



## **Nuclearelectrica SA National Company**

### **To the Chairman of the SNN Board of Directors**

**Concerning:** General, Ordinary and Extraordinary Shareholders' Meeting of the Nuclearelectrica SA National Company (Company), as of 10(11).04.2019:

Taking into consideration:

- the summoning of the General, Ordinary and Extraordinary Shareholders' Meeting of the Nuclearelectrica SA National Company for 10(11).04.2019;
- the provisions of art. 13 par. (2) letters (e) and (f) of art. 14 par. (12) of the Articles of Incorporation of Nuclearelectrica SA National Company, updated;
- the provisions of art. 30 par. (6) of *OUG no. 109/2011 regarding the corporate governance of public companies*,
- the provisions of art. 37 and 38 of *OUG no. 109/2011 regarding the corporate governance of public companies*,
- the provisions of art. 153<sup>18</sup> of Law no. 31/1990, *updated, as further amended and supplemented*;
- the provisions of GD no. 722/2016, Annex 2 *for the determination of the financial and non-financial performance indicators and the variable component of the remuneration of the members of the board of directors or, as the case may be, of the supervisory directors, as well as of the directors and the members of the directorate to the Methodological Norms for the establishment of the criteria of selection, drawing up the short list of up to 5 candidates for each post, their ranking, the final appointment procedure, as well as other measures necessary to implement the provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, provisions which were approved and published in MO no. 803 / 10.12.2016*;
- the provisions of the Letter of Expectations issued in the process of selection of the members of the Board of Directors of the Nuclearelectrica SA National Company, letter approved by the Order of the Minister of Energy no. 093 / 06.05.2018,

The Ministry of Energy on behalf of the Romanian State as a shareholder holding 248,736,619 shares, representing 82.49% of the share capital of Nuclearelectrica S.A. company, under the provisions of Art. 92 par. (3) of the Law no. 24/2017 regarding issuers of financial instruments and market operations, the following shall be submitted to the Board of Directors of the Nuclearelectrica SA National Company for the general, ordinary and extraordinary meetings:

- completion request of the agenda of the extraordinary general meeting of the shareholders;
- decision drafts for subjects on the agenda of the ordinary and the extraordinary general meeting of the shareholders, respectively:

We are attaching to the present document the Annexes 3.1, 3. 2 to the Additional Acts to be concluded with the company's directors.

## **I. THE ORDINARY GENERAL MEETING OF THE SHAREHOLDERS**

Proposals for decision drafts for the items on the agenda of the ordinary general meeting of the shareholders of 10(11).04.2019, respectively:

**Item no. 2 of the Ordinary General Meeting of the Shareholders:** “Approval of the financial and non-financial performance indicators that will form the annex to the mandate contract of non-executive directors”;

### **Decision draft:**

“Approval of the financial and non-financial performance indicators that will form the annex to the mandate contract of non-executive directors, in the form proposed in Annex 3.1 and 3.2 to the Additional Act.”

2. **Item no. 4 of the Agenda:** „Approval of the form of the addendum to be concluded to the mandate contract of the company’s non-executive directors.”

### **Decision draft:**

„Approval of the form of the addendum to be concluded to the mandate contract of the company’s non-executive directors, in the form proposed by the Ministry of Energy.”

3. **Item no. 5 of the Agenda:** „Approval of the financial and non-financial performance indicators that will form the annex to the mandate contract of executive directors”

**Decision draft:** „Approval of the financial and non-financial performance indicators that will form the annex to the mandate contract of executive directors, in the form proposed in Annex 3.1. and 3.2”

4. **Item no. 6 of the Agenda:** “Approval of the form of the addendum to be concluded to the mandate contract of the company’s executive directors.”

**Decision draft:** “Approval of the form of the addendum to be concluded to the mandate contract of the company’s executive directors, in the form proposed by the Ministry of Energy”

5. **Item no. 8 of the Agenda:** Approval of the general limits of the monthly allowance of the Directors of the Company in an amount between 2 and 3 times the fixed monthly gross allowance”:

**Decision draft:** „Approval of the general limits of the remuneration of the executive manager:

- The fixed monthly allowance in an amount between 5-6 times the average of the monthly gross salary earnings over the last 12 months for the activity performed according to the main scope of business registered by the company, at class level, according to the national classification of economic activities, communicated by the National Institute of Statistics prior to appointment.
- Annual variable component, in an amount between 24- 36 times the average of the monthly gross salary earnings for the activity performed according to the main scope of business registered by the company, at class level, according to the national classification of economic activities, communicated by the National Institute of Statistics prior to appointment.”

