



2022 SUSTAINABILITY REPORT



GREENER
MORE INVOLVED
FOR A CLEANER PLANET



CONTENTS

3	Introduction
4	About the report
5	CEO Message
8	Managers' Message
10	2022 At a Glance
11	Romcarbon Group
17	10 years of plastic recycling in Romcarbon
20	Sustainability in Romcarbon Group
22	A Fair Business
23	Governance and Business Ethics
30	Supply chain
33	Customer Management
38	Greener. More involved for the environment
39	Waste Management and Promotion of Circular Economy
43	Energy management
46	Water management
49	Biodiversity
50	Emergency preparedness
52	More involved for People and Community
53	Human Resource Management
59	Occupational Health and Safety
66	Community development
72	Appendices
73	Sustainability Indicators
99	EU Taxonomy
102	Affiliations and Prizes
103	Abbreviations
104	Restatements to the previous report
106	GRI Content Index

INTRODUCTION



About the report

We are pleased to present the 2022 Sustainability Report which aims to provide a consistent and objective picture of the progress achieved by Romcarbon Group in the process of implementing the Sustainability Strategy adopted in 2022, simultaneously with the continuous integration of environmental and social responsibility objectives and corporate governance in the Group's business model. The content of the 2022 Sustainability Report was modeled on the materiality matrix formally determined in 2022.

The Sustainability Report, corresponding to the year 2022, was prepared in accordance with the GRI Standards but also in accordance with the provisions of P.F.M. Order no.1938/2016 and Order No.2844/2016, which transpose in Romania the EU Directive no.95/2014 regarding non-financial reporting.

The quality of the report was ensured by complying with the principles of the GRI Standards stated in GRI 1 - Foundation 2021 regarding Accuracy, Balance, Clarity, Comparability, Comprehensiveness, Sustainability Context, Regularity and Verifiability.

The recommendations from the "Guide on the reporting of non-financial information" published by the European Commission, applied in the methodology that was the basis of the materiality analysis, allowed us to offer our stakeholders the perspective of double materiality. In this sense, the result of the materiality analysis carried out in 2022 highlights both Romcarbon Group's priorities and the priorities of our stakeholders, as well as the internal and external sustainability impact.

Romcarbon group includes companies with diversified business lines:

- manufacturers of plastic packaging articles, waste recycling (Romcarbon S.A. and Livingjumbo Industry S.A.);
- providers of sanitary, heating and air conditioning services and works (RC Energo Install SRL);
- of business services and business consultancy (Recyplat LTD);
- of information technology services (InfoTech Solutions SRL).

The companies with production activities within the Group are Romcarbon S.A and Livingjumbo Industry S.A., holding 82% and 14% respectively of the total fixed assets.

The report is integrated, consolidated and includes the sustainability performance of the companies Romcarbon S.A and Livingjumbo Industry S.A., the most significant companies within Romcarbon Group.

The indicators presented in the Report faithfully reflect the full picture of how the Group manages sustainability issues. For a more complete picture, we have chosen to present information corresponding to the years 2020, 2021 and 2022.

In this report, the terms "Romcarbon Group" and "Group" are used for unitary reasons when referring to all the companies that constitute the Romcarbon Group. Also, the terms "Romcarbon", "Company" and "Livingjumbo" refer to Romcarbon S.A. and respectively to Livingjumbo Industry S.A.

Romcarbon's auditor, Deloitte Audit S.R.L, noted that, for the year 2022, the Group will issue the sustainability report by 30.06.2023, but the content of the report has not been audited by a third party through an assurance process.

The sustainability report covers the period 01.01.2022 - 31.12.2022 and was developed internally by a multi-departmental team.

The group issues an annual sustainability report.

Sustainability indicators

Within the sustainability report, can be found the main sustainability indicators for each material aspect identified. Also, in the "Sustainability indicators" section, there are other sustainability indicators that complete Romcarbon Group's sustainability performance.

Approval of the sustainability report

The sustainability report has been verified and approved by the Board of Directors.

Publication date: June 30, 2023.

Date of previous report publication: June 30, 2022

Contact point for sustainability issues: sustainability@romcarbon.com

Registered office:
132 Transilvaniei street, 120012 Buzău
Romania.



CEO Message

Dear readers,

We bring to your attention the 2022 Sustainability Report, for which we have set a higher bar than for 2021, and which provides an objective description of our business model, progress in implementing the sustainability strategy, performance and perspectives in connection with our economic, environmental, social and corporate governance priorities.

Despite its many tests, 2022 was a remarkable year in which we took measurable steps towards achieving our goal of demonstrating that we are a long-term sustainable business, driven by clear corporate governance criteria, with a positive social impact and capable of effectively managing its environmental and resource footprint.

In the year 2022, the turbulence caused by the geopolitical conflict, drastic inflation, difficulties in the supply of raw materials and

the energy crisis, have been the biggest challenges, not only for our industry, but for the macro economy as a whole.

However, our development programs continued and the production and marketing flows were never interrupted. We have adapted on the fly to meet major challenges such as price fluctuations or increases in key raw materials and price increases in utilities.

Therefore, although 2022 was not an easy year, from many points of view, we also saw aspects that encouraged us, we managed to protect and maintain our activities, while providing employees, customers, business partners, local and central authorities stability and continuous support.

Our efforts to maintain jobs and create new jobs continued in 2022, marked permanently by the increased volatility of the labor market, in which context, as a large employer with more than 1,300 employees, we acted to secure the work force, vital for the future



development of the Group.

Looking at the labor market in perspective, we continuously support the development of local vocational education to train qualified personnel and to promote formal and non-formal education.

In the current socio-economic and geopolitical context, consistency with the developed short, medium and long terms strategies remains a priority.

In the short term we focus on increasing the capacity of plastic recycling activity, replacing part of the virgin plastic raw materials with biodegradable material, measures for the use of green energy and reducing water consumption. The implementation of alternative energy sources is a priority, being motivated on the one hand by the permanent concern to be more efficient from an energy point of view, and on the other hand by the reduction of our carbon emissions.

In 2022, we completed a pilot project that produced approximately 69 MW/h of photovoltaic electricity, generating a reduction in carbon emissions of approximately 42 To and a cost decrease of approximately 44,000 lei, compared to the energy price of last

year, which encouraged us to continue in this direction.

In the medium term, we are considering introducing and increasing the proportion of recycled raw materials in our traditional plastic processing activity, continuing the direction of sustainable development, the company aiming to achieve a 15% increase in the production of recycled polymers by 2025;

The transition to the circular economy is a concern that continued in 2022, with the objective of making a transition as quickly as possible to this economic model, including to align with the EU's sustainability objectives.

We continue to grow and invest, making the circular economy a top priority, not only because we aim to be a sustainable business in the long term, but also because we care deeply about the environment and the impact of our products.

In the long term we aim to develop partnerships for the circular economy, based on our know-how and experience in plastic processing and recycling, aimed at providing specific circular economy solutions that help us close the loop and create new perspectives on how products can be designed in a way that is

friendly to the environment and how they can be recycled at the end of the use cycle, to transform the post-consumer product from a waste into a raw material intended for new finished products, strengthening the capabilities of the Romcarbon Group to adapt to climate change

In 2022, we took concrete steps in the implementation of the Romcarbon Group's Sustainability Strategy, which includes objectives and targets related to the 2022-2030 time horizon.

Therefore, we have set ourselves ambitious but credible goals, by achieving which we want to generate a positive impact in all three aspects of sustainability, namely social environment and corporate governance. In this sense, in this Report you will be able to identify the objectives and targets proposed by the Group's Sustainability Strategy for each material aspect, as well as the concrete steps we took in 2022 to move the milestone closer to these targets.

However, transformation is never easy, because change requires time, but currently we can say that Romcarbon Group is on a path of change.

Operating for a long time in extremely competitive markets, the company is one step ahead, with the will to create new products adapted to the circular economy.

The management of GHG emissions, energy and water management, waste management and the promotion of the circular economy, business ethics, social responsibility, corporate governance, the application of the principles of human rights, non-discrimination, equal opportunities and the protection of privacy and of course, the development of human resources, will contribute to the economic development of the Group in accordance with this course.

As a publicly traded company with a reputation to uphold, we value consistency and coherence in our plans and actions and want our actions to align with our message.

In 2022 we celebrated a double anniversary of Romcarbon, that of 70 years of activity but also that of 25 years since its first listing on a regulated market.

In the 70 years since its foundation, in October 1952, Romcarbon has become one

of the most important Romanian producers in its industry and a recognized brand for European as well as Romanian market.

This longevity and privileged position is due to the consistency with the principles of business ethics but also the application of internal policies, designed to ensure a solid and efficient management of both risks and opportunities.

Out of the 70 years of activity, 25 years are linked to the Bucharest Stock Exchange. Thus, on February 27, 2022, Romcarbon celebrated a quarter of a century since its first listing, on February 27, 1997, on the secondary market of the Bucharest Stock Exchange, thus being one of the first Romanian companies listed on the Stock Exchange.

Romcarbon's course on the Bucharest Stock Exchange was a spectacular one. The company's shares are included in the BETPlus, BET-XT, BET-BK, BET-XT-TR and BET-XT-TRN indexes. From 2020, Romcarbon benefits from the issuer's market making services provided by SSIF BRK Financial Group (BRK).

In the 25 years since it has been listed on the stock exchange, more than 790 million shares have been traded, with

a transaction value of approximately 176 million lei.

Since the listing of the company in 1997 until the date of the report, the stock market capitalization has increased 127 times and the value of an investment made in Romcarbon shares has increased 187 times, including the dividends distributed during these years.

We are convinced that time will continue to test our ability to respond and adapt to sudden changes and disruptions, but we are confident in our ambitious growth and sustainability plans, with a strong focus on the development of extensive environmental and green energy projects

HUANG LIANG NENG

CEO





Sustainability, from the perspective of Romcarbon Group, is a key element of the development directions that the Group has established. Thus, with an important recycling sector, we are among the pioneers of the circular economy, and we follow with great interest the circularity potential of our businesses, establishing a clear overall direction to accelerate the transition from a linear to a circular economic model.

The success indicator of this transition is the decoupling of our economic development from the use of non-renewable natural resources. But we need a clear route agreed by the political environment, regulatory authorities and stakeholders,

supported by both civil society and the business environment, which would provide the best perspective for accelerating the path to achieving sustainable development goals.

We participated in the debate on the National Strategy regarding the circular economy, which was adopted on September 21, 2022, and we continue to follow with interest the elaboration of the Action Plan, which will contain concrete measures to maximize the circularity potential in seven economic sectors: agriculture and forestry, the automotive industry, construction, consumer goods such as food and beverages, packaging, textiles and electrical and electronic equipment, as well as in two horizontal sectors water and waste.

Concrete actions from this plan, in the fields of automotive, packaging, electrical and electronic equipment and waste, would have the capacity to enhance our post-consumer plastic packaging recycling activity and the production of compounds from recycled raw materials, activities that we prioritize at Group level.



Cristinel Dobrotă

Deputy General Manager for Development



In 2022, we took important steps towards the objectives set in the sustainability strategy. Saving and efficient use of resources were and are basic criteria in decision-making at any level. We implemented energy efficiency measures, reduced electricity consumption in the processing sectors and general water consumption. Projects initiated for the installation of photovoltaic panels will reduce dependence on the energy market, unpredictable in recent years, contributing to the reduction of the carbon footprint. Less technological waste and higher proportion of recycled materials in total raw materials marked the achievement of targets related to the circular economy, which will

be followed further, in order to stabilize and improve Romcarbon Group's activity. Our social involvement has been intensified, being aware of the increased role and responsibilities towards our employees and towards the community of which we are a part.

The current sustainability report contains a detailed presentation of what the year 2022 meant for Romcarbon Group and marks the level of achievement of the targets assumed in the strategy, highlighting both the achievements and the aspects and areas in which we need to improve our results.



Carmen Mănăilă

Deputy General Manager for Administrative Operations

Managers' Message



Sustainability is very important for Romcarbon Group companies, and we make sustained efforts to address, within our business strategies, the material aspects of E.S.G. The global packaging industry has undergone major changes in recent years. The pandemic caused by COVID-19, a European Directive banning the use of single-use plastic packaging, but also consumer behavior have resized the packaging markets and caused new requirements for packaging performance.

In 2022, the trends have become more prominent than ever, as new requirements have emerged regarding

packaging so that our customers maintain brand loyalty, become more sustainable themselves and reduce their carbon footprint. Confronted with these new trends, we have acted in multiple directions to maintain our competitiveness but also to integrate into the packaging production activities the current requirements in terms of sustainability, namely the reduction of energy and water consumption, the optimization of the consumption of raw materials, etc.

However, we are aware that the direction in which the packaging sector is heading is towards smart packaging, as packaging with extended functions, which use less raw material, which have low production costs and are used to extend the shelf life of products, to monitor freshness, but also to improve product and consumer safety.

For these reasons, the strategy adopted during 2022 was to change the structure of our production, to increase the share of products intended for the construction sector (insulation boards for floors) and to innovate, based on existing products, in the direction of developing a range of new products, namely XPS laminated boards.



Ion Ungureanu

XPS & PET Sectors Manager



The year 2022, despite the geopolitical conflict, the price increases for utilities, raw materials, as well as the labor shortage, was a good year for the Polypropylene Sector, a fact that allowed us to develop a long-term investment plan which, in addition to increasing product quality, productivity and energy efficiency, allows us to use post-consumer recycled raw material in the production process. At the same time, in accordance with the Sustainability Strategy adopted in 2022, we implemented, in 2022, within the Polypropylene Sector a series of measures aimed at reducing electricity consumption, reducing water consumption and improving the percentage of post-industrial waste used

in the manufacturing process. Problems caused by employee fluctuation/labor shortage represented, as we mentioned above, a challenge that we also faced in 2022, which is why we continued the professional training process of the employees through their participation in training courses organized both by the company and by the providers of professional training services and, at the same time, we proceeded to improve the salary package offered to them. In 2023, we will continue investing in already approved sustainability projects, focus on improving product quality and attracting qualified labor.

We thank our employees, partners and, last but not least, our shareholders for their trust and support!



Victor Crețu

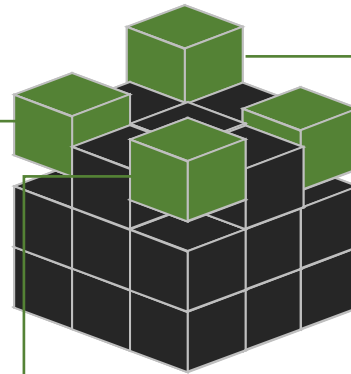
PP sector Manager



2022 At a glance

SALES	2022	2022 vs 2021
ROMCARBON	262,801,054	1,936,592
LIVINGJUMBO INDUSTRY	164,064,764	30,649,474
ROMCARBON GROUP	381,985,677	40,666,241

EBITDA OPERATIONAL	2022	2022 vs 2021
ROMCARBON	15,025,300	1,038,253
LIVINGJUMBO INDUSTRY	8,164,661	5,814,776
ROMCARBON GROUP	24,700,499	7,875,931



PROFIT FROM OPERATIONS	2022	2022 vs 2021
ROMCARBON	6,621,228	939,204
LIVINGJUMBO INDUSTRY	4,610,367	5,813,588
ROMCARBON GROUP	12,867,795	6,033,858

NET PROFIT	2022	2022 vs 2021
ROMCARBON	51,471,690	52,919,148
LIVINGJUMBO INDUSTRY	3,477,122	5,796,343
ROMCARBON GROUP	56,124,755	54,334,143

Romcarbon Group

Romcarbon Group is one of the main players in the national and European market in the field of plastics processing. With more than **70 years** of experience in processing polyethylene, polypropylene, PVC and polystyrene, Romcarbon Group is the largest plastic packaging producer in Romania and one of the largest employers in Buzău County. Romcarbon Group is also one of the most important recyclers of plastic waste, with an annual recycling capacity of approximately **15,000 tons**, operating in this field since 2012.

Romcarbon S.A.

The parent company of the Romcarbon Group is Romcarbon S.A. which is mainly active in the plastics processing sector, serving mainly the food and agricultural sectors with the plastic packaging it produces.

Within Romcarbon, in 2012, we set up a new development direction in the field of plastics recycling and the production of virgin and recycled raw materials and compounds.

Romcarbon's manufacturing range is diversified, including processed plastic products, filters and filter elements, individual respiratory protection equipment, activated carbon needed in the food, chemical and pharmaceutical industries, and, as a separate sector, the

recycling of plastic waste, regranulation and manufacture of compounds.

In 2022, Romcarbon carried out its main activities in seven profit centres:

- 1. Filters sector** where air, oil and fuel filters for cars, trucks and tractors, railway equipment and industrial plants are produced.
- 2. Individual Respiratory Protection Equipment Sector** which produces -individual respiratory protective equipment - masks and filter cartridges - for the chemical industry, the mining industry, the defense industry, civil defense and collective protection equipment. The **-Active Carbon workshop** produces the charcoal-semi finished material for protective equipment, as well as charcoal used in the oil, food, chemical and pharmaceutical industries.
- 3. Polyethylene sector** where are manufactured polyethylene packaging of various sizes (bags, pouches, sleeves, by extrusion, printing, welding), general purpose foil, solar foil, shrink foil, foil for greenhouse, heat shrinkable foils, and since 2019, biodegradable and compostable packaging (bags) have been added to our manufacturing range.

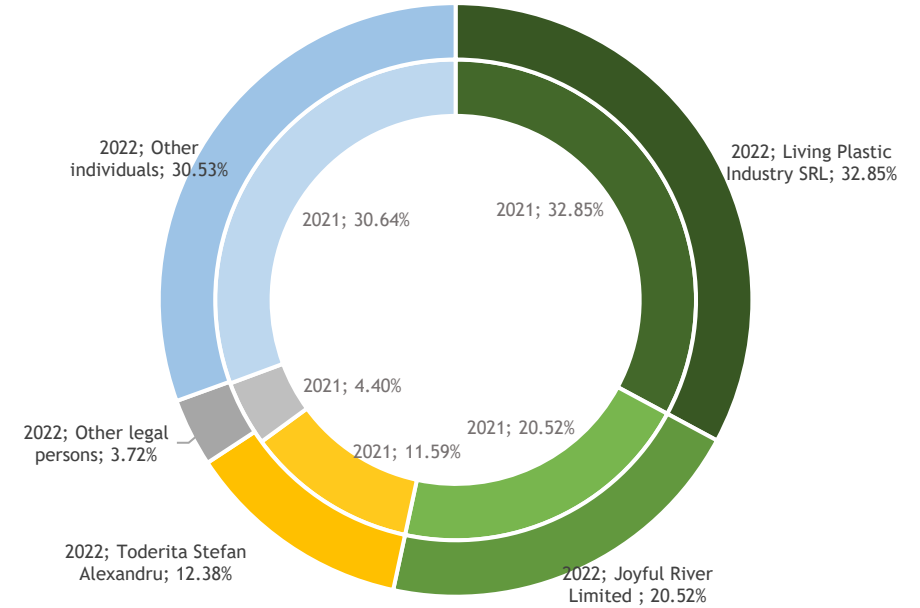
4. PVC pipes Sector whose activity is the production of pipes - semi-finished products for domestic consumption. PVC Supports sector in which pressed PVC supports are made for the use in the field of road signs.

5. Extruded Polystyrene Sector in which are made, by extrusion and thermoforming, casseroles for the food industry and construction products in the form of plates and rolls.

6. Polypropylene sector where polypropylene products are manufactured: laminated or non-laminated woven bags, in different types of dimensions for packaging agricultural and industrial products.

7. Recycling sector in which plastic waste is treated by separating the recyclable fractions, grinding, extruding and filtering the separate fractions. The finished products of this sector are plastics in the form of grinding or granules, compounds and composites plastic products.

Romcarbon S.A. Structure of shareholders



Information about ROMCARBON SA

	2021	2022
Operations	1	1
Net sales (RON)	264,737,646	262,801,054
Profit (RON)	- 1,447,458	51,471,690
Equity (RON)	134,144,881	160,222,957
Liabilities (RON)	109,341,416	119,844,460

The main products realized and commercialized by Romcarbon

> Polypropylene packaging (raffia)



Romcarbon is the leader in the Romanian market for small polypropylene bags. The product portfolio includes laminated, non-laminated, polyethylene lined, valve bags, polypropylene fabric and polypropylene tape. The bags are intended for the packaging of powdery or granular products, with a capacity of 5-50 kg, such as sugar, rice, flour, cereals, salt, nitrates, fertilizers, lime, cement, fodder, animal feed, etc.

> Polyethylene foils and packaging

Romcarbon is the first Romanian manufacturer of coextruded 3 layers foil of large dimensions, between 2 and 10 m wide. The product portfolio includes basic foil, general purpose polyethylene foil, construction foil, solarium foil, printed foil and heat-shrinkable covers, transparent foil for plant germination, household bags and other destinations, bags.

In 2019, the company started the production of **biodegradable and compostable packaging**.



> Extruded polystyrene packaging and construction materials



Romcarbon produces extruded polystyrene casseroles - classic and absorbent - these being used especially for packing meat and meat products.

For the construction industry, we produce insulation materials in the form of XPS boards and rolls.

> Recycled polymers and Plastic Compounds

The product portfolio is designed to include standard compounds and customized products alike, both based on primary polymers with the addition of talc, chalk, glass fibre, elastomers and other materials depending on the final application of the product. Natural or coloured Polypropylene / polyamide plastic compounds reinforced with mineral filler, glass fiber. Compounds based on other types of polymers, "tailor made" according to customer requests: with fire retardants, additives, UV stabilizer, etc. Regenerated plastic materials are obtained by processing post-consumer and post-industrial plastic waste.



> Individual respiratory protection equipment



Romcarbon is the **only manufacturer** of individual respiratory protection equipment in Romania. The product portfolio includes the following categories: insulating devices, filter cartridges, equipment for civil protection and military use, full face masks, semi-masks, special purpose equipment and accessories.

The main sectors served



Agriculture



Food industry



Chemical industry



Recycling industry



Food industry



Construction



Plastic industry



Automotive industry



Chemical industry



Mining industry



The main products realized and commercialized by Romcarbon

> Automotive and industrial filters

Romcarbon started the production of filters in 1962, being one of the first car filter manufacturers in Romania. The product portfolio includes both automotive filters (air, oil, fuel, cabin) and industrial filters (for agricultural machinery, marine vessels, compressors, etc).



> PVC road traffic supports



The product is made of recycled PVC and is used to support temporary road signs, beacons to mark or demarcate areas of road work or other boundaries, such as parking lots.

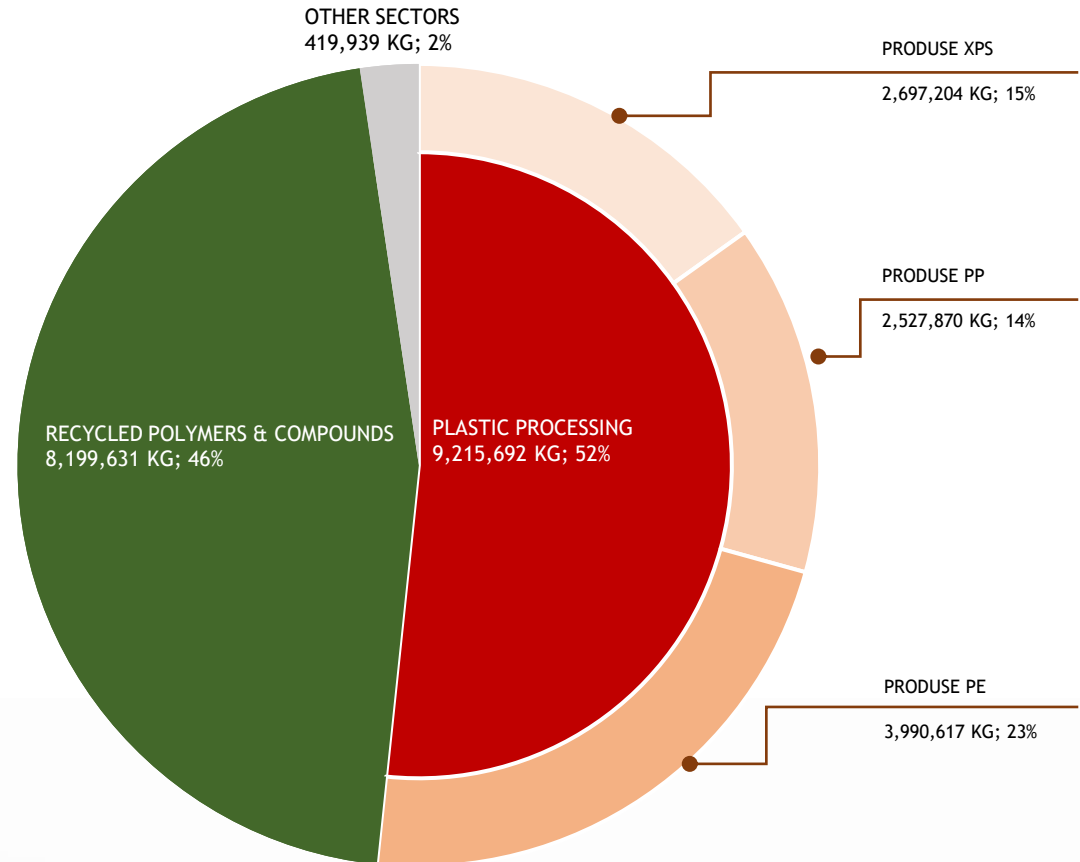
The main sectors served

 **Automotive industry**

 **Construction**

 **Railway industry**

Quantities of finished products sold (in kilograms) in 2022



Romcarbon Certifications



The Integrated Quality and Environment Management System is certified according to the standards **ISO 9001:2015, ISO 14001-2015.**

ISO 45001:2018 is implemented for the whole company and certified for the Individual respiratory protection equipment sector.

Annually, the entire Integrated Management System is audited internally by our specialists and externally by an accredited body at the national and international level, SRAC Romania, both for quality and environment, as well as for safety and work health. During the surveillance audit carried out in 2022, we did not have any non-conformities or opportunities for improvement reported by the certification body.

The Polyethylene, Polystyrene and Polypropylene packaging produced by Romcarbon is in line with national and EU regulatory requirements in the field of food safety, compatibility with food products being attested by the results obtained in accredited laboratories.

Furthermore, Polypropylene bags are certified by **LABORDATA-Germany** for the transport of hazardous substances. Filters produced by Romcarbon are certified by **AFER** and **RAR**



EuCertPlast

Starting 2021 the Plastics Compounds Division was certified **EuCertPlast**. The certification is based on the European standard EN 15343:2007.

This certification provides the company's suppliers and customers with the assurance that the pre-and post-consumer plastics processed are treated according to best practices and with respect for the environment. Obtaining EuCertPlast certification enables the company to meet the requirements of the REACH Directive and contributes to the application of best practices on the traceability of recycled plastics (throughout the recycling process and supply chain) and on the quality of the recycled content in the final product.

EuCertPlast aims to encourage eco-friendly plastics recycling through standardisation and seeks to increase the transparency of the European plastics industry by establishing best practices in recycling and marketing.



Livingjumbo Industry S.A.

The company Livingjumbo, organized as a closed joint-stock company, with its registered office in Buzău, 132 Transilvaniei, street, began in 2002 its plastic processing activity in the field of polypropylene packaging, consisting in the production of flexible packaging (big-bag type). Over the years, the company has steadily increased its capacity, quantitatively and from the point of view of assortment, and in 2016 it opened a new production sector, namely the sector related to the production of PET rigid film/ trays and multilayer barrier films for food packaging. The main shareholders are Romcarbon S.A. (99.86%) and Living Plastic Industry S.R.L (0.14%).

The company's sectors of activity are the following:

1. Polypropylene processing sector: extruded thread, weaving and manufacture of packaging. Products sold are flexible containers (big-bag type) in various designs, for packaging bulk products up to 2,000 kg, fabric, thread, cord, strap. Polypropylene big bags, known as "FIBCs", "bulk bags", "jumbo bags", are defined as large containers made of flexible fabric bodies for the transport and storage of bulk goods. Usually made of laminated or non-laminated PP fabric, big bags type are made of different fabrics with different structures, densities and weights, depending on the load capacity and the safety factor of the container.



Polypropylene big bags are designed to be lifted from the top using specially attached devices: polypropylene straps (handles). These bags have a wide range of practical applications for packaging different products: iron alloys, chemicals, stone dust, sand, gravel, cement, food (sugar, salt, flour, dextrose, starch, additives), ceramics, clay, lime (unburned), rubber, carbon black, agriculture (seeds, wheat, corn, beans), minerals, etc.

Big bags are easy to recycle, thus helping to protect the environment, and their popularity is also due to reduced handling costs, reduced potential losses to the customer, and compatibility with truck or container transport.

2. PET processing sector: extrusion and thermoforming. Products sold are rigid thermoforming films, laminated and unlaminated, and trays for modified atmosphere packaging, transparent and in various colours.

To serve a fast-growing market, Livingjumbo has created the **LivingFresh** brand, which has the following product categories in its portfolio:



LIVING FORM: range of PET trays for meat and FFS (form-fill-seal) films. The range of PET meat trays is perfect to serve a booming fresh products market. The trays are made using efficient processes that combine mechanical strength and flexibility to offer a superior packaging solution. The State-of-the-art technology enables packaging with excellent properties in line with environmental protection requirements.



LIVING FLEX: Range of multilayer films for sealing, flowpack and flexible thermoforming. **LIVING FLEX is the first domestic brand of 9-layer co-extruded film for special packaging.**

The multiple layers improve the mechanical strength of the packaging and allow multiple material combinations serving a wide range of applications.

The **EVOH barrier** provides optimal gas protection and significantly extends the shelf life of the packaged product.

Livingjumbo Industry Certifications



Livingjumbo has implemented and maintains the Integrated Quality and Environmental Management System certification in accordance with **ISO 9001:2001 and ISO 14001-2015**.

