



Current report in compliance with Law 24/2017 and Regulation no. 5/2018

Reporting date: 25.11.2021

Name of the issuing entity: Societatea Nationala NUCLEARELECTRICA S.A.

Registered office: Strada Polona nr. 65, Sector 1, Bucuresti

Phone/fax number: 021-203.82.00 / 021 – 316.94.00

Sole Registration Code with the Trade Register Office: 10874881

Order number: J40/7403/1998

Subscribed and paid share capital: 3,016,438,940 Lei

Regulated market on which the issued securities are traded: Bucharest Stock Exchange

**To: Bucharest Stock Exchange
Financial Supervisory Authority**

Important event to be reported: Nuclearelectrica announces the advancement of CANDU Units Project: Within the Preparatory Stage, Energonuclear S.A. the project company, signed the first contract, with Candu Energy

Nuclearelectrica announces the advancement of CANDU Units 3&4 Project: within the current Preparatory Stage, Energonuclear S.A., the project company, signed the first contract with Candu Energy, a member of the SNC-Lavalin group and the Design Authority of Units 3&4 and OEM of CANDU technology. Within the contract, Candu Energy will offer engineering services for the elaboration and updating of some documentations necessary to restart the CANDU Units 3&4 Project (among which updating the licensing basis documents, updating the Safety Design Guides, updating the list of safety related design changes etc.).

Approved in April 2021 within the Ordinary General Meeting of Nuclearelectrica's Shareholders, the strategy for continuing the CANDU Units Project of Cernavoda Nuclear Power Plant is being implemented in three stages, in accordance with the international experience in the construction of nuclear power plants.

The preparatory stage started with the capitalization and operationalization of the project company, Energonuclear S.A., and will have a duration of 24 months in which technical, legal, financial assistance and engineering services will be contracted, as well as the conducting necessary studies and evaluations.

"We are proud to sign the first contract which moves further the development of CANDU Units 3&4 Project in Cernavoda. Romania needs new nuclear capacities, a clean, resilient and cost-effective energy source, as a solution to meeting Romania's decarbonation targets. Besides security and stability to national energetic system, the completion of the new CANDU units, will bring as well multiple socio-economic benefits: up to 19,000 indirectly generated jobs, 20 million tons of CO2 will be avoided annually with 4 units in operation, the contribution of nuclear energy in total energy production, at national level: 36%, the contribution of nuclear energy in total energy production without CO2 emissions, at national level: 66%, development of the internal supply chain, other collateral industries.", Cosmin Ghita, CEO Nuclearelectrica SA.

"I am glad and I salute the signing the first contract which advances the development of CANDU Units 3&4 Project in Cernavoda. The partnership with USA and Canada will allow our country

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to achieve decarbonisation targets which we assume. This is an important step and I am very optimistic that in future we will be an independent energetic country”, Virgil Popescu Minister of Energy.

“The intergovernmental agreement (IGA) between Romania and the United States in 2020 demonstrate each nation’s collective interests in partnering toward reaching energy security and decarbonization goals. The signing of this first contract for the completion of Units 3 & 4 is a major milestone, supports the goals of the IGA, and continues the strong relationship between our countries in the field of nuclear energy”, said Principal Deputy Assistant Secretary for Nuclear Energy, Dr. Kathryn Huff.

In August 2021, Romania signed a Memorandum of Understanding (MoU) with Canada to strengthen and further develop the cooperation in nuclear energy civil projects, following a 55-year relationship between Canada and Romania in nuclear projects.

“Nuclear energy is an essential tool on our way to a net zero economy. It has been a pillar for economic development in Canada since the late 1960s when the CANDU nuclear reactor technology became operational. All those years, it has proven incredibly reliable and efficient. We have been happy to share this know-how with our friends and allies. This year, we celebrate half a century of nuclear cooperation with Romania and 25 years of CANDU success at Cernavoda Unit 1, one of the most successful plants in the world. We are looking forward to pursuing this fruitful cooperation with new joint nuclear projects, while we also strive to reach our climate change goals together.” – H.E. Annick Goulet, Canada’s Ambassador to Romania.

