



**Approved,  
Board of Directors  
Chairman  
Alexandru Sandulescu**

## **NOTE**

**regarding the renouncing of Societatea Națională Nuclearelectrica S.A. participation to the investments projects (i) Hydroelectric Plant with storage by pumping (CHEAP) Tarnita – Lapustesti and (ii) Submarine Interconnection Cable 400Kv Romania – Turkey**

### **1. General issues/powers**

In accordance with the legal provisions in force, the Extraordinary General Meeting of Shareholders has the power to approve the participation of SNN in incorporating some companies.

The incident legal basis is represented by:

- Act of Companies no. 31/1990, republished, as amended and supplemented ("Law no. 31/1990");
- Law no. 297/2004 on the capital market ("Law no. 297/2004");

Art. 13 paragraph 4 letter c) of the Articles of Association of SNN set that the Extraordinary General Meeting of Shareholders has the power to approve the incorporation or the participation to the incorporation of some companies or the conclusion by the Company of any kind of association, included the joint venture.

### **2. Presentation**

By the Resolution no. 1/11.03.2014 given by EGMS, the SNN shareholders approved (i) SNN participation in the increase of the share capital of the company Hydro Tarnita SA by subscribing a total of 89,000 new shares with a nominal value of 100 lei, issued by the company Hydro Tarnita SA, and (ii) agreement in principle on the project "400 kV Submarine Interconnection Cable Romania-Turkey" and participation of SNN in the incorporation of the Project Company "HVDCC Romania-Turkey SA" through the subscription and payment in lei equivalent of a total of 2,000,000 shares with a nominal value of 1 euro.

Considering the following:

(i) The fact that, to achieve the strategic objectives of SNN development, resource allocation should be made, as priority, linked to the financial possibilities of SNN on two major coordinates:

- Investment projects related to the core business of SNN, namely the production of electricity using nuclear technology (project Cernavoda NPP Units 3 and 4 - allowing

- the capitalization of some existing unproductive assets of SNN, Cernavoda NPP Unit 1 refurbishment, detritiation equipment project, etc.);
- Diversification of activities portfolio through participation in projects in areas which are related/complementary to the core business of SNN, to generate short-term returns;
- (ii) The measures envisaged to fulfil the long term strategic objectives of SNN take into account the following:
- Establishing and monitoring of a SNN investment strategy necessary to support the production units be operated safely and the nuclear safety be provided;
  - Supporting the production activity and the capacity to finance major investment projects;
  - Identifying investment objectives that must be promoted and prioritize on long-term in a realistic manner correlated with SNN possibilities to allocate technical, human and financial resources.
- (iii) The fact that a predictability of SNN investments projects is necessary,

we propose that the Extraordinary General Meeting of Shareholders to approve SNN renouncement to participate to these two investment projects.

### **3. Proposals**

Given the above-mentioned, we request the Extraordinary General Meeting of Shareholders as follows:

- 1. To approve that Societatea Națională Nuclearelectrică S.A. renounce to participate to the investments projects (i) Hydroelectric Plant with storage by pumping (CHEAP) Tarnita – Lapustesti and (ii) Submarine Interconnection Cable 400Kv Romania – Turkey**
- 2. To ascertain that paragraphs 2, 3, 6, 7 and 8 of the Resolution no. 1/11.03.2014 given by the SNN Extraordinary General Meeting of Shareholders are no longer valid.**

**Daniela Lulache  
CEO**

**Laura Constantin  
Director of Legal and Corporate Affairs  
Department**

**Mihai Darie  
CFO**

**Alexandru Havris  
Head of Projects Management Department**