The Polypropylene sector is certified for food safety by implementing the **ISO 22000- 2018** standard.

Furthermore, certain types of large Polypropylene bags are certified by **LABORDATA-Germany** for the workload and the safety factor.

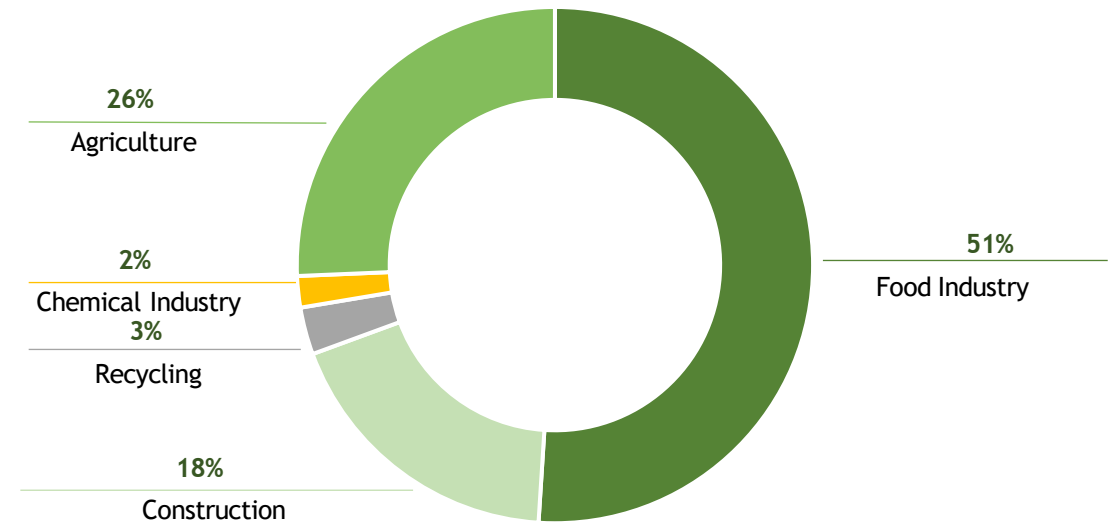
Since 2016, the PET Sector holds the **BRC Packaging and Packaging materials issue 6 certification**. This certification certifies the quality, legal compliance and safety of food products and those that come into contact with food through the application of mixed product quality management systems, HACCP and good manufacturing practices (GMP - Good Manufacturing Practices).

Annually, the entire Integrated Management System is audited internally by our specialists and externally by an accredited body at national and international level, RINA SIMTEX, both for Quality, Environment and Food Safety.

During the surveillance audit carried out in 2022, we did not have any non-conformities or opportunities for improvement reported by the certifying body.

BRC Packaging and Packaging materials issue 6 certification is granted by the certifying body, LRQA, on yearly basis. In the certification audit carried out in 2022 we obtained the AA grade for the production of flexible film and rigid PET film.

Markets served in 2022 depending on the value of sales



Sales of finished products in 2022 depending on the region



Information about LIVINGJUMBO INDUSTRY SA

	2021	2022
Operations	1	1
Net Sales (RON)	133,415,290	164,064,764
Net Profit (RON)	- 2,319,221	3,477,122
Equity (RON)	- 1,660,466	1,816,656
Liabilities (RON)	76,063,445	83,880,200





R⁰MCARBON

GREENER. MORE INVOLVED. FOR A CLEANER PLANET.





RECYCLING IS IN OUR DNA

Romcarbon SA, a company with over 70 years of activity, has and had in its DNA the concern for recycling, for environmental protection and the implementation of the circular economy concept.

At the beginning of the 1980`s, two of the main manufacturing sectors in Romcarbon had recycling technologies implemented:

> The production sector of polyethylene films, foils and bags included a section for recycling waste from agriculture in particular (films for solariums and Avicola-type films).

Hundreds of tonnes of monthly centrally collected waste were ground, density-sorted, extruded/filtered and transformed into recycled polyethylene granules which, in their turn, were re-processed into films, covers and industrial bags.

> The production sector of oil filters for trucks and tractors operated together with a workshop for recycling used oil filters collected from large consumers - transport companies and agricultural mechanization stations.

The filters were designed in such a way that the recovered casings from used filters, which were centrally collected, were re-used for the manufacture of new filters along with other recovered metal parts (springs for example).

The re-use of sheet steel casings contributed to substantial savings by eliminating cutting, embossing, pickling, painting and marking/screen printing operations.

The used oil resulting from the cutting stage of the used filter housings was also collected separately.

In the early 1990`s, the share of recycling activity in Romcarbon suffered as a result of the disappearance of centralized waste collection.

After Romania was integrated in the EU, the accumulated experience combined with the availability of financing with European funds relaunched and developed the recycling activity within Romcarbon, currently the company has reached a waste processing capacity of 15,000 tons annually.



In 2022, we reached 10 years of modern plastic waste recycling activity in Romcarbon.

Recycled polymers, resulting from both post-consumer and industrial waste processing, represent an alternative to reduce the costs of virgin raw materials and a necessity towards the implementation of the circular economy concept to achieve the objective of reducing greenhouse gas emissions.

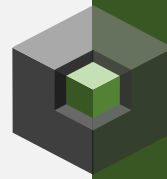
Depending on the purity of the material, Romcarbon, through the installed technology, has the opportunity to provide its customers

with both regranulated products with an exclusive content of recycled polymers, as well as to provide optimized products by combining recycled polymers with various additives or reinforced materials (calcium carbonate, talc, glass fiber, etc.) to increase the physical-mechanical characteristics for demanding applications.

With an initial investment of 7.1 million Euros, the recycling sector has the capacity to mechanically recycle post-consumer waste from Polystyrene, Polyethylene, Polypropylene and ABS.

The sector is equipped with modern state-of-the-art technology purchased from various suppliers, world leaders in the field of extrusion equipment and laboratory equipment.

In 2015, a second major investment took place in this sector to increase capacity and expand the range of products.



In these 10 years, we have constantly invested in new equipment to enable the manufacture of recycled granules according to the increasingly varied requirements of our customers. Until 2022, the value of investments amounted to approximately 16.6 million Euros and we still have investment plans in this sector. The current production capacity of the recycled polymers and compounds sector is approximately 15,000 tonnes/year.

Romcarbon developed several products exclusively dedicated to the automotive industry and at the same time increased its customer portfolio. In parallel with the research and development of products for the automotive industry, we have also created new products for companies producing household furniture and interior design, forming a partnership with one of the largest international retailers.

In the 10 years of activity, we collected 94,802 tons of plastic waste from the market, of which 89% were from local sources and 11% from the European market.

We delivered to our customers 60,421 tons of recycled polymers and regranulated fractions and used in manufacturing of our own plastic products, especially in the Polyethylene Processing sector, a quantity of 12,969 tons.

We were pioneers in the recycling activity in Romania, establishing in the early 2000`s the first companies that would later form Green-Group, the largest integrated recycling park in South-East Europe.



Sustainability within Romcarbon Group

A completely plastic-free future is neither realistic nor desirable, as plastic, more versatile than any other material, can be used for almost any application imaginable, being extremely flexible in terms of color, strength, shape, weight and durability

What will make a difference to the future of plastic and the planet, from an impact perspective, is the responsibility with which plastic is produced, its recyclability and the accountability of those who use plastic products.

We, Romcarbon Group, are aware of the impact our activities and products can have on the environment, but we also believe that sustainability must be approached in the right way. For this reason, we are fully committed and determined to implementing long-lasting positive changes by identifying the most sustainable solutions that will help us reduce our impact on the environment and people.

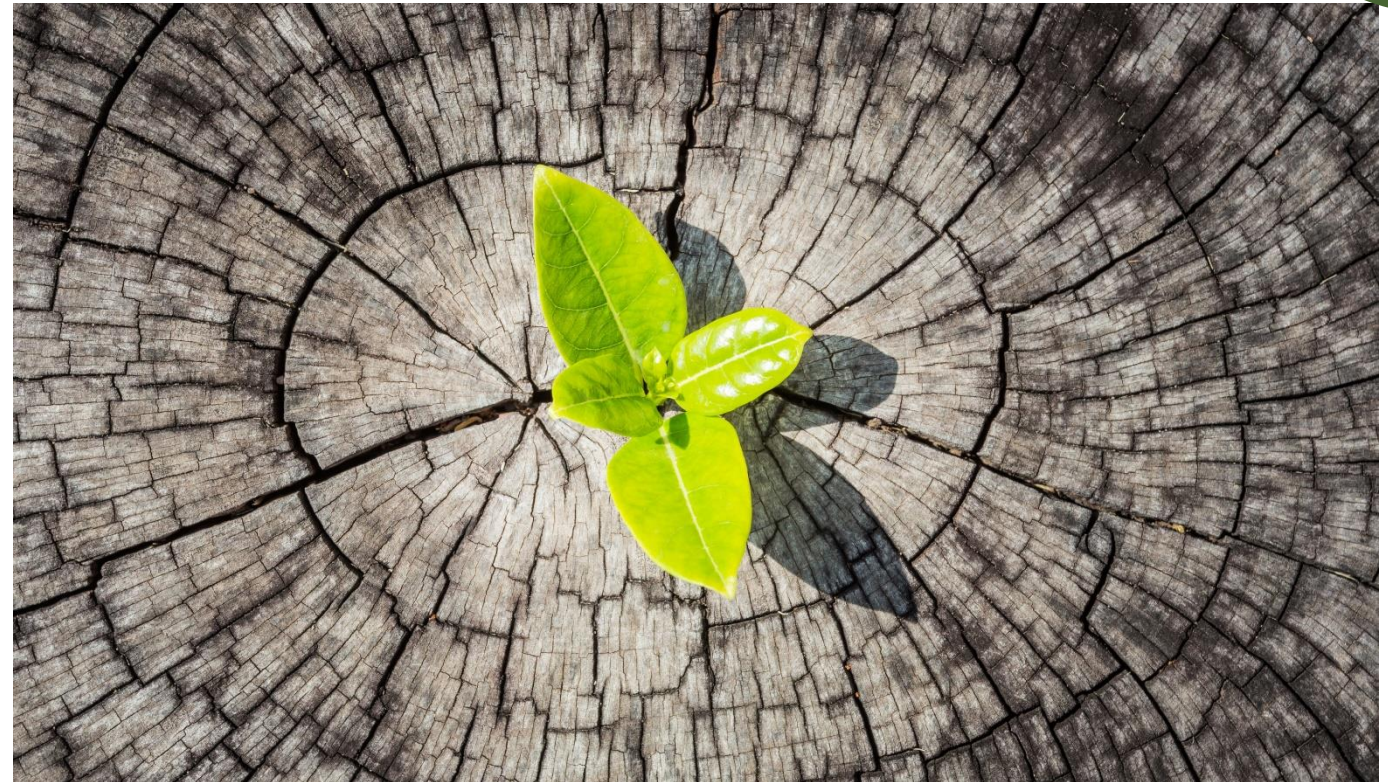
The management team is convinced that accelerating the transition to a circular economy is vital and has clear responsibilities in making our production processes more energy and resource efficient, being permanently involved in managing all the resources we have as efficiently as possible. Thus, it is a permanent objective for the management of Romcarbon Group to maintain the consumption of

resources at a level that ensures the sustainability of the company's activities in the long term as well as the reduction of GHG emissions.

Therefore, we are constantly looking for ways to reduce resource consumption, using more renewable energy and more alternative raw materials from waste and renewable resources, with the aim of reducing the impact of our activity on the environment and incorporating in the products we make more resources from renewable sources.

Since the 1980`s, we have been concerned with the recovery and reuse of plastic products to be reintroduced in the production process, within Buzău Plastic Mass Enterprise, which became Romcarbon SA in 1991, operating a plastic material recovery sector coming from agricultural foils.

Since 2005, Romcarbon Group's contribution to the development of the circular economy has diversified through its participation in the development of Green Group, which has become the largest integrated recycler in South-Eastern Europe. In 2012, Romcarbon opened a new direction of development in the field of plastic mass recycling and the production of virgin and recycled compounds. We have developed and



perfected the waste transformation process of polyethylene, polypropylene, polystyrene, PVC, ABS, etc., taken from collectors or primary users, in regnanulated raw materials. In the year 2022, we managed to take over from the market and process over 11,000 tons of waste, adding to this the processing of our own waste. We also delivered in Romania and on the international

market over 8,200 tons of regnanulated material and compounds, our customers being part of the automotive fields (Romcarbon is an agreed supplier for Romanian and European car manufacturers), constructions, manufacturers of plastic products, etc. Also in 2022, we adopted Romcarbon Group's Sustainability Strategy for the period 2022-2030,

which represents our commitment to contribute to a SUSTAINABLE FUTURE. Starting this year, we present in the sustainability report the progress achieved.

Dialogue with Stakeholders

In order to give sustainability management an effective direction, consultation with Romcarbon Group's external environment is very important, as it gives us a clear picture of both the environmental and social aspects that impact the Group's activities and the impact that the Group's activities have on the environment and society. Thus, at the level of Romcarbon Group, there are regular consultations with the interested parties. Employee representatives are regularly consulted, at least once every two years, when, for the negotiation of the Collective Labor Agreement, topics of common interest are also discussed, with the aim of improving the performance of employees, labor relations, the working environment, of employee protection measures, etc.

Romcarbon Group periodically participates in consultations with local and central public authorities, on various topics of general or local, social and/or economic interest, being one of the major employers in the Municipality of Buzău and in the county, and an important player in the recycling industry.

At the request of local authorities, the Group delegates representatives to various committees and commissions, such as the County Committee for Emergency Situations, the Commission for the transition to the circular economy, budget, finance, agriculture, tourism and international relations from Buzău City Hall, etc.

Romcarbon, as a company listed at B.S.E. frequently participates in consultations on issues related to the capital market, at the initiative of the regulatory authorities in the field, FSA and BSE.

Consultations with Romcarbon's shareholders and investors take place both during the General Shareholders' Meetings and during the Conferences organized by the company for the presentation/debate of the financial results, occasions where shareholders and investors are invited to express their point of view regarding the performances the company and the Group, entering into a dialogue with the management.

Identifying the material aspects of sustainability

In 2022 we carried out a complex materiality analysis, which gave us the perspective of dual materiality and allowed us to identify relevant aspects related to economic, social and ecological sustainability, as well as the associated risks and opportunities, on which we need to focus to meet the expectations of the interested parties but also, to protect the business from

those sustainability risks that may affect the development and market position of the Group.

The identification and prioritization of interested parties was the most important stage carried out within the materiality analysis.

These two actions allowed us to establish the categories of stakeholders influenced by our business, respectively which influence our activities the most.

In our opinion, the conclusions of the materiality analysis carried out in 2022 are maintained, in the period 2022 - 2023 no significant changes were recorded in the materiality aspects identified in the previous analysis.

We carried out an internal analysis of the impacts of each material aspect, analysis presented in this report on pages 97-98, and solutions will be developed in accordance with the Sustainability Strategy to mitigate negative impacts.

Major Stakeholder Categories of Romcarbon Group



Employees



Suppliers



Financial institutions



Associations/Networks



Mass-media



Central and local authorities



Competitors & peers



Certification & regulatory bodies



Capital market participants



Local community



Customers



Education, science & research organizations

After the analysis, the following materiality aspects were identified:

- > Waste management and the circular economy
- > Governance and business ethics
- > Products responsibility
- > Economic performance
- > Customer management
- > Supply chain
- > Energy Management
- > Water Management
- > Human resources management
- > Climate change and management of greenhouse gas emissions
- > Health and safety at work
- > Community development



A FAIR BUSINESS



Governance and Business Ethics

Corporate Governance

Whereas the parent company of the Group, Romcarbon, is a joint-stock company, listed on the BSE since 2008, we have established a unitary and strong corporate governance system that allows us to perform in compliance with the law and create value for all our shareholders. Thus, at the company level we have implemented the "Corporate Governance Regulation" which regulates all related aspects of the company's governance: the main structures, duties and responsibilities, etc. We have also adhered to the Corporate Governance Code of the Bucharest Stock Exchange adopted by the BSE Council in 2015. More information related to the implementation status of this code can be found in the Annual Report for 2022 (https://www.romcarbon.com/wp-content/uploads/2023/04/ROCE-Annual-report-2022_EN.pdf).

General Meeting of Shareholders

The General Meeting of Shareholders (G.M.S.) is the deliberative body of the company through which shareholders express their will regarding aspects given by law or the Incorporation act within G.M.S.'s competence. The general meetings are convened by the Board of Directors. The Ordinary General Meeting of Shareholders takes place at least once a year, within 4 months of the end of the financial year, to

examine the financial statements for the previous year and to establish the activity program and the income and expenditure budget for the current year.

The General Meeting of Shareholders meets at the company headquarters or in other places in Buzău, with their exact indication.



Board of Directors

In accordance with the company's Articles of Incorporation, the Board of Directors consists of three members, elected or appointed by the Ordinary General Meeting of Shareholders by secret vote for a period of four years, with the possibility of being re-elected. The election of directors is made from among the candidates for director positions nominated by the current members of the Board of Directors or by the shareholders.

In the process of nominating directors, their experience and personal qualifications are taken into account. Persons who, according to the law, are incapable or have been convicted of fraudulent management, abuse of trust, forgery, fraud, embezzlement, perjury, giving or receiving bribes, as well as other crimes are incompatible with the membership of the Board of Directors.

The members of the Board of Directors have the obligation to exercise their mandate with prudence and diligence, with loyalty and in the interest of the company. The Board of Directors is chaired by a president elected by its members for one term which cannot exceed the duration of the director's mandate.

The board of directors meets at the company headquarters or in other places, monthly and whenever necessary, at the call of the chairman, at the motivated request of at least 2 of its members or of the General Manager, the president being obliged to participate in such a meeting called on such requests.

In 2022, the Board of Directors held 22 meetings. The board of directors is the competent body in establishing the directions and strategies in terms of sustainability, including the management of the organization's impacts on the economy, environment and people, delegating to the



General Manager during his mandate the responsibilities in the field. Through the mechanisms implemented within the organization, the General Manager interacts on all aspects of sustainability with relevant stakeholders to inform them and collect feedback in order to improve processes.

In order to take the most appropriate measures in the field of sustainability, the General Manager participates in conferences and seminars and continuously follows

official sources of information on sustainability.

Reporting to the Board of Directors is done by e-mail whenever necessary. In 2022, concerns about energy and water management were reported.

The Board of Directors is responsible for carrying out a self-assessment of its structure and performance and for evaluating the independence of the non-executive members of the Board of Directors.

Audit Committee

Alongside the Board of Directors, the company's corporate governance system is strengthened by the Audit Committee, which is composed of two members appointed by the Board of Directors.

The Audit Committee is responsible for conducting an annual assessment of the internal control system, taking into account the effectiveness and scope of the internal audit function, risk management and internal control reporting to the Board's audit committee, as well as the responsiveness and effectiveness of the management in addressing deficiencies or weaknesses in the internal control system, identified and presented to the Board through relevant reports. The audit committee must reconsider the conflict of interest in the transactions of the organization and its subsidiaries with interested parties.

The Audit Committee is responsible for reviewing the Statement of Corporate Governance in the Annual Report regarding risk and internal control, as well as evaluating corporate governance and monitoring the application of legal standards and generally accepted internal auditing standards.

Company management

The management of the company is delegated by the Board of Directors to the General Manager, who is responsible for carrying out all the measures corresponding to the management of the Company, within the object of the Company's activity and in accordance with the exclusive powers granted by the Law or the Incorporation Act, by the Board of Directors or by General Meeting of Shareholders.

The General Manager is appointed or dismissed from his position by the Board of Directors, which will also establish his remuneration, as well as his duties, responsibilities and powers, the duties of representing the Company may be delegated by the General Manager of the Company to a third person only with the prior written consent of the Board of Directors. The Chairman of the Board of Directors also fulfils the position of General Manager according to the provisions of the incorporation act, cumulating these positions being justified by the extensive experience in the industry in which we operate and within Romcarbon Group. Potential conflicts of interest arising from this dual mandate are addressed in the Conflicts of Interest section.

Romcarbon S.A. Board of Directors Structure

Name of member	Executiv/ non-executiv	Independent (Yes/No)	Gender	Role
Huang, Liang Neng	Executiv	No	Male	Chairman, General Manager
Wey, Jiann Shyang	Non-executiv	Yes	Male	Deputy Chairman
Toderita Stefan-Alexandru	Non-executiv	No	Male	Member

Romcarbon S.A. Management Structure

Name of member	Gender	Role
Huang, Liang Neng	Male	Chairman, General Manager
Manaila Carmen	Female	Deputy General Manager for Administrative Operations
Dobrota Cristinel	Male	Deputy General Manager for Development
Cretu Victor	Male	Polypropylene Profit Center Manager
Constantinescu Gabriel	Male	Filters, IPE and Activated Carbon Profit Center Manager
Ungureanu Ion	Male	Extruded polystyrene Profit Center Manager
Titi Mihai	Male	Technical Manager
Zainescu Viorica Ioana	Female	Financial Manager



Risk management

At company level, a risk management system is implemented in accordance with the **SR EN ISO 31010 standard - Risk management**.

With the help of evaluation techniques, risks were identified and analyzed in all functional departments within the organization.

Risk registers were issued for each functional department, a risk register for the whole organization and an Action Plan to deal with the risks.

Risk factors include general aspects such as potential political instability, risks of temporary instability of the legislative framework, risks related to the instability of foreign exchange rates and inflation rates, as well as risks related to the capital market and of its liquidity, but also sustainability risks. The group annually evaluates the effectiveness of the risk identification and management process, including sustainability risks.



Romcarbon approaches risks responsibly, in line with its long-term strategy. Responsible risk management is becoming more and more important, given the prolonged economic and financial uncertainties and the prominent manifestation of market volatility. The strategic vision of risk management is established by the Board of Directors and is implemented through political actions at the level of the company's executive management.

The risk control and management activity is ensured by a series of specific structures, regulated by the specific provisions of the capital market, the Articles of incorporation, the Collective Labor Contract and the organizational structure, as follows: financial auditor, internal auditor, organizational and functional structure configuration.

More information on the sustainability risks identified in the materiality analysis is presented in the "**Sustainability Indicators**" section.

Business ethics

All our actions, as a leader in our sector of activity, are guided by the set of principles, values and rules of conduct set out in the "Code of Professional Ethics and Business Conduct". All this represents a reference in the activities that the

directors, executive management and employees of within all departments perform. The Code is a pillar of our business ethics fundamentals and governs the decision-making process and operational approach of the Group and our workforce in the interests of our stakeholders. Through the code we want to promote social responsibility, the culture of quality that contributes to achieving superior performance and is a way to solve business ethics issues.

It aims to prevent the occurrence of illegal and illicit acts that may occur in the course of our activities.

Specific measures are implemented at the company level to ensure that all employees know and adhere to the Code of Professional Ethics and Business Conduct. In all companies in which Romcarbon S.A. owns shares/stocks, sustained efforts are made to ensure that our ethical standards or equivalent policies are adopted.

We also request that all suppliers, contractors, distributors, partners with whom we have contracts or who are sponsored or endorsed by us, and other interested parties act in accordance with this Code. The code of ethics and business conduct is available in both Romanian and English, being published for consultation by customers, suppliers, contractors, agents, intermediaries, competitors, political and governmental factors, local communities,

non-governmental organizations, etc. on the company's website:

<https://www.romcarbon.com/wp-content/uploads/2021/01/ROCE-2019-Professional-Ethics-code.pdf>



Another very important tool that guides us and is part of our internal policies is the Internal Regulation. This regulation defines the rules that govern the conduct of labor relations, the company's operating rules from the point of view of professional and disciplinary aspects, constitutes a means of communication between the company as an employer and employees and establishes the rules of employee discipline, as well as their protection measures/means.

Counseling on ethical issues

The mechanisms for providing advice regarding the application of ethical principles as well as rules of conduct, including compliance with legal provisions, are internalized. Within Romcarbon, there are several specialized structures such as the Legal Office, the Human Resources Service, the Internal Prevention and Protection & Environment Service, the Private Service for Emergency Situations, the Quality and Environmental Management Office, which, as the case may be, either individually or in collaboration, analyze and issue advisory opinions addressed to the management of the company with the aim of supporting decision-making in various situations involving the application of ethical principles, as well as rules of conduct, respectively compliance with legal provisions. Also, the Internal Regulation includes rules of conduct regarding notification/reporting of situations of unethical or illegal behavior or that affect organizational integrity. Reporting issues or concerns helps us protect the culture of integrity and ethics, the reputation and financial health of our company and our business partners, and ultimately protects the jobs of our employees and the well-being of our communities,

Anticorruption

Romcarbon does not tolerate corruption in any form (including bribery, payments to facilitate certain services, financial support, blackmail, abuse of power for personal interest, improper use of conferred powers, receiving or giving gifts with the intention of influencing), regardless of whether it takes place in the public or private sector and regardless of its size. We maintain this view even if our commitments to this policy place the company in an uncompetitive business position or if speaking out against these activities results in lost business. Across our entire value chain, including community involvement, charities and sponsorships, we are committed to a zero-tolerance policy on corruption and bribery. Fraud, including falsifying financial or non-financial information records, money laundering and insider trading are prohibited. Romcarbon fights against fraud and does not tolerate fraudulent practices. To protect the company's values, assets and reputation, each of us is personally responsible for acting in good faith, in accordance with relevant rules and regulations, and for being alert to any signs of fraud. Even ignoring suspected fraud can result in company and individual liability.

Nine relevant risks were identified and evaluated, establishing measures and actions, as well as those persons responsible for follow-up, found in the Register of relevant risks. One of the relevant risks was identified within the Logistics-Purchasing Service: "The purchase of products, services and works through the use of non-transparent procedures".

Romcarbon's Code of professional ethics and business conduct is the tool we rely on for the early identification and timely removal of the premises for the occurrence of corruption acts. Its availability on the Romcarbon website facilitates the access and application of the principles of professional ethics by all company employees, but also by our business partners. The training plan provides for at least one annual training on corruption topics, and in 2022, all Romcarbon employees were trained on this topic.





Conflicts of interest

Situations that may generate conflicts of interest are regulated and managed through a series of instruments developed at Group level, namely the "CORPORATE GOVERNANCE CODE", the "PROCEDURE REGARDING THE IDENTIFICATION AND MONITORING OF TRANSACTIONS WITH THE PARTIES INVOLVED", THE CODE OF PROFESSIONAL ETHICS AND BUSINESS CONDUCT" and "SUPPLIERS' CODE OF ETHICS AND CONDUCT".

Romcarbon has adopted in its own Corporate Governance Code rules regarding the management of conflict of interests. Thus, the members of Romcarbon's Board of Directors submit the Declaration of interests upon assuming their mandate. Also, based on the rules of conduct regarding the management of conflicts of interest, each member of the Board of Directors will avoid any direct or indirect conflict of interest with the organization or with any subsidiary

controlled by it, and in the event of such a conflict each director/manager has the obligation to inform the Board of Directors on the conflicts of interest involved, in which case he has the obligation to abstain from the debates and voting on the respective matters. The director/manager has the same obligation if, in a certain operation, he knows that his husband or wife, his relatives or relatives up to the fourth degree inclusive are interested. It is also prohibited for any insider to:

- to use this information for the purchase or disposal or the intention to acquire or dispose, on its own account or on behalf of a third party, directly or indirectly, of the financial instruments to which this information refers;
- to recommend to third parties to carry out transactions with securities owned by the company, if it has information in this regard;
- to divulge internal information for a purpose other than that which falls within the scope of his tasks and duties;
- disseminate information in any manner that creates or may create a false or misleading impression;
- engage in conduct that creates a false or misleading impression of the demand, supply, price or value of investments;
- to engage in market manipulation activities.

These obligations apply to any person in possession of inside information in circumstances where such persons know or should know that such information is sensitive.

According to the Law, shareholders who are members of the Board of Directors cannot vote, based on the shares they own, either personally or by proxy, to discharge their management or an issue in which their person or administration would be under discussion. However, these persons can vote on the annual financial statement, if the majority required by law or the articles of incorporation cannot be formed. At the same time, the members of the board of directors, managers or officials of the company cannot represent the shareholders, under penalty of nullity of the decision, if, without their vote, the required majority would not have been obtained. Up to the date of this Report, there are no cross-board membership situations recorded, in which the Board members hold similar positions within the Boards of Directors of some of the company's suppliers or within the corporate management structures of other interested parties. The Chairman of the Board of Directors, who also has the capacity of General Manager in the event of a tie, does not have a decisive vote. At Romcarbon Group level, in 2022, there were no situations that could constitute a conflict of interest.

