and datacenter services)	-	not applicable	-	-	to be determined	to be determined	to be determined	
2 Capital goods	3,229.782	not applicable	3,229.782		to be determined	to be determined	to be determined	

[22] Previous year, no data is entered for the first reporting year

Cernavoda NPP	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark[22]	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
3 Fuel and energy-related activities Activities (not included in category 1 or category 2)	452.705 (location based) 509.618 (market based)	not applicable	452.705 (location based) 509.618 (market based)		to be determined	to be determined	to be determined	
4 Transport and distribution downstream	-	not applicable	-		to be determined	to be determined	to be determined	
5 Waste resulting from operations	155.932	not applicable	155.932		to be determined	to be determined	to be determined	
6 Business trips	602.73	not applicable	602.73		to be determined	to be determined	to be determined	
7 Employee commuting	1,511.88	not applicable	1,511.88		to be determined	to be determined	to be determined	
8 Upstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
9 Downstream transport	-	not applicable	-		to be determined	to be determined	to be determined	
10 Processing of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
11 Use of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
12 Treatment of products sold at the end of lifecycle	-	not applicable	-		to be determined	to be determined	to be determined	
13 Downstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
14 Franchises	-	not applicable	-		to be determined	to be determined	to be determined	
15 Investments	-	not applicable	-		to be determined	to be determined	to be determined	
Total GHG emissions								
Total GHG emissions (location-based)[4] (tCO2e)	43,847.051	not applicable	43,847.051		to be determined	to be determined	to be determined	
Total GHG emissions (market-based)** (tCO2e)	44,438.585	not applicable	44,438.585		to be determined	to be determined	to be determined	

**Total GHG emissions location-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions location-based + Gross Scope 3 GHG emissions location-based*

***Total GHG emissions market-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions market-based + Gross Scope 3 GHG emissions market-based*

It contains the CO_2 emissions coming from the combustion plants that supply power to the plant's systems, added to the emissions of the car fleet and the fugitive emissions.

SNN cannot set any Gross Scope 1 GHG emission reduction targets because the purpose of these installations is to ensure emergency power supply to the plant's systems, when the electricity supply from own sources is unavailable.

Pitesti NFP	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
GHG emissions - **Scope 1**								
Gross GHG emissions - Scope 1 (tCO2e)	152.497	not applicable	152.497	-	to be determined	to be determined	to be determined	
Percentage of category 1 GHG emissions from emissions regulated trading schemes (%)	0	not applicable	0		to be determined	to be determined	to be determined	
GHG emissions - **Scope 2**								
Gross GHG emissions - Scope 2 location-based (tCO2e)	671.28	not applicable	671.28		to be determined	to be determined	to be determined	
Gross GHG emissions - Scope 2 market-based (tCO2e)	1,081.58	not applicable	1,081.58		to be determined	to be determined	to be determined	
GHG emissions - Scope 3								
Gross GHG emissions - **Scope 3** (tCO2e)	62,320.219 (location based) 62,363.898 (market based)	not applicable	62,320.219 (location based) 62,363.898 (market based)		to be determined	to be determined	to be determined	
1 Purchased goods and services	61,302.81	not applicable	61,302.81		to be determined	to be determined	to be determined	
(Optional sub-category: Cloud computing and datacenter services)	-	not applicable	-		to be determined	to be determined	to be determined	
2 Capital goods	0	not applicable	0		to be determined	to be determined	to be determined	
3 Fuel and energy-related activities Activities (not included in category 1 or category 2)	376.327 (location based) 420.006 (market based)	not applicable	376.327 (location based) 420.006 (market based)		to be determined	to be determined	to be determined	

Pitesti NFP	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
4 Transport and distribution downstream	220.251	not applicable	220.251		to be determined	to be determined	to be determined	
5 Waste resulting from operations	15.129	not applicable	15.129		to be determined	to be determined	to be determined	
6 Business trips	23.776	not applicable	23.776		to be determined	to be determined	to be determined	
7 Employee commuting	381.926	not applicable	381.926		to be determined	to be determined	to be determined	
8 Upstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
9 Downstream transport	-	not applicable	-		to be determined	to be determined	to be determined	
10 Processing of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
11 Use of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
12 Treatment of products sold at the end of lifecycle	-	not applicable	-		to be determined	to be determined	to be determined	
13 Downstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
14 Franchises	-	not applicable	-		to be determined	to be determined	to be determined	
15 Investments	-	not applicable	-		to be determined	to be determined	to be determined	
Total GHG emissions								
Total GHG emissions (location-based)* (tCO2e)	63,144,001	not applicable	63,144,001		to be determined	to be determined	to be determined	
Total GHG emissions (market-based)** (tCO2e)	63,597,979	not applicable	63,597,979		to be determined	to be determined	to be determined	

**Total GHG emissions location-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions location-based + Gross Scope 3 GHG emissions location-based*

***Total GHG emissions market-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions market-based + Gross Scope 3 GHG emissions market-based*

OTHER SNN OFFICES/SITES Headquarters	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark[23]	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
GHG emissions - **Scope 1**								
Gross GHG emissions - Scope 1 (tCO2e)	77.474	not applicable	77.474	-	to be determined	to be determined	to be determined	
Percentage of category 1 GHG emissions from emissions regulated trading schemes (%)	0	not applicable	0	-	to be determined	to be determined	to be determined	
GHG emissions - **Scope 2**								
Gross GHG emissions - Scope 2 location-based (tCO2e)	32.676	not applicable	32.676	-	to be determined	to be determined	to be determined	
Gross GHG emissions - Scope 2 market-based (tCO2e)	99.078	not applicable	99.078	-	to be determined	to be determined	to be determined	
GHG emissions - Scope 3								
Gross GHG emissions - **Scope 3** (tCO2e)	1,048,674 (location based) 1,048.59 (market based)	not applicable	1.048,674(location based) 1,048.59 (market based)	-	to be determined	to be determined	to be determined	
1 Purchased goods and services	338,118	not applicable	338,118	-	to be determined	to be determined	to be determined	
(Optional sub-category: Cloud computing and datacenter services)	-	not applicable	-		to be determined	to be determined	to be determined	
2 Capital goods	-	not applicable	-		to be determined	to be determined	to be determined	
3 Fuel and energy-related activities Activities (not included in category 1 or category 2)	60.467 60.383 (market based)	not applicable	60.467 60.383 (market based)		to be determined	to be determined	to be determined	

[23] Previous year, no data is entered for the first reporting year

OTHER SNN OFFICES/SITES Headquarters	Retrospectively				Milestones and Years-Target			
	Amount for year (2023)	Benchmark[23]	N (2023)	% N / N-1	2025	2030	(2050)	Annual % target/Baseline year
4 Transport and distribution downstream		not applicable			to be determined	to be determined	to be determined	
5 Waste resulting from operations	29.932	not applicable	29.932		to be determined	to be determined	to be determined	
6 Business trips	108.345	not applicable	108.345		to be determined	to be determined	to be determined	
7 Employee commuting	511.812	not applicable	511.812		to be determined	to be determined	to be determined	
8 Upstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
9 Downstream transport	-	not applicable	-		to be determined	to be determined	to be determined	
10 Processing of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
11 Use of sold products	-	not applicable	-		to be determined	to be determined	to be determined	
12 Treatment of products sold at the end of lifecycle	-	not applicable	-		to be determined	to be determined	to be determined	
13 Downstream leased assets	-	not applicable	-		to be determined	to be determined	to be determined	
14 Franchises	-	not applicable	-		to be determined	to be determined	to be determined	
15 Investments	-	not applicable	-		to be determined	to be determined	to be determined	
Total GHG emissions								
Total GHG emissions (location-based)* (tCO2e)	1,158.824	not applicable	1,158.824		to be determined	to be determined	to be determined	
Total GHG emissions (market-based)** (tCO2e)	1,225.142	not applicable	1,225.142		to be determined	to be determined	to be determined	

**Total GHG emissions location-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions location-based + Gross Scope 3 GHG emissions location-based*

***Total GHG emissions market-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions market-based + Gross Scope 3 GHG emissions market-based*

2023	M.U.	Cernavoda NPP	Pitesti NFP	SNN HQ
Absolute value of GHG emissions - Scope 1	tCO2e	3,621.069	152.497	77.474
Absolute value of GHG emissions - Scope 2, **location-based**	tCO2e	153.456	671.284	32.676
Absolute value of GHG emissions - Scope 2 **market-based**	tCO2e	688.077	1,081.584	99.078
Absolute value of GHG emissions - Scope 3 **location-based**	tCO2e	40,072.526	62,320.219	1,148.674
Absolute value of GHG emissions - Scope 3 **market-based**	tCO2e	40,129.439	62,363.898	1,048.590
Absolute value of GHG emissions - total **location-based**	tCO2e	43,847.051	63,144.001	1,158.824
Absolute value of GHG emissions - total **market-based**	tCO2e	44,438.585	63,597.979	1,225.142
Absolute value of GHG emissions - total SNN **location-based***	tCO2e	108,149.876		
Absolute value of GHG emissions - total SNN **market-based****	tCO2e	109,261.707		

**Total GHG emissions location-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions location-based + Gross Scope 3 GHG emissions location-based*

***Total GHG emissions market-based (tCO2e) = Gross Scope 1 GHG emissions + Gross Scope 2 GHG emissions market-based + Gross Scope 3 GHG emissions market-based*

The methodologies, key assumptions and emission factors used to calculate or measure the GHG emissions are presented below:

Scope 1 – Direct emissions coming from the company's activities on site and from the car fleet - property of the company

Cernavoda NPP

The CO_2e emissions are calculated according to the legislation on greenhouse gas emissions, applying the calculation methodology validated at the national level and based on the specific characteristics of the fuels (NFP and FE) and the quantities of fuel consumed, and are reported to the National Environmental Protection Agency according to the requirements of the Greenhouse Gas Emissions Permit no. 38/2021, subject to review and validation by the authorized bodies and to annual compliance with the requirements to hand over the EUA certificates for the amount of approved emissions. The sources of direct GHG emissions during the operation period of Cernavoda NPP are associated with the following activities:

- LLF burning in the boilers of the Start-Up Thermal Plant (STP);
- diesel burning in the diesel units of the back-up supply system;
- diesel burning in the diesel generators of the Emergency Supply System;
- management (storage/handling) of liquid fuels on the premises of Cernavoda NPP;
- traffic on the premises of the facility, in particular in the area of the garage and the car parks of U1 and U2.

The provisions of Directive 2003/87/EC ("ETS Directive"), setting out the obligation for the operators of installations included in the emissions trading scheme (EU ETS) to hold a valid GHG emission permit issued by the relevant competent authority, to monitor and report on emissions, and to have their reports reviewed under Article 15 of the EU ETS Directive and of the Regulation pursuant to that article.

The methodology set out in the Monitoring and Reporting Regulation (Commission Regulation (EU) No 2018/2066, as amended, hereinafter referred to as the "MRR"), which defines additional monitoring and reporting requirements, was applied to calculate the CO_2 emissions.

Pitesti NFP – methodology

The sources of CO_2 emissions on the site of Pitesti NFP are as follows:

- diesel burning in diesel generators
- fuel consumption for the car fleet
- natural gas consumption
- equipment loading with refrigerants (Freon) - fugitive emissions.

The following methodologies were applied to calculate the CO_2 emissions:

- for fuel consumption, an emission factor of 2.7 kg of CO_2/liter for diesel and of 2.3 kg of CO_2/liter for gasoline was applied (factors taken from literature);
- for gas consumption, an emission factor of 0.2 kg CO_2 /kWh was applied, as published by DEFRA 2023, WTT-fuels, gaseous fuels, natural gas, kWh (Net CV)
- for fugitive emissions, the sum of the quantities of freon loaded in installations in 2023, multiplied by the global warming potential (as stated in the safety data-sheets of each product), was calculated.

Other offices/sites - SNN Headquarters

The following methodologies were applied to calculate the CO_2 emissions:

- for gas consumption, an emission factor of 0.205 kg CO_2/kWh was applied, according to the published conversion factor of primary energy into CO_2 e emissions, pursuant to Annex no. 4 "Conversion Factors", Table 2 "Conversion factors of primary energy into CO_2 e emissions" in Order no. 2641/2023, Annex no. 4 of the Ministry of Environment, Water and Forests
- The following formula was applied for fuel consumption:
- for fuel consumption, an emission factor of 2.7 kg of CO_2/liter for diesel and of 2.3 kg of CO_2/liter for gasoline was applied (factors taken from literature).
-

Scope 2 – CO_2e emissions coming from purchase of electricity and used for own purposes

This category includes indirect emissions related to the purchase of electricity or heat acquired and consumed by the Company. The methodology applied to inventory the Scope 2 CO_2e emissions is aligned with the international good inventory and reporting practices, and complies with the applicable rules under the standards "GHG Protocol: A Corporate Accounting and Reporting Standard".

The following formula was applied: Total CO_2 (tons of CO_2) = Electricity for internal consumption purchased from third parties x Emission factor (gCO_2/kWh) of the third producer x 0.000001

Cernavoda NPP - Methodology

GHG emissions are mainly calculated based on the electricity consumption measured in the local grid and the supplier-specific emission factors (location based), and the ANRE (National Energy Regulator) emission factor – market based. Emission factors specific to the three utilities providers, from which we purchased electricity, as valid for 2022, were used, because the electricity label was not available for 2023, namely: Electrica, Hidroelectrica and Enel.

	Consumption place	Emission factor 2022 [gCO2/kWh] of third producer	Emission factor published by ANRE in 2022 [g/kWh]
Electrica*	Cernavoda NPP	225.03	223.25
Hidroelectrica**	Cernavoda NPP	0.6083	223.25
Enel***	Cernavoda NPP	138.56	223.25

*We used the 2022 energy label for Electrica because the 2023 label was not available

**We used the 2022 energy label for Hidroelectrica because the 2023 label was not available

***We used the 2022 energy label for Enel because the 2023 label was not available

Pitesti NFP – methodology

To calculate the CO_2 emissions resulting from the purchase of electricity, we considered the supplier's CO_2 emission factor (market based) and that calculated by ANRE (location based), as listed in the supplier's green label. On the date of these calculations, the supplier had not yet published the 2023 green label; therefore, the emission factors published in 2022 were used.
The following conversion factors were applied:

Electricity supplier	Consumption place	Emission factor [gCO2/kWh] of third producer	Emission factor published by ANRE in 2022 [g/kWh]
ENEL*	Pitesti NFP	138.56	223.25

*We used the 2022 energy label for Enel because the 2023 label was not available

Other offices/sites - SNN Headquarters

To calculate the CO_2 emissions resulting from the purchase of electricity, we considered the supplier's CO_2 emission factor (market based) and that calculated by ANRE (location based), as listed in the supplier's green label. On the date of these calculations, the supplier had not yet published the 2023 green label; therefore, the emission factors published in 2022 were used.
The following conversion factors were applied:

Electricity supplier	Consumption place	Emission factor [gCO2/kWh] of third producer	Emission factor published by ANRE in 2022* [g/kWh]
HIDROELECTRICA*	Polona/Slavesti St.	0.6083	223.25
Renovatio Trading**	Crystal Tower	83.388	223.25

*We used the 2022 energy label for Hidroelectrica because the 2023 label was not available

**We used the 2022 energy label for Renovation Trading because the 2023 label was not available

Scope 3 – Methodology

The methodology applied to inventory the greenhouse gas emissions for all operations specific to the value chain of SN Nuclearelectrica is aligned with the international good inventory and reporting practices, and complies with the

applicable rules under the standards "GHG Protocol: A Corporate Accounting and Reporting Standard" and "Corporate Value Chain (Scope 3) Standard", developed by the World Business Council for Sustainable Development (WBCSD) and by the World Resources Institute (WRI). Scope 3 includes indirect emissions coming from a wide range of activities that are not included in Scopes 1 and 2, but are related to the organization's activities. These are emissions generated in operations across the corporate value chain.

The accuracy and relevance of the GHG emission calculation are directly influenced by the emission factors applied. Calculation of the indirect emissions associated with Nuclearelectrica's value chain relied on the methodologies recommended under the abovementioned international standards, and the emission factors applied were selected from valid sources or internationally recognized databases, such as:

- DEFRA – UK Department for Environment, Food and Rural Affairs;
- AIE – International Energy Agency;
- ANRE - Romanian Energy Regulatory Authority;
- Information published by SNN's electricity suppliers.

Relevant tools developed by reference international organizations for economic sectors or industries relevant for calculation of Scope 3 emissions (e.g. air transport industry, hotel industry, etc.) were also used for calculation purposes.

For Scope 3 calculation, the operations of SNN executive (Headquarters), Pitesti NFP and Cernavoda NPP were considered.

In order to determine the generating activities and the sources of indirect greenhouse gas emissions specific to the Company's value chain, an analysis of the operations carried out at the three entities was carried out. This was aimed at understanding the business specifics and the particularities of the value chain in order to be able to identify the activities to be included in the greenhouse gas accounting process. Further to the assessment carried out and based on the information supplied by the SNN representatives, the following activities applicable to SNN were decided to be included in calculation of the greenhouse gas emissions.

Activities applicable to SNN that were included in calculation of the Scope 3 greenhouse gas emissions for 2023

Category	Activities or sources of emissions
Upstream activities	Purchase of goods and services
	Purchase of capital goods
	Energy and fuel-related activities (included in S1 and S2)
	Supply chain transport and distribution
	Waste generated from operations
	Business trips
	Employee transport

The GHG emissions data for the sustainability report marches the date in general financial statements; the financial year 2023 is the calendar year 2023.

[24] GHG intensity per net income	Benchmark	N (2023)	% N / N-1
Total GHG emissions (site-based) per net income (tCO_2e/monetary unit)	NA	1.44792E-05 tCO2e/RON (0.0000144792 tCO2e/RON)	NA
Total GHG emissions (market-based) per net income (tCO_2e/monetary unit)	NA	1.46281E-05 tCO2e/RON (0.0000146281 tCO2e/RON)	NA

The amount of the net revenues used for calculation of the GHG emission intensity is found in the SNN's Stand-Alone Financial Statements to the Profit and Loss Standalone Statement, under the line "Total revenue".

There have been no changes in the definition given by SNN and its upstream and downstream value chain from year to year to the reported GHG emissions; this is the first year of reporting under ESRS.

[24] SNN's activity falls into the category: business economic with high climate impact.

Scope 1

Carbon emissions and their intensity

Scope 1:
Direct emissions coming from the company's activities on site and car fleet - property of the company

Cernavoda NPP | 2020 – 2022

Year	Total tons CO_2 emitted per year	Total tons of CO_2 emitted by Diesel generators per year	Total tons of CO_2 emitted by the Start-Up Thermal Plant per year	Tons of CO_2 released by the Car Fleet
2020	885	867	18	331.53
2021	1121	1005.6	115.4	296.24
2022	953	916.4	36.5	273.78

Pitesti NFP | 2020 – 2022

Year	Total tons of CO_2 emitted per year	Tons of CO_2 released by the Car Fleet
2020	0	154
2021	0	160
2022	0	153

The CO_2 emissions resulting from their testing are calculated according to the legislation on greenhouse gas emissions, applying the calculation methodology validated at the national level and based on the specific characteristics of the fuels (NFP and FE) and the quantities of fuel consumed, and are reported to the National Environmental Protection Agency according to the requirements of the Greenhouse Gas Emissions Permit no. 38/2021, subject to review and validation by the authorized bodies and to annual compliance with the requirements to hand over the EUA certificates for the amount of approved emissions.

• Is the electricity from own production, that is produced by Cernavoda NPP for operation of its own equipment (pumps, valves, etc.)
"Is the electricity purchased by Cernavoda NPP under contracts with third parties and used to supply certain own users (warehouses, office buildings, car parks, etc.)

Scope 2

Carbon emissions and their intensity

Scope 2:
CO_2 emissions coming from purchase of electricity and used for own purposes

Cernavoda NPP | 2020 – 2022

Item no.	Year	Self-produced electricity for internal consumption (MWh/year)*	Total CO_2 (tons of CO_2)	Electricity purchased from third parties for internal consumption (MWh/year)**	Emission factor (g CO_2/kWh) of third producer	Total CO_2 (tons of CO_2)	Electricity supplier
1	2020	909,701.80	0	1,480,742.00	245.4	363,374	ENEL
2	2021	908,251.00	0	695,766.00	171.6	133,970	ENEL
				765,477.00	216.64	165,833	ELECTRICAL
3	2022	908,251.00	0	1,037,775.00	229.67	238,346	ELECTRICAL

Pitesti NFP | 2020 – 2022

Item no.	Year	Electricity purchased from third parties for internal consumption (MWh/year)**	Emission factor (g CO_2/kWh) of third producer	Total CO_2 (tons of CO_2)	Supplier of utilities	Electricity supplier
1	2020	4,746,487.00	174.96	830.45	NRI Pitesti	CEZ Vanzare
2	2021	5,158,779.00	213.43	1,101.04	NRI Pitesti	CEZ Vanzare
3	2022	4,891,371.00	174.86	855.31	NRI Pitesti	ENEL

Scope 3

Carbon emissions and their intensity

Scope 3:
Not calculated in the previous years.

GHG removals and GHG emission mitigation projects financed through carbon credits | *ESRS E1-7*

As to GHG removals and GHG storage in own operations and upstream and downstream the value chains in the reporting year, we point out the following:

- There were no GHG removals or storage in SNN's operations, or to which SNN contributed along its upstream and downstream value chain, or outside SNN's value chain.

Removals	Benchmark[25]	N (Year 2023)	% N / N-1
GHG removal activity 1	not applicable	0	NA
Total GHG removals from own operations (tCO2e)	not applicable	0	NA
GHG removal activity 1	not applicable	0	NA
Total GHG removals in upstream and downstream value chain (tCO2e)	not applicable	0	NA
Reversals (tCO_2e)	not applicable	0	NA

- There are no set calculation assumptions, methodologies and frameworks applied by the Company (GHG removals and storage).
- There were no GHG removal activities to be converted into carbon credits
- There is no set degree of use or quality criteria that SNN uses for carbon credits
- The scope, methodologies, frameworks or how the residual GHGemissions would be neutralized have not been determined
- SNN has not made any public statement as to the GHG neutrality involving the use of carbon credits.

Carbon credits cancelled in the reporting year	Benchmark[25]	N (Year 2023)
Total (tCO_2e)	not applicable	0
Share of removal projects (%)	not applicable	0
Share of reduction projects (%)	not applicable	0
Recognized quality standard 1 (%)	not applicable	0
Share of EU projects (%)	not applicable	0
Share of carbon credits qualifying as appropriate adjustments (%)	not applicable	0

Carbon credits planned to be cancelled in the future	Amount before December 2023
Total (tCO_2e)	**0**

[25] No benchmarking year; this is the first reporting year under ESRS
[25] **No benchmarking year; this is the first reporting year under ESRS**

Internal carbon pricing | *ESRS E1-8*

SNN does not apply internal carbon price tracking systems, that are included in the financial statements, as risks related to the electricity purchase costs for SNN. SNN's core business, i.e. electricity generation, has zero direct carbon emissions (excluding those resulting from the annual operational tests to the backup gensets). Therefore, the determination was that there was no need to put in place a special price tracking system. However, in terms of electricity trading, SNN has tools to constantly monitor the EUA[27] market quotations, because these are factored into the electricity pricing.

[27] The EU market in trading GHG emissions, known as the European Greenhouse Gas Emissions Trading Schedule (EU ETS).

SNN activity involving GHG emissions is limited to ancillary activities (transport, diesel unit testing) or Scope 3 supply chain emissions, which were inventoried for the first time during the reporting year 2023.

Types of domestic carbon prices	Volume concerned (tCO_2e)	Prices applied (EUR/tCO_2e)	Perimeter description
Not applicable	0	not applicable	not applicable

Anticipated financial effects from material physical and transition risks and the potential climate-related opportunities | *ESRS E1-9*

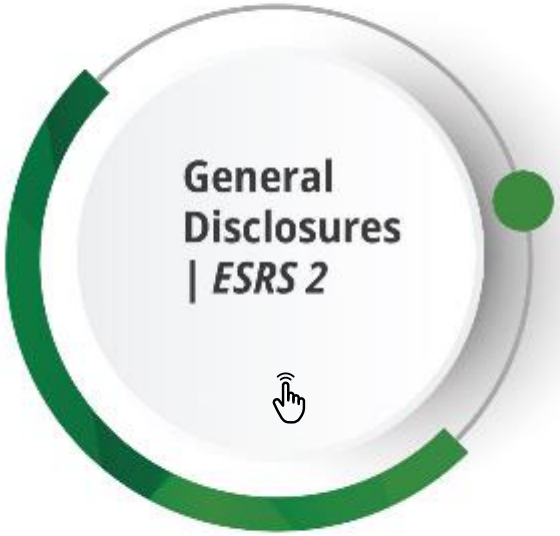
The anticipated financial effects[28] from material physical and transition risks and the potential climate-related opportunities However, their relevance and materiality was noted in the double materiality assessment.

The SNN register lists a number of energy-related risks that are to be reviewed and aligned with the ESRS reporting requirements in the upcoming period, taking into account the climate-related transition events (examples based on the TCFD classification). For the reporting year, the transition risks and opportunities have not been reviewed in detail as required by the standard, and have not yet been built into SNN's business strategy and risk register.

[28] As per – Appendix C – List of phased-in disclosure requirements - the undertaking may omit the information required under ESRS E1-9 in the first year where it prepares the sustainability statement. The undertaking can comply with ESRS E1-9 by reporting only qualitative information in the first three years of sustainability statement, unless it can produce disclosures of quantitative information.

ESRS E2 POLLUTION

SNN - Pollution



Environmental protection has been and remains a constant concern for SNN and the entire staff of the Company. The specific requirements set out under the environmental policies and by the competent authorities, or even removal of any potential negative impact on the environment due to the Company's activities.

The risks attached to performance of the activities are also identified, assessed and documented, and measures are taken to prevent/minimize their occurrence by implementing a risk management process. These requirements stem both from application of the specific nuclear regulations and the applicable environmental legislation, as well as from the voluntary compliance with the requirements of the Standard ISO 14001:2015 and Regulation (EC) 1221/2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS).

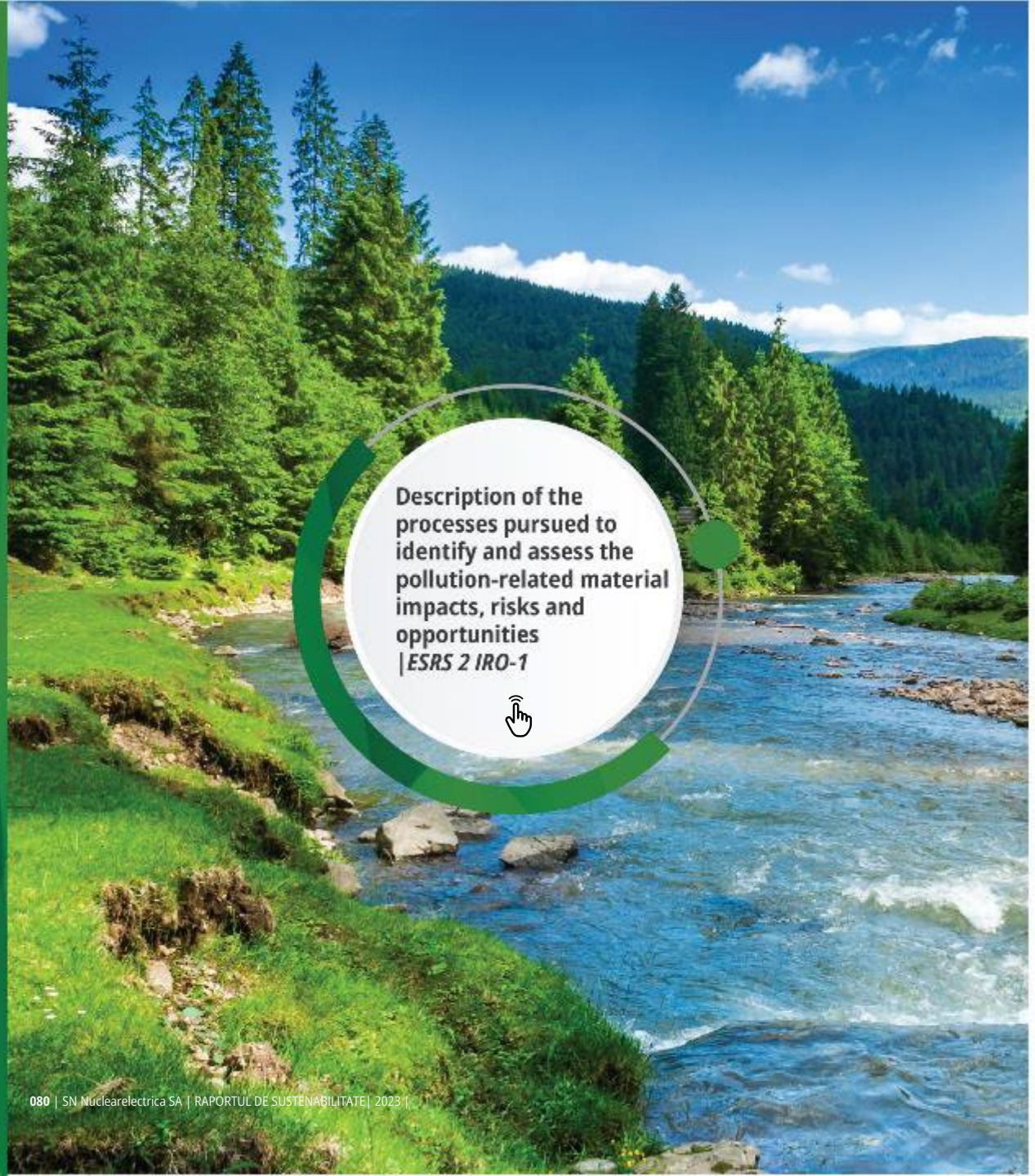
Details about the environmental activities and results/performance are included in the "Environmental Statements" prepared annually for each site, and which are publicly available on the SNN website .

All categories of stakeholders are consulted on the environmental matters. The nuclear field is regulated and controlled and always under the careful supervision of the control authorities, the governmental organizations, the NGOs, and the public. For this reason, SNN has always been motivated and committed to adopt the latest industry standards, and prove its care for the environment and the public.

SNN complies with the legal requirements (i.e. compliance obligations under permits, protocols, clearances, etc.) and the one-off requests if the authorities, and operates its sites within the limits and conditions imposed by them. During the licensing procedures, stakeholders are informed of, and consulted on, the future projects, on a case-by-case basis, in accordance with the legislation in force.

In order to maintain good provision of information and communication with all categories of interested public, Cernavoda NPP has set up a Community Information and Consultation Board (CICB), in order to identify more easily the problems, concerns and interests of the community. CICB's role is also to provide consultancy, advise and opinions on the community expectations in all areas of interest, with a view to continuously improving the activities on site and making a contribution to the well-being of the community.

[29] https://www.nuclearelectrica.ro/fcn/2022/11/04/declaratia-de-mediu-2022/
- FCN Pitești, accesat 28.02.2024



Description of the processes pursued to identify and assess the pollution-related material impacts, risks and opportunities |*ESRS 2 IRO-1*

In the risk management process, these are identified and assessed in terms of their financial and non-financial impact, and risk controls or actions to be taken to mitigate their impact are provided. For each identified risk, internal control and monitoring tools have been devised, and risks are entered into the SNN-wide Risk Register.

Cernavoda NPP

Cernavoda NPP has in place a **procedure** for the ***Environmental analysis, determination of environmental matters and establishment of material environmental matters in Cernavoda NPP***, which sets out a way of working for identification, assessment and determination of the responsibilities and measures related the identified environmental matters, in order to improve the environmental performance of Cernavoda NPP, pursuant to the requirements of the Regulation (EC) No 1221/2009 on the Community eco-management and audit scheme (EMAS), the Commission Regulation (EU) 2017/1505 of 28 August 2017 amending Annexes I, II and III to the Regulation (EC) No 1221/2009, and the standard ISO 14001/2015.

The activities carried out in Cernavoda NPP, in respect of which the environmental analysis is carried out to identify impacts, risks and opportunities, include, but are not limited to:

- operation of the installations and equipment of Cernavoda NPP, under normal and abnormal operation, start-up, shutdown, transient, and emergency conditions;
- maintenance and repair activities;
- projects, and project changes;

- improvement of the plant's systems and installations, including upgrades, refurbishments and changes thereto;
- storage and transfer/transport in installation;
- activities performed based on contracts for purchases of services or products;
- support and ancillary activities;
- any changes and abnormal situations related thereto.

In identification of the environmental matters, the activities are analyzed taking into account the following environmental factors:

- **pollutant emissions into air;**
- **pollutant discharges into water;**
- **soil and subsoil pollution, discharges on soil/subsoil;**
- **use of chemicals;**
- **resources consumption (water, fuel);**
- **generation (radioactive, hazardous or non-hazardous non-radioactive industrial) of waste**
- **noise generation;**
- **emissions of heat, radiations and vibrations;**
- **damage to biodiversity (fauna, flora);**
- **process leaks from equipment/systems (oil, glycol, etc.);**
- **legal requirements/authorized limits;**
- **electricity consumption.**

Pitesti NFP

Environmental pollution can only occur under local accidental conditions. With the measures it puts in place, Pitesti NFP aims to pursue its business with a minimum impact on the environment and the resources.

Pitesti NFP pursues its business in line with the requirements of the revised Environmental Permit issued under the Government Decision no. 568/2023 amending the Annex to the Government Decision no. 24/2019.

Pitesti NFP's manufacture of CANDU-6 nuclear fuel bundles can cause indoor and outdoor air pollution, soil pollution, pollution with substances of concern and of very high concern. Pitesti NFP's activity cannot have any effect on water pollution because wastewater is not discharged directly into any outfall; this is collected, analyzed and then transferred to the Treatment Plant of the Nuclear Research Institute (NRI), located on a platform shared with Pitesti NFP.

The parameters investigated and the investigation frequencies are set out under the Environmental Permit, i.e. the Environmental Radioactivity Monitoring Programme (which is also included in the Environmental Permit).

In Pitesti NFP, the ***Environmental Analysis*** procedure, which aims to identify the environmental matters and assess them to determine which of them are material. In order to improve the environmental performance, pursuant to the requirements of the Regulation (EC) No 1221/2009 on the Community eco-management and audit scheme (EMAS), the Commission Regulation (EU) 2017/1505 of 28 August 2017 amending Annexes I, II and III to the Regulation (EC) No 1221/2009, and the standard ISO 14001/2015, NFP devised the procedure for Environmental Performance Assessment, setting out measures and actions intended at attaining the set environmental targets, which further leads to a higher environmental performance.

In identification of the direct environmental matters, the activities are analyzed taking into account the following environmental factors:

- pollutant emissions into air
- soil and subsoil pollution, discharges on soil/subsoil
- use of chemicals
- consumption of resources, including energy
- waste generation
- noise generation
- emissions of heat, radiation and vibrations

In identification of the indirect environmental matters, consideration is given to:

- service lifecycle-related matters (design, development, packaging, transport, use and recovery/disposal of waste).
- environmental performance of contractors, subcontractors and suppliers.
- range and nature of services (transport, catering, etc.).

The environmental pollution-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other documented sources, operating permits and risk registers, as established for each risk area. These are summarized in the table below and are tackled in the following sections

Sub-topic	Impact	Risk/Opportunity
Air pollution	**Potential negative impact** at medium scale due to the release of non-radioactive NOx emissions. The emissions of tritium, solid particles, iodine, noble gases and Carbon-14 into the air are generated by the nuclear power generation activities (for Cernavoda NPP).	**Risk:** Air emissions have a more localized, but still material, impact on human health and the environment. Air emissions are subject to licensing, and emission reduction may result into operating costs or require capital expenditure.
	Potential negative impact as a result of radioactive releases into the air: Release of airborne dusts with uranium/radioactive aerosols in concentrations higher than the permitted values due to installation incidents, into the work environment and the external environment (for Pitesti NFP).	**Risk:** Increase in the average annual radioactive concentration for airborne dusts with uranium/radioactive aerosols, compared to the limits set by CNCAN
Water pollution	**Potential negative impact** at medium scale when the Danube downstream heating limit is exceeded (for Cernavoda NPP).	**Risk:** risk of noncompliance with the requirements of the Water Management Permit. It can also give rise to tensions, which in turn can disrupt the production operations.
	Potential negative impact at medium scale due to pollutant infiltration into the groundwater.	**Risk:** Liquid radioactive waste handling and disposal can give rise to operating costs, capital expenditures and, in some instances, regulatory costs.
Soil pollution	**Potential negative impact on** the medium scale as a result of pollutants seeping into the soil in case event of an accident or improper (radioactive) waste management.	**Risk:** Liquid radioactive waste handling and disposal can give rise to operating costs, capital expenditures and, in some instances, regulatory costs.
Pollution of living organisms and food resources	**Potential negative impact** at medium scale on crops in the area of influence of the site (for Cernavoda NPP).	**Risk:** The community or even regional food resources can be affected; SNN could risk losing its operating license, either in full or only for operation of the nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.
Substances of concern or of very high concern	**Potential negative impact** on a medium or large scale due to contamination of the floors or of various surfaces with chemicals and mixtures, including waste or radioactive chemicals and mixtures.	**Risk:** Process safety incidents can damage the plants, injure the workers and, to a small extent, affect the environment.

The short, medium and long-term **financial effects** on SNN of the risks arising from the pollution impacts on the environment are assessed in the dual materiality assessment process to be very low (below 0.1% of annual turnover) for air, water, soil, living organisms and food resources pollution, but also in case of pollution with substances of concern, i.e. material financial impact (above 0.7%, but below 2.0% of turnover) pollution with substances of very high concern.

Pollution-related policies | *ESRS E2-1*

SNN's ESG policy includes specific requirements leading to minimization or elimination of any potential negative impact on the environment due to the Company's activities. According to the ESG policy, SNN management make a priority of assuming the responsibility for operation of the nuclear assets at nuclear safety excellence, maintenance of the assets, keeping the environmental releases below the regulated figures, and maintenance of the production capacity above the average industry level.

The Environmental Protection Committee, which operates at SNN level, monitors implementation of the Environmental Protection Policy across the Company. Representatives of all the SNN entities sit in this Committee.

The Management System developed and implemented in SNN SA addresses, in a coherent, coordinated and unitary fashion, the components related to nuclear safety, protection against ionizing radiation, environmental protection, quality management, occupational health and safety, physical protection, protection against cyber threats, control of nuclear safeguards, protection of classified information, planning and response to emergencies, sale of the produced electricity and heat, and matters related to economic performance.

Cernavoda NPP

The environmental policy of Cernavoda NPP is part of the Integrated Site Policy and is assumed under signature by the management. Mr. Valentin Ovidiu Nae, as Director Cernavoda NPP, is responsible for implementation of this policy. The Environmental Policy of Cernavoda NPP provides for the possibility of putting in place a Management System in accordance with the legal requirements and with the CNCAN Rules for Nuclear Management Systems, and voluntarily incorporates the requirements of the management standards ISO 14001, including the EMAS registration under Regulation (EC) No 1221/2009 on the Community eco-management and audit scheme (EMAS), Regulation (EU) No 2017/1505 of 28 August 2017 amending Annexes I, II and III to Regulation (EC) No 1221/2009 and Regulation No 2026/2018 amending Annex IV to Regulation no. 1221/2009 of the European Parliament and of the Council on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS). Implementation of these environmental performance standards validates a commitment to environmental performance, on all environmental elements (air, water, soil, subsoil, noise and waste).

Cernavoda NPP has developed and implemented an Integrated Management System, and thus put in place, together with the requirements imposed under the CNCAN rules and the requirements of the standards to which Cernavoda NPP has voluntarily decided to adhere, such as ISO 14001, ISO 27001, ISO 45001, ISO 17025, and ISO 37001, also the EMAS Regulation - Eco Management and Audit Scheme (Community Eco-Management and Audit System). The Management System of Cernavoda NPP is

subject to licensing against the Requirements of Law no. 111/1996 on the safe performance, regulation, authorization and control of nuclear activities, republished, as amended and supplemented.

In a complex and highly dynamic legislative climate facing multiple many challenges, Cernavoda NPP has managed to continuously evolve and improve its performance, by achieving its goal of becoming an organization with a sound nuclear safety culture, at the top of the world nuclear industry, in terms of both results and individual and organizational behaviors.

Cernavoda NPP has devised and put in place specific requirements to minimize the environmental impact resulting from the activities carried out inside the plant. The environmental management process helps control of all activities with an impact on the environment with a view to complying with the requirements and limits imposed under the Operating Permits, the Environmental Permit and the Water Management Permits, the standard ISO 14001, and the EMAS registration.

The procedures laying down the processes and work practices in Cernavoda NPP set out the responsibilities for all categories of staff of Cernavoda NPP in terms of identification of the environmental matters attached to the activities, assessment of the potential environmental impact and definition of the applicable measures to minimize or remove the risk to the environment, reduce the amounts of waste and control them strictly, as well as to reduce pollution caused by operation of Cernavoda NPP.

Specific environmental management requirements can be found in the documents of the Environmental Management process described in the related procedure. Process coordination is provided by the Management Systems Monitoring and Development, through the Environmental Protection Assessment Group.

Pitesti NFP

Under the ***Policy on nuclear safety, quality, protection against ionizing radiation, environment, occupational safety and health, physical protection, control of nuclear safeguards, cyber security, and protection of classified information***, Pitesti NFP has committed to take all necessary measures for the monitoring, assessment and continuous improvement of the environmental performance, pollution prevention, sustainable use of resources and biodiversity conservation. The ultimate responsibility for establishment, implementation, development and continuous improvement of the Integrated Management System, including the environmental matters, rests with the Pitesti NFP Manager, Mr. Andrei Musetoiu.

The Integrated Management System existing in Pitesti NFP is developed and put in place in with the legal requirements and with the CNCAN Rules for management systems and nuclear safety, and voluntarily integrates the requirements of the management standards SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR EN ISO 45001:2018, including Regulation (EC) no. 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), the Commission Regulation (EU) 2017/1505 of 28 August 2017, and the Commission Regulation no. 2018/2026 of 19 December 2018.

The Quality Management System is subject to licensing against the Requirements of Law no. 111/1996 on the safe performance, regulation, authorization and control of nuclear activities, republished, as amended and supplemented.

Pitesti NFP has put in place specific requirements leading to minimization of the environmental impact of the activities carried out inside the plant. The environmental management process helps control of all activities with an impact on the environment with a view to complying with the requirements and limits imposed under the Nuclear Operating Permits issued by CNCAN, the Environmental Permit issued with the Government Decision no. 568/2023, the certification according to ISO 14001 and the EMAS registration.

Specific environmental management requirements are found in the documents of the "Environmental Protection Assurance" process, with environmental protection coordination provided by the staff of the Nuclear Safety and Licensing Service.

Pollution-related actions and resources | *ESRS E2-2*

SNN management have a holistic approach to inclusion of the ESG criteria into the Company's strategy and development plans. The key objective in terms of environmental protection is **Zero environmental events**, which means that we strive to have no event whatsoever leading to environmental pollution. So far, there has been no radiological or non-radiological environmental event.

An environmental management system is developed and applied to ensure protection and control of the environment during activities with a potential direct or indirect environmental impact. **Cernavoda NPP** has adhered to the nuclear excellence standards and is committed to a process of continuous improvement of the organization's performance by benchmarking it against the best performing nuclear power plants worldwide.

Furthermore, **Pitesti NFP** is committed to achieve and prove sustainable performance in environmental protection, through good management of the activities/processes and products that can have a significant impact on the environment.

Environmental Management System

The Management System put in place in accordance with the legal requirements and the CNCAN Rules for Management Systems in the Nuclear Field voluntarily integrates the requirements of the management standards ISO 9001, ISO 14001, ISO 45001, ISO 17025, ISO 27001 and ISO 37001, including the requirements of the EMAS Regulation on the Community eco-management and audit scheme. The process is subjected annually to an independent audit conducted by certified auditing companies, and auditors' conclusions prove that the Company has a functional environmental management, as a component part of the organization's integrated management system, which is being continuously improved and aligned to the international environmental and population protection requirements. In 2023, Cernavoda NPP saw 3 inspections of the environmental authorities (Environmental Guard) and independent auditors (ISO 14001 and EMAS), but none of them found any departures from the legal provisions or the environmental standards. In 2023, no inspections of the environmental authorities were undertaken on Pitesti NFP. During 20-21 September 2023 and on 22 September 2023, supervisory audits were undertaken for recertification of the Environmental Management System, and validation of the Environmental Statement, in order to keep Pitesti NFP registered with EMAS. No departures from the legal provisions or the environmental standards were found.

SNN holds certificates for its environmental management system, as follows:

Cernavoda NPP Branch:

- Certificate no. 56 concerning the Environmental Management System of SNN - Cernavoda NPP Branch for the Electricity and Heat Generation activity using nuclear sources and support and related activities, according to the conditions of the standard SR EN ISO 14001:2015 (ISO 14001:2015), issued by IQNet and SRAC on 10 June 2022 and valid until 14 December 2025.
- EMAS Registration Certificate no. RO-000017, re-registration date 16 October 2021, expiry date 16 October 2024.

Pitesti NFP

- Certificate no. 4309 on the Environmental Management System of SNN - Pitesti NFP Branch for its nuclear fuel processing activity, according to the conditions of the standard SR EN ISO 14001:2015 (ISO 14001:2015), issued by IQNet and SRAC CERT on 31 October 2022 and valid until 5 November 2025.

- EMAS Registration Certificate no. RO-000018, re-registration date 28 March 2023, expiry date 28 March 2026.

With their construction-inherent elements, nuclear units abide by a number of technical, administrative and procedural means and measures to control and monitor of the activities and equipment liable to affect the staff, the environment and the population with a view to eliminating and/or minimizing the risks attached to the environmental factors. Cernavoda NPP implements and maintains a Defense in Depth concept, which includes technical and procedural barriers aimed at preventing and mitigating of the effects of accidents, and responding to emergencies, taking into account triggers related to equipment and human performance, as well as severe external conditions (earthquakes, floods, bad weather, etc.) which can affect the operation of the plant. Any departure from the management system documents is promptly reported, recorded and assessed for root-cause identification, and taking measures to prevent/minimize occurrence of risks through a sound management.

Cernavoda NPP

The environmental performance concept refers to the results of actions taken to continuously improve the environmental management system. as part of the integrated management system (attainment of the objectives, metrics and targets) either as a whole, or as one or more component elements. The environmental analysis should highlight the proposals made to improve of the environmental management system with a view to enhancing the environmental performance (setting the environmental objectives, indicators and targets) and minimizing the risks according to the ALARA (as low as reasonably achievable) principle. The improvement proposals resulting from the environmental analysis are translated into actions across the plant, and their implementation is followed up through the implemented processes.