## **I. THE EXTRAORDINARY GENERAL MEETING OF THE SHAREHOLDERS**

**A. Request for introduction on the agenda of the Extraordinary General Meeting of the Shareholders summoned for 10(11).04.2019,** according to item no. 2 of the agenda, as published, of the following items:

2. Approval of the Preliminary Form on Investors Agreement on Units 3 and 4 at Cernavoda CNE concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) CO.S.A. and Nuclearelectrica SA National Company;
3. Approval of the mandate of the Chairman of the Board of Directors of the Nuclearelectrica SA National Company to sign the Investor's Agreement in the preliminary form under item 6, in the name and on behalf of the company;
4. Approval of the empowerment of the Board of Directors of the National Company to initiate and carry out the necessary steps for concluding the act of incorporation of the company under the conditions stipulated in the preliminary form of the Investors Agreement, under item 6 of the Extraordinary General Meeting of the Shareholders, the mandate thus granted to the SNN Administrative Board may be thus transmitted to the executive management, and the final form of the Articles of Incorporation of the company will be subject to the approval of the Extraordinary General Meeting of the Shareholders of SNN;

Following the introduction of the above items on the agenda of the Extraordinary Meeting of the Shareholders, the items on the agenda of the Extraordinary General Meeting of the Shareholders as of 10(11).04.2019, published, shall be renumbered as follows:

- Item no. 2 shall become Item no. 5;
- Item no. 3 shall become Item no. 6;

- Item no. 4 shall become Item no. 7;
- Item no. 5 shall become Item no. 8.

**B. Proposal for decision draft for the item no. 2 on the agenda of the extraordinary general meeting of the shareholders of 10(11).04.2019, respectively:**

Item no. 2 on the agenda of the Extraordinary General Meeting of the Shareholders: „Approval of the proposals to amend the Articles of Incorporation of SNN.”

**Decision draft:**

1. The name of the Articles of Incorporation of S.N. Nuclearelectrica S.A. is amended as follows:

<b>CURRENT FORM</b> <b>Articles of Incorporation Name</b>	<b>AMMENDED FORM</b> <b>Articles of Incorporation Name</b>
“The ARTICLES OF INCORPORATION of "Nuclearelectrica" S.A. National Company with the amendments and supplementations registered until 04.01.2019”;	“The ARTICLES OF INCORPORATION of "Nuclearelectrica" S.A. National Company with the amendments and supplementations registered until 10.04.2019”;

2. **Art. 13 par. 2** is to be amended as follows: “*The main duties of the Ordinary General Meeting of Shareholders are*” as follows:

<b>CURRENT FORM</b> <b>Art. 13. The duties of the General Meeting of the Shareholders</b>	<b>AMMENDED FORM</b> <b>Art. 13. The duties of the General Meeting of the Shareholders</b>
2) The main duties of the Ordinary General Meeting of Shareholders are: a) discusses, approved and changes the annual financial statements of the basis of the reports presented by the Board of Directors and financial auditor; b) establishes the distribution of the net profit and the value of the dividend; c) elects and revokes members of the Board of Directors; d) appoints and dismisses the financial auditor and established the minimal duration of the financial audit contract; e) establishes the general limits of the Chief Executive Officer and Managers remuneration; f) establishes the remuneration of the members of the Board of Directors, as well as the terms and conditions of the mandate	(2) The main duties of the Ordinary General Meeting of Shareholders are: a) discusses, approved and changes the annual financial statements of the basis of the reports presented by the Board of Directors and financial auditor; b) establishes the distribution of the net profit and the value of the dividend; c) elects and revokes members of the Board of Directors; d) appoints and dismisses the financial auditor and established the minimal duration of the financial audit contract; e) establishes the general limits of the Chief Executive Officer and Managers remuneration; f) establishes the remuneration of the members of the Board of Directors, as well as the terms and conditions of the mandate