To ensure that the activities we carry out are in accordance with the legislation in force, as well



as with the company's internal regulations and procedures, but also that these rules are respected by all our employees, as well as business partners, in the year 2023 we

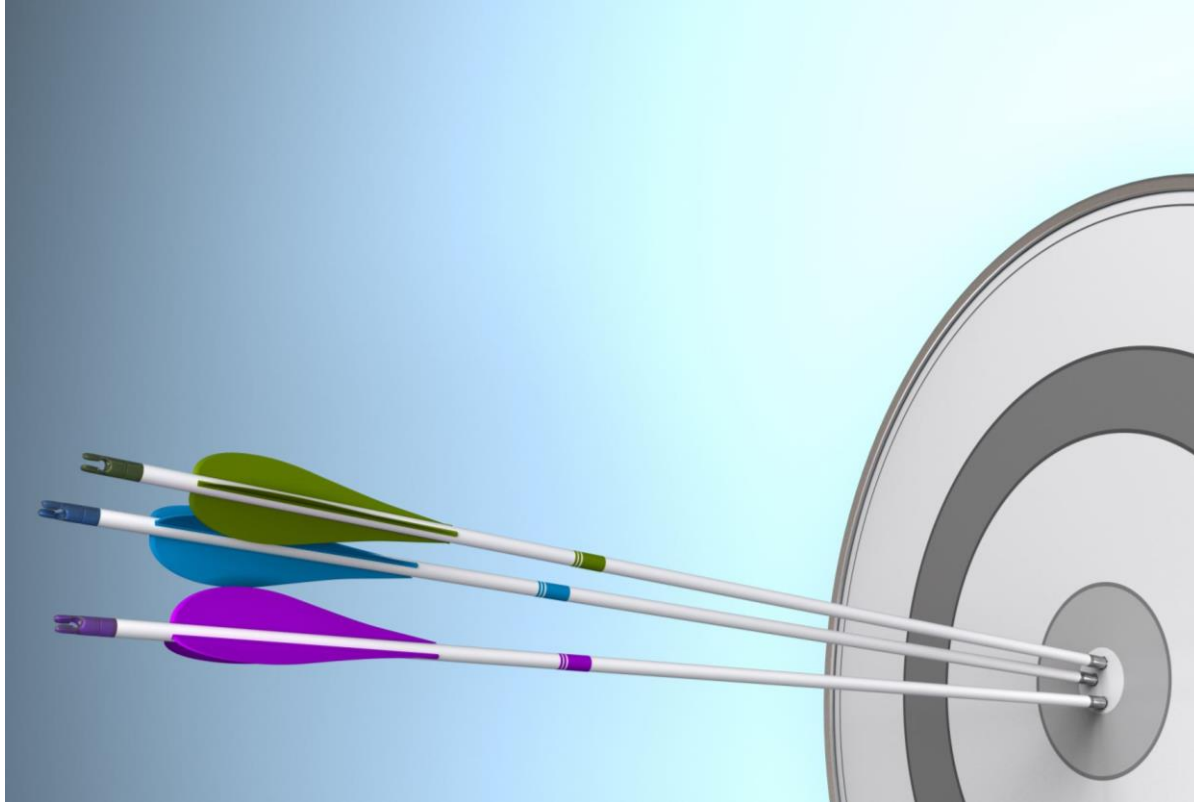
implemented the Whistleblowing Program. The whistleblowing mechanism and whistleblowing policy can be accessed at www.romcarbon.com/integrity.



According to the sustainability strategy for the years 2022 - 2030, we will organize at least 1 training program on issues related to ethics, anti-corruption, respect for human rights, diversity and equal opportunities implemented annually for all employees. In 2022, we organized the training of the group's employees with the theme "Principles of ethics in Romcarbon group", based on the Codes of Ethics and Human Resources Policies.

OUR VALUES





Remuneration Policy

In 2021, Romcarbon adopted the Remuneration Policy based on the following objectives:

- contributing to the long-term sustainability of the company;
- maintaining the company's competitiveness on the labor market;
- ensuring the appropriate conditions for attracting managers/employees with skills necessary and useful for

the fulfilment of the company's purpose.

- creating a satisfactory level of retention of managers/employees;
- supporting/facilitating the successful implementation/development of the company's strategy in the short, medium and long term;
- providing tools to reward exceptional performance/achievements.

Also, the Remuneration Policy respects the following principles:

- **The principle of remuneration matching the company's activity profile** according to which the company's Remuneration Policy is designed to correspond to the principles applied in the administration/management of the company's activities, namely prudence, diligence, solid/sustainable development and effective risk management, without encouraging the assumption of risks incompatible with the activity profile, with the company's internal rules or Articles of Incorporation.
- **The principle of proportionality of remuneration**, according to which the Remuneration Policy is developed to comply with the provisions of the labor legislation and those agreed by the collective labor contract applicable at the company level, which will always respect the remuneration principles established by the legal regulations in the matter of labor remuneration, in an appropriate way according to its size, internal organization, respectively the nature and complexity of its activities.
- **The principles regarding the recovery of the variable remuneration (component) of the adjustment type (malus) and of the restitution type (claw – back)**, according to which the company has the right, and not the obligation, to recover the variable remuneration (component), already assigned, in certain situations.

The Remuneration Policy establishes the way in which the remuneration is determined for the

members of the Board of Directors, for the General Manager, for deputy general managers/managers and for the company's employees.

The internal structures that have responsibilities in setting/implementing remuneration are the Board of Directors and the Human Resources Service. At Group level, a Remuneration Committee has not been established up to this point.

More information on the Remuneration Policy can be accessed at the following link: https://www.romcarbon.com/wp-content/uploads/2021/04/ROCE_Remuneration-policy_EN.pdf



Fiscal approach

A fiscal strategy is not implemented at Group level, as it is not necessary at this time. Romcarbon Group carries out all its operational activities on the territory of Romania, not being registered as a fiscal Group. Within the Group, there is a financial investment management company based in Cyprus, namely Recyplat LTD, which until 30.12.2022 managed the financial investment in Green-Group.

Each company within the Group correctly declares and pays local taxes to the Budgets of the Buzau and Iași Municipalities by legal deadlines, contributing to the development of the local community as well as taxes, fees and contributions to the general consolidated Budget.

The annual financial statements related to the financial year 2022 were drawn up by the Financial Department of each company, verified by the Board of Directors, audited by the external financial auditor Deloitte Audit SRL and approved by OGMS in the meeting of 27.04.2023.

Compliance with the legal provisions in the field of taxes and contributions is permanently monitored so that no violations of the tax legislation were identified in the fiscal control carried out in 2022, that covered the period 2018-2021. The companies within the Group prepare, annually, with external consultancy according to the law

the Transfer prices file, the verifications carried out during 2022 by the competent control bodies certifying the correctness of intragroup operations as well as the fact that no tax optimization schemes are applied within the group.

Policies and strategies within the Group

The policies, codes and strategies within each company in the Group are adopted by the Board of Directors, which is the highest corporate governance body.

We have developed policies and commitments, both in terms of human rights, environmental policy and occupational health and safety. These were proposed by the General Manager of Romcarbon for approval by the Board of Directors.

The policies, codes and strategies mention the commitments undertaken and the actions, the tools developed to comply with them. They are drawn up also taking into account the principle of prudence, as well as the principle of respect for human rights.

The organization's commitments regarding its activities and business relationships are also transposed in the Supplier Code of Ethics and Conduct, which can be consulted by accessing this

link: <https://www.romcarbon.com/wp-content/uploads/2022/06/CODUL-DE-ETICA-SI-CONDUITA-AL-FURNIZORILOR.-CODE-OF-ETHICS-AND-CONDUCT-OF-SUPPLIERS.pdf>.

The Group's policies and strategies are developed in accordance with the recommendations and guidelines published by international bodies, respectively in accordance with the OECD Guidelines for Multinational Enterprises, the Specific OECD Guidelines on Due Diligence for Responsible Business Conduct, the Guiding Principles on Business and Human Rights in application of the United Nations "Protect, Respect and Remedy" framework and in accordance with the ILO's core conventions.

The adopted policies, codes and strategies are disseminated in the organization according to the organizational chart, on the hierarchical structure, being appropriated by the management at all levels who are responsible for their application.

Also, to be brought to the attention of all employees, they were included in the Annual Training Plan and are posted on the organization's website, thus being available to all interested parties:

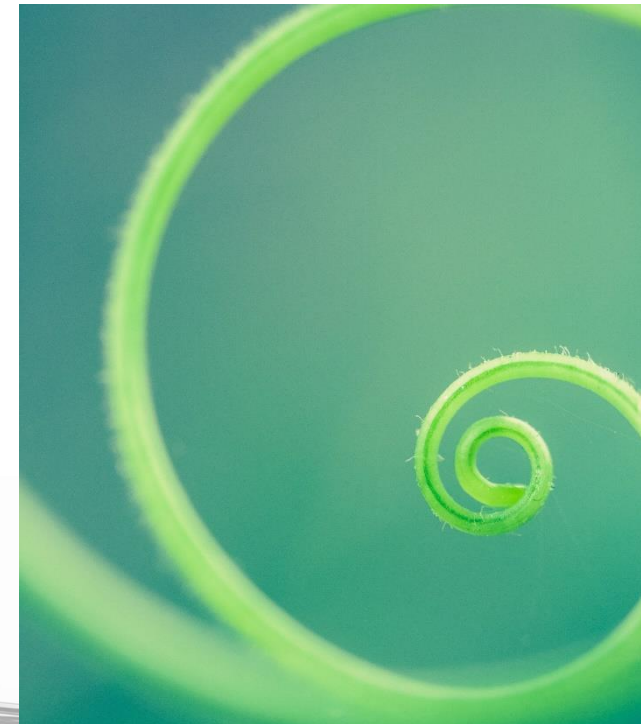
<https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-privind-drepturile-omului-iunie-2023-.pdf>

<https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-anti-represalii-iunie-2023-.pdf>

The group has developed mechanisms to analyze and resolve/remediate the various types of complaints, referrals, complaints received from interested parties.

We are open to a constant communication with interested parties, including to advice request or express concerns related to the impact of our activities.

<https://www.romcarbon.com/contact/>



Supply chain

The diversity of products made in the Romcarbon Group - from packaging processed from different polymers (POLYETHYLENE, POLYPROPYLENE, POLYSTYRENE, PET) to breathing protection materials (gas masks and filter cartridges) and automotive and industrial filters - involves an equal divers supply chain. We have at Group level more than 1,500 suppliers of products, utilities and services, with important influence in our sustainability performance. Continuous evaluation and improvement are necessary, and the Supplier Management System helps us organize and optimize the procurement process, the results leaving their mark on our entire activity.

The Group's purchases for current activity were directed in 2022, as major groups, to: basic raw materials and other materials, utilities, spare parts, services.

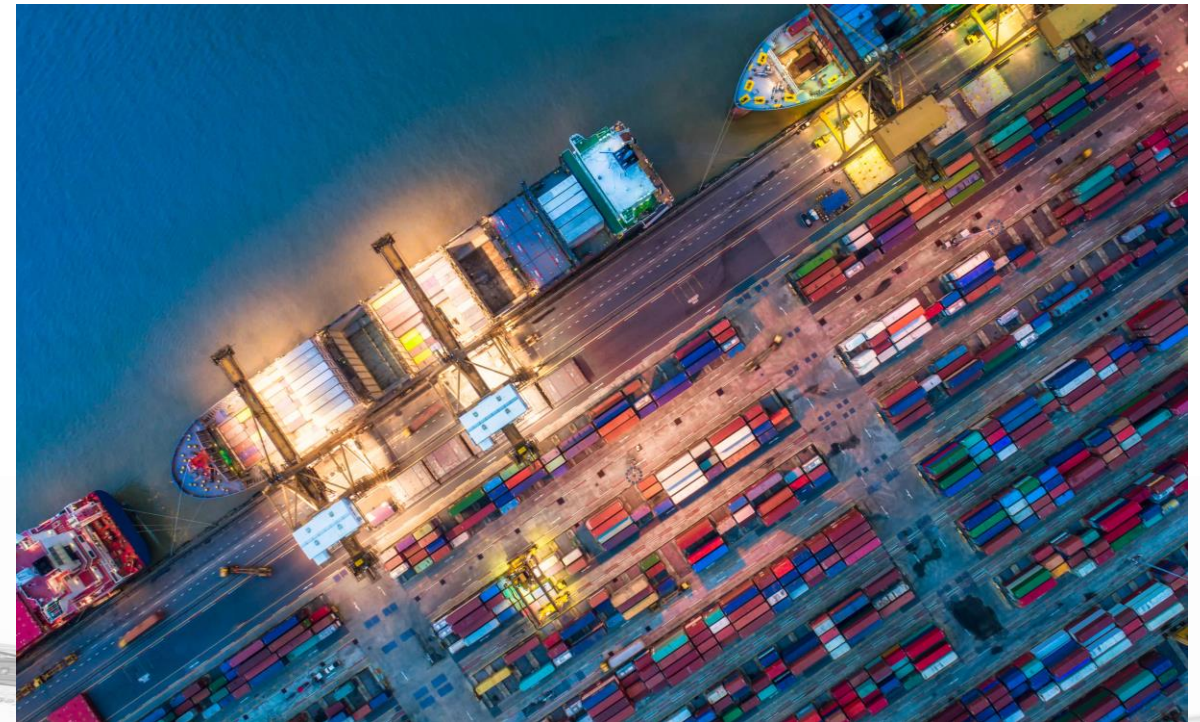
In 2022, as a proportion of the total value, purchases at Group level were structured in: 81% materials, 9% utilities, 9% services, with the following breakdowns for each of the companies: Romcarbon 79% materials, 9% services, 12% utilities and Livingjumbo: 87% materials, 7% services and 6% utilities. For both companies, significant increases in utility prices (electricity, gas and water) led to an increase in the proportion of this type of expense in the total value of acquisition.

At Group level, in 2022 we purchased over 17,000 tons of polymers (6,200 tons of polypropylene, 3,200 tons of polyethylene, 2,600 tons of polystyrene, 5,800 tons of PET), used as basic raw materials for processing. We also purchased over 11,000 tons of waste for recycling and direct processing. We added to them other raw materials (additives, fillers, masterbatches, inks and thinners, rubber and metal components etc.), packaging materials (cardboard boxes and tubes, foils, pallets, tape, labels, etc.), auxiliary materials and consumables for production and for the other departments (laboratory materials, work and protective equipment

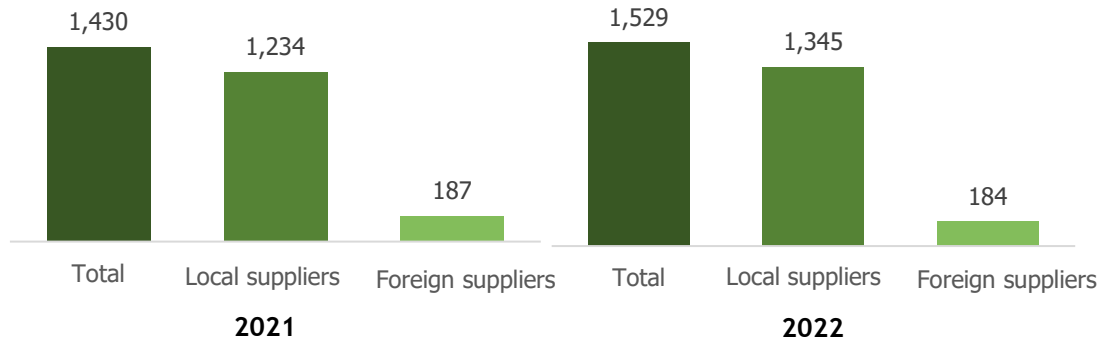
for employees, office supplies, etc.), spare parts, fuel for internal transportation, others. Regarding services, we collaborate with companies specialized in repairs and maintenance, installation operation, regulated verification and inspections, laboratory tests, IT, security, sanitation, etc. In the category of utilities providers are the suppliers of electricity, gas and water (including wastewater discharge).

The number of suppliers from whom we purchased in 2022 increased by 10% compared to 2021 in Romcarbon, the situation being different regarding their distribution: the number of local suppliers (from Romania) increased by 11%, while the number of foreign suppliers decreased by 7% (we note that the data for 2021 have been adjusted, as a result of the identification of a calculation error). Local suppliers represented 90% of the total number of suppliers, foreign ones covering the difference of 10%. As a share in the value of purchases, the local suppliers represented 75% of total.

In Livingjumbo we had a 7% lower number of suppliers than in 2022, the reduction mainly coming from local suppliers (-9%), while the number of foreign ones increased by 6%. Local suppliers represented 85% of the total number of suppliers, with foreign ones covering the difference of 15%. As a share in the value of purchases, local suppliers represented 29% of total purchases.



The supply chain of Romcarbon Group



Local suppliers

In 2022, at the group level, local suppliers represented 88% of the total suppliers and 62% of the purchase value, external acquisitions being necessary for raw materials and/or spare parts, for which local sources are not available.

Proportion of expenses with local and foreign suppliers for Romcarbon Group in 2022



Specific changes in the supply chain in 2022

After a year 2021 with maximum challenges, incomparable to any previous year regarding the availability and prices of raw materials and other materials necessary for our activity, against the background of the pandemic waves' effects, difficulties and blockages in international transport, the year 2022, even if it brought a certain mitigating of the problems, continued in insecurity induced by the geopolitical conflict.

For polymers, on a somewhat more reasonable availability background than the previous year, prices had a certain stability over longer periods of time, even if at high levels. For Polyethylene and Polypropylene - polymers used in both production companies of the Group, in the second part of the year (especially since September), prices have decreased significantly, to levels closer to "normal". The price for polystyrene remained at a high level throughout 2022. For PET, the basic raw material used in Livingjumbo, the situation was different in 2022. For the virgin

version, since January the price increased by more than 30% compared to December 2021, with further increases in the summer, when it reached up to 50% above the price of the previous year's end. It was positive that for PET flakes, which in the previous year were almost absent from the company's purchases because of lack of availability and the high cost of maritime transport, purchases resumed in 2022. Even if the prices followed the trends for the virgin material, we benefited from a lower level and, above all, from the possibility of using recycled material in our production.

Continuous adaptation to the conditions of uncertainty in the market was also the watchword in 2022 in the procurement activity. For certain materials it was necessary to look for alternative suppliers, who will ensure good quality, delivery on time and price, that will allow us to stay in the market with our products. Close relationships with our core suppliers, our fairness in purchasing and payments have been very important in keeping them with us.

Supply chain policies and procedures

The purchasing policy and procedures of Romcarbon Group companies are regulated by the quality (SR EN ISO 9001), environment (SR EN ISO 14001) and occupational health and safety (ISO 45001: 2018) standards, which impose the general conditions for the evaluation of all suppliers, ensuring the quality of purchased products and services, the conformation of products and services in legal regulations and standards, their safety in use for employees, customers, the environment. The structures responsible for carrying out the purchasing activity in the group companies are the Procurement-Logistic Department, respectively the Import-Export

Office, the form of organization and the number of employee being adapted to the specifics of each. These structures ensure the supply of all necessary materials, procurement activities being carried out in accordance with specific procedures.

The Procurement-Logistics Department permanently informs sectors and managers about the availability of materials in the market and about the evolution of prices, for fast decisions, for adaptation in real time. The supply requirement sent by the production sectors and/or other departments is approved at the level of sections/departments head and Profit Center Manager, only after checking the stocks, in correlation with the planned production activity.

Safety stocks are established/set in the ERP system, sized and periodically updated, taking into account changes in the market, both to avoid the risk of any stoppage in production, and to avoid unnecessarily blocking financial resources. Issuing, approval and transmission of supply requirements is done through the company's ERP system, ensuring real-time visibility, verification and approval. Purchasing agents, specialized in product types and groups, send requests to accepted suppliers, informing the departments involved about the received offers and analyzing together with them the technical aspects, price, delivery terms and any other element necessary for decision. For new products or alternatives to existing materials, the technical-financial analysis is doubled by production tests.

After the purchase decision, is launched the order to the supplier, this document also being initiated and approved in the ERP system.



An order approval/sign-off matrix is implemented by department, product, value, with responsibilities up to top management level. Purchasing agents track the order confirmation, delivery, goods receipt, closing the purchase cycle by registering in the same ERP system.

An important part of the procurement activity is the identification of alternative suppliers for each material, especially for basic raw materials for which a safety level of quantity is important.

To ensure deliveries, the Transport Office organizes transport using an outsourced system both for purchases under ex-works/FCA delivery conditions, and for deliveries of our finished products to customers. The following aspects are pursued: the efficiency of transports, the provision of round-trip journeys, the delivery on time and the assurance that the goods arrive in good conditions at the destination, the selection of the shippers taking into account all these criteria.



Evaluation of suppliers

In establishing the business relationship with the Suppliers, a mandatory and important stage is their evaluation. The analysis, based on a questionnaire, takes into account the general information, field of activity, capacity, financial data, system and/or product certifications, authorizations, accreditations, certifications required by the legislation in force, information about the quality management system, of the environment, of health and safety at work, the information about the documents provided for the delivered products (Declarations of Conformity/Declaration of food contact and Certificate of Guarantee, as applicable; CE Certificate of Conformity; Technical data sheets/ product specifications; Storage instructions, handling, transport, use of products; Analysis Bulletins/ Test Reports); information on compliance with legal requirements regarding environmental protection, health and safety at work and human rights; how to evaluate complaints and reports on non-conformities found.

The selected suppliers are registered in the "List of accepted suppliers". The evaluation is done for each new supplier, and annually, the accepted suppliers are re-evaluated, also considering criteria related to price, compliance with delivery terms, compliance with the quality of the products, response to any complaints, payment term, method of communication. **For year 2022, 465 suppliers were evaluated (355 suppliers in 2021).**



According to our Sustainability Strategy for 2022 - 2030, 100% of our relevant suppliers (with turnover > 50.000 eur/year) will be evaluated until 2025 from environment impact perspective.

Materials used for production and packaging of our products and services

Material used (t)	2020	2021	2022
Romcarbon	24,202	27,367	25,800
Livingjumbo	13,457	14,174	13,682
Total	37,659	41,541	39,482

Proportion of expenses with local and foreign suppliers

Proportion of expenses		2020	2021	2022
Romcarbon	Local suppliers	70%	70%	75%
	Foreign suppliers	30%	30%	25%
Livingjumbo	Local suppliers	74%	76%	60%
	Foreign suppliers	26%	24%	40%

Supplier's Ethics and Conduct Code

To ensure that the values and ethical principles that underlie our activity are shared by suppliers we collaborate with, we have developed the Supplier's Ethics and Conduct Code.

As a reflection of Supplier's Ethics and Conduct Code, its provisions set up the minimum requirements and expectations, which are not negotiable, regarding the current and future supplier of goods and services, subcontractors, consultants. We expect suppliers to understand, share and adhere to the principles of this code governing business ethics. The Supplier's Ethics and Conduct Code can be accessed at this link: <https://www.romcarbon.com/wp-content/uploads/2022/06/CODUL-DE-ETICA-SI-CONDUITA-AL-FURNIZORILOR.-CODE-OF-ETHICS-AND-CONDUCT-OF-SUPPLIERS.pdf>

Starting 2022 until the date of this report, the Supplier's Ethics and Conduct Code has been sent to 176 suppliers in order to adhere to it.



Customer management

Our products are addressed to customers who work in various industries, Romcarbon SA being a traditional plastics processor. With 70 years of experience in processing polymers (polyethylene, polypropylene, PVC and polystyrene), and 10 years of recycling, Romcarbon is a recognized brand on the Romanian and European market.



We have the necessary know-how to obtain products that satisfy all the requirements and expectations of our customers, with whom we have built a relationship based on mutual trust.

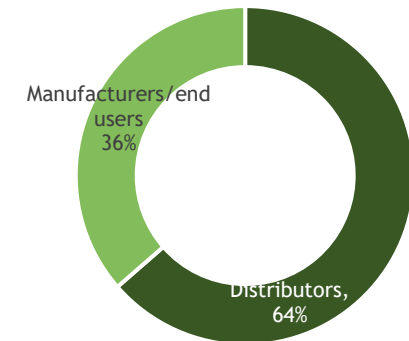
We offer our customers safety and confidence in our products, and as proof their degree of satisfaction is constantly high.

We constantly monitor customer satisfaction, to whom we offer the best products and services in the field, adapted to their requirements.

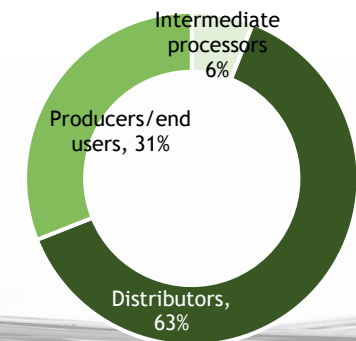


The majority of Romcarbon Group's customers are legal entities, and a smaller proportion of sales are directed to individuals, both directly and through distributors.

Top 20 in total Romcarbon finished product sales



Top 20 in total Livingjumbo finished product sales



Policies and procedures for customer relationship management

Within Romcarbon and Livingjumbo procedures are implemented that establish the principles, methods of verification and registration of the activity undertaken regarding: the sale of products; delivery process of finished product, which ensures compliance with the delivery conditions specified in the order/contract; customer satisfaction assessment.

The Sales Offices (the sales teams of each Profit Center) manage the customer relationship. Each Profit Center has its own Sales Office which is also responsible for planning deliveries to our customers.

Any order/contract/offer is processed, depending on the specific requirements of the requested products and the working method agreed with the customers. In this regard, product requirements include, but are not limited to :

- the requirements specified by the customers, including the requirements related to delivery and post-delivery activities;
- requirements not specified by the customer but necessary for the specified or intended use when known;
- legal and regulatory requirements applicable to the product (these also include applicable government safety and environmental regulations that apply to the sourcing, storage, handling, recycling, disposal or decommissioning of materials)

- any other additional requirements deemed necessary.

Product requirements may be expressed by the customer in a request for quotation, order and/or contract.

Orders for new products or with changes to those usually made, are subject to an analysis to understand what is the best solution.

In this sense, the Sales Manager documents the analysis in which representatives from all involved sectors (Production, Technical, Internal Prevention Service, Protection & Environment, Legal, etc.) participate. For efficiency, the analysis can be done on paper and/or electronically.

We are flexible to our customers' requests and respond promptly to all their requirements.

We constantly comply with all applicable legal requirements to provide our customers with products that are safe in terms of safety and security as well as food safety.

The products that are used as food packaging are tested with regard to the global migration of components according to EU Regulation no. 10/2011 and subsequent amendments, as well as for heavy metals and aromatic amines at accredited external laboratories.

We also microbiologically test products used as food packaging to deliver safe products to customers.

For individual respiratory protection equipment

(masks, gas filters) we carry out all the tests according to the standards in force (EN 136/1998, EN 14387/2004 +A1/ 2008, etc.) both in our own laboratory and in accredited external laboratories.

To ensure operational safety as well as the safety and health of the end user, all personal respiratory protection equipment (masks) are tested for:

- Skin compatibility;
- Tightness;
- Respiratory resistance;
- The CO2 content of inspired air;
- Others.

Gas filters are tested for:

- Tightness;
- Inspiratory resistance;
- The ability to protect against industrial damage.

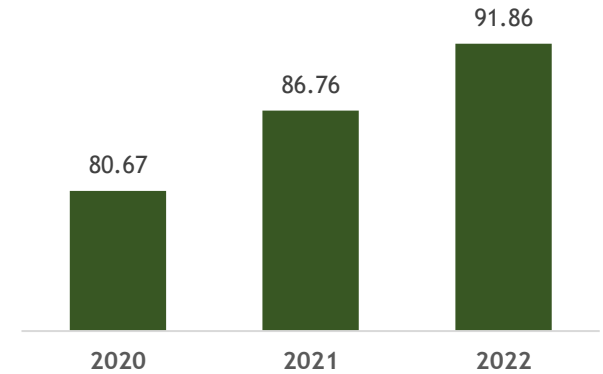
The filters and filter elements produced and sold by us are tested according to the standards in force both in our own laboratory and in accredited external laboratories. We carry out tests both regarding the quality of the filter material and regarding:

- The tightness of the product;
- Pressure resistance;
- Filtration efficiency;
- Others.

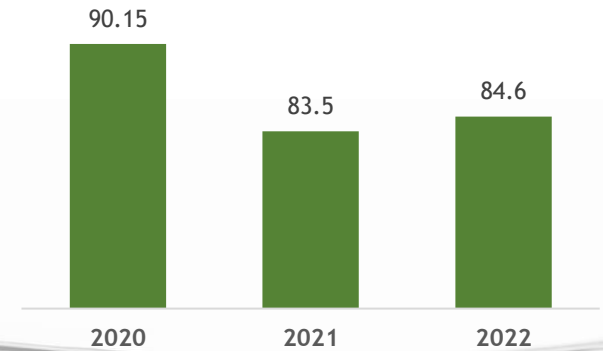
Because they are produced in a regulated field, being approved by ARER (railroad filters) and RAR (automotive filters), they are also permanently tested in accredited external laboratories. All our products that can have impact on safety and health were rated 100%

In 2022, similar to previous years, we had no incidents of non-compliance with regulations that resulted in a fine, penalty and/or warning regarding the impact on the health and safety of the products and services offered by us.

Customer satisfaction level – Romcarbon (%)



Customer satisfaction level- Livingjumbo (%)



Customer satisfaction

Customer satisfaction information is collected on an ongoing basis. The evaluation of customer satisfaction is carried out by using evaluation questionnaires.

It is preferable to carry out this assessment also during visits to customers, as much as possible through discussions with the end user of the product.

To facilitate the process of evaluating customer satisfaction in the year 2022, the questionnaire used has been improved and customers can access it online at the link:

https://forms.office.com/Pages/ResponsePage.aspx?id=a9h82jcgxUGf_hwBBob_GO_vWUYTf0xDp5gpbDTf3MtUNEtZMUg3VUNLODhTTjNHRFZXT1VNQU8xMi4u&lang=ro

The collection of answers is done automatically and their processing is carried out by each Sales Office using also the feedback received from the customer in other ways.

The preparation of the Annual Report on the results of the evaluation of customer satisfaction is carried out using:

- information obtained from questionnaires completed by customers;
- direct communication with the customer;
- data from the customer regarding the quality of the delivered products;
- compliments received from customers;
- Complaints received from customers;
- damages/discounts requested by customers;
- information related to invoices.

As can be seen in the graphs presented, the degree of

customer satisfaction increased in the reporting year. In the case of Livingjumbo, the increase and diversification of the range of products sold, as well as the adaptation of the recipes used to customers requirements, also led to an increase in the number of complaints.

Customer health and safety

For the safety of customers, products in regulated areas, namely filters and individual respiratory protection equipment, are marked and inscribed according to legal requirements with all the data necessary for strict identification.

Plastic packaging products are marked with international recycling symbols to facilitate their selective collection by end users.