Cernavoda NPP has put in place environmental protection programmes. The programmes and monetary value attached to each programme for 2023 are shown below:

Item no.	2023 Planned	2023 Actual
1.	Basic activities – Environmental Control Laboratory (programme 23-LCM) Of which: **1.1** Food samples, reagents, samples and standards, laboratory consumables, equipment, tools, laboratory devices, spare parts – RON 175,156 **1.2** Preventive and corrective maintenance services for OXIDIZER combustion applicable – RON 42,000 **1.3** Benchmarking services and annual fees for maintaining the CNCAN accreditation – RON 28,280	Basic activities – Environmental Control Laboratory (programme 23-LCM) Of which: **1.1** Food samples, reagents, samples and standards, laboratory consumables, equipment, tools, laboratory devices, spare parts – RON 177,642.99 **1.2** Preventive and corrective maintenance services for OXIDIZER combustion applicable (contract no. 467/17.05.2018, Cambera Packard SRL) – RON 21,770.76 **1.3** Benchmarking services and annual fees for maintaining the CNCAN accreditation (contract no. 695/10.06.2021, PROCORAD Association of France) – RON 28,280.54
	Total – RON 245,436	**Total – RON 227,694.29**
2.	Radioactive waste processing (it includes contamination control, sampling, radioactive waste management, including endowment and consumables) – RON 1,794,500	Radioactive waste processing (it includes contamination control, sampling, radioactive waste management, including endowment and consumables) (Nuclearelectrica Serv SRL) – RON 1,013,990.23
3.	Greenhouse gas emissions monitoring programme – Annual report review fee (TQ Consultanta si Recrutare SRL) – RON 5,100	Greenhouse gas emissions monitoring programme – Annual report review fee (TQ Consultanta si Recrutare SRL) – RON 5,100
4.	Cost of contribution to the National Agency for Nuclear Waste (NANW) – according to the specific legislation, for spent nuclear fuel and radioactive waste – RON 93,960,000 (estimate made in EUR, at the beginning of the year, depending on the MWs estimated to be produced).	Cost of contribution to the National Agency for Nuclear Waste (NANW) – according to the specific legislation, for spent nuclear fuel and radioactive waste – RON 100,593,725
5.	ARNA/DS-WBA (use of the Danube water, reception of wastewater in resource – RON 110,406,181.50	ARNA/DS-WBA (use of the Danube water, reception of wastewater in resource – RON 98,683,936.04
6.	ARNA/DS-WBA – use of underground water – RON 50,000,000	ARNA/DS-WBA – use of underground water – RON 0
7.	Administration of Navigable Canals, Constanta – RON 950,000	Reach water consumption – RON 498,467.65
8.	Environmental Fund fees; Licensing fees, Environmental clearances – RON 20,000	Environmental Fund fees; Licensing fees, Environmental clearances – RON 25,668.30
9.	Water consumption, sewage/rainwater + wastewater analysis (RAJA) – RON 2,500,000	Water consumption, sewage/rainwater + wastewater analysis (RAJA) – RON 4,836,407.80

Item no.	2023 Planned	2023 Actual
10.	Collection/neutralization of municipal waste (Cernavoda Public Utilities) – RON 250,000	Collection/neutralization of municipal waste (Cernavoda Public Utilities) – RON 237,401.36
11.	Waste collection and cleaning (POLARIS HOLDING CONSTANTA) – RON 12,000	Waste collection and cleaning (POLARIS HOLDING CONSTANTA) – RON 10,958.99
12.	Third-party chemical analysis and diagnosis services (physical and chemical analysis services to determine the concentration of Praestol A3040 L Flocculant 3DT149 in the process waters discharged from Cernavoda NPP – contract with ICECHIM Bucharest) – RON 21,750	Third-party chemical analysis and diagnosis services (physical and chemical analysis services to determine the concentration of Praestol A3040 L Flocculant 3DT149 in the process waters discharged from Cernavoda NPP – contract with ICECHIM Bucharest) – RON 9,000
13.	Drinking water chemical analysis – RON 10,000	Drinking water chemical analysis – Ecoind National Reserch&Development Institute of Bucharest – RON 14,537.80
14.	NPP Cooling and rain water physical and chemical analysis services (CBO5, petroleum product) and domestic water – Rompetrol Quality – RON 15,120	NPP Cooling and rain water physical and chemical analysis services (CBO5, petroleum product) and domestic water – Rompetrol Quality – RON 78,850
15.	Transformer oil analysis services – RON 70,000 Energotech S.A Bucharest	Transformer oil analysis services – RON 123,900.84 – Energotech S.A Bucharest
16.	Supply of electricity to CONPET Ploiesti for operation of fixed environmental radioactivity monitoring stations – RON 10,000	Electricity supply to CONPET Ploiesti for the operation of fixed environmental radioactivity monitoring stations - RON 13,023.30
17.	Preventive maintenance services for radioprotection systems: LEM, GEM – RON 28,292.34	Preventive maintenance services for radioprotection systems: LEM, GEM – RON 0
18.	Preventive and corrective maintenance services for Canberra equipment in the Individual Dosimetry Laboratory + Expenses Cost of consumables needed for analyses (gamma, global alpha/beta and tritium) of liquid and gaseous radioactive effluents – RON 1,096,000	Preventive and corrective maintenance services for Canberra equipment in the Individual Dosimetry Laboratory + Expenses Cost of consumables needed for analyses (gamma, global alpha/beta and tritium) of liquid and gaseous radioactive effluents – RON 706,571.80
19.	SRAC supervisory services – RON 21,700 Verification audit – EMAS validation	SRAC supervisory services – RON 21,700

Item no.	2023 Planned	2023 Actual
20.	Analysis, interpretation/diagnosis of oil results for diesel compressor groups – RON 45,000	Analysis, interpretation/diagnosis of oil results for diesel compressor groups – RON 103,387.20
21.	Gamma field monitoring and surveillance services for the plant's system of assets, Kinetrix – RON 166,000	Gamma field monitoring and surveillance services for the plant's system of assets, Kinetrix RON 166,000
22.	Sanitary Permit + specialty assistance RON 13,328	Sanitary Permit + specialty assistance RON 12,200 Chemical and microbiological analysis RON 1,797 Total RON 13,997
23.	Preventive and corrective maintenance services for the external dosimetry system with TLD Panasonic Dositracker SRL, RON 113,627.29	Preventive and corrective maintenance services for the external dosimetry system with TLD Panasonic Dositracker SRL, RON 386,529.70
24.	Radiations Control Service	Stainless steel barrels RON 244,240.80
25.	CNCAN	Fee for issue of nuclear licenses and permits, RON 1,140
26.	Snec SRL	Laundry services, RON 33,444.60
27.	Parcal Company SRL	Landscaping services, RON 355,546.12

Storage of chemicals

Cernavoda NPP is an end-user, and the substances and mixtures of concern are purchased for use in the chemical control of the fluids in the power plant's circuits and equipment, for maintenance and repair purposes, for laboratory analyzes and in activities/services implementing the changes/projects developed on the site.

The administration and management of the chemicals used in Cernavoda NPP is based on:

- The domestic and Community legislation (REACH Regulation, CLP, etc.) in force that regulates the regime of dangerous substances and mixtures and specific regulatory acts by category of chemical substances/products;
- The requirements, limits and conditions approved under the applicable permits and clearance issued by the environmental protection regulatory and control authorities. The chemical products purchased directly or under services contracts and used in the activities of Cernavoda NPP are classified, packaged and labeled according to the legal requirements in force. Special consideration is also given to the appropriate

labeling, i.e. writing of all the information required under the CLP Regulation (EC) and the best international practices (hazard pictograms, warning words, hazard statements (H) and precautionary statements (P), etc. which are taken, as applicable, from the containers in which the substances and mixtures of concern used are delivered onto the small-sized containers used for the activities in the process plants of Cernavoda NPP

The biocidal products acquired directly or under services contracts are also accompanied by the Clearances issued by the Ministry of Health in accordance with the legal provisions in force, are quantitatively and qualitatively monitored under the same conditions as those laid down in the procedures of Cernavoda NPP, and are reported on in accordance with the requirements and limits of the environmental permits.

All chemicals used in the activities of Cernavoda NPP, by direct purchase or under services contracts, are assessed/cleared and included in the List of Approved Chemicals ("Chemicals" Intranet app). The activities of Cernavoda NPP use only products that can be found in this app.

The Safety Data Sheet of the products concerned are enclosed to any work package or work plan which use substances or mixtures. Also, for the activities where certain substances or dangerous mixtures are used in large quantities, an initial training is delivered to the staff who are to carry out the activity (IPEL), and who are thus presented the hazards dangers and compensatory measures due to be taken in case of accidental spills. The emergency procedures under the Site Emergency Plan feature individual action procedures in case of leakages or contamination with dangerous chemicals, as well as procedures that regulate the flow for advising the authorities of reportable events. So far, there have been no reportable events with impact on the environment and the population.

Project – tritium removal facility (CTRF)

The project is part of the SNN's portfolio of initiatives aimed at the consistent implementation of the general policy of the Company, namely the concern for maintaining nuclear security at the highest standards, and reducing both radiological risks for own staff and the public, as well as the environmental impact. The project aims to reduce the releases of tritium into water and air, by extracting the tritium from the heavy water, and storing it under a safe form in a dedicated facility, the elimination of heavy tritiated water from the category of radioactive waste, thus significantly reducing the quantity of radioactive waste left to be managed at the end of the operational life of the two reactors.

Moreover, CTRF will determine:

- reduction of the risks of generating radioactive effluents and emissions of tritium in the environment,
- minimizing the tritium concentrations from radioactive waste generated within the precincts of the nuclear systems using heavy water at Cernavoda NPP.

The project, worth EUR 194 million, is based on an implementation strategy, updated by SNN in 2018, based on the Feasibility Study, approved under Resolution no. 9/22.08.2018 of the Extraordinary General Meeting of Shareholders. The project involves the completion of the installation design (detailed design), the construction of the tritium removal plant, the tests and inspections for the purpose of its commissioning, a trial operation period of 6 months, followed by the putting of the plant into commercial operation, planned for the year 2026.

The OGMS Resolution no. 5/05.07.2023 approved the amendment of the Implementation Strategy for the "Cernavoda NPP Tritium Removal Facility" Investment Project as a result of the update of the investment's amount, based on the price increase indices between 2018 and 2022, and by including additional cost which had not been initially considered.

Under the EGMS Resolution no. 8/7.12.2023, conclusion by SNN of the financing agreement with the European Investment Bank (the "Agreement"), for the financing of the "Cernavoda NPP Tritium Removal Facility" Project was approved, with the following essential features:

Amount	145 mil. EUR
Currency	EUR
Duration	15 years, of which 4 years representing the grace period for the payment of the principal instalments
Period of use	36 months from the Agreement signing date
Interest	Fixed or Variable (at the Company's choice)
Analysis fee	EUR 145,000 payable within 30 days from the Agreement signing date
Non-use fee	0.12% per year, payable after a period of 12 months from the Agreement signing date, being applicable to the undrawn amount of the loan
Principal and interest rate repayments	Equal semi-annual instalments

Pitesti NFP

Bearing in mind that Pitesti NFP is an organization with a certified environmental management system and is also an EMAS-registered organization, it annually sets environmental indicators and environmental targets, for which actions are taken to attain these targets. In order to avoid any potential air, soil and water pollution, Pitesti NFP has identified these risks and determined monitoring and control tools for them.

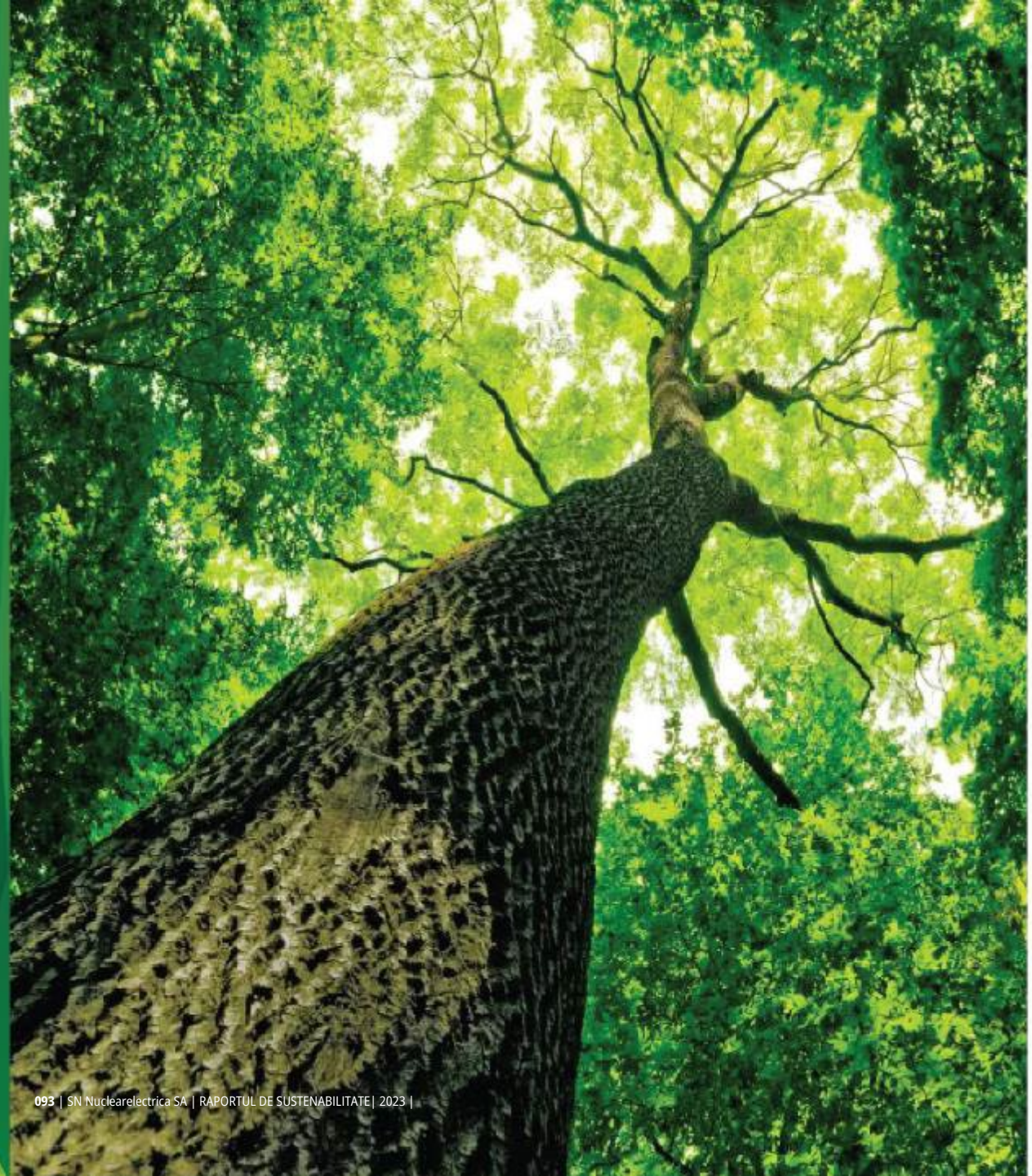
Soil contamination can occur accidentally, further to equipment failures, errors, intentional human actions or earthquakes.

To prevent soil and subsoil pollution, Pitesti NFP has taken the following measures:

- The unit's premises is made of concrete and is provided with gutters connected to the rainwater sewer.
- The radioactive solid waste temporary storage platform is equipped with a water collection base, which is checked regularly;
- Storages for oils and substances/mixtures of concern are provided with collection bases and absorbent material;
- Waste handling activities are documented in procedures to avoid risk of accidental soil pollution.

Pitesti NFP is an end-user of chemicals, which are used both in the production flow and for the physical and chemical analysis performed in the Chemical Analysis Laboratory. The Tender Books prepared for procurement of substances and mixtures of concern include requirements for protection of the environment and of the staff, as well as for compliance with the domestic and international legislation applicable to their marking, packaging, labelling and transport. Moreover, products are accompanied by Safety Data-Sheets, which users get familiar with. Safety Data-Sheet of the products concerned are requested for any work where chemical substances or mixtures are used. The environmental protection requirements applicable to procurement of chemicals are documented in the procedure entitled *Application of the environmental protection requirements to performance of works, provision of services, and supply of products in Pitesti NFP.*

In order to avoid potential incidents/accidents involving chemical substances/mixtures, their storage depends chemical compatibilities, in keeping with the legislation in force, so there is no possibility that the presence and use of chemical substances may generate chemical accidents. As to the potential incidents due to substances and mixtures of concern, site-specific plans have been prepared to respond to emergencies with an impact on the environment; response teams have been set up the members of which are delivered regular training; and drills are carried out at a predefined frequency. This activity is covered by documented procedures, namely Preparedness for Emergencies with Environmental Impact and Responsiveness. The activities where substances/mixtures of concerned are used are documented, the staff is trained on the requirements of these documents, so that they can render their work activity avoiding any undesirable situations that could lead to environmental pollution, or have an impact on people's health.



In 2023, Pitesti NFP had investments in progress, intended to improve its environmental performance, namely:

2023	Amount (lei)
Design of the ventilation and air-conditioning plant for beryllium depositing area	15,000
Filtering unit for the air released from the chemical analysis laboratory	90,000
Cooling system for the ventilation plant of Hall V	190,000
Investments in research and development to innovate and develop safe and sustainable alternatives to the use of substances of concern or to reduce emissions in a production process.	0

No action has been taken to extend to upstream or downstream commitments along the value chain.

Pollution-related targets | *ESRS E2-3*

Any activity in SNN is carried out only on the basis of approved documents that integrate the requirements of the applicable laws and standards. SNN applies the Best Available Techniques (BAT) to operate nuclear sites.

Units are operated in strict compliance with the requirements of the operating permits, and within the limits and conditions imposed under the operating policies and principles, as well as in the other documents approved by the authorities, which integrate the requirements of the applicable laws and standards. Any accidental violation is deep-dived into and is to CNCAN.

The environmental management plans of Cernavoda NPP and Pitesti NFP set out measures and actions able leading to attainment of the set targets and implicitly of the environmental objectives.

Cernavoda NPP

In Cernavoda NPP, the performance objectives, targets and indicators are cascaded from the SNN general objectives, whereas in departments or other units, specific objectives are cascaded from the objectives defined at site level. In order to attain the set objectives, improvement (linked to the general objectives) and current (basic) programmes are devised, approved, linked to the current activities of the departments.

Environmental performance targets are available for review on the Company's website[30] .

[30] https://www.nuclearelectrica.ro/cne/protectia-mediului-si-a-personalului/emas/
accesat 16.02.2024

The improvements made to the environmental management system is measured in the annual integrated management review (QARC), following the model presented in the EMAS Regulations. Additionally, effectiveness of the actions resulting stemming from the environmental analysis is reviewed in the environmental management process self-assessment. Whenever this analysis finds improvement-related effectiveness flaws, these are documented in the environmental review of the following year, and corrective measures are proposed.

The "environmental management" process owner is required to validate the zone-based environmental analyses carried out by the designated persons in charge. The document "Cernavoda NPP Environmental Analysis" is produced annually, depending on the date of the annual environmental audit, by the environmental management process officer, relying on the information contained in the Cernavoda NPP zone-based analyses.

The content of the document "Cernavoda NPP Environmental Analysis", which is issued annually in the form of an Information Report (IR), must comply with the requirements of both the EMAS regulations and ISO 14001:2015, and will address at least the following chapters:

- Setting the organizational background. The corporate context refers to determination and understanding of the internal and external factors that are relevant to Cernavoda NPP and that may affect its ability to attain the expected performance of the environmental management system;
- Stakeholder identification and determination of their relevant needs and expectations. The stakeholders relevant to the management system are determined (authorities: Ministry of Environment, Water and Forests (MoEWF), Environmental Protection Agency (EPA), Danube-Seashore Water Basin Administration (DS-WBA), CNCAN, National Environmental Guard (NEG); other stakeholders: NGOs, etc.), the relevant needs and expectations of these stakeholders and which of these needs and expectations it should respond to, or decide to respond to. Where Cernavoda NPP decides to voluntarily adopt or agree to the stakeholders' corporate context needs or expectations, which are not covered by the legal requirements, these become part of its compliance obligations;
- Identification of the applicable legal environmental requirements;
- Identification of the direct and indirect environmental matters, and determination of the material matters;
- Assessment of the environmental matters' materiality;
- Assessment of the results of the investigations undertaken on previous incidents;
- Determination and documentation of the risks and opportunities; Whenever the environmental matters are identify, consideration is given to the following elements: risk of environmental accidents and other emergencies, with a potential environmental impact (e.g. chemical accidents) and any potential abnormal situations that could lead to a potential environmental impact. In operational activities, risks are assessed according to the procedures in force;
- Examination of the existing processes, practices and procedures.

Other performance indicators considered for 2023:

- Zero penalties applied further to the environmental authorities' inspections for waste-management related issues.

- Annual re-training of all own and contract-based employees in the Cernavoda NPP Environmental Protection training course.
- Improving the promotion of waste segregation and minimization practices/bi-monthly Newsletter.
- Maintaining the ISO 14001: 2015 certification and the EMAS registration.
- Reducing in the amount of solid waste generated (tons) in 2023 v 2022: solid waste 2023 < 422 tons.
- Reduce the percentage of solid waste of concern out of the total amount of solid waste generated in 2023 v 2022: percentage of solid waste of concern/total solid waste x 100 < 7.5%.
- Waste management optimization by increasing the amount of recoverable waste handed over for recycling (recovery) v 2022: ratio: amount of plastic waste recovered (tons) in 2023 > 0.357 tons.

Pitesti NFP

In Pitesti NFP, performance indicators are set according to the environmental matters with material impact, as identified in its own business, and to the requirements of the EMAS Regulation concerning the main metrics related to the performance obtained in the essential environmental areas: energy, materials, water, waste, and emissions. All departments that regularly conduct the environmental analysis specific to the activities carried out are engaged in setting the performance indicators and targets.

Performance against targets is monitored monthly, and half-yearly based on relevant objective evidence; the trends in attaining the targets are assessed, and corrective actions determined whenever deviations are observed. The whole process is documented and reviewed annually by a certified external assessor.

The EMAS Regulation describes the areas for which Pitesti NFP is under the obligation to set annual environmental indicators, namely:

- Energy efficiency;
- Material efficiency;
- Water;
- Waste;
- Biodiversity (considered irrelevant for the business of Pitesti NFP)
- Emissions.

For 2023, Pitesti NFP set the following objectives,

Environmental Objectives	Name of Ratio	Environmental Targets
1. Efficient use of electricity	1.1 Electricity consumption/number of bundles produced	1.1.1 Reduction by min. 0.01% of the electricity consumption in 2023 v 2021, by reference to the number of FBs produced.
2. Rational usage of materials	2.1 UO_2 powder processing yield	2.1.1 Increase by min. 0.02% of in the UO2 powder processing yield in 2023 v 2021.
	2.2 Zy-4 tube processing yield	2.2.1 Increase by at least 0.02% in the processing yield of Zy-4 tubes in 2023 v 2021.
3. Rendering drinking water consumption more efficient	3.1 Drinking water consumption/average headcount	3.1.1 Reduction by min. 0.01% of the drinking water consumption in 2023 v 2021 by reference to the average headcount
4. Minimization of the amount of incinerable solid waste generated	4.1 Amount of incinerable radioactive solid waste generated, by reference to the number of nuclear fuel bundles produced	4.1.1 Max. 0.56 Kg/FB (this amount is the maximum amount of incinerable radioactive solid waste generated according to the environmental permit is 6.7 t, by reference to the maximum authorized production
5. Reducing the emissions of radioactive gaseous effluents into the atmosphere	5.1 Amount of uranium removed through radioactive gaseous effluents, by reference to the number of nuclear fuel bundles produced	5.1.1 maximum 70.83 mgU/FB (which accounts for 17% of the amount of uranium authorized to be released through radioactive gaseous effluents under to the Environmental Permit, by reference to the maximum authorized production)

As of 2020, NFP has set an a reduction percentage for the annual electricity consumption and the drinking water consumption, as well as increasing percentage for the raw material processing yields (UO2 powder and Zy-4 tubes), thus achieving environmental performance (e.g. in 2020, the drinking water consumption was 7,868 m3, whereas in 2023, this was 5,489 m³).

For 2023, Pitesti NFP set the following air pollution prevention indicator: reduction of the amount of uranium released into the atmosphere through radioactive gaseous effluents, by reference to the number of fuel bundles (FBs) produced, i.e. a maximum of 70.83 mgU/FB (17% of the amount of uranium authorized to be released through radioactive gaseous effluents according to the environmental permit, by reference to maximum authorized output) **The target has been attained.**

Reduction of the quantity uranium released into the atmosphere through radioactive gaseous effluents, by reference to the number of nuclear fuel bundles (FBs) produced:

	2020	2021	2022	2023	2023	
					Planned	Achieved
Amount of uranium released through radioactive gaseous effluents [mgU]	470880	471089	453726	466361	70.83	42.4
Number of nuclear fuel bundles produced	10800	11000	10826	11000		
Ration between the quantity of uranium released through radioactive gaseous effluents and the number of nuclear fuel bundles produced	43.6	42.83	41.91	42.4		

When new environmental targets are set, the previously recorded values are fed in so that the newly-set targets support the environmental protection performance. Assessment of the progress made in attainment of the environmental targets and objectives is presented in the 2021-2023 EMAS Performance Indicator Evolution Report.

As to soil pollution, Pitesti NFP has not yet deemed necessary to set any indicators, because the measurements have not showed any soil pollution.

For water, the indicator set concerned the quantity of water used, whereas for the discharged water, no indicator has been set because Pitesti NFP does not discharge into any outlet, but into the RATEN-NRI Treatment Plant. Discharges are controlled, based on analyses and within the limits set in the Environmental Permit.

As to chemicals, Pitesti NFP did not define a metric indicator for the consumption of substances/mixtures of concern in 2023. Over the years, NFP has replaced certain substances, where possible, by less harmful to human health and more environmentally-friendly ones, for instance tetrachloride by kerosene.

In addition to the above, the quantities used in the chemical analysis laboratory and in the manufacturing flow are not very large.

In support of the above, after having sent the documentation in accordance with the provisions of Law no. 59 of 11 April 2016 on the control of major accident hazards involving dangerous substances, to the Emergency Inspectorate of Arges, confirmation was received that Pitesti NFP is not a SEVESO facility.

The recorded results are monitored on a monthly basis, and whenever a negative trend in reaching the targets is observed, corrective actions are determined.

When new environmental targets are set, the previously recorded values are fed in so that the newly-set targets support the environmental protection performance.

Air, water and soil pollution | *ESRS E2-4*

In SNN, pollution can originate in two major sources: radioactive and non-radioactive emissions.

For radioactive emissions, these are way below the limit set out by the nuclear regulator, and are part of the nuclear excellence programme.

Non-radioactive emissions

Non-radioactive emissions – Cernavoda NPP

Non-radioactive atmospheric emissions come from:

- fuel burning: resulting into CO2, dust, heavy metals, volatile organic compounds, etc.
- fuel management: resulting into volatile organic compounds (VOCs

The term impact of these non-radioactive emissions is insignificant in the long-run, according to the environmental balance-sheet produced out by independent third parties for Cernavoda NPP.

Volatile Organic Compounds (VOCs)

The nuclear-based energy generation technological process of Cernavoda NPP does not use volatile organic substances. Also, there aren't any emissions of NOx or SOx.

2023	NOx	SOx	VOC
Quantitative value	0	0	0

Non-radioactive emissions – Pitesti NFP

Non-radioactive atmospheric emissions come from:

- total particulate matters, nitrogen oxides, hydrochloric acid - released and monitored via the Dispersion Stack no. 1 (NOx result from the Chemical Analysis Laboratory)
- total particulate matters, beryllium, acetone - discharged and monitored via the Dispersion Stack no. 2 and the Ventilation System related to Hall IV and Outbuildings
- airborne beryllium powders/beryllium aerosols – released and monitored via the air ventilation plant related to the beryllium work area

Determinations of non-radioactive pollutants are carried out every six months by authorized providers, under services contracts. The values recorded for various emissions through the stacks of Pitesti NFP in years 2020-2023 are shown in the tables below.

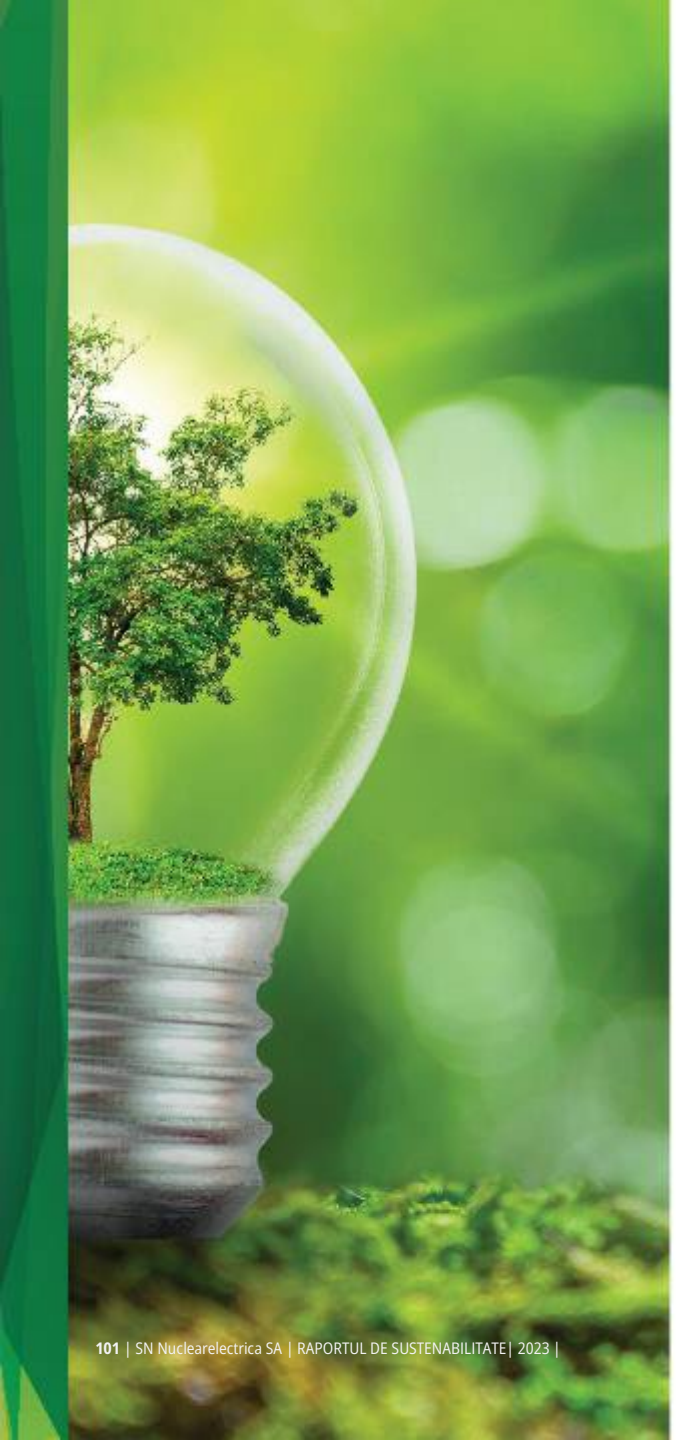
	2020		2021		2022		2023		Lists set out under the legislation (Order of the Minister of Water, Forests and Environmental Protection (MoWFEP) no. 462/1993)	
Pitesti NFP										
	Sem. I	Sem. II	Sem. I	Sem. II	Sem. I	Sem. II	Sem. I	Sem. II	Alert threshold (AT)	Limit value (LV)
Stack no. 1										
NO_2 [mg/m³]	22.55	32.8	38.95	55.35	63.55	75.24	88.77	96.35	350 mg/m³	500 mg/m³
NO_2 [t/year]	0.4		0.7		1.09		1.23		7.8 t/year	
Particular matters [mg/Nm³]	2.3	3.28	2.94	3.23	3.35	3.57	3.58	4.16	35 mg/m³	50 mg/m³
HCl [mg/Nm³]	4.67	5.61	5.33	19.55	17.76	12.56	18.79	19.78	21 mg/m³	30 mg/m³

	2020		2021		2022		2023		Lists set out under the legislation (Order of the Minister of Water, Forests and Environmental Protection (MoWFEP) no. 462/1993)	
Pitesti NFP										
	Sem. I	Sem. II	Sem. I	Sem. II	Sem. I	Sem. II	Sem. I	Sem. II	Alert threshold (AT)	Limit value (LV)
Stack no. 2										
Particular matters [mg/Nm³]	1.82	2.25	2.21	2.52	2.76	3.11	3.04	3.43	35 mg/m³	50 mg/m³
Acetone [mg/Nm³]	0.0022	0.0021	0.0022	0.0022	0.0022	0.0022	0.0022	0.0036	105 mg/m³	150 mg/m³
Acetone [t/year]	0.000015		0.000015		0.000015		0.00002		1.0488 t/year	
Isopropyl alcohol [mg/Nm³]	0.0022	0.0021	0.0022	0.0022	0.0022	0.0022	0.0022	0.0036	105 mg/m³	150 mg/m³
Isopropyl alcohol [t/year]	0.000015		0.000015		0.000015		0.00002		1.0488 t/year	
Beryllium [mg/m³]	0.000168	0.00021	0.00018	0.00018	0.00018	0.00018	$5,12*10^{-5}$	0.000182	0.01 mg/m³	0.1 mg/m³
Beryllium [t/year]	0.0000012		0.0000012		0.0000012		$6,55*10^{-7}$		1.07502 t/year	
SOx	0		0		0		0			
Ventilation exhaustion in beryllium deposit area										
Beryllium [mg/m³]	0.00018	0.000168	0.00018	0.00018	0.00018	0.00018	$5,01*10^{-5}$	0.000178	0.1 mg/m³	0.1 mg/m³
Beryllium [t/year]	0.0000012		0.0000012		0.0000012		$6,55*10^{-7}$		$7,17*10^{-4}$	

Supervision of the beryllium concentrate in the exterior air takes place through a beryllium sampling point (45) located outside the beryllium work area (Beryllium Deposit Area), for which chemical determinations are carried out in the NFP's Chemical Analysis Laboratory, and which is connected with the Central Aerosol Sampling System (CASS).

The values recorded in 2023 are shown in table below:

Item no.	Month	Measured value [µgBe/m³]	Maximum permissible Be concentration limit [µgBe/m³]
1	January	0.00063	0.009
2	February	0.00089	
3	March	0.00131	
4	April	0.00093	
5	May	0.00054	
6	June	0.00060	
7	July	0.00108	
8	August	0.00298	
9	September	0.00142	
10	October	0.00108	
11	November	0.00060	
12	December	0.00060	



Radioactive emissions

Radioactive emissions – Cernavoda NPP

The main pollutants found in the air discharged from the Reactor Building and the Utilities Building are: tritium, solid particles, iodine and noble gases. These are taken over by the plant's ventilation systems and are treated accordingly in the D20 vapor recovery systems and the ventilation and air filtration systems. The contaminated or potentially contaminated air is collected by the ventilation systems and is discharged via a common exhaust stack after filtering and monitoring.

The radioactive gas emissions are supervised by continuously monitoring the air discharged through the plant's stack with the aid of the Gas Effluents Monitor. For the releases of the potentially radioactive air, Derived Emission Limits have been set for each radionuclide, as approved by the regulator, i.e. CNCAN. The air filtration process ensures that releases into the air are kept within the limits approved by CNCAN.

The Derived Emission Limits are maximum quantities legally allowed or authorized for radionuclides that are released into the air so that neither the health of the population, nor the environment are affected. When calculating the atmosphere emission limits, the food chain and any potential concentration phenomena in some species are considered.

Values of emission of liquid and gaseous radioactive effluents – Cernavoda NPP:

	2020	2021	2022	2023
Radioactive emissions into the environment U1+U2 [µSv]	5.60	7.40	7.85	8.60
Annual target set by Cernavoda NPP [µSv/year]	< 8.5	<9	<9	<9
Dose constraint for Cernavoda NPP [µSv/year]	250	250	250	250
Legal limit for individual members of the public [mSv/year]	1	1	1	1

Radioactive emissions – Pitesti NFP

Radioactive emissions are monitored in accordance with the requirements of the Permits for performance of nuclear activities, issued by CNCAN, which requirements are also taken over in the Environmental Permit of Pitesti NFP, issued under the Government Decision no. 568/2023 amending the Annex to the Government Decision no. 24/2019. Pitesti NFP performs monitoring of air contamination in both the outdoor environment and the working environment.

Exterior air monitoring

Radioactive emissions of radioactive gaseous effluents

The key radioactive pollutants are uranium airborne dusts (radioactive aerosols).

The release of radioactive gaseous effluents from the ventilation systems takes place via three dispersion stacks (Stack 1, Stack 2 and Stack 3); a Radioactive Gaseous Effluent Monitors (GEMs) is fitted to each stack to make continuous measurements and submit them online. The data collected via the three GEMs are transferred electronically to a dedicated computer in the Staff Radiation Protection and Dosimetry Laboratory (SRPDL). In order to avoid the release of uranium into the environment above the authorized limit, an administrative control limit was set below the alert threshold. These monitoring systems feature an acoustic and visual alarm system, so that when the alarm value reaches the administrative control limit, measures can be taken to avoid the release of large amounts of radioactive pollutants into the environment. The recorded data is processed and reported to the authorities, as required under the Environmental Permit.

According to the permits issued by CNCAN, Pitesti NFP is under the obligation to conduct maintenance and check calibration of this equipment with a CNCAN-authorized service provider. Thus, Pitesti NFP ensures the smooth operation of this equipment under services contract for corrective and preventive maintenance services and spare parts.

The frequency of the preventive maintenance sessions and the calibration checks is set out in the equipment user manual supplied by the manufacturer.

All three dispersion stacks are also equipped with a Stack Isokinetic Sampling System (SISS). A SISS consists of:

- Three isokinetic sampling units for uranium gas and powder sampling;
- One isokinetic sampling unit for beryllium gas and powder sampling;
- One control unit that manages sampling for all four sampling units.

The samples taken through SISS are analyzed on a monthly basis in the Chemical Analysis Laboratory of Pitesti NFP. SISS is used to conduct monthly monitoring of the amount of uranium discharged through the three dispersion stacks, as well as the monthly amount of beryllium discharged through the second dispersion stack.

The values recorded for the quantity of uranium discharged with the gaseous radioactive effluents, the volume of gaseous radioactive effluents discharged, and the maximum concentration of natural uranium in the gaseous effluents emitted, as well as the limits set under

the permits held by Pitesti NFP are shown in the following table:

	2023	Limit according to the Production Permit issued by CNCAN and to the Environmental Permit
Amount of uranium remove through radioactive gaseous effluents	0.466 [kg]	5 kg/year
Volume of radioactive gaseous effluents removed in 2023	0,839*10⁹ m³	1*10⁹ m³
Maximum concentration of natural uranium in the emitted gaseous effluents	0.556 [µgU/m³]	5 [µgU/m³]

For 2023, NFP assessed of the maximum dose that can be received by a person representative for the population, as a result of the activities carried out by Pitesti NFP, on the shared NRI-NFP platform.

Two critical groups were determined for assessment of the doses received by population, namely:
Group 1: the Guard and Protection Group of the Romanian Gendarmerie, positioned at the platform access gate, about 400 meters from NFP;

Group 2: the group of population most exposed to radioactive gaseous effluents emitted by the nuclear facilities on the NRI-NFP platform, consisting of individuals living in houses on the ESE edge of Town of Mioveni, located about 1 km W-NW of the NRI platform.

The 2023 assessment results show that the estimated doses for the two groups are:
- 0.37 µSv/year for Group 1
- 0.14 µSv/year for Group 2

The estimated values are well below the dose constraint set for Pitesti NFP, i.e. 10 µSv/year, for radioactive gaseous effluents.

Note: The dose constraint imposed for population by CNCAN, as resulting from the activities carried out on the shared NRI-NFP platform is 0.1 mSv/year (100 µSv/year) of which Pitesti NFP allocated 10 µSv/year to radioactive gaseous effluents.

In 2023, NFP set a performance indicator concerning *reduction of the amount of uranium released into the atmosphere through radioactive gaseous effluents, by reference to the number of fuel bundles produced, i.e. a maximum of 70.83 mgU/FB (17% of the amount of uranium authorized to be released through radioactive gaseous effluents according to the environmental permit, by reference to maximum authorized output)*

Amount of uranium removed through radioactive gaseous effluents at the dispersion stacks of Pitesti NFP, by reference to the number of nuclear fuel bundles produced:

	2020	2021	2022	2023
Amount of uranium removed – cumulative for the three dispersion stacks [mgU/year]	470,880	471,089	453,726	466,361
Number of nuclear fuel bundles produced	10,800	11,000	10,826	11,000
Ration between the quantity of uranium released through radioactive gaseous effluents and the number of nuclear fuel bundles produced	43.6	42.83	41.91	42.4

Radioactive monitoring of the external environment

Supervision of the exterior air radioactivity takes place through 6 sampling uranium connected to the Central Aerosol Sampling System (CASS), namely points 1, 3, 17, 34 and 42, located outside Halls I, II and III, and point 44 located outside Extension of Hall V - pellet sheath-loading), for which radiometric measurements are made in the Staff Radiation Protection and Dosimetry Laboratory of NFP.

As to the proper functioning of the Central Aerosol Sampling System, it can be stated that:

- The sampling flow rates are checked quarterly according to NFP internal procedures, using a metrologically-verified air flow calibrator. In addition, the sampling rates are checked daily by the staff of the Staff Radiation Protection and Dosimetry Laboratory.
- The manovacuummeter connected to the aerosol sampling pump is metrologically checked every year in the Metrology Laboratory of Pitesti NFP.
- The Central Aerosol Sampling System is included in the list of checks/maintenance operations prepared annually by NFP. These activities are carried out by the staff of the Mechanical, Energy and Utilities Section.

Maximum measured values for radioactive concentration of exterior environment air in years 2020-2023:

	Maximum measured value 2020 [Bq/m³]	Maximum measured value 2021 [Bq/m³]	Maximum measured value 2022 [Bq/m³]	Maximum measured value 2023 [Bq/m³]
Sampling point – 1	0.053	0.027	0.028	0.016
Sampling point – 3	0.040	0.030	0.038	0.028
Sampling point – 17	0.024	0.012	0.035	0.021
Sampling point – 34	0.033	0.032	0.044	0.032
Sampling point – 42	0.033	0.026	0.042	0.023
Sampling point – 44	0.030	0.033	0.040	0.020
Administrative control limit [Bq/m³]	0.08	0.08	0.08	0.08

Dose rates

Since 2010, in order to improve the environmental radioactivity monitoring, Pitesti NFP has introduced a new quality parameter for air radioactivity by measuring the gamma dose rate at the site boundary. The points where gamma dose rate measurements are performed were set 1 m away from the soil surface, were located, for guidance, along the perimeter fencing of Pitesti NFP. Measurements are carried out weekly (each time at the same set points), with hand-held, metrologically checked equipment from the Staff Radiation Protection and Dosimetry Laboratory.

Measured values for dose rate in years 2020-2023:

	Average value 2020 [µSv/h]	Average value 2021 [µSv/h]	Average value 2022 [µSv/h]	Average value 2023 [µSv/h]
Point V1	0.085	0.081	0.089	0.1282
Point V2	0.106	0.099	0.103	0.1524
Point V3	0.113	0.118	0.135	0.2045
Point V4	0.13	0.123	0.126	0.1682
Point V5	0.19	0.221	0.267	0.3453
Point V6	0.189	0.184	0.194	0.2563
Point V7	0.143	0.143	0.139	0.1471
Point V8	0.116	0.104	0.108	0.1341
Point V9	0.105	0.096	0.1	0.131
Point V10	0.098	0.094	0.097	0.1249
Population dose limit	1 µSv/h	1 µSv/h)	1 µSv/h	1 µSv/h

Dose monitoring at perimeter fence

To measure the ambient gamma dose at the site boundary (perimeter fencing), Pitesti NFP defined 10 measurement points, for which it uses 10 dosimeters. Measurements are made by the laboratory notified to CNCAN for this type of measurements.

The main objective of the radiation exposure control process is to keep exposures as low as reasonably achievable (the ALARA principle), thus guaranteeing a low impact on the environment and safety of the population health.

Measured values for monthly average doses in years 2020-2023:

	2020	2021	2022	2023
Gate 1 NFP	100.9	86.7	86.7	94.2
REMAT Platform	155.5	121.7	126.7	120.8
TSP Platform	149.1	140.0	148.3	146.7
Mechanic Processing Hall	106.4	80.0	95	94.2
KMP-A Warehouse	199.1	170.0	178.3	164.2
KMP-C Warehouse	183.6	150.0	124.2	150.8
Compressor station	112.7	81.7	95	95.8
Gate 2 NFP	100.9	77.5	90	94.2
Hall IV - punching	100.9	89.2	84.2	93.3
Outside NFP CASS point	102.7	90.8	90.8	103.3
LCA	LCA=1µSv/h (720 µSv/month)	LCA=1µSv/h (720 µSv/month)	LCA=1µSv/h (720 µSv/month)	LCA=1µSv/h (720 µSv/month)

Air monitoring in the work environment

Radioactive emissions

Airborne uranium powders/uranium aerosols – work environment – monitoring is performed through air sampling devices to control the uranium radioactive concentration in air - Central Aerosol Sampling System. Sample measurement for radioactive NOx is performed with the TENNELEC LB-5SE automatic counting system, according to the procedure *Sample measurement with the TENNELEC automatic counting system*, or with the EBERLINE SAC-4 and RaDEYE HEC hand-held counters, according to the procedure *Uranium smear sampling and measurement of samples with the EBERLINE SAC-4 hand-held counter* and the procedure *Sample measurement with the hand-held sample counter, Model RADEYE HEC.* Values are entered into the (computer) database and in the measurement records. The equipment listed above are metrologically-checked by authorized operators.

Non-radioactive emissions

Beryllium aerosols – through the sampling points connected to the Central Aerosol Sampling System, the beryllium content on filters is determined with physical and chemical methods in the NFP Chemical Analysis Laboratory.

NOx determinations – measurements are performed annually with accredited operators, under service contracts.

Collective doses and maximum individual doses
The effectiveness of the ALARA policy in Cernavoda NPP is monitored by performance indicators based on the internal and external operating experience, and their regular reporting and analysis.

Performance indicators emphasize the effectiveness of the radiation protection programmes in optimizing radiation exposure.

Developments in collective doses and ALARA performance indicators - NPP:

	2020	2021	2022	2023
Collective dose [Om mSv]	719.81	372.63	728.35	404.53
Internal collective dose [Om mSv]	185.81	74.56	172.38	98.4
Contribution of internal dose to total dose (%)	25.78	20	23.7	24.3
Maximum individual dose [mSv]	13.93	7.77	7.96	7.23
Average dose (Collective dose/ No. of persons exposed)	0.98	0.53	0.96	0.54

Dose limits	Measurement unit	Amount
Statutory limit for the individual dose of occupationally exposed staff	mSv/year	20
Administrative limit for the individual dose of occupationally exposed staff	mSv/year	14

Reports on each pollutant that was set a limit under the water management permit are submitted on a monthly basis to the environmental authorities. The indicator "Water polluters meet the limits under the Water Management Permit (%)" is calculated monthly and annually; for this, limits set out in the permit are not exceeded.

The Radiation Protection Department prepares and submits regular reports on the developments observed in collective doses and ALARA performance indicators, thus increasing the engagement of the Power Plant's staff in the control and optimization of the occupational exposure to ionizing radiation. How these objectives are attained is tracked via ALARA process, and the ALARA committees operate with excellent results.

Pitesti NFP

Developments in collective doses and ALARA performance indicators - NFP:

	2020	2021	2022	2023
Collective dose [Om mSv]	494,038	505.37	476,002	469,078
Internal collective dose [Om mSv]	49,266	56,039	47,884	44,185
Contribution of internal dose to total dose (%)	9.97	11.09	10.06	9.42
Maximum individual dose [mSv/year]	9,781	9,450	9,187	8,929
Medium dose (Collective dose / No. of persons exposed) [mSv/year]	1,270	1,299	1,286	1,234

ALARA indicator	Measurement unit	Amount
Maximum legal limit for individual dose	mSv/year	20
Maximum documentary limit for individual dose	mSv/year	15

Radioactive wastewater monitoring

Cernavoda NPP

The **radioactively contaminated waste water collection** system is intended to collect of all aqueous radioactive waste resulting from the power plant's process systems and from maintenance, overhaul and decontamination operations, followed by discharge of the cooling water from condensers into the discharge canal, but ensuring compliance with the regulated limits for radioactive material concentrations when discharged into the emissary. The discharge is done intermittently into the cooling water from condensers.

In order to ensure proper control and registration of radioactive discharges, the discharge of radioactive liquid effluents is done as follows:

- Before emptying a tank into the cooling water canal of the condenser, the tank content is recirculated to ensure good homogenization and a representative sample is taken to be measured in laboratory and determine the content of gamma and tritium radioactivity.
- Depending on results, the shift leader dispatcher authorizes the discharge, or the water is decontaminated.

During the discharge, the Liquid Effluent Monitor (LEM) monitors the global gamma activity that is discharged and stops the discharge in the event of an unexpected high activity.

Approximately 1,400 samples of water discharged from the plant are measured in the plant's Dosimetry Laboratory. The radioactivity monitoring results are centralized weekly and compared against the documentary limits of Cernavoda NPP and the committed environmental objectives.

In all years of commercial operation (26 years for U1 and 15 years for U2), the discharges of radioactive liquid effluents have been lower than the Derived Discharge Limit approved by authorities and stayed below the limits set out in the environmental objectives of Cernavoda NPP thanks to implementation of the Environmental Management System.