<p>contract concluded with the members of the Board of Directors;</p> <p>g) decides upon the administration of the Board members;</p> <p>h) approves the strategy and the development policies of the Company;</p> <p>i) establishes the annual revenues and expenditures budget for the next financial year;</p> <p>j) decides upon the mortgage, renting and constituting as real estate guarantees the assets of the Company;</p> <p>k) approves the reports of the Board of Directors regarding its activity;</p> <p>l) decides in any aspect related to the Company, in compliance with its legal attributions, under the condition that the matters fall under the competence of the General Meeting of Shareholders;</p> <p>m) analyzes and solves other issues submitted by the Board of Directors.</p>	<p>contract concluded with the members of the Board of Directors;</p> <p>g) decides upon the administration of the Board members;</p> <p>h) approves the strategy and the development policies of the Company;</p> <p>i) establishes the annual revenues and expenditures budget for the next financial year;</p> <p>j) decides upon pledging, renting or discontinuing one or more units of the company;</p> <p>k) approves the reports of the Board of Directors regarding its activity;</p> <p>l) analyzes and solves other issues submitted by the Board of Directors.</p>
---	--

**2. Art. 20 par. shall be amended (3)** *"The Board of Directors has also the following responsibilities."* as follows:

<b>CURRENT FORM</b>	<b>AMMENDED FORM</b>
<p><b>Art. 20 The duties of the Board of Directors</b></p> <p><b>par. 3.</b> The Board of Directors has the following responsibilities, as well:</p>	<p><b>Art. 20 The duties of the Board of Directors</b></p> <p><b>par. 3.</b> The Board of Directors has the following responsibilities, as well:</p>
<p>a) exercises control on the way the General Manager and the other Managers govern the Company;</p> <p>b) approves the revenues and expenses budget;</p> <p>c) approves the management plan prepared by the General Manager and/or other Directors;</p> <p>d) ensures whether the activity carried out in the name and on behalf of the company is in accordance with the law, the Articles of Incorporation and any relevant decision of the General Meeting of the Shareholders;</p> <p>e) introduces to the General Meeting of Shareholders an annual activity report;</p> <p>f) represents the company in relationship with the General Managers and the appointed Managers;</p> <p>g) verifies and approves the financial statements of the Company;</p> <p>h) verifies and approves the Report of the General Manager and the reports of the</p>	<p>a) exercises control on the way the General Manager and the other Managers govern the Company;</p> <p>b) approves the revenues and expenses budget;</p> <p>c) approves the management plan prepared by the General Manager and/or other Directors;</p> <p>d) introduces to the General Meeting of Shareholders an annual activity report;</p> <p>e) represents the company in relationship with the Chief Executive Officer and the appointed Managers;</p> <p>f) approves the financial statements of the Company;</p> <p>g) approves the Report of the General Manager and the reports of the Managers;</p> <p>h) proposes to the General Meeting of Shareholders the appointment and the revocation of the financial auditor, as well as the minimum duration of the audit contract;</p> <p>i) approves the mandate contracts of the Chief</p>

<p>Managers;</p> <p>i) proposes to the General Meeting of Shareholders the appointment and the revocation of the financial auditor, as well as the minimum duration of the audit contract;</p> <p>j) approves the mandate contracts of the General Manager and of the appointed Managers thus establishing the organization of the activity of the managers;</p> <p>k) approves the empowered representatives to negotiate the collection work agreement with the unions and/or with the representatives of the employees as well as their negotiation mandate;</p> <p>l) approves the Company's collective work agreement;</p> <p>m) approves the Organization and Operation Regulations of the Board of Directors;</p> <p>n) approves the activity programs (production, research— development, technological engineering, investment, etc);</p> <p>o) approves the energy transactions strategy of the Company;</p> <p>p) approves the conclusion of any contract/document which raises legal obligations for the Company (acts of acquisition, sell, exchange and pledge as guarantee non-current assets of the Company), the value of which does not exceed, separately and cumulated, during one financial year, 20% of the total non-current assets of the Company less receivables, in compliance with the competence limits provided in the Annexes to these Articles of Incorporation;</p> <p>q) approves the renting of tangible assets, for a period greater than a year, with an individual and cumulated value for the same contractor or entity involved with the company, which does not exceed 20% of the total value of non-current assets, less receivables at the date of the legal document, as well as the associations for periods greater than 1 year, which do not exceed the same value;</p> <p>r) approves the mandate of Nuclearelectrica's representatives in the General Meeting of Shareholders of S.C. Energonuclear S.A. for the decisions which fall under the competence of S.C. Energonuclear S.A. with the exception of those for which a resolution of the Company's General Meeting of Shareholders</p>	<p>Executive Officer and of the appointed Managers thus establishing the organization of the activity of the managers;</p> <p>j) approves the empowered representatives to negotiate the collection work agreement with the unions and/or with the representatives of the employees as well as their negotiation mandate;</p> <p>k) approves the Company's collective work agreement;</p> <p>l) approves the Organization and Operation Regulations of the Board of Directors;</p> <p>m) approves the activity programs (production, research— development, technological engineering, investment, etc);</p> <p>n) approves the organizational structure of the Company and the number of positions, as well as the Company's Organization and Operation Regulation;</p> <p>o) approves the energy transactions strategy of the Company;</p> <p>p) approves the conclusion of any contract/document which raises legal obligations for the Company (acts of acquisition, sell, exchange and pledge as guarantee non-current assets of the Company), the value of which does not exceed, separately and cumulated, during one financial year, 20% of the total non-current assets of the Company less receivables, in compliance with the competence limits provided in the Annexes to these Articles of Incorporation;</p> <p>q) approves the renting of tangible assets, for a period greater than a year, with an individual and cumulated value for the same contractor or entity involved with the company, which does not exceed 20% of the total value of non-current assets, less receivables at the date of the legal document, as well as the associations for periods greater than 1 year, which do not exceed the same value;</p> <p>r) approves the mandate of Nuclearelectrica's representatives in the General Meeting of Shareholders of S.C. Energonuclear S.A. for the decisions which fall under the competence of S.C. Energonuclear S.A. with the exception of those for which a resolution of the Company's General Meeting of Shareholders is necessary, in compliance with the provisions of these Articles of Incorporation."</p>
--	---