100% of our products comply with labeling requirements

With regard to the content of the product, especially substances that could produce an environmental and/or social impact, the safe use and disposal of the product, for full transparency and the correct information of customers and end users, all our products are necessarily accompanied by :

- batch declarations of conformity;
- "food contact" declarations for products used as food packaging;
- technical sheets (if applicable)
- analysis bulletins for products (at the customer's request);
- instructions for use (for products in regulated areas);
- safety data sheets (if applicable).



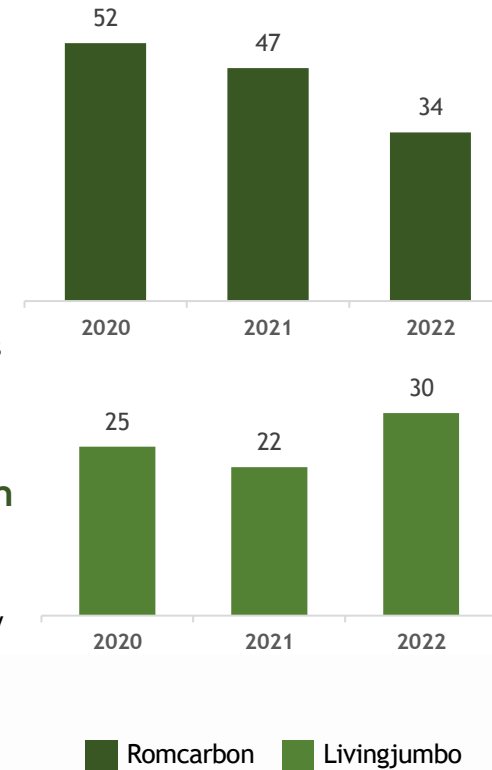
In 2022, we didn't have non-conformities in terms of marking and/or labeling of products, nor in terms of the content of the accompanying documentation.

100% of our products comply with legal requirements

We continuously promote a fair and responsible marketing policy, we communicate transparently about the economic, environmental and social impact of our products and services.

Our marketing communications, including advertising, promotion and sponsorship, do not take advantage of customers' lack of knowledge or choice, so we had no complaints, referrals or warnings in this regard during the reporting year.

Number of complaints received





In addition to the educational programmes we have for our employees, we continuously increase our customers' awareness on the topic of waste separation by marking special waste recycling codes on each of our products.

For sectors that produce packaging that can be used in the food industry, we realize and analyze the risks that may arise as a result of the presence of threats and vulnerabilities for all raw materials/materials or groups of raw materials/materials, to assess the potential risk of fraud. Hazards relevant to food safety are those hazards that can be transferred directly or indirectly to food through the use of the products and/or services provided and thus have the potential to cause a negative effect on human health.


In 2022 we received no complaints regarding the fact that our products would have harmed the health and safety of customers, would have caused incidents and/or accidents of any kind, similar to the years 2021 and 2020.

Privacy of customer data

In order to ensure the confidentiality of customer data, we have implemented specific policies regarding the protection of personal data both in terms of suppliers and in terms of our customers. The platform we have implemented, Microsoft 365 Business, provides tools that ensure the protection and confidentiality of the data in the IT system.

We have GDPR policies and procedures in place regarding the protection of personal data and all our employees are trained in their application.

During the year 2022 for which we are reporting, we did not receive any complaints, claims or notifications in connection with the confidentiality of our partners' data (customers, suppliers, employees, etc.) and there were no incidents of confidential data leaks.

Target	2022 Stage
 Ensuring a satisfaction level of relevant customers above 85%	Romcarbon = 91.86 % Livingjumbo = 84.6%



Research and development



The technical-investment activity carried out by the Technical-Investment Department in collaboration with the internal departments involved and with the agreed service providers included :

- certification and recertification of regulated products in accordance with national and European legislation;
- In 2022, the following certifications were extended :
- within the Filters and Individual Protection Equipment Workshop: air filter, oil; locomotive filters; automotive (8 certifications); gas mask (1 certification) and filter cartridges (9 certifications);
 - in the PS sector: extension of the technical agreement and technical approval for XPS foils for parquet installation, which included

XPS rolls intended for underfloor heating.

- in the recycling sector: extension of EuCertPlast certification, certification whose purpose is to recognize the company as a recycler that complies with the standards imposed in the field;
- Annual obtaining of the Health Certificate for extruded polystyrene packaging required for export to non-EU countries;
- contracting new technological equipment in order to increase labor productivity and product quality (plastic recycling line for LDPE and PP waste, XPS laminated board manufacturing line together with board packaging machine, bag conversion line);
- updating the technical, technological and control documentation for products from the polystyrene, polyethylene sector,

plastic materials recycling, protective equipment.

The costs related to the research-development activity in 2022 were 651,086 lei, and for 2023 they were estimated at a level of 866,640 lei.



New products developed in 2022

The technical and investment activity was directed at new products and technologies in parallel with the growth of the offered product portfolio.

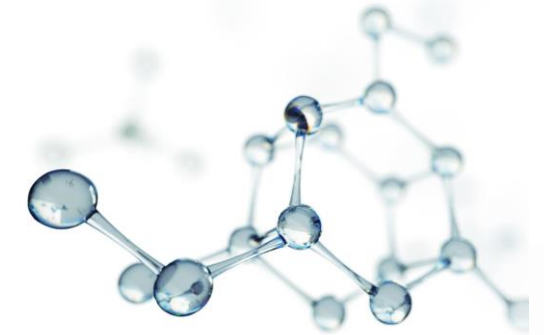
In 2022, we expanded the range of filters with 4 new items (3 automotive and 1 industrial) as well as with 21 redesigned items of which 17 automotive filters, 4 industrial filters. Were developed 153 new compound products from recyclable plastic fractions, which included optimization in order to reduce the cost and make the use of raw materials more efficient. The products were sent to the beneficiaries for testing, validation and use (2,140 tons).

XPS rollers for installation under parquet, intended for underfloor heating, have been assimilated into production.

We have started the preparation regarding the assimilation of XPS laminated boards with aluminized boPET film, intended for insulating the floor both thermally and from the point of view of humidity, and meeting the conditions of the EN 1635 standard.

In accordance with the European circular economy, which foresees the increase of the introduction of recycled material in plastic products, in the polyethylene sector the production and assimilation of products with recycled content continued, their proportion in production reaching ~ 65%.

The type-dimensional range of polypropylene woven packaging was expanded with 180 new products.



**GREENER. MORE INVOLVED
FOR ENVIRONMENT.**



Waste Management and Promoting the Circular Economy

As a plastic materials processor, from the very beginning we have considered recycling as a duty to society and the environment, being a promoter of the circular economy. The impact our activity and products can have on the environment is controlled and reduced by our involvement in waste management, by our actions as a recycler, by using a significant proportion of recycled material in our products.

We are committed to identifying concrete solutions that can contribute to improving our waste management performance, but also to reducing the impact that plastic products have on the environment.

In accordance with the legal regulations in the field of waste, the organization and implementation of waste management is a mature part of the Romcarbon Group's activity, internally regulated by specific procedures. Each sector has clear responsibilities for tracking the generated waste, for recording and reporting it internally, for sorting and directing it to its own specific storage places.

Romcarbon generates, in the two major sectors of activity - plastic materials processing and recycling - technological and sorting waste, along with packaging waste, waste resulting from the use of forklifts, equipment maintenance, disassembly, etc., traceability and reporting to authority being assured.

The group companies recover on site, in the recycling sector, a large part of the plastic waste, meaning the waste from the packaging of the supplied raw materials and

the technological plastic waste from our production.

For wood wastes, recovery is done by a specific pallet repair/refurbishment workshop, trying to reduce this type of waste as much as possible.

In 2022 we reconditioned 2,420 pallets, assuring a saving of approx. 48 tons of wood.

In Romcarbon Group, in processing sectors, we processed in 2022 over 16,000 tons of virgin polymers (polypropylene, polyethylene, polystyrene, PET). These, together with other raw materials and additives, were mostly transformed in packaging for the food, agriculture, chemical, constructions and other industries. We have included in our production recipes approx. 7,300 tons of recycled material (4,432 tons in Romcarbon and 2,881 tons in Livingjumbo), in different forms: grindings,

Input of recycled materials in our production processes

Input of recycled materials	2020	2021	2022
Romcarbon	28%	31%	35%
Livingjumbo	31%	17%	21%

flakes, regranulated, 9.8% more than in 2021.

In Romcarbon, in 2022 the proportion of recycled materials used for production in the plastic processing sectors increased to 35% (2020 - 28%; 2021 - 31%): out of a total of 12,530 tons of basic materials used for production, 4,432 tons were recycled materials. The total increase, in total basic materials, of the recycled material share, compared to 2021, was mainly due to the Polyethylene Processing Sector, 57.17%, (compared to 43.27% in 2021 and 38.64% in 2020), in the other sectors maintaining the proportions already ensured: Polystyrene Processing Sector, 29.44%, Polypropylene Processing Sector, 1.06%, PVC Processing Sector, 93.6% (with the mention that in the PVC supports workshop the raw material was 100% recycled, the proportion at the sector level being an average, including the production of PVC pipe for own use).

We use recycled raw materials in the company's own sectors, supplemented by purchases of re-granulated PE and PVC grinding from third parties, to the extent that they have the necessary quality to make compliant products.

Romcarbon's Sector of Recycling-Compounds is specialized in processing plastic waste collected from the market, the resulting materials, mostly in the form of regranulated, being raw material for our other production lines and for processors in various industries (automotive, construction, plastic processing, others).

In 2022, out of the total amount of raw materials consumed in this sector, including the production of compounds, 93% represented recycled material, of which 85% was waste, and 8% other recycled materials (grindings and regranulated).



In Livingjumbo, amid easing international logistics issues, purchases of PET flakes have returned to a level closer to normal, ensuring an increase to 34% of the recycled material share, in total materials for production of the PET Sector, compared to almost 27% in 2021. In the Polypropylene processing sector, the share of recycled material was 2.9%, being limited by the equipment capacity of production in processing recycled materials. Company-wide, recycled material represented 21% of the total, up from 17.1% in 2021.

Our concern for replacing as much virgin raw materials as possible translates into the search for solutions to increase the equipment capacity and products to incorporate recycled material, to expand the sources of purchasing waste and recycled granules, in testing and assimilation in production of materials from several suppliers.

In the sectors where the capacity to absorb recycled material is reduced - for objective reasons, primarily related to the production equipment - we have investment plans to renew the extrusion capacity with new machines, designed specifically for this purpose. These are complex projects that will maximize the advantage of the simultaneous presence in our group of the recycling and plastic processing sectors.

Another way to participate in the development of the circular economy is through Romcarbon products that are directly addressed to the field of separate collection of waste from individual households, especially through "yellow" bags (associated with plastic-metal collection), "blue" bags (associated with paper-cardboard) and "green" bags (associated with

glass collection) delivered either directly to sanitation companies, or through Intercommunity Development Associations. More than 12 million such bags delivered in 2022, an increase of more than 65% compared to the previous year, bring an advantage both in terms of the increase in turnover, but also as evidence of the increase in concern regarding waste separation at the national level. We produce bags from biodegradable materials, providing part of the domestic market's consumption of such packaging. Our products are certified "OK Compost Home" and "OK Compost Industrial", according to EN 13432, by TÜV Austria.



In Livingjumbo, in the Polypropylene sector, we produce one of the most efficient types of packaging: flexible "big-bags" (FIBC), used for packaging of bulk products, in large quantities, up to 2 tons of material/bag weighing between 1 and 3.5 kg. They are widely used in the world, being intended for agriculture (cereal packaging), chemical industries (especially fertilizers), food (sugar, salt, etc.), recycling (construction waste, glass waste, etc.), the waste being recyclable. We delivered in 2022 over 3.4 million pieces, up 9.7% compared to 2021 deliveries, 54% on the domestic market and 46% on export.

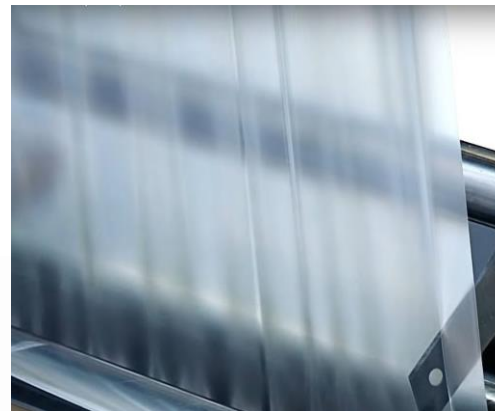
As in the polypropylene processing sector of Romcarbon, here too we are studying solutions for integrating a higher quantity of recycled material into the finished product, without affecting the quality and strength of

the yarn and of fabric, the basic characteristics that give the bag strength.

In PET sector, we produce PET rigid films and casseroles, and flexible barrier films for food packaging, assuring a high safety level for packaged products and extension of shelf life, conditions for reduction of food waste and, implicitly, of resources.

The equipment for production of 3-layers coextruded rigid PET film are designed to work on the middle layer predominantly with recycled material - flakes and grinded PET - protected by external layers of virgin PET and, for a part of casseroles thermoformed from the respective foil, by lamination film.

We used in production in 2022 over 2,800 tons of recycled materials, with 25% more than in 2021.



PET foil waste is recyclable, including for laminated PET, recovery solutions being identified (for injected or synthetic fiber products).

In accordance with EU Commission Regulation 2022/1616 of September 15, 2022, on recycled plastic materials and objects intended to come in contact with food, the economic operators who place them on the market must comply with appropriate recycling technologies. To this end, in October 2022, Livingjumbo become a member of PETCORE EUROPE, the non-profit association through which steps are taken to establish the technologies to obtain films and casseroles from PET that use functional barrier as suitable for use in contact with food.



Livingjumbo is part of the "Functional Barrier Task Force", taking the following necessary steps in the first quarter of 2023: at the individual level - registration as a recycler using this technology in the European Union Register and at the national level - registration at the National Institute of Public Health, and notification to EFSA (European Food Safety Authority), through PETCORE EUROPE.

Policies and procedures for waste management

Waste management is carried out in accordance with the Environmental Management System implemented in the Group's companies, through the internal policy and procedures in the field, in accordance with the legislation in force, with the provisions of the environmental authorization and with our vision. In our applied waste policy, we consider REDUCTION and INTERNAL REUSE to be of major importance.



We purchase and process significant quantities of raw materials. REDUCTION of waste generated in production must be considered from the purchase stage, through the selection of suitable raw materials, the careful testing of new varieties. It is not an easy task, considering what has happened in the polymer market in recent years, their availability being limited at certain times, not to mention the price level. Moreover, it is necessary to have alternatives of raw materials for any unforeseen situation, the selection criteria being: processability, constant quality and reduction of the amount of waste generated by a shorter time to enter the normal parameters when starting the machines and/or to assortment change during production.

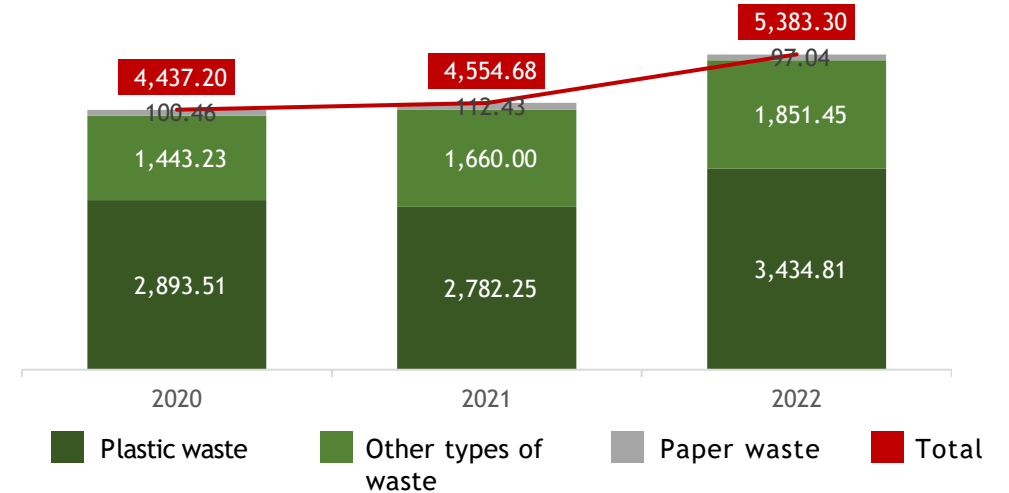
In production, the continuous monitoring of the technological waste generated, by measuring/weighing and recording for each machine, offers the possibility of identifying the places where the accepted level of generated waste is exceeded. In such cases, the causes are analyzed immediately, concrete measures are applied, which may mean interventions on the machine, changes in the recipe, training of the employees.

Organizing production, establishing minimum orders for each assortment, reducing and strictly scheduling assortment changes are ways to make the process more efficient and minimize consumption and waste.

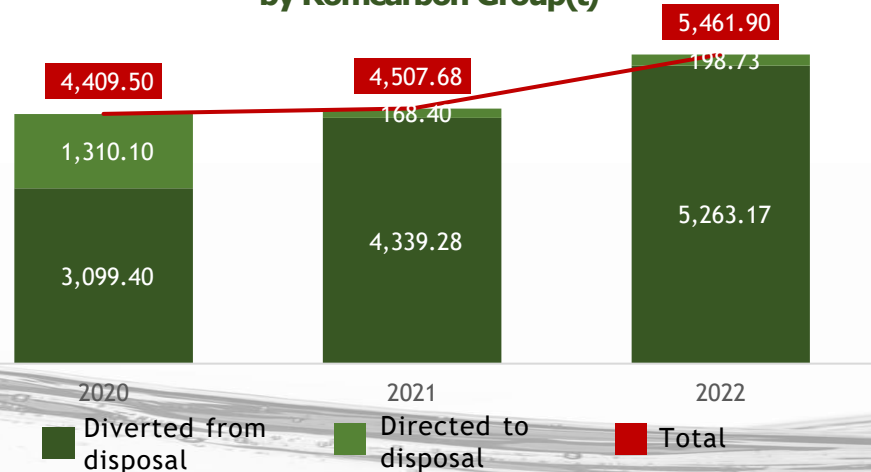
In Romcarbon, the amount of technological waste generated in production in 2022 was reduced by 2.06% compared to 2021, based on significant reductions in the Polyethylene - 34.57% and Polypropylene - 6.96% sectors. In Livingjumbo, in 2022 the reduction in the quantity of technological waste resulting from production was, in total, of 9.5%, compared to 2021, resulting from a 12.6% reduction in the Polypropylene sector and a 5.9% reduction in the PET sector.

The internal REUSE of a large proportion of the technologic plastic waste is achieved by grinding and/or re-granulation in the generating sectors (PE, PP), but being greatly facilitated by the presence of the Romcarbon Recycling sector, which regranulates the waste, returning it under this form in the processing sectors (PE, PP). In 2022, in Romcarbon we reused 1,663 tons of our own waste in the plastic material processing sectors, and in Livingjumbo 1,256 tons.

Non-hazardous waste generated in Romcarbon Group (t)



Non-hazardous waste diverted from disposal by Romcarbon Group(t)



The quantities of waste generated and reused are important points in the analysis of profit center results, performed by management monthly, quarterly and annually.

We classify the generated waste, we ensure waste management records for each type, we keep chronological records of the type, nature, origin of waste, recovery and disposal operations through authorized economic agents, we report to the authorized environmental authorities, in accordance with the environmental legislation in force.

We ensure the separated collection of waste that cannot be reused internally, including the fractions of waste assimilated to household waste: plastic, PET, paper-cardboard, metal, glass, these being handed over for recovery to authorized companies with whom we have signed contracts for this purpose.

The storage of waste is done in specially arranged places so as not to affect the environment, properly delimited and marked, in conditions where it does not affect the health of the employees.

The waste of plastic materials taken by Romcarbon from the market for recycling are stored by category, on a platform of over 7,000 m², specially arranged for this purpose. Purchases of waste for recycling are made in compliance with the traceability rules established by the authorities in the field of waste purchases and transport from internal and external sources, Romcarbon being registered in the SIATD system (Informative

System for Waste Traceability Assurance). Through internal and external audits, we ensure that waste management policy and procedures are properly followed and implemented.

In this sense, we evaluate, through internal audits:

- The manner of fulfilling the obligations resulting from the Integrated Management System in terms of its effectiveness and compliance with the requirements of the reference standards transposed in the implemented documented procedures;
- whether the Integrated Management System still meets the applicable legal, regulatory and contractual requirements;
- continuity of operational control.

External audits are carried out by certification authorities, customers and public authorities. The audits are carried out by certification authorities SRAC Romania for Romcarbon and RINA SIMTEX for Livingjumbo and have the following objectives:

- assessment of the compliance and effectiveness of the Integrated Management System with the requirements of the reference standards;
- identifying areas for potential improvement of the Integrated Management System.





Following the audits/controls, programs of measures with actions, responsible persons and deadlines are established.

Following the audits/controls carried out in 2022 by SRAC Romania and RINA SIMTEX, no non-conformities or opportunities for improvement on environmental aspects were reported.

Transfer of responsibility

In order to achieve the targets provided by law regarding the recycling and market, Romcarbon and Livingjumbo have transferred the responsibility of collection and recycling to an organization OIREP (Organizations for implementing the Obligations regarding the Extended Responsibility of Producers). The responsibility refers to all types of packaging: Plastic/PET, paper/cardboard, metal and wood, and at the end of each year we receive the report on the achievement of the objectives. In this respect, the recovery target set by Law 249/2015 of 60% has been met through organisations implementing extended producer responsibility (OIREP).

At Romcarbon level, in 2022 the transfer of responsibility was made for 666.5 tons of packaging. At the Livingjumbo level, in 2022 the transfer of responsibility was made for 625 tons of packaging waste.

	Target	2022 Stage
	Increasing the degree of recycled materials use in the traditional plastic processing activity until 2030 - to reach 35% of the total raw materials).	Romcarbon = 35% Livingjumbo = 21%
	15% increase in the production of recycled polymers by 2025	Romcarbon = -12%
	Reduction of the amount of technologic waste generated/total amount of production obtained (in tons) = 2%	Romcarbon = -2,06% Livingjumbo = -9,5%
	At least 2 partnerships established to promote the circular economy in the value chain	



Energy Management

In the international climatic, economic and geo-political context of 2022, with an unstable energy market and prices unimaginable until now, we, like the other companies, faced a new situation without precedent. With a consumption of over 3,000 MWh/month, Romcarbon Group has prioritized the measures to make the use of all forms of energy more efficient, the projects to reduce the amount of electricity used and dependence on an uncertain market.

Energy consumption in Romcarbon, in all its forms - electricity, gas, fuel - was 30,742 MWh in 2022, 9.56% below 2021 consumption. Livingjumbo also had a reduction in energy consumption, the level of 9,784 MWh from 2022, being 4.95% below that of 2021.

Electricity is the form of energy with the highest consumption, extrusion processes being the main consumer in our production. Romcarbon purchases high-voltage electricity that enters our 110 KV station and passes through the two transformer stations SR1 and SR2 (at 6 KV) to the 9 transformer points (0.4 KV) and then to the consumers. Part of the energy purchased by Romcarbon is successively supplied to Livingjumbo for the performance of its activities.

In Romcarbon, electricity consumption decreased to 26,600 MWh in 2022, 8.36% lower than 2021, and in Livingjumbo to 9,084 MWh in 2022, 4.12% below 2021 consumption.

The energy intensity (electricity consumption per ton of production) for the total plastics processing sectors in Romcarbon decreased by 3% in 2022 compared to 2021. The Compounds & Recycling sector had a 6% increase in energy intensity, determined by increase in

production of the share of materials with higher degree of sorting and processing, used in particular in the automotive sector, therefore the comparison with the level of 2021 is not relevant. The quantities processed by this sector, destined for the automotive industry, increased by 53% in 2022 compared to 2021.

In Livingjumbo, energy intensity decreased by 3.33% in 2022 compared to 2021.

Romcarbon purchases natural gas, used for heating the production and administrative spaces, the consumption of 2022 being 16% below the consumption of 2021.

Including for the fuel used for own means of transport, in 2022 there were decreases in consumption of 8.5% in Romcarbon and 6% in Livingjumbo.

Policies and procedures for energy management

In our management program, energy efficiency is regarded as one of the major priorities, translated into medium and long-term objectives. According to the regulations in force, Romcarbon performs periodic - every 4 years - energy audit, through specialized and authorized companies in the field. The energy audit reports contain clear solutions for reducing

consumption of energy, these being subsequently monitored, with annual reporting of implementation degree (the measures established and monitored by the Management Program are sent annually to the Ministry of Energy, Energy Efficiency Directorate, including the declaration and the energy analysis questionnaire). The next audit, on the entire energy profile, is scheduled for 2023.

MEASURE MONITOR REDUCE

Energy consumption is measured in the company's profit centers by meters installed in each sector.

In the summer of 2022, we installed an intelligent monitoring system for energy consumption on the Romcarbon Platform, a project that offers solutions for:

- control of how the main equipment, sections and technological processes use energy,
- accurate identification of electricity losses;

- identification of energy efficiency measures and the possibility of quantifying the impact of their application;
- increasing the visibility of the applied measures;
- good information at management level;
- correctly establishing the areas that require energy auditing;
- a substantiation of the investment requirement.

Were installed: measurement subsystems (85 new electrical meters equipped with communication port, network analyzers, humidity and CO2 sensors, OCR reading system for already existing meters), information transmission subsystems, which provide the interface between IT infrastructure and smart meters and subsystems for management of meter information, including data processing, generating and printing reports.

The individual counting of machines with the highest production consumption and the advantage of being able to view in real time, at any moment and remotely the evolution of energy consumption correlated with the production cycle, have provided top production management with an effective monitoring tool and simplifies the decision-making process.



Implementation of the intelligent monitoring system of energy consumption at level of ROMCARBON S.A. industrial platform aims to reduce the energy intensity by 3.00% until the end of the implementation period of the project, i.e., 5 years, to quantify the potential saving in energy consumption in the future and to avoid greenhouse gas emissions estimated at 406.66 tons of CO₂/year.

On the other hand, the correct operation of measuring devices and energy installations is monitored, ensuring this through firm contracts with service providers authorized in the field.

Operation, preventive maintenance and repairs for energy equipment are done based on contracts with authorized companies, in compliance with the technical specifications of the installations in operation. Through the maintenance plan for all the equipment, it is always aimed to bring them into parameters and to fit into the specific consumption, both material and energy.

We also act for reducing the consumption of electricity used for lighting. We continued the sectorization actions of local lighting on the technological and perimeter flow. In areas where it is possible and safe, lighting fixtures are connected to motion sensors, for use only when needed. During 2022, we replaced 127 classic lighting fixtures with LED fixtures.

Consumption of energy in Romcarbon

Category	UM	2020	2021	2022
Diesel	t	69.8	66.35	60.73
Electricity	MWh	35,847	38,695	35,868
Gas	MWh	4,389	4,984	4,125
Electricity sold	MWh	9,749	9,667	9,268
Thermal agent sold	MWh	874	906	709
Total	MWh	30.347	33.889	30.733

¹ Conversion factors: 1 m³ gas = 10.8 kwh; 1 ton Diesel = 1,015; 1 tep=11.63 MWh.

Consumption of energy in Livingjumbo Industry

Category	UM	2020	2021	2022
Diesel	t	17	15	14
Electricity	MWh	9,571	9,474	9,084
Thermal agent	MWh	576	641	532
Total	MWh	10,345	10,293	9,784

¹Livingjumbo purchase thermal agent.

² Conversion factors: 1 ton Diesel = 1,015 tep; 1 tep = 11.63 MWh

Energy intensity

Energy intensity	UM	2020	2021	2022
Romcarbon	MWh electricity consumed/ton of Production	1.31	1.32	1.33
Livingjumbo	MWh electricity consumed/ton of Production	0.83	0.80	0.78

¹In calculation of energy intensity we considered consumption of electricity, because the most of this consumption is used in production. The other utilities have not a direct contribution in production.



GREEN ENERGY

Our concern for environment and resources protection is also translated into Romcarbon's entry into GREEN ENERGY production field. In 2022, Romcarbon Group started producing green energy for self-consumption, by placing a photovoltaic solar system with installed capacity of 60 KW on one of the administrative buildings. This pilot project produced 69.18 MWh in 2022, bringing environmental benefits calculated as equivalent in emissions of 10.52 tons of CO₂. We are preparing our next steps in the production of green energy, through projects for installation of 1.4 MW electricity generating systems for our own use, using photovoltaic panels located on several buildings on the Romcarbon Platform. Estimated production of approx. 1.6 GWh per year will ensure a reduction in carbon emissions of over 1,000 tons annually.



Climate change



The effects of climate change cannot be ignored. The goals set will guide us in reducing our impact on the environment and, on the other hand, make us more resilient to the physical and transition risks arising from climate change.

As a plastic processor, we know very well what its effects are on the environment and especially its contribution to climate change. For this reason, we are constantly working to increase the quantity of recycled plastic used in making our products, to reduce energy consumption and, implicitly, to reduce greenhouse gas emissions.

The calculation of CO2 emissions per organization (Romcarbon and Livingjumbo) for Scope 1 and Scope 2 shows a reduction of 8.68% compared to 2021, from 7,069 tons of CO2 in 2021 to 6,456 tons in 2022 (calculation made on the basis of the methodology transmitted by The National Bank of Romania).

Scope 1 emissions, including emissions related to the consumption of natural gas used for heating and fuel used for the company's means of transport, decreased by 15.21%, from 1,217 tons in 2021 to 1,032 tons in 2022.