Pitesti NFP

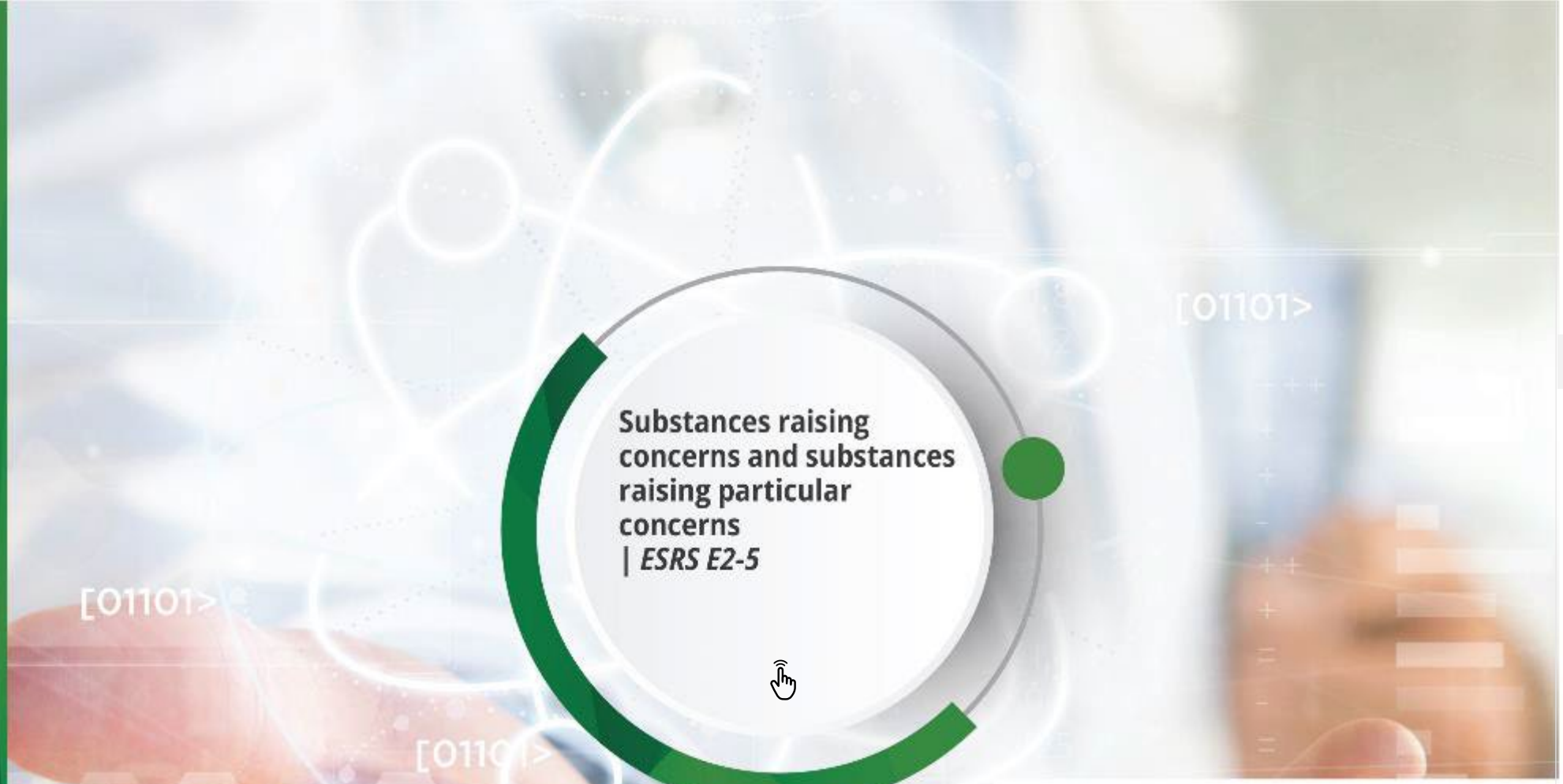
Production of CANDU-6 nuclear fuel can result into wastewater that can be treated as radioactive wastewater or radioactive liquid waste, which is managed as follows:

- Radioactive liquid waste comes mainly from Halls I, II and III, further to technological processes and decontamination operations, as well as from chemical analysis laboratories. This waste is collected at the Radioactive Liquid Waste Collection Station and is managed in accordance with the requirements of the procedure "Collection and Shipment of Radioactive Liquid Waste from NFP". Radioactive liquid waste with a concentration of maximum 2 mg U/L is transferred to the Wastewater Collection and Discharge Station, and that above this concentration is transferred to the RWTS-NRI for treatment and recovery of uranium as solid uranyl phosphate and return to NFP.
- Radioactive wastewater is collected in the Radioactive Water Collection and Discharge Plant, and is

controlled discharged into RATEN-NRI Pitesti Treatment Plant, after having performed analyses to determine that the limits set in the Pitesti NFP Environmental Permit are observed. Radioactive wastewater collection and discharge is an activity covered by the procedure *Collection, storage, analysis and disposal of radioactive wastewater*.

Quantities of radioactive wastewater discharged, i.e. quantities of radioactive liquid waste generated, as well as the limits set out in the NFP licenses – period 2020-2023:

	2020	2021	2022	2023	Limit under the environmental permit [m³]
Quantities of radioactive wastewater discharged by NFP in the TP of RATEN-NRI [m³]	1050	1150	850	850	2000
Amount of liquid radioactive waste transferred to the Radioactive Liquid Waste Treatment Plant [m³]	440	380	270	330	800



Substances raising concerns and substances raising particular concerns | *ESRS E2-5*

SNN pays great importance to implementation of all necessary measures to prevent major accidents involving dangerous substances.

Use of chemicals of concern – Cernavoda NPP

Cernavoda NPP is uses substances and mixtures of concerned for the chemical control of the fluids in the power plant's circuits and equipment, for maintenance and repair purposes, for laboratory analyses and in activities/services implementing the changes/projects developed on site.

Procedures for the management of chemicals, which ensure a thorough quantitative and qualitative control, plus duly monitoring and reporting to the competent authorities, have been approved and are in place for the site.

The chemical products purchased directly or under services contracts and used in the activities of Cernavoda NPP are classified, packaged and labeled according to the legal requirements in force REACH Regulation, CLP Regulation, etc.). Also, the biocidal products acquired directly or under services contracts are also accompanied by the Clearances issued by the Ministry of Health in accordance with the legislation in force, are quantitatively and qualitatively monitored under the same conditions as those laid down in the procedures of Cernavoda NPP, and are reported on in accordance with the requirements and limits of the environmental permits.

All chemicals used in the site activities are assessed/cleared and included in the List of Approved Chemicals; any product not appearing on this list shall not be used. The Safety Data Sheet of the products concerned are enclosed to any work package or work plan which use substances or mixtures. Also, for the activities where certain substances or dangerous mixtures are used in large quantities, an initial training is delivered to the staff who are to carry out the (Pre-Work Preliminary Training (PWPT), and who are thus presented the hazards and adequate measures in case of accidental leaks.

The emergency procedures under the Site Emergency Plan feature actions in case of leakages or contamination with dangerous chemicals, as well as procedures that regulate the flow for advising the authorities of reportable events. So far, there have been no reportable events with impact on the environment and the population.

Use of chemicals of concern – Pitesti NFP

NFP is a an end-user, and the substances and mixtures of concern purchased for use in the technological processes or in laboratory analyses are kept in their original packaging, and are stored depending on compatibility (compatibilities are determined by the staff of the chemical analysis laboratory) in warehouses with controlled access.

When preparing the documentation for acquisition of substances and mixtures of concern, the requirements concerning their classification, packaging and labeling under the Regulation (EC) no. 1907/2006, concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), as subsequently amended and supplemented, and the Regulation (EC) no. 1272/2008 on classification, labelling and packaging of substances and mixtures, as subsequently amended and supplemented.

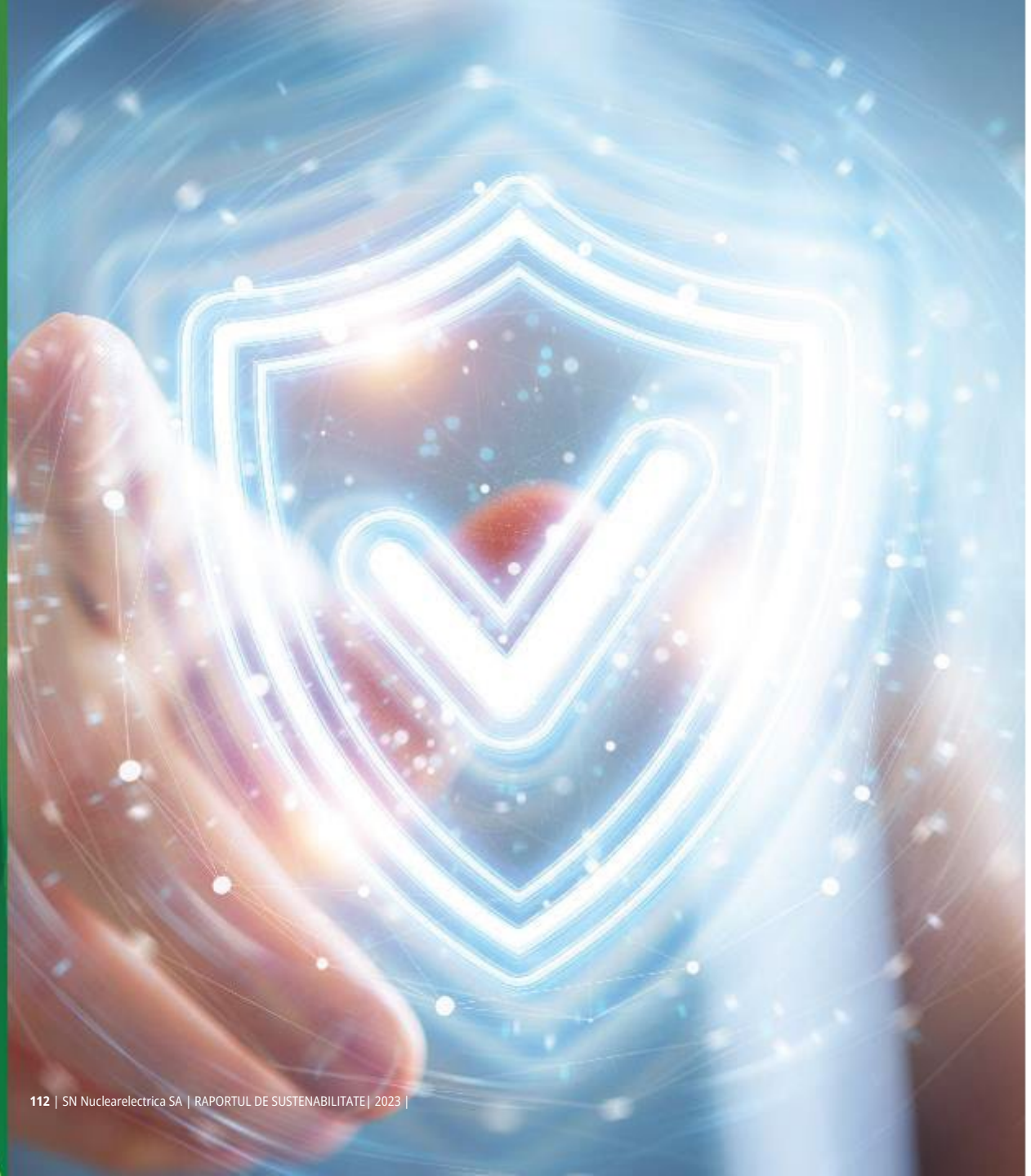
The substances and mixtures of concern used in NFP are accompanied by Safety Data-Sheets, are kept in the manufacturer's packaging, and are subject to procedural requirements, that both at ordering and at taking-over, as well as during regular inspections, the integrity and tightness of the packaging, the correct labeling with information on the name of the product, the brand of the factory and the name of the manufacturer, the date of manufacture, and the warranty period are strictly monitored; all of this is data strictly needed for first aid in order to avoid chemical hazards, for removal of residual products and, where applicable, for application of restrictions on the use of the product. In the event of an accidental damage to the packaging, the chemical product is transferred to other containers compatible with its characteristics, ensuring that these are clean so as not to contaminate the product, are properly labeled and meet any other specific requirements.

For the works carried out in Pitesti NFP, which use substances and mixtures of concern, these are accompanied by Safety Data-Sheets.

The environmental impact transport or use and disposal of products and services

Pitesti NFP carries out the following types of transport:

- Nuclear fuel bundles to/from Cernavoda NPP (Unit 1 and Unit 2)
- Sinterable UO2 powder from PFCU Feldioara to Pitesti NFP



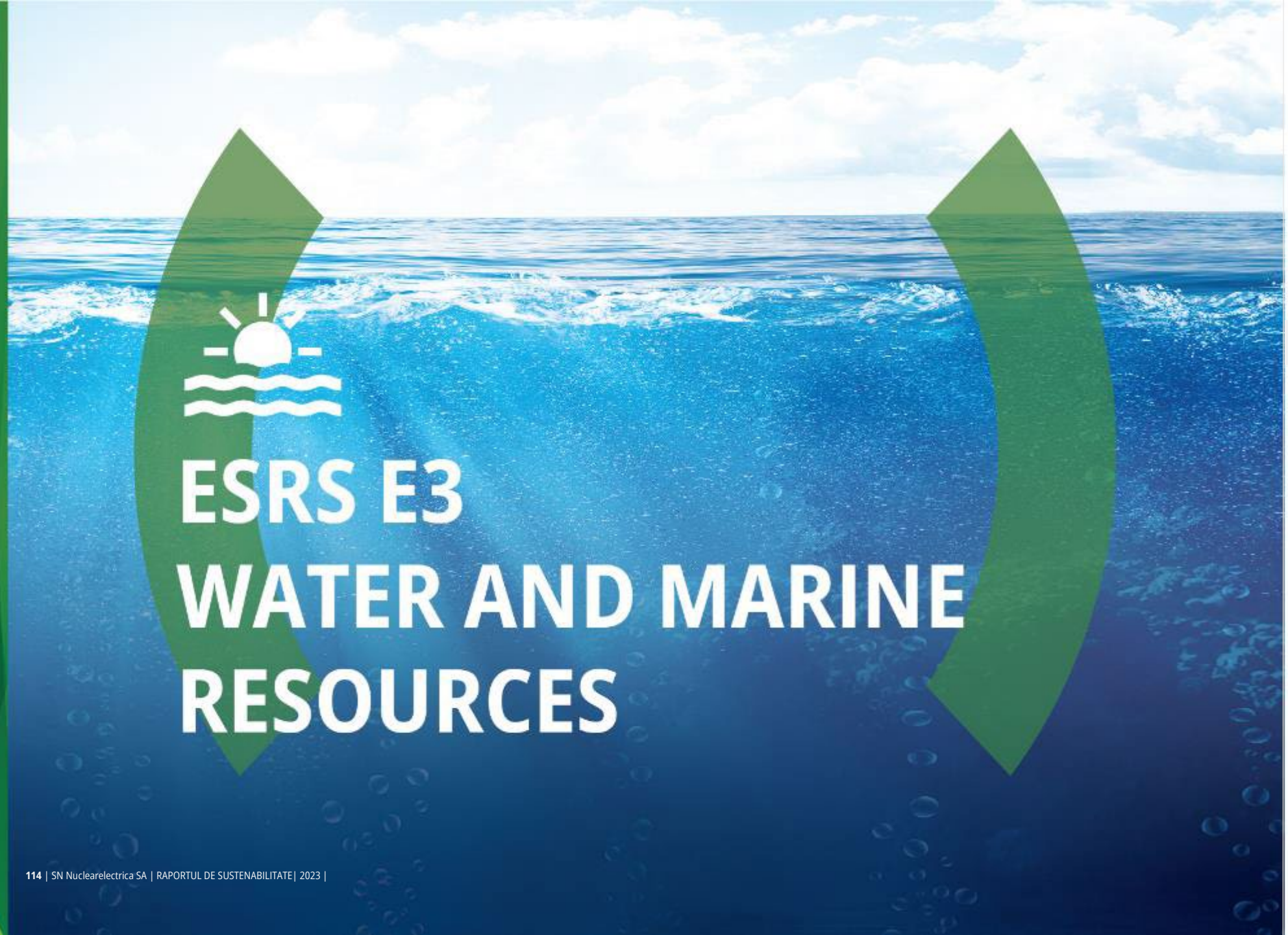
- Noncompliant nuclear material from Pitesti NFP to FPCU Feldioara
- Solid radioactive waste contaminated with natural uranium from Pitesti NFP to the Final Landfill of Feldioara CNU Branch
- Other transport authorized by CNCAN

The transport of radioactive materials takes place with authorized means of transport, and drivers certified to carry Class 7 hazardous goods.

For each transport of radioactive material, dosimetry measurements are performed both on the means of transport and on the attending staff, according to the Programme for protection against ionizing radiation in transport of radioactive material. After each transport and transfer of radioactive materials, a report is prepared on how the transport and transfer took place, which is submitted to CNCAN.

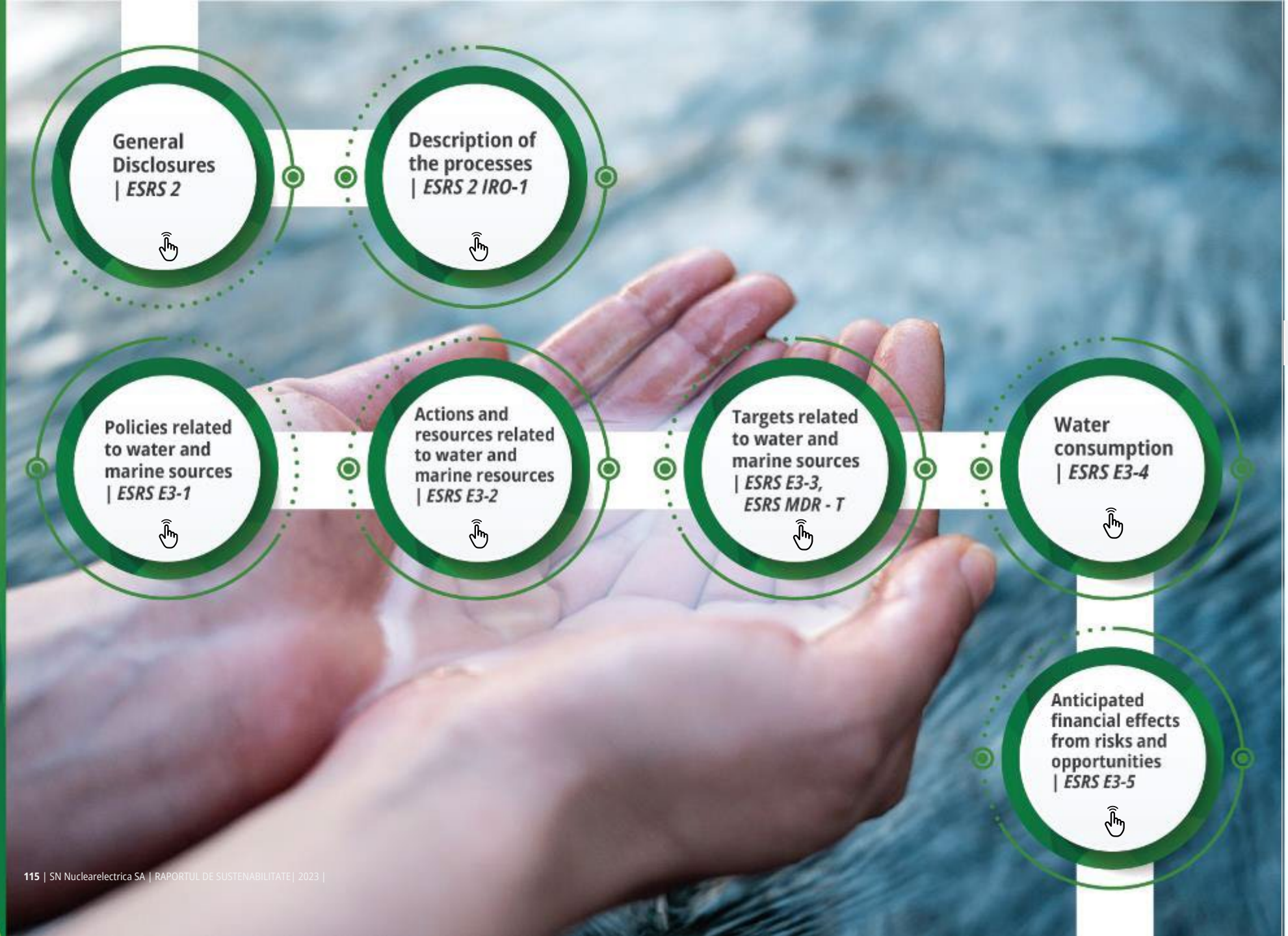
Anticipated financial effects from pollution-related impacts, risks and opportunities | *ESRS E2-6*

The short, medium and long-term **financial effects** on SNN of the risks arising from the pollution impacts on the environment are assessed in the dual materiality assessment process to be very low (below 0.1% of annual turnover) for air, water, soil, living organisms and food resources pollution. As to the pollution with substance of concern, the short, medium and long-term financial effects of the risks arising from the impactof pollution with substances of very high concern on SNN are estimated to have a material financial impact (above 0.7%, but below 2.0% of turnover).



ESRS E3 WATER AND MARINE RESOURCES

SNN - Water and marine resources



For SNN, and particularly for Cernavoda NPP, water is an important resource because it is used to cool down the plant's systems.

Cernavoda NPP

The use of water for the technological processes of Cernavoda NPP is foreseen under the design; the water used to cool down the system is taken from the Danube, via the Danube - Black Sea Canal; then, the hot water is discharged back into the river.

The water is captured via a free-level intake located on a bypass of the Danube - Black Sea Canal - Reach I, reaches the NPP's distribution basin, from where, having been mechanically cleaned in the Unit of Sieves U1 and U2 and pumped via the Units of Pumps U1 and U2, it cools down the turbine condenser of Unit 1, respectively of Unit 2, as well as some heat exchangers in the two nuclear units. The water taken from the Danube never comes into contact with the primary circuit (the nuclear part of the plant). Water is returned to the Danube via the Seimeni Canal or, by way of exception, to the Canal Danube - Black Sea, Reach II.

The water flow collected is double the discharged flow, with but negligible water losses along the circuit (under normal operating conditions, 98% of the Danube water returns to the river). At high levels of the Danube, the effect of water sampling is not felt for Cernavoda.

The cold water usage in the process water circuits is strictly metered. The water volumes and flow rates are authorized for operation of the 2 units under a 365 days/year and 24/7 regime, according to the Water Management Permit in force. Since the Danube can ensure the necessary cooling flow, the hydrotechnical circuit was designed to operate in an open mode; thus, the process requirements cannot justify a reduction of the amount of water used for cooling purposes.

In wintertime, a fraction of the hot water flow (25%÷70%) is discharged into the NPP's distribution basin to prevent sludge formation (ice crust), with notice given to the "Apele Romane" National Administration/Dobrogea-Seashore Water Basin Administration, with no thermal influence on the water bypass or Reach I of the Danube - Black Sea Canal.

According to the Water Management Permit (WMP), the water temperature when leaving the power plant must meet the following conditions:

- in reach II of the Danube - Black Sea Canal, it will be maximum 10°C above the water temperature of Reach I of the DBSC, so that the water temperature in this reach, downstream of the canal's discharge point, does not exceed 25°C.
- in the Danube, it will be maximum 10°C above the water temperature of the Danube River; however, not higher than 35°C after passing through the mixing zone.

Drinking water is supplied on the site of Cernavoda NPP from:

- underground own source, via deep pits. From the deep pits (FJ1 and FJ2), in the NPP's area, water is extracted with submersible pumps and carried to the Drinking Water Treatment Plant (DWTP) on the site. Cernavoda NPP holds the Sanitary Operating Permit no. 42/20.02.2012, issued by the Public Health Directorate of Constanta, for FJ1, FJ2 and the Treatment and Chlorination Stations; this permit must be applied a visa every year in order to prove that all conditions therein are met.

- from the zonal drinking water supply system of town city of Cernavoda (operator: S.C. RAJA S.A. Constanta).

The sites of the nuclear units of Cernavoda have been subject to many hydrological surveys conducted to confirm that the area is not subject to hydric stress and that the necessary water quantities are permanently ensured. However, the potential periods of prolonged drought that can lead to a lower flow rate of the Danube have been taken into account, and technical and administrative measures are considered to help protect of the plant, the environment and the population, such as, for instance:

- permanent monitoring of the water flow-rate on the Danube, under the collaboration protocols duly executed with the National Institute of Meteorology;
- availability of internal action procedures for the case where the minimum flow-rate required to cover for the water demand cannot be ensured.

Pitesti NFP

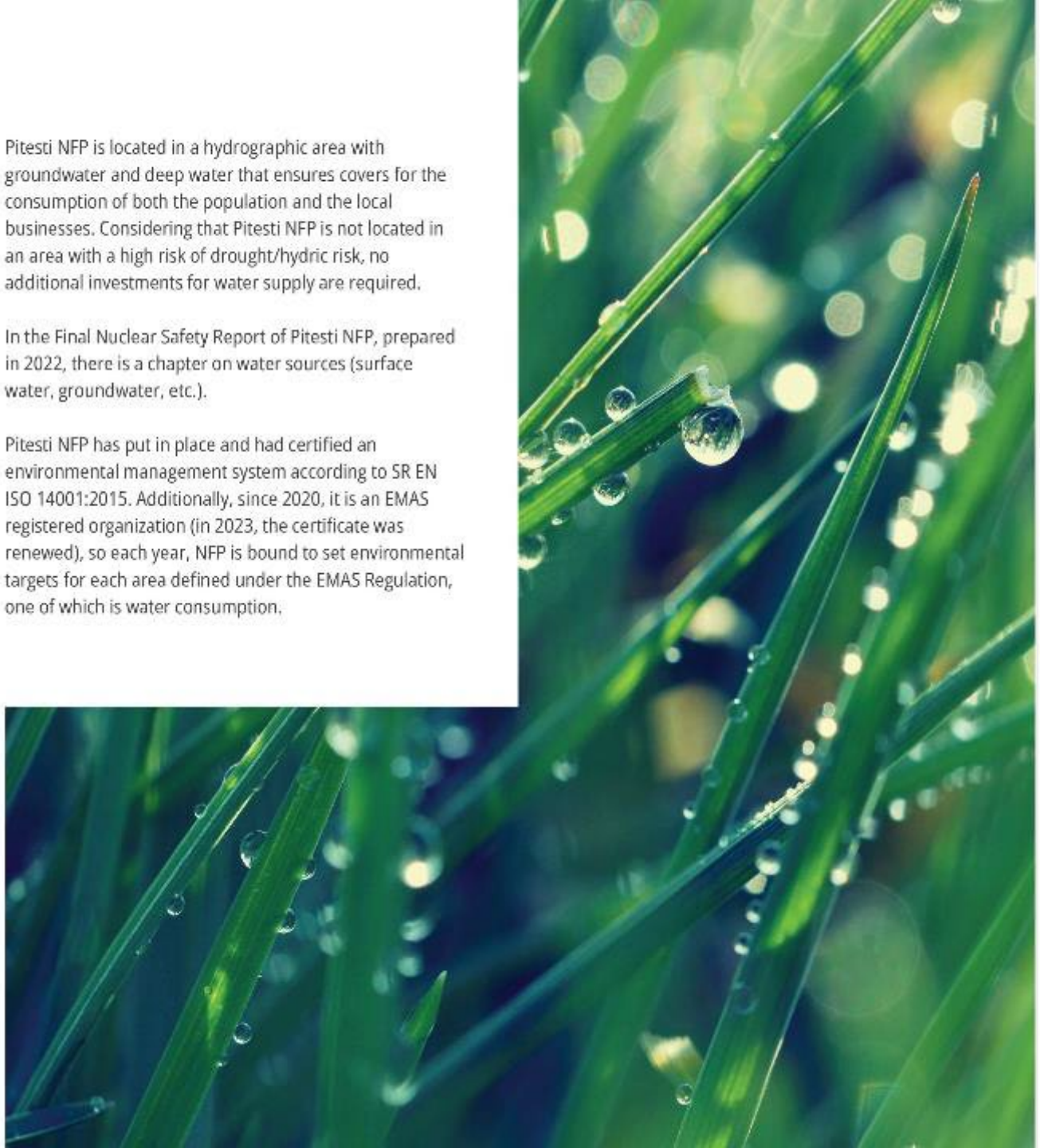
The water supply and sewage system, as well as the right to use the water for the entire NRI-NFP nuclear platform is assigned to the Nuclear Research Institute of Pitesti of the Autonomous State-Owned Enterprise for Nuclear Energy Technologies (RATEN-NRI Pitesti), as holder of the water management permits issued by "Apele Romane" National Administration of Arges - Vedea-Pitesti Water Basin Administration.

Drinking and industrial water for Pitesti NFP is supplied by RATEN-NRI under an agreement, i.e. a utilities supply contract.

Pitesti NFP is located in a hydrographic area with groundwater and deep water that ensures covers for the consumption of both the population and the local businesses. Considering that Pitesti NFP is not located in an area with a high risk of drought/hydric risk, no additional investments for water supply are required.

In the Final Nuclear Safety Report of Pitesti NFP, prepared in 2022, there is a chapter on water sources (surface water, groundwater, etc.).

Pitesti NFP has put in place and had certified an environmental management system according to SR EN ISO 14001:2015. Additionally, since 2020, it is an EMAS registered organization (in 2023, the certificate was renewed), so each year, NFP is bound to set environmental targets for each area defined under the EMAS Regulation, one of which is water consumption.



Sub-topic	Sub-sub-topic	Impact	Risk/Opportunity
Water resources	*Water withdrawal*	**Potential negative impact** when the Danube water downstream heating limit is exceeded due to the use of water to cool down the plant.	**Risk:** failure to comply with the limits set out in the Water Management Permit. To prevent this from reoccurring, specific technical measures are envisaged.
		Potential negative impact across the distribution/suction basin below the admissible limit, *i.e.* lowering of the Danube water level.	**Risk:** shutting down the plant by Cernavoda NPP. To mitigate the risk exposure, number of technical and organizational measures are envisaged.
		Potential negative impact due to the decrease in thermal efficiency of condensers as a result of the higher temperatures of the Danube water.	**Risk:** lower thermal efficiency of condenser and, implicitly, reducing the quantity of produced electricity.
	Water consumption	**Potential negative impact** due to consumption of drinking water from drills.	**Risk:** lowering of groundwater table.
	Discharges into surface water	**Potential negative impact** due to the shutdown of the Cernavoda NPP Units for an unspecified period of time, as a result of the filter sieve clogging due to intrusion of invasive aquatic species that are not specific to the area and with virulent breeding, favored by the extreme weather conditions.	**Risk:** financial losses due to the shutdown of production Units. Risk mitigation measures: 1. Monitoring the temperature of cooling water in the intake canal 2. Organization of the site cleaning activity under a continuous working regime (work in 24/24 shifts) 3. Procedure for evacuation of algae from the Sieve Building via the U1-U5 collector; it is currently being issued

The water resources-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources and the risk registers, as summarized in the table below and addressed in the following sections.

The short, medium and long-term **financial effects** on SNN of the risks arising from the impacts on water resources are assessed in the double materiality assessment to be very low (below 0.1% of annual turnover) for air, water, soil, living organisms and food resources pollution.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

SNN's activities do not involve the use of water from seas and oceans, nor any wastewater is discharged into oceans and seas, and SNN has no impact on the marine resources.

There are no dedicated policies covering water resources, but the commitment to keep the volume of radioactivity releases into water below the regulated levels is provided in both the Environmental Protection Policy and the Company's ESG Policy, as assumed by the SNN management.

Also, under the integrated management systems and the water management permits, SNN takes up the responsibility to manage the water resources in a sustainable way, taking into account observance of certain water quality indicators and protection of the ecosystems and the human health.

Cernavoda NPP

Currently, Cernavoda NPP holds the Water Management Permit no. 72 of 6 September 2021, amending the Permit no. 58/01.07.2021 on Water Supply and Waste Water Discharge for U1 and U2 of CERNAVODA NPP" (valid until 30 June 2026), issued by "Apele Romane" National Administration. Under this, Cernavoda NPP is authorized to use the Danube River water, via the Danube - Black Sea Canal, Reach I, as cooling water.

Also, under the Water Management permit no. 94/28.06.2022, issued by Dobrogea-Seashore Water Basin Administration for the Spent Fuel Intermediate Storage (SFIS) and valid until 30 June 2024, Cernavoda NPP has the right to use the hydraulic engineering structures and receptors to discharge the rainwater from the surface of the Spent Fuel Intermediate Storage and to discharge the rainwater into Cismelei Valley; however, provided that the quality indicators related to the presence of radioactive elements observe the limits set by CNCAN.

Cernavoda NPP holds the Sanitary Operating Permit no. 42/20.02.2012, issued by the Public Health Directorate of Constanta, for FJ1, FJ2 drillings and the Treatment and Chlorination Stations; this permit must be applied a visa every year in order to prove that all conditions therein are met.

Pitesti NFP

Pitesti NFP does not hold a Water Management Permit because Pitesti NFP does not discharge any water into any outlet. The wastewater resulting from the activities carried out by Pitesti NFP is transferred to NRI Pitesti Wastewater Treatment Plant, and after treatment, this it is controlled discharged into the outlet.

The commitment to a rational use of resources, including water resources, was documented in the *Policy on nuclear safety, quality, protection against ionizing radiation, environment, occupational safety and health, control of nuclear guarantees, cyber security, and protection of classified information*, which is a document approved by Pitesti NFP Manager.

Under the procedures in force, an environmental analysis is prepared annual, and includes the following stages:

- Setting the organizational background;
- Stakeholder identification and determination of their relevant needs and expectations. Annually, the Integrated Management Representative reviews and updates, if need be, the list of stakeholders and their expectations;
- Identification of the applicable legal environmental requirements;
- Identification of the direct and indirect environmental matters related to all Pitesti NFP activities, taking into account the lifecycle outlooks of the nuclear fuel bundle (purchase of raw materials, production, transport/delivery, use and end-of-life treatment), and its impacts on the environment (actual and potential, beneficial and harmful);

- Definition of criteria for assessment of the importance of environmental matters, and identification of those environmental matters with a significant impact on the environment;
- Deep-dive into the environmental performance stemming from the specific NFP activities, and setting of the environmental objectives, indicators and targets;
- Determination of the measures needed to eliminate or minimize any adverse effect on the environment.

In this regard, Pitesti NFP envisages both reduction of the use of resource and aspects related to water pollution prevention and reduction.

Actions and resources related to water and marine resources | *ESRS E3-2*

The water resources-related actions are specific to each branch, and are aimed in particular at protecting the water sources.

Cernavoda NPP

In order to protect the water sources, Cernavoda NPP applies a number of technical and organizational measures:

1. The routine physical and chemical monitoring programme for the non-radioactive liquid effluent is designed to meet the following objectives, under normal plant operating conditions:
   - evidencing compliance with the environmental permits, for Cernavoda NPP;
   - supporting an independent assessment, based on the physical and chemical analysis of the source control effectiveness, effluent control and non-radioactive liquid effluent monitoring.

This programme is carried out according to the Water Management Permits (WMPs) in force (the chemicals that can be discharged into water, the discharge routes, the maximum concentration permitted in the non-radioactive liquid effluent are identified), and to the Protocol signed between Cernavoda NPP and the Dobrogea-Seashore Water Basin Administration of Constanta (identifies the physical and chemical parameters to be analyzed, the analysis frequency, and the sampling points).

2. Plants, systems and measures for water quality protection
   - *Radiooctively-contaminoted wastewater decontamination plant* - is intended to reduce radioactive contamination of radioactively-contaminated wastewater. Each of the U1 and U2 nuclear power units is equipped with a radioactively-contaminated water decontamination plant.
   - *The radiooctively contaminoted waste water collection system* – is designed to collect of all aqueous radioactive waste resulting from the power plant's process systems and from maintenance, overhaul and decontamination operations, followed by discharge of the cooling water from condensers into the discharge canal, but ensuring compliance with the regulated limits for radioactive material concentrations when discharged into the emissary. It is found at each of the nuclear power units U1 and U2.
   - *Plant for neutralization of the wastewater coming from the Water Chemical Treatment Plant (WTP)* - its role is to collect and neutralize the wastewater resulting from ionic resin regeneration in the demineralization plant, equipment washing, floor washing, etc. and to ensure the transfer to the siphoning basin of neutralized water with a pH in the range of 6.5 ÷ 9.0.
   - *Other wastewater treatment and control plants:*

Drainage systems - intended to collect groundwater related to buildings with various functions:

- screening and external drainage - related to the main buildings of each unit;
- to the Spent Fuel Pool;
- to the Reactor Building;
- to the Spent Fuel Intermediate Storage;
- to the non-radioactive waste collection centers;
- to the fuel station of the Start-Up Thermal Station;
- to the fuel station of the Back-Up Diesel Groups

Cernavoda NPP's current routine environmental monitoring programme also includes drinking water and rainwater sampling.

Type of sample	Sampling frequency	Analysis frequency
Surface waters	weekly	monthly
Water (CCW canal) (*)	weekly	weekly
Sweep water	monthly	monthly
Deep water table	monthly	monthly
Drinking water	monthly	monthly
Rainwater	depending on the weather conditions	depending on the sampling period

3. Monitoring of radioactive liquid effluents – radiological pollutants. According to the regulatory acts, in terms of radioactive contamination, before discharge, the beta and gamma activity of all water must be within the limits set by CNCAN. Radioactive monitoring is carried out according to the provisions of the licensing documents issued by the competent authority (CNCAN), throughout the service lifetime of the plant. The radioactivity in liquid effluents is measured by analysis of the samples from the Liquid Effluent Monitor (LEM). The Derived Emission Limits (DELs) for liquid discharges were calculated for each discharge route and each representative person of the population considered for liquid discharges into the Danube-Black Sea Canal and the Danube. The DELs of radioactive effluents in the environment are thus set so as to ensure that the dose constraints are met for the most exposed groups of individuals of the population (critical groups, i.e. adult and child 0 - 1 year old), with three different monitoring locations being set, depending on the two potential discharge routes:

a. Discharges into the Danube-Black Sea Canal: Town of Cernavoda, located 2 km away from the plant, and City of Constanta (only for drinking water, because about 40% of its population is supplied drinking water from the DBSC.
b. Discharges into the Danube: locality of Seimenii Mari, located on the Danube bank, approx. 1 km downstream the discharge point of the condenser cooling water discharge channel into the Danube.

In addition to the annual emission limits, shorter-term DELs have been approved to monitor and optimize the control of radioactive discharges: Quarterly DELs: 35% of annual and monthly DELs: 15% of annual DELs. Were short-term limits are exceeded, Cernavoda NPP is required to give notice CNCAN, to define the reasons that led to the increased discharges, and to put in place corrective measures to reduce the radioactive emissions.

For the discharge of liquid effluents into the Danube-Black Sea Canal, additional measures are implemented so that the radioactivity concentration in the canal water complies with the limits set under the drinking water legislation in force. The administrative and monitoring measures taken ensure compliance with the legal requirements for drinking water radioactivity (^{3}H concentration, overall alpha activity and overall beta activity). The plan of measures to limit the radioactivity concentration in the discharged water is presented to the authorities to obtain the discharge route switching permits.
Where, liquid effluents are discharged both into the Danube-Black Sea Canal and into the Danube during a given year, there is an additional condition that the sum of the doses received by a person of the critical group during that year, from these discharges, does not exceed 25 μSv.

There were no instances where the regulated parameters requiring remedial action were exceeded.

Pitesti NFP

Pitesti NFP is located in a hydrographic area with groundwater and deep water that ensures covers for the consumption of both the population and the local businesses. Considering that Pitesti NFP is not located in an area with a high risk of drought/hydric risk, no additional investments for water supply are required. Pitesti NFP is supplied with water by RATEN-NRI. Pitesti NFP does not carry out any water sampling.

Since Pitesti NFP is constantly concerned about environmental protection, use of resources, etc., under the *NFP Policy on nuclear safety, quality, protection against ionizing radiation, environment, occupationol safety and health, physical protection, control of nuclear safeguards, cyber security, and protection of classified information,* **the NFP management committed to take all necessary measures for the** *Monitoring, assessment and continuous improvement of the environmental performance, pollution prevention, sustoinable use of resources and biodiversity conservation.*

Pitesti NFP does not discharge any water into any outlet. Waste water is collected in the two stations held by NFP:

- the Waste Water Collection and Discharge Station (RWCDS-NFP)
- The Radioactive Liquid Waste Collection Station (RLWCS-NFP).

Depending on the uranium concentration, these are discharged into Pitesti NRI Treatment Station (TS-NRI) as radioactive waste water or are transferred by road tanker to Pitesti NRI Radioactive Waste Treatment Station (RWTS-NRI), as radioactive solid waste for treatment and uranium recovery.

In order to reduce the use of water, Pitesti NFP has taken a number of reduction measures along the years, namely:

- In order to reduce the consumption of domestic water, the measures consisted of delivering training to, and raising awareness of, the staff on the rational

use of resources, replacement of water mixing units by new photocell-equipped ones, checking the water routes and replacement of those areas where wear and tear was observed.
- To reduce the industrial water consumption, two cooling water recirculation plants were put into operation.

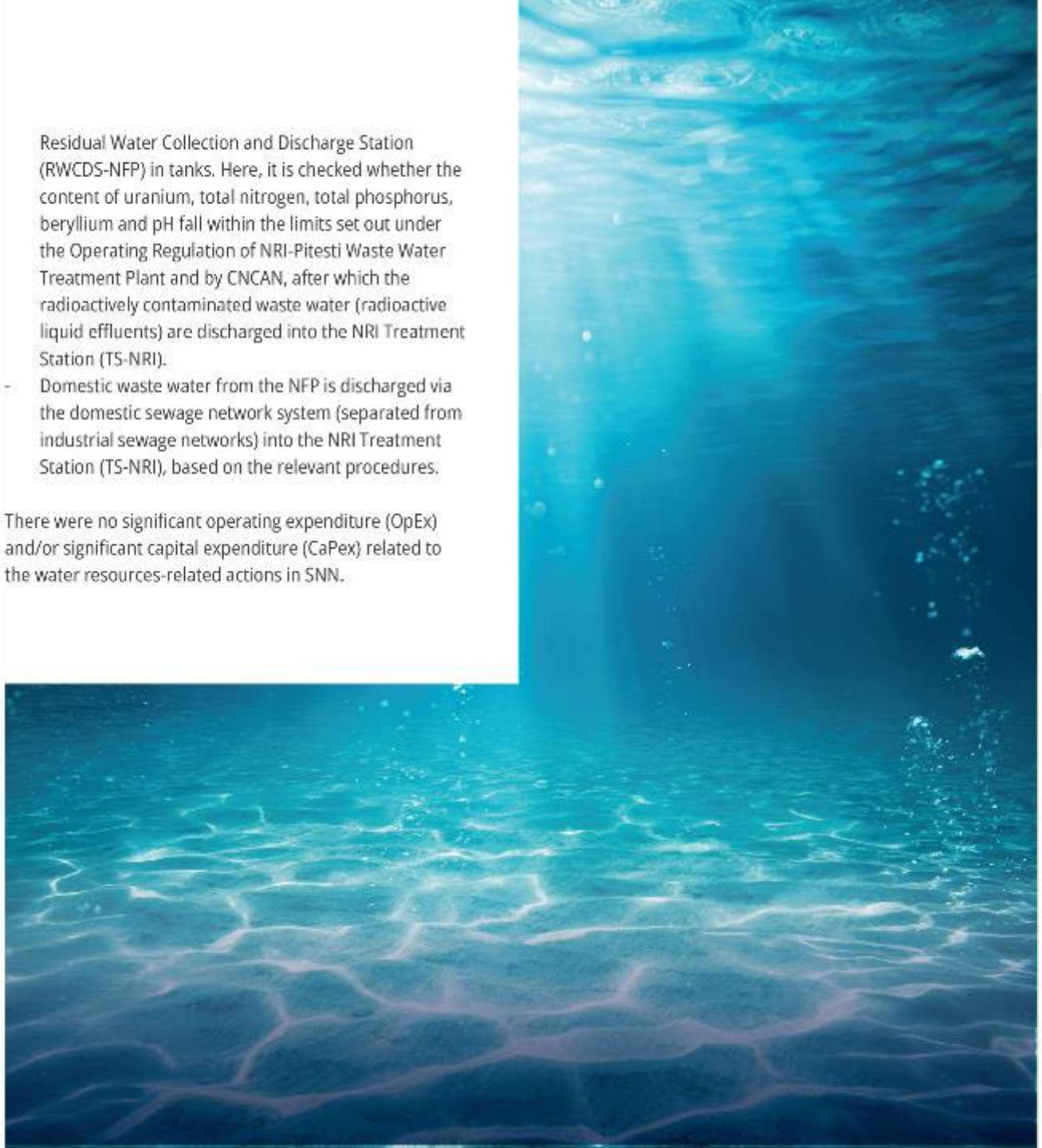
Also for 2023, Pitesti NFP set a performance indicator for the use of water, which consists in reducing use of water by 0.01%(*) in 2023, compared to 2021, based on the average headcount.

**Note: In setting the targets, NFP referred to year with the lowest consumption (5,505 m3 - in 2021); the percentage reductions of 0.01% were made annually, an analysis going back several years finds a progress, i.e. reduction in the water consumption from 7,868 m3 (amount recorded in 2020) down to 5,485 m3 (amount recorded in 2023).*

Sources of waste water:

- Radioactive liquid waste – is radioactively contaminated waste water of different concentrations, coming from the production and quality control activity, and is collected in the tanks of the Radioactive Liquid Waste Collection Station of NFP (RLWCS-NFP). Radioactively contaminated waste water, with a concentration of more than 2 mg U/L, is transferred for uranium recovery to the Radioactive Waste Treatment Station of NRI (RWTS-NRI), where precipitation with trisodium phosphate and ammonia, followed by settling, filtration and drying results into solid and dry uranyl phosphate that is returned to the NFP.
- Radioactive waste water - is waste water with a radioactive content below 1 mg U/L is collected together with the non-radioactive waste water at the Residual Water Collection and Discharge Station (RWCDS-NFP) in tanks. Here, it is checked whether the content of uranium, total nitrogen, total phosphorus, beryllium and pH fall within the limits set out under the Operating Regulation of NRI-Pitesti Waste Water Treatment Plant and by CNCAN, after which the radioactively contaminated waste water (radioactive liquid effluents) are discharged into the NRI Treatment Station (TS-NRI).
- Domestic waste water from the NFP is discharged via the domestic sewage network system (separated from industrial sewage networks) into the NRI Treatment Station (TS-NRI), based on the relevant procedures.

There were no significant operating expenditure (OpEx) and/or significant capital expenditure (CaPex) related to the water resources-related actions in SNN.



Targets related to water and marine sources | *ESRS E3-3, ESRS MDR - T*

By monitoring and controlling the use of water resources, SNN can have the big picture of the water resources.

Cernavoda NPP

The technology used to produce nuclear energy requires the use of a significant amount of water to cool down the heat transfer systems. For operation of Cernavoda NPP, the Danube water is used to ensure that the heat source is taken over from condensers. The amount of water used is set out under the project and can only be adjusted within very small limits, depending mainly on the outside temperature of the input water.

Any reduction in the amount of water required has an impact on the smooth operation of the installation. For this reason, Cernavoda NPP has no reduction targets as to the cooling water taken from the Danube because no streamlining to reduce the cooling water use factor can be foreseen.

According to the requirement of the Water Management Permit, the water need for the following year is determined. Thus, compared to the maximum volume of water drawn, as set out in the permit, the amount of water per unit/per month and total amount are estimated depending on the power plant's cooling needs (for instance, in summertime, between July and October, a larger amount of cooling water is needed compared to the rest of the year, or during planned shutdowns when maintenance activities are performed on the cooling circuits, the volume of water at the stopped unit is lower; this is the only measure that reduces the amount of water used from the Danube.

Volumes of process water, as authorized under the Water Management Permit for Cernavoda NPP:

2023	Volume
Process water	
Process water volumes and flow rates for operation of the two units under a 365 days/year and 24/7 regime.	
Qday max.	9,331,200 m³/day (108,000 l/s)
Qday average	6,863,616 m³/day (79,440 l/s)
Max. annual V	3,405,888 thousand m³
Average V annual	2,505,220 thousand m³

Drinking water is suppled from its own underground source, through 3 deep pits, two of which are located in the envelope, and one is located in the NPP Campus area.

Pit	Depth	Hydrostatic level (Nhs)	Hydrodynamic level (Nhd)	Flow rate (Q)
F1	700 m	4 m	10 m	16 l/s
F2	700 m	3.1 m	5 m	28.5 l/s
F3	700 m	5.17 m	5.92 m	21.2

Volumes of domestic water, as authorized under the Water Management Permit for Cernavoda NPP

2023	Volume
Domestic water	
Authorized volumes and flows rates of groundwater (F1 + F2)	
Qday max.	2,865 m³/day (33.15 l/s)
Qday average	2,660 m³/day (30.8 l/s)
Max. annual V	1,045.7 thousand m³
Average V annual	970.9 thousand m³
Volumes and flow rates of water authorized from the local drinking water supply system of Town of Cernavoda (through the operator: S.C. RAJA S.A. Constanta)	
Qday max.	2,160 m³/day (25.0 l/s)
Qday average	1,910 m³/day (22.1 l/s)
Max. annual V	788.4 thousand m³
Average V annual	697.15 thousand m³

Under normal conditions, when the Danube water level is normal, no measures to reduce water consumption are necessary. In certain instance, for example in case of drought, when the Danube water level is low, the water regulatory authority ("Apele Romane") enforces restrictions on the use of water for all economic operators. These restrictions are applied mainly to other economic operators and only then to the nuclear power plant, as this is the main and most important beneficiary of the Danube water, as coolant for its aggregates. However, in critical situations, the power plant must be shut down.

The targets set in Cernavoda NPP refer in particular to water quality targets assessed on two major areas:

- to check the quality of the radiologically-assessed water (SNN aims to maintain the volume of radioactivity releases into the air and water, below the regulated level);
- to check the quality of the physically and chemically assessed water.

From a **radiological** point of view, the liquid effluents of interest and the related Derived Emission Limits, as approved by CNCAN for the nuclear power units of Cernavoda NPP in operation, for each receiving waterway, are presented in the following table.

