



Approved by the Board of Directors Decision No 33 on 22.03/2017.

Chairman of the Board,

Alexandru Săndulescu

Note regarding the approval of the fixed monthly remuneration for the non-executive and executive members of the Board of Directors

Material related to item 11 on the agenda of the OGMS (Ordinary General Meeting of Shareholders) dated 24.04.2017

I. General aspects / competence

The approval of the fixed monthly remuneration of the administrators of a is the competence of the Ordinary General Meeting of Shareholders in accordance with Art. 111 par. (1) c) of Law no. 31/1990 on companies ("Law no. 31/1990"). Also, art. 13 para. (2) f) of the Articles of Incorporation of the National Company Nuclearelectrica S.A. ("SNN") provides that it is the competence of the Ordinary General Meeting of Shareholders to approve the remuneration level of the BoD members.

II. Presentation

The gross fixed monthly remuneration of the **non-executive administrators**, as per to Art. 37 para. (2) of the Emergency Ordinance no. 109/2011 as amended and supplemented ("GEO no. 109/2011"), may not exceed twice the average for the past 12 months the average monthly gross wage for the activity unfolded according to the main object of activity registered by the company, at class level according to the classification of activities within the national economy, communicated by the National Institute of Statistics prior to the appointment.

Also, according to art. 37 paragraph 3 of GEO no. 109/2011, the monthly gross fixed salary of **executive administrators** cannot exceed 6 times the average for the past 12 months the average monthly gross earning for the activity unfolded according to the main object of activity registered by the company, at class level according to the classification of activities within the national economy, communicated by the National Institute of Statistics prior to the appointment.

Given the fact that the average gross monthly wage for the activity unfolded according to the main object of activity registered by SNN at class level for the period March 2016-February 2017 (no data is available for February 2017) is not known at the time of preparing the herein note, the values proposed to the shareholders took into consideration the following:

- The most recent data published by the National Statistics Institute on the average gross monthly wage for the activity unfolded by SNN according to the main object of activity are those related to the 12 month period between February 2016 and January 2017 (inclusive);

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- The average gross monthly wage for the activity unfolded by SNN according to the main object of activity during February 2016-January 2017 is 4,563 lei, resulting a gross fixed monthly remuneration of maximum of gross 9,126 lei for the non-executive administrators (twice the average of 4,563 lei) and a fixed monthly remuneration of maximum gross 27,378 lei for the executive administrators (six times the average of 4,563 lei).

We mention that the proposed fixed gross monthly remuneration is applicable to all BoD members and it is the only remuneration payable to the BoD members until the the General Meeting of Shareholders will also approve the payment of a variable component in compliance with GEO 109/2011.

The National Institute of Statistics (“NIS”) publishes data on the average gross wage grouped on activities within the national economy only at section and division level as per the CAEN 2nd revision classification. Thus, data published by NIS are available for Section “D” CAEN code, namely “The production and supply of electricity and thermal power, gas, heated water and air conditioning”. The main object of activity of SNN is “The production of electricity”, CAEN code 3511 and being, thus, included in the CAED “D” section. Thus, the average wage at class level will be determined based on the data available published by NIS, namely those from the CAEN “D” section (there are no separate/detailed data published for division “35”, subdivision “351” or for CAEN code 3511).

III. Proposals

To those mentioned above, we request to the Ordinary General Meeting of Shareholders:

To approve the gross fixed monthly remuneration for non-executive members of the Board of Directors amounting to 9.126 lei, remuneration that will not exceed twice the average for the last 12 months of the average gross wage per month for the activity unfolded according to the main object of activity registered by the company, at class level according to the classification of activities within the national economy, communicated by the National Institute of Statistics prior to the appointment, as per art. 37, paragraph 2 of GEO 109/2011 and **to approve the gross fixed monthly remuneration for the executive members of the BoD amounting to 27.378 lei**, remuneration which will not exceed six times the average for the last 12 months of the gross average wage for the activity unfolded according to the main object of activity registered by the company, at class level according to the classification of activities within the national economy, communicated by the National Institute of Statistics prior to the appointment, as per art. 37, paragraph 3 of GEO 109/2011

**General Director
Daniela Lulache**

**Financial Director
Mihai Darie**