Scope 2 emissions, from the consumption of

electricity purchased from utility companies, were 7.32% below 2021, decreasing from 5,852.30 tons in 2021 to 5,423.97 tons in 2022. Note: the calculation used the specific emission factor of our electricity supplier, declared in the electricity label) for the year 2021, meaning: an emission factor (kgCO2e/kWh) 30% below the national average and radioactive waste (units/kWh) 88.7% below the country average, renewable

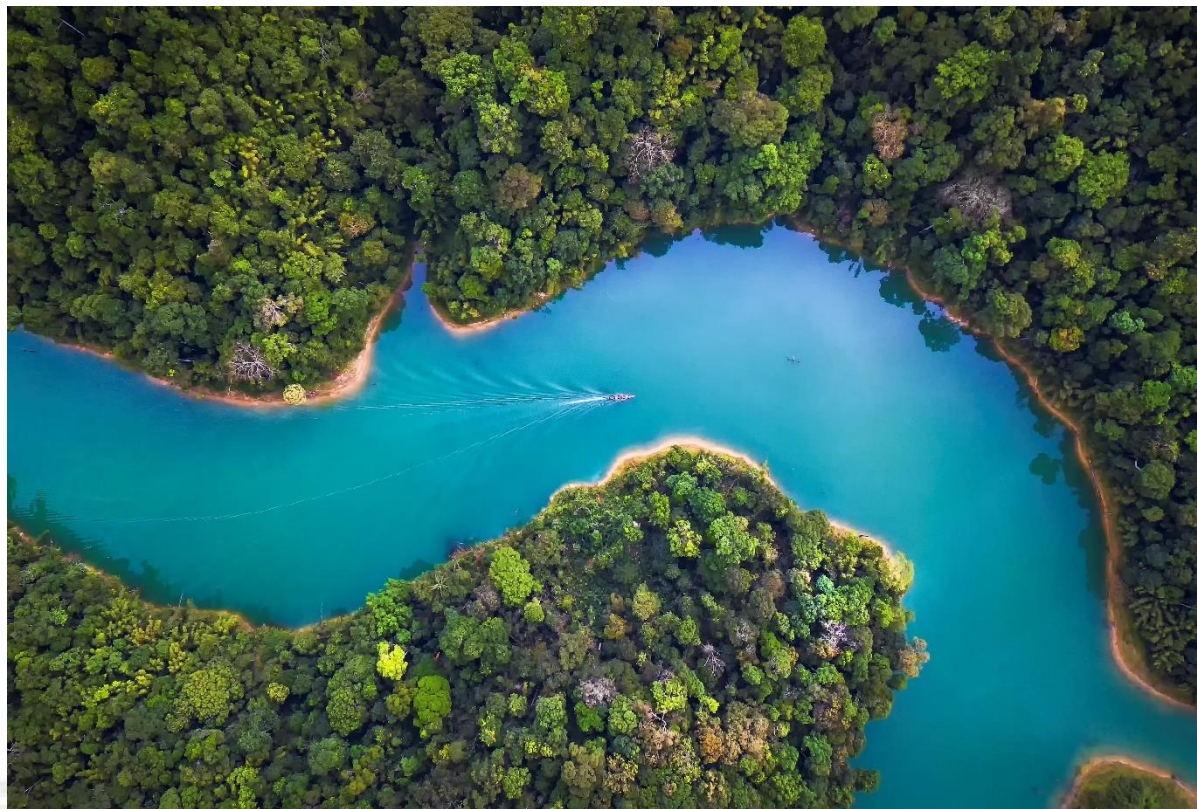
energy representing 63.85% of the total energy supplied to us.

On the other hand, at the end of 2022, Romcarbon initiated discussions and preparations for signing the contract and started prepare the documentation required by the Red Carbon Standard for the CO2 emission reduction certification process.

	Target	2022 Stage
🎯	3% reduction in specific quantitative energy consumption starting in 2024 as a result of improved energy management (baseline 2022)	-8%
🎯	Obtaining a minimum of 1,200 MWh/year of electricity from renewable sources	69 MWh
🎯	Reduction of annual water consumption in relation to production achieved in a percentage of 2% until 2025. (baseline 2021)	-6%
🎯	Calculation of direct GHG emissions of goal 1 until 2024 and determination of subsequent actions and investments to reduce GHG emissions	Accomplished
🎯	Identifying and prioritizing by 2030 significant climate risks and vulnerabilities and strengthening the capacity to respond to them.	In analysis

Water Management

Vital resource, the water must not be wasted! In our environmental protection strategy, an important chapter is the judicious management of water resources and the reduction of consumption to the strictly necessary.



Romcarbon is supplied with water from underground sources: three drilled wells with its own pumping station with a volume of 1,280 thousand m³ annually, which transport water into two underground tanks of reinforced concrete with a volume of 500 m³ each and a water castle with a volume of 100 m³, from where it is distributed to consumption points. Distribution is achieved by gravity and pumping. Before entering the storage tanks, a water chlorination station is provided, authorized by the Buzău Public Health Directorate.

Wastewater collection on Romcarbon platform is carried out via three sewer networks:

- > The collection network for household wastewater and technological water that requires purification;
- > The technological water collection network used for cooling, which does not require purification;
- > Rainwater collection network,

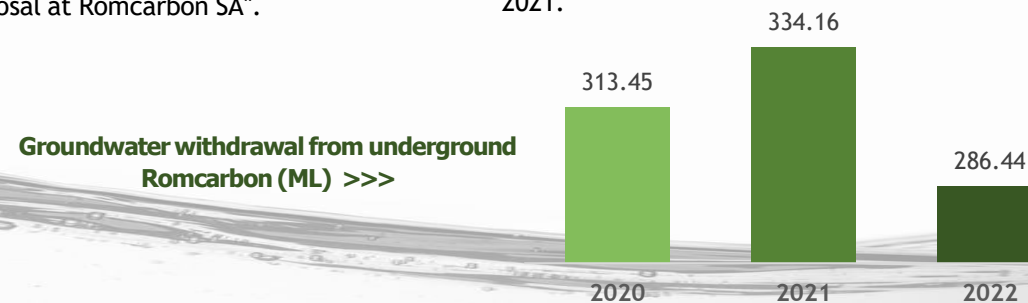
Water management is carried out in accordance with Water Management Authorization no. 107/10.06.2022, issued by the "APELE ROMANE" National Administration, the Buzău-Ialomița Basin Administration, regarding "Water supply and wastewater disposal at Romcarbon SA".

Groundwater withdrawal - water consumption

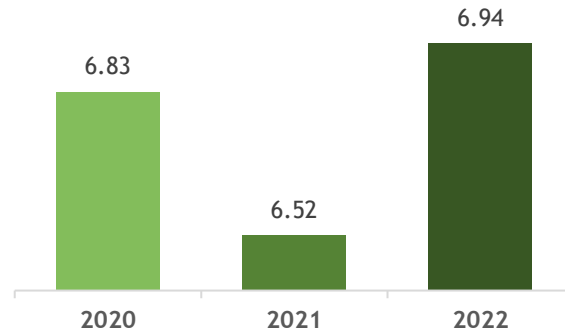
In the processing sectors, extracted water is used, in particular, for the technological cooling of machines. We also use water in the process of washing plastic material waste in the Recycling sector, which is equipped with its own water treatment station, in order to recirculate and reuse the water. Water consumption for employees (lunch rooms, social/sanitary groups) is added.

Romcarbon supplies the water needed for production and employees, but also to companies located on the Romcarbon Platform (including Livingjumbo) and to "Costin Nenițescu" Technological High School Buzău. The water supplied to third parties represented in 2022 approx. 4% of the extracted quantity.

Monitoring of water consumption is done at the central level, but also in each profit center, based on the metering and information sent by the Administrative Service. In order to reduce consumption, during the year 2022 an extensive action was carried out to ensure the recirculation of technological cooling water for machines in all production sectors of Romcarbon. In this context, the volume of water withdrawn in 2022 was reduced by 14.25% compared to 2021.



**Water withdrawal from underground
(supplied by Romcarbon)
to Livingjumbo Industry (ML)**



Water consumption	UM	2020	2021	2022
Romcarbon	ML	300.74 ¹	322.66 ²	274.56 ³
Livingjumbo	ML	6.83 ⁴	6.52 ⁵	6.94 ⁶

¹ Compared to 2020 production, it results in a water consumption of 15.08 m³/tonne of production.

² Compared to 2021 production, it results in a water consumption of 14.64 m³/ tonne of production, with 2.92% < 2020.

³ Compared to 2022 production, it results in a water consumption of 13.73 m³/ tonne of production, with 6.27% < 2021.

⁴ Compared to 2020 production, it results in a water consumption of 0.590 m³/ tonne of production.

⁵ Compared to 2021 production, it results in a water consumption of 0.547 m³/tonne of production, with 7.21% < 2020.

⁶ Compared to 2022 production, it results in a water consumption of 0.592 m³/tonne of production, with 8.12 % > 2021.

Wastewater

Domestic and technological wastewater that requires purification is discharged into the sewerage network of Buzau Municipality, based on the contract signed with the Water Company and the Connection Agreement.

> The wastewater that does not require purification (results from the cooling of the machinery), together with the rainwater collected from the site, is discharged into the Buzau River through a pipeline, based on the authorization issued by N.A. ROMANIAN

WATERS - Buzău-Ialomîța Water Basin Administration.

Livingjumbo evacuates household wastewater to the sewerage network of the Municipality of Buzău through Romcarbon's internal collection network. The technological waters from its activity are recirculated.

Romcarbon takes all possible measures to comply with the maximum admissible limits of wastewater quality indicators provided in normative acts, authorizations, connection agreements and contracts.

> For household and technological waters that require purification, the indicators and maximum quality limits are provided in the service contract and the Connection Agreement, concluded with Buzau Water Company, in compliance with Order no. 31/2006 and HG 352/2005 with subsequent amendments and additions, as well as NTPA 002. The indicators are: pH - 6.5 - 8.5 pH units; Suspended matter - 200 mg/dmc; Biochemical oxygen consumption (CBO5) - 250 mgO₂/dmc; Chemical oxygen consumption - CCO Cr - 400 mgO₂/dmc; Ammonium - 30 mg/dmc; Iron - 5 mg/dmc; Total phosphorus - 5 mg/dmc; Zinc - 1 mg/dmc; Total chromium - 0.1 mg/dmc; Aluminum - 5 mg/dmc; Synthetic detergents - 20 mg/dmc; Extractable substances - 30 mg/dmc; Residue filtered at 105 °C - 2000 mg/dmc.

Romcarbon has the obligation to self-monitor the indicators mentioned above with quarterly frequency, annually analyzing polycyclic aromatic hydrocarbons (PAH-Naphthalene, Acenaphthene, Fluorene, Phenanthrene, Anthracene, Fluoranthene, Pyrene, Benz-a-anthracene, Chrisene, Benz-b-fluoranthene, Benz-k-fluomnten, Benz-a-pyrene, Dibenzo-a, h-anthracene, Benz-gy-perylene, Indeno-1,2,3 -c, d-pyrene).

> For technological waters that do not require purification and meteoric waters, the maximum quality indicators and limits are provided by the Water Management Authorization issued by A.N. ROMANIAN WATERS, issued by the Buzău-Ialomita Water Basin Administration: Temperature - 35 °C; pH - 6.5-8.5 pH units; Suspended matter - 60 mg/dmc; Biochemical oxygen consumption (CBO5) - 25 mgO₂/dmc;

Chemical oxygen consumption (CCO.Cr) -125 mgO₂/dmc; Petroleum products - 5.0 mg/dmc; Residue filtered at 105 degrees C - 2000 mg/dmc; Ammonium - 3.0 mg/dmc; Detergents - 0.5 mg/dmc.

Romcarbon has the obligation to self-monitor the quality of discharged wastewater, according to GD 188/2002 amended and supplemented by GD no. 352/2005 and NTPA-001. The frequency of determination of wastewater quality indicators is quarterly, the determination of quality indicators being carried out in its own or third-party laboratory. DEHp-Di (2-ethylhexyl) phthalate, trichlorobenzene, tetrachlorobenzene, benzenes, 1,2 dichloroethane, chloroform and dichloromethane are also monitored with a semi-annual frequency.

The wastewater resulting from the technological process is collected in a neutralization basin, the neutralization process being carried out under the strict monitoring of our own laboratory, the discharge into the sewage network of the Municipality of Buzău being made only under the conditions in which their quality complies with the monitored indicators.

The wastewater resulting from the process of washing plastics is pre-purified in a pre-purification station composed of :

- mechanical purification stage (pre-filter installation and equalization basin);
- the physico-chemical purification step (flotation system and automatic chemical treatment plant);
- biological treatment stage (contact basin and aeration basin);
- dewatering the sludge.

The purified water in this installation is reintroduced in the process of washing the plastics.



Through process monitoring and periodic measurements, we aim not to exceed the permitted limits of the monitored indicators. In the year 2022 there were certain exceedances for some indicators on the route of the collecting channel and, as a result, we requested the support of the authorities to identify and abolish the discharges made by other people and companies on the route of this channel.

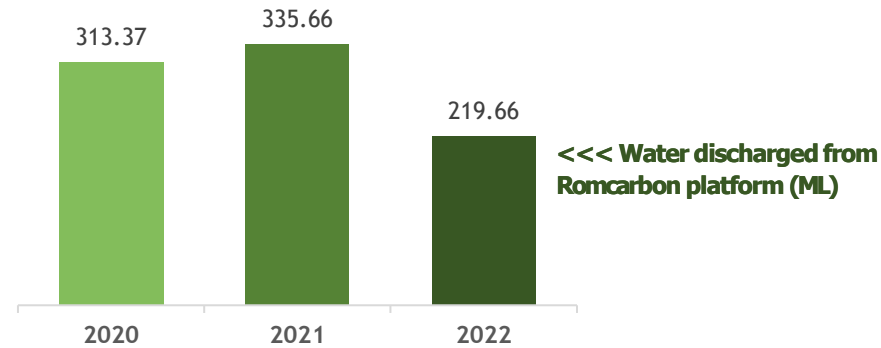
In continuation of the measures regarding the protection of resources, judicious consumption and reduction of water consumption, in the investment plan of the year 2023 we have taken into account the execution of a feasibility study on the objective: "Rehabilitation of water supply system and sewage system platform Romcarbon SA", in which projects are carried out and scenarios are proposed for the reconfiguration of supply-distribution networks (with modernization of pumping stations, rationalization of distribution by establishing new networks for technological and domestic water, including the network for extinguishing fires) and sewerage, with collection in a separate system.

Discharged water

Discharged water Romcarbon	UM	2020	2021	2022
Surface water ¹	ML	313.37	335.66	219.66

¹ The data includes water discharged by companies that are present on the Romcarbon's platform, which are supplied with water extracted from underground, using Romcarbon's internal sewage network for discharge.

Discharged water Livingjumbo	UM	2020	2021	2022
Surface water	ML	6.83	6.52	6.94



ENVIRONMENTAL POLICY

Our continued concern for protecting the environment, reducing the consumption of natural resources and sustainable development also emerges from the environmental policy implemented at the Group level. The environmental policy can be consulted at this link : <https://www.romcarbon.com/wp-content/uploads/2022/06/POLITICA-DE-MEDIU-ENVIRONMENTAL- POLICY..pdf>

Biodiversity

Biodiversity is the very backbone of life, being essential both for humans and for the environment and climate protection, providing people with food, fresh water and clean air, playing an important role in maintaining the balance of nature and contributing, at the same time, to combating climate change and to prevent the spread of infectious diseases.

In Romcarbon Group, the protection and promotion of Biodiversity are permanent concerns, that is why we align ourselves with the commitments assumed at the level of the European Union, so that by 2030 Europe's biodiversity is on the road to recovery, this being a key element of the European Green Pact. The main tool used by the EU to conserve its natural heritage, created by the Habitats Directive (Directive 92/43/EEC on the conservation of natural habitats, flora and fauna) and the Birds Directive (Directive 79/409/EEC on the conservation of wild birds, later replaced by Directive 2009/147/EC) represents a network of protected natural areas known as the Natura 2000 ecological network. The Natura 2000 network includes the most important protected areas for the protection of animals, plants and vulnerable habitats in Europe, with the aim of maintaining these habitats and species in the long term and, if necessary, restoring them to achieve a favorable conservation status. Thus, at the level of the Group, protecting Biodiversity is all the more important as the Romcarbon platform is located at a distance of only 1300 m from a sector of the "Lunca Buzăului" protected natural area, declared a Site of Community

Importance (SCI - site identification code ROSCI0103) and an integral part of the Natura 2000 European Ecological Network in Romania, by MMDD Order no.1964/2007 regarding the establishment of the protected natural area regime of sites of community importance, with subsequent amendments and additions.

Also, the water catchment area owned by the company and serving the entire Romcarbon platform is located just 100 m from the Natura 2000 Site - the "Lunca Buzăului" protected natural area.

The "Lunca Buzăului" protected natural area stretches along the Buzău River for a length of 110 km and occupies a total area of 6,987 ha in the counties of Buzău (86% of the area of the protected area) and Brăila (14%). In its longitudinal development, the Aria crosses three biogeographical regions: alpine, continental and steppe.

The "Lunca Buzăului" protected natural area is intended for the protection and conservation of 5 types of habitats, one of which is a priority at the European level, the species of mammals - the loggerhead, three species of amphibians, the species of reptiles - the European water turtle, four species of fish, invertebrate species - the great oak tailor and two plant species, most of these species' habitats are on the Red List of Threatened Species (IUCN).

All the mentioned details are intended to create the complete and complex picture of the impact that the Group's activities could have on the biodiversity in the area where we operate, which makes us all the more aware of the position we have to take and the actions on that



we must undertake to protect Biodiversity. That is why the proximity to an important sector of the "Lunca Buzăului" protected natural area and the objective INNOVATION AND COMPETENCES FOR A CLEAN ENVIRONMENT, assumed by the Group's Sustainability Strategy, adopted in 2022, leads us to continuously act to protect biodiversity in the territory where we operate the main activities.

We are constantly analyzing the impacts and risks that our activities can create on the biodiversity in the area, which is why we have, so far, managed not to record any environmental events affecting this biodiversity. Biodiversity protection is one of the reasons why we were constantly careful not to develop any other activity

in the water withdrawal area intended for the Romcarbon platform, with an area of approximately 110,000 sq m, located only 100 m from "Lunca Buzăului", which could create a potential impact on biodiversity in the area. At the same time, within our environmental objective, protecting Biodiversity is complementary to judicious water management. Thus, as we presented in the Water Management chapter of this Report, we are set on reducing water consumption and implicitly on reducing the volume of discharged water. We are also constantly taking measures to ensure that the technological and rainwater discharged into the Buzău River meets the water quality parameters established by the Water Management Authorization issued for Romcarbon S.A.



Emergency preparedness

Ensuring the safety of our own employees and collaborators, but also of the neighbourhood, the community and the environment, is a basic condition in carrying out any activity on the Romcarbon Platform.

Within the companies in the group, we have documented the process by which the response preparation to the potential emergency situations identified is ensured with the objective of ensuring actions and preventive measures for the provision of first aid, for the provision of the necessary training to obtain the planned response capacity, testing/simulations, performance evaluation /and establishing improvement measures, communicating information to employees and all stakeholders.



Within Romcarbon, the Private Service for Emergency Situations (SPSU) is organized, 13 persons are on active duty (12 firefighters under the coordination of the Head of Service), ensuring permanence 24/24 hours, 7/7 days. The service is equipped with a fire-fighting intervention vehicle, equipment which is in the records of ISU Buzau.

The qualified personnel from the SPSU, thanks to their experience and continuous training, also participate in firefighting interventions in the Buzau city or in the county, at the convocation of ISU Buzau, the Inspectorate for Emergency situations, in addition to the activity carried out on Romcarbon Platform.

In the field of prevention and intervention for emergency situations, Romcarbon SPSU has the following attributions:

- carries out information and training activities regarding knowledge and compliance with rules and fire protection measures;
- verifies the application of the rules, technical regulations and provisions regarding fire protection, in the field of competence;
- ensure the intervention for extinguishing fires, rescue, providing first aid and protection of people and property endangered by fires;
- ensures the preparation of documents and records specific to the conduct of activities within the SPSU and updates them whenever necessary;
- identifies and monitors activities with a fire risk or requiring the use of open fire and the performance of work with flammable substances, in order to prevent fires or explosions;





SPSU, together with the Internal Prevention and Protection Service & Environment / Quality and Environmental Management Office elaborate the "Prevention /Intervention Plan " for each emergency situation identified, which contains the description of the emergency situations, the composition of the intervention team and the responsibilities of the personnel involved, the impact on the environment and health and security, the internal and external communication channels, the ways of notifying the incident/emergency situation and those responsible, the list of telephone numbers of the intervention team, the list of intervention materials and their

warehouses, locations of water/sand/sawdust sources, the list of intervention equipment ; emergency action instructions, actions to remove/reduce effects on employees and environmental factors.

In accordance with the legislation in force, each manager of the organizational structure draws up Evacuation Plans based on the level/room plan and marks the evacuation routes, marks the means of intervention (hydrants, fire extinguishers).

These plans are displayed in places where they can be seen by all interested parties.

The manager of the organizational structure permanently ensures the legibility of the

plans and their updating.

At the level of Romcarbon Platform, permanence is ensured for emergency situations from the management side but also through the service contract concluded with the security company in charge with the guard of the perimeter. The security guards patrol the perimeter and check the safety seals at the hazardous chemical storage site, the perimeter lighting, the functioning of the safety and video surveillance systems, etc.

The managers of the organisational structure shall train subordinate employees on how to act in accordance with the Prevention/ Intervention Plans for emergencies.

The training of employees on the provisions of the Prevention/Intervention Plans shall be carried out annually or at each update of the plans.

The managers of the organisational structure check the existence of the necessary materials and equipment and ensures their supply.

SPSU plans the simulations for the current year by drawing up the " Simulation Action Programme for emergencies" taking into account the following criteria: conducting at least one action per year in each Department/sector of activity; previously produced emergency situations; the results of simulation actions; the legal provisions. The results of these simulation exercises are analyzed in terms of both reaction time and solution mode. Depending on the conclusions, some replays are scheduled accordingly. After the simulation, each intervention drill is completed in a report in which reference will be made to: the objectives and purpose of the drill; the ability to implement the tasks assigned to personnel in the event of fires/accidental spills/health and safety accidents; meeting established time scales and operational

response times; employees alarm statements; assessments of the operation of technical means of fire protection/ used in the event of accidental pollution/health and safety risks; carrying out rescue and evacuation of persons/emergency response; proposing measures to improve this activity.

In 2022, 17 emergency simulation actions were carried out in Romcarbon and 12 in Livingjumbo.

During 2022, we had no events (incidents/accidents) in line with emergency situations.



**MORE INVOLVED FOR PEOPLE
AND COMMUNITY.**



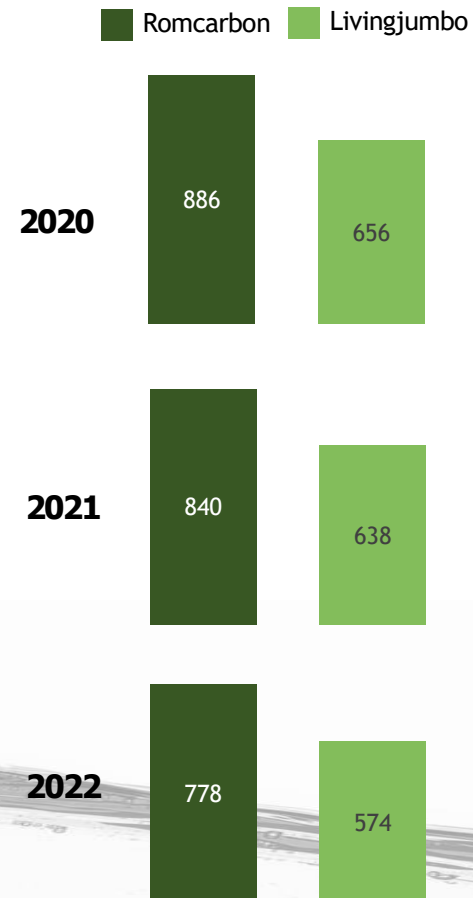
Human Resources Management

Our employees are an essential resource to ensure the long-term development of Romcarbon Group. We are strongly committed to ensuring a safe and healthy working environment for our employees, the necessary tools to carry out their activities and equal opportunities for career development.

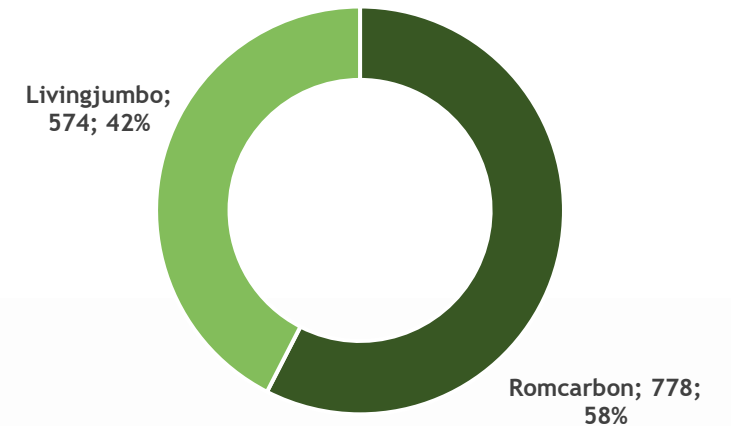


Romcarbon Group is one of the main employers in Buzau County. In 2022, Romcarbon and Livingjumbo

provided jobs for 1,352 people.



Distribution of the employees between Romcarbon and Livingjumbo



Policies and procedures for human resources management

The Human Resources Service is responsible within Romcarbon Group for the recruitment of competent and motivated employees for the organization, to ensure the human resource necessary for the efficient achievement of organizational objectives and the increase of performance.

The strategy in the field of human resources sets the criteria to be followed for covering the operational needs of organizations through the efficient use of human resources.

In terms of human resources, we are considering defining the recruitment requirements based on the duties and responsibilities for the core activities detailed in the job descriptions, identifying and removing any restrictive limits regarding the availability of human resources that, by their nature, could affect the implementation and development of ongoing projects.

The objective of our Human Resources Policy is to ensure the necessary workforce in correlation with the company's development objectives, anticipating possible fluctuations in the deficit or surplus of employees.

The main directions of action are:

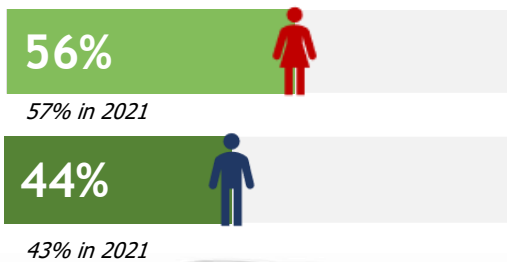
- attracting human resources, professional training within professional development plans and maintaining qualified personnel with the necessary skills, specialized knowledge and expertise;
- reducing reliance on external recruitment, when there is a shortage of qualified personnel in a sector, by running employee training programs;

- the development by operational managers, using mentoring principles and programs, of well-prepared and flexible teams, teams capable of adapting to a dynamic, constantly changing environment;
- promoting constructive discussions and the exchange of knowledge and information related to the activities carried out in all sectors, in order to increase solidarity within the company;
- streamlining the use of human resources by introducing flexible organizational models.

Romcarbon's Human Resources Policy can be consulted here:

<https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-de-resurse-umane-2023.pdf>

% women and men at the level of the Romcarbon Group



Most employees have a full-time undetermined employment contract.

Employees of Romcarbon and Livingjumbo

Information about employees	2020	2021	2022
Employees with ILC, undetermined period, full time	1,346	1,306	1,223
out of which women with ILC	766	755	700
Employees with ILC, undetermined period, part-time time	27	26	34
out of which women with ILC	9	9	16
Employees with ILC, determined period, full time	169	145	92
out of which women with ILC	82	75	35
Employees with ILC, determined period, part time	0	1	3
out of which women with ILC	0	0	1

Workers under the control of the organization who are not employees

	2020	2021	2022
Security services (external contractor)	20	20	20
Services of exploitation of TRAF0 station and water plant (intragroup contractor) ¹	16	16	16
IT services (intragroup contractor) ²	3	3	3
Legal services (external contractor)	1	1	1
Total	40	40	40

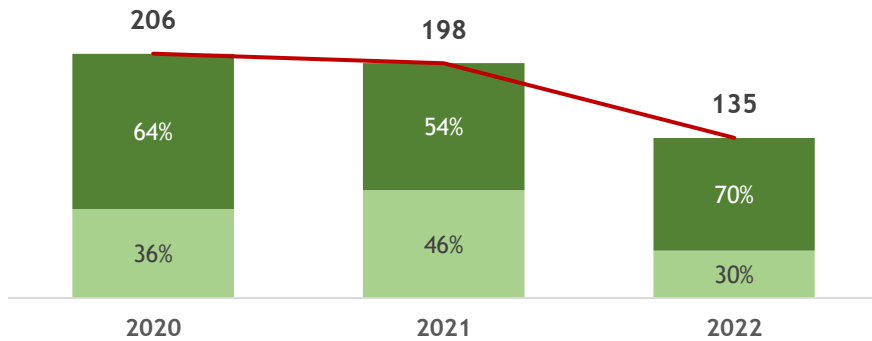
¹ Romcarbon activity outsourced in 2005. The company (RC ENERGO INSTALL SRL) is part of the Romcarbon Group but is not the subject of this sustainability report. On 31.12.2022 the company had a total number of 58 employees.

² Romcarbon activity outsourced in 2005. The company (INFO TECH SOLUTIONS SRL) is part of the Romcarbon Group but is not the subject of this sustainability report. On 31.12.2022 the company had a total number of 4 employees.