Derived Emission Limits approved by CNCAN for each of the nuclear units (U1, U2) in operation at Cernavoda NPP:

DELs for Liquid Effluent Emissions into the Danube – Black Sea Canal		DELs for Liquid Effluent Emissions into the Danube	
Radionuclide/ Group of Radionuclides	DEL (GBq/year)	Radionuclide/ Group of Radionuclides	DEL (GBq/year)
H-3	1.97E+06	H-3	4.92E+07
C-14	8,94E-01	C-14	4.28E+01
Beta-Gamma		Beta-Gamma	
I-131	9,07E-01	I-131	2.39E+01
I-132	8.53E+01	I-132	1.28E+03
I-133	1.92E+01	I-133	1.17E+02
I-134	2.45E+02	I-134	1.40E+03
I-135	2.58E+01	I-135	4.21E+02
Cr-51	2.87E+02	Cr-51	1.14E+03
Mn-54	2.22E+00	Mn-54	5.11E+01
Fe-59	2.19E+00	Fe-59	4.48E+01
Co-58	3.87E+00	Co-58	2.47E+01
Co-60	1,54E-01	Co-60	4.77E+00
Zn-65	5,33E-01	Zn-65	2.47E+01
Sr-89	3.67E+00	Sr-89	9.81E+01
Sr-90+	9,66E-02	Sr-90+	3.98E+00
Zr-95+	3.95E+00	Zr-95+	2.98E+01
Nb-95	1.41E+01	Nb-95	9.42E+01

DELs for Liquid Effluent Emissions into the Danube – Black Sea Canal		DELs for Liquid Effluent Emissions into the Danube	
Radionuclide/ Group of Radionuclides	DEL (GBq/year)	Radionuclide/ Group of Radionuclides	DEL (GBq/year)
Mo-99	4.82E+01	Mo-99	8.84E+02
Ru-103	1.75E+01	Ru-103	3.98E+01
Ru-106+	1.52E+00	Ru-106+	4.21E+01
Ag-110m	9,37E-01	Ag-110m	4.21E+01
Sb-122	1.33E+01	Sb-122	3.11E+02
Sb-124	3.31E+00	Sb-124	1.28E+02
Sb-125	1.49E+00	Sb-125	7.16E+01
Te-132	3.06E+00	Te-132	1.10E+02
Cs-134	4,68E-02	Cs-134	1.99E+00
Cs-137	4,78E-02	Cs-137	2.24E+00
Ba-140	4.64E+00	Ba-140	5.11E+01
Ce-141	1.67E+01	Ce-141	2.65E+02
Ce-144	1.93E+00	Ce-144	5.51E+01
Eu-152	1,49E-01	Eu-152	5.51E+00
Gd-153	1.97E+01	Gd-153	1.79E+02
Eu-154	2,02E-01	Eu-154	7.16E+00
Hf-181	1.11E+01	Hf-181	3.25E+02

From a non-radiological point of view, the regulated non-radioactive liquid effluents for the water discharged from Cernavoda NPP and the maximum permitted values are presented in the following table.

Regulated non-radioactive liquid effluents for the water discharged from Cernavoda NPP and the maximum permitted values:

Discharge water category	Quality ratios	Maximum permitted values mg/l
Domestic waste water (radioactively non-contaminated)	According to the Government Decision no. 188/NTPA 002/2002, as amended and supplemented by the Government Decision no. 352/2005, and the services contract signed with S.C. RAJA S.A. Constanta	
Process water	Temperature	*
	pH	6.5 – 9.0
	Particulate matters	25
	Total ionic iron	1.5
	Chlorides	250
	Sulphates	200
	Ammonium	3
	Phosphorus	1
	CBO5	15
	Sodium	100
	Calcium	150
	Magnesium	50
	Petroleum product	5 (without iriz.)
	Free residual chlorine	0.2
	Hydrazine	0.1
	Morpholine	0.4
	Cyclohexylamine	0.1
	Lithium hydroxide	0.025
	Mixture of hydrazine + lithium hydroxide	0.1 + 0.025
	Mixture of hydrazine + morpholine	0.1 + 0.4
	Mixture of hydrazine + morpholine + cyclohexylamine	0.1 + 0.4 + 0.1
	Rhodamine - discharging into the DBSC - discharging into the Danube	2.0 10.0
	Fluorescein - with discontinuous discharge	0.25
	RGCC-100	1.0 off-the-shelf product
	Biomate 5716	1.0
	Biocid MB-40	5.2 active substance 0.01 (ml/l) off-the-shelf product
	Ethylene glycol (DOWCAL 10)	< 1.0

Pitesti NFP

In Pitesti NFP, there have been no independent checks on the how water is used.

Cooperation with other entities to reduce the use of water is not pursued by Pitesti NFP.

Pitesti NFP does not hold a Water Management Permit, as the needed water is supplied by the Nuclear Research Institute (NRI) of Pitesti.

Pitesti NFP decided to implement the requirements of the Regulation (EC) No 1221/2019 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), as amended by the Regulation (EU) no. 2017/1505 of the Commission of 28 August 2017 and Regulation (EU) no. 2018/2026 of the Commission of 19 December 2018. The decision to implement the requirements of this regulation was made voluntarily; Pitesti NFP obtained the EMAS registration in 2020 and renewed it in 2023.

After EMAS registration, Pitesti NFP is required under the relevant Regulation to set performance indicators concerning the following areas:

- energy efficiency;
- material efficiency;
- water;
- waste;
- biodiversity (for this area, Pitesti NFP has not set any indicator, but provided reasons in support of the lack of business relevance of such an indicator);
- emissions.

Being an EMAS registered organization, Pitesti NFP is under the obligation to set annual environmental objectives, indicators and targets, and strives to obtain performance at all times. In order to attain these targets and to meet the objective, a programme setting out measures, actions, owners and implementation time-limits needs to be devised. Thus, the Environmental Management Programme is prepared annually to set out actions aimed at attaining the set targets. Stakeholders have not been involved in target-setting.

The list of environmental objectives and targets is enclosed to the Environmental Performance Report, a report prepared by the staff of the Nuclear Safety and Licensing Service and a part of the annual Management Review Report.

According to the Performance Indicators Evolution Report in early 2024, the performance indicator related to water use reduction by 0.01% in 2023 v 2021 has been achieved, and the effective water use reduction is 3.8%.

	2020	2021	2022	2023	2023	
					Planned	Achieved
Amount of water used (m^3)	7,868	5,505	5,317	5,489	16.298	15.68
Average headcount (Pitesti NFP)	338	338	341	350		
Ratio between the amount of water used and the average headcount	23.3	16.3	15.6	15.68		

For target-setting purposes, the baseline year considered was that with the lowest consumption, i.e. 5,505 m3, that is 2021. Percentage reductions of 0.01% were achieved each year.

For the amount Danube water used for cooling in Cernavoda NPP, an independent check is conducted by the regulator in order to make sure that the maximum permitted quantities are not exceeded, and the amounts of water used are confirmed by the water regulatory authority ("Apele Romane") at conclusion of the annual contracts (Apele Romane being the sole operator under the legislation in force).

A water recycling system does not apply to Cernavoda NPP because there is no actual water pollution with pollutants that require recycling.

Water consumption in **Cernavoda NPP**, broken down by each Unit and by type of water (domestic and industrial):

2023	Quantitative values
CERNAVODA NPP	
Domestic water	
Volume captured U1 (thousand m3/year)	369.752
Total volume Fj1 + Fj2	369.752
RAJA total volume	0
Volume captured U2 (thousand m3/year)	0
Total volume Fj1 + Fj2	0
RAJA total volume	0
Total water discharges (thousand m3/year)	369.752
Process water	
Total volume U1 (thousand m3/year)	1,245,430
Volume of fresh water	1,087,363
Recirculated volume	158,067
Total volume U2 (thousand m3/year)	1,160,809
Volume of fresh water	981,619
Recirculated volume	179,190
Total water discharges (thousand m3/year)	2,406,239
Total domestic water	

Pitesti NFP does not directly carry out any water sampling.

The water is supplied to the site under a services contract from the drinking water station located on the NRI-NFP platform, located in the premises of Pitesti NRI, consisting of two water storage tanks with V = 500 m3 each and built of reinforced concrete. From the storage tanks, water is distributed for drinking purposes via a pumping station made up of 4 pumps and one fire pump, in a branched distribution network through which it reaches the networks inside Pitesti NFP. Water quality is determined with analyses carried out by Public Health Directorate (PHD) of Arges; a copy of these reports is sent also to Pitesti NFP by RATEN-NRI. The quantities of drinking water and industrial water are measured by reading a meter.

The water supply for industrial purposes is provided from the treated raw water station to cover all needs of the entire NRI-NFP platform, located in the premises of Pitesti NRO, and which consists of two storage tanks with V = 1,000 m3 each. Water distribution for process-related purposes is done via a pumping station made up of 6 pumps and a branched distribution network to Pitesti NFP's networks. Industrial water is used as cooling water for the two production sections, i.e. for the sintering furnaces, the hydrogen station, the heat treatment furnaces, as well as certain support processes. With its two cooling water recirculation systems, Pitesti NFP obtains a smaller industrial water consumptions by recirculating the water existing in the two tanks, with no need to

continuously use industrial water from NFP. The current industrial water consumption for the two recirculation plants is about 30 m3, compared to the much higher consumption before their coming into service.

The water needed for fire fighting is supplied from the relevant water station located in the premises of Pitesti NRI, and which is made up of the intangible volume of 500 m3 available in the two drinking water storage tanks.

To produce domestic hot water, Pitesti NFP also uses a solar plant consisting of 30 solar panels, with ethylene glycol as the transfer medium. NFP also holds a water demineralization station and a cooling water recirculation plant.

Pitesti NFP does not discharge any water into any outlet; wastewater is transferred via a sewage system to the NRI Pitesti Treatment Plant (operator located on the a platform shared with NFP). In the Treatment Plant, this is treated, analyzed and then discharged into the outlet.

For 2023, Pitesti NFP did not set any targets to reduce the amount of wastewater discharged into the NRI Treatment Plant.

2023	CERNAVODA NPP	PITESTI NFP	TOTAL
Total water consumption (m^3)	2,406,608,752 m^3	5,636 m^3	2,406,614,388 m^3
Drinking water consumption (m^3)	369,752 m^3	5,489 m^3	375,241 m^3
Industrial water consumption (m^3)	2,406,239,000 m^3	147 m^3	2,406,239,147 m^3
Total water consumption in areas with water risk, including high water stress areas (m^3)	0	0	0
Total amount of recycled and reused water (m^3)	337,257,000 m^3	30 m^3	337,257. 030 m^3
Total amount of stored water (m^3)	3,000 m^3	1,000 m^3	4,000 m^3
Changes in storage (m^3)		0	0
Water consumption intensity (total water consumption in own operations in m^3 per net revenue, in million EUR)	-	-	-
Additional intensity rates	-	-	-
Total water sampling	2,406,608,752 m^3	5,636 m^3	2,406,614,388 m^3
Total water discharges	2,406,608,752 m^3	5,050.8 m^3	2,406,613,802.8 m^3

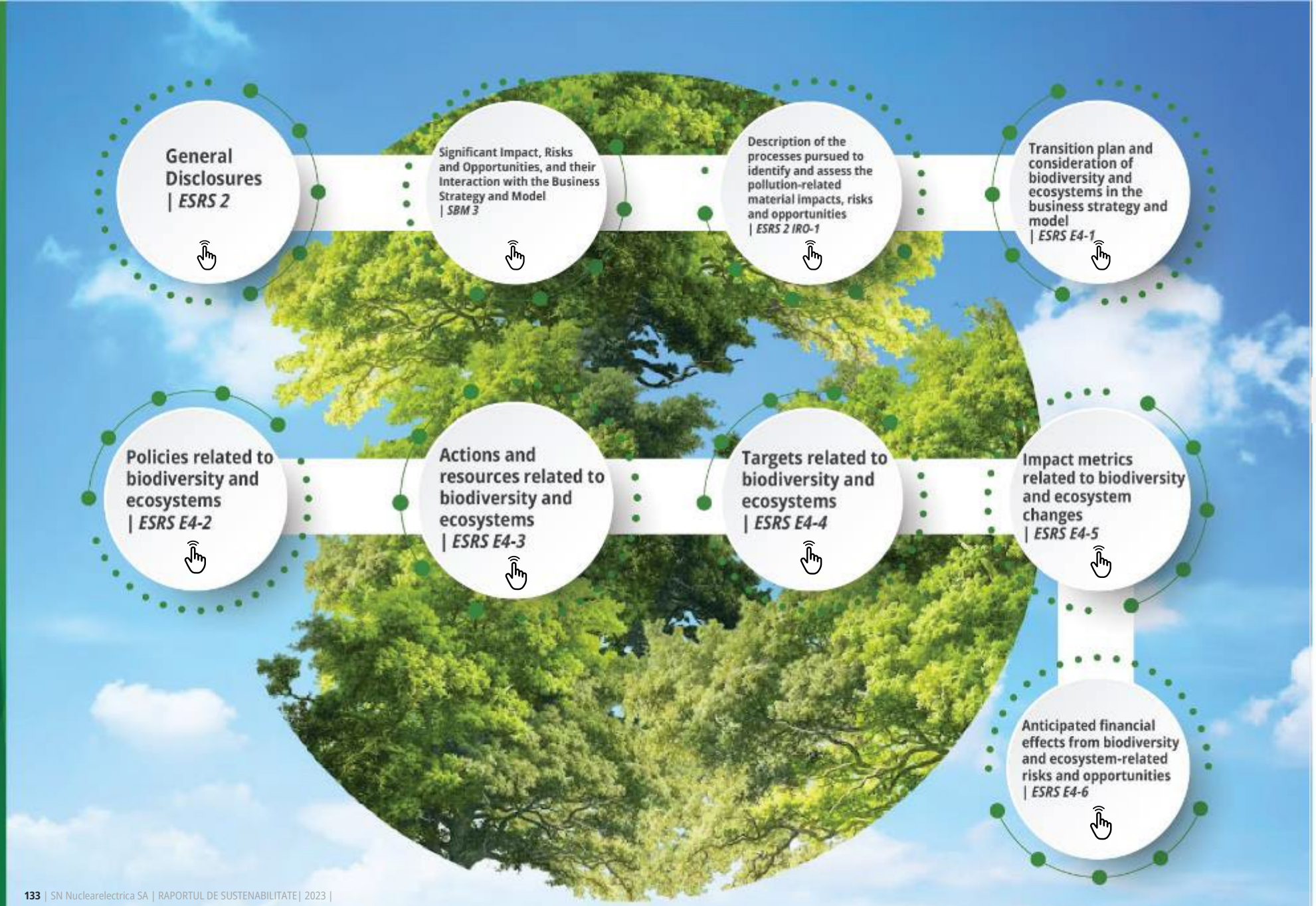
Anticipated financial effects from risks and opportunities related to water and marine resources | *ESRS E3-5*

The short, medium and long-term financial effects on SNN of the risks arising from the impacts on water resources are assessed in the double materiality assessment to be very low (below 0.1% of annual turnover) for air, water, soil, living organisms and food resources pollution.

No detailed quantification of the anticipated financial effects has been conducted in monetary terms, before considering the water-related actions.

ESRS E4 BIODIVERSITY AND ECOSYSTEMS

SNN - Biodiversity and ecosystems



General Disclosures | *ESRS 2*

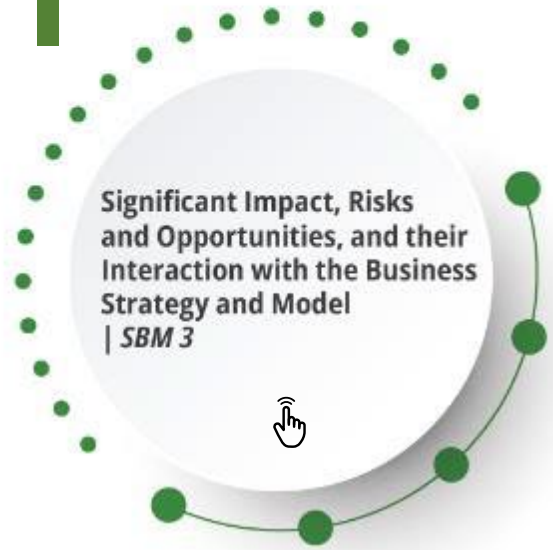
Given the Company's business profile, i.e. that of a nuclear energy producer, SNN should also consider the ecosystem where it operates, particularly where it can influence the biodiversity of the environment in which it is present. Thus, preparation, assimilation and update of the set of procedures related to the Environmental Management System in place in SNN should cover protection, monitoring and control of radioactivity, radioactive and non-radioactive waste management, management of chemicals of concern, water and biodiversity management.

The SNN could directly influence the loss of biodiversity through thermal pollution of the Danube water or in case of major nuclear accidents with serious consequences on soil, fauna or flora. The climate change-related factors are tackled the ESRS Chapter E1 – Climate Change. SNN's business has no impact whatsoever on the species characteristics, or the ecosystem condition and capacity to expand, i.e. impact and dependence on ecosystem services. SNN's activity does not involve direct exploitation of any fauna or flora and does not lead to the appearance of alien species Furthermore, SNN's activity does not lead to changes in the land use or groundwater or sea levels, or habitat destruction.

SNN sites do not overlap any protected natural areas of Community interest.

According to the environmental radioactivity monitoring programmes implemented in the pre-operational and operational phase of Cernavoda NPP, and to the specialty studies conducted for the projects on site in different operation stages, the flora and fauna in the area of influence of the NPP platform are not affected by the plant's operation. Since commissioning of the two units of Cernavoda NPP, no radiological risk situation has been observed for the habitats and species of conservation interest of the protected natural areas, or any radioactive effects on the local flora and fauna, in general.

Also, according to the Environmental Impact Report prepared for Pitesti NFP, for biodiversity the conclusions were as follows: *"The relatively large distances between the site and the Natura 2000 protected areas and the nature reserves, as well as the values projected further to the NRI-NFP platform-specific pollutant dispersion study carried out, ensure conservation of the species and habitats for which these have been designated; the project has an overall immaterial impact thereon, during both the construction and operation phases".*



In SNN, there are 2 sites that are considered to have a potential impact on biodiversity, namely Cernavoda NPP and Pitesti NFP.

Cernavoda NPP

The Nuclear Power Plant of Cernavoda is located in County of Constanta, about 2 km South-East from the limits of Town of Cernavoda, about 1.5 km North-East from the first lock of the Danube-Black Sea navigable canal, on the land in the area of the platform resulting from excavations of the former Ilie Barza limestone quarry, at 44°20' north latitude and 28°01' east longitude.

The actual and potential impacts on biodiversity on the own sites, and on the surroundings, were assessed in waves, by conducting complex environmental studies called *Environmental Impact Report* and *Environmental Balance-Sheet*, which addressed also the topic of biodiversity. All these studies are public[31] , and moreover, they are subject to public debate and consultation (for instance, in order to issue an environmental permit, the Ministry of Environment organized a public debate).

According to the 2022 County Report on the Environment Status[32] , published on the website of the Environmental Protection Agency of Constanta "the additional exposure of the local population due to operation of Cernavoda NPP is insignificant compared to natural exposure and under the domestic national and international regulations on the population exposure to nuclear practices".

[31] https://www.mmediu.ro/articol/snn-sa-sucursala-cne-cernavoda-solicitare-autorizatie-de-mediu-pentru-functionarea-unitatilor-1-si-2/2182
accessed 11/02/2024
https://www.mmediu.ro/articol/lucrari-de-construire-a-instalatiei-de-detritiere-apa-grea/3022
accessed 11/02/2024

[32] http://www.anpm.ro/web/apm-constanta/rapoarte-anuale1/-/asset_publisher/zx0kZaWCbnWT/content/raport-judetean-privind-starea-mediului-pe-anul-2022
accessed 28/02/2024

Also, according to the 2016 Health, Safety and Environment Report, published on the website of the National Public Health Institute, "Drinking water quality ensures compliance with the quality indicator value, at a total dose of 0.1 mSv per year. Tritium concentrations in the impact zone of Cernavoda NPP were below 100 Bq/l. The determinations conducted in 2016 on in drinking water or foodstuff found no contamination leading to a significant increase of the dose by ingestion in the territory of Romania". According to this report, the monitoring programme carried out by the laboratories of the Public Health Directorates consisted of determinations of global alpha and global beta activity, as well as of the natural and artificial radionuclide concentrations in samples of drinking water and foodstuff (milk and mixed diet).

Under the environmental legislation in force, namely:

- Minister Order (MO) no. 1964/2007 establishing the status of natural protected area for the sites of Community importance, as an integral part of the Natura 2000 European ecological network in Romania, as amended and supplemented by MO no. 2387/2011;
- Government Decision no. 1284/2007 declaring the special bird protection areas as an integral part of the Natura 2000 ecological network in Romania, as amended and supplemented by Government Decision no. 971/2011;
- Government Emergency Ordinance no. 57/2007 on the regime of protected natural areas, conservation of

natural habitats, and wildlife, as approved by Law no. 49/2011, as subsequently amended and supplemented;

The Cernavoda NPP platform is not located in any protected areas or sites or areas, but only in the vicinity of such areas. Most of the areas in the 30 km zone around the power plant, the banks of the Danube and Ialomitei Pond are covered by anthropic ecosystems. The biodiversity that existed before farming expansion in the reference area is being replaced over large areas, with the original flora and fauna being preserved on small "islands" surrounded by cereal crops.

The site of Cernavoda NPP is bordered to the north by Cismelei Valley, and to the south-west by County Road (DJ) 223. The closest Natura 2000 sites are Canaralele Dunarii (ROSCI0022) and ROSPA0002 "Allah Bair – Capidava, and may be the most susceptible in terms of biodiversity impact, given the proximity to the Cernavoda NPP platform and their location downstream the cooling water discharge outlet into the Danube.

Protected natural areas of Community and national interest located within a radius of 15 km from Cernavoda NPP:

Type of site		Code of site	Name of site	Comments
Natura2000	Site of Community importance	ROSCI0022	Canaralele Dunarii	– Approx. 2.2 km straight-line distance to the Cernavoda NPP platform – The cooling water from Cernavoda NPP is discharged through a circuit made up of boxes, tunnels, an open concrete canal and a dirt channel, discharging into the Danube 6.3 km away from the NPP platform's boundary. The northern end of the protected area is at a distance of approx. 52 km downstream the cooling water outlet into the Danube. The Stereo 70 coordinates of the confluence point are: X (North) 323843 m; Y (East) 742188 m
Natura2000	Site of Community importance	ROSCI0353	Pestera - Deleni	– Approx. 13.4 km SSE of the Cernavoda NPP platform
Natura2000	Site of Community importance_proposed	ROSCI0412	Ivrinezu	- An area proposed as a site of community Importance, which is found in the public thematic layer on the Ministry of Environment website (accessed in August 2017).
Natura2000	Special Bird Protection Area	ROSPA0001	Aliman - Adamclisi	– Approx. 11.5 km S-SW from the Cernavoda NPP platform
Natura2000	Special Bird Protection Area	ROSPA0002	Allah Bair - Capidava	– Approx. 10.3 km to the NPP platform – The southern boundary of the protected area is about 6.5 km downstream the cooling water outlet into the Danube. – Area declared by the Romanian Ornithological Society as Important Bird Area (IBA) - code RO107 Allah Bair-Capidava
Natura2000	Special Bird Protection Area	ROSPA0012	Bratul Borcea	– Approx. 10.06 km to Cernavoda NPP – The confluence Borcea Branch - the Danube is approx. 52 km downstream the cooling water outlet into the Danube.
RAMSAR	Wetland of international importance	RORMS0014		
Natura2000	Special Bird Protection Area	ROSPA0039	Dunare - Ostroave	– SW-W from the NPP; the closest point is located about 1.8 km from Cernavoda NPP – Upstream the cooling water intake for NPP and its return to the Danube.
IUCN	Monument of nature	RONPA0371	Locul fosilifer Cernavoda	– Approx. 2.6 km W-NW to the Cernavoda NPP platform
IUCN	Monument of nature	RONPA0372	Locul fosilifer Seimenii Mari	– Approx. 8.8 km N of the Cernavoda NPP platform
RAMSAR	Wetlands of international importance	RORMS0017	Ostroavele Dunarii - Bucgeac - Iortmac	- Includes the Natura2000 sites: ROSCI0022 Canaralele Dunarii, ROSPA0001 Aliman – Adamclisi, ROSPA0002 Allah Bair – Capidava.

The survey *Impact of the operation of Cernavoda Nuclear Power Plant on the Aquatic and Terrestrial Organisms in its Area of Influence* was conducted in years 2008 – 2012 and was followed up in 2013 – 2016 under the programme for monitoring the impact of the Cernavoda Nuclear Power Plant's operation on the aquatic and terrestrial organisms in its area of influence, did not highlight any material impact Cernavoda NPP's operation on the local biota.

According to the report produced further to the campaigns carried out in 2016 in the area of influence of Cernavoda NPP, no atypical changes in the structure of plant associations were observed. From an artificial association - lolium and trifolium - the turf that was part of the original landscape architecture - we have now a "new ecosystem", with a greater number of new plant species, the seeds of which have been carried naturally by birds or wind, increasing their variability. The evolution of plant associations from"simple" (a few) to "complex" (several species with a specific spatial arrangement) points to favorable conditions (unaltered by the plant's activity) for growth in the NPP ecosystem and for amplification of the gene pool diversity.

Also, according to the same survey, there is no need to intervene in the evolution of the ecosystem, and the signs of vegetation amplification and diversification support this claim. Snails, fish, birds, insects, etc. can be turn to account to justify the biosensors existing in the ecosystem, which a clear sign, even to non-*connoisseurs* , the existence of a clean environment.

Pitesti NFP

The Nuclear Fuel Plant is located on the NRI - Pitesti NFP shared platform, which covers an area of 47.90 ha, of which Pitesti NFP occupies 23,273.40 sq.m.

The site is located about 13.4 km NE of City of Pitesti (about 19.7 km by road), County of Arges, within the administrative territory of Town of Mioveni; the position of Pitesti NFP against the neighboring human settlements is as follows:

- to NNE, Racovita District (Mioveni), at approx. 2 km;
- to NW, Village of Negresti, at approx. 7 km;
- at W, Town of Mioveni (former Colibasi), at approx. 3 km;
- to W-SW, Colibasi district (Mioveni) and DACIA RENAULT companies, at approx. 2.5÷3 km.

The site is located in an afforested area, at an altitude around +450 m above the Black Sea level, and about +150 m above the Doamnei Riverbed.

The area where Pitesti NFP is located is not declared a sensitive area, and is qualified as an industrial platform. Any sensitive areas are declared neither in the proximity of Pitesti NFP.

The biodiversity-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources, as well as the studies and surveys conducted to underpin the issue of the operating and environmental permits, and the risk registers, as put together for each risk area. These are summarized in the table below and are tackled in the following sections.

Sub-topic	Impact	Risk/Opportunity
Direct impact drivers on biodiversity decline	**Potential negative impact** at large scale due to thermal pollution of the Danube water (for Cernavoda NPP)	**Risk:** the maximum permitted levels set out in the relevant permits are exceeded, and this can lead to fines or even interruption of the activities until such problems are fixed.
	Potential negative impact at large scale, with serious consequences for the environment and population in case of a nuclear accident (for Cernavoda NPP)	**Risk:** SNN could risk losing its operating license, either in full or only for operation of the nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.

The short, medium and long-term **financial effects** on SNN of the risks arising from the activity impacts on biodiversity are assessed in the double materiality assessment to be medium (above 0.7%, but below 2.0% of annual turnover).

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

Transition plan and consideration of biodiversity and ecosystems in the business strategy and model | *ESRS E4-1*

More details about the impacts, biodiversity-related opportunities and environmental analyses can be found on the Ministry of Environment's website[33] .

The environmental permit of **Pitesti NFP** does not set out any specific requirements for biodiversity and ecosystems. In 2015, the *Environmental Impact Report was prepared for the project Construction of the Technical Outbuilding for ventilation equipment and chiller platform (ventilation and air-conditioning works in Hall IV).* The purpose of this report was both to assess the environmental impact of the project's implementation, and to assess the cumulative impact on the operation of Pitesti NFP. Under the biodiversity chapter, the conclusion was that the activity of Pitesti NFP has no impact whatsoever on biodiversity.

For both the existing activities, and the new activities to be carried out on the SNN sites, specific environmental impact assessment studies are conducted in terms of biodiversity.

Cernavoda NPP carries out environmental impact assessment studies or analyses with independent entities, beyond any influence from the Company. Every matter resulting from these analyses is turned into actions that Cernavoda NPP implements.

[33] RIM CTRF_Rev.3.pdf (mmediu.ro)
RIM CTRF_Engleza.pdf (mmediu.ro)
https://www.mmediu.ro/articol/snn-sa-sucursala-cne-cernavoda-solicitare-autorizatie-de-mediu-pentru-functionarea-unitatilor-1-si-2/2182
2018-06-18_Raport_bilant_de_mediu_II.pdf (mmediu.ro)
2018-06-18_Raport_bilant_de_mediu_I.pdf (mmediu.ro)

Policies related to biodiversity and ecosystems | *ESRS E4-2*

No specific policies for have been devised for biodiversity and ecosystems; however, elements on these two topics were included in the integrated management systems or the specific work processes.

Policy elements about environmental protection and nuclear safety are introduced into the work processes of Cernavoda NPP. All activities carried out in **Cernavoda NPP** are analyzed also for their direct or indirect impact on the environment. Nuclear, population, staff and environment safety takes priority over the production-related matters.

In 2023, **NFP Pitesti** prepared the *Policy on nuclear safety, quality, protection against ionizing radiation, environment, occupotional safety and health, physical protection, control of nuclear safeguards, cyber security, and protection of classified information,* where the management Pitesti NFP committed to take all necessary measures for the monitoring, assessment and continuous improvement of the environmental performance, pollution prevention, sustainable use of resources and biodiversity conservation.

The activity carried out by Pitesti NFP has no direct impact on the local biodiversity and ecosystems.

Actions and resources related to biodiversity and ecosystems | *ESRS E4-3*

The biodiversity and ecosystems-related actions in **Cernavoda NPP** are provided in the *Environmental Monitoring Programme* described in chapter ESRS E3-3. Thus, the Company makes sure that the authorized emission parameters are monitored and maintained.

The Environmental Monitoring Programme requires monitoring of the environmental factors water, air, noise, soil/subsoil, from a both radiological and non-radiological point of view. So far, there have been no cases of damage to biodiversity and climate that would require remedial measures or significant capital expenditure.

In **Pitesti NFP**, the environmental management system does not require setting any biodiversity targets or actions.

Targets related to biodiversity and ecosystems | *ESRS E4-4*

Not applicable; in **Cernavoda NPP**, no impacts material enough have been identified in the studies conducted so as to require the setting of biodiversity and ecosystems-related targets have been identified; only the values of the parameters are monitored against the environmental and water management permits.

Not applicable, because the environmental management system of **Pitesti NFP** does not require setting any biodiversity targets or actions.

Impact metrics related to biodiversity and ecosystem changes | *ESRS E4-5*

This does not apply to **Cernavoda NPP** because no impacts material enough have been identified in the studies conducted so as to require the setting of impact metrics related to biodiversity and ecosystems; only the values of the parameters are monitored against the environmental and water management permits.

Not applicable, because the environmental management system of **Pitesti NFP** does not require setting any biodiversity targets or actions.

Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities | *ESRS E4-6*

The short, medium and long-term **financial effects** on SNN of the risks arising from the activity impacts on biodiversity are assessed in the double materiality assessment to be medium (above 0.7%, but below 2.0% of annual turnover).

The financial effects of the biodiversity and ecosystem-related risks and opportunities have not been yet identified Pursuant to the current policy applied in Cernavoda NPP, the Company makes sure that the necessary funds are available to improve or acquire high-eco performance technologies in order to prevent environmental pollution and preserve a clean environment.

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

SNN - Resource use and circular economy

General Disclosures | *ESRS 2*

SNN supports the rational use of energy and natural resources, striking a balance between environment, energy and economy.

The commitment to the rational use of resources is described in the Integrated Management System Manual of Cernavoda NPP. It is also envisaged that the technologies used and the products and equipment purchased meet the acceptability criteria for the minimum reasonable technological impact on the environment.

In Pitesti NFP, an environmental analysis is carried out every year to assess both the inputs to the process, i.e. resources, raw materials, materials and utilities, and the outputs from the process, i.e. products, waste generated, etc. The environmental analysis addresses both the environmental risks and the related opportunities. The risk attached with inflows of resources, raw materials and materials in NFP is identified, assessed and documented in a risk data-sheet, where controls were determined.

Also about resources consumption, a financial performance risk was identified consisting of the exceeding of the specific rated consumptions, which would lead to both higher costs and an increased consumption of resources.

Description of the processes pursued to identify and assess the pollution-related material impacts, risks and opportunities | *ESRS 2 IRO-1*

Sub-topic	Impact	Risk/Opportunity
Resources inflows, including resource use	**Potential negative impact** at medium scale because production of nuclear fuel bundles requires availability of certain resources, such as technical uranium concentrate/uranium dioxide powder, zircaloy-4, beryllium metal or substances in the category of drug precursors and explosives precursors, which require that special attention is paid to both their handling and waste storage, as they may pose a risk to the environment and humans	**Risk:** Mishandling and improper storage of raw materials and resulting waste can lead to production costs, capital expenditure or even regulatory costs.
Waste	**Potential negative impact** at large scale, with serious consequences for the environment and the population, when radioactive waste is improperly disposed	**Risk:** Waste management, particularly radioactive waste, can lead including to capital or regulatory costs.

The circular economy-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources, as well as the studies and surveys conducted to underpin the issue of the operating and environmental permits, and the risk registers, as put together for each risk area. These are summarized in the table below and are tackled in the following sections.

The short, medium and long-term **financial effects** on SNN of the risks arising from the activity impacts on the inflows of resources are assessed in the double materiality assessment to be very law (below 0.1% of turnover), particularly because there are more suppliers along the supply chain, whereas the financial effects of waste management are assessed to be medium (above 0.7%, but below 2.0% of turnover) due to handling of radioactive waste.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

Policies related to resources use and circular economy | *ESRS E5-1*

By design, the nuclear units include also technical, administrative and procedural means and measures to control and monitor the activities and equipment likely to affect the staff, the environment and the population, with a view to eliminating and/or minimizing the risks attached to harming the environmental factors.

Cernavoda NPP promotes the rational use of energy and natural resources, striking a balance between environment, energy and economy, as stated in the Integrated Management System Manual. This commitment translates into: integration of the sustainable development concept into projects and investments, compliance with the domestic and Community legislation, and with the permits and environmental protocols and agreements, and continuous improvement of environmental performance.

Cernavoda NPP has devised and put in place specific requirements to support minimization/elimination of any potential negative impact on the environment resulting from the plant's activities.

Cernavoda NPP Branch, as a legal entity holding waste, classifies each type of waste generated from its own activity according to the legal provisions in force. Such classification is subject to the provisions of the Government Decision no. 856/2002. Cernavoda NPP Branch, according to the Environmental Permit, does not carry out treatment, recovery, recycling and disposal of the generated non-radioactive waste, as defined by Law no. 92/2021, as amended and supplemented to date. Domestic transport (on national public roads) of non-radioactive chemical waste is carried out in accordance with the specific legal provisions (ADR rules and Government Decision no. 1061/2008). Cernavoda NPP does not carry out any non-radioactive waste export operations.

Under **Pitesti NFP**'s Policy on nuclear safety, quality, protection against ionizing radiation, environment, occupational safety and health, physical protection, control of nuclear safeguards, cyber security, and protection of classified information, NFP Pitesti commits to take all necessary measures for the Monitoring, assessment and continuous improvement of the environmental performance, pollution prevention, sustainable use of resources and biodiversity conservation. Both this policy and the Environmental Statement, which in turn includes the commitment to a rational use of resources, are documents approved by the NFP Manager.

This commitment is reflected in work procedures that detail how to identify, assess and manage the identified environmental matters, including those related to the use of resources: water, energy and materials. The relevant risks and opportunities associated with the identified environmental matters are identified in the environmental analysis.

In terms of waste management, Pitesti NFP has adopted a policy that observe the waste hierarchy principles; thus, the first step is to prevent waste generation, followed by its reuse, recycling, other recovery and, finally, disposal or landfilling.

Actions and resources related to resources use and circular economy |*ESRS E5-2*

In the manufacturing process, Pitesti NFP has implemented a process to recover the resulting non-compliant materials, with the aim of optimizing consumption, recycling the resulting non-compliant materials and, implicitly, reducing the impact on the environment. Non-compliant nuclear materials resulting from the pill manufacturing processes are collected by category (powder, pellets, raw pills and sintered/rectified pills, rectification sludge, etc.) and stored until transferred to the powder supplier for recycling and conversion into compliant UO2 powder, which is later returned to Pitesti NFP to be reintroduced in the manufacturing process. Incinerable radioactive solid waste and radioactive liquid waste (contaminated with uranium) are transferred to the Radioactive Waste Treatment Station of NRI Pitesti for uranium treatment and recovery in the form of uranium ash and uranyl phosphate, which materials are then returned to NFP and subsequently managed as non-compliant nuclear material.

In order to implement the waste hierarchy principle, several measures have been take in Pitesti NFP, as follows:

- to increase the degree of selective waste collection - the purchase of containers for selective collection according to Law no. 132/2010 on selective waste collection in public facilities, i.e. a better segregation of waste.
- to reduce the amount of paper waste from office activities, electronic signature has been introduced and a document analysis platform has been created to avoid the printing out of documents.
- in the production and maintenance activities, the primary focus is on repair and reuse of parts and components, whenever possible.
- when dismantling/taking out of service any equipment, those components that can be reused are retained and not disposed as waste.
- the zircaloy-4 waste resulting from the process, at takeovers and quality controls, are collected under controlled procedures and are transferred to authorized companies for processing and turning into various zircaloy materials used in other industries.
- noncompliant nuclear material resulting from the process flow is controlled-collected to be transferred for processing in the Uranium Concentrate Processing Plant, and is then returned to NFP as compliant UO2 sinterable powder.
- radioactive liquid waste (RLW) and incinerable radioactive solid waste (ISRW) are sent to RATEN-NRI for treatment/incineration to recover the contained uranium, and the resulting materials (uranyl phosphate and uranium ash) are returned to FCN as noncompliant nuclear material, which is then transferred to FPCU for uranium recovery and production of compliant UO2 sinterable powder, which is sent to NFP and fed into the flow as a feedstock.
- the personal protective equipment waste (gowns, overalls, T-shirts) is collected separately, i.e. the waste used in controlled areas where there is a risk of radioactive contamination is separated from the waste used in areas under radiological surveillance. This increased the recycling of textile waste to the detriment of its incineration (if, after decontamination and dosimetric measurements, it is found to be contaminated).
- metal packages, i.e. metal barrels used to collect used oils and emulsions - NFP asked collectors to return the containers to be reused for collection of the same kinds of waste.

Targets related to the use of resources and the circular economy | *ESRS E5-3, ESRS 2 MDR - T*

No use of resources and circular economy-related targets have been set for the Headquarters.

In **Cernavoda NPP,** according to the design, the amount of nuclear fuel bundles is constant. Since the degree of use of these bundles is based on a physical and chemical calculation, their the amount varies only slightly. In this regard, no targets have been set for the use of these resources, nor is this the case, as providing energy at national level is contrary to the resources economy in this regard.

Internally, one of the programmes currently in progress, with immediate benefits in terms of reducing the use of resources, is the programme to reduce the internal electricity consumption by replacing the plant's lighting system from incandescent bulbs to eco-lighting, or by acquiring only that equipment that ensures a reduced energy consumption.

In order for **Pitesti NFP** to meet the environmental targets and the environmental indicators according to the *Environmental Performance Assessment* procedure, an Environmental Management Programme is devised to set measures/actions, owners and implementation time-limits. In accordance with the procedural requirements, evolution of the performance indicators is analyzed on a monthly basis, so that, should there be found that there is a risk that these are not attained, corrective/preventive actions can be taken.

The identified risks are documented in risk records, where controls are also defined. These are reviewed and updated on a quarterly basis.

For the use of resources, Pitesti NFP has set the following indicators:

- **Electricity consumption by reference to the number of bundles produced** - *Reduction by min. 0.01% of the electricity consumption in 2023 v 2021, by reference to the number of FBs produced (0.4688 MWh/FB produced);* the metric fell within the proposed target, with a of a reduction of 6.18%

	2020	2021	2022	2023	2023	
					planned	
Amount of electricity used, MWh	4746	5158	4891	4845		
Number of FBs produced	10800	11000	10826	11000	0.4688	0.44
Amount of electricity used/no. FB produced	0.434	0.469	0.452	0.44		

- **Rational use of resources** - increase by at least 0.02% in the UO2 powder processing yield compared v 2021 (n=95.11%); the metric fell within the proposed target, as a 0.54% increase was reported.

	2020	2021	2022	2023	2023	
					Planned	Achieved
The amount of uranium in the UO_2 pellet columns formed [kg]	199150.229	203015.959	199043.484	202783.472	95.11	95.63
Amount of uranium in UO_2 powder released for fabrication [kg]	217191.569	209221.668	213507.934	212040.719		
Yield [%]	95.19	95.09	95.34	95.63		

- **Rational use of resources** - increase by at least 0.02% in the Zy-4 tube processing yield in 2023 v 2021 (n=97.48%); the metric fell within the proposed target, as a 0.41% increase was reported.

	2020	2021	2022	2023	2023	
					Planned	Achieved
Yield [%]	97.24	97.46	97.55	97.87	97.48	97.87

The quantities of raw materials and materials needed to produce one nuclear fuel bundle is determined in accordance with the procedures of Pitesti NFP. In order to optimize the production costs of the components and fuel bundles, Pitesti NFP has devised internal control tools and mechanisms to minimize the risk that the specific rated consumptions are exceeded.

- **Rendering water usage more efficient** - *Reduction by at least 0.01% of the drinking water consumption in 2023 v 2021 by reference to the average headcount* (16.298 cubic m/average headcount); the metric fell within the proposed target, as a 3.8% reduction was reported.

	2020	2021	2022	2023	2023	
					planned	achieved
Amount of water used (m^3)	7868	5505	5317	5489	16,298	15.68
Average number of employees	338	338	341	350		
Ratio between the amount of water used and the average headcount	23.3	16.3	15.6	15.68		

No targets have been set for the waste hierarchy in Pitesti NFP; however, in 2023, NFP has set an indicator associated with the objective of minimizing the amount of incinerable radioactive solid waste generated, i.e. reducing the amount of incinerable radioactive solid waste generated in relation to the number of Fuel Bundles (FBs) produced. Maximum quantity of incinerable radioactive solid waste authorized to be generated under to the Environmental Permit, compared to the maximum authorized production, is maximum 0.56 kg/FB; the indicator fell within the proposed target.

Resources inflows | *ESRS E5-4*

Pitesti NFP is the only producer of CANDU-6 nuclear fuel bundles for Cernavoda NPP, where these are turned into electricity.

Cernavoda NPP uses nuclear fuel bundles as raw material for electricity generation. The amount of fuel bundles is provided under the project at approximately 5,000 fuel bundles per unit per year, and remains constant. How intensive these bunders are used depends on a physical and chemical calculation, and the amount varies slightly according to a number of factors.

The number of fuel bundles used to obtain electricity:

2023	NO OF NUCLEAR FUEL BUNDLES USED	
	UNIT 1	UNIT 2
	5,592	4,772

The quantities of raw materials and materials reflect the quantity in initial state of the materials, which are weighed in the reception activities, according to the internal procedures of Pitesti NFP.

The estimated quantities of raw materials and materials required in the technological process to obtain a production of 12,000 FBs/year (full production capacity) are shown in the table below:

Item no.	Raw materials	M.U.	Quantity (*)	Packaging
1	Uranium in the form of UO_2 sinterable powder	t U	250	Barrel 200 L
2	Zinc stearate	kg	900	Paper bag
3	Zircaloy-4 1.6 mm sheet	kg	2500	Wood, cardboard
4	Zircaloy-4 0.83 mm sheet	kg	868	Wood, cardboard
5	Zircaloy-4 1.98 mm sheet	Kg	300	Wood, cardboard
6	Zircaloy-4 wire for skids	kg	650	Wood, cardboard
7	Zircaloy -4 bars for plugs	kg	7500	Wood, cardboard
8	Zircaloy-4 tubes for sheaths	pcs.	469920	Wood, cardboard, tinfoil
9	Beryllium (in powder form)	kg	7.8	Plastic barrel
10	Helium 4.6, 99.996% purity	Nm^3	7800	Pressure vessel
11	Colloidal graphite solution	kg	816	Metal-sheet can

Pitesti NFP decided to pack the nuclear fuel bundles in reusable packages, made of wood (crates). Inside them, product protected with plastic, metal and cardboard materials, which are returnable materials and which Pitesti NFP reuses if they are not damaged. After decay, these become packaging waste.

Resources outflows | *ESRS E5-5*

There are no significant material outflows, other than waste, i.e. the produced energy.

The Headquarters is located in a leased building, and the household and recyclable waste generated is now collected and disposed by the company under contract which Plaza Development, namely Romprest; the costs are then recharged to SNN according to the lease agreement, depending on the leased area. For the buildings owned at Polona/Slavesti St., SNN has a selective collection contract with Romprest, but as there is no business pursued in the building, this is insignificant.

Cernavoda NPP

Cernavoda NPP classifies each type of waste generated from its own activity according to the legal provisions in force. Radioactive and non-radioactive waste results from the activities performed by Cernavoda NPP. SNN pays special attention to the post-activity radioactive waste management, and all related activities are authorized in advanced by CNCAN.

Radioactive waste

Radioactive waste generated in the daily maintenance and repair activities and the planned or unplanned shutdowns of the plant, consists of:

- solid waste (plastics, cellulose, glass, wood, purification filters, ventilation system filters, etc.);
- organic liquid waste (oil, solvent, scintillating liquid);
- organic solid-liquid mixture waste (flammable);
- aqueous solid-liquid mixture waste (slurry);
- solid and liquid chemical waste.

2023	Quantity [m³]	Limit under permit
Solid radioactive waste [m³]	62.26	No limits are enforced under the plant's licenses
Radioactive organic solid-liquid mixed waste [m³]	5.72	No limits are enforced under the plant's licenses
Radioactive organic liquid waste [m³]	2.42	No limits are enforced under the plant's licenses

Radioactive waste is collected and sorted by qualified staff, according to rules and criteria laid down under procedures, and apply to all types of radioactive waste.

For each type of radioactive waste, different criteria are applied:

- source of origin (services building, reactor building);
- type of material (plastic, cellulose, metal, wood, oil, solvents, etc.);
- radionuclide content (with short, medium or long lifetime);
- contact dose flow-rate (weakly-active, medium-active).

After sorting, radioactive waste is stored in special stainless-steel containers.

Organic liquid radioactive waste and organic solid-liquid mixtures (flammable) are kept in the services building, and are to be then solidified to remove any potential flammability hazards.

The waste radioactive aqueous solid-liquid mixtures (sludge) are stored in stainless-steel barrels in the services building, and are to be then subjected to drying-treatment applying processes to remove the water content.

Solid chemical and radioactive liquid waste are kept in the services building, in containers suitable for their chemical properties, and will be treated by authorized operators.

The volumes of waste produced can be reduced by compaction (using a hydraulic press), applying treatment

methods that use incineration of the combustible radioactive solid waste and melting of radioactive metal waste, at external authorized operators, and by unconditional release of waste under the authorization regime of CNCAN.

Solid or solidified radioactive waste is stored over the entire plant's operation period, under optimal safety and storage conditions. This is stored inside the physical protection fence of the site, in the Radioactive Solid Waste Intermediate Storage.

The final storage of this waste is only done after conditioning into solid safe matrices, which guarantee that no negative impact on the environment occurs for at least 300 years.

Non-radioactive waste

According to the Environmental Permit, Cernavoda NPP does not carry out any treatment, recovery, recycling and disposal of the generated non-radioactive waste.

Non-radioactive waste is collected separately at the place of generation and is stored in containers identified by the type of waste, in spaces specially arranged and approved under the plant's documents. Cleaning routines and standards are issued for retrieval of waste from the collection spaces, fitting-out these spaces, labelling, recording and transferring it to the temporary disposal areas.

Recoverable waste (ferrous and non-ferrous metal, plastic, PET, paper, batteries, etc.) is handed over under contract to authorized companies, according to specific legal requirements.

Hazardous waste is collected separately, correctly labelled and transferred from the place of generation to temporary storages (where applicable).

Non-radioactive industrial waste is disposed /recovered in accordance with the plant's procedures and the specific legal regulations in force concerning the waste amount recording, nature, origin and, where applicable, destination, frequency, mode of transport, treatment method and disposal/recovery, for appropriate reporting to the environmental authorities.

Municipal and similar waste is collected and transferred under a services contract to landfills.

Cernavoda NPP keeps monthly records of the amount of waste generated, temporarily stored, handed over for recycling/recovered/disposed of.

2023	Quantity [tons]	Limit under permit
Non-recyclable non-radioactive waste [tons] (acids without other specification; oily water from oil/water settlers; inorganic waste with a content of substances of concern; absorbents; filtering materials; polishing materials with a content of substances of concern).	83.855	No limits are enforced under the license
Non-radioactive waste of concern [tons] (used oils, glycol, hydrazine/morpholine, emulsion, chemicals, resins, flammable solids, petrolatum, and sludge).	270.835	No limits are enforced under the license
Recycled non-radioactive waste [tons] (batteries; used tires; soil and stones; calcium hydroxide)	115.171	No limits are enforced under the license
Selectively collected non-radioactive waste [tons] (plastic, PET, paper, metal packages, glass)	23.258	No limits are enforced under the license

Management of used fuel

Spent fuel is stored as follows:

- Wet storage in the unit's Spent Fuel Pool, for a period of at least 6 years
- Dry storage in the Spent Fuel Intermediate Storage, for a period of at least 50 years.