is necessary, in compliance with the provisions of these Articles of Incorporation."	s) approves the mandate of Nuclearelectrica representatives in the General Meeting of Shareholders of the project company established on the basis of Investors Agreement in Preliminary Form on Units 3 and 4 at Cernavoda CNE concluded between China General Nuclear Power Corporation and CGN Central and Eastern Europe Investment (RO) CO.S.A. and Nuclearelectrica SA National Company"
--	--

**3. Art. 21 is amended as follows:**

<b>CURRENT FORM</b>	<b>AMMENDED FORM</b>
<b>Art. 21. The General Manager and the Managers</b>	<b>Art. 21. The General Manager and the Managers</b>
<p>(1) The Board of Directors delegates the management of the company to one or more Directors, naming one of them Chief Executive Officer. The Chief Executive Officer may be appointed from among the directors, becoming thus an executive director or from outside the Board of Directors. Within the Board of Directors, only one director may be an executive director. Within the meaning of these Articles of Incorporation, the term "Manager" means the person who has been delegated management duties regarding the company by means of a resolution of the Board of Directors and who concludes a mandate contract with the Company, in compliance with the provisions of the Companies Law no. 31/1990, republished, as subsequently amended and supplemented.</p> <p>(5) The Director General has the following main duties:</p> <p>a) manages and coordinates the activity of the company;</p> <p>b) fulfills the resolutions of the General Meetings of Shareholders and the decisions of the Board of Directors, adopted in compliance with the competences reserved;</p> <p>c) applies the strategy and policy of the Company;</p> <p>d) selects, hires, promotes and dismisses the employees of the Company;</p> <p>e) appoints, suspends and revokes the managers of the subsidiaries, establishing their remuneration;</p> <p>f) negotiates and concludes, under the</p>	<p>(1) The Board of Directors delegates the management of the company to one or more Directors, naming one of them Chief Executive Officer. The Chief Executive Officer may be appointed from among the directors, becoming thus an executive director or from outside the Board of Directors. In the Board of Directors, only one director may be an executive director. Within the meaning of these Articles of Incorporation, the term "Manager" means the person who has been delegated management duties regarding the company by means of a resolution of the Board of Directors and who concludes a mandate contract with the Company, in compliance with the applicable legal provisions.</p> <p>The General Manager has the following main duties:</p> <p>a) manages and coordinates the activity of the company;</p> <p>b) fulfills the resolutions of the General Meetings of Shareholders and the decisions of the Board of Directors, adopted in compliance with the competences reserved;</p> <p>c) applies the strategy and policy of the Company;</p> <p>d) selects, hires, promotes and dismisses the employees of the Company;</p> <p>e) appoints, suspends and revokes the managers of the subsidiaries, establishing their remuneration;</p> <p>f) negotiates and concludes, under the conditions of the law, individual work agreements;</p>