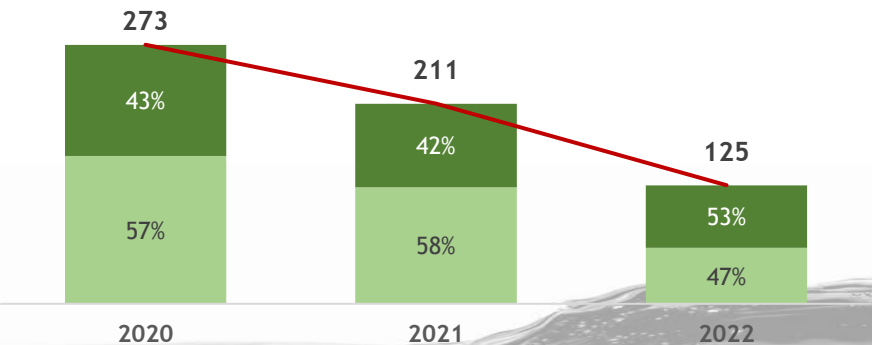
In 2022, 135 new hires were made within Romcarbon, of which 40 were women. And in Livingjumbo 211 new hires were made, of which 123 were women. In 2022, in terms of employee fluctuation, 197 people left Romcarbon and 174 people left Livingjumbo.

New hires at Romcarbon



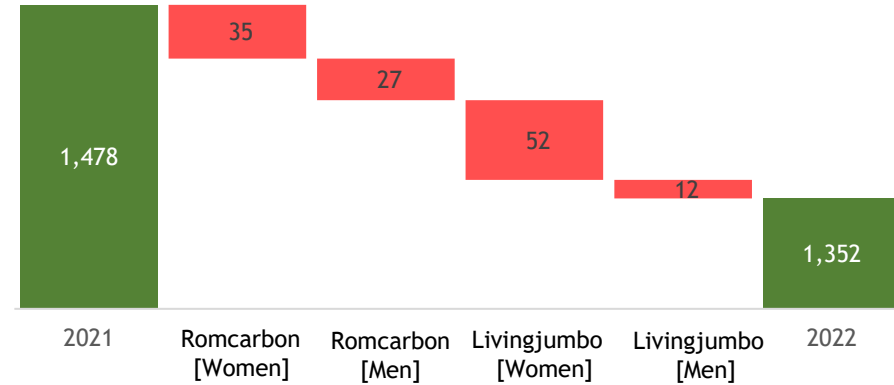
Men
Women
Total hires

New hires at Livingjumbo



Men
Women
Total hires

Employees evolution in the period 2021 – 2022 cumulatively on Romcarbon and Livingjumbo



Employee training and development

Within Romcarbon Group, all employees benefit of regular internal training regarding work instructions, occupational health and safety rules, as well as instructions for emergency situations. The employees from support sectors attend external conferences and training courses related to changes in our field of activity.

Professional training of employees is carried out on the basis of annual training programs. The main objective of these programs is to enhance the professional skills of all, in line with the specific activities developed, in order

to improve their individual and team performances.

In order to increase the level of employees training, from 2021 onwards, opportunities have been identified for qualification in jobs such as plastics processing operator or garment maker, so that approximately 10% of unskilled employees have obtained qualifications in these jobs.

In 2022, at Romcarbon level for employees of the production departments, who graduated from secondary school, qualification courses were carried out in the plastics processing operator jobs with a duration of 360 hours, 120 hours of theoretical training and 240 hours of practical training.

Through these courses, 32 employees from Romcarbon acquired professional skills regarding the preparation and operation of the installations, machines and devices specific to plastics processing, execution of thermo-reactive and thermoplastic products. At Livingjumbo level, courses for plastics operators and garment maker were conducted, 43 employees acquiring skills specific to these qualifications according to the occupational standard.

For Livingjumbo employees, a first aid course was organized, attended by 19 employees, and a course on food hygiene, attended by 73 employees

Average hours of training per year per employee at Romcarbon

Category (hours)	2020	2021	2022
Top management ¹	28	28	28
Middle Management ²	28	28	28
Total employees	28	30	43

¹ All employees in managerial positions who manage a directorate or profit centre were considered.

² All employees in managerial positions who coordinate a department or office were considered.

Average hours of training per year per employee at Livingjumbo

Category (hours)	2020	2021	2022
Top management ¹	28	28	28
Middle Management ²	28	28	28
Total employees	28	30	58

¹ All employees in managerial positions who manage a directorate or profit centre were considered.

² All employees in managerial positions who coordinate a department or office were considered.



Target	Stage 2022
Progressively provide 30 hours of training per year for each employee by 2025	Romcarbon = 15 h/employee Livingjumbo = 30 h/employee
Ensuring equal treatment, equal opportunities and non-discrimination for all employees	0 complaints



The import of human resources from non-EU countries

The migration of Romanian employees to the European labor market has determined a shortage of local labor force, a shortage felt especially in the industrial, construction and service sectors.

In order to cover this labor shortage and compensate for the volatility felt on this market, we, like many other employers in Romania, resorted to the import of non-EU labor, using one of the two available legal procedures, namely direct employment of non-EU workers (countries outside the European Union) on the basis of labor contracts.

Thus, during the year 2022, we hired a number of 16 citizens from Sri Lanka, who were integrated into our recycling and compound production sector, as unskilled workers.

For the proper integration of foreign employees, all instructions, regulations and work procedures were translated into English language and processed to them during the adaptation period to the new job.

The deepening of the local workforce deficit means that this first import of non-EU workforce will be followed by a second one that will take place in the following period of 2023.

Employee evaluation

The performance of employees is evaluated annually, for all staff in the Group.

An additional assessment is applied, in case of change of job, for the employees in question.

The evaluation is done by the practical testing of employee, by checking the quality of the activity/work done and by completing the Observation and Evaluation Sheet by two evaluators: the direct hierarchical superior and the director/manager.

The evaluation forms contain the evaluation criteria, which consider:



- professional competency;
- work discipline;
- skills and qualities adjacent to the work tasks

Depending on the evolution of the employee during the evaluated period, grades from 1-5 are given and the total score is established by applying the weight of the importance given to the evaluated criterion.

The grades that can be awarded, depending on the score obtained, can be from "very good" to "unsatisfactory". On the occasion of the evaluation, recommendations are also made to improve performance, where appropriate.

The performance evaluation of the new employees is done during the trial period in the case of labor contracts for an indefinite period or at the end of the period related to the labor contracts for a fixed period. In the case of new employees, who are in the trial period, the evaluation is made by the head of the sector in which they work, taking into account both the theoretical and practical knowledge accumulated as well as the aspects of work discipline and compliance with internal rules, followed by the presentation to the director or the sector manager of the proposal to continue or stop the activity.



Equal opportunities and non-discrimination

Within the Romcarbon Group, behaviour that may lead to discrimination against human resources and other categories of stakeholders is not acceptable.

We are fully committed to combating discrimination in all areas of the workplace, throughout the supply chain and in society as a whole.

At Group level, we understand the value of diversity. Our employees, customers, business partners, suppliers and all other interested third parties are citizens who come from different countries, with many different nationalities, faiths, religions, beliefs, cultures and social backgrounds.

In this sense, we support cultural diversity, the creation of an international team and a business community. We are committed to prohibiting and preventing discrimination of any kind, such as, but not limited to, discrimination based on race, colour, sex, age, language, religion, political or other opinion, ethnic, national or social origin, property, birth, sexual orientation or any other criteria including marital status or parental status.

We are also devoted to the idea of providing equal opportunities to all individuals based on individual qualities and professional ability.

Recruitment, employee evaluation are carried out only on criteria of professional competence and adaptation, integration at the workplace.



Diversity of the Board of Directors of Romcarbon

Category	2020	2021	2022
Men (%)	100	100	100
Women (%)	0	0	0
People under 30 years old (%)	33	33	33
People between 30 - 50 years old (%)	0	0	0
People 50 years old (%)	67	67	67

Diversity of the management of Romcarbon

Category	2020	2021	2022
Men (%)	67	67	67
Women (%)	33	33	33
People under 30 years old (%)	0	0	0
People between 30 - 50 years old (%)	22	22	22
People 50 years old (%)	78	78	78
Proportion of managers from local communities(%)	88	88	88

Diversity of the Board of Directors of Livingjumbo

Category	2020	2021	2022
Men (%)	100	100	100
Women (%)	0	0	0
People under 30 years old (%)	33	33	33
People between 30 - 50 years old (%)	0	0	0
People 50 years old (%)	67	67	67

Diversity of the management of Livingjumbo

Category	2020	2021	2022
Men (%)	50	50	50
Women (%)	50	50	50
People under 30 years old (%)	0	0	0
People between 30 - 50 years old (%)	25	25	25
People 50 years old (%)	75	75	75
Proportion of managers from local communities(%)	64	64	64



Occupational Health and Safety

Ensuring a safe and healthy working environment for all our employees is a core concern in our business. The directions and specific policies established in Romcarbon Group are the framework for achieving the objectives for occupational health and safety.



Policies and procedures for managing health and safety at work

The OSH management system is implemented throughout the entire organization, according to the ISO 45001/2018 standard, the Romcarbon company being ISO 45001/2018 certified for the production sector "Individual respiratory protection equipment". At the Group level, the requirements deriving from the legislation in force in the field of work health and safety are respected, respectively the Law of health and safety at work - no. 319/2006 and Government Decision no. 1425/ 2006 for the approval of the methodological norms for the application of the provisions of the Health and Safety at Work Law no. 319/2006 (with subsequent amendments and additions). The internal prevention and protection service - IPP & Environment Service, subordinated to the Administrative Deputy General Manager - ensures specific activities and collaborates with all departments to implement legal and system requirements, reporting directly to the company's management.

Our core business is manufacturing. The rules and procedures imposed in the organization must be known, understood and applied at every level in the organization in order to minimize the occurrence of occupational accident events and to protect the health and safety of employees. The management of the company is involved in fulfilling its legal obligations in the field to ensure the safety and health of the employees in all aspects related to work, consulting, informing and training the employees,

ensuring the technical and organizational framework.

We provide work and personal protective equipment for each employee, depending on the requirements of the job, keeping records and renewing the equipment periodically. We provide antidote (milk) for employees who work in conditions for which this measure is necessary.

The periodic maintenance of the machinery is carried out according to the maintenance plan by appropriately qualified personnel and/or by collaborating companies specialized in the field, in compliance with legal requirements, so that the machinery does not constitute a danger to the health and safety of the performing personnel.

The operation status of the alarm, warning, emergency signalling systems, as well as the safety systems is checked. The areas requiring safety signage and the types of signage required for each area are determined based on the hazards identified. We monitor the work environment, checking the level of exposure to noise and pollution.



Identifying and assessing work-related health and safety risks

Risks related to health and safety at work are identified and evaluated applying the method of the National Research-Development Institute for Labor Protection. The risk assessment for jobs is carried out, according to legal requirements, when a job is initially created, to be updated when working conditions change or following the occurrence of accidents, the frequency of the reassessment being also correlated with the established measures programs after evaluating the effectiveness of the actions taken.

The risk assessment is carried out by qualified internal employees, who have completed an accredited course in the field, in collaboration with the production managers, the occupational medicine doctor and the employee representatives. In the identification and assessment of risks, the legal requirements and practices in the field, the concrete working conditions, the observations of our employees resulting from the accumulated experience and previous work accidents are taken into account. The level of risk is determined according to the maximum foreseeable consequences, the level of severity and the probability of occurrence. We take into account the opinions of the occupational medicine doctor and collaborate with the Territorial Labor Inspectorate in the better understanding of any aspect in the field.

In 2022, no cases of occupational diseases or deaths caused by the workplace were registered.

Based on the risk assessment, the own instructions (ISSM) are developed, updated and disseminated for all workplaces and

activities carried out, taking into account their particularities.

Responsibilities in the field of occupational health and safety are established for all personnel in the organization, both management and executive, the general and specific responsibilities being mentioned in the job descriptions assumed by the employees.

After each occupational accident, the reassessment of the risks at the workplace in question is initiated, the risk assessment sheets are revised, supplemented if is necessary with new risks, and the OSH instructions are also revised.

Considering the specifics of the work and the equipment involved, the main risks in generating work accidents in 2022 were: catching a part of the body between moving machine parts, circulation in the premises, cutting with sharp objects used in carrying out the tasks.

Within the objective in the field of the Sustainability Strategy "Ensuring a healthy and safe working environment for our employees, contractors and visitors", a first target is the decrease in the number of work accidents (reference year 2021). In the year 2022, there were no fatal or high-consequence accidents. At the same time, however, the proposed target, respectively "0" accidents, has not been met, in 2022 there were 4 work accidents in Romcarbon (compared to 3 accidents in 2021) and 1 work accident in Livingjumbo (same as in 2021).

With regard to the target "Maintaining the OSH risk level for both Romcarbon and Livingjumbo below 3.5", this target was met, the risk level being in 2022 2.54 in Romcarbon and 2.84 in Livingjumbo

Work-related injuries Romcarbon

Category	UM	2020	2021	2022
Fatalities as a result of work-related injuries	Number	0	0	0
	Rate	0	0	0
High-consequence work-related injuries	Number	0	0	0
	Rate	0	0	0
Recordated work-related injuries	Number	10	3	4
	Rate	4.88	1.72	2.70
Number of hours worked	Number	2,045,793	1,738,469	1,480,042

Work-related injuries Livingjumbo

Category	UM	2020	2021	2022
Fatalities as a result of work-related injuries	Number	0	0	0
	Rate	0	0	0
High-consequence work-related injuries	Number	1	0	0
	Rate	0.8	0	0
Recordated work-related injuries	Number	3	1	1
	Rate	2.40	0.80	0.84
Number of hours worked	Number	1,249,224	1,247,512	1,179,330



Communication and investigation of work-related accidents

According to the law, we report all work accidents to the Territorial Labor Inspectorate, appointing an internal Commission of Inquiry to investigate the causes and responsibilities and to propose measures. The investigation of work accidents with serious consequences is taken over by the Territorial Labor Inspectorate, the measures imposed being mandatory.

Any work accident is immediately communicated to the employer, represented by the Head of IPP & Environment Service, by the manager of the workplace or by any other person who has knowledge of its occurrence. The employer, represented by the Head of IPP & Environment Service, immediately communicates the event to: the Territorial Labor Inspectorate, the insurer for the employees insured against accidents at work and occupational diseases; criminal investigation bodies, as the case may be.

We respect the obligation to take the necessary measures not to change the state of facts resulting from the occurrence of the event, until receiving the agreement from the bodies that carry out the research, except in cases where maintaining this state would generate the occurrence of other events, would worsen the condition of the injured or would endanger the lives of workers and other participants in the work process, in which case, as far as possible, sketches or photographs of the place where it occurred are made, any objects containing or bearing a trace of the event are identified and picked up. The objects are handed over to the bodies that carry out the research. These constitute evidence in the investigation of the event.

The purpose of investigating the events is to establish the circumstances and causes that led to the occurrence of the accident, the legal regulations violated, the responsibilities and the measures that must be taken to prevent the occurrence of other similar cases and, respectively, to determine the nature of the accident.

The persons appointed by the employer in the commission to investigate the event must have appropriate technical training, must not be involved in the organization and management of the workplace where the event took place, and must not have had a responsibility in producing the event. If victims with different employers are involved in the event, persons appointed by written decision by the other employers are also nominated in the research commission appointed by the employer where the event occurred (this was not the case in 2022).

The persons authorized by law to investigate the events have the right to take written statements, to collect or request the collection of evidence necessary for the investigation, to request or consult any acts or documents of the employee, and the employer is obliged to make them available under the conditions of laws. The expenses necessary for the collection and analysis of the samples in order to investigate the events are borne by the employer where the event took place.

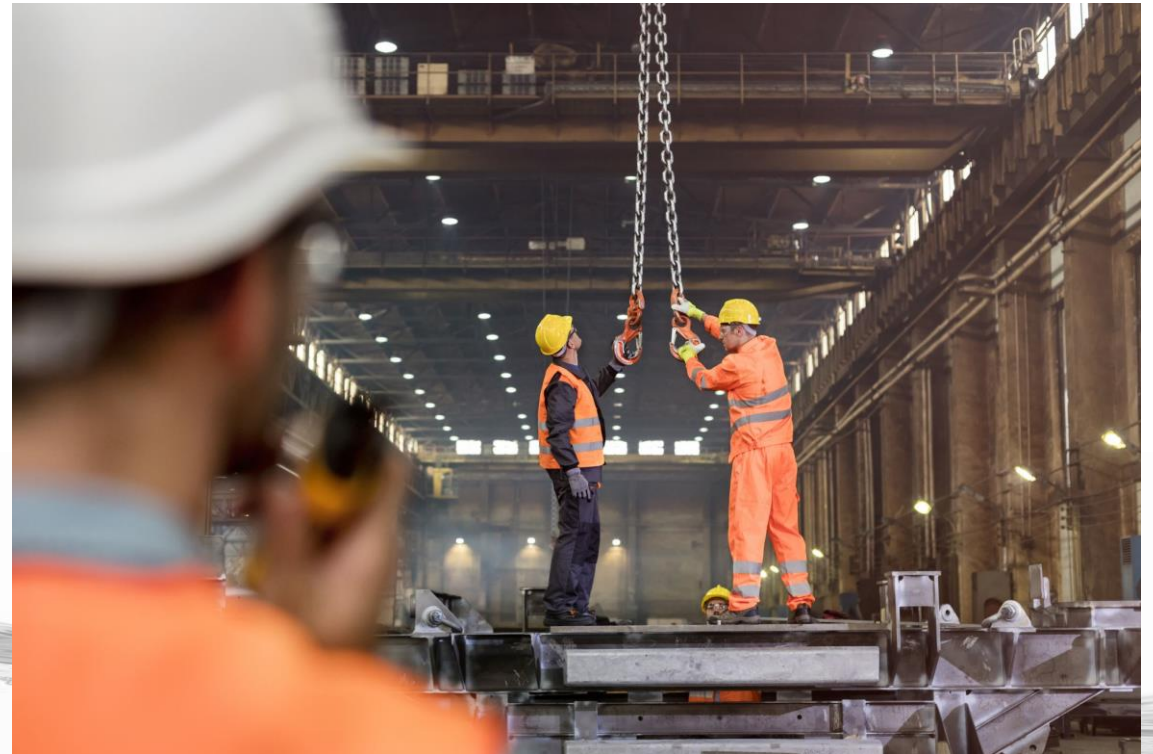
The investigation of the accident followed by incapacity for work is completed in no more than 5 working days from the date of occurrence. Exceptions are made in cases where expertise is required, the taking of samples, for which a request is made in writing, with reasons and within the deadline, to the Territorial Labor Inspectorate for extension of the research

term. The investigation file, drawn up by the commission appointed by the employer, is forwarded for verification and approval to the Territorial Labor Inspectorate within the scope of which the event occurred, within 5 working days from the completion of the investigation.

The Territorial Labor Inspectorate analyzes the file, approves it and returns the file within no more than 7 working days from the date of receipt. The file will be accompanied by the opinion of the Territorial Labor Inspectorate.

If the Territorial Labor Inspectorate finds that the investigation was not done properly, it can order the file to be completed and/or the investigation minutes to be redone, as the case may be.

The research commission will complete the file and draw up the research report within 5 working days of receiving it.



Reporting work accidents or hazards

Within Romcarbon Group, all employees are trained according to the OSH Instructions and Job Descriptions to report to the direct superior any danger/problem/event related to the workplace where they work, including on the way to work. Reporting can be done verbally or in writing.

There is no retaliation of any kind against employees who report, rather such reporting is encouraged.

Also, in situations where, following a medical check-up, it is recommended to change the workplace for an employee, that person is relocated according to availability without any retaliation.

Training on occupational health and safety

Employees training follows the logical steps established in legislation and internal procedures: initial general training at the time of employment, initial and periodic training at the workplace based on specific work instructions, retraining following work accidents, training on general and specific topics related to health and safety at work. The periodicity of the training is quarterly for the operating staff and annually for the TESA staff.

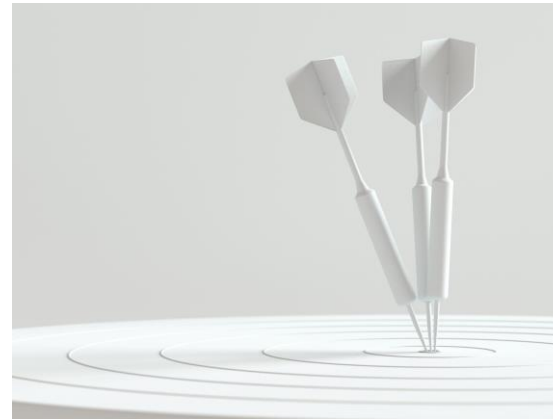
During 2022, we carried out 260 workplace health and safety trainings for newly hired employees, meaning 135 trainings in Romcarbon and 125 in Livingjumbo.



Training at the workplace consists of: presentation of the OSH instruction for the actual workplace, the hazards and risks identified at the workplace according to their assessment, the legal requirements that must be respected, the implementation of practical training at the workplace, the presentation of dangerous places (with danger occupational injury/disease),

how to use individual protective equipment.

For the entire productive personnel, the periodic retraining program on OSH topics was carried out, at intervals of 3 months, specific instructions, documents regulating the activity and any other aspects related to this field being processed. In the sectors that handle and use dangerous substances, training was done based on the updated Technical Safety Data Sheets of these substances. After each work accident, the personnel in the respective sector were retrained, taking into account the conclusions of the research.



The target "Number of trained employees and collaborators - 100%" was met, the training being carried out in accordance with the established training plan, the verification being made within the internal controls and audits carried out throughout the year.

In all cases of work-related accidents that occurred in 2022, the employees concerned were trained in OSH, as evidenced by the completion and signing of individual training forms. The training of the staff of the own central laboratory was carried out regarding the technical safety data sheets of the hazardous substances used, an action requested in the framework of an ITM control.

The execution of works and/or the provision of services on the Romcarbon Platform is preceded by the signing of OSH conventions, to inform and assume the responsibility of third-party providers/executors regarding the OSH rules applicable within our company.

Romcarbon Occupational Health and Safety Policy can be consulted at this link:

<https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-de-sanatate-si-securitate-in-munca-2023.pdf>



Employee involvement

According to the legal provisions, at the level of each company - Romcarbon and Livingjumbo - the Safety and Health at Work Committee (CSSM) is established, in order to ensure the involvement of employees in the development and application of decisions in the field.

CSSM is a mixed committee, made up of employer representatives, employee representatives and the doctor responsible for occupational medicine.

In CSSM meetings, we present the annual report on health and safety at work within the company, information on risk assessment, preventive measures at the level of the unit and at the workplace, proposals and requests made by employees are analyzed.

Health promotion

The constant supervision of the health of the personnel is important, being an essential component for the presence at work and for the exercise of the duties. Based on the contract for occupational medicine services, in our own medical office set up on the Romcarbon platform, we organize medical checks upon employment, periodic medical checks/when changing jobs/when returning after an absence of at least 30 days. The services of the internal medical office can be accessed both by the group's employees and by any worker who carries out an activity on the territory of the Romcarbon platform.

If during the medical check conditions are reported that cause restrictions, limitations of work capacity, we take specific measures to protect the respective employees.

In addition to the periodic medical check-up, we offer free additional analysis facilities to

all employees of the group: ophthalmological check-up, internal medicine medical tests, cardiology, etc. In 2022, 58 Group employees chose medical investigations with one-day hospitalization, and 34 employees chose laboratory tests.



We regularly organize blood donation campaigns by setting up, together with the Buzau Transfusion Center, a mobile donation center in the Romcarbon premises, to help employees who want to offer this support to the community and encourage the increase in the number of employees motivated in this regard, also benefiting from the facility of free performance of all blood tests.

In 2022, 3 blood donation campaigns were organized. In the 13 campaigns in which our colleagues participated until the end of last year, more than 2000 units of blood were donated.



Our people

We celebrated in 2022, 70 years since the Chemical Factory no.12 was founded in October 1952, that later became Buzău Enterprise of plastic masses, so that in 1991 to be reorganized it under the name Romcarbon S.A. Originally organized in 1952 for the production of bakelite and aminoplast garments and fabrics, our organization has gone through major changes in its 70 years of existence and has adapted each time to all the changes that occurred both at the political and social level and especially economic. From an economic and operational point of

view, we have developed and adapted, and our business lines have developed in accordance with the demands of the markets and with the business continuity strategies that the management has continuously pursued. The resilience shown by Romcarbon, in its 70 years of existence, however, had a constant source of energy, enthusiasm and involvement. It is about **our employees**, who, regardless of economic and political circumstances, have made it possible to continue the activity, adapt to increasingly varied challenges and overcome.



We are a company recognized as a manufacturer of plastic products with tradition both in Romania and on the European level .

That's why Romcarbon's 70th anniversary celebration was primarily about celebrating its people, the employees without whom no company can exist and thrive.

During a festive event organized by the company's management on the occasion of the 70th anniversary, we congratulated and awarded those employees who have been with the company continuously throughout their entire professional life.

We therefore thanked our colleagues with a

seniority of 49 years and respectively 52 years of work carried out only within Romcarbon during which they accumulated professional experience that they now share with younger colleagues.

We also marked the completion of 70 years of activity by symbolically opening the trading session at the Bucharest Stock Exchange on October 27, 2022.

In his speech at this event, Mr. Huang Liang Neng, General Manager and Chairman of the Board of Directors, highlighted once again the essential role that Romcarbon employees played in the development of the company.



We encourage and support the extra-professional activities of our employees. We are happy to support the activity of Mr. Gabriel Constantinescu, a model rocket enthusiast, within his club C.S. Chimia. C.S. Chimia club is the oldest rocket modelling club in the country and one of the oldest professional clubs in the country established as a sports structure. The Aeromodelling section of the club has an uninterrupted activity of 68 years in attracting young people to engineering by practicing aeromodelling, naval modelling, and rocket modelling. Over time the C.S. Chimia club has won numerous awards at national and international profile competitions.



The year 2021 marked a record in the club's activity, the club's athletes won 10 medals at the World Championships for the first time, including 3 gold medals.

In 2022, the club's athletes won 3 medals at the European championships and 23 medals at the national championships, once again becoming the best club at the junior level and second in the senior ranking.



Campionatele Naționale de Rachetomodele, 23 Octombrie 2022, Costești, Buzău, România. Foto: ©Bogdan Croitoru



Community development

We, Romcarbon Group, have understood that medium and long-term success also depends to a large extent on appropriate external conditions, which is why we choose to involve ourselves in local social and environmental issues, beyond our core activities. We are adherents of the concept of corporate citizenship, which refers to the protection and development of the local community in the region where our companies mainly operate, we are present in the community where we carry out our activities and we recognize the importance of dialogue with all the main actors of the community. In this sense, we carry out voluntary actions, determined not by laws or mandatory provisions, but by the desire to ensure the sustainable development of both our company and the community in which we operate.

The manifestation of responsibility towards society begins first of all with the fact that we offer jobs to the local community, the Group maintaining an average number of 1300 jobs active in 2022, we pay with the precision of a Swiss watch, all taxes and duties due to the local budget, but also central, and our products and services often contribute directly to meeting the needs of local residents.

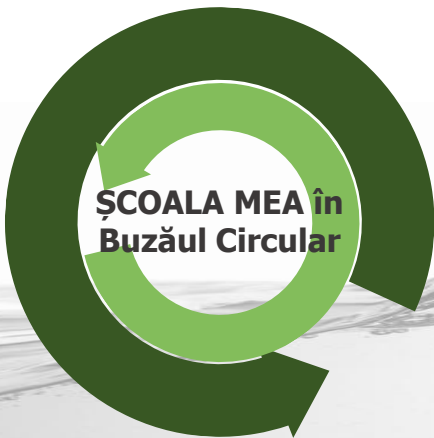
By doing so, we prove ourselves to be a reliable, even a strategic partner in the development of the local community and contribute to the strengthening of its capacity to proactively manage potential crises and rapidly develop together solutions to identified problems.



We are a local vector of education in the field of ecology and of recycling and we understand, at the same time, that investment in the local community and in the ecological education of children and adults is one of the foundations of the sustainable development of the society of the future.

Focused on achieving the objectives established by the Sustainability Strategy adopted in 2022, we have allocated significant financial resources, and not only, for the development of our community involvement program.

Thus, in 2022 we have allocated the total amount of 284,000 lei for the support of local educational and social programs but also for the sponsorship of some NGOs with social, cultural and sports activities



In partnership with Buzău City Hall we launched the Interschool Competition for environmental awareness and education projects entitled "My School in Circular Buzău". The call was addressed to middle school and high school students, the project aiming to increase the level of information and education of children and teenagers regarding the Circular Economy, as the basis of a sustainable future. In this competition, three projects were declared winners, two submitted by middle school students and one submitted by high school students, and a special prize was awarded.

We awarded prizes of 10,000 lei each to the "SOLAR - Sustenabilitatea Orașului Lucrând cu Alternative Regenerabile" project proposed by the students of the Buzău Technical High School and the "Intelligent circularization workshop" project proposed by the secondary school students from Buzău General School no. 11. The projects declared winners responded to the requirements imposed by the participation methodology, respectively responded to the objectives pursued, those of adapting children and adolescents for the Circular Economy and creating and developing practical skills of children and adolescents for the application of solutions to conserve resources, to avoid of waste (repair, refurbishment, reuse), circular design, waste prevention, renewable energy production.



At the same time, the winning projects wanted to be developed to achieve the intended impacts, namely the conservation of resources, the avoidance of waste, repair, reconditioning, reuse, orientation towards objects of long-term use designed for as many cycles of use as possible, the application of circular design and the efficiency of materials, preventing the generation of waste and choosing renewable energies.

The interschool competition "My School in Circular Buzau" had an impact that we consider extremely significant, since in addition to the local and immediate impact created in the Schools and High Schools that participated in the competition, it also had a wider, inspirational impact.

Thus, this competition was a source of inspiration for participating in the Participatory Budgeting Call entitled "Good People" launched by Buzau City Hall in 2023. In this call, the same student who won the special prize at our competition - My School in Circular Buzau, submitted a project with the same name, which was declared the winner through the direct vote of the citizens of the municipality who cast a number of 4,213 votes.

Also in 2022, we supported the activity of local and national NGOs by granting sponsorships in order to support their activity.