The Spent Fuel Intermediate Storage (DICA) is located on the site of Cernavoda NPP, and is carried on an in-premises road that allows maintenance of an integrated physical protection system.

Storage is staged-out in accordance with the DICA long-term development strategy. So far, as many as 16 MACSTOR 200 modules have been made.

Waste resulting from plant decommissioning

In Cernavoda NPP, no waste is generated further to the decommissioning of the plant or a part of the plant, because Units 1 and 2 of are in their service lifetime set out under designs, and for which extensions of their respective service lifetimes by additional 30 years are envisaged (estimate - Unit 1 by 2059, and Unit 2 by 2067). So far, no projections as to the quantities of waste expected to result from the decommissioning activities have been made.

Pitesti NFP

In the manufacturing, maintenance, technical quality control, supply and transport, radiation protection, environmental protection, emergencies, etc. processes, a wide range of materials is used, and the activities carried out result into the three categories of waste:

- incinerable/non-incinerable radioactive solid waste;
- non-radioactive waste (of, and not of, concern);

Radioactive waste

The radioactive waste resulting from activities carried out in controlled areas of NFP is classified as follows:

- Radioactive wastewater (slightly contaminated with uranium);
- Gaseous Radioactive Effluents (GREs);
- Solid Radioactive Waste (SRW) resulting from the technological, control and maintenance processes, radiological protection, repair works, investments, asset retirements, etc.
- Solid radioactive waste resulting from the conditioning of radioactive organic liquid wastes (spent organic solvent, oils) with NOCHAR polymers;
- Recoverable radioactive liquid waste (RLW) in the SCRAP category.

The radioactive waste contaminated with natural uranium, generated in NFP, are:

- **Non-incinerable radioactive solid waste with low specific activity (NIRSW)** – metal waste, pipes, grinding stones, metal parts, subsets, epoxy powder, bricks, cables, debris, etc. - contaminated with natural uranium) that cannot be decontaminated and are of no interest for recovery. This is temporarily stored on the Solid Radioactive Waste Temporary Storage Platform (TSP) in metal barrels. The waste is then transferred/transported to the Low Activity Solid Waste Final Disposal Landfill of Feldioara, for final storage.
- **Incinerable radioactive solid waste low specific activity (IRSW)** – filters/prefilters resulting from ventilation systems, protective equipment, paper, etc. contaminated with natural uranium. This is temporarily stored on the for Solid Radioactive Waste Temporary Storage Platform (TSP) in metal barrels and/or raffia bags and later are transferred to RWTS-NRI for disposal by incineration and recovery of uranium contained in uranium ash, that is returned of nuclear control safeguards.
- **Radioactive liquid waste** with different concentrations of uranium from the production and quality control activity are collected in stainless steel tanks in the Liquid Radioactive Waste Collection Station of NFP (RLWCS-NFP), and are transferred to the Radioactive Waste Treatment Station of NRI (RWTS-NRI) for the recovery of uranium, from where, through precipitation with trisodium phosphate and ammonia followed by settling, filtering and drying, solid and dry uranyl phosphate is obtained, which is returned to NFP under the nuclear safeguards control.

Management of the waste generated by Pitesti NFP is a procedure-regulated activity, as follows:

- incinerable/non-incinerable radioactive waste is managed in accordance with the requirements of the procedure *Sorted collection, packaging, temporary storage and record keeping of non- incinerable/ non-incinerable radioactive solid waste*
- uncontaminated waste is managed in accordance with the requirements of the procedure *Management of uncontaminated (radioactive) waste* procedure
- waste contaminated with beryllium is managed in accordance with the procedure *Collection, packaging and storage of solid waste contaminated with beryllium*
- municipal/household waste is managed in accordance with the requirements of the procedure *Municipal waste collection and transfer.*

Pitesti NFP issues decisions to appoint waste management officers, by type of waste.

The waste generated from its operation is collected separately, by waste category that are dosimetrically measured to determine whether they are contaminated; then, it is transferred for temporary storage in specially arranged places, and is handed over to authorized operators by waste category, under services contracts.

The quantities of waste generated in 2023 are presented in the Environmental Monitoring Report.

Radioactive waste

2023	Amount	Authorized limit
Total amount of non-incinerable radioactive solid waste (NIRSW) generated	12,007.8 kg	20,000 kg/year
The total amount of non-incinerable radioactive solid waste (NIRSW) transferred to the Low-Activity Radioactive Solid Waste Final Landfill	16,064.4 kg	
Stock of non-incinerable radioactive solid waste as at 31 December 2023	819.5 kg	-
Total amount of incinerable radioactive solid waste (IRSW) generated	2,787.4 kg	6,700 kg/year
Total amount of incinerable radioactive solid waste (IRSW) transferred to the RWTS of Pitesti NRI for incineration	6,248.2 kg	-
Stock of incinerable solid radioactive waste as at 31 December 2023	1,848.3 kg	-
Liquid Radioactive Waste (LRW) transferred to RWTS-NRI	330 m^3	800 m^3

Non-radioactive waste recovered/recycled

2023	Amount generated in 2023 [tons]
Recyclable non-radioactive waste [tons] (paper/cardboard, wood, plastic, metal, etc.).	8.95
Non-radioactive waste of concern [tons] (used oils, emulsion, chemicals, mineral fat, etc.)	11.31

Anticipated financial effects from impacts, risks and opportunities related to resources use and circular economy | *ESRS E5-6*

The short, medium and long-term financial effects on SNN of the risks arising from the activity impacts on the inflows of resources are assessed in the double materiality assessment to be very law (below 0.1% of turnover), particularly because there are more suppliers along the supply chain, whereas the financial effects of waste management are assessed to be medium (above 0.7%, but below 2.0% of turnover) due to handling of radioactive waste.

No detailed quantification of the anticipated financial effects has been conducted in monetary terms, before considering the circular economy-related actions.

ESRS S1 OWN WORKFORCE

SNN - Own workforce

General Disclosures | *ESRS 2*

Employees are the most important asset for the success of SNN. Own workforce includes SNN's own employees (Headquarters, Cernavoda NPP and Pitesti NFP) with active employment agreements as at 31 December 2023. The interns, students in dual school and vocational school programmes, trainees, and people with inactive employment agreements because they are on maternity leave, parental leave, long-term sick leave, are not accounted.

In SNN, the rights and obligations of the employees, as laid down in the Collective Bargaining Agreement (CBA), as well as in the Internal Regulation, are worded with respect for human rights, the right to work enshrined in the International Charter of Human Rights, and the principles of the fundamental rights set out in the Declaration of the International Labor Organization (ILO) on the principles and fundamental rights at work, including their transposition into the applicable labor relation legislation, in observance of the principles of consensus and good faith, that are the pillars of labor relations.

SNN has zero tolerance for undermining and/or violating human rights, no matter the form of violation of such rights. The commitment to respect the human rights is also found in the SNN values:

- Safety and sustainability refers to the safety of the team, the population and the environment, nuclear safety and long-term sustainability. These two values are and remain our priority;
- Care for employees – we consider that every member of the SNN team is valuable, and every position is an important part of the company's success. Each of us must be proud of our personal contribution and at the same time, responsible for the continuous professional development and future preparation of the team we are part of and of the new members;
- Professional excellence – in everything we do, we aim to achieve and sustainably maintain the highest performance targets;
- Empathy and responsibility – colleagues, families, communities, partners, suppliers, clients, and even the Romanian economy as a whole depend on each of us and our work;
- Sustainable development – everything we do today has an impact in the future and we want that impact to be positive.

The SNN internal regulation contains, in accordance with the applicable legal requirements, the principles that underpin employment relationships in the Company, such as, for instance:

- protecting/observance of the fundamental rights and freedoms of individuals;
- ensuring the necessary conditions so that all activities performed by our employees are carried out effectively and are free of bias, corruption, abuse of power and/or political pressure;
- staff will be selected exclusively according to their skills and compatibility with the work and value system of SNN;
- elimination of any form of forced labour, observance of the non-discrimination principal and removing any form of human dignity violation;
- equal opportunities at employment, advancement, promotion and rewarding of employees;
- objective judgment of situations that lead to employees being sanctioned or terminated their employment relationships;
- freedom of expression and social dialogue;
- right to association and trade union freedom;
- prohibition of any political activities in the premises of SNN units.

The Code of Business Ethics and Conduct of SNN makes reference to these principles, that are the pillars of the employment relationships in the Company.

Own workforce characteristics | *ESRS S1-6; ESRS S1-7*

At the end of 2023, SNN had a total of 2,352 employees, distributed across all 3 sites: Cernavoda NPP, Pitesti NFP and the Headquarters. Period-end data was reported as an average of the reporting period.

SNN has no contract staff.

Headcount

Numărul angajaților la nivelul SNN este compilat într-un sistem de resurse umane dezvoltat și implementat la nivel de societate (Report Card), ce include indicatorii principali de resurse umane, pentru a asigura o bună vizibilitate a performanței proceselor în întreaga organizație.

Valorile aferente acestei secțiuni sunt raportate în număr de persoane și se referă la personalul angajat din cele 2 sucursale (CNE Cernavodă și FCN Pitești) și sediul central.

* Gender is that indicated by the employees themselves.

Headcount by gender:

2023	
Gender	Headcount (number of persons)
Male	1627
Female	725
Other	0
Not declared	0
New employees	2352

Employees by type of contract/agreement, broken down by gender:

2023				
FEMALE	MALE	OTHER*	NOT DECLARED	TOTAL
Headcount (number of persons)				
725	1627	0	0	2352
Permanent headcount (number of persons)				
725	1627	0	0	2352
Temporary headcount (number of persons)				
0	0	0	0	0
Headcount with not guaranteed working hours (number of persons)				
0	0	0	0	0
Number of full-time employees (number of persons)				
724	1624	0	0	2348
Number of part-time employees (number of persons)				
1	3	0	0	4

The total percentage of female persons employed in SNN in years 2020 - 2023 observes a constant trend, this being mainly determined by the particulars of the jobs in the energy production industry, the availability and effort specifics of which make them more appropriate for men. However, the percentage is higher than the average industry figure in the Nuclear Energy Agency (NEA) member countries. According to the OECD NEA statistics, in 2021, women accounted for less than a quarter (24.9%) of the total nuclear workforce (NEA, 2023[34]).

Total percentage of employed women:

	2020	2021	2022	2023
Total percentage of female persons employed in SNN	30%	29.6%	30%	30.8%
Total percentage of women sitting in the Board of Directors	20%	20%	29%	33.33%
Total percentage of women in the Executive Management	0%	0%	29%	27.40%

All SNN employees have permanent employment agreements, which do not require renewal, and in over 99% of cases these are full-time agreements (full time means 40 hours/week). Only 4 employees have part-time agreements (4 hours/day/20 hours/week and 6 hours/day/30 hours/week).

[34] NEA (2023), Gender Balance in the Nuclear Sector, OECD Publishing, Paris, Retrieved [06/02/2024] from: https://www.oecd-nea.org/jcms/pl_78831/gender-balance-in-the-nuclear-sector, accessed 15.02.2024

Employees by type of contract/agreement, broken down by site:

2023			
Cernavoda NPP	Pitesti NFP	Headquarters	TOTAL
Headcount (number of persons)			
1754	372	226	2352
Permanent headcount (number of persons)			
1754	372	226	2352
Temporary headcount (number of persons)			
0	0	0	0
Headcount with not guaranteed working hours (number of persons)			
0	0	0	0
Number of full-time employees (number of persons)			
1754	371	223	2348
Number of part-timers (number of persons)			
0	1	3	4

In 2023, 24 employees left the Company, either voluntarily (resignations), or by retirement (early retirement or retirements due to reduced retirement age) or death. The staff turnover rate was 6%, which is constant compared against 2022(the staff turnover rate in 2022 is also 6%).

The human resources strategies and policies of SNN, and the action lines of the administrative and executive management are aimed at respecting the human rights in accordance with international and domestic legislation. The Collective Bargaining Agreement (CBA), the Internal Regulation and the specific procedures developed in SNN regulate matters related to respect for human rights, including respect for freedom of association, prevention of trafficking in human beings for all forms of exploitation, forced labor obligations related to child labor, precarious and unsafe work.

The SNN's Code of Business Conduct, Management Manual and Policy Statement on the Management System contain the commitment of the SNN's management to the responsibility assumed to avoid causing or taking part in any negative impact on human rights in its activities, and to tackling this impact when it occurs, as well as to prevent or mitigate the negative impact on the human rights that is directly related to the production activities of the Company. A document on the Commitment to Respect for Human Rights - Zero Tolerance to Human Rights Violations can be found on the Company's website.

Responsibility for the protection of human rights shall be reflected at the corporate level by an integrated approach, with responsible staff through various ways of action and decison-making capacity:

- Board of Directors
- CEO
- Branch Manager for Cernavoda NPP and Pitesti NFP
- Human Resources Strategy Directorate
- ESG Working Group
- Distinct organizational entity for managing the Compliance Function
- Anticorruption policy, implemented and certified according to ISO 37001
- Whistleblower
- Ethics Committee/Ethics Adviser

In the SNN units, participation of employees or their representatives in discussions about their problems concerning human rights and occupational health and safety, is ensured according to the legal regulations in force.

The Ethics Committee and the Ethics Advisor are responsible for raising such concerns. On a quarterly basis, the Ethics Advisor prepares reports on compliance with the conduct rules by the SNN employees. The reports, as validated by the Ethics Committee and approved by the Manager of the SNN Unit, are communicated to employees. Quarterly reports are required to:

- find the causes leading to professional misconducts, including coercion or threats exerted on an employee to cause them to infringe the legal provisions in force, or to apply them improperly;
- identify ways to prevent professional misconducts;
- take measures to reduce and eliminate the cases of noncompliance with legal provisions.

There is also an application for SNN staff to submit improvement proposals and an application to report abnormal conditions.

[35] https://www.nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2023/07/SNN_Angajament_Drepturile-omului_RO_20230530.pdf

The important issues related to the respect for human rights are carefully reviewed; thus, under the human resources policies, the Collective Bargaining Agreement (CBA) and the SNN's Administration Plan, these are adapted to the particulars of the nuclear industry, thus contributing to the corporate culture and climate, according to the goal that nuclear safety is the most important.

The Risk Management Service (RMS) of the Headquarters regularly assesses the SNN risks regularly. Each department appoints a person in charge of the departmental risks, and in branches/subunits, this role is provided by a representative coordinated from the Headquarters, and a person in charge for each department. The risk management system is compatible with the standard ISO 31000. RMS submits and publishes a report on the management system analysis, which also covers risk registers. The risk management system and the Company's risks are reviewed quarterly by the Management Control System Committee (MICS), chaired by the Company's CEO.

The management plan of SNN for years 2023-2026 contains, among the Company's strategic objectives, actions concerning Occupational Health and Safety as part of the Corporate Social Responsibility and the main action lines concerning human capital management.

The own workforce-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources and the risk registers, as summarized in the table below and addressed in the following sections.

The short, medium and long-term **financial effects** on SNN of the opportunities arising from the impacts on own workforce are assessed to be very low (below 0.1% of annual turnover), whereas the impact of risks is assessed to be material (above 0.7%, but below 2.0% of turnover) in the double materiality assessment.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

Sub-topic	Impact	Risk/Opportunity
Work conditions	Nuclear incidents, while extremely rare across the industry, can have a **potentially negative impact** at large scale on human health and the environment, affecting the reputation of SNN and certain legal requirements.	**Risk:** While SNN, like other nuclear power plant operators in many regions, has operated for decades without major public safety incidents, occurrence of rare, but large-scale, incidents anywhere in the world can have a major impact on the entire nuclear power sector. SNN could risk losing its operating license, either in full or only for operation of some nuclear units, as well as many other financial consequences in case of an accident - although insurance is available and there may be other legal protections against certain liabilities.
Opportunities and equal treatment for all	**Potential positive impact** as SNN delivers adequate emergency training to all its staff and keeps in place a sound safety culture	**Opportunity:** A sound safety culture and proper oversight of operating safety across SNN can help detect the incidents earlier and respond to them more effectively, by mitigating the potential financial risks and improving operational efficiency.
Other work-related rights	A minimal **potential negative impact** when the rights of own employees are not respected, with the potential of damages to SNN's reputation and certain legal requirements	**Risk:** Where other employee rights (related to forced labor, child labor or privacy) are not respected, SNN's work may indirectly affect the rights of its own employees if cases of human rights violations are identified.

All SNN workers have access to the human resources policies, the Collective Bargaining Agreement, the Internal Regulation and the Employee Code of Conduct in the nuclear field, and the Code of Business Ethics and Conduct, available on the Company's intranet. The processes related to the collaboration between employer and employees are regulated in SNN under the Collective Bargaining Agreement and in the Occupational Health and Safety Management System implemented and certified in each SNN unit, according to SR ISO 45001:2018.

The CBA clauses are negotiated after on-going consultations of the Negotiation Committee appointed both by the management and by the representative trade union operating in the Company, in accordance with the provisions of Law no. 62/2011. CBA Negotiating Committee is composed of management representatives appointed by the Board of Directors and representatives of the Company's representative trade union.

In accordance with the provisions of Law 367/2022, the Committee appointed to negotiate the CBA in SNN is composed of the employer, represented by the members of the directorship appointed by decision of the Board of Directors, and the representative trade union, i.e. members appointed by mandate by the president of the representative trade union. The meetings of the Negotiating Committee are be held, as a rule, at the Company's registered office or any other place indicated in the notice of that meeting. As a rules, members participate in meetings in person and, by way exception, by means of remote communication that provide the technical conditions required for identification of the participants and allow their effective participation (such as video-conferencing, teleconferencing, etc.), usually during the working hours, unless the parties agree otherwise.

A **joint management-union committee** set up by decision of the SNN management has a number of powers and duties, as laid down in the CBA::

- to give a consistent interpretation of the CBA clauses;
- to review and address the employees' complaints about how the management of the SNN units settle their applications, reports and complaints related to application of the CBA and of the labor relations legislation;
- at the request of employees, to try to settle amicably the potential situations that fall under the jurisdiction of the courts, before bringing up the matters concerned before them. The amicable settlement will be addressed as a matter of urgency, so as not to affect the statutory time-limit for bringing the matter before the court of jurisdiction. Amicable settlement of disputes prevents court proceedings;
- to follow up on the application of the CBA, the Internal Regulation, the Employee Code of Conduct in the nuclear field, the legal provisions and other agreements concerning labor relations;
- to report to the management of SNN and, as the case may be, to the Board of Directors any infringements of the legal provisions, the CBA and other agreements concerning labor relations;
- to carry out any other duties provided by the law and/or resulting from the own Functioning Regulations, as annex to the CBA;
- to draw up reports at the request of any of the parties regarding compliance with the CBA, the Internal Regulation, the Employee Code of Conduct in the nuclear field, the legal provisions and other the agreements concluded under the terms of the law, which they make known to the management of the Company, as well as to the management of the trade union.

As to the o**ccupational safety and health** matters, cooperation with the employees and their representatives takes place through the **Occupational Safety and Health Committee (OSH Committee)**, which operates according to its own Organization and Functioning Regulation (OFR),

which also sets out the powers and duties of this Committee. Employee representatives are appointed by the SNN representative union and include representatives of all workers in the SNN units. The SNN CEO issues a decision to appoint the OHSC members and the chairman of this committee. OHSC meets at least once a quarter, and as often as necessary, and the Agenda of each OHSC meeting is defined by the chairman and the secretary of the Committee, in consultation with the workers' representatives, and is sent to the members of the Occupational Safety and Health Committee and the Territorial Labor Inspectorate at least 5 days before the date set for the Committee's meeting. Minutes are prepared for each meeting, which is signed by all the OHSC members and is then forwarded to the Territorial Labor Inspectorate in accordance with the law.

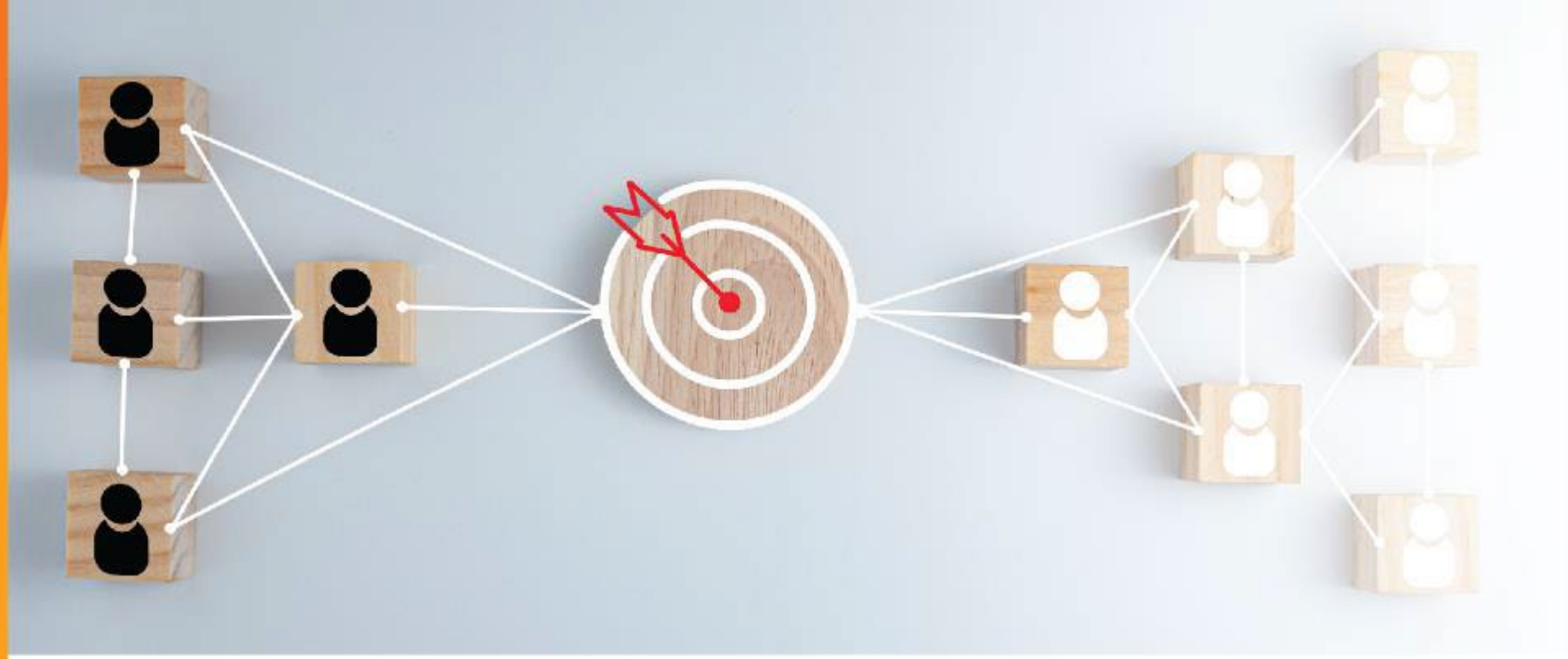
In 2023, the following issues were mainly debated in the OHSC:

- The annual report on work safety prepared for the entire Company;
- The report on health supervision at work, prepared up by the medical unit that provides occupational medicine services in REGARDING each SNN unit;
- The status of the Programme of OHS measures for 2023;
- The review and updating of the Regulation on unified provision of protective food in the workplaces of SNN, which require that workers are granted protective food;
- The terms for hiring specialized psychosocial assessment and psychological counselling services for SNN's employees;
- 2021 - 2022 benchmarking of the trend-related findings of the occupational health and safety monitoring in the production units of Cernavoda NPP, Pitesti NFP and the workplaces of the Headquarters;
-
- Analysis on the continuation of Covid-19 testing services for SNN employees;
- Analysis and validation of the revision of the "Instructions for provision of rehabilitation and physical recovery medical services at the Cernavoda NPP Dispensary".
- Identification and development of a consistent approach to the reimbursement of the price of eyeglasses, according to the judgment of the Court of Justice of the European Union (CJEU), which ruled that the eyeglasses for people working with computer monitors would be provided to workers by their employer, or their employer should cover their costs.
- Validation of the revision to the procedure on the occupational health and safety, and emergencies training in Cernavoda NPP, which procedure is aligned with the specific legal requirements;
- Making a proposal of a strategy for acquisition of personal protective equipment in accordance with the specific occupational health and safety and public procurement legislation, taking into account the problems reported by workers as to the quality of the equipment purchased by Cernavoda NPP in 2018-2022;
- Presentation of the status of the legislation and consultation performed by SNN's representative trade union concerning employment under special work conditions of the Cernavoda NPP staff and the Pitesti NFP staff exposed to working conditions specific to production of electricity from nuclear sources;
- The analysis of health status and measures taken in the context of the SARS CoV2 pandemic, as well as of other mass spread diseases;
- Analysis of the specific OHS procedures and instructions.

Moreover, the management staff of the Headquarters carry out observation and guidance activities in the branches, in accordance with the related procedure, and the results thereof are documented in an Observation Report for the occupational safety and health field. For 2023, two such actions were planned and completed, and their conclusions were documented in an Observation Report and were presented in the regular SNN top management review meetings.

In SNN, there is a procedure on the organization and functioning of the Ethics Committee, as well as on the statute of the ethics advisors of the Company, which also covers assessment and mitigation of the impact on human rights:

- Management and development of the Company's ethical values, ensuring compliance with the ethical rules of business conduct, in all company structures and at all levels;
- Coordination and supervision of the development, interpretation and implementation of the ethics policies and programmes;
- Analysis of the situations disclosed in referrals/reports concerning infringement of the ethics standards, policies and procedures of the



organization and their referral to those having authority to address them;
- Advising employees on how to approach certain situations so that no ethics rules are infringed;
- Participation in the investigations carried out on infringement of the Company's code of conduct and the internal rules, and making recommendations for the lawful settlement of the case;
- Delivery of training on ethics and compliance with the rules of the organization, as well as regular communications about ethics, compliance with the rules and business conduct requirements;
- Integration of the newly hired into the ethical environment, compliance with the rules and the business practices of the Company;
- Measurement and management of the Company's performance in terms of ethics and compliance;
- Preparation of quarterly reports on compliance with the conduct rules by the unit's employees.

Any matter that affects human rights is reviewed and reported by the ethics advisors, and should any form of violation of the human rights be found, disciplinary procedures are initiated in accordance with the legal provisions and the Internal Regulation of SNN.

As part of the works/services provided by contractors, the procurement documents contain requirements related to compliance of the services/works provided with the applicable legal requirements, and they are to conclude agreements regarding the access to the SNN units and agreements on the sharing of the occupational health&safety and emergency responsibilities, which also contain provisions that support to the respect for human rights.

The Internal Regulation of SNN sets out the rights and obligations of the employees and of the employer, including rules on non-discrimination and infringement of the human dignity, conflict of interest, disciplinary procedure or processing of the employee applications or complaints. This regulation is made known to employees and is signed by them for acknowledgment of its provisions.

SNN staff are encouraged to report in good faith any known, potential or suspected wrongdoing or misconduct, without fear of retaliation, in accordance with the Irregularity Reporting and Whistleblower Protection Procedure.

When there are doubts as to whether something should be reported, employees may seek clarification from the Ethics Advisor or the Compliance Officer in SNN or branches. As to reporting irregularities, employees can report them, via the Whistleblower sections on the Company Intranet and website, to their managers, the Compliance Officer or the compliance representative at branch level, to the Ethics Advisors in SNN and the branches, as well as to the Company's management. Managers have been trained to support and encourage the reporting of misconducts, and to help create an environment where employees can raise concerns or ask questions without fear of retaliation.

The Ethics and Compliance Service made sure that employees had multiple channels available to report compliance issues(including the Whistleblower sections of the Company's intranet and website), allowing them to report any potential violations of SNN's Code of Ethics and Business Conduct, and of any Company policies or laws, without fear of retaliation.

The risks related to the human resources activities carried out in SNN are identified, assessed and controlled by means of the "ARM - Risk Management" computer application, especially developed and consistently implemented across the Company. These risks are attached to both current and future projects. Risks are assessed quarterly.

An onboarding programme is in place for new hires, containing information about the human resources policies, the CBA, the Internal Regulations and their availability on the Company's intranet.

The Internal Regulation also sets out the obligation of the management of SNN and of its units to respect the rights and obligations of the employees under the CBA and this Internal Regulation, in the collaboration or JV agreements concluded with Romanian or foreign partners, throughout their entire collaboration.

The Ethics and Compliance Service receives all complaints of the employees using the Whistleblower platform and is responsible for their review, assessment and resolution. Depending on the referral content, the Ethics and Compliance Service may initiate preliminary assessments of the matters concerned, compliance investigations, or ad-hoc audits together with the Internal Audit Department, or anti-fraud investigations together with the Anti-Fraud Office, all concluding with a report to the SNN management. Also, in less complex cases, the Ethics and Compliance Service works together with other responsible units to process referrals.

Ethical dilemmas or ethics-related complaints are handled by the Ethics Advisor appointed in SNN and at branch level.

Another form of worker consultation and participation on occupational safety and health matters is to conduct surveys on employee satisfaction with how the occupational safety and health requirements are met. The matters reported or proposed by employees are reviewed and considered in definition of the prevention and protection measures and actions, including in the OHSC review meetings.

The processes to address the negative impacts and the channels provided to employees to voice their occupational health and safety concerns are set in the Collective Bargaining Agreement regulating the organization and functioning of OHSC. Employees can express their occupational health and safety concerns directly to their representatives in the OHSC, as well as in the satisfaction questionnaires distributed at least once a year to review the employee satisfaction with the working conditions and occupational health and safety measures taken.

The CBA sets out the obligation of the SNN units to take all necessary measures to protect the life and health of employees, and when the measures envisaged, which aim to improve the working conditions and provide adequate protection in accordance with the legal provisions in force, are not possible, compensation in cash or otherwise is provided in accordance with the law. Thus, the Company provides, at no cost to employees, for those jobs where the working conditions require it: Personal Protective Equipment, protective food, medical services to recover their work capacity, reimbursement of eyeglasses for the staff exposed to video-terminals, private insurance for accidents at work and occupational illnesses, etc.

The effectiveness of corrective Occupational Safety and Health measures is assessed through focused analyses and reviews in the OHSC, as documented in the OHS Programme Progress Reports and the OHS Annual Report. The conclusions and any resulting actions are documented in the Minutes of the OHSC meetings and in Action Plans assumed by each SSM unit.

Own workforce-related policies | *ESRS S1-1*

Article 20 of the Romanian Constitution ratifies the universal and European human rights treaties. SNN's activity consists in production and supply of electricity and is carried out exclusively in Romania. Romanian organizations assess the potential negative impacts associated with their operations, including GDPR, corruption, reports/complaints/claims, collective bargaining and other important and material social topics. All SNN operational policies and procedures apply to the entire organization.

Gender and labor exploitation of children or trafficking in human beings are not a concern for the Romanian employees since no cases of gender discrimination, gender-based violence or labor exploitation of children have been identified or reported, otherwise than in family contexts. The Romanian Constitution provides that minors under the age of 15 years may not be hired as employees, and exploitation and use of minors in activities that would harm their health, morality or endanger their life or normal development are prohibited. Currently, there are no UNICEF or other NGOs reports pointing to cases of child labor exploitation in Romania.

The SNN's Code of Business Conduct, Management Manual and Policy Statement on the Management System contain the commitment of the SNN's management to the responsibility assumed to avoid causing or taking part in any negative impact on human rights in its activities, and to tackling this impact when it occurs, as well as to prevent or mitigate the negative impact on the human rights that is directly related to the production activities of the Company. The SNN Management System Manual contains provisions reading that the management ensure adequate working conditions for performance of the activities through a permanent control of the regarding occupational health and safety risks in order to mitigate them, and the health status of employees is monitored in order to maintain their working capacity.

Correlatively, in each branch of SNN, a management commitment statement is available regarding compliance with the relevant OHS legal and regulatory requirements, control of occupational health and safety risks, as well as continuous improvement of the OHS performance.
The human resources strategies and policies, and the action lines of the administrative and executive management are aimed at respecting the human rights in accordance with international and domestic legislation. The rights and duties of employees are laid down in the Collective Bargaining Agreement (CBA) of SNN, as well as in the Internal Regulation of SNN. These are worded with respect for human rights, the right to work enshrined in the International Charter of Human Rights, and the principles of the fundamental rights set out in the Declaration of the International Labor Organization on the principles and fundamental rights at work, including their transposition into the applicable labor relation legislation, in observance of the principles of consensus and good faith, that are the pillars of labor relations.

SNN pays particular attention to the principle of equal rights and equal opportunities, the right to life, to health protection and the right to a healthy environment, the right to defense and non-discriminatory access to justice, individual freedom and the right to free movement, freedom of expression, freedom of information, the right to elect and be elected, the right to work and the right to strike, the right to association, the protection of people with disabilities, the right to petition, the right to legislative initiatives, the protection of children and young people, prevention of trafficking in human beings through all forms of exploitation, forced labor or duties related to child labor, precarious and unsafe work.

The complaint/referral settlement mechanism applicable to staff-related matters is described in the Procedure on reporting irregularities and whistleblower protection and

the Functioning Regulation of the Ethics Committee, as well as the statute of the Ethics Advisors in SNN SA.

The Ethics and Compliance Service receives all complaints of the employees using the Whistleblower platform and is responsible for their review, assessment and resolution. Depending on the referral content, the Ethics and Compliance Service may initiate preliminary assessments of the matters concerned, compliance investigations, or ad-hoc audits together with the Internal Audit Department, or anti-fraud investigations together with the Anti-Fraud Office, all concluding with a report to the SNN management. Also, in less complex cases, the Ethics and Compliance Service works together with other responsible units to process referrals. Ethical dilemmas or ethics-related complaints are handled by the Ethics Advisor appointed in SNN and at branch level.

Adoption of measures concerning the material impacts and approaches to mitigate the material risks and to pursue the material opportunities related to the own workforce, and effectiveness of these actions and approaches.

The organizational culture of SNN is rooted in the general beliefs of the Company members: Safety First (safety has priority), awareness of the importance of nuclear safety and security in all conducted activities, as well as focus on continuous improvement. SNN adopted the WANO (World Association of Nuclear Operators) & INPO (Institute of Nuclear Power Operations) principles of the continuous improvement culture "Staying on top", and embedded them in the organizational culture and the nuclear safety culture put in place in SNN.

In SNN units, participation of employees in discussions about all issues concerning occupational safety and health is ensured, according to the legal regulations in force (Law no. 319/2006 on occupational safety and health, Article 18).

SNN's management policy statement on the Management System contains a commitment at the highest management level of the Company to ensure conditions for consultation and participation of employees on occupational safety and health matters, whereas the Collective Bargaining Agreement (CBA) contains provisions on the work conditions and the occupational safety and health in the Company.

Under the CBA's provisions, the parties thereto, i.e. the employer and the employees, are bound to employ the necessary efforts to institutionalize an organized system aimed at the continuous improvement of the work conditions. In this context, the SNN units are required to take all necessary measures to protect the life and health of employees, and provide the compensation provided under the law, if any. The Employer is also under the obligation to ensure the safety and health of employees in all aspects of their work, and where the SNN unit uses external persons or services, this shall not release them of any liability in this respect.

According to the CBA provisions, the obligations of employees related to radiation protection and occupational safety and health may not affect the responsibility of SNN unit, which is liable for:

- risk assessment and control at source;
- highlighting the risks that cannot be avoided and delivery of training to employees accordingly;
- definition of specific instructions, technologies and standards;
- provision of radioprotection equipment and personal protective equipment;
- putting in place the conditions needed for the work of the Occupational Safety and Health Committee (OHSC), according to the duties provided by the law and depending on the workload;
- planning prevention of the occupational risks;
- definition and application of other measures specific to the SNN activity.

SNN employees are required to take care of their own health and safety, and that of other persons who may be affected by their actions during the working hours, and are therefore required to comply with all the provisions of the rules, instructions and regulations issued up in this regard. This obligation stemming from the provisions of the legislation in force (Law no. 319/2006 on occupational safety and health, Article 22), is correlatively contained also in the CBA, the job description of each employee, as well as in the Internal Regulation of SNN.

Specifically, consultation and participation of SNN employees in discussions about all occupational health and safety matters takes place in the Occupational Safety and Health Committee (OHSC), organized across the entire Company. The membership of OHSC was updated in 2023 by CEO Decision. The employee representatives sitting in the OHSC are nominated for a period of 2 years by the representative trade union operating in SNN. OHSC is led by a chairman nominated by the Company's CEO, and it is organized and operates based on its own Regulation, enclosed to the CBA.

The specifics of the nuclear safety culture fosters a questioning attitude, where all workers are alert to assumptions, anomalies, values, conditions or activities that could have an unwanted effect on workplace safety; thus, workers are encouraged to express their opinions about the work conditions, as well as any aspect of the professional activity that could affect occupational health and safety.

According to the approved 2023 Occupational Safety and Health Programme, the following thematic actions specific to this field have been determined, with time-limits and owners:

- Provision of personal protective equipment (PPE);
- Provision of facilities, checks and tests on the technical protective equipment;
- Provision and performance of external services to check and maintain the technical radiation protection equipment;
- Providing of worker health surveillance services, i.e. occupational medicine, emergency medicine, COVID-19 testing, medical services to recover the work capacity, medical education services;
- Monitoring the spread of the COVID-19 virus;
- Provision of hygiene and sanitary materials;
- Provision of protective food;
- Provision of determinations and measurements of the pollutant concentration in the exposed workplaces;

- Procuring the occupational health and safety risk assessments
- Provision of pest control, disinfestation and disinfection services;
- Maintenance of optimal conditions for the changing rooms, sanitary facilities and equipment in these facilities;
- Delivery of specific occupational health and safety training to workers;
- Analysis of the occupational health and safety trends/performance;
- Analysis of the occupational health and safety internal and external OPEX.

Targets related to significant impact management, positive impact promotion, and significant risk and opportunity management.

Specific targets have not been yet adopted for our employees under a materiality-based internal process.

However, the Company has in place a number of codes of conduct and management systems, where metrics and annual targets (as described in ESRS S1-14) are set for the occupational safety and health process:

- Staff protection during performance of activities in SNN
- Compliance with the OHS legal requirements
- Implementation of the OHS programme
- Ensuring the staff health state
- Performance of the set OHS actions
- Compliance with the OHS training programme.

The commitment to respect the human rights stipulates zero tolerance for undermining, and/or violation of, human rights, regardless of the form of such violations.

The work conditions and employment terms set out in Collective Bargaining Agreement (CBA), as negotiated with the SNN unions. The Internal Regulation, the CBA and the Individual Employment Agreement make reference to the employees' right to association and trade union freedom.

All Company employees are covered by the provisions of the same CBA.

Employee representation is ensured by participation of the representative trade union (Cernavoda NPP Trade Union) in meetings and discussions with the management representatives. In SNN, there are 2 other trade unions, but they are not representative for the Company: Free Energetica Nucleara '90 Trade Union and Pitesti NFP Trade Union. The relationship with trade unions is permanent and consists of meetings/consultations; the provisions of the CBA are negotiated after on-going consultations of the Negotiation Committee appointed both by the management and by the representative trade union operating in the Company, in accordance with the legal provisions in force (Law no. 367/2022).

The 2023-2027 SNN's administration plan contains provisions concerning collective bargaining, which takes place according to the legal provisions applicable to conclusion of the Company's CBA. In 2023, a Collective Bargaining Agreement was applicable in the Company; this was duly registered the Territorial Labor Inspectorate of Bucharest, further to a collective bargaining process conducted in keeping with the applicable legal requirements.

2023	TOTAL
Number of employees covered by collective bargaining agreements	2352
Number of unionized employees	1687

Adequate wage | *ESRS S1-10*

The waging of the SNN staff is consistently regulated under the Collective Bargaining Agreement (CBA). CBA contains a hierarchy of positions and trades in the SNN, contains salary limits for each hierarchical level depending on the complexity of the work, and the degree of technicality and professional competence specific to the positions of the Company's organization chart.

Salary negotiation is sensitive to the requirements contained in the Job Description (enclosed to the Individual Employment Agreement), and considers a comparative evaluation with the average income earned in similar activities at national and international level; thus, a salary the amount of which is determined in accordance with the limits of the Hierarchy List of Positions, included in the CBA of the company, is obtained. When determining the limits of the Hierarchy List of Positions provided in the CBA, consideration was given to the average levels attained for similar activities at national and international level. SNN, as holder of the license for nuclear installations is required to put in place appropriate measures and policies so as to ensure a competitive pay at least equal to the average remuneration paid by similar organizations in the nuclear industry of the European Union for the functions important to nuclear safety, according to the Nuclear Safety Rules issued by CNCAN, the regulator in the nuclear field.

SNN currently applies a template Individual Employment Agreement for both limited-term employees, and those employed under open-ended contracts. The Individual Employment Agreement implemented under the CBA contains provisions in accordance with the applicable national legislation and observes the clauses laid down in the Order no. 64/2003 approving of template Individual Employment Agreement.

Social security | *ESRS S1-11*

According to the Collective Bargaining Agreement (CBA), all SNN employees benefit from social security at work.

When resuming work, the employees who used to be on leave for temporary incapacity for work, maternity leave, maternity leave, leave to care for a sick child up to 7 years of age or vocational training leave, who had temporarily suspended work, but not terminated their employment relationship (strike, prior disciplinary investigation, standby regime), who have not benefited of the provisions of Article 6.24 (1) and (2) of the CBA, this right receive this entitlement the end of the month concerned.

Employees seconded to SNN units receive their bonuses from the units where they render the work, on their respective payment date.

The rights provided at Article 6.24 (1) of the CBA shall be granted by Protocol concluded by the SNN CBA Negotiation Committee. These rights include:

- SNN units will grant the employee a financial aid at the birth or adoption of each child (up to 18 years old);
- SNN employees benefit from a lump sum aid to compensate for electricity consumption;
- Retirement aid for electricity quota;
- SNN employees benefit from a lump-sum aid to compensate for heat consumption;
- Employees affected by layoffs for reasons not related to their person benefit of active measures to control unemployment, as well as of compensation under the terms of the law and of the CBA;
- Where the employee has totally lost the ability to work as a result of an accident at work or in connection with work, an occupational illness or in connection with their profession, they receive compensation payments under the insurance policy taken out by SNN;
- SNN employees who have totally lost their ability to work as a result of work-related accidents or occupational or professional illnesses are entitled to an aid on their retirement date;
- In the event of the employee's death in an accident at work or as a result of an occupational or work-related illness, they benefit from the provisions of the insurance policy taken out by SNN;
- In the case of occupational or work-related illnesses and accidents at or related to work, the employees concerned will be referred for medical treatment;
- Employees who have contracted occupational or profession-related illnesses while rendering their work will be provided means of recovery their work capacity by SNN, in specialized units, until they meet the retirement conditions for loss of work ability, from funds allocated for occupational safety and health.

Other benefits include: reimbursement of the cost of eyeglasses to the eligible staff, provision of transport to and from work by public transport on the basis of monthly passes or similar payment documents, contributions made on behalf of employees to a voluntary pension fund.

At Company level, the Prevention and Protection process is documented in the process data-sheet, and the occupational health and safety monitoring and measurement criteria are:

- monitoring and maintaining the health of the staff in order to preserve their ability to work;
- avoiding accidents at work and occupational illnesses that can cause temporary incapacity to work or death;
- controlling and keeping the risk of injury as low as possible;
- setting rules, internal order measures and responsibilities in the organization, and performing activities case of an emergency;
- preventing any conditions that are likely favor occurrence of emergencies;
- limiting the consequences of emergencies.

Process Analysis Reports are prepared annually; for 2023, the status of occupational health and safety activity is as follows:

2023				
CRITERION	**METRIC**	**SET TARGET**	**ACTUAL VALUE**	**TARGET SET FOR THE NEXT YEAR**
Staff protection during performance of activities in SNN	Rate of accidents at work	0	0	0
Compliance with the OHS legal requirements	Compliance degree (%) Nonconformities found by the inspection bodies	100% 0	100% 0	100% 0
Implementation of the OHS programme	Measures carried out/measures planned (%)	95%	100%	95%
Ensuring the staff health state	Occupational illness rate	0	0	0
Completion of actions	Degree of implementation of the measures and actions within the set time-limits	100%	100%	100%
Meeting the OHS objectives	Degree of attaining the objectives	100%	100%	100%
Compliance with the OHS training programme	Delivery of training according to the programme (no. trainings delivered/no. trainings planned)	100%	100%	100%

Performance of the Occupational Health and Safety process is quantified through performance indicators attached to the specific objectives, which are correlated to the general objectives set at SNN level. Thus, in order to implement the measures or actions provided in the Occupational Health and Safety Management Programme put in place in the SNN units, the annual target for the metric *Attainment of OHS objectives and targets for SHS* in years 2020 - 2023 was set between 85% and 95%; therefore, the target was attained.

The SNN's organizational chart includes specialized internal services to ensure the prevention and protection activities, which also include activities related to emergencies.

A Prevention and Protection Department provides the specific activities regulated under the applicable occupational health and safety, emergency and work psychology and organizational psychology legal requirements. This also provides operational coordination of the organizational entities operated as Occupational Health and Safety Emergency Units in SNN's branches.

These specialized services set up in all SNN sites are provided by skilled staff, in keeping with the legal requirements, and include also analysis and monitoring of the metrics related to occupational health and safety and emergencies. These metrics are reviewed in the OHS Committee and are integrated across the entire Company, so as to ensure coordination of the Company-wide strategic decision and tactics for this activity.

As of 2020, in the production units of SNN, i.e. Cernavoda NPP Branch and Pitesti NFP Branch, an Occupational Health and Safety Management System has been documented, implemented and certified by SRAC-Cert, in accordance with the provisions of SR ISO 45001:2018 Occupational Health and Safety Management Systems. During 12 October - 14 October 2020, a surveillance and SR ISO 45001:2018 migration audit took place on Pitesti NFP.

In 2023, an Occupational Health and Safety Management System was put in place also in the Headquarters, in line with the provisions SR ISO 45001:2018.

ISO 45001 certification	2020	2021	2022	2023
Degree of certification coverage for the SNN units	67%	67%	67%	100%

The SNN Management System Manual, includes the organizational policies and general guidelines that are the basis for development of all activities in SNN, and also includes the occupational health and safety activity; in each branch, a Health and Safety Management Policy is available, and contains the relevant aspects under the management's attention to ensure a clean and safe working environment for all employees, the contractors' staff and visitors.

In accordance with the provisions of Law 319/2006 on occupational health and safety, for all workplaces of SNN hazards are identified and risks are assessed for each component of the work system, i.e. who performs the job, workload, work tools/equipment and work environment. These assessments are available to all workers by posting on the Intranet of SNN units and are included in the annual occupational health and safety training topic.

In order to assess the risks of accidents at work and occupational illnesses, the Company applies the Method of the National Research Institute - Development for Work Safety (NRI-DWS); for all workplaces in the Company. According to this method, the global risk level determined for each SNN unit and for the entire Company falls into the category of accepted risks, the annual trend of which is constant, as weighted average, with a value of 3.13 in 2023 (compared to 3.18 in years 2019-2022). Prevention and protection measures are determined to control the global risk of accidents at work or occupational illness, under annual OHS Programmes.

Assessment of the accidents at work and occupational illness risks is the basis for the of occupational health and safety management strategy and is followed by the control of these risks by defining preventive measures, which are included in the annual prevention and protection plan prepared in accordance with the provisions of the Implementing Rules of Law no. 319/2006 on occupational health and safety, approved by Government Decision no. 1425/2006, as subsequently amended and supplemented; the measures contained therein are reviewed in the Meetings of the Occupational Health Safety Committee set up in the Company in accordance with the applicable legal provisions. The measures contained in the prevention and protection plan have been annually allocated resources for implementation under the Company's approved Income and Expenditure Budget.

Assessment of the risks of accidents at work and occupational illness is a carefully review process and is updated when events occur in the work system, new work

methods/technologies are adopted, attitudes/behaviors are noticed that require reconsideration of classification of risks identified in the Company's workplaces by impact/likelihood.

The opportunities related to occupational health and safety stem from positive contextual aspects leading to an improved OHS performance, and are addressed in all activities of the occupational health and safety process, according to the occupational health and safety management system implemented and certified in each unit of SNN, according to SR ISO 45001:2018, as well as to model covered by the procedure *Risk Management in SNN*, as implemented and maintained through the IT application dedicated to the integrated risk management across SNN.

The findings of the occupational health and safety risk analysis required adoption of employee awareness-raising topics, which consisted of sending emails or displaying information materials in the production units with a view to preventing occurrence of events in the work system or due to behaviors that can be harmful to workers' health (smoking).

The particular of the nuclear safety culture fosters a questioning attitude, where all workers are alert to assumptions, anomalies, values, conditions or activities that could have an unwanted effect on workplace safety; thus, employees are encouraged to express their opinions about the work conditions, as well as any aspect of the professional activity that could have an negative impact on occupational health and safety.

Workers assume personal responsibility for safety, as part of the extensive nuclear safety culture specific to this industry. Thus, the responsibility and authority for safety and health in each workplace are well defined and clearly understood. The reporting relationships, positional authority and team responsibilities highlight the major importance of workplace safety.