“We are very pleased to see this step forward in the commercial arrangements for Romania’s nuclear refurbishment and expansion.” said U.S. Charge d’Affaires David Muniz. *“Together with our NATO Allies Romania and Canada, the United States is working to provide Romanians with clean, safe, reliable, and affordable energy while ensuring trusted partners contribute to Romania’s vital national and energy security needs.”*

The CANDU Units Project is included in Romania’s Energy Strategy, 2019-2030 with the perspective of 2050, as well as in the National Integrated Plan in the field of Energy and Climate Change, as a pillar of Romania's energy independence and reaching its decarbonization targets as a State EU Member. In this respect, Romania signed on October 9th, 2020, an Intergovernmental Agreement (IGA) in the field of Nuclear Energy Projects, which was recently ratified as well by the Romanian Parliament, throughout the Law no.199/2021, having a wide support and being adopted with majority of votes. Also, in October 2020, US Exim Bank expressed, through a MoU (Memorandum of Understanding), with the Ministry of Energy, the interest to finance large investment projects in Romania, including nuclear ones, with a total amount of 7 billion of dollars. These milestones with the United States of America, follow a strong relation in nuclear field between the two states, which started in 1981 when President Reagan approved the first US Exim loan for the Cernavoda Unit 1 project.

“We are pleased to expand our relationship with Romania and Societatea Nationala Nuclearelectrica (SNN) for this potential new build project. Romania is familiar with CANDU technology since its first two CANDU units came online in 1996 and 2007 and have been providing reliable power ever since,” said Sandy Taylor, President, Nuclear, SNC-Lavalin. *“Expanding their nuclear footprint would help Romania meet its net zero carbon commitments.”*

The contract signed by EnergoNuclear S.A. (EN) with CANDU Energy, covers the acquisition of engineering services for the elaboration and updating the documentations necessary to restart the CANDU Units 3&4 Project, such as updating the licensing basis documents (LBDs); updating the Safety Design Guides (SDGs) previously produced for Cernavoda Units 3 and 4 to comply with the requirements of the LBD and latest Canadian applicable Codes and Standards, and EU safety

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directive requirements; defining the engineering deliverables that will be created in Phases 2 and 3, with their content established such that estimates may be developed of the quantity of engineering deliverables and the complexity of the content of each deliverable; Assessment document that outlines the key elements of proposed architecture options for implementing nuclear steam plant (NSP) control; updating and developing the safety related design changes which will prove that Units 3&4 Project complies with the Nuclear Safety Directive requirements; reevaluating the existing civil structures and confirm that they will be fit for their purpose for another 60 years (including post retubing life) starting with the commissioning of the units.

“We’re thrilled to continue our business relationship with CANDU Energy and Romania. This project milestone is a significant step toward a clean and sustainable energy future with nuclear reactors,” said Sargent & Lundy Chairman, President & CEO Thomas R. White. *“Sargent & Lundy has continuously supported the commercial nuclear power industry since its inception, designing successive generations of new stations and supporting operating plants around the world. Our nuclear power work encompasses leading-edge initiatives and developing cost-effective solutions to support the project’s success.”*

About Nuclearelectrica

The National Company “Nuclearelectrica” S.A. is the national Romanian company producing electricity, heat and nuclear fuel, which operates under the authority of the Romanian Ministry of Energy, the state holding 82.49% of shares and other shareholders, 17.50%, after the listing of the company on the stock exchange in 2013.

Cernavoda NPP Branch operates two CANDU nuclear units, which are two of the most performant units among more than 400 nuclear power plants in the world, a nuclear fuel factory and is in the process of achieving an integrated fuel cycle by acquiring an uranium concentrate processing line to support the company's long-term investment projects.

Nuclearelectrica has a major role at the national level, contributing over 18% of nuclear energy in total energy production and 33% in total CO2-free energy production in Romania.

www.nuclearelectrica.ro

Cosmin Ghita
Chief Executive Officer

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