Thus we granted sponsorships to:

„Daruieste Viata” Association, the St. Helena Children's Association and the St. Sava Children's Foundation, NGOs active in the social field for the support and protection of children and adults from disadvantaged backgrounds;

Bookland Association, Circular Economy Coalition Association, ROTA Association, Stock Exchange Investor Relations Association and ECOPRESS Association, NGOs in various fields of education and social, financial, ecological and economic awareness.

Buzău City Hall, for the endowment of the Community Cultural Center - Iazul Morilor, where cultural-educational activities are carried out

Buzău County Emergency Hospital, for equipping the ophthalmology department with an ophthalmology biomicroscope with tonometer.



Muzetii și parcul Iazul Morilor, fotografie cu drona



Last but not least, the social involvement actions of Romcarbon S.A employees to help disadvantaged categories continued.

Thus, on the occasion of Christmas 2022, a new collection of goods for the less fortunate was organized.

Our colleagues contributed with new or almost new clothes, shoes, non-perishable food, non-perishable sweets, personal hygiene products, school supplies, toys, books in Romanian, as well as other goods that brought joy to those in need.

The collected goods were donated to the Sf. Elena Children's Association, which distributed them to disadvantaged families from localities in Buzau county: Chiojdu, Bâsca, Corbu, Cilibia, Scutelnici, Largu, Insuraței and Buzău.

In February 2022, we sponsored the Smeeni Chronic Disease Hospital, Buzău county with 10 oxygen concentrators, worth 77,350 lei, to equip the wards within this Hospital.

Thus, the company joined the efforts to support hospitals and medical personnel in their fight for the recovery of patients who suffered from Sars-Cov-2 infection and not only, sponsoring with these medical equipment that will contribute to increasing the quality of care. Manager of the Smeeni Chronic Disease Hospital' appreciations



convinced us once again that we are on the right track in our community engagement strategy.

Mrs. Marilena Dobrescu, Manager of the Smeeni Chronic Disease Hospital, declared: "Thank you ROMCARBON for this sponsorship, the 10 oxygen concentrators received, being particularly useful in our ongoing fight to save patients diagnosed with COVID-19, who require respiratory support. The received concentrators are all the more appreciated as they incorporate modern technologies, which generate 92% purity by using 21% ambient air, can also be used as nebulizers and have modern means of warning and tracking."

Also from the category of involvement for the community, we are careful that through the risk management system we monitor the potential occurrence of risks that could arise from the activities of our companies, from business relationships or our products and/or services and that could have a negative impact on common good in the region, but until now we have not identified such risks.

In March 2022, we became part of the Partnership for professional training of dual education students, with Buzău Technological High School „Dimitrie Filipescu”, Buzău City Hall and 8 other economic agents from Buzău as partners. The signatories of the partnership contract act, through joint efforts and the sharing of responsibilities, based on their own institutional competences, in the common interest regarding the personal and professional development of young people and their support in the transition from school to a job.

In addition to the existing general specializations- welder, locksmith, car mechanic, numerically controlled machine operator, electrician - our company insisted on the introduction of the plastics extruder operator specialization. Our request is under review.



In December 2022, Romcarbon signed, together with Buzău City Hall, the University "Dunarea de Jos" from Galați, the Technological High School "Dimitrie Filipescu" and 8 other economic agents from Buzău, the partnership contract for the establishment of the consortium for dual education. The consortium launched the project "CENTRE OF EXCELLENCE FOR DUAL-TECHNICAL PRE-UNIVERSITY AND UNIVERSITY EDUCATION BUZĂU", applying for its funding under the National Recovery and Resilience Plan. Through this project, the signatories act for the development and endowment of an integrated professional, pre-university and university campus, so that in Buzău we also have technical faculties in the economic fields in which our city develops.

In 2022, we were partner and host of the National Conference "Separation at the source and selective collection of waste - An essential component of the circular economy" organized by the Federation of Intercommunity Development Associations held from October 12 to 14 in Buzău. Through the presentation made during the conference and during the visit made by the conference participants to our factory, we supported the importance of separate collection in protecting against waste contamination, showing practically, during the visit, how contamination makes the difference between a recyclable and a non-recyclable waste. We talked about the importance of implementing the "Design for recycling" principle and the impact it can have on the value of waste managed by IDA, and we requested the support of the federation in implementing this principle. We highlighted the important contribution of separate collection in the implementation of the circular economy system.



Blood donation campaigns

In 2022, we continued to show the same care and respect for the protection of life. In the spirit of the same principles of respect and protection of life, Romcarbon Group organizes together with Buzău Blood Transfusion Center, since 2018, blood donation campaigns at the company headquarters. Thus, every three months, Romcarbon ensures the necessary conditions for the installation of a mobile blood donation center at the headquarters, where all employees of the Group who want to donate blood can do so safely. We thought of these quarterly blood donation campaigns because we know that in ROMANIA more than 500,000 units of blood are needed every year and yet only 2% of the eligible population donates blood, Romania recording one of the lowest donation rates among EU countries.

Blood donation campaigns were motivated by concrete data. Thus, knowing that each unit of blood can save up to 3 LIVES, that during the summer the need for blood is greater and that 60% of the population may need a blood transfusion at some point in their lives, we were motivated to get involved in these campaigns and to encourage the Group's employees to donate blood, making awareness campaigns in this regard among our colleagues.

These were enough reasons to get involved in these campaigns and to encourage the Group's employees to donate blood by conducting awareness campaigns in this regard among our colleagues. So far, our colleagues have donated more than **2,000 units of blood**.

In December 2022, we organized the 13th blood donation campaign at our headquarters.



| Appendices



Sustainability Indicators

Romcarbon Quantitative Sales

	UM	2020	2021	2022
PS Products	KG	2,971,406	3,017,517	2,697,204
PP Products	KG	3,007,598	3,037,348	2,527,870
PE Products	KG	4,255,625	4,344,268	3,990,617
PLASTIC MATERIALS PROCESSED	KG	10,234,629	10,399,133	9,215,692
REGENERATED POLYMERS AND COMPOUNDS	KG	7,272,888	9,592,124	8,199,631
Active Carbon	KG	96,835	86,525	70,080
Recycled PVC	KG	469,246	581,074	349,859
Other Productive Sectors (KG)	KG	566,081	667,599	419,939
TOTL SALES	KG	18,073,598	20,658,856	17,835,261
Individual protective equipment	PCS	15,307	12,318	15,501
Filters for automotive and industrial	PCS	125,006	158,200	153,012
Other Productive Sectors (pieces)	PCS	140,313	170,518	168,513

Livingjumbo Quantitative Sales

	UM	2020	2021	2022
BARRIER FILMS	KG	1,200,638	1,288,263	1,443,822
PET PRODUCTS	KG	4,936,420	5,307,547	4,608,875
PP PRODUCTS	KG	4,965,742	5,328,360	5,976,703
PLASTIC MATERIALS PROCESSED	KG	11,102,800	11,924,170	12,029,400



Romcarbon sales of finished products

	UM	2020	2021	2022
EU, out of which:	%	94	94	94
Romania	%	71	72	74
Other countries	%	23	22	20
Europa non-EU	%	5	5	6
Other countries	%	1	1	0

Livingjumbo sales of finished products

	UM	2020	2021	2022
EU, out of which:	%	94	94	95
România	%	53	49	50
Europa non-UE	%	6	6	5

Sector served by Livingjumbo

	UM	2020	2021	2022
Food Industry	%	51	50	51
Agriculture	%	25	25	26
Recycling Industry	%	3	3	3
Construction and fitting out	%	20	21	18
Chemical Industry	%	1	1	2

Sector served by Romcarbon

	UM	2020	2021	2022
Food processing/slaughterhouses	%	23	23	22
Plastic injection and extrusion for various applications	%	17	19	25
Construction and fitting-out	%	21	19	16
Plastic packaging	%	17	15	12
Agriculture	%	7	7	8
Automotive industry	%	1	4	1
Bakery	%	2	2	2
Animal Nutrition	%	3	2	2
Horeca	%	2	2	3
Others	%	7	7	9

Direct economic value generated and distributed - Romcarbon

Category	UM	2020	2021	2022
Direct economic value generated	RON	191,749,200	276,378,079	328,255,881
Economic value distributed	RON	190,641,799	276,936,450	275,872,120
Economic value retained (Gross profit)	RON	1,107,401	-558,371	52,383,761



Direct economic value generated and distributed - Livingjumbo

Category	UM	2020	2021	2022
Direct economic value generated	RON	115,387,613	138,971,957	171,284,735
Economic value distributed	RON	114,849,362	141,291,178	167,807,613
Economic value retained (Gross profit)	RON	538,251	-2,319,221	3,477,122

Financial assistance received from government by Romcarbon

Category	UM	2020	2021	2022
Tax facilities	RON	286,782 ¹	131,396 ²	163,016 ³
Subsidies	RON	548,753 ⁴	180,077 ⁴	916,450 ⁵
State aid ⁶	RON	1,915,420	2,107,185	2,211,505

¹ Reinvested profit tax reduction (241,807 lei); Cash register purchase reduction (2,100 lei); 5% prepayment reduction (42,875 lei).

² Bonuses OUG 153/2020 (14,550 lei); Reinvested profit tax reductions (116,846 lei)

³ Bonuses OUG 153/2020 (17,768 lei); Reinvested profit tax reductions (145,248 lei);

⁴ Subsidies for the payment of days off granted to employees for the supervision of children in case of limitation or suspension of classes in schools, kindergartens or nurseries during the coronavirus pandemic, as well as for unpaid employment of graduates, unemployed persons or persons over 50.

⁵ Non-reimbursable funding (85% from the European Regional Development Fund and 15% from the State Budget) in the amount of 916,450 lei for "Implementation of an intelligent energy consumption monitoring system within S.C. ROMCARBON S.A.", co-financed by the Large Infrastructure Operational Program 2014 - 2020;

⁶ The state aid scheme established according to H.G. no. 495/2014 for the exemption from payment of 85% of the value of green certificates.

Financial assistance received from government by Livingjumbo

Category	UM	2020	2021	2022
Tax facilities	RON	0	0	0
Subsidies ¹	RON	37,054	118,315	0

¹ Subsidies for the payment of days off granted to employees for the supervision of children in case of limitation or suspension of classes in schools, kindergartens or nurseries during the coronavirus pandemic, as well as for unpaid employment of graduates, unemployed persons or persons over 50.

Non-compliance with laws and regulations in the social and economic area

Company	UM	2020	2021	2022
Romcarbon	RON	0	1,800 ¹	10,000 ³
Livingjumbo ²	RON	0	1,000 ²	0

¹DPH (Department of Public Health) + IES (Inspectorate for Emergency Situations)

²Thematic control on compliance with the legislation in force in the field of emergency situations-ISU Buzau

³Environmental Guard

Romcarbon's Customers

Category	UM	2020	2021	2022
Legal entities	%	99.86	99.97	99.99
Individuals	%	0.14	0.03	0.01

Livingjumbo's Customers

Category	UM	2020	2021	2022
Legal entities	%	99.99	99.99	99.99
Individuals	%	0.01	0.01	0.01

Number of complaints received from the customers

Company	UM	2020	2021	2022
Romcarbon	no.	52	47	34
Livingjumbo	no.	25	22	30
Total	no.	77	69	64



Romcarbon and Livingjumbo GHG emission intensity- Scope 1 and Scope 2

Category	UM	2020	2021	2022
Scope 1	ton of GHG emission/ton of production	n/a	0.036	0.033
Scope 2		n/a	0.172	0.171
Total		n/a	0.208	0.204

Non-hazardous waste generated by Romcarbon

Category	UM	2020	2021	2022
Paper waste ¹	t	49.3	61.82	43.24
Plastic waste	t	111.3	351.46	1,283.87
Other types of waste ²	t	1,424.70	1,637.30	1,810.97
Total	t	1,585.30	2,050.58	3,138.08

¹ It includes cardboard waste generated.

² It includes sludge from the washing of waste plastics (recycling sector), metal and other waste, including mixtures from waste sorting (recycling sector).

Non-hazardous waste generated by Livingjumbo

Category	UM	2020	2021	2022
Paper waste ¹	t	51.16	50.61	53.8
Plastic waste	t	2,782.21	2,430.79	2,150.94
Other types of waste ²	t	18.53	22.7	40.48
Total	t	2,851.90	2,504.10	2,245.22

¹ It includes cardboard waste generated.

² It includes scrap metal, wood, mixtures.



Waste diverted from disposal by Romcarbon

Category	UM	2020	2021	2022
Non-hazardous waste	t	250.68	1,889.28	2,939.35
Hazardous waste	t	2.33	2.93	6.84
Total	t	253.01	1,892.21	2,946.19

Waste diverted from disposal by Livingjumbo

Category	UM	2020	2021	2022
Non-hazardous waste	t	2,848.72	2,450.00	2,323.82
Hazardous waste	t	0.01	3.70	4.03
Total	t	2,848.73	2,453.70	2,327.85

Waste directed to disposal by Romcarbon

Category	UM	2020	2021	2022
Non-hazardous waste	t	1,310.10	168.40	198.73
Hazardous waste	t	6.90	6.90	1.10
Total	t	1,317.00	175.30	199.83

Waste directed to disposal by Livingjumbo

Category	UM	2020	2021	2022
Non-hazardous waste	t	-	-	-
Hazardous waste	t	-	0.15	0.19
Total	t	-	0.15	0.19



Total number of employees

Company		2020	2021	2022
Romcarbon		886	840	778
	out of which women	420	408	373
Livingjumbo		656	638	574
	out of which women	437	431	379
Total		1,542	1,478	1,352

New hires at Romcarbon

Gender	Age	Year	Number	Rate %
Men	<30	2020	43	20.8
		2021	41	20.8
		2022	36	26.66
	30-50	2020	54	26.21
		2021	38	19.19
		2022	31	22.96
	>50	2020	34	16.5
		2021	28	14.14
		2022	28	20.74
Women	<30	2020	15	7.28
		2021	19	9.59
		2022	13	9.62
	30-50	2020	37	17.96
		2021	55	27.77
		2022	19	14.07
	>50	2020	23	11.16
		2021	17	8.58
		2022	8	5.92

New hires at LivingJumbo

Gender	Age	Year	Number	Rate %
Men	<30	2020	38	14
		2021	27	12.6
		2022	20	16
	30-50	2020	53	19.5
		2021	35	16.6
		2022	29	23.2
	>50	2020	26	9.5
		2021	26	12.5
		2022	17	13.6
Women	<30	2020	18	6.5
		2021	15	7.1
		2022	11	8.8
	30-50	2020	92	33.6
		2021	77	36.3
		2022	38	30.4
	>50	2020	46	16.8
		2021	31	14.5
		2022	10	8



Turnover of employees - Romcarbon

Gender	Age	Year	Number	Rate %
Men	<30	2020	46	5.08
		2021	49	5.67
		2022	40	4.94
	30-50	2020	60	6.63
		2021	52	6.02
		2022	51	6.30
	>50	2020	53	5.86
		2021	37	4.28
		2022	32	3.95
Women	<30	2020	11	1.20
		2021	15	1.70
		2022	15	1.85
	30-50	2020	38	4.20
		2021	50	5.79
		2022	37	4.57
	>50	2020	38	4.20
		2021	28	3.24
		2022	22	2.72

Turnover of employees - Livingjumbo

Gender	Age	Year	Number	Rate %
Men	<30	2020	35	5.5
		2021	34	5.4
		2022	20	3.33
	30-50	2020	37	5.9
		2021	40	6.2
		2022	27	4.5
	>50	2020	22	3.5
		2021	25	3.9
		2022	22	3.67
Women	<30	2020	14	2.2
		2021	13	2
		2022	18	3
	30-50	2020	80	12.7
		2021	75	11.8
		2022	55	9.18
	>50	2020	41	6.5
		2021	37	5.8
		2022	32	5.34



Parental leave Romcarbon

Category	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Total number of employees that were entitled to parental leave in the reporting period	2	10	5	9	0	7
Total number of employees that took parental leave in the reporting period	2	10	5	9	0	7
Total number of employees that returned to work in the reporting period after parental leave ended	0	3	2	3	2	8
Total number of employees that returned to work after parental leave ended that were still employed after 12 months after their return to work	0	0	0	1	2	5
Return to work rate of employees that took parental leave (%)	0	30	10	33.33	100	80
Retention rate of employees that took parental leave (%)	0	0	0	33.33	50	71

Parental leave Livingjumbo

Category	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Total number of employees that were entitled to parental leave in the reporting period	0	9	0	11	1	8
Total number of employees that took parental leave in the reporting period	0	9	0	11	1	8
Total number of employees that returned to work in the reporting period after parental leave ended	0	7	0	3	1	3
Total number of employees that returned to work after parental leave ended that were still employed after 12 months after their return to work	0	7	0	3	0	2
Return to work rate of employees that took parental leave (%)	0	0	0	0	100	42.8
Retention rate of employees that took parental leave (%)	0	0	0	0	0	50



Employee Diversity Romcarbon

Category	2020	2021	2022
Men	52.60%	51.43%	52.05%
Women	47.40%	48.57%	47.95%
Men under 30 years old	7.67%	7.38%	4.62%
Women under 30 years old	4.85%	5.36%	3.47%
Men between 30-50 years old	23.25%	22.26%	17.99%
Women between 30-50 years old	26.98%	28.45%	20.44%
Men over 50 years old	21.67%	21.79%	29.43%
Women over 50 years old	15.58%	14.64%	24.04%
Men in management position	67%	67%	67%
Women in management position	33%	33%	33%
People in management position under 30 years old	0%	0%	0%
People in management position between 30 - 50 years old	22%	22%	22%
People in management position over 50 years old	78%	78%	78%
Men middle manager	60%	58%	48%
Women middle manager	40%	42%	52%
People middle manager under 30 years old	0%	0%	0%
People middle manager between 30 - 50 years old	42%	37%	33%
People middle manager over 50 years old	58%	63%	67%
People with Romanian citizenship	99.89%	99.76%	99.10%
People with foreign citizenship	0.11%	0.24%	0.90%

Employee Diversity Livingjumbo

Category	2020	2021	2022
Men	33.40%	32.50%	34.14%
Women	66.60%	67.50%	65.85%
Men under 30 years old	6.90%	6.10%	5.57%
Women under 30 years old	5.64%	5.95%	5.05%
Men between 30-50 years old	16.00%	15.40%	16.72%
Women between 30-50 years old	35.97%	36.96%	34.67%
Men over 50 years old	10.50%	11.00%	11.85%
Women over 50 years old	24.99%	24.59%	26.16%
Men in management position	50%	50%	50%
Women in management position	50%	50%	50%
People in management position under 30 years old	0%	0%	0%
People in management position between 30 - 50 years old	25%	25%	33%
People in management position over 50 years old	75%	75%	67%
Men middle manager	50%	50%	36%
Women middle manager	50%	50%	64%
People middle manager under 30 years old	0%	0%	0%
People middle manager between 30 - 50 years old	17%	17%	55%
People middle manager over 50 years old	83%	83%	45%
People with Romanian citizenship	99.54%	99.37%	98.95%
People with foreign citizenship	0.46%	0.63%	1.05%



Breakdown of employees by gender and regions, specifying working hours - Romcarbon

Category	2020	2021	2022
Men, total, out of which on regions:	466	432	405
România, Buzău, total, out of which:	459	428	396
(full-time)	452	421	389
(part-time)	7	7	7
România, Brăila (full-time)	1	1	1
România, Ialomița (full-time)	1	0	0
România, Galați (full-time)	1	0	0
România, Brașov (full-time)	1	1	1
România, București (full-time)	1	0	0
Taiwan (full-time)	2	2	1
Sri-Lanka (full-time)	0	0	6
Women, total, out of which on regions:	420	408	373
România, Buzău, total, out of which:	418	405	371
(full-time)	414	402	362
(part-time)	4	3	9
România, Brașov (part-time)	1	1	0
România, Prahova (full-time)	1	1	1
Taiwan (full-time)	0	1	1

Breakdown of employees by gender and regions, specifying working hours - Livingjumbo

Category	2020	2021	2022
Men, total, out of which on regions:	219	207	195
România, Buzău, total, out of which:	215	203	190
(full-time)	205	193	178
(part-time)	10	10	12
România, Braşov (part-time)	1	1	1
România, Prahova (full-time)	1	1	1
Chile (full-time)	0	0	1
Taiwan (full-time)	1	1	1
Malaezia (full-time)	1	1	1
Women, total, out of which on regions:	437	431	379
România, Buzău, total, out of which:	436	429	376
(full-time)	432	424	368
(part-time)	4	5	8
Taiwan (full-time)	1	1	1
Lituania (full-time)	0	1	1
Republica Moldova (full-time)	0	0	1



The ratio of the salary of new employees to the minimum wage per economy, by gender - Romcarbon

	2020	2021	2022
Minimum wage on economy	2,230	2,300	2,550
Ratio of the salary of new employees to the minimum wage per economy			
Men	1.16	1.11	1.21
Women	1.15	1.10	1.11

The ratio of the salary of new employees to the minimum wage per economy, by gender - Livingjumbo

	2020	2021	2022
Minimum wage on economy	2,230	2,300	2,550
Ratio of the salary of new employees to the minimum wage per economy			
Men	1.12	1.07	1.06
Women	1.03	1.08	1.27

The ratio of the compensation of the highest paid employee to the average compensation per organization excluding the salary of the highest paid employee

	2020	2021	2022
Romcarbon			
The ratio of the compensation of the highest paid employee to the average compensation per organization excluding the salary of the highest paid employee	6.19	7.91	8.21
The ratio of the annual increase in compensation of the highest paid employee to the average increase for the organization excluding the highest paid employee	-2.86	5.13	1.34
Livingjumbo			
The ratio of the compensation of the highest paid employee to the average compensation per organization excluding the salary of the highest paid employee	5.18	4.13	4.99
The ratio of the annual increase in compensation of the highest paid employee to the average increase for the organization excluding the highest paid employee	1.30	-2.47	2.79

Contextual information: In Romcarbon, the average number of employees (excluding the best paid person) decreased in 2022 by 16% compared to 2019, with the following annual evolution: -8% (2020 vs 2019), +0.5% (2021 vs 2020), - 9% (2022 vs 2021). In LivingJumbo, the average number of employees (excluding the best paid person) decreased in 2022 by 13.2% compared to 2019, with the following annual evolution: -4.7% (2020 vs 2019), -4.2% (2021 vs 2020), - 4.9% (2022 vs 2021).

The ratio of women's to men's basic pay on types of jobs - Romcarbon

	Unitate	2021	2022
Direct employees in production	Raport	0.91	0.91
Indirect employees in production	Raport	0.99	0.96
Employees in the supporting departments	Raport	1.11	1.14

The ratio of women's to men's basic pay on types of jobs - Livingjumbo

	Unitate	2021	2022
Direct employees in production	Raport	0.92	0.91
Indirect employees in production	Raport	1.22	1.27
Employees in the supporting departments	Raport	1.54	1.45

The ratio of women's to men's remuneration on types of jobs - Romcarbon

	Unitate	2021	2022
Direct employees in production	Raport	0.81	0.80
Indirect employees in production	Raport	0.95	0.95
Employees in the supporting departments	Raport	1.04	1.00

The ratio of women's to men's remuneration on types of jobs - Livingjumbo

	Unitate	2021	2022
Direct employees in production	Raport	0.90	0.91
Indirect employees in production	Raport	1.18	1.18
Employees in the supporting departments	Raport	1.66	1.59



Sustainability risks

Sustainability aspects	Sustainability risk	Mitigation measure
Economic performance	<ul style="list-style-type: none"> Investment risks. Lack of qualified employees in the local market. Price increases in basic raw materials. Frequent changes in specific legislation, including tax legislation. Competition risk. 	<ul style="list-style-type: none"> Internal control, quality audit, financial audit. Internal management analysis.
Corporate governance and business ethics	<ul style="list-style-type: none"> Reputational risks. Stakeholder relations. Occupational health and safety and human rights risks in the supply chain. Compliance risks - fines, penalties. 	<ul style="list-style-type: none"> Implement and comply with a Code of Conduct and Business Ethics. Requiring suppliers to sign up to a Code of Conduct and Business Ethics and to sign a commitment by them. Internal training on corruption, bribery, money laundering, misconduct with all stakeholders. Assessment of compliance with legal requirements environment/ occupational health and safety/ emergency situations/ civil protection. Financial audit. Internal and external audit according to ISO 14001. Preparation and follow-up of the list of permits in force according to the requirements in force. Analysis of environmental aspects, determination of environmental aspects with significant impact, determination of risks induced by environmental aspects. Programmes of internal training measures. Separate waste collection. Contract with OIREP (Organisation for the Transfer of Responsibility for Packaging) to meet the environmental target of collecting 60% of packaging placed on the market.

Sustainability risks

Sustainability aspects	Sustainability risk	Mitigation measure
Supply chain	<ul style="list-style-type: none"> Occupational health and safety risks and human rights in the supply chain. Environmental compliance risks in the supply chain. Climate change risks in the supply chain. Inappropriate/non-compliant products. Product refusals/returns. Delivery delays. 	<ul style="list-style-type: none"> Evaluation and re-evaluation of suppliers. Signing of agreements in the areas of HSE/EMS/environment with service providers. Suppliers sign the Code of Ethics and Conduct for suppliers. Procurement from suppliers on the list of accepted suppliers. Conclusion of contracts with accepted suppliers that also contain environmental/HSM/social responsibility provisions.
Customer Management	<ul style="list-style-type: none"> Product labelling risks. Risks related to marketing communications. Financial risks/non-payment on time. Inappropriate products/not meeting customer requirements. Product refusals/returns. Delays in deliveries. 	<ul style="list-style-type: none"> Conclude contracts with customers that also include sustainability requirements. Checking the customer's financial situation through a specialised service provider. Conclusion of an insurance contract with an insurer to cover the risk of non-payment from customers. Use a rental service for tertiary packaging (pallets). Transport management (reduction of empty runs/coupled runs).
Human resources management	<ul style="list-style-type: none"> Risks related to lack of qualified employees. Risks of accidents/ work-related incidents/ occupational illness. Non-compliance with applicable legal requirements. High severity accidents. Risk of fines. Reputational risk. 	<ul style="list-style-type: none"> Compliance with the Collective Bargaining Agreement and Internal Regulations. Drawing up and monitoring the annual training and refresher training programme. Training of employees on HSE/environment. Health check programmes (laboratory tests, ophthalmology, occupational medicine). Identification of hazards and risks for each job. Analysis of hazards and establishment of Prevention and Protection Plans. Employee communication and training with prevention and protection plans.



Sustainability risks

Sustainability aspects	Sustainability risk	Mitigation measure
Human resources management	<ul style="list-style-type: none"> • Risks related to lack of qualified employees. • Risks of accidents/ work-related incidents/ occupational illness. • Non-compliance with applicable legal requirements. • High severity accidents. • Risk of fines. • Reputational risk. 	<ul style="list-style-type: none"> • Analysis of working conditions. • Providing work and protective equipment. • Providing areas for serving and storing personal belongings. • Providing social benefits according to the CBA. • Providing compliant workspaces. • Implementation of remote work. • Conclusion of contracts with accepted suppliers that also include environmental/HSE/ social responsibility provisions. • Health insurance for high-risk jobs (firefighters/ electricians). • Increased parking capacity for employees. • Participation as founding members in the Future Start Today Association, a project started in 2021, in order to lay the foundations of a dual education in Buzau, following the model of the German school, for the qualification of employees and the promotion of formal and non-formal education was completed on 15.04.2022.
Product responsibility	<ul style="list-style-type: none"> • Product labelling risks. • Risks related to marketing communications. • Financial risks/failure to pay on time. • Inappropriate products/not meeting customers requirements. • Product refusals/returns. • Delays in deliveries. 	<ul style="list-style-type: none"> • Include into contracts sustainability requirements. • Testing and approval of products. • Labelling and packaging according to legal and other requirements. • Updating technical and quality specifications of products. • Maintenance and cleaning of production and storage facilities. • Checking means of transport.

Sustainability risks

Sustainability aspects	Sustainability risk	Mitigation measure
Climate change and emissions management	<ul style="list-style-type: none"> • Risks related to GHG emissions. • Energy risks. • Product use risks. • Transition risks. • Physical risks. • Supply chain climate change risks. 	<ul style="list-style-type: none"> • Determine the total amount of greenhouse gases produced directly and indirectly by the company's activities. • Implementation of the energy consumption monitoring project and reduction by 3% /year starting with 2024. • Implementation of the 60kW alternative energy sources pilot project, through which the company will contribute to environmental protection by reducing CO₂ emissions by 21 t/ year and 0.2 kg radioactive waste reduction. • Environmental management. • Investments in infrastructure to reduce emissions and combat climate change (installation of photovoltaic panels/rainwater harvesting). • Working with local authorities for sustainable environmental investments.
Energy management	<ul style="list-style-type: none"> • Risks related to GHG emissions. • Energy risks. • Transition risks. • Non-compliance. • Investment risks. 	<ul style="list-style-type: none"> • Implementation of renewable energy sources. • Investments in electric transport/handling equipment. • Investment in energy efficiency equipment. • Replacement of existing lighting fixtures with LED technology lighting fixtures in the indoor lighting installation in the main production hall (compounds sector) and polypropylene (Romcarbon polypropylene sector). • Checking and adjusting the installations for compensating the reactive electrical energy of supplied consumers. • Improving energy management (training employees to avoid energy waste). • Carrying out preventive and scheduled maintenance work on all large electricity-consuming machines.