The information about occupational health and safety is duly communicated to the stakeholders; thus, the annual report on occupational health and safety is submitted to the Territorial Labor Inspectorate. In the Company's branches, the SRAC-cert certification body conducted certification audit and surveillance audit actions annually to independently check the OSH information against the Occupational Health and Safety Management System, implemented according to SR ISO 45001:2018.

The health of SNN workers is monitored in accordance with the provisions of the Government Decision no. 355/2007 on the supervision of the health of workers in workplace, through specialized occupational medicine services provided under contract. Each worker takes an occupational medicine examination, at least annually, in accordance with the occupational risks identified for the activity carried out in their respective workplace. The occupational medicine doctor issues a skill data-sheet for each employee, that contains the medical opinion.

SNN's management system is certified according to ISO 45001 for all SNN units, so that the entire SNN staff, as well as contractors' workers performing activities in the SNN units are covered by SNN's occupational health and safety management system.

In application of the provisions of Law no. 319/2006 on occupational health and safety and of the Implementing Rules of this law, the events produced in the work system are immediately communicated to the stakeholders, and are investigated, recorded and reported on in accordance with the applicable legal provisions.

Accidents at work occurred in SNN the units in years 2020 – 2023

Events	2020	2021	2022	2023
No. of accidents at works with temporary work incapacity (own employees)	1	0	2	2
No. of accidents at work with invalidity (own workforce)	0	0	0	0
No. of accidents at work with fatalities (own workforce)	0	0	0	0
Total events (own workforce)	1	0	2	2
No. of accidents at work with fatalities (contract employees)	1	0	0	0

Number of fatalities due to work-related injuries and illnesses in SNN units:

2023			
UNIT	OWN WORKFORCE FATALITIES	CONTRACTOR FACILITIES	TOTAL WORK-RELATED FATALITIES
Cernavoda NPP	0	0	0
Pitesti NFP	0	0	0
Headquarters	0	0	0
Total	**0**	**0**	**0**

This report covers only the fatalities due to work-related injuries, and it does not include road traffic events that were not related to work-related activities.

Over the last four years, SNN has not recorded any accidents at work resulting into disability or death, and the accidents with temporary incapacity for work remain at a low level.

All the events produced in the work system of the Company are carefully reviewed and processed by workers, determining actions to reassess the risks of accidents at work and occupational illnesses for the workplaces involved or potentially involved, and actions aimed at eliminating their causes are taken.

No occupational illnesses were reported in 2023.

Number and rate of accidents at work reported in the SNN units:

2023			
UNIT	TLI ACCIDENT	ACCIDENT WITH INVALIDITY	ACCIDENT WITH FATALITY
Cernavoda NPP	2	0	0
Pitesti NFP	0	0	0
Headquarters	0	0	0
Total	**2**	**0**	**0**

Number of days lost due to work-related injuries and fatalities caused by work-related accidents, work-related illnesses and illness-caused fatalities:

2023			
UNIT	NUMBER OF CASES	TOTAL HOURS WORKED IN 2023	LOST TIME RATE
Cernavoda NPP	2	306,4026	0.65
Pitesti NFP	0	583,599	0
Headquarters	0	326,600	0
Total	**2**	3,974,225	**0.50**

Lost time incident rate (LTIR) in 2020-2023:

	2020	2021	2022	2023
Lost time incident rate (LTIR) Number of accidents x 100,000/total number of hours worked during the year	0.036	0	0.051	0.50

The training of SNN employees on occupational health and safety is delivered out in accordance with the provisions of Law no. 319/2006 at employment, in the workplace, regularly and additionally, whenever necessary, based on programmes and topics determined for the different workplaces and trades. All Company employees mandatorily attend the mandatory OHS trainings at employment, and in the workplace, regularly and additionally, whenever necessary. Specialist staff with specific OHS responsibilities are trained under training programmes dedicated to their responsibilities as members of the Work Safety services organized in each SNN unit.

Number of employees trained on occupational health and safety:

	2020	2021	2022	2023
OSH specialists and employees with specific OHS responsibilities (number of persons)	49	57	65	69
Staff trained of general matters, including OSH topics (no. of persons)	1991	2181	2319	2622

We aim to promote a work-life balance for our employees. According to the Collective Bargaining Agreement (CBA), male employees are entitled to 10 consecutive days (paternity leave), at request, upon the birth of a child. Where the father of the newborn has obtained the certificate of completion of the childcare training, the duration of the parental leave is increased by 5 working days. The right to increase the duration of paternity leave by the 5 days is granted for each newborn child, based on the certificate of completion of the childcare training, regardless of when it was obtained.

Employees are entitled to care leave to care for, or provide support to, a relative or a person living in the same household as the employee and is in need of care or support due to a serious medical condition, for a period of 5 working days during one calendar year (relative means son, daughter, mother, father, husband or wife of an employee).

The employee has the right to be miss work in unforeseen situations, caused by a family emergency due to an illness or accident, which make the immediate presence of the employee indispensable; however, provided that the employer is informed in advance and that the period of absence is recovered, until the employee's normal working hours are fully covered.

2023			
	FEMALE	**MALE**	**TOTAL**
Total headcount	725	1627	2352
Employees entitled to family-related leave	725	1627	2352
Employees who took maternity, paternity or parental leave	33	43	76
Employees who took the care leave	3	4	7
Percentage of employees entitled to family-related leave	100%	100%	100%
% of employees who took leave for family reasons	3.23%	2.63%	5.86%
% of employees who took maternity, paternity or parental leave	1.4%	1.8%	3.2%
% of employees who took the care leave	0.1%	0.2%	0.3%

Our equal treatment policies | *ESRS S1-1*

Employees are permanently applied an equal and non-discriminatory treatment, as per the international nuclear industry standards, read in connection with the domestic legislation and the incentive packages adapted to the macroeconomic and microeconomic context of Romania.

In SNN, we always show the respect we pay to all the parties we interact with. In our daily work, we come across people of different ethnicities, cultures, religions, political beliefs, ages or gender, as well as with people with disabilities and of different sexual orientations.

The diversity of our staff is one of our greatest assets as it allows us to benefit from a variety of professional and educational knowledge, as well as of different views. Integration of these differences helps increase our agility and ability to adequately respond to the changes taking place in our business environment and allows us to work more cooperatively.

The Collective Bargaining Agreement and the Internal Regulation contain details rules prohibiting direct or indirect discrimination employee, on grounds of gender, sexual orientation, genetic features, age, national affiliation, race, color, ethnic origin, religion, political belief, social origin, disability, family situation or responsibility, trade union membership or activity.

The principles on prevention and mitigation of discrimination are outlined in the SNN's Internal Regulation. Any complaints on this topic are handled in accordance with the Functioning Regulation of the Ethics Committee and the Ethics Advisors' Statute in SNN SA, and can be reported including through the Whistleblower, in accordance with the Irregularities Reporting Procedure.

Also, the Code of Business Ethics and Conduct contains provisions about the non-discrimination policy applied in the Company.

Adoption of measures concerning the material impacts and approaches to mitigate the material risks and to pursue the material opportunities related to the own workforce, and effectiveness of these actions and approaches.

As of 2021, SNN has been documenting a Company-wide Report Card containing the main human resources metrics, including a diversity metric.

The strategic action lines followed to control of the diversity metric are:

- Involvement of the Company in early training of the young generation of specialists in the nuclear energy industry, both under the above strategic directions and by providing support for upgrading of laboratories and school workshops, internship programmes, scholarships, traineeships, dual school, mentoring, study facilities, school/university competitions or participation in theme projects.
- Optimizing the management of internal communication by conducting research programmes on the workers' satisfaction with the organizational culture and climate, and organizing theme social actions to adapt behaviors to the mission, vision and values of SNN.
- Diversity tracking and monitoring is part of a broader strategy to improve representation within the organization;
- Collaboration with accredited national universities and other educational institutions has been improved and streamlined, with newly-set objectives for internships in the Company, in order to hire directly from a pool of graduates of university or relevant vocational education.

Specific targets have not been yet adopted for our employees under a materiality-based internal process.

However, the Company has in place a number of codes of conduct and management systems setting metrics and annual targets concerning the equal treatment of our employees. Also, the commitment to respect the human rights stipulates zero tolerance for undermining, and/or violation of, human rights, regardless of the form of such violations.

SNN professionally appraises its employees based on an internal procedure, annually or regularly, ever 3 to 6 months (for the staff under observation). The staff performance appraisal procedure was revised at the end of 2020, it applies since 2021 and contains a unique methodology and form applicable across the entire Company, with individual performance indicators (KPI) cascaded from the overall objectives of the Company.

Diversity metrics | *ESRS S1-9*

The diversity metric found in the Report Cards is reported on the executive and administrative management, as part of the management's commitment to enhance diversity. This is a composite metric that includes measurements of the share of young people under the age of 30 years employed and retained in the Company, the ratio between the male and female employees, and the number of employees with disabilities. This composite metric is reviewed on a monthly basis and the average monthly values, consolidated at Company level, usually fall into the excellence range. The **composite diversity metric** has constantly evolved in 2023, and reports a value of **81%**.

Gender distribution by number and percentage, for senior management:

2023	FEMALE	MALE	TOTAL
Number of top management members	40	106	146
Percentage of top management members	27.40%	72.60%	

Employee breakdown by age bands:

2023	< 30 YEARS	30 - 50 YEARS	> 50 YEARS	TOTAL
Numbers of employees by age bands	245	1423	684	2352

The figures shown are based on data from the human resources system, as at 31 December 2023.

People with disabilities | *ESRS S1-12*

We support inclusion of people with disabilities; nevertheless, most SNN workplaces have attached specific health requirements for our employees, as confirmed according to the applicable legal requirements. The staff health state is certified at employment and regularly afterwards by the specialized occupational medicine service available in the Company, so that, the state of health of the staff is appropriate for the professional risk factors identified for each position in SNN.

The number of persons with disabilities employed by SNN in years 2020 - 2023 followed a constant trend:

2023	FEMALE	MALE	TOTAL
Numbers of employees with disabilities	1	9	10
Total percentage of employees with disabilities	0.42%		

Training and skills development metrics | *ESRS S1-13*

SNN pays particular attention to the systematic training of its staff so that they can carry out their duties at the excellence standards of the nuclear energy industry.

The Company is involved and constantly invests in ensuring the quality of employees through training and continuous training and by promoting meritocracy, as a component of the motivation system documented and implemented in SNN.

The nuclear energy industry particularly places on the staff selected for positions important to nuclear safety and management, coordination and supervision positions, in the processes carried out in the Company, requirements at the highest standards of professional competence and ethics in the specific field of activity, giving priority to the nuclear safety considerations before any other considerations.

The significant achievements of 2023 in terms of the workforce-related performance processes are summarized below:

- A comprehensive succession planning process was devised and put in place at corporate level. The overall process includes identification, selection and development of applicants for the future leadership roles;
- Successor development is planned and monitored under the newly devised individual development plans (IDPs). These IDPs include elements, such as: short and long-term objectives, learning objectives and activities to support them, training needs/activities, as well as experiential roles/activities needed for development. These IDPs were devised further to the industry benchmarking;
- The corporate positions critical to the Company's success have been identified and included in the succession planning process;
- The specific procedures describing the succession planning process have been updated and harmonized between the SNN headquarters and the two branches;
- SNN devised and implemented a Report Card in 2021, and maintained it also in 2023. This includes the main Human Resources (HR) metrics to ensure good visibility of the performance of the HR processes across the organization.

All employees benefit of access to professional training, under internal and external training programmes, courses, seminars at national or international level. The Company prepares the Annual Training and Improvement Plan. The Personnel Training and Authorization Department has the role of training the Cernavoda NPP staff for continuous improvement of individual performance and for elimination of any errors likely to have an adverse effect on nuclear safety and the population. The annual training offer is available to all Company employees on the Intranet page.

2023			
	FEMALE	**MALE**	**TOTAL**
Total headcount	725	1627	2352
Participation in regular appraisal	725	1627	2352
% of employees who participated in regular appraisal	30.83%	69.17%	100%
Participation in professional training	715	1626	2341
% of employees who participated in professional training	30.39%	69.13%	99.53%

Wage metrics (wage gap and total wage) | *ESRS S1-16*

The waging of the SNN staff is consistently regulated under the Collective Bargaining Agreement (CBA), which contains a hierarchy of the positions and trades in the Company. It lists the waging limits for each hierarchical level, depending on the work complexity, and the degree of technicality and professional competence specific to the positions in the Company's organization chart.

Salary negotiation is sensitive to the requirements contained in the Job Description, which is enclosed to the CBA, and considers a comparative evaluation with the average income earned in similar activities at national and international level; thus, a salary the amount of which is determined in accordance with the limits of the Hierarchy List of Positions, included in the CBA, is obtained.

The gender pay gap, defined as the difference in average pay between female and male employees, and calculated according to ESRS S1 AR100, is **6.69%**.

The ratio of the total annual pay for the highest paid employee and the median total annual pay for all employees, calculated in accordance with ESRS S1 AR101 (c) is **5.12%**.

Pay breakdown between women and men, by employee category:

2023	
Pay gap between women and men	6.69%
Pay breakdown between women and man for the management level	4.07%
Pay breakdown between women and man for the execution level	5.15%
Ratio between total annual compensation	5.12%

Own workforce-related other policies | *ESRS S1-1*

Gender and labor exploitation of children or trafficking in human beings are not a concern for the Romanian employees since no cases of gender discrimination, gender-based violence or labor exploitation of children have been identified or reported, otherwise than in family contexts. The Romanian Constitution provides that minors under the age of 15 years may not be hired as employees, and exploitation and use of minors in activities that would harm their health, morality or endanger their life or normal development are prohibited. Currently, there are no UNICEF or other NGOs reports pointing to cases of child labor exploitation in Romania.

According to the CBA provisions, for a person to be employed with SNN, they must have turned the age of 16 years and graduated secondary education; for activities and jobs subject to special/particular conditions, the employment age is at least 18 years. The Collective Bargaining Agreement (CBA) also contains the obligation to observe any other restrictions concerning the minimum employment age under the law.

Adoption of measures | *ESRS S1-4*

Adoption of measures concerning the material impacts and approaches to mitigate the material risks and to pursue the material opportunities related to the own workforce, and effectiveness of these actions and approaches.

The CBA, the Internal Regulation and the specific procedures developed in SNN regulate matters related to the respect for human rights, including prevention of the trafficking in human beings for all forms of exploitation, forced labor or obligations related to child labor.

Targets related to significant impact management | *ESRS S1-5*

Specific targets have not been yet adopted for our employees under a materiality-based internal process.

However, the Company has in place a number of codes of conduct and management systems setting metrics and annual targets concerning other work-related rights.

The commitment to respect the human rights stipulates zero tolerance for undermining, and/or violation of, human rights, regardless of the form of such violations.

Incidents, complaints and serious human rights problems and incidents | *ESRS S1-17*

The Organization and Functioning Regulation lists the Company's organizational entities that process the complaints filed by the individuals or communities affected by SNN's business activities. These complaints are registered and addressed in accordance with the applicable legal provisions.

In 2023, SNN did not register any cases with a major impact on human rights related to the current business or the decisions adopted. Receipt and settlement of any complaints, minimization of the instances of violation of human rights and adoption of settlement measures are regulated under the Ethics Committee's Regulation. All incidents have been addressed.

In 2023, there no complaints were received from employees regarding occupational safety and health, discrimination or human rights.

2023	
Number of human rights violation incidents	0
Number of employee complaints concerning human rights	0
Number of employee complaints concerning OHS	0

ESRS S2
VALUE CHAIN

economic, social and cultural rights
+ civil and political rights

SNN - Value chain

Stakeholder Interests and Views | *SBM 2, SBM3, IRO 1*

The interests and views of workers in the value chain are usually identified after internal consultations with suppliers, and these are mainly reviewed by the SNN suppliers.

As a Company majority State shareholding, SNN is required to follow the legal public procurement procedures, which include the Agreements signed by each supplier and which become part of the contract, initially being part of the Tender Book. All documents required to be completed by the potential tenderers are made public at the time when the procurement is commenced, by through publication in the Electronic Public Procurement System. Additionally, suppliers also sign a Declaration on own responsibility that they comply with the applicable legislation, including respect for the human rights provided in the UN Universal Declaration of Human Rights, as well as other environmental and social matters.

SNN pays a particular attention to the requirements of contractors who provide specialized personnel for a wide range of services and works, and supply products for the processes carried out in Nuclearelectrica. Thus, the Tender Book requirements set out conditions related to occupational health and safety, and for the critical areas and activities, these are subject to audits in accordance with the requirements of the occupational health and safety management system according to SR ISO 45001:2018.

For all contractors performing activities in Nuclearelectrica, an Agreement on occupational health and safety and emergencies is signed, as annex to the Business Contract, as uniquely regulated across under the SNN Decision no. 512/14.12.2022).

This agreement contains occupational health and safety responsibilities each party to the contract, as well as responsibilities in case events occur in the work system.

SNN understands that the exceptional nature of its operations can give rise to material impacts and risks not only to its own workforce, but also to the workers in the value chain. A SNN strategy that values safety and health in the daily activities can mitigate these material impacts. Hence, the own workforce-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources, as summarized in the table below and addressed in the following sections.

Sub-topic	Impact	Risk/Opportunity
Work conditions	**Potential** small-scale **negative impact** when the rights of suppliers' employees, with consequential damages to SNN's reputation, and the legal requirements are not observed.	**Risk:** Where other employee rights (supplier) concerning the work conditions are not respected, SNN's work may indirectly affect the rights of upstream employees, if cases of human rights violations are identified. Working conditions include safe workplaces, working time, adequate wages, social dialogue, freedom of association and negotiation, work-life balance, and health and safety.
Opportunities and equal treatment for all	The civil and political rights of other workers (along the value chain), such as gender equality and equal pay for equal work, training and skills development, as well as employment and inclusion of people with disabilities, measures taken against violence and harassment in the workplace, and diversity, are all respected.	**Opportunity:** Observance of the civil and political rights of workers along the value is assessed as par of the public procurement process. All SNN suppliers are required to respect the human rights in their dealings with employees, and are audited in this respect. They adopt the principles of behavior required by SNN and thus make a contribution to the well-being of their employees, SNN's reputation and compliance with the legal requirements.
Other work-related rights (suppliers)	**Potential** small-scale **negative impact** when the rights of suppliers' employees, with consequential damages to SNN's reputation, and the legal requirements are not observed.	**Risk:** Where other employee rights (suppliers) (related to forced labor or child labor, as particular groups) are not respected, SNN's work may indirectly affect the rights of upstream employees if cases of human rights violations are identified for the workers in the value chain.

It is important to underline that 100% of all contractors' staff are required to comply with the contract provisions, including those of the Occupational Health and Safety and Emergency Agreement, that is concluded and attached to each contract. These set out requirements to control the occupational safety and health risks identified for work carried out in the SNN installations and premises, including prior training delivered by the SNN specialists in charge of managing occupational the occupational health and safety activities in the SNN units.

The supervision of the compliance with the occupational safety and health requirements provided by the Company's specialists includes also checks on how these requirements are met out by the contractors' staff. The results/conclusions are documented and are subject to focused analysis with the participation of the contractors' representatives, and control actions and measures are taken and assumed or whenever measures to evacuate the workers, suspend the work until the conditions for safe work and quality parameters established and agreed by each party are resumed, are required.

The short, medium and long-term **financial effects** on SNN of the risks of the material risks and opportunities arising from the impacts on communities are assessed to be low (between 0.1% and 0.7% of annual turnover), in the double materiality assessment.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

SNN does not have any stand-alone policies concerning the workers in the value chain; these are included in broader scope documents, such as the Code of Ethics and Business Conduct, which define the mission, vision, values and standards of conduct of SNN, and the Complaints Policy, which is disclosed by SNN as part of ESRS G-1. According to the Code, it is SNN's responsibility to ensure protection of people, goods and the environment. SNN also considers compliance with the legal requirements derived from the whistleblower protection legislation.

No instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises Involving Affected Communities, involving also the affected communities, have been reported in the SNN operations or its upstream and downstream value chain.

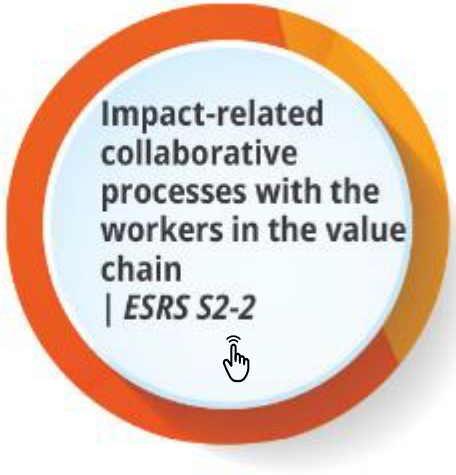
In the value chain, there are a number of suppliers of products and services for SNN in Romania. Downstream SNN, we find Transelectrica SA. as a transmission operator, as well as a number of electricity distributors. Article 20 of the Romanian Constitution ratifies the universal and European human rights treaties. SNN's activity consists in production and supply of electricity and is carried out exclusively in Romania. Romanian organizations assess the potential negative impacts associated with their operations, including GDPR, corruption, reports/complaints/claims, collective bargaining and other important social topics, pursuant to the legal requirements.

Gender and labor exploitation of children or trafficking in human beings are not a concern for the Romanian employees since no cases of gender discrimination, gender-based violence or labor exploitation of children have been identified or reported, otherwise than in family contexts. The Romanian Constitution provides that minors under the age of 15 years may not be hired as employees, and exploitation and use of minors in activities that would harm their health, morality or endanger their life or normal development are prohibited. Currently, there are no UNICEF or other NGOs reports pointing to cases of child labor exploitation in Romania (save for isolated cases in family contexts).

In SNN value chain, there are also foreign suppliers of raw materials and equipment, who each have undertaken commitments to respect the human rights, the OHS policies, etc. Such commitments of suppliers are communicated and can be found on their websites. In addition, there is a process of auditing the management

systems at supplier level, as part of the SNN public procurement process, including outside Romania. Moreover, through its internal specialized structures, SNN regularly conducts compliance audits of the suppliers with significant exposure to the quality, environmental, and occupational health and safety risks.

The occupational safety and health risk assessments carried out in SNN also cover the workplaces where the contractors' personnel render the work. Under the Occupational Health and Safety Agreement concluded between the Company and each contractor, contractors are required to prepare, when so requested by the Beneficiary, an occupational health and safety plan for the activities carried out in the spaces belonging to the Beneficiary, based on the assessed risks of injury or occupational illness, which includes also appropriate protective measures. This Plan shall is submitted for clearance by the Occupational Health and Safety Structure of the Beneficiary, prior to commencement of the activities, and is be available in the premises of the Beneficiary to be examined at request by Occupational Health and Safety Officers, Labor Inspectors and Health Inspectors.



SNN applies a materiality assessment process, where the risks and opportunities related to the suppliers in the value chain and their employees are assessed. SNN's complaint policy and the related channels are applicable and available to the workers in the value chain, and are disclosed as part of **ESRS G-1**. Through these channels, consultation takes place directly with the workers in the value chain. All complaints are considered for resolution, and the views of the workers in the value chain inform the decisions aimed at managing the actual and potential impacts. Auditing the suppliers' management systems facilitates implementation of the required measures.

The Head of the SNN Compliance Department[36] ensures that this collaboration takes place and that its results are included in the strategic approach adopted to the relevant matters in SNN. All comments are considered in the decisions made on the procurement process in SNN.

Moreover, the Occupational Health and Safety Agreement concluded between the Company and each contract regulates the access of the contractors' staff to the premises of the Beneficiary, as well as the condition that the activities pertaining to the services/works covered by the Business Contract only commence after the signing of the Occupational Health and Safety and Emergencies Agreement, delivery of training on the undertaking's and/or SNN units' specific activities, assessment of the occupational health and safety risks to the contractors' workers, and determination of the prevention and protection measures, in general, and completion of the work formalities imposed under the occupational health and safety management system put in place in the SNN units.

Processes to address the negative impacts | *ESRS S2-3*

Processes to address the negative impacts and the channels provided to workforce in the value chain to voice their concerns.

Workers in the value chain can be exposed to a range of negative impacts when they work in an environment of concern, subject to hazard risks; therefore, the occupational health and safety provisions are an essential part of preventing the harmful effects, rather than remediation itself. SNN's priority is to minimize and prevent as much as possible any negative effects on its contractors and their subcontractors, particularly the accidents at work. As such, SNN has put in place a number of procedures to ensure, or cooperate to address the negative impacts on the workers in the value chain, and has provided channels for them to voice their concerns for these to be further addressed.

These are SNN's formal means by which all stakeholders, including workers in the value chain, can make their concerns and needs known directly through SNN's complaint resolution mechanisms. The approach to issues raised and details of processes put in place to address the negative impacts, as well as the channels whereby concerns can be raised, are outlined in ESRS G1, under the whistleblower section.

The effectiveness of these channels is confirmed by the complete resolution of the complaints.

SNN makes sure that suppliers are aware of the SNN's and legal procedures, and worker may use the SNN channels to voice their concerns or needs, and find out how these can be addressed. The Head of the SNN Compliance Department ensures that this collaboration takes place and that its results are included in the strategic approach adopted to these matters in SNN.

With a view to preventing negative impacts, before remedial measures are needed, the SNN units delivery training to the workers of their contractors and subcontractors on the specific activities of the SNN unit, the risks to their health and safety, as well as the prevention and protection measures and activities established, and the introduction of the work area where the contracted activities are to be carried out. Also, access and organization work formalities, including fire permit, are provided according to the internal procedures of the unit concerned.

These are made available to contractors for compliance by the own workforce and the subcontractors' workers with the internal procedures regulating the access to SNN premises and to the workplace in SNN premises, as well as for actions in emergencies that could occur while contractors' workers are present inside SNN.
SNN and its collaborators in the value chain are required to inform each other immediately of any event suffered by the workers of their own workers in the premises belonging to the SNN units or outside thereof, if it occurred in connection with the activities performed under the contract/framework agreement which is covered by the OHS and Emergencies Agreement.

In the event of a work-related event/accident, both parties must take the following steps immediately:

- maintain the state of affairs that led to the occurrence of the event, unless it is necessary to rescue personnel;
- to inform each other, as well as the legal investigation bodies, if necessary, about the work event/accident, with the necessary data according to the legal provisions;

Hazardous incidents occurring in the facilities of the SNN Unit are investigated and recorded by the SNN Unit where these occurred. Where the investigation of these hazardous concludes that these occurred as a result of the breach of the occupational health and safety and fire safety requirements by the contractors' workers, the Contractor shall bear the consequences.

Adoption of measures concerning the material impacts on the workers in the value chain, and approaches to mitigate the material risks and to pursue the material opportunities related to the workers in the value chain, and effectiveness of these actions.

SNN put in place procedure to, and performs audits to directly, check the performance of the suppliers which it works with. No serious human rights issues and incidents have been identified or reported by workers in SNN's value chain.

The resources needed for prevention-based management of a potential material impact are included in the procurement budgets, including the budget for audits. The effectiveness of these actions and initiatives is disclosed in the annual sustainability report published on the SNN website.

Specifically, as to the matters concerning the occupational health and safety related to the contractors' workers in the value chain, these are identical to those applied to the SNN employees. Thus, occupational risks are assessed for all workplaces in the SNN units where they work, before commencement of any work. Under the OHS and Emergencies Agreement, Providers are also required to prepare an Occupational Health and Safety plan for the activities performed in spaces belonging to SNN, based on the assessed accident at work or occupational illness, that would include appropriate protective measures; this Plan is cleared by the Occupational Health and Safety Structure of the Unit before any activities is commenced. The duly executed OHS Agreement contains obligations to observe SNN's legal requirements and the internal procedures concerning the protection measures specific to the works and services performed, including in terms of work at height, work in confined spaces, work in an environment with ionizing radiation, work with substances of concern/mixtures, work with electrical installations, work under the supervision of the State Inspection for the Control of Boilers, Pressure Vessels and Hoisting Equipment, as well as work under other particular conditions regulated under the specific legal provisions or the regulations applicable in the SNN units.

Also, social security and health insurance for its own employees is analysed by applying the provisions of Law no. 346/2002 on insurance for work accidents and occupational diseases, with subsequent additions and amendments. The SNN specialists with responsibilities in the regular analysis of compliance with the occupational health and safety requirements conduct theme analyses, and where they find any nonconformities, these are documented according to the occupational health and safety management system of the SNN unit and are analyzed with involvement of the contractors with a view to addressing the situation and ensuring the safety, as necessary, of the workers and the technical equipment, pending adoption of remedial measures.

The conclusions of these observations are classified depending on the severity of the implications contained in deep-dives, in order remove their respective causes.

Last but no least, according to the central occupational health and safety management system of SNN, a procedure for development of the operational coordination of prevention and protection is being documented according to the Company's procedure AQ-00-23, due to be completed on 31 July 2024; this will detailed the elements concerning the material impacts on the workers in the value chain, and approaches to mitigate the material risks, as well as the pursuit of the material opportunities related to the workers in the value chain, and the effectiveness of these actions.

Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities | *ESRS S2-5*

Specific targets have not been yet adopted for the workers in the value chain under a materiality-based internal process.

However, the Company has in place a number of codes of conduct and management systems where the following targets related to the workers in the value chain are included as performance criteria:

- Zero cases of violations of the human rights of workers in the SNN value chain, resulting from audits or complaints

Their effectiveness is reflected in the SNN performance. SNN directly audits the performance of the suppliers SNN works with.

ESRS S3

AFFECTED COMMUNITIES

Economic, social and cultural rights
+ civil and political rights

SNN - Affected communities

Stakeholder Interests and Views | *SBM 2, SBM3, IRO 1*

SNN follows a number of legal processes and procedures to consult the communities potentially affected by the Company's activities, this being the main way in which the interests of affected communities are considered. SNN's strategy and business model are based on following these processes and procedures. Consideration is given to compliance with the legal requirements in order to be issued the regulatory acts by authorities. Consultations with the local community take place as part of the procedures for obtaining in particular the environmental agreements and permits.

The types of communities significantly impacted by the SNN operations are:

- communities living or working around the SNN sites or more remote communities potentially affected by activities performed on these SNN sites.
- communities located around SNN's nuclear waste warehouse.

Communities in the areas related to SNN's supply chain, or other indigenous populations outside of Romania were not considered to be significantly impacted by SNN's operations. Romania has no indigenous population.

The interests and views of the affected communities also stems from additional consultations with the communities where SNN operates, and their analysis has taken place as part of SNN's materiality assessment process. The affected communities-related impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other literature sources, as summarized in the table below and addressed in the following sections.

Sub-topic	Impact	Risk/Opportunity
Communities' economic social and cultural rights	Potential negative impact at large scale where the environment parameters subject to monitoring - water, air, food sources, etc. - are exceeded.	**Risk:** Where the communities' rights are not respected, SNN's work may affect the social (health) and economic development of the communities in the area where it operates, if the environmental monitoring parameters are exceeded.
Communities' civil and political rights	Positive impact: The communities' civil and political rights are respected	**Opportunity:** Local communities consulted as part of the licensing process, and there are channels in place to make complaints, thus facilitating the decision-making process related to definition of measures to protect the communities.

In the environmental protection licensing process, for implementation of projects with environmental impact, public consultation is a mandatory requirement under the provisions of:

- Government Emergency Ordinance no. 195/2005 on environmental protection, as amended and supplemented
- Law no. 292/2018 on the assessment of certain public and private projects' impact on the environment, as subsequently amended and supplemented
- Order no. 1798/2007 approving the procedure for the issue of the environmental permit, as amended and supplemented.

Specifically, for a comprehensive approach to community consultation, Cernavoda NPP supplements its community communication and consultation programme by setting up the Community Information and Consultation Board (CICB). The Board is formed citizens of the town of Cernavoda and the communes of Saligny and Seimeni, representatives of non-governmental organizations and members of different institutions that are interested in matters related to the nuclear power plant. The Community Information and Consultation Board (CICB) supports Cernavoda NPP in identifying and effectively responding to the questions, concerns and interests of the community, in relation to Cernavoda NPP's activity. The Board pursues the following purposes:

- to identify the problems, concerns and interests of the community;
- to provide Cernavoda NPP with consultancy, advice and opinions on the community expectations in all areas/fields of interest related to the activity of Cernavoda NPP;
- to define the actions that its members consider necessary in order to be able to continuously improve the activities on site and to contribute to a better communication, respectively collaboration between Cernavoda NPP and the local community;
- to provide consultancy, advice and opinions on the communication activities of Cernavoda NPP with the community on the environmental, business and social effects of the power plant's operation on the community;
- to supply data and information for environmental assessments related to Cernavoda NPP;
- to participate in the visits made to site of Cernavoda NPP, that are relevant for the local community;
- to work together with other consultation organizations related to the nuclear industry (e.g. ROMATOM), in a way that maximizes distribution of information and minimizes its duplication.

The consultations, advice and opinions of the Board focus on, but are not limited to, the following topics:

- Effects of the nuclear power plant's operation on the environment, health and community safety;
- Involvement of Nuclearelectrica - Cernavoda NPP in community development;
- Waste management activities on and off the nuclear power plant's site;
- New technologies and trends in the nuclear energy or other forms of energy that may involve the site of Cernavoda NPP.

As far as Pitesti NFP is concerned, a risk related to the environmental protection assurance was identified and documented, i.e. deviation from the stakeholder requirements, for which both the impact/consequence of the risk and the internal control/monitoring tools were determined. The procedures whereby the compliance obligations are identified, as well as how communication with the environmental stakeholders is carried out are:

- Identification and application of environmental protection/occupational health and safety compliance obligations;
- Internal and external communication related to the environment.

The short, medium and long-term **financial effects** on SNN of the risks of the material risks and opportunities arising from the impacts on communities are assessed to be very low (below 0.1% of annual turnover), in the double materiality assessment.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

Affected communities-related policies | *ESRS S3-1*

SNN does not have any stand-alone policies concerning the affected communities; these are included in broader scope documents, such as the Code of Ethics and Business Conduct, which define the mission, vision, values and standards of conduct of SNN, and the Complaints Policy, which is disclosed by SNN as part of ESRS G-1. According to the Code, it is SNN's responsibility to ensure protection of people, goods and the environment. The essential element of the SNN policy is the observance of all the necessary conditions to ensuring nuclear safety, with the material risks and opportunities being associated with nuclear safety. SNN also considers compliance with the legal requirements on public consultation in the procedures followed to be issued the regulatory acts by authorities.

No instances of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises Involving Affected Communities, involving also the affected communities, have been reported in the SNN operations or its upstream and downstream value chain. It should be noted that there is no indigenous population in Romania, so in the areas where SNN operates.

Impact-related collaborative processes with the affected communities | *ESRS S3-2*

SNN applies a materiality assessment process, whereby the communities in which SNN operates are consulted on sustainability matters associated with, and relevant to, SNN's business. Each dialog partner thus assesses the level of the positive or negative impact, and the nature of this environmental, social or governance impact related to the Company's business, this being also how SNN assesses the effectiveness of its collaboration with the affected communities. The frequency of these consultations is every 3 years or more often, if necessary.

As to the community communication, Cernavoda NPP distributes the Infoplus magazine for neighbors, in all relevant local locations, and sends out monthly or daily news not only to CNCAN, but also to the municipalities of Cernavoda, Medgidia, Fetesti, Saligny, Seimeni, Rasova, Aliman and other municipalities. This information includes data about the environmental impact, doses to population as a result of operation of Cernavoda NPP's U1 and U2, radioactivity of groundwater on site or the electrical power at the power plant's terminals.

In order to support the potentially disadvantaged local communities, SNN has also implemented a dual and vocational education programme (in Cernavoda and Fetesti) to train the future generations of specialists. Under these internships, SNN makes sure that the representatives of local community are given the opportunity to develop and then pursue a career in a company that operates in their community.

SNN also organizes a series of public consultation sessions with the environmental authorities, as part of the procedures pursued to obtain the regulatory acts from them. Therefore, consultations with the local community take place in particular for the environmental agreements and permits, in accordance with the legal regulations in force, and their frequency is laid down in the procedures pursued to obtain the regulatory acts.

The environmental agreement is issued by the competent environmental protection authority, and sets out the conditions to be met for development or modification of a project. The (integrated) environmental permit is the administrative act issued by the competent environmental protection authority, which grants the right to operate all or part of an installation. Assessment of the environmental impact of certain public and private projects, as well as the licensing procedure require performance of public consultations, in accordance with the transposed EU Directives.

The Head of the SNN External Communication Department[37] ensures that this collaboration with the neighboring communities takes place and that its results are included in the strategic approach adopted to the relevant matters in SNN.

All consultations and public debates are attended by members of the community regardless of gender, age, education or ethnicity. All comments are considered in the decisions made in the licensing procedures. There is no indigenous population in Romania (in the communities where SNN operates).

[37] https://www.nuclearelectrica.ro/wp-content/uploads/2023/12/Organigama-15-12-2023-2.pdf accessed on 15 February 2024

Processes to address the negative impacts and the channels provided to affected communities to voice their concerns | *ESRS S3-3*

As a socially responsible company, SNN takes full responsibility for the actions needed to address the negative impacts on the communities in which we operate.

SNN has put in place a number of procedures to ensure, or cooperate to address the negative impacts on the affected communities, and has provided the affected communities with specific channels, including mechanisms to settle the complaints, for these communities to voice their concerns and for any potential problems to be addressed.

Details about the processes followed to address the negative impacts and the channels provided to affected communities to voice their concerns are presented in **ESRS G1**. Moreover, correct information of the public about risks, on potentially dangerous activities to the environment and the population. This information is publicly available at: Information intended to the public according to Law no. 59/2016 - Cernavoda NPP (nuclearelectrica.ro)

The effectiveness of these channels is confirmed by the complete resolution of the complaints.

SNN makes sure that the public or the potentially affected communities are aware of and trust the SNN's and legal procedures, as a way to voice their concerns and needs, as well as the procedures to be followed to have these addressed. The Head of the SNN External Communication Department makes sure that this collaboration with the communities and their results are included in the strategic approach adopted to the matters in SNN. All information is discussed in formal meetings held with the local community's representatives, in the Community Information and Consultation Board (CICB). Consideration is given to compliance with the legal requirements in order to be issued the regulatory acts by authorities. Consultations with the local community take place in particular for the environmental agreements and permits, which include also remediation conditions.

Adoption of measures | *ESRS S3-4*

Adoption of measures concerning the material impacts on the affected communities, and approaches to mitigate the material risks and to pursue the material opportunities related to the affected communities, and effectiveness of these actions.

SNN, together with the environmental or other local authorities, define measures to address the significant environmental impacts on affected communities, under the agreements and permits issued. These are mainly stipulated in the CNCAN, environmental and water management permits, the internal emergency plans and other policies and plans for the SNN sites.

The effectiveness of these actions and initiatives is disclosed in the annual environmental reports submitted to the county environmental agencies, as well as the annual sustainability report published in the SNN website.

No serious human rights problems and incidents have been reported by the communities located in SNN's operation area. The resources needed to manage a potential material impact are included in the Company's operating budgets, which include all legal measures related to nuclear safety and environmental protection, including waste management.

Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities | *ESRS S3-5*

Specific targets have not been yet adopted for the potentially-affected communities under a materiality-based internal process.

However, the Company has in place a number of codes of conduct and management systems where the following targets related to communities are included as performance criteria:

- Zero serious human rights incidents in the communities located in SNN's operation area, under the Code of Ethics and Business Conduct.
- Zero overruns of the environmental monitoring parameters in the communities where SNN operates, under the ISO 14001:2015 environmental management system.

Their effectiveness is reflected in the SNN performance. SNN has worked, in the above consultations, directly together with the potentially affected communities, *i.e.* in the communities where SNN operates. In addition to the metrics associated with environmental protection, NFP also set metrics for nuclear safety, which include protection of the population in the communities surrounding the site.

ESRS G1 SNN BUSINESS CONDUCT

SNN - Business conduct

SNN's business conduct practice shows how our values are used to build and maintain trust with customers, authorities, investors and partners. SNN's Board of Directors plays a leadership and supervisory role as to business conduct and is trained on professional conduct matters.

The impacts, risks and opportunities are identified and assessed as part of the dual materiality assessment, in an internal workshop, as well as by consulting other sources.

The Company's risk register also lists the risks related to business professional in the implemented system.

The stages/activities of the regular risk assessment process are:

- Risk identification and assessment by the divisions of SNN SA;
- Documentation of risk analysis and estimation in risk data-sheets, in the risk management IT application;
- Approval/validation the risk registers at departmental level by their heads in the application and, for branches, also by the risk officers at branch level;
- Submission of the risk and actions/measures data-sheets for risk treatment, via the IT application, to the Risk Management Service (RMS);
- Aggregation, processing and analysis of the risk registers and risk information;
- Issue the Risk Management Report and its dissemination across the organization.

Risk information is circulated between risk owners, heads of divisions, risk officers in branches and RMS's staff as part of the risk management process, using the risk management application.

Sub-topic	Impact	Risk/Opportunity
Corporate culture	**Positive impact** of the Company's values on SNN and its stakeholders; however, these could be also a potential large-scale negative impact if the internal codes and procedures are not followed.	**Opportunity:** Effective management of the internal issues and ensuring fair remuneration, as well as providing adequate working conditions, all help prevent unpleasant situations in the own operations.
Protection of whistleblowers	**Potential negative impact** at medium scale, if whistleblowers are not protected.	**Risk:** Damage to SNN reputation and violation of the legal requirements.
Management of relationships with suppliers, and payment practices	**Potential negative impact** at medium scale if payments are not made in due time.	**Risk:** Damages to SNN's reputation due to the adverse financial impact on suppliers and/or the breach of contract terms.
Corruption and bribery	**Potential negative impact** at medium scale in case of incidents.	**Risk:** Damage to SNN reputation and violation of the legal requirements.

The short, medium and long-term **financial effects** on SNN of the material risks and opportunities arising from the related impacts are assessed to be low t medium (between 0.7% and 1.0% of annual turnover) for the business conduct risks and maximum effects above 3% of turnover for the safety risks, as these were assessed in the double materiality assessment.

Unless otherwise stated, SNN performance has not been validated by an external body or auditor.

The Code of Business Ethics and Conduct (adopted in 2018), applicable to all management members, employees, consultants, staff, and partners who carry out their activity in SNN, contains the fundamental values that must be observed and advance a fair attitude, so that observance of the criteria laid down in this Code can help build a prosperous business, based on healthy, upright and transparent principles. The fundamental values that guide our activity represent universally valid principles within the company, which must be known and applied unconditionally by all employees. They have the role of supporting and promoting the vision and culture of our organization.

- **Reliability, Ambition, Engagement and Perseverance** - All employees should make an active contribution to the efficiency and optimization of the activity carried out, through efforts appropriate to the goals, in order to attain the Company's objectives.
- **Respect** - A fair attitude towards co-workers, clients/customers, suppliers, investors and other people who have a direct or indirect connection with the Company's activity is essential for promoting the Company's image and business development.
- **Integrity and responsibility in making decisions** - All the activities carried out and the decisions taken must be in accordance with the fundamental principles represented by honesty, sincerity and transparency.
- **Responsibility for ensuring protection of people, property and environment** - the essential element of the activity is the observance of all the necessary requirements for ensuring nuclear safety and environmental protection.
- **Teamwork** - is essential for obtaining exceptional collective results. In parallel, through cooperation, the strengths and skills of each employee can be properly turned to account. Also, the active and constant support given to new colleagues ensures their rapid integration and development of a supportive and proactive work environment.
- **Respect** - A fair attitude towards co-workers, clients/customers, suppliers, investors and other people who have a direct/indirect connection with the Company's activity is essential for promoting the Company's image and business development.
- **Innovation** - Encouraging individual and collective initiative in order to improve the Company's processes and to adopt new technical solutions, as well as to organize the work so as to become a driving engine for the Company's development.

Under this Code of Ethics and Professional Conduct of the Board of Directors (BoD), its members adhere to a set of principles concerning good governance, decision-making transparency, integrity, impartiality, honesty, loyalty and efficient management of the organization's resources in order to attain the objectives. The Code of Ethics and Professional Conduct defines the mission, vision, values and rules of professional conduct that the SNN BoD members must respect and apply in their activity in the organization, in accordance with the business model and the objectives of the organization, and set out the organizational framework for transposition of these principles into procedures and policies applicable to all SNN employees. Also, the Code of Ethics and Professional Conduct sets out the guidelines and directs individual and group behaviors in the internal and external relations of the SNN BoD.

The provisions concerning management of the conflict of interests are included in the Organization and Functioning Regulation of the Board of Directors, as well as in the Code of Ethics of the Board of Directors. The members of the Board of Directors will make decisions to the best interest of the Company and will not take part in debates or

decisions that give rise to a conflict between their personal interests and those of the Company.

Each member of the Board of Directors makes sure they avoid of any direct or indirect conflict of interest with the Company, and should such a conflict occur, they will abstain from the debates and casting their vote on the that matters, in accordance with the legal provisions in force. The members of the Board of Directors disclose to the SNN Board of Directors information about any relationship with a shareholder who directly or indirectly holds shares accounting for more than 5% of all voting rights. This obligation refers to any kind of relationship that could affect the member's position on the matters decided on by the Council.

In order to promote and strengthen integrity in performance of its activities, SNN developed an ethics and compliance programme that includes policies and principles aimed at encouraging and facilitating prevention, detection and control of the acts of corruption. The proposed measures are extensively outlined in the 2023-2027 Administration Plan, whereby the SNN management promote the concept of zero tolerance to corruption and urge the staff to act systematically to this end.

The Ethics and Compliance Service provides ethics advice to the SNN staff and implementation of the anti-corruption policies. It submits the relevant findings, the report and the annual activity plan to the SNN Board of Directors (i.e. the Audit Advisory Committee). The members of the Audit Committee have relevant experience in management and implementation of the corporate governance, and at least one of them has a background in application of the accounting and financial auditing principles.

The staff of the Ethics and Compliance Service have relevant experience (over 20 years) in anti-fraud, investigations and compliance.

What is not covered by the Code of Ethics and Business Conduct?

Being a company-wide document, the Code of Ethics and Business Conduct does not provide for any detailed guidance on compliance with each legal requirement.

The Code of Conduct does not provide exhaustive information about every SNN standard or policy. We are all responsible for understanding and complying with the details of the policies relevant to our role and function.

We all have a responsibility towards SNN and to each other to work with integrity and accountability and in accordance with the legal regulations in force.

SNN is also subject to legal requirements under the domestic legislation transposing Directive (EU) 2019/1937, and has put in place internal reporting channels for whistleblowers, provides information and training to its own workers and information on designation and training of staff who receive reports, and protection measures against retaliation for its own whistleblowing workers, in accordance with the applicable legislation transposing Directive (EU) 2019/1937 of the European Parliament and of the Council into the local language (Romanian).

Management of relationships with suppliers | *ESRS G1-2*

Supplier selection

SNN follows the legal public procurement procedure. There are SNN suppliers from Romania and other countries in the value chain, each with commitments to respect the human rights.

In addition, the management systems (integrated - quality, OHS, environment, social) of the suppliers are audited in the procurement process (for qualification), including for those outside Romania. Consideration is given to compliance with the legal public procurement requirements and criteria in supplier selection.

Gender and labor exploitation of children or trafficking in human beings are not material issues for Romania since no cases of gender discrimination, gender-based violence or labor exploitation of children have been identified or reported, otherwise than in family contexts. The Romanian Constitution provides that minors under the age of 15 years may not be hired as employees, and exploitation and use of minors in activities that would harm their health, morality or endanger their life or normal development are prohibited. Currently, there are no UNICEF or other NGOs reports pointing to cases of child labor exploitation in Romania. Romanian organizations assess the potential negative impacts associated with their operations, including GDPR, corruption, reports/complaints/claims, collective bargaining and other important and material social topics.

SNN is investigating new methods of supplier checking, taking into account the legal constraints (related to public procurement). The social performance of suppliers from outside Romania in respecting the human rights is communicated as appropriate and can be found on their websites. According to the List of NFP-Qualified Suppliers, the external suppliers of raw materials are:

- Framatome for Zy-4 zirconium alloy sheets and bars - https://www.framatome.com/fr/contactez-nous/
- Cameco for UO2 sinterable uranium oxide powder (was a supplier in 2022, no longer in 2023) - https://www.cameco.com
- BWXT for Zy-4 tubes - https://www.bwxt.com/bwxt-nec;
- Cameco for Zy-4 wire https://www.cameco.com/
- Ulba Metallurgical for beryllium - http://www.ulba.kz/en/
- Kazatomprom for concentrated uranium oxide U3O8 - https://www.kazatomprom.kz/en/

Prevention and detection of corruption and bribery | *ESRS G1-3*

As a socially responsible company, we assume full responsibility for the actions taking place in our sphere of influence. We reserve the right to express our position on corruption prevention in all aspects related to our activities, employees or business partners.

The anti-corruption policy of SNN aims to foster and facilitate prevention and control of corruption and sets anti-corruption principles for all employees of SNN and its branches, as well as for its business partners. The anti-corruption principles implemented in this policy are:

- SNN management and staff comply with, and maintain, the principle of "zero tolerance" to bribery and corruption. Consequently, any needed and proportionate measure is encouraged to ensure compliance with this principle.