<p>conditions of the law, individual work agreements;</p> <p>g) concludes legal documents on behalf of the company, for the acquisition, sale, renting and exchange or pledging as guarantee the assets of the company, which don't fall under the competence of the General Meeting of Shareholders or of the Board of Directors;</p> <p>h) concludes any binding documents which don't fall under the competence of General Meeting of Shareholders or of the Board of Directors, within the competence limits provided in the Annexes to the Articles of Incorporation;</p> <p>i) approves the investment projects, in compliance with the limits provided in the Annex to the Articles of Incorporation;</p> <p>j) prepares and subjects for the endorsement of the Board of Directors the financial statements as well as the proposal regarding the distribution of the profit resulted from the balance, which is intended to be presented to the General Meeting of Shareholders;</p> <p>k) prepares and subjects to the endorsement of the Board of Directors the budget project of the Company, which will be subjected to the approval of the General Meeting of Shareholders;</p> <p>l) subjects to the endorsement of the Board of Directors the materials which will be subjected to the approval of the General Meeting of Shareholders;</p> <p>m) prepares together with the other managers and subjects for the endorsement/approval of the Board of Directors the activity programs (production, research-development, technological engineering, investments, etc.);</p> <p>n) establishes the responsibilities of the Company's staff;</p> <p>o) approves the collections and payments, as per the legal competences and provisions of the Articles of Incorporation;</p> <p>p) empowers Managers or any other person to exercise powers from his field of competence;</p> <p>q) approves the delegations of competence for the Managers of the Company and of the subsidiaries, in order to carry out the activities of the company;</p> <p>r) approves the competences and the responsibilities of the Company's</p>	<p>g) concludes legal documents on behalf of the company, for the acquisition, sale, renting and exchange or pledging as guarantee the assets of the company, which don't fall under the competence of the General Meeting of Shareholders or of the Board of Directors;</p> <p>h) concludes any binding documents which don't fall under the competence of General Meeting of Shareholders or of the Board of Directors, within the competence limits provided in the Annexes to the Articles of Incorporation;</p> <p>i) approves the investment projects, in compliance with the limits provided in the Annex to the Articles of Incorporation;</p> <p>j) prepares and subjects for the endorsement of the Board of Directors the financial statements as well as the proposal regarding the distribution of the profit resulted from the balance, which is intended to be presented to the General Meeting of Shareholders;</p> <p>k) prepares and subjects to the endorsement of the Board of Directors the budget project of the Company, which will be subjected to the approval of the General Meeting of Shareholders;</p> <p>l) subjects to the endorsement of the Board of Directors the materials which will be subjected to the approval of the General Meeting of Shareholders;</p> <p>m) prepares together with the other managers and subjects for the endorsement/approval of the Board of Directors the activity programs (production, research-development, technological engineering, investments, etc.);</p> <p>n) establishes the responsibilities of the Company's staff;</p> <p>o) approves the collections and payments, as per the legal competences and provisions of the Articles of Incorporation;</p> <p>p) empowers the managers or any other person to exercise any duty within its sphere of competence;</p> <p>q) approves the delegations of competence for the Managers of the Company and of the subsidiaries, in order to carry out the activities of the company;</p> <p>r) approves the competences and the</p>
--	---



<p>departments; Page 22 of 28</p> <p>s) approves the organizational chart of the Company and the number of positions, the formation of operational and production compartments, as well as the Organization and Operation Rules;</p> <p>t) approves the environmental protection and occupational safety policies, in compliance with the law;</p> <p>u) approves legal documents and rules which regulate the activity of the company;</p> <p>v) establishes the marketing tactics and strategy;</p> <p>w) fulfills any other responsibility provided by the legislation, the Articles of Incorporation, the resolutions of the Board of Directors and of the General Meeting of Shareholders;</p> <p>x) solves any other matter that the Board of Directors commissions to him.</p>	<p>responsibilities of the Company's departments; Page 22 of 28</p> <p>s) approves the environmental protection and occupational safety policies, in compliance with the law;</p> <p>t) approves legal documents and rules which regulate the activity of the company;</p> <p>u) establishes the marketing tactics and strategy;</p> <p>v) fulfills any other responsibility provided by the legislation, the Articles of Incorporation, the resolutions of the Board of Directors and of the General Meeting of Shareholders;</p> <p>w) solves any other matter that the Board of Directors commissions to him.</p>
---	--

Yours truly,

**THE MINISTER OF ENERGY**

**Anton ANTON**

---

The Presidency of Romania to the Council of the European Union

202E Splaiul Independentei, district 6, 060023, Bucharest, Romania  
Tel: 021.407.99.79; Fax 021.316.65.74  
[www.energie.gov.ro](http://www.energie.gov.ro) | email:office.dgpapse@energie.gov.ro