- SNN management and staff are committed to comply with the domestic legislation and the applicable regulatory framework regarding the fight against corruption.

SNN's Anti-Corruption Policy provides a framework for setting, reviewing and attaining the anti-corruption objectives assumed by the Company under the National Anti-Corruption Strategy, and is consistent with the applicable legislation, the Nuclear Employee Code of Conduct, the Board of Directors' Code of Ethics and other related procedures/policies, as identified as reference documents.

The anti-corruption policy cannot anticipate or prevent all potential business situations in which the SNN management or staff could find themselves, and in which elements of corruption could appear. In the event of a situation not covered by this Anti-Corruption Policy, it is necessary to seek guidance from the line manager, the Ethics Advisor, the branch compliance representative or Head of the Compliance Office.

The policy is an integral part of the Anti-Bribery Management System, certified according to the requirements of ISO 37001:2016. In order to ensure integration of the requirements of the anti-bribery management system into the Company's processes, the internal regulatory anti-corruption framework was consolidated and developed by policies and procedures; of these, we list:

- The **Anti-corruption Policy**, intended to encourage and facilitate prevention and control of corruption, and setting out the anti-corruption principles for all employees, as a framework for definition, revision and attainment of the anti-corruption objectives;
- **The procedure "Compliance with the Anti-Corruption Policy"**, that regulates the scope and structure of the compliance function set up to ensure compliance with the principles of the Anti-Corruption Policy;
- **The procedure on "Implementation of financial and non-financial anti-corruption compliance controls"** which describes how the relevant controls are implemented for prevention, detection and investigation of corruption risks;
- **The procedure for assessment of the business partners** in terms of the risks attached to the anti-corruption compliance system, which describes how business partners are screened in order to minimize the risks generated by the transactions carried out by SNN SA;
- **The procedure on "Identification, assessment and prevention of conflict of interests"**;
- **The Anti-Fraud Policy**;
- Irregularity reporting;
- Estimation of the compliance and reputational risks

Key criteria considered to assess the risk of corruption and bribery:

- Sanctions or withdrawal of permits;
- Involvement of the Company or its employees in disputes;
- Loss of strategic business partners;
- Increasing number of reported irregularities;
- Nature, size and complexity of processes and activities;
- Business partner anti-bribery management system: suppliers, customers and consultants;
- Locations and business lines where the organization operates or envisages operating.

The anti-bribery management system developed by SNN is adapted to the requirements of the standard ISO 37001:2016 and contains internal control procedures for the following processes:

- Disclosure of gifts and other benefits;
- Prevention of conflicts of interest, incompatibilities and pantouflage;
- Mandate of ethics advisor and compliance officer;
- Whistleblower protection;
- Preventive measures for management of sensitive positions;
- Sponsorships, donations and other charitable activities;
- Employee expense reports.

Corruption prevention and control is **the main responsibility of the Ethics and Compliance Service,** which is regularly allocated the necessary resources to attain its objectives. **SNN created the Compliance function** to manage the anti-bribery management system. The compliance officer has long/important experience in Internal Audit and Compliance. The training programme includes regular participation in workshops and specific trainings on topics related to fraud, corruption, ethics and integrity.

The Ethics and Compliance Service receives all complaints of the employees using the Whistleblower platform and is responsible for their review, assessment and resolution. Depending on the referral content, the Ethics and Compliance Service may initiate preliminary assessments of the matters concerned, compliance investigations, or ad-hoc audits together with the Internal Audit Department, or anti-fraud investigations together with the Anti-Fraud Office, all concluding with a report to the SNN

management. Also, in less complex cases, the Ethics and Compliance Service works together with other responsible units to process referrals.

The preliminary assessments/investigations/audit engagements conclude with a report intended for the SNN management. Where issues are more important, these are also reported to the Board of Directors (Audit Advisory Committee). An annual report on the activities of the Ethics and Compliance Service is prepared and submitted to the Audit Advisory Committee. Where administrative/disciplinary investigation of persons or facts is required, independent Disciplinary Committees are set up to review the issues identified and propose measures accordingly.

Also, SNN put in place mechanisms for monitoring and warning of the occurrence of any threats or non-compliances with the ethics and integrity rules, such as:

- Regular identification and assessment of the corruption risks;
- Disclosure by the Company's employees of any potential conflicts of interest and use of an application to disclose and consolidate the said information;
- Anti-corruption contractual clauses included in contracts with business partners;
- Regular employee counselling programme set up by the Ethics Advisors;
- Means of communication provided to the whistleblowers and analysis of the complaints/reports depending on their nature;
- Screening of business partners in terms of their anti-corruption management system;
- Internal controls aimed at preventing occurrence of fraud and corruption;
- Analysis of sponsorship applicants in terms of their ethical behavior.

SNN has not been involved in any pending or settled legal actions concerning anti-competitive behavior. The code of ethics and conduct sets out the principles that govern the ethical and professional conduct of SNN employees. The anti-corruption policy defines the terms corruption and bribery. The term "Facilitation Payments" is not defined in the Romanian legislation, is interpreted in the legislation as bribery.

In order to advance responsible and fair, as well as compliance with, the standards among business partners (customers and suppliers), SNN conducts permanent checks thereon, for all contracts concluded and amounting to more then RON 135,000, within two main segments:

- in terms of potential conflicts of interest, against the information entered by the SNN employees in CIMA - Conflict of Interest Management Application; so as to avoid instances where our employees or their next of kin up to the 4th degree could be involved in as part of the procurement/supply procedures or in performance of contracts with companies which they hold any interest in (shareholders, directors or employees);
  In 2023, the Ethics and Compliance Service carried out such checks on a total of 146 partners, but no potential cases of conflict of interest were identified.
- in terms of the overall corruption risk, by assessing the partners' anti-bribery management system, based on a questionnaire containing a set of questions, depending on which a score is given and partners are rated in one of the risk categories (low, medium or high).
  In 2023, the Ethics and Compliance Service carried out such assessments on a total of 58 partners, of which 41 were qualified with low risk, and other 17 with medium risk.

The Ethics and Compliance Service has made available to our business partners, classified in the medium risk category, excerpts from SNN's compliance policies and the Compliance Guide, with the aim of these being taken into account by the management and employees involved in negotiation/performance of contracts.

In the internal procedure AF-00-03 - *Granting and accepting benefits* - it is prohibited to grant any benefits to the authorities, business partners or any other persons in order to facilitate approvals, permits or unlawfully obtaining a business decision. Also, SNN has a **procedure dedicated to conflicts of interests**. Employees are under the obligation to disclose any personal interests that conflict with the interests of the Company. The declaration is renewed on an annual basis.

The SNN **AF-00-02 procedure for reporting irregularities and whistleblower protection** aims to determine the ways of reporting and treating irregularities and it is worded so as to address issues concerning aspects of public interest, that could include also infringement of the SNN policies and procedures, or the applicable legislation. The issues that can be qualified as irregularities (without this listing being limitative) are: non-compliance with the Code of Ethics and Conduct, non-compliance with policies and procedures, improper aspects concerning the financial statements and the relations between employees, abuses, discrimination, corruption, theft, money laundering and any inappropriate behavior that could damage the reputation of the Company or any attempts to hide any of the above. Our company, recognizing the essential importance of a clear and up-to-date process for both internal reporting and protection of those who submit make such reports (whistleblowers), has adopted a procedure to provide guidance to the staff and ensure full confidentiality and protection thereof, as part of its general responsibility towards the staff, shareholders and customers. The Irregularity Reporting procedure aims to:

- encourage employees and third parties to feel confident enough raise serious issues, question them and act accordingly;
- make available to employees and third parties means of discussing and obtaining assessments of any measures taken as a consequence;
- make sure that employees and third parties receive an answer to their reports and that they know how to proceed when they are not happy with the measures taken;
- reassure the employees and third parties as to the fact that, when they report non-compliances that believe are real in good faith, they will be protected against any retaliation or victimization.
- The procedure particularly determines the means of communication and the process to receive referrals on:
- improper documents and/or accounting and auditing practices that come against the international practices and applicable provisions;
- fraud, corruption of conflict of interest, as these are defined in the related policies/codes of SNN on the control of fraud and corruption and conflicts of interest.

The issues that can be qualified as irregularities (without this listing being limitative) are: non-compliance with the Code of Ethics and Conduct, non-compliance with policies and procedures, improper aspects concerning the

financial statements and the relations between employees, abuses, discrimination, corruption, theft, money laundering and any inappropriate behavior that could damage the reputation of the Company or any attempts to hide any of the above.

However, the communication channels described in this procedure can be used also to submit other reports concerning irregularities identified by the reporter. The preliminary assessments/investigations/audit engagements conclude with a report intended for the SNN management. Where issues are more important, these are also reported to the Board of Directors (Audit Advisory Committee). An annual report on the activities of the Ethics and Compliance Service is prepared and submitted to the Audit Advisory Committee. Where administrative/-disciplinary investigation of persons or facts is required, independent Disciplinary Committees are set up to review the issues identified and propose measures accordingly.

The procedure on Reporting Irregularities is intended to provide support to individuals (full-time or part-time employees, contractors, suppliers, customers and other members of the public) who believe they have encountered instances of work negligence, fraud or irregularities. This procedure does not apply to personal grievances, that refer to terms of employment or other aspects of the employment relationship or disciplinary matters. The procedure does not have the mission to call into question the financial or business decisions made by SNN and by the branches, nor should it be used to reconsider matters that have already been addressed according to disciplinary procedures.

The principles of the procedure are in accordance with the principles that govern whistleblower protection:

- the principle of lawfulness, according to which authorities, public institutions, other legal entities under public law, as well as legal entities under private law are under the obligation to respect the fundamental rights and freedoms, by ensuring full respect, among other things, for the freedom of expression and information, the right to protection of personal data, the freedom to carry out a business activity, the right to a high level of consumer protection, the right to a high level of protection of human health, the right to a high level of protection of the environment, the right to effective remedy, and the right to defense;
- the principle of responsibility, according to which the whistleblower is under the obligation to submit data or information in support of the facts reported;
- the principle of impartiality, according to which examination and settlement of reports are free of subjectivity, regardless of the beliefs and interests of the persons tasked to address them;
- the principle of good management, according to which public authorities and institutions, and other legal entities under public law are under the obligation to carry out their activity in the pursuit of the general interest, with a high degree of professionalism, and with an efficient and effective use of the resources;
- the principle of balance, according to which no person can rely on the provisions of this law in order to reduce the administrative or disciplinary sanction for a more serious infringement that is not related to that reported;

- the principle of good faith, according to which the person who had good reasons to believe that the information about the reported infringements was true at the time of reporting and that the said information fell in the scope of this law, is provided protection.

Irregularities refer mainly, but are not limited, to:

- abuse of trust
- corruption offences, offences qualified as corruption, offences directly related to corruption offences
- forgery and use of forged documents
- fraud and deception concerning investment capital
- theft and embezzlement
- blackmail
- falsification of documents and other manipulative actions concerning documents
- robbery
- market price manipulation
- insolvency offences
- coercion and threats
- "inside trading" (illegal) and market manipulation activities
- falsification of the Company's records
- cyber crimes
- falsification, and piracy of products and brands
- abuse in relation to private or business secrets
- infringements related to accounting, financial and accounting control or internal audit
- violation of the legal provisions on public procurement and grants
- anti-competitive collusion
- money laundering
- violation of the rules concerning representation and signing of documents
- preferential or discriminatory practices or treatments in performance of the duties, violation of the provisions concerning incompatibilities and conflicts of interest
- abusive use of the Company's material or human resources
- noncompetitive practices
- incompetence or negligence at work
- non-objective staff appraisal in the recruitment, selection, promotion, demotion and dismissal process
- violations of the procedures or determination of internal procedures in violation of the law
- any other serious infringement of the legislation or internal rules of business ethics and conduct of the company

Given that the reporting process is generally recognized as a key tool for uncovering misconduct, it is important that staff fully understand the type of incidents they are required to report.

Nature, scope and depth of the training programmes offered or imposed by the Company.

In 2023, the Ethics and Compliance Service included in its training programme in-house trainings to introduce main components of the ethics and compliance programme, and the anti-corruption policy:

- (1) Whistleblower and incompatibilities, attended by 1,147 employees from SNN, NPP and NFP;
- (2) Identification and prevention of conflicts of interest, attended by 1,062 SNN, NPP and NFP employees.

Also in 2023, the matters related to identification and prevention of conflicts of interest were promoted for 39 new SNN employees, who participated in the onboarding programme.

The Ethics and Compliance Service also carried out and organized:

- two separate physical sessions in the offices of NPP and NFP, intended dedicated exclusively to management staff members, to introduce the amendments of the domestic legislation concerning the Whistleblower, attended by 50 people;
- a training session on the SNN professional training online platform, exclusively for senior staff, which covered issues related to fraud, the new view on the ESG risks and amendments to the Whistleblower legislation, attended by 20 people.

External trainings:

- as to the ethics segment – the training on "Ethics and Anti-Corruption", attended by 58 employees from SNN, NPP and NFP;
- as to anti-corruption - the training "National Anti-Corruption Strategy, corruption offences, whistleblowing", attended by 13 employees holding management positions in SNN.

The professional training programmes were delivered in particular to persons holding positions exposed to the risk of corruption, which means that we estimate that more than 90% of them have received at least one training in this field.

No professional training activities were delivered to the Board members in 2023.

The staff of the Ethics and Compliance Service attend relevant professional training sessions, as well as:

- meetings with the Ministry of Energy and the Ministry of Justice on topics related to implementation of the National Anti-Corruption Strategy;
- workshops and meetings/interviews with OECD representatives under the programme for Romania's accession to this organization and for implementation of the European good practices in the local business environment;
- workshops/conferences under the World Economic Forum - Partnering Against Corruption Initiative (PACI).

Communication channels

Compania a stabilit diferite canale de comunicare ce pot fi utilizate de angajați și de către terți pentru a-și exprima plângerile în conformitate cu scopul acestei proceduri, după cum urmează:

- A dedicated internet portal available in SNN, "Report an irregularity" section, where an Irregularity Reporting Form is available, the format of which is included in the annex to this Procedure; www.nuclearelectrica.ro[38]
- Email addresses managed by the Ethics and Compliance Service: sesizari@nuclearelectrica.ro and conformitate@nuclearelectrica.ro
- The mailing address.

[38] https://www.nuclearelectrica.ro/formular-online-de-semnalare-a-neregulilor/ accessed on 5 March 2024

The people who make the complaints can remain anonymous, but they are encouraged to identify themselves (name and contact details), particularly if an additional investigation is needed. It is preferable that all reports are made using the Irregularity Reporting Form. The number of referrals/reports received by SNN from employees or third parties over the last five years is presented in the table below. All referrals have been addressed.

Reporting year	2020	2021	2022	2023
Number of referrals/reports	4	17	9	7

In 2023, 7 complaints concerning potential possible breaches of procedures were received via the Whistleblower mechanism, for which the Ethics and Compliance Service or other responsible departments of SNN carried out checks, and to which they timely responded. All referrals have been addressed.

Investigation of complaints by the Ethics and Compliance Service

All reports received are carefully reviewed by the Ethics and Compliance Service, subject to full secrecy and confidentiality. The Ethics and Compliance Service selects the referrals depending to the specific procedure, will review them carefully, but can only act on those that disclose instances of fraud (including improper actions and accounting and auditing practices that come against the international practices and the applicable provisions), corruption and conflicts of interest. The other referrals, which do not concern matters related to the activity of the Compliance Office, are forwarded for processing to the competent structure of the Company.

The information can be provided anonymously; however, this means that the Ethics and Compliance Service cannot contact the person who file the referral/report for additional information, and this makes it more difficult to address the issue.

The person who files a referral is advised not to communicate to other people the details of the issues they reported, considering that this could have an unfavorable impact on any future investigation.

All referrals sent are treated as strictly confidential by all the units involved of the Company.

Protection measures

All disclosures are treated similarly to the confidential and sensitive information. When irregularities are reported, any person can assume that only the employees investigating the complaint will know their identity. The identity of the persons who makes an accusation will be confidential as long as it does not prevent or limit the investigations.

However, the identity of the person making the report will have to be disclosed where there is a legal obligation to do so:

Anonymous accusations are less credible, but can still be taken into account. In the exercise of this right, the to be considered are:

- Severity of the reported issues
- Reliability
- Possibility to obtain confirmation from independent and reliable sources

The procedure is intended to provide protection to employees and other people who report issues:

- in good faith
- who reasonably believe that there is a case of negligence or wrongdoing, as long as the disclosure was made to an appropriate person.

The Company will not allow any retaliation by the management against the persons who report an irregularity in good faith, including when the reported facts are not confirmed or are only partially confirmed by the investigations carried out. Also, managers have been trained to support and encourage the reporting of misconducts, and to help create an environment where employees can raise issues or ask questions without fear of retaliation.

The people who make referrals can remain anonymous, but they are encouraged to identify themselves, particularly when additional useful and timely information is needed for investigation of the reported case.

Referrals and reports are received and reviewed by the Ethics and Compliance Service, who decides whether these can be addressed by them, or by other competent units, such as: The Anti-Fraud Office, the Human Resources Strategy Department or the Legal Department, etc.

Both the employees and business partners and the third parties have the opportunity and are encouraged to report non-compliances or acts/facts that could lead to violation of the law and procedures or to occurrence of a noncompliance. In this sense, the Company's website has a page dedicated to whistleblowing.

The referrals received are entered in a special register. All referrals are answered in not more than 40 days. Depending on their nature and materiality, these are reported to the SNN management, who can decide to commence an investigation. The annual report of the Compliance Office includes a section on the referrals received and the measures taken thereon.

The employees and business partners can call the Compliance Office during the working hours.

Ethics advisors have regular meetings with employees in order to provide them with advice on ethics and integrity.

The employees attend training programmes on integrity topics every year. One of the topics addressed in these dedicated training is that of the whistleblower.

The whistleblowing procedure includes specific clauses that prohibit retaliation against the employees who report non-conformities, violations of procedures or rules in good faith.

Confirmed cases of corruption or bribery | *ESRS G1-4*

There were no incidents of corruption or bribery during the reporting period.

Incident	Status	Summary of remedial actions
N/A	NA	NA

Payment practices | *ESRS G1-6*

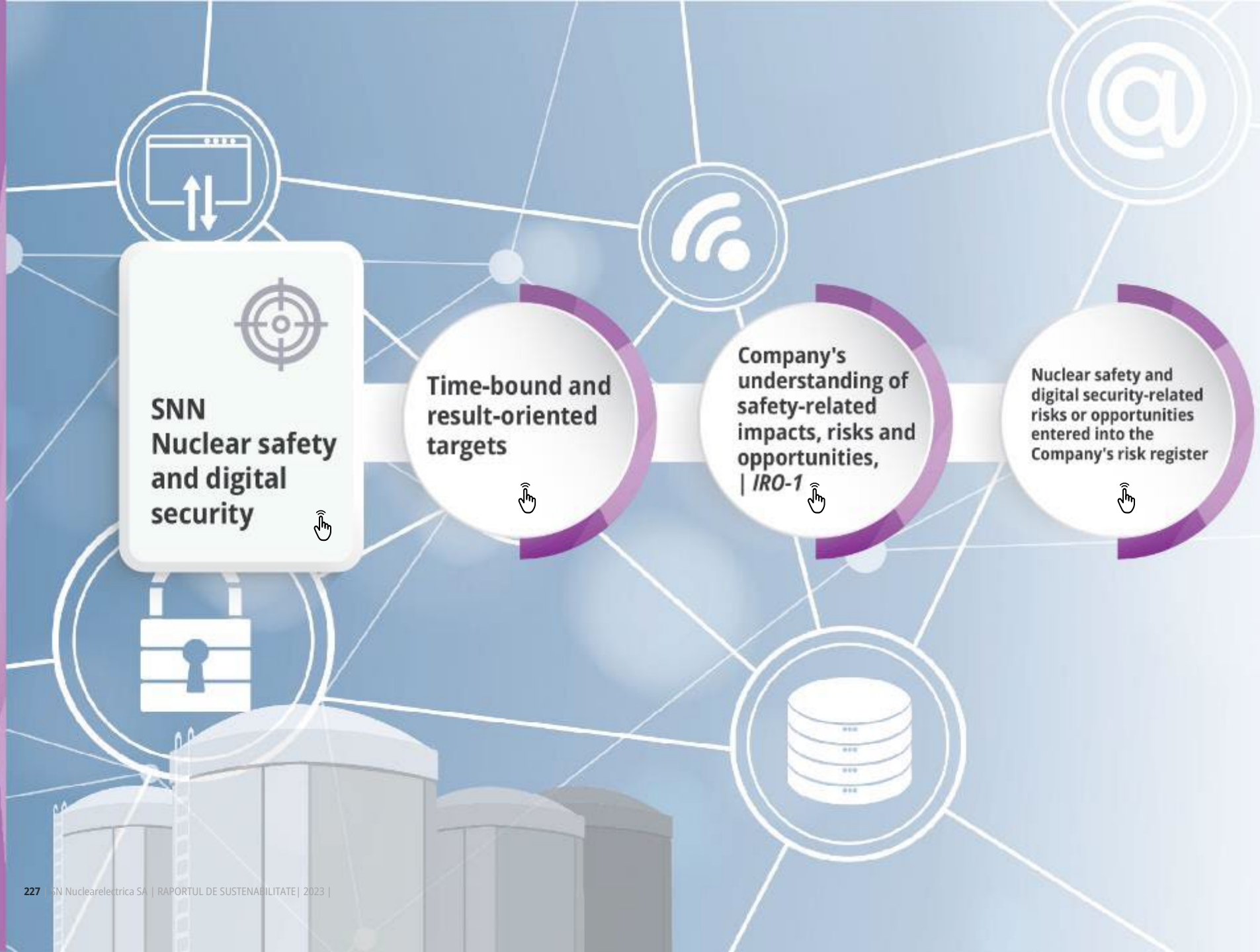
According to SNN's Terms of Payment, Pitesti NFP suppliers are paid for orders delivered within 30 days of receiving the products or services.

In its electricity supply contract, SNN has a buffer period of 15 working days of receiving the invoice for the electricity produced by Cernavoda NPP (Transelectrica SA) and supplied to the buyer, so as to given them time to pay for the electricity supplied.

ESRS G1
SNN
NUCLEAR SAFETY AND DIGITAL SECURITY

The double materiality assessment identified as relevant also the topic of nuclear safety and digital security, as relevant as part of the reporting scope under the standards.

SNN - Nuclear safety and digital security



Time-bound and result-oriented targets

As part of the Company's ESG priorities, under the Governance heading, we give priority to the operating and production, and infrastructure and asset protection procedures. Our targets are to permanently ensure the nuclear safety of the nuclear assets, as well digital security, as a safeguard for all processes and activities in the Company

Regarding the operation of nuclear units in nuclear safe and secure conditions for the staff, population, environment and production assets, we want to ensure:

- Maintaining maximum availability of the engineering and safety functions.
- Improving/maintaining high professional training of the staff who operate the two nuclear units.
- Maintaining the radioactive releases in water and air below the regulated level.
- Maintaining membership of international nuclear energy organizations and, if necessary, membership of other organizations.
- Ensuring the oversight function.

Company's understanding of safety-related impacts, risks and opportunities | *IRO-1*

Company's understanding of safety-related impacts, risks and opportunities, and of the extent to which these have been analyzed during the undertaking's materiality assessment process

The permanent maintenance of a high level of nuclear safety in all phases of performance and operation of nuclear objectives and facilities is of vital importance and constitutes the first priority for SNN, as part of the Nuclear Safety Culture.

SNN has developed and respects a nuclear safety policy that was approved by CNCAN, in order to maintain a high and constant level of nuclear safety in all phases of the commissioning and exploitation process of nuclear installations. The nuclear safety policy provides guarantees of good execution for all important activities regarding nuclear safety, in all phases of implementation and exploitation of nuclear installations. This document confirms that nuclear safety has the highest priority.

Nuclear safety as a field is a set of technical and organizational measures intended to:

- ensure the safe operation of nuclear facilities;
- to prevent and limit their deterioration;
- to ensure the protection of the staff, the population and the environment against radiation or radioactive contamination.

The high level of nuclear safety is ensured by the way in which nuclear facilities are designed, built and operated. **The risk generated by the nuclear fuel from the reactors on the population and the external environment is minimal, due to the fact that:**

- The power of the reactor is under control;
- The fuel is cooled down;
- The radioactivity is retained, and all are performed continuously.

The nuclear safety philosophy of CANDU-type power plants is based on the concept of "Defense in Depth", which ensures gradual protection in the event of

equipment failures, human errors, transient regimes anticipated in operation or accidents, including severe accidents. For the implementation of this concept, the project foresees a number of successive protection barriers against the uncontrolled release of radioactive materials into the environment. In addition to the five major barriers against the release of fission products to the population from a CANDU 6-type power plant: fuel matrix, fuel sheath, primary circuit enclosure, envelope enclosure and exclusion zone; passive or active characteristics have been included in the system design, intended to prevent or limit the consequences of a process failure or accident sequences, which could otherwise lead to releases of radioactive materials into the environment.

So far, no CANDU 6-type nuclear power plant has reported events or accidents that threaten the health or safety of the population. To supplement the measures intended for the power plant's operation under full safety conditions, planning and preparation for emergency situations is a mandatory condition for authorizing a nuclear power plant to operate. At Cernavoda nuclear power plant, emergency preparedness is checked and improved in quarterly, annual or general drills (once every 3-4 years).

In the aftermath of the Fukushima accident, the European Commission and the Group of European Regulators of the Nuclear Society have decided that the nuclear safety of nuclear power plants in Europe should be reviewed based on transparent and extensive risk assessments, called "Stress Tests". The technical purpose of these stress tests was defined considering the risks that were highlighted by the events at Fukushima. Emphasis was placed on the following issues: the triggering events, such as earthquakes or floods, the consequences of the loss of the safety functions during these events, as well as the difficulties of managing severe accidents.

Cernavoda NPP, together with AECL Canada and Ansaldo Italy, issued the "Report on Reassessment of the Nuclear Safety Margins". The assessment conducted proves that Units 1 and 2 of Cernavoda NPP meet the nuclear safety requirements set out under the design and can face severe earthquakes and floods, as well as the total loss of electricity supply and cooling water. In addition, methods and procedures were identified for the management of potential severe accidents. Also, methods were identified to prevent and limit the consequences of accidents that can cause melting of the active area.

In order to ensure good coordination with the competent Local Public Authorities on the response to emergency situations, Cernavoda NPP has set up two important facilities for the town of Cernavoda, namely: The Local Centre for Emergencies of the Cernavoda Municipality and the Personal Decontamination Area, in the Cernavoda Town Hospital.

The risk system developed in the Company is aligned to the standard ISO 31000:2018. The Company does not hold an ISO 31000 certification, because no certification body has been yet identified for this standard in Romania; however, in the annual review of the system, we perform gap analyses to ensure compliance with the standard's requirements.

The risk management system is aligned also with the COSO and BASEL standards.

For risk reporting and review, the Company uses a national system (SCIM).

The safety-related impacts and risks were also assessed as part of the materiality assessment process.

Sub-topic	Impact	Risk/Opportunity
Nuclear Safety	**Potential negative impact** at a very large scale in case of nuclear-impact incidents or accidents, with fatalities, long-term damage to human health and the environment, to SNN's reputation, violation of the legal requirements and business closure.	**Risk:** Nuclear incidents or accidents can have particularly serious consequences, with fatalities, long-term damages to people's health and the environment, SNN's reputation, litigation and business shutdown.
Digital security	**Potential negative impact** at a very large scale in case of safety incidents or accidents.	**Risk:** The consequences can be very serious and impact nuclear safety and power generation (e.g. outages due to cyber attacks), loss of SNN's reputation, litigation and business shutdown.

Nuclear safety and digital security-related risks or opportunities entered into the Company's risk register

The risks listed the risk register and the Company's risk universe are reviewed quarterly, with actions to be taken, according to specific situations. Risk assessment in SNN is carried out according to MR-00-01 – Risk management procedure in S.N. Nuclearelectrica S.A., and results are described in the Risk Management Report, with a focus on the main risks which the Company faces.

The main categories of risks presented on a quarterly basis in the Risk Management report are:

- risks related to nuclear safety (Nuclear Safety);
- the information safety risks, guarantee control and physical protection risks (protection of nuclear material and of the radioactive materials);
- the compliance risks, divided into 3 subcategories, respectively fraud risks, compliance risks (ethics integrity, conflict of interests) and other compliance risks (risks regarding the compliance with the external regulation framework - for example: laws, ordinances, rules, and with the internal regulation framework - for example internal policies, processes, procedures).
- risks attached to the supply chain, in particular to procurement;
- ESG risks;
- risks related to the major investment projects.

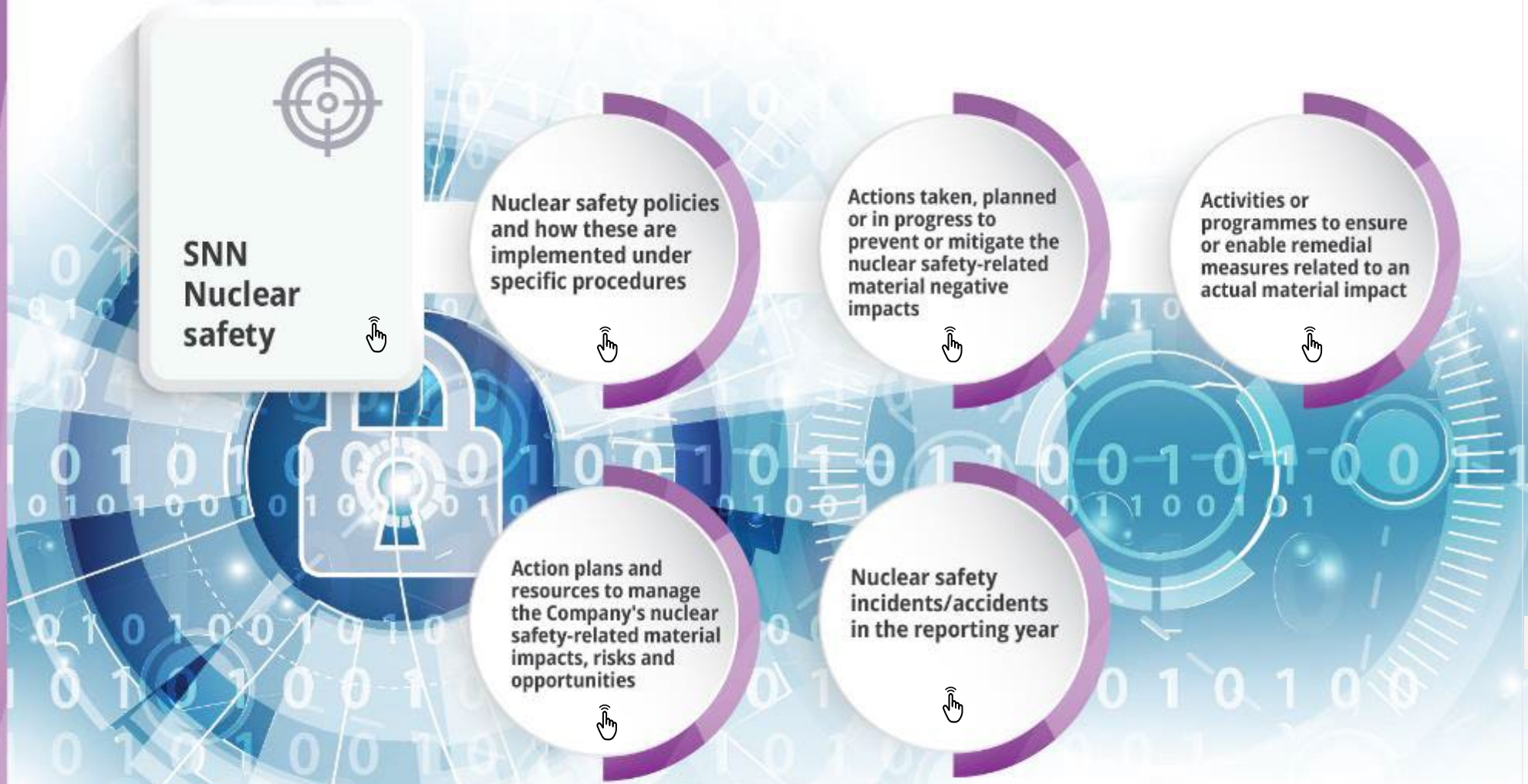
Most of the risks in these categories are in the green zone, having been established controls and monitoring tools to prevent their occurrence.

At the end of 2022, the Risk Register listed 425 risks, of which 93.65% in the green area (low risks), plus the risks of EnergoNuclear (16), Nuclearelectrica Serv (8) and FPCU Feldioara (10), and risks related to major projects (CTRF - 8, RT U1 - 9, SMR - 9, U3&4-11 and U5-7).

At the end of 2023, the SNN Risk Register listed 448 risks, plus the risks of EnergoNuclear (35), Nuclearelectrica Serv (27) and FPCU Feldioara (29), and the risks related to major projects (CTRF – 10, RT U1 – 12, SMR – 13, U3&4 – 10 and U5 – 7), but which are not covered by this report. By the end of 2023, 40 risks related to nuclear safety area have been recorded, of which more than 97% have residual exposure in the green zone (low risks) and those with exposure in the yellow zone (medium risks) are controlled.

The risk tolerance limit of SNN, expressed as risk exposure, is 14, low score risks being considered tolerable, and those above this score being considered intolerable.

We notice a high risk (exposure above 14) for the RTU1 investment project, for which remediation and mitigation measures, action and monitoring plans have been defined and will be reported to the Management.



SNN – Nuclear safety

Nuclear safety risks are systematically addressed in SNN, in the context of SNN's commitment to ensure Nuclear Safety.

The risk register identifies items specific to nuclear safety, as follows:

- Damages to the nuclear safety equipment and systems
- Breakdown of cooling equipment that serves the fuel in the Loading and Unloading Machine (LUM) or on the unloading route (Spent fuel Unloading Gate, Spent Fuel Unloading Bucket)
- Mechanical damages to bundles during underwater storage manoeuvers
- Delays in completion of the training programme for the CNCAN initial authorization and reauthorization of the operating staff (ONPCC and DST)
- Loss of certified staff needed for implementation of the independent assessment requirements (authorization provided in NSN-20 and NMC-02)
- Exceeding the storage capacity for the liquid and radioactive waste
- FB damages in case of a traffic accident
- Increase in the average annual radioactive concentration for airborne dusts with uranium/radioactive aerosols, compared to the limits set by CNCAN
- Inadequate protection of employees in case of an accident
- Staff illness (occupational illnesses)
- Inadequate acquisition of OHS knowledge
- Incorrect reaction in case of an emergency
- Reduction of the Emergency Core Cooling operating margin

For each matter, internal controls and monitoring tools are considered to address the risk, and a responsible department is identified.

Nuclear safety policies and how these are implemented under specific procedures

The Nuclear Safety Policy document approved by the Romanian Nuclear Regulatory Authority confirms the top nuclear safety priority in the Company. It stipulates that every employee of the Company is required to respect Nuclear Safety by certain aspects, as well as to behave in accordance with certain traits of a healthy Nuclear Safety Culture.

The Major Accident Prevention Policy is available to all employees, subcontractors and visitors and is processed to employees as part of their training process. There is also an organizational structure for emergency situations, with clear responsibilities and concrete steps to be taken in the referenced situations.

SNN also respects and implements the National Nuclear Safety and Security Strategy of Nuclear safety, as found in the Decision no. 600/23 July 2014, and published in the Official Gazette no. 564.

Specifically, for Cernavoda NPP, assessment and continuous improvement of the Management System defines also the Continuous Nuclear and Corporate Safety Performance Improvement Programme. Under this programme, performance is monitored, performance gaps are identified and reviewed, the actions resulting from the identified improvement initiatives are implemented, and the effectiveness of the integrated performance assessment process is monitored.

Actions taken, planned or in progress to prevent or mitigate the nuclear safety-related material negative impacts

In Cernavoda NPP, nuclear, population, staff and environmental safety takes priority over the production-related matters, and units are operated in strict observance of the requirements of the operating permits, and within the limits set out therein, as follows:

- Only trained, skilled and, as the case may be, authorized staff are used to carry out the activities, according to the requirements of the regulatory documentation;
- Cernavoda NPP provides the funds and resources needed to achieve high performance in all fields and is committed to the efficient management of these funds.
- Each Cernavoda NPP employee is aware of, and responsible for, the quality of their work and is required to report any deficiency in their own work or that of their co-workers;
- Cernavoda NPP provides protective equipment and any tools needed for performance of the activities, as well as the infrastructure required to prevent accidents;
- Cernavoda NPP ensures physical protection of the site in accordance with the legal provisions.

In order to limit the consequences of radiological and/or chemical incidents, with or without impact on the environment, Cernavoda NPP has defined an emergency response plan, subject to CNCAN approval. In order to check the readiness of Cernavoda NPP for emergency response, regular drills are defined and conducted, the results of which are assessed and any lessons learned are transferred to the "Action Tracking".

The Operation Manual - Emergency Procedures - 0/1/2-03420-OM-001 provides instructions and guidance to the plant's staff as to the actions to be taken in the event of an emergency. The Specific requirements for preparation and implementation of emergency plans are contained in the documents associated with the emergency response planning and preparedness process, as described in RD-01364-RP008. Coordination of the process is provided by the Radiation Protection Technical Service of DRSM-PSI. Organization of the staff involved in the emergency response is also described.

In Pitesti NFP, nuclear, population, staff and environmental safety takes priority over the production-related matters. Stewardship of the compliance with the nuclear safety requirements and assurance of optimal conditions for formation, maintenance and monitoring of the nuclear safety culture rest with the Pitesti NFP Manager. The Pitesti NFP Manager declared his commitment to ensuring nuclear safety as a priority, and the Management System put in place in Pitesti NFP supports and promotes the nuclear safety culture at all execution and management levels of the organization, by:

- Recognizing the nuclear safety as a clear value, that takes decision-making priority;
- Ensuring a consistent understanding of the fundamental aspects of safety culture, to the benefit of the organization;
- Providing the means whereby the organization supports the safe and successful completion of individual and team tasks, taking into account the human-machine-organization interaction;

- Strengthening a questioning and learning attitude across all levels;
- Keeping the risks as low as reasonably achievable, taking into account the technical, economic and social factors;
- Providing the means whereby the organization continually seeks to develop and improve its safety culture;

The nuclear safety functions applicable to Pitesti NFP are:

- Retention of radioactive materials, including maintenance of physical barriers against their release into the environment;
- Control and monitoring of the conditions of the installation, and provision of the support services as needed to maintain the functions listed at the previous paragraph;

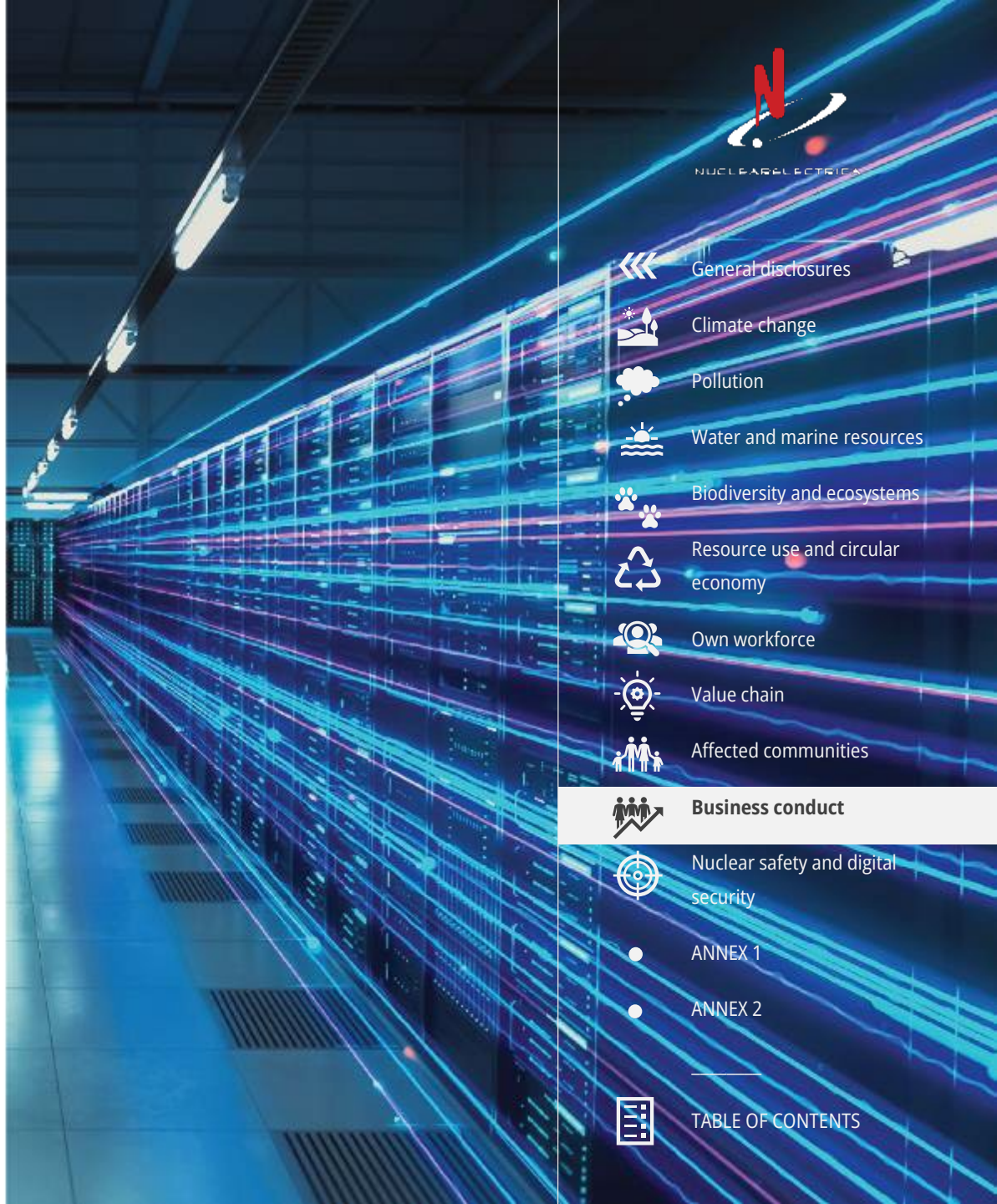
Pitesti NFP provides financial resources and human resources with adequate qualifications and skills, as needed to meet its nuclear safety obligations.

In NFP, the Integrated Management System contains also the process "Nuclear Safety and Safeguards", which documents how the requirements of the applicable nuclear safety and safeguards standards, as well as specific and relevant domestic and international regulations, are implemented.

As NFP is exposed to a radiological risk, NFP devised and put in place and documented radiological protection programmes, taking into account the radiological risks specific to the activities carried out and compliance with the legal and regulatory requirements issued by CNCAN, as well as the principles set by the relevant international organizations and committees.

With a view to keeping the radiological risk as low as possible, Pitesti NFP undertakes the following actions:

- Provision of initial training, and of regular refreshment training of its own staff;
- Delivery of training to the external personnel before they commence rendering any work in NFP's spaces
- Putting in place an integrated system of procedures and work instructions aimed at preventing and reducing the potential radiological risks
- Provision of collective and individual protective equipment
- Provision of the radiological monitoring of workers and the work environment
- Provision supervision for the workers' health state.



Action plans and resources to manage the Company's nuclear safety-related material impacts, risks and opportunities

Detailed information about the nuclear safety assessments can be found in the procedures applied to manage the operating permits, as described in the procedure RD-01364-L008 - "Management of the Nuclear Safety Permits in Cernavoda NPP"; Process coordination is provided by the Nuclear Safety, Licensing and Performance Improvement Department.

At least annually, nuclear safety performance is assessed with the aid of external specialists from other nuclear power plants. The areas to be assessed are determined by the management of Cernavoda NPP. As a rule, the areas of activity with a major impact on nuclear safety and where underperformance or need for improvement has been identified, are selected. The assessment activities are organized according to PSP-Q006-010 - "Independent External Assessment of the Nuclear Safety and Performance".

Activities or programmes to ensure or enable remedial measures related to an actual material impact

No remedial measures were imposed because there was no real material impact in any of the SNN's sites.

Nuclear safety incidents/accidents in the reporting year

There were no nuclear safety-related incidents or accidents in the reporting year.

SNN – Digital security

The risk register identifies items specific to digital security, as follows:

- Penetration of the PPCIU physical and cyber protection system
- The tendency to replace thorough acquisition of knowledge by easily obtained certificates, with no acquisition of skills
- Compromised data and feedback collection tools and process
- Failure of the people portal monitors integrated into the physical protection system of Cernavoda NPP
- Unauthorized access to confidential data
- Unauthorized access (internal and external), via the Internet, of data from the NFP network
- Partial or total unavailability of the physical protection technical system

For each matter, internal controls and monitoring tools are considered to address the risk, and a responsible department is identified.

Digital security policies and howthese are implemented under specific procedurese

In SNN, there is an approved Cyber Security Policy, coded: SI-00-01. This document applies to the IT&C and OT systems used and administered in the SNN, regardless of their purpose, location, technologies used, or the persons operating them. Thus, this policy:

- Defines the SNN's policy on privacy protection, integrity and availability of IT&C and OT resources/processes/services;
- Sets out responsibilities related to ensuring and maintaining the information security.

The objective of this policy is to ensure the security of SNN's IT&C and OT resources by:

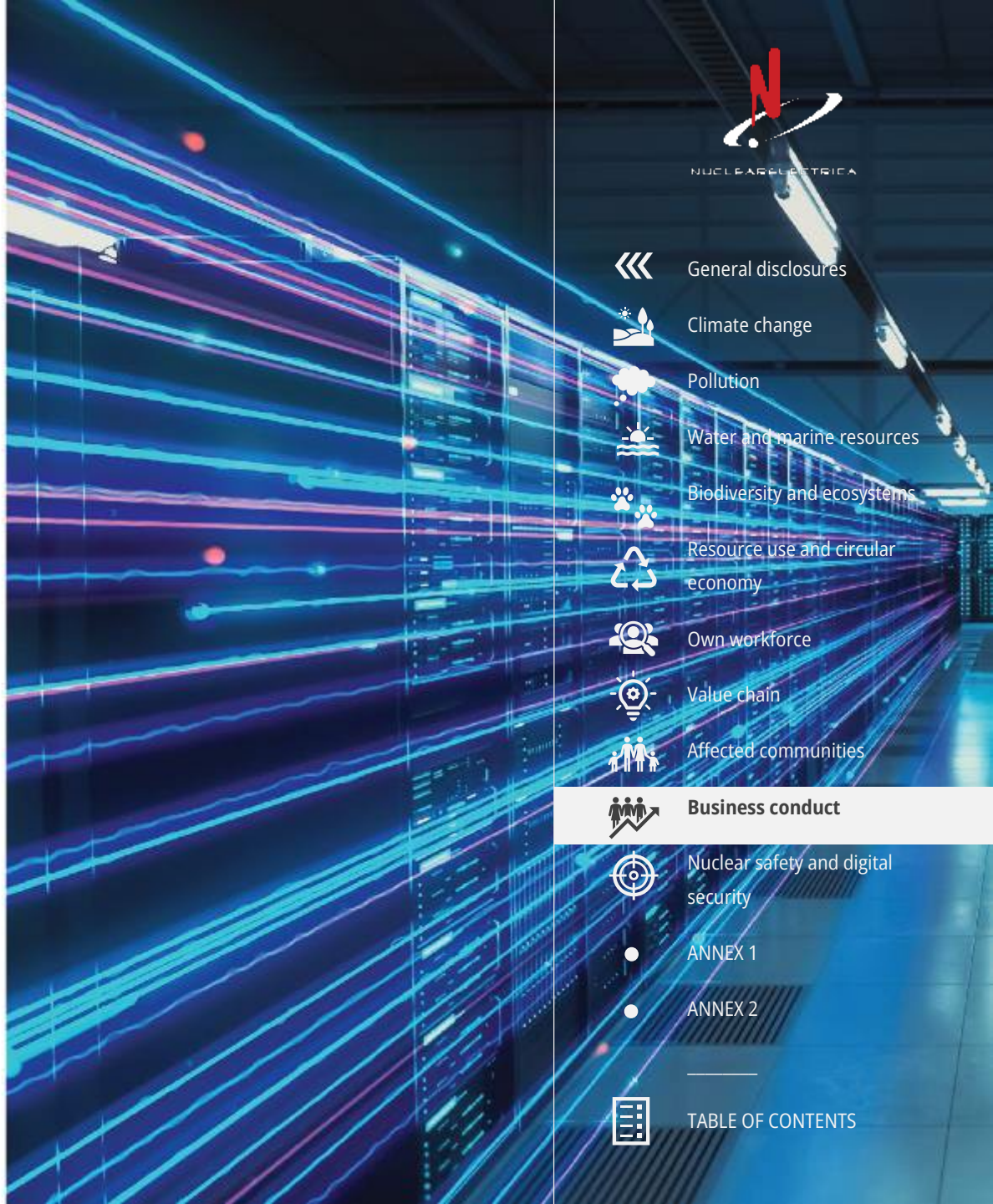
- Preserving confidentiality (protection of the information resources against unauthorized disclosure);
- Preserving integrity (protection of the information resources against unauthorized or accidental alterations, while ensuring their accuracy and completeness);
- Ensuring availability (ensuring that the information resources are available when and how they are requested by the internal beneficiaries).

SNN protects all equipment, software and information resources by putting in place technical and non-technical measures. The SNN management is committed to continually reduce the risks to information resources and to implement the cyber security policy in a consistent, timely and efficient manner.

Actions taken, planned or in progress to prevent or mitigate the digital security-related material negative impacts

SNN has taken or aims to take the following actions to address the digital security risk:

- Regular delivery of Security Awareness Trainings to user of SNN, NFP and NPP.
- Regular sample-based checks to see that the security tool agents (FireEye, TrendMicro, etc.) are in place on workstations and that the AD-level security policies are enforced.
- Definition of a procedure to enforce the regular review of the Active Directory group policies across SNN.
- Definition of procedure to detail the best practices in the use of removable devices (or to amend the existing procedure, if need be) for users, and to define the users with access rights to such devices in SNN's computing systems.
- Enforcement of restrictive policies concerning the use of removable devices on workstations.
- Logging/auditing the file servers and pushing logs to the SIEM solution.
- Regular reviews of the file server permissions.
- Purchase a file management product/Data Loss Prevention solution.
- Migration of the web applications to secure communication protocols.



Activities or programmes to ensure or enable remedial measures related to an actual material impact

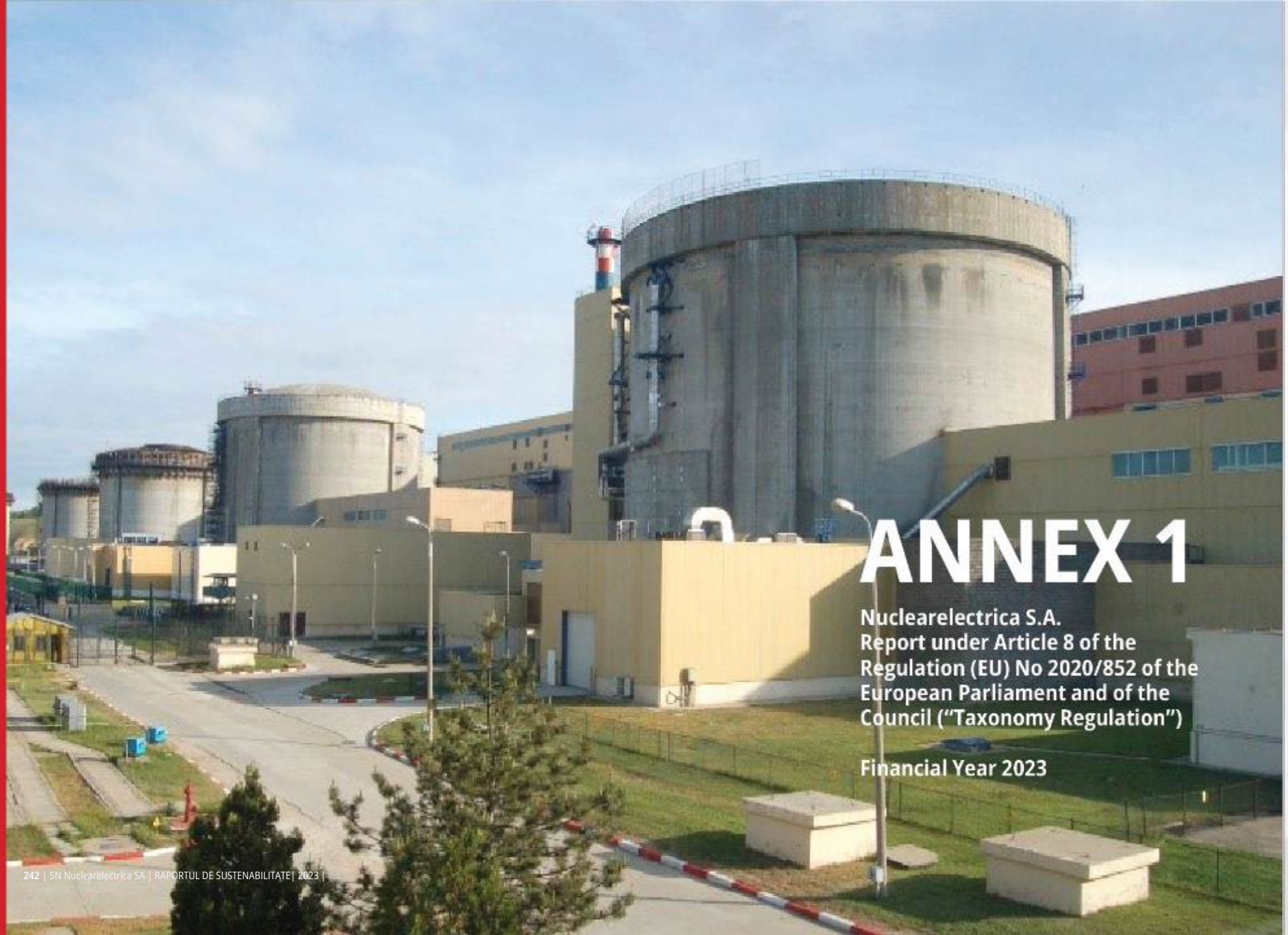
No remedial measures were imposed because there was no real material impact in any of the SNN's sites.

Action plans and resources to manage the Company's digital security-related material impacts, risks and opportunities

SNN has in place the following procedures: SNN Executive Cybersecurity Incident Response, Cyber Risk Management and Cyber Vulnerability Management, which define the course of action (plan) and the resources involved in management of the incidents (impacts), risks and vulnerabilities of the Company related to digital security.

Digital security incidents/accidents in the reporting year

There were no digital security-related incidents or accidents in the reporting year.



ANNEX 1

Nuclearelectrica S.A.
Report under Article 8 of the Regulation (EU) No 2020/852 of the European Parliament and of the Council ("Taxonomy Regulation")

Financial Year 2023

ANNEX 1

Nuclearelectrica S.A.

Report under Article 8 of the Regulation (EU) No 2020/852 of the European Parliament and of the Council ("Taxonomy Regulation")

Financial Year 2023

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1. Introduction

This report has been prepared to describe the information required under Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852) to be included in the Sustainability Report of the Compania Nationala Nuclearelectrica S.A. (hereinafter referred to as "SNN" or the "Company"), for the financial year 2023.

The information complies with the simplified reporting requirements under Article 8 of the Taxonomy Regulation and under Article 10(2) of Article 8 of Commission Delegated Regulation (EU) 2021/2178 and the subsequent amending acts, Commission Delegated Regulation (EU) 2021/2139, Commission Delegated Regulation (EU) 2022/1214, Commission Delegated Regulation (EU) 2023/2485, and Commission Delegated Regulation (EU) 2023/2486.

2. Article 8 Taxonomy Regulation

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It is an important step taken forward towards carbon neutrality by 2050, in accordance with EU objectives, because the Taxonomy is a classification system for sustainable business activities.

In the following section, we, as a non-financial Company, present the share of turnover, capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting period 2023, which relate to the business activities aligned with one or both environmental targets (climate change mitigation and climate change adaptation), and eligible, related to the 6 environmental targets in accordance with Article 8 of the Taxonomy Regulation and Article 10(2) of Article 8 and the subsequent Delegated Acts.

3. Overview

Article 8 (2) of the Taxonomy Regulation, read in connection with Article 10(2) of Article 8 and the subsequent delegated acts

Share of Taxonomy non-eligible, eligible and aligned business activities for SNN (by turnover, CAPEX and OPEX)				
	Total (RON)	Share of Taxonomy-eligible and non-aligned business activities (in %)	Share of Taxonomy-aligned business activities (in %)	Share of taxonomy-non-eligible business activities
Turnover	7,469,308,958	0%	99.9%	0.1%
Capital expenditure (CAPEX)	1,445,132,484	0%	100%	0%
Operating expenditure (OPEX)	1,536,336,881	0%	100%	0%

4. Description of the activities

Under the law, the reporting entity is Compania Nationala Nuclearelectrica S.A. (SNN) a national joint-stock Company, managed under single-tier system, having its Headquarters in Bucharest. Currently, SNN is the only electric power producer based on nuclear technology from Romania. SNN also produces CANDU-type nuclear fuel bundles that are used to keep its own nuclear reactors in use.

The Branch of Cernavoda NPP (Nuclear Power Plant), with its registered office in Cernavoda, ensures operation of the two functional CANDU Nuclear Units, as well as the management of all SNN assets of Cernavoda (apart from Units 1 and 2 already in operation, Units 3 and 4 are in various stages of construction; for Unit 5, the Company's shareholders approved the change of initial application as early as March 2014, and this would be used to support the activities related to operation of Units 1 and 2, as well as the district heating system). The second SNN site is the NFP Branch (Nuclear Fuel Plant) Pitesti, with the registered office in Mioveni, where CANDU fuel bundles are produced for Units 1 and 2 of Cernavoda.

The **core business** of the Company is "Production of electricity" - CAEN Code 3511.

This activity was identified as eligible for Taxonomy purposes, according to the NACE code D35.11 under activity 4.28. - Electricity generation from nuclear energy in existing installations, as well as under activity 4.25. - Heat production for heating/cooling using decay heat; this is a secondary business carried out, also eligible and contributing to the turnover. The **secondary business** is pursued in same in the same site as the core business (Cernavoda). **These activities are eligible for taxonomy.**

For the reporting period 1 January 2023 - 31 December 2023, **other** revenue generating **activities** were identified, but for which the eligibility, and implicitly, the alignment, of these activities with the Taxonomy Regulation could not be determined.

For the reporting period FY 2023, **no new eligible activities have been identified** for the 2 climate objectives or the 4 environmental objectives under the Taxonomy Regulation, Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2023/2486.

4.1.
Taxonomy-eligible business activities and their assessment

Section. 1.2.2.1(a) of Annex I to Article 8 and the subsequent Delegated Acts

A business activity is considered taxonomy-eligible where it matches the description of the activity presented in the EU taxonomy. In order to identify the eligible activities in SNN, we carried out a full assessment of our activities and compared these activities against the description of business activities/products listed in Annex I or II of the EU Delegated Acts on climate taxonomy and the activities listed in Annexes I, II, III and IV of the EU Delegated Acts concerning the environment.

The activities identified as eligible and aligned, together with the results of their assessment, are listed below.

SNN's contribution to the environmental objectives

Business activity	Environmental target	Eligible	Aligned	Compliance with the EMAS requirements	Compliance with the requirements for minimum social safeguards
4.28 Electricity generation from nuclear energy in existing installations	Climate change mitigation	Yes	Yes	Yes	Yes
	Climate change adaptation	-	Yes		
	Water and marine resources	-	-		
	Circular economy	-	-		
	Pollution prevention and control	-	-		
	Biodiversity and ecosystems	-	-		
4.25 Heat production for heating/cooling using decay heat	Climate change mitigation	Yes	Yes	Yes	Yes
	Climate change adaptation	-	Yes		
	Water and marine resources	-	-		
	Circular economy	-	-		
	Pollution prevention and control	-	-		
	Biodiversity and ecosystems	-	-		

* The results of the DNSH assessment and fulfilment of the social criteria are shown in the tables below

According to the analysis carried out during the reporting period 1 January 2023 - 31 December 2023, the activity of SN "Nuclearelectrica" S.A. (SNN) has a significant contribution to Climate Change Mitigation (Activities 4.28 and 4.25) and does not significantly harm any of the other 5 environmental objectives set out under Article 17 of the Regulation (EU) 2020/852, namely:

- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The core business, *4.28 Electricity generation from nuclear energy in existing installations and the secondary business 4.25 Heat production for heating/cooling using decay heat,* make a substantial contribution to the Climate Change Mitigation objective, and meet the technical screening requirements under the Taxonomy Regulation.

The results of the DNSH analysis and the results of the checks on fulfilment of the minimum social safeguards can be found in the tables below.

DNSH analysis results

Environmental objectives assessed against technical criteria - Substantial contribution	**Result – Activity 4.28** (core business)	**Result – Activity 4.25** (secondary business)
Climate change mitigation	**Yes** Meets the criteria	**Yes** Meets the criteria

Environmental objectives assessed against the DNSH principle	**Result – Activity 4.28** (core business)	**Result – Activity 4.25** (secondary business)
Climate change adaptation	**Yes**, without damages	**Yes**, without damages
Sustainable use and protection of water and marine resources	**Yes**, without damages	**Yes**, without damages
Circular economy, including waste prevention and recycling	**Yes**, without damages	**Yes**, without damages
Prevention and control of air, water or soil pollution	**Yes**, without damages	**Yes**, without damages
Protection and restoration of biodiversity and ecosystems	**Yes**, without damages	**Yes**, without damages

Results of the assessment of compliance with the minimum social guarantees

Compania Nationala Nuclearelectrica S.A. carries out an economic activity aligned with the OECD Guidelines for multinational organizations and **the UN Guiding Principles on business and human rights** (including gender equality and use of child labor, as well as the principles and rights set out under the eight fundamental conventions identified in the International Labor Organization Declaration on Fundamental Principles and Rights at Work and the International Charter of Human Rights).

Summary - Meeting of the minimum social criteria		Result
Commitment to respect for human rights		Yes
Human rights reflected in the operating policies and procedures and incorporated across the organization		Yes
Background check process for human rights violations to identify, prevent and mitigate the impact on human rights in operations and along the supply chain		Yes
Complaint mechanism (including legal rights to bring up actions before courts)		Yes
External communication about how the impact on human rights is approached		Yes
Identification of, and addressing, the negative impact on human rights through legitimate processes		Yes
Health and Safety Policy		Yes
Policy on work practices (Labor Code + Collective Bargaining Agreement)		Yes
Policies laying down establish for a responsible business conduct:	GDPR - Personal data processing	Yes
	Anti-corruption policy	
	Whistleblowing mechanism/procedure	
	ESG procurement policy/procedure	
	Policy on trade unions (collective bargaining) - employment agreement	

4.2.
Decisions in identification of the eligibility and alignment of SNN's activities

In accordance with the reporting requirements for the financial year 2023, for Societatea Nationala Nuclearelectrica SA, a number of eligible activities were identified and assessed for compliance in accordance with the Taxonomy Regulation (EU) (2020/852) and the subsequent delegated acts.

The score business is eligible and aligned. Other income-generating activities carried out include sale heat resulting from cooling processes and other activities.

For alignment, the following studies have been checked and updated for the financial year 2023:

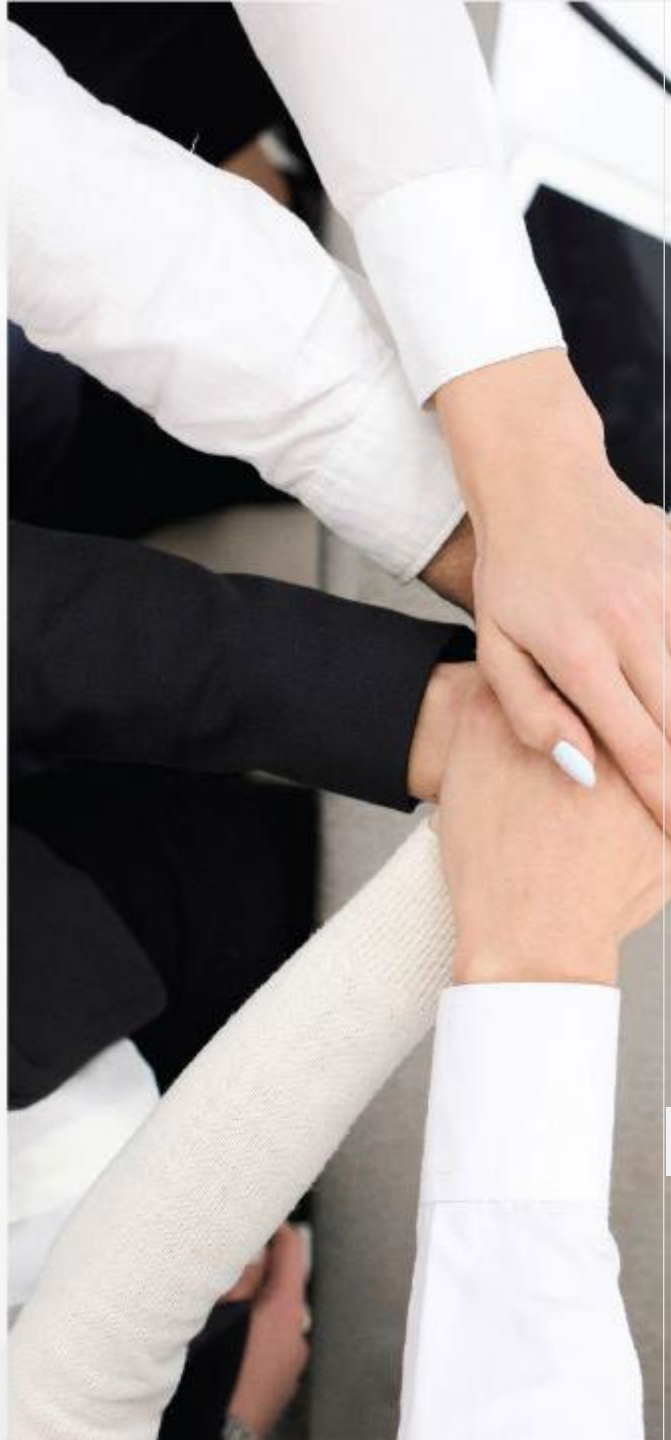
- DNSH assessment for eligible activities;
- Reviewing whether the minimum social criteria are met;
- Business risk and climate vulnerability assessment survey.

4.3.
CapEx Plan

The CapEx plan includes the list of taxonomy-eligible business activities in 2023 and provides information on the CapEx envisaged to fund them, with the aim of increasing sustainability over the next 5 years.

The CapEx plan intended for eligible activities is based on the most recent business plan approved by management, while the time horizon reflects the five-year period for a CapEx plan referred in Annexes 1-5 of Commission Delegated Regulation (EU) 2020/852.

No CapEx has was planned for the next 5 years for the eligible activities; SNN's business is already aligned.



5. Turnover, CAPEX and OPEX for taxonomy

The key performance indicators ("KPIs") include the turnover KPI, the CAPEX KPI and the OPEX KPI. For the 2023 reporting period, the KPIs must be disclosed for taxonomy-aligned and -eligible activities and taxonomy non-eligible activities (Article 10(2) of Article 8 of the Delegated Act).

Section. 1.2.1(a) and (b) of Annex I to Article 8 of the Delegated Act

KPIs are set in accordance with Annex I to Article 8 of the Delegated Act. We set the KPIs eligible for taxonomy in accordance with legal requirements and we describe our accounting policy in this regard, as follows:

Turnover KPI

Definition - The share of business activities eligible/aligned for taxonomy in our total turnover was calculated as part of the net turnover derived from products and services associated with the business activities eligible for the taxonomy (numerator) divided by the net turnover (denominator), in each case for the financial year 1 January 2023 - 31 December 2023.

The turnover KPI denominator is based on net turnover, as per the Stand-Alone Financial Statements prepared for the financial year ended 31 December 2023 and the Profit and Loss Standalone Statement for the financial year ended on 31 December 2023.

The turnover KPI numerator is defined as the net turnover obtained from the products and services associated with *the business activities eligible for the taxonomy*.

KPI CAPEX

Definition - The CAPEX KPI is defined as taxonomy-eligible/aligned CAPEX (numerator) divided by total CAPEX (denominator). Capital expenditure is found in the Notes to the Stand-Alone Financial Statements for the financial year ended on 31 December 2023, Note 5. Tangible non-current assets, Note 6 Assets representing right to use underlying assets within a leasing contract and Note 7 Intangible non-current assets.

The capital expenditure indicator is defined as taxonomy-eligible capital expenditure (numerator) divided by total SNN capital expenditure (denominator). The denominator, i.e. the total capital expenditure, consists of the additions related to intangible non-current assets, tangible non-current assets and assets related to the right of use, and are adjusted to exclude any additions related to the groups intended for disposal under IFRS 5, during the reporting period. For more details about our accounting policies for the relevant assets, see the Stand-Alone Financial Statements of SNN for 2023, Note 3.

KPI OPEX

Definition - The indicator related to the operating expenditure indicator is defined as taxonomy-eligible expenditure (numerator) divided by total SNN operating expenditure (denominator) according to:

- Stand-Alone Financial Statements prepared for the financial year ended on 31 December 2023.
- Profit and Loss Standalone Statement for the financial year ended on 31 December 2023.

The total operating expenditure for the purposes of taxonomy (numerator) consists of research and development expenditure, maintenance and repair expenditure, other direct expenditure related to current maintenance of the assets and short-term lease expenditure.

Total operating expenditure (OPEX) consists of the non-capitalized direct costs related to research and development, building renovation measures, short-term rental, maintenance and repairs and any other direct expenses related to the daily servicing of the assets, properties, plants and equipment.

The research and development expenditure include research and development costs recognized under IAS 38 "Intangible non-current assets" and included in the line "Other operating expenditure" line of the Profit and Loss Standalone Statement.

Maintenance and repair expenditure and other direct expenditure related to current maintenance of assets mainly include cost of external services, payroll cost, cost of materials related for regular and unscheduled maintenance and repairs. The related cost elements can be found at rows *Payroll Costs, Repairs and Maintenance, Cost of Spare Parts and Other Operating Expenditure* in the Profit and Loss Standalone Statement.

The short-term lease expenditure were determined and included in accordance with IFRS 16 "Leases".

5.1. SNN's KPI indicators

KPI Turnover

Financial year	Year 2023			Substantial Contribution Criteria						DNSH ("Do No Significant Harm") Criteria									
Business activities	Code	Turnover	Share of turnover, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of taxonomy-aligned or taxonomy-eligible turnover (A.2.), turnover, year 2022	Facilitating activity category	Transitional activity category
Text		MCW	%	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitation-related	Transition-related
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally-sustainable activities (activities aligned to taxonomy)																			
Electricity generation from nuclear energy in existing installations	CCM 4.28	7,455,563,848	99.82%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	99.9%	N/A	N/A
Heat production for heating/cooling using decay heat	CCM 4.25	6,097,431	0.08%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	0.1%	N/A	N/A
Turnover of environmentally-sustainable activities (aligned with taxonomy) (A.1)		7,461,611,279	99.90%	100%	0%	0%	0%	0%	0%	D	D	D	D	D	D	D	100%		
Of which, facilitation-related			%	%	%	%	%	%	%								%	Facilitation-related	
Of which, transition-related			%	%													%		Transition-related
A.2 Taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy)																			
Turnover of taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								%		
A. Turnover of taxonomy eligible activities (A.1+A.2)		7,461,611,279	99.90%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
Turnover of taxonomy non-eligible activities		7,647,679	0.10%																
TOTAL		7,469,388,958	100%																

KPI – CapEX

Financial year		Year 2023		Substantial Contribution Criteria						DNSH ("Do No Significant Harm") Criteria									
Business activities	Code	CapEx	Share of CaPEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of taxonomy-aligned or taxonomy-eligible turnover (A.2.) CapEx, 2022	Facilitating activity category	Transitional activity category
Text		KEUR	%	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D; N; N/EL	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitation-related	Transition-related
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally-sustainable activities (activities aligned to taxonomy)																			
Electricity generation from nuclear energy in existing installations	CCM 4.28	1,445,132,484	100%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	100%	N/A	N/A
Heat production for heating/cooling using decay heat	CBA 4.25	0	0.0%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	0.0%	N/A	N/A
CapEx related to environmentally-sustainable activities (taxonomy-aligned) (A.1)		1,445,132,484	100%	100%	0%	0%	0%	0%	0%	D	D	D	D	D	D	D	%		
Of which, facilitation-related			%	%	%	%	%	%	%	D	D	D	D	D	D	D	%	Facilitation-related	
Of which, transition-related			%	%						D	D	D	D	D	D	D	%		Transition-related
A.2 Taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy) (g)																			
CapEx related to taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								%		
A. CapEX related to the taxonomy eligible activities (A.1+A.2)		1.445.132.484	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEX related to the taxonomy non-eligible activities*		0	0%																
TOTAL		1.445.132.484	100%																

**No CAPEX was allocated separately for heat or other activities of SNN (there are no stand-alone cost centers set-up). Thus, the total CAPEX is allocated to the core business, i.e. electricity generation and distribution.*

KPI – OpEX

Financial year 2023		Year 2023		Substantial Contribution Criteria						DNSH ("Do No Significant Harm") Criteria									
Business activities	Code	Operating Expenditure (OpEx)	Share of OpEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Share of taxonomy-aligned or taxonomy-eligible turnover (A.2.) OpEx, 2022	Facilitating activity category	Transitional activity category
Text		MSEK	%	D, N, N/EL	D, N, N/EL	D, N, N/EL	D, N, N/EL	D, N, N/EL	D, N, N/EL	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitation related	Transition related
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally-sustainable activities (activities aligned to taxonomy)																			
Electricity generation from nuclear energy in existing installations	CCM 4.28	1,536,336,881	100%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	100%	N/A	N/A
Heat production for heating/cooling using decay heat*	CBA 4.25	0	0.0%	D	N	N/EL	N/EL	N/EL	N/EL	D	D	D	D	D	D	D	0.0%	N/A	N/A
OpEx related to environmentally-sustainable activities (taxonomy aligned) (A.1)		1,536,336,881	100%	100%	0%	0%	0%	0%	0%	D	D	D	D	D	D	D	%		
Of which, facilitation-related			%	%	%	%	%	%	%	D	D	D	D	D	D	D	%	Facilitation-related	
Of which, transition-related			%	%						D	D	D	D	D	D	D	%		Transition-related
A.2 Taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy)																			
OpEx related to taxonomy-eligible, but not environmentally-sustainable activities (activities not aligned to the taxonomy) (A.2)		0	0%	0%	0%	0%	0%	0%	0%								%		
A. OpEX related to taxonomy eligible activities *(A.1+A.2)*		1,536,336,881	100%	100%	0%	0%	0%	0%	0%										
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEX related to the taxonomy non-eligible activities*		0	0%																
TOTAL		1,536,336,881	100%																

*No OPEX was allocated separately for heat or other activities of SNN (there are no stand-alone cost centers set-up). Thus, the total OPEX is allocated to the core business, i.e. electricity generation and distribution.

5.2. Information about the activities of Nuclearelectrica S.A.

In accordance with the Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards the business activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those business activities. The information about the activities in the nuclear and gas sectors is presented in a table, **using the templates included in Annex XII of the Regulation.**

5.2.1. ACTIVITIES CARRIED OUT

For the reporting entity Nuclearelectrica S.A., the following activities carried out in the financial year 2023 and the KPIs associated with these activities were identified according to the requirements of the Delegated Regulation (EU) 2022/1214 - **Annex XII**

Template 1 - Nuclear and fossil gas-related activities

Row	Nuclear and fossil gas related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.*	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.**	NO
3.	**The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.**	**YES**
Row	**Fossil gas related activities**	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

SMRs and other activities are not carried out or accounted for by Nuclearelectrica S.A., as the reporting entity

*** Investment projects for other new production units are not carried out or accounted for by Nuclearelectrica S.A., as the reporting entity*

5.2.2.
ACTIVITIES CARRIED OUT – Turnover, CAPEX and OPEX

Template 2 - Taxonomy-aligned business activities (denominator)

KPI - total turnover*							
Row	**Business activities**	Amount and proportion (the information is to be presented in monetary amounts and in percentages)					
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the denominator of the applicable key performance indicator** **Turnover** related to the sale of electricity	7,455,563,848 RON	99.82%	RON 7,455,563,848 99.82%		RON 0 0%	
7.	**Amount and proportion of other taxonomy-aligned business activities**, not referred to in rows 1-6 above, in the denominator of the applicable key performance indicator** **Turnover** related to the sale of heat	6,097,431 RON	0.08%	RON 6,097,431 0.08%		RON 0 0%	
8.	**Total applicable KPI – total turnover of Nuclearelectrica S.A. - for alignment (denominator)***	**7,461,661,279 RON**	**99.90%**	**7,461,661,279 99.9%**		RON 0 0%	

**According to the Stand-Alone Financial Statements prepared for the financial year ended on 31 December 2023. Profit and Loss Standalone Statement for the financial year ended on 31 December 2023*

***4.25. Marketing of heat for heating (steam from cooling).*

KPI - CAPEX							
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)					
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the denominator of the applicable key performance indicator** *CAPEX - electricity*	1,445,132,484 100%		1,445,132,484 100%		RON 0 0%	
7.	**Amount and proportion of other taxonomy-aligned business activities*, not referred to in rows 1-6 above, in the denominator of the applicable key performance indicator** *–CAPEX –heat*	RON 0 0%		RON 0 0%		RON 0 0%	
8.	**Total applicable KPI** *CAPEX of Nuclearelectrica S.A. (denominator)*	**1,445,132,484 100%**		**1,445,132,484 100%**		**RON 0 0%**	

No CAPEX was allocated separately for heat (there are no stand-alone cost centers set-up).

Source:
Notes to the Stand-Alone Financial Statements for the financial year ended on 31 December 2023.

Note 5. Tangible non-current assets, Note 6 6 Assets representing right to use underlying assets within a leasing contract and 7. Note Intangible non-current assets.

The capital expenditure indicator is defined as taxonomy-eligible capital expenditure (numerator) divided by total SNN capital expenditure (denominator). The denominator, i.e. the total capital expenditure, consists of the additions related to intangible non-current assets, tangible non-current assets and assets related to the right of use, and are adjusted to exclude any additions related to the groups intended for disposal under IFRS 5, during the reporting period. For more details about our accounting policies for the relevant assets, see the Stand-Alone Financial Statements of SNN for 2023, Note.

KPI - OPEX								
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)						
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA		
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%	
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the denominator of the applicable key performance indicator** *OPEX related to expenditure for production of electricity*	1,536,336,881 100%		1,536,336,881 100%		RON 0 0%		
7.	**Amount and proportion of other taxonomy-aligned business activities*, not referred to in rows 1-6 above, in the denominator of the applicable key performance indicator** – *OPEX related to heat generation expenditure*	RON 0 0%		RON 0 0%		RON 0 0%		
8.	**Total applicable KPI** *Total OPEX of Nuclearelectrica S.A. - for alignment (denominator)**	**1,536,336,881**	**100%**	**1,536,336,881 100%**		**RON 0 0%**		

No OPEX was allocated separately for heat (there are no stand-alone cost centers set-up).

Source:

Stand Alone Financial Statements prepared for the financial year ended on 31 December 2023.

Profit and Loss Standalone Statement for the financial year ended on 31 December 2023.

The indicator related to the operating expenditure indicator is defined as taxonomy-eligible expenditure (numerator) divided by total SNN operating expenditure (denominator). Total operating expenditure according to the EU Taxonomy consist of research and development expenditure, maintenance and repair expenditure, other direct expenditure related to current maintenance of assets and short-term lease expenditure.

The research and development expenditure include research and development costs recognized under IAS 38 "Intangible non current assets" and included in the line "Other operating expenditure" line of the Profit and Loss Standalone Statement.

Maintenance and repair expenditure and other direct expenditure related to current maintenance of assets mainly include cost of external services, payroll cost, cost of materials related for regular and unscheduled maintenance and repairs. The related cost elements can be found at rows Payroll Costs, Repairs and Maintenance, Cost of Spare Parts and Other Operating Expenditure in the Profit and Loss Standalone Statement.

The short-term lease expenditure were determined and included in accordance with IFRS 16 "Leases".

5.2.3. ACTIVITIES CARRIEDOUT - TAXONOMY-ALIGNED

Template 3 - Taxonomy-aligned business activities (numerator)

KPI - turnover								
Row	**Business activities**	Amount and proportion (the information is to be presented in monetary amounts and in percentages)						
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA		
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%	
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the numerator of the applicable key performance indicator** *(electricity)*	7,455,563,848 RON		RON 7,455,563,848 99.82%		RON 0 0%		
7.	**Amount and proportion of other taxonomy-aligned* business activities, not referred to in rows 1-6 above, in the numerator of the applicable key performance indicator** *(heat - 4.25)*	6,097,431 RON		RON 6,097,431 0.08%		RON 0 0%		
8.	**Total applicable KPI – total turnover of aligned activities**	**7.461.661.279RON**	**99.90%**	**7,461,661,279 RON 99.98%**		**RON 0 0%**		

KPI - CAPEX							
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)					
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the numerator of the applicable key performance indicator** *CAPEX - electricity*	1,445,132,484 100%		1,445,132,484 100%		RON 0 0%	
7.	**Amount and proportion of other taxonomy-aligned business activities, not referred to in rows 1-6 above, in the numerator of the applicable key performance indicator** *CAPEX - heat*	RON 0 0%		RON 0 0%		RON 0 0%	
8.	**Total applicable KPI – total CAPEX of aligned activities**	**1,445,132,484 RON**	**100%**	**RON 1,445,132,484 100%**		**RON 0 0%**	

KPI - OPEX								
Row	**Business activities**	Amount and proportion (the information is to be presented in monetary amounts and in percentages)						
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA		
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%	
3.	**Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139, in the numerator of the applicable key performance indicator** *OPEX - electricity*	1,536,336,881 100%		RON 1,536,336,881 100%		RON 0 0%		
7.	**Amount and proportion of other taxonomy-aligned business activities, not referred to in rows 1-6 above, in the numerator of the applicable key performance indicator** *OPEX - heat*	RON 0 0%		RON 0 0%		RON 0 0%		
8.	**Total applicable KPI – total OPEX of aligned activities**	**RON 1,536,336,881**	**100%**	**RON 1,536,336,881 100%**		**RON 0 0%**		

5.2.4. ECONOMIC ACTIVITIES (CARRIED OUT) ELIGIBLE, BUT NOT ALIGNEDE

Eligible (core) business: 4.28 Electricity generation from nuclear energy in existing installations

Description: Modification of the existing nuclear installations for the purpose of extending the activity authorized by the competent authorities of the Member States until 2040, in accordance with the applicable national legislation, and the safe operation time of the nuclear installations that produce electricity or heat from nuclear energy ("nuclear power plants").
The core business is classified under the NACE codes D35.11 and F42.2, in accordance with the statistical classification of business activities under the Regulation (EC) no. 1893/2006.

Template 4 - Taxonomy-eligible but not taxonomy-aligned business activities

KPI - turnover							
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)					
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA	
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%
3.	**Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator** *(electricity)*	RON 0 0%		RON 0 0%		RON 0 0%	
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned business activities not referred to in rows 1 to 6 above in the denominator of the applicable key performance indicator** *(heat)*	RON 0 0%		RON 0 0%		RON 0 0%	
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned business activities in the denominator of the applicable key performance indicator**	**RON 0**	**0%**	**RON 0 0%**		**RON 0 0%**	

KPI – CAPEX								
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)						
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA		
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%	
3.	**Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator** *CAPEX related to expenditure for production of electricity*	RON 0 0%		RON 0 0%		RON 0 0%		
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned business activities not referred to in rows 1 to 6 above in the denominator of the applicable key performance indicator** *CAPEX expenditure - heat*	RON 0 0%		RON 0 0%		RON 0 0%		
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned business activities in the numerator of the applicable key performance indicator**	**RON 0**	**0%**	**RON 0 0%**		**RON 0 0%**		

KPI – OPEX								
Row	Business activities	Amount and proportion (the information is to be presented in monetary amounts and in percentages)						
		CCM + CCA		Climate Change Mitigation – CCM		Climate Change Adaptation – CCA		
		Amount (RON)	%	Amount (RON)	%	Amount (RON)	%	
3.	**Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator** *OPEX related to expenditure for production of heat*	RON 0 0%		RON 0 0%		RON 0 0%		
7.	**Amount and proportion of other taxonomy-eligible, but not taxonomy-aligned business activities, not referred to in rows 1-6 above, in the denominator of the applicable key performance indicator** *OPEX expenditure - heat*	RON 0 0%		RON 0 0%		RON 0 0%		
8.	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned business activities in the numerator of the applicable key performance indicator**	**RON 0**	**0%**	**RON 0 0%**		**RON 0 0%**		

5.2.5. NON-ELIGIBLE OPERATING ACTIVITIES

Template 5 - Taxonomy non-eligible business activities

KPI - turnover			
Row	**Business activities**	**Amount**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
7.	**Amount and proportion of other taxonomy-non-eligible business activities not referred to in rows 1 to 6 above in the denominator of the applicable key performance indicator**	RON 7,647,679	0.10%
8.	**Total amount and proportion of taxonomy-non-eligible business activities in the denominator of the applicable key performance indicator"**	RON 7,647,679	0.10%

KPI - CAPEX			
Row	**Business activities**	**Amount**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
7.	**Amount and proportion of other taxonomy-non-eligible business activities not referred to in rows 1 to 6 above in the denominator of the applicable key performance indicator**	RON 0	0%
8.	**Total amount and proportion of taxonomy-non-eligible business activities in the denominator of the applicable key performance indicator"**	RON 0	0%

KPI - OPEX			
Row	**Business activities**	**Amount**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable key performance indicator	RON 0	0%
7.	**Amount and proportion of other taxonomy-non-eligible business activities not referred to in rows 1 to 6 above in the denominator of the applicable key performance indicator**	RON 0	0%
8.	**Total amount and proportion of taxonomy-non-eligible business activities in the denominator of the applicable key performance indicator"***	RON 0	0%

ANNEX 2

GRI Indices that meet the ESRS disclosure requirements, according to the GRI-ESRS Interoperability Index [39]

[39] https://www.globalreporting.org/media/z2vmxbks/gri-standards-and-esrs-draft-interoperability-index_20231130-final.pdf, accesat 06.03.2024

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
ESRS 2	*The basis of drafting the financial statements*		
	BP-1 – General basis for preparation of the sustainability statements	5(a) 5(c) 5(d)	GRI 2-2 Entities included in the organization's sustainability reporting
	BP-2 – Disclosure concerning the specific circumstances	13(a) 15 16 AR 2	GRI 2-4 Information restatements
	Governance		
	GOV-1 – Role of Administration, Management and Supervisory Bodies	21 22 23 AR 3	GRI 2-1 Organizational details GRI 2-9 Governance structure and composition GRI 2-12 Role of the ultimate governance body in impact management oversight GRI 2-13 Impact management responsibility delegation
	GOV-2 – Information supplied to the undertaking's administration, management and supervisory bodies and sustainability matters approached by them	26(a) 26(b)	GRI 2-13 Impact management responsibility delegation GRI 2-13 Impact management responsibility delegation GRI 2-16 Communication of critical concerns GRI 2-24 Incorporation of policy commitments
	GOV-3 – Integration of sustainability performance into the incentive systems	27	GRI 2-19 Remuneration policies
	GOV-4 – Declaration on the Due Diligence Process	30 AR 10	GRI 2-24 Incorporation of policy commitments
	GOV-5 – Risk management and internal controls related to sustainability reporting	34	GRI 2-14 Role of the ultimate governance body in sustainability reporting
	Strategy		
	SBM-1 – Strategy, business model and value chain	40(a) 40(b) 42	GRI 2-6 Activities, value chain and other business relationships GRI 2-7 Employees
	SBM-2 – Stakeholder interests and views	45	GRI 2-12 Role of the ultimate governance body in impact management oversight
	SBM-3 – Significant Impact, Risks and Opportunities, and their Interaction with the Business Strategy and Model	48	GRI 308-2 Negative impacts on the environment in the supply chain and actions taken

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
	Management of impacts, risks and opportunities		
	IRO-1 – Description of the processes pursued to identify and assess the material risks and opportunities	53	GRI 2-14 Role of the ultimate governance body in sustainability reporting
	IRO-2 – ESRS disclosure requirements covered by the Undertaking's Sustainability Statement	56 59	
	MDR-P Policies – Policies adopted to manage the material sustainability matters		
	MDR-A actions – Actions and resources concerning the material sustainability matters		
	Metrics and targets		
	MDR-M – Metrics for the material sustainability matters		
	MDR-T targets – target-based tracking of the effectiveness of policies and actions		
ESRS E1 Climate change	E1-1 – Climate change mitigation transition plan	17	
	E1-2 – Climate change mitigation and adaptation-related policies	22	
	E1-3 – Actions and resources related to the climate change policies	26	
	E1-4 – Targets related to climate change mitigation and adaptation	30	
	E1-5 – Energy consumption and energy mix	37	GRI 301-2 Recycled input material used
	E1-6 – Gross Scopes 1, 2 and 3 GHG emissions, and total GHG emissions	44 48 49 51 52	GRI 305-1 Direct (Scope 1) GHG emissions GRI 305-2 Indirect energy (Scope 2) GHG emissions GRI 305-3 Other indirect (Scope 3) GHG emissions
	E1-7 – GHG removals and GHG emission mitigation projects financed through carbon credits	56	GRI 305-5 Reducing GHG emissions
	E1-8 – Internal carbon pricing	62	
	E1-9 – Anticipated financial effects from material physical and transition risks and the potential climate-related opportunities	64	GRI 201-2 Financial implications and other risks and opportunities due to climate change
ESRS E2 Pollution	E2-1 – Pollution-related policies	12	
	E2-2 – Pollution-related actions and resources	16	GRI 305: 2016 Emissions
	E2-3 – Pollution-related targets	20 23(d)	GRI 305: 2016 Emissions
	E2-4 – Air, water and soil pollution	26 28(a) 30	GRI 305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions
	E2-5 – Substances raising concerns and substances raising particular concerns	32 34	GRI 305-7 Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions
	E2-6 – Anticipated financial effects from pollution-related risks and opportunities	36	

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
ESRS E3 Water and marine resources	E3-1 – Policies related to water and marine sources	9	
	E3-2 – Actions and resources related to water and marine resources	15	GRI 303-1 Interactions with water as a common resource
	E3-3 – Targets related to water and marine sources	20 25	
	E3-4 – Water consumption	26 289a)	GRI 303-5 Water consumption
	E3-5 – Anticipated financial effects from risks and opportunities related to water and marine resources		
ESRS E4 Biodiversity and ecosystems	E4-1 – Transition plan and consideration of biodiversity and ecosystems in the business strategy and model	11	
	E4-2 – Policies related to biodiversity and ecosystems	20	GRI 304: Biodiversity 2016
	E4-3 – Actions and resources related to biodiversity and ecosystems	25	
	E4-4 – Targets related to biodiversity and ecosystems	29	
	E4-5 – Impact metrics related to biodiversity and ecosystem changes	33	
	E4-6 – Financial effects	42	
ESRS E5 Resources use and circular economy	E5-1 – Policies related to resources use and circular economy	12 14	GRI 306: 2020 Waste
	E5-2 – Actions and resources related to resources use and circular economy	17 20(a) 20(e) 20(f)	GRI 306-2 Management of waste-related material impacts
	E5-3 – Targets related to the use of resources and the circular economy	21 24(e) 24(f)	GRI 306: 2020 Waste
	E5-4 – Resources inflows	28 31(a)	GRI 301-1 Materials used, by weight or volume
	E5-5 – Resources outflows	33 37(a) 37(b) 37(c) 38(d) 38 39	GRI 306-1 Waste generation and waste-related material impacts GRI 306-2 Management of waste-related material impacts GRI 306-3 Generated waste GRI 306-4 Waste bypassed from disposal GRI Waste directed to disposal
	E5-6 – Anticipated financial effects from impacts, risks and opportunities related to resources use and circular economy		

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
ESRS S1 Own workforce	S1-1 – Own workforce-related policies	17 19 20(a) 20(b) 20(c) 21 22 23 24(a) 24(b) 24(c) 24(d)	GRI 2-23 Policy commitments GRI 2-25 Adverse impact remediation processes GRI 2-29 Approach to stakeholder engagement GRI 403-1 Occupational health and safety management system GRI 409-1 Operations and suppliers with significant risk of forced or compulsory work incidents
	S1-2 – Processes to work together with the own workforce and workers' representatives on impacts	25 27(a) 27(c) 28	GRI 2-29 Approach to stakeholder engagement
	S1-3 – Processes to address the negative impacts and the channels provided to own workforce to voice their concerns	30 32(a) 32(b) 32(c) 32(d) 32(2)	GRI 2-25 Adverse impact remediation processes
	S1-4 – Adoption of measures concerning the material impacts on the own workforce and approaches to mitigate the material risks and to pursue the material opportunities related to the own workforce, and effectiveness of these actions	35 38(a)	
	S1-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities	44	
	S1-6 – Characteristics of the undertaking's employees	48 50(a) 50(b) 50(c)	GRI 2-7 Employees
	S1-7 – Characteristics of non-employee workers in the undertaking's workforce	-	GRI 2-8 Non-employee workers
	S1-8 – Coverage of collective bargaining and social dialogue	58 60(a)	GRI 2-30 Collective bargaining agreements
	S1-9 – Diversity metrics	64 66(a) 66(b)	GRI 405-1 Diversity in the governing bodies and workforce

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
ESRS S1 Own workforce	S1-10 – Adequate wage	67 69	GRI 202-1 Standard entry wage ratio, depending on gender, compared to the local minimum wage
	S1-11 – Social security	72 74	GRI 401-2 Benefits offered to full-time employees that are not offered to temporary or part-time employees
	S1-12 – People with disabilities	77 79 80	GRI 405-1 Diversity in the governing bodies and workforce
	S1-13 – Training and skills development metrics	81 83(a) 83(b)	GRI 404-1 Average training hours per year per employee GRI 404-3 Percentage of employees receiving regular performance and career development appraisals
	S1-14 – Health and safety metrics	86 88(a) 88(b) 88(c)	GRI 403-8 Workers covered by an occupational health and safety management system
	S1-15 – Work-life balance metrics	91 93(a) 939b)	
	S1-16 – Wage metrics (wage gap and total wage)	95 97(a) 97(b)	GRI 2-21 Total compensation annual report GRI 405-2 Women/men base pay and remuneration ratio
ESRS S2 Workers in the value chain	S2-1 Policies concerning workers in the value chain	17(a)	GRI 2-23 Policy commitments
	S2-2 – Impact-related collaborative processes with the workers in the value chain	20	GRI 2-29 Approach to stakeholder engagement
	S2-3 – Processes to address the negative impacts and the channels provided to workforce in the value chain to voice their concerns	25 27(a) 27(b) 27(c) 27(d)	GRI 2-25 Adverse impact remediation processes
	S2-4 – Adoption of measures concerning the material impacts on the workers in the value chain, and approaches to mitigate the material risks and to pursue the material opportunities related to the workers in the value chain, and effectiveness of these actions	30 32(a)	GRI 2-24 Incorporation of policy commitments GRI 2-25 Adverse impact remediation processes GRI 403-7 Prevention and mitigation of the impact on occupational health and safety directly related to the business relationships
	S2-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities		

Standard	Disclosure Requirements (DR)	Applicable data points	GRI disclosures and requirements
ESRS S3 Affected communities	S3-1 – Affected communities-related policies	12	
	S3-2 – Impact-related collaborative processes with the affected communities	19 21(a) 21(b)	GRI 2-29 Approach to stakeholder engagement
	S3-3 – Processes to address the negative impacts and the channels provided to affected communities to voice their concerns	25 27(a) 27(b) 27(c) 27(d)	GRI 2-25 Adverse impact remediation processes GRI 2-26 Mechanisms to seek advice and raise concerns GRI 413-1 Operations involving community, impact assessment and development programmes
	S3-4 – Adoption of measures concerning the material impacts on the affected communities, and approaches to mitigate the material risks and to pursue the material opportunities related to the affected communities, and effectiveness of these actions	30	GRI 413-1 Operations involving community, impact assessment and development programmes
	S3-5 – Targets related to significant adverse impact management, positive impact promotion, and significant risk and opportunity management	39(a)	
ESRS S4 Consumers and end-users	S4-1 – Consumers and end-users-related policies	Not applicable, because the SNN's business model is B2B: the electricity generate is sold under electricity sale and purchase contracts/agreements.	
	S4-2 – Impact-related collaborative processes with consumers and end-users		
	S4-3 – Processes to address the negative impacts and the channels provided to consumers and end-users to voice their concerns		
	S4-4 – Adoption of measures concerning the material impacts on consumers and end-users, and approaches to mitigate the material risks and to pursue the material opportunities related to consumers and end-users, and effectiveness of these actions		
	S4-5 – Targets related to the management of material negative impacts, positive impact promotion, and management of material risks and opportunities		
ESRS G1 Business conduct	G1-1 – Corporate culture and business conduct and corporate culture-related policies	7 10(a) 10(b) 10(c)	GRI 2-9 Governance structure and composition GRI 2-12 Role of the ultimate governance body in impact management oversight
	G1-2 – Management of relationships with suppliers	12	GRI 204: 2021 Procurement Practices
	G1-3 – Prevention and detection of corruption and bribery	16 18(a)	GRI 205-1 Operations assessed for corruption risks
	G1-4 – Confirmed cases of corruption or bribery	22 25(a)	GRI 205-3 Confirmed incidents of corruption and actions taken
	G1-5 – Exercise of political influence and lobbying	Not applicable; there are no political interests	
	G1-6 – Payment practices	31	

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PROFESSIONAL EXCELLENCE
CARE FOR EMPLOYEES
EMPATHY AND RESPONSIBILITY
SUSTAINABLE DEVELOPMENT