Sustainability risks

Sustainability aspects	Sustainability risk	Mitigation measure
Waste management and promoting the circular economy	<ul style="list-style-type: none"> • Pollution risks. • Stakeholder relations. • Fines/penalties/financial losses. • Lack of prevention measures • Occurrence of environmental events. 	<ul style="list-style-type: none"> • Compilation and follow-up of records by type of waste and waste management. • Compilation and follow-up of the list of hazardous substances used. • Drawing up and monitoring the Waste Prevention and Reduction Programme. • Notification to the National Anti-Drug Agency for drug precursors used. • Selective waste collection. • Recycling of technological waste generated. • Storage in designated areas. • Contracts with suppliers for recovery/disposal of generated waste. • Waste reporting according to legal requirements. • Training of employees according to Training Plans. • Agreements with service providers and subcontractors. • Contracts with suppliers for the return of hazardous waste products (e.g. drums, batteries, ink bottles, thinners, etc.). • Recycling of own waste and post-consumer waste from third parties. • Investments in recycling machinery to increase production capacity and streamline the technological flow.
Water management	<ul style="list-style-type: none"> • Water contamination. • Discharge of contaminated technological water into the Buzău River. • Contamination of water/soil by cracking of treatment plant tanks. 	<ul style="list-style-type: none"> • Monitoring parameters at the wastewater treatment plant. • Monitoring the parameters of the wastewater at the discharge in the outlet manholes on the Romcarbon platform and at the Buzău river. • Drinking water network maintenance. • Monitoring and verification of drinking water chlorination plant. • Installation of a sieve for sewers to retain plastic granules and grinders. • Regular inspection and cleaning of treatment plant tanks. • Collection of sludge from the treatment plant in specially designed containers. • Disposal of hazardous waste from the treatment plant.

Materiality aspects

Material aspect	Actual of potential impact	Type of impact
Governance and Business Ethics	The existence of the risk management system at company level	Positive
	The existence and promotion of the Code of Professional Ethics and Business Conduct	Positive
	Defining the norms that govern the conduct of labor relations and the rules of operation of society	Positive
Supply chain	Evaluation of suppliers from the perspective of ESG impact	Positive
	Implementation of the Supplier Code of Ethics and Conduct	Positive
	The large number of suppliers and diversity of their locations	Negative
Customer Management	Compliance with legal requirements, with impact for the health and safety of customers	Positive
	Privacy of customer data	Positive
Gestionarea deșeurilor și Promovarea Economiei Circulare	Impact on the environment by placing plastic products on the market	Negative
	Impact on the environment through the waste generated	Negative
	The use of recycled materials in our products	Positive
	The existence and continuous development of the own recycling sector	Positive
Energy Management	Energy consumption	Negative
	GHG emissions - Scope 1 and 2	Negative
Water Management	Water consumption	Negative
	Water discharged	Negative
Emergency preparedness	Impact on health and safety at work through possible emergency events	Negative
	The existence and operation at company level of the Private Emergency Service	Positive



Materiality aspects

Material aspect	Actual of potential impact	Type of impact
Human Resources Management	Contribution to the professional and personal development of employees	Positive
	Ensuring a stable job, the basis of employees' financial security	Positive
	Ensuring equal opportunities for career development	Positive
	The existence and implementation of a human resources policy	Positive
	The existence and implementation of a remuneration policy	Positive
	Contribution to the local labor market	Positive
Occupational Health and Safety	Impact on health and safety at work through possible accidents	Negative
	Application of legal requirements in the field of OHS, involvement and continuous training of employees	Positive
Community Development	Involvement in the educational and personal development of young people	Positive
	Supporting the community through financial support and company involvement	Positive

EU Taxonomy

In 2022, Regulation (EU) 2020/852 on taxonomy entered into force, establishing a common classification system to help define environmentally sustainable economic activities.

According to this regulation, Romcarbon Group must include in the sustainability reporting for the financial year 2022 the percentage of eligible activities with this taxonomy, but also the ineligible ones carried out by the companies Romcarbon S.A. and Livingjumbo Industry S.A., from the perspective of key performance indicators (turnover, CapEx and OpEx).

The alignment of an activity is related to the set of technical criteria established for each of the 6 environmental objectives included in the act delegated to this Regulation.

The six relevant environmental objectives of the Taxonomy Regulation are:

1. Climate change mitigation;
2. Climate change adaptation;
3. The sustainable use and protection of water and marine resources;
4. The transition to a circular economy;
5. Pollution prevention and control;
6. The protection and restoration of biodiversity and ecosystems.

In 2021, the European Commission published the technical alignment criteria for only two of the six environmental objectives, namely

"Climate change mitigation" and "Climate change adaptation".

At the same time, after carrying out the alignment analysis with the technical criteria, in order to be able to state that these activities contribute significantly to one of the six objectives, we must demonstrate that we do not affect or jeopardize any of the other objectives to which we do not significantly contribute.

In the last stage, which we will implement after the completion of these two analyzes, we will determine to what extent our activities are aligned with the social criteria established by the Regulation.

During the financial year 2022, the company Romcarbon S.A. carried out a multitude of activities, as presented in the "Romcarbon Group" section. Of these, we identified only a part as eligible with the EU environmental Taxonomy, as follows:

- Material recovery from non-hazardous waste;
- Collection and transport of non-hazardous waste in source segregated fractions;
- Construction, extension and operation of water collection, treatment and supply systems;
- Construction, extension and operation of waste water collection and treatment.



In the financial year 2022, the company Livingjumbo Industry S.A. carried out a single eligible activity with the EU environmental Taxonomy "Collection and transport of non-hazardous waste in separated fractions at source;"

For each of these two companies, we report the percentage of turnover, the percentage of CapEx and OpEx related to eligible and non-eligible activities, as well as the percentage of aligned activities within the eligible ones.

In 2022, we performed an alignment analysis based on the EU taxonomy criteria, namely:

- the eligible activity contributes substantially to one or more of the environmental objectives set out;

- does not significantly harm any of the 6 environmental objectives;
- is carried out in compliance with the minimum safeguards;
- complies with technical screening criteria that have been established by Commission delegated Regulation (EU) 2021/2139.

In order to verify the compliance with the minimum safeguards criterion, we verified the transposition of the provisions of the following international regulations into internal procedures, policies and regulations:

- OECD guidelines for multinational enterprises;
- The UN Guiding Principles on Business and Human Rights;
- The ILO Declaration on Fundamental Principles and Rights at Work ;
- The International Bill of Human Rights.

Assessment of the alignment of eligible activities with the EU Taxonomy

Eligible Activity	Material recovery from non-hazardous waste	Collection and transport of non-hazardous waste in source segregated fractions	Construction, extension and operation of water collection, treatment and supply systems	Construction, extension and operation of waste water collection and treatment
Environmental objective	Climate change mitigation	Climate change mitigation	Climate change mitigation	Climate change mitigation
Does it contribute substantially to the environmental objective?	YES	YES	YES	YES
Does it significantly harm one of the 6 environmental objectives?	NO	NO	NO	NO
Technical screening criterion	The activity converts at least 50 %, in terms of weight, of the processed separately collected non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes.	All separately collected and transported non-hazardous waste that is segregated at source is intended for preparation for reuse or recycling operations.	<p>(a) the net average energy consumption for abstraction and treatment equals to or is lower than 0.5 kWh per cubic meter produced water supply. Net energy consumption may take into account measures decreasing energy consumption, such as source control (pollutant load inputs), and, as appropriate, energy generation (such as hydraulic, solar and wind energy);</p> <p style="text-align: center;">OR</p> <p>(b) the leakage level is either calculated using the Infrastructure Leakage Index (ILI) (205) rating method and the threshold value equals to or is lower than 1.5 or is calculated using another appropriate method and the threshold value is established in accordance with Article 4 of Directive (EU) 2020/2184 of the European Parliament and of the Council (206). That calculation is to be applied across the extent of water supply (distribution) network where the works are carried out, i.e. at water supply zone level, district metered area(s) (DMAs) or pressure managed area(s) (PMAs).</p>	<p>1. The net energy consumption of the waste water treatment plant equals to or is lower than:</p> <p>(a) 35 kWh per population equivalent (p.e.) per annum for treatment plant capacity below 10 000 p.e.;</p> <p>(b) 25 kWh per population equivalent (p.e.) per annum for treatment plant capacity between 10 000 and 100 000 p.e.;</p> <p>(c) 20 kWh per population equivalent (p.e.) per annum for treatment plant capacity above 100 000 p.e.</p> <p>Net energy consumption of the operation of the waste water treatment plant may take into account measures decreasing energy consumption relating to source control (reduction of storm water or pollutant load inputs), and, as appropriate, energy generation within the system (such as hydraulic, solar, thermal and wind energy).</p>
Does the activity meet the technical screening criteria?	YES	YES	YES	Cannot be assessed
Is it performed in accordance with the minimum safeguards?	YES	YES	YES	YES

For Romcarbon S.A. in the eligible percentage of turnover we included revenues registered from contracts with third parties related to eligible activities (Construction, extension and operation of water collection, treatment and supply systems; Collection and transport of non-hazardous waste in separated fractions at source; Material recovery from non-hazardous waste). In the Non eligible percentage of the turnover, we included the revenues registered from contracts with third parties according to notes 3 and 4 of the Annual Separate Financial Statements of Romcarbon S.A.

https://www.romcarbon.com/wp-content/uploads/2023/04/ROCE-Annual-report-2022_EN.pdf#page=86

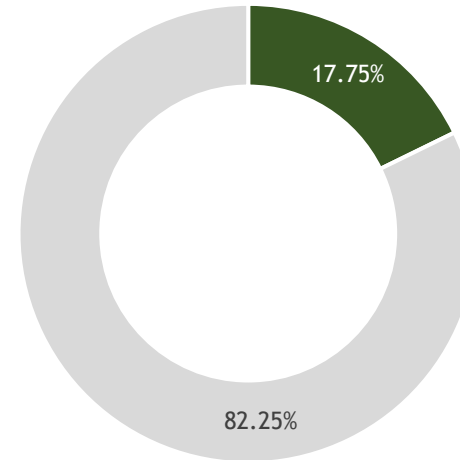
In the percentage of capital expenditures related to the eligible activities, we included additions to tangible and intangible assets related to economic activities eligible for the taxonomy (Construction, extension and operation of wastewater collection and treatment systems; Recovery of non-hazardous waste materials). In the Non eligible percentage of capital expenditures, we have included the total revenues reported in the Annual Separate Financial Statements of Romcarbon S.A., https://www.romcarbon.com/wp-content/uploads/2023/04/ROCE-Annual-report-2022_EN.pdf#page=93

In the percentage of operational expenses, we have included operational expenses related to repairs carried out by

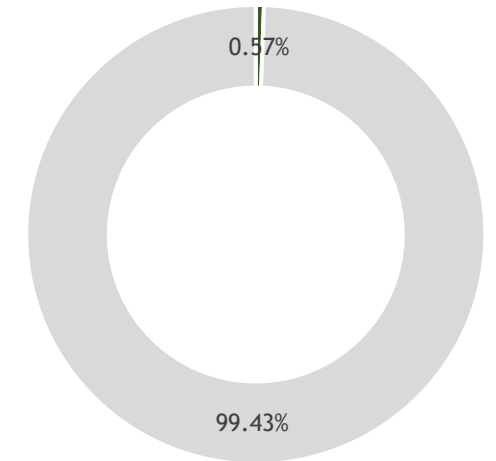
third parties, expenses with spare parts, expenses with auxiliary materials and with personnel involved in repairs and maintenance related to eligible activities (Construction, extension and operation of water collection, treatment and supply systems; Collection and transport of non-hazardous waste in separated fractions at source; Material recovery from non-hazardous waste). In the Non eligible percentage of operational expenses, we included the same types of expenses but for all activities.

For Livingjumbo Industry S.A. in the eligible percentage of turnover we included the revenues registered from contracts with third parties related to eligible activity (Collection and transport of non-hazardous waste in fractions separated at the source). In the Non eligible percentage of the turnover, we included the revenues recorded from contracts with third parties according to note 12 of the Annual Separate Financial Statements of Livingjumbo Industry S.A. In terms of capital and operating expenses, Livingjumbo Industry has no eligible expenses.

**Romcarbon S.A.
Turnover 2022**

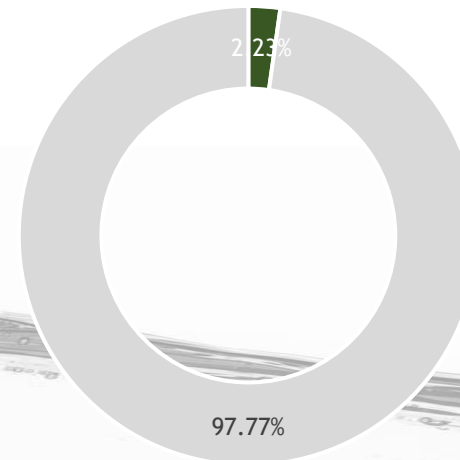


**Livingjumbo
Turnover 2022**

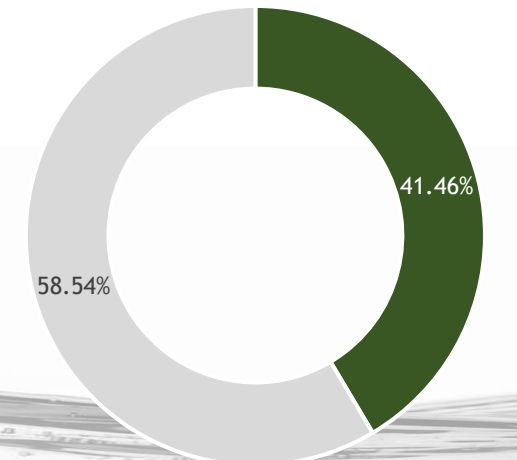


■ Eligible and aligned ■ Non eligible

**Romcarbon S.A.
CapEX 2022**



**Romcarbon S.A.
OpEX 2022**

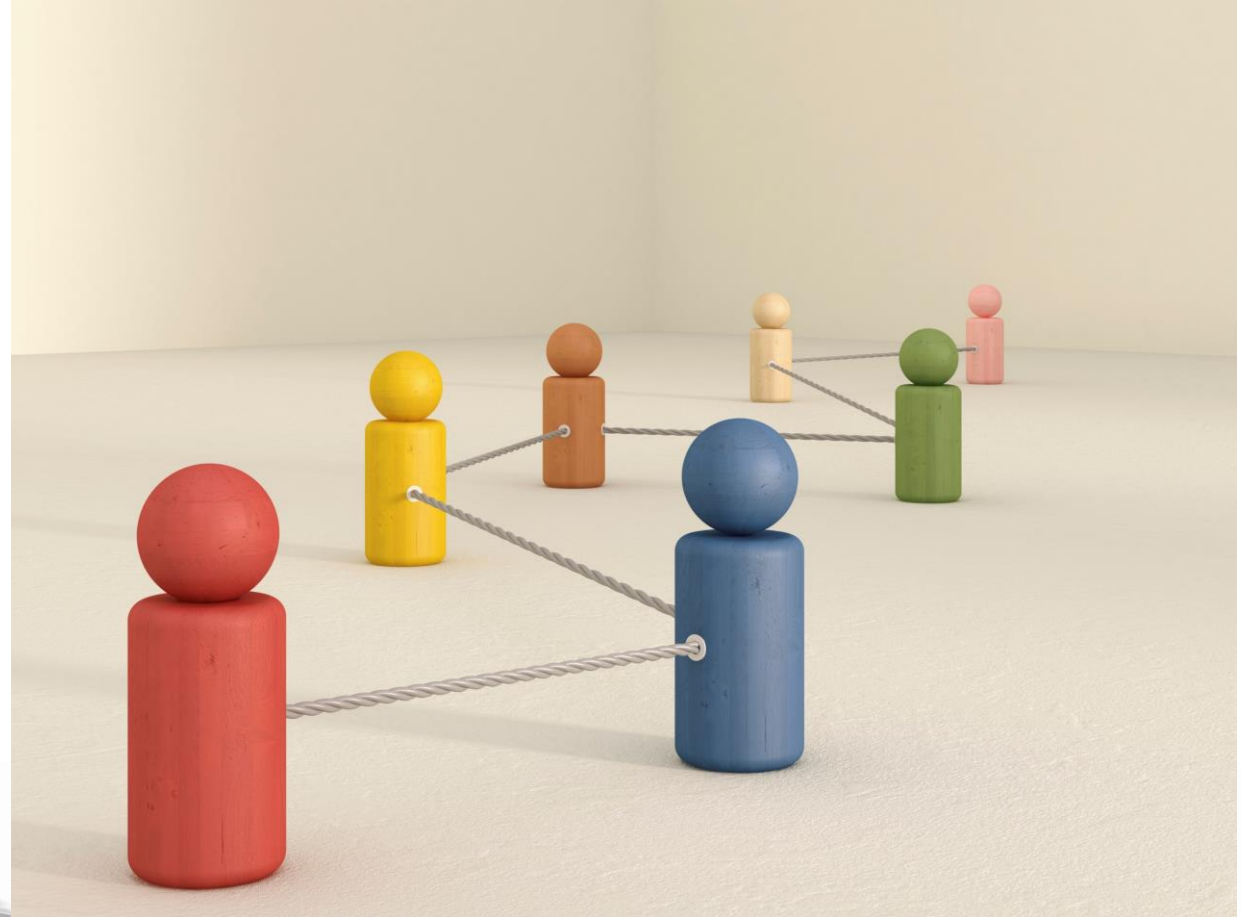


Affiliations

- National Standardisation Body (ASRO)
- Investor Relations Association on Romania Stock Marke (ARIR)
- Employers' Association of Plastics Processors (ASPAPLAST)
- Romanian Automobile Manufacturers Association (ACAROM)
- Chamber of Commerce, Industry and Agriculture Buzău
- Romanian Association for Waste Management (ARMD)
- GS1 Association

Prizes

- 3rd place for the best sustainability report awarded at the ARIR Gala 2023;
- The award for the best performance of a company included in the BET-XT index granted by the Bucharest Stock Exchange





Abbreviations

BSE - Bucharest Stock Exchange

CBA - Collective Bargaining Agreement

DPH - Department of Public Health

ERP - Enterprise Resource Planning

EIP - Personal Protective Equipment

EU - European Union

EUIPO - European Union Intellectual Property Office

GD - Government Decision

GEO - Government Emergency Ordinance

GRI - Global Reporting Initiatives

GPSS - General purpose polystyrene

FSA - Financial Supervisory Authority

HIPS - High Impact Polystyrene Sheet

IES - Inspectorate for Emergency

Situations

IILC - Individual labor Contract

ILO - International Labor Organization

IPP&Environment - Internal Prevention and Protection & Environment

ISSM - Occupational Health and Safety Instruction

ITM - Territorial labor inspectorate

OHS - Occupational Health and Safety

PE - Polythene

PET - Polyethylene terephthalate

PP - Polypropylene

PVC - Polyvinyl Chloride

RAR - Romanian Automotive Register

RRA - Romanian Railway Authority

XPS - Extruded polystyrene

WHO - World Health Organization



Restatement of the information of the previous report

> Supply chain of Romcarbon Group

Indicator (number)	Presented in the previous report		Presented in the current report	
	2020	2021	2020	2021
Total suppliers	1,831	1,592	1.461	1.430
Local suppliers	1,667	1,395	1.324	1.243
Foreign suppliers	164	197	137	187

Reason for correction: Identification of an error in the suppliers' database

> Energy Management

Energy intensity*	Presented in the previous report		Presented in the current report	
	2020	2021	2020	2021
Romcarbon	1.33	1.31	1.31	1.32
Livingjumbo	0.87	0.80	0.83	0.80

*MWh electricity consumption/ ton of production

Reason for correction: Following the internal analysis carried out for the preparation of this report, it was found that the production taken into account the previous year in determining the indicator also included the semi-finished product that was later found in the finished product. The difference is not significant.

> Water Management

Water consumption to the Production*	Presented in the previous report		Presented in the current report	
	2020	2021	2020	2021
Romcarbon	14.55	15.28	15.08	14.64
Livingjumbo	0.619	0.547	0.590	0.547

*m3/ton of production

Reason for correction: Following the internal analysis carried out for the preparation of this report, it was found that the production taken into account the previous year in determining the indicator also included the semi-finished product that was later found in the finished product. The difference is not significant.

> Sustainability Indicators

Non-compliance with laws and regulations in the social and economic area

Romcarbon	Presented in the previous report		Presented in the current report	
	2020	2021	2020	2021
Department of Public Health	0	1,500	0	1,500
Inspectorate for Emergency Situations	0	3,000	0	300
Total	0	4,500	0	1,800

Reason for correction: Identification of a human error in data retrieval.

➤ **Sustainability indicators**

Waste diverted from disposal by Romcarbon

Category	U.M.	Presented in the previous report		Presented in the current report	
		2020	2021	2020	2021
Non-hazardous	t	250.68	271.46	250.68	1,889.28
Hazardous	t	2.33	2.93	2.33	2.93
Total	t	253.01	274.39	253.01	1,892.21

Waste directed to disposal by Romcarbon

Category	U.M.	Presented in the previous report		Presented in the current report	
		2020	2021	2020	2021
Non-hazardous	t	1,310.10	1,786.22	1,310.10	168.40
Hazardous	t	6.90	6.90	6.90	6.90
Total	t	1,317.00	1,793.12	1,317.00	175.30

Reason for correction: Identification of a human error in data retrieval.



Statement of use	ROMCARBON Group reported in accordance with GRI Standards for the period January 1 - December 31, 2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No sectoral standards have been issued for the plastics processing or plastic recycling sector

DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S)) OMITTED	OMISSION	
			REASON	EXPLANATION
General Disclosures				
2-1 Organizational details	About the report p.4, Romcarbon Group p.11 and 15, Governance and Business Ethics p.23			
2-2 Entities included in the organization's sustainability reporting	About the report p.4			
2-3 Reporting period, frequency and contact point	About the report p.4			
2-4 Restatements of information	Restatement of the information of the previous report p.104-105			
2-5 External assurance	About the report p.4			
2-6 Activities, value chain and other business relationships	Romcarbon Group p.10 -19, Sustainability indicators p.73-75, Supply chain p.30-31, Customer Management p.33, Research and Development p.37, Emergency preparedness p.50-51, Human Resources Management p.54, Our people p. 64-65			
2-7 Employees	Human Resources Management p.53-55, Sustainability indicators p.80, Our people p. 64-65			
2-8 Workers who are not employees	Human Resources Management p.54			
2-9 Governance structure and composition	Governance and Business Ethics p.23-24			
2-10 Nomination and selection of the highest governance body	Governance and Business Ethics p.23-24			
2-11 Chair of the highest governance body	Governance and Business Ethics p.23-24, p.27			
2-12 Role of the highest governance body in overseeing the management of impacts	Governance and Business Ethics p.23, Risk management p.25			
2-13 Delegation of responsibility for managing impacts	Governance and Business Ethics p.23			
2-14 Role of the highest governance body in sustainability reporting	About the report p.4			
2-15 Conflicts of interest	Governance and Business Ethics p.24 and 27			
2-16 Communication of critical concerns	Governance and Business Ethics p.23			
2-17 Collective knowledge of the highest governance body	Governance and Business Ethics p.23			
2-18 Evaluation of the performance of the highest governance body	Governance and Business Ethics p.23			
2-19 Remuneration policies	Remuneration policy p.28			
2-20 Process to determine remuneration	Remuneration policy p.28			

GRI 2: General Disclosures 2021



GRI 2: General Disclosures 2021

DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION	
			REASON	EXPLANATION
General Disclosures				
2-21 Annual total compensation ratio	Sustainability indicators p.90			
2-22 Statement on sustainable development strategy	CEO Message p.5-7, Manager message p.8-9, Sustainability in Romcarbon Group p.20			
2-23 Policy commitments	Policies and strategies within the Group p.29, Supply chain p.32			
2-24 Embedding policy commitments	Policies and strategies within the Group p.29			
2-25 Processes to remediate negative impacts	Governance and Business Ethics p.25, p.27, Policies and strategies within the Group p.29			
2-26 Mechanisms for seeking advice and raising concerns	Governance and Business Ethics p.26 and p.27, Policies and strategies within the Group p.29			
2-27 Compliance with laws and regulations	In 2022, Romcarbon was fined by the Environmental Guard for not registering a shipment of non-hazardous waste in the national register on time; Sustainability indicators p.77			
2-28 Membership associations	Affiliations p.102			
2-29 Approach to stakeholder engagement	Sustainability in Romcarbon Group p.21			
2-30 Collective bargaining agreements	All employees are covered by the collective labor contract, concluded for consecutive periods of 2 years			
Material Topics				
3-1 Process to determine material topics	Sustainability in Romcarbon Group p.21, Sustainability risks p.92-98			
3-2 List of material topics	Sustainability in Romcarbon Group p.21, Sustainability risks p.92-98			

GRI 3: Material Topics 2021



	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 201: Economic Performance 2016	Economic Performance				
	3-3 Management of material topics	Sustainability in Romcarbon Group p.20-21			
	201-1 Direct economic value generated and distributed	Romcarbon Group p.11 and 16, Sustainability indicators p.75-76			
	201-2 Financial implications and other risks and opportunities due to climate change		Information unavailable/incomplete		Until the date of the report, we have not carried out an analysis on the economic effect of climate change
	201-3 Defined benefit plan obligations and other retirement plans		Not applicable		We do not have a retirement benefits policy
GRI 202: Market Presence 2016	Market Presence				
	3-3 Management of material topics				
	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Sustainability indicators p.90			
GRI 203: Indirect Economic Impacts 2016	202-2 Proportion of senior management hired from the local community	Human Resources Management p.58			
	Indirect Economic Impacts				
	3-3 Management of material topics				
	203-1 Infrastructure investments and services supported	Community Development p.68			
GRI 204: Procurement Practices 2016	203-2 Significant indirect economic impacts		Information unavailable/incomplete		The Group could not correctly determine its indirect economic impact
	Procurement Practices				
	3-3 Management of material topics	Supply chain p.30-32			
	204-1 Proportion of spending on local suppliers	Supply chain p.30-32			

GRI	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION		
				REASON	EXPLANATION	
GRI 205: Anti-corruption 2016	Anti-corruption					
	3-3 Management of material topics	Governance and Business Ethics p.25-26				
	205-1 Operations assessed for risks related to corruption	Governance and Business Ethics p.25-26				
	205-2 Communication and training about anti-corruption policies and procedures	Governance and Business Ethics p.25-26				
GRI 206: Anti-competitive Behavior 2016	Anti-competitive Behavior					
	3-3 Management of material topics	Governance and Business Ethics p.26				
GRI 207: Tax 2019	Tax					
	3-3 Management of material topics	Tax approach p.29				
	207-1 Approach to tax	Tax approach p.29				
	207-2 Tax governance, control, and risk management	Tax approach p.29				
	207-3 Stakeholder engagement and management of concerns related to tax	Tax approach p.27				
	207-4 Country-by-country reporting			Information unavailable/incomplete	The group operates in Romania. The group however has a subsidiary that managed the financial investment in Green-Group based in Cyprus.	
GRI 301: Materials 2016	Materials					
	3-3 Management of material topics	Supply chain p.30, Waste Management and Promotion of Circular Economy p.39				
	301-1 Materials used by weight or volume	Supply chain p.30-32				
	301-2 Recycled input materials used	Waste Management and Promotion of Circular Economy p.39				
	301-3 Reclaimed products and their packaging materials	Waste Management and Promotion of Circular Economy p.42				



	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	OMISSION	
			REQUIREMENT(S) OMITTED	REASON
				EXPLANATION
GRI 302: Energy 2016	Energy			
	3-3 Management of material topics	Energy Management p. 43-44		
	302-1 Energy consumption within the organization	Energy Management p. 43-44		
	302-2 Energy consumption outside of the organization		Not applicable	We cannot determine upstream and downstream power consumption at this time
	302-3 Energy intensity	Energy Management p. 44		
	302-4 Reduction of energy consumption	Energy Management p. 43-44		
	302-5 Reductions in energy requirements of products and services		Information unavailable/incomplete	Our products are not subjected to the requirements of the standard
GRI 303: Water and Effluents 2018	Water and Effluents			
	3-3 Management of material topics	Water Management p. 46-48		
	303-1 Interactions with water as a shared resource	Water Management p. 46-47		
	303-2 Management of water discharge-related impacts	Water Management p. 47-48		
	303-3 Water withdrawal	Water Management p. 46-47		
	303-4 Water discharge	Water Management p. 47-48		
	303-5 Water consumption	Water Management p. 47		
GRI 304: Biodiversity 2016	Biodiversity			
	3-3 Management of material topics	Biodiversity p.49		
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity p.49		
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity p.49		
	304-3 Habitats protected or restored	Biodiversity p.49		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity p.49		

DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION	
			REASON	EXPLANATION
Emissions				
3-3 Management of material topics	Climate change p.45			
305-1 Direct (Scope 1) GHG emissions	Climate change p.45			
305-2 Energy indirect (Scope 2) GHG emissions	Climate change p.45			
305-3 Other indirect (Scope 3) GHG emissions			Information unavailable/incomplete	At this time we cannot determine the Scope 3 GHG emissions
305-4 GHG emissions intensity	Sustainability indicators p.78			
305-5 Reduction of GHG emissions			Information unavailable/incomplete	At this time we cannot calculate the reduction of GHG emissions
305-6 Emissions of ozone-depleting substances (ODS)			Information unavailable/incomplete	We cannot determine ODS emissions at this time
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			Information unavailable/incomplete	We cannot determine Nox and Sox emissions at this time
Waste				
3-3 Management of material topics	Waste Management and Promotion of Circular Economy p.39			
306-1 Waste generation and significant waste-related impacts	Waste Management and Promotion of Circular Economy p.39-42			
306-2 Management of significant waste-related impacts	Waste Management and Promotion of Circular Economy p.39-42			
306-3 Waste generated	Waste Management and Promotion of Circular Economy pag.41, Sustainability indicators p.78			
306-4 Waste diverted from disposal	Waste Management and Promotion of Circular Economy p.41 Sustainability indicators p.79			
306-5 Waste directed to disposal	Sustainability indicators p.79			

GRI 305: Emissions
2016

GRI 306: Waste
2020



DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION	
			REASON	EXPLANATION
Supplier Environmental Assessment				
GRI 308: Supplier Environmental Assessment 2016	3-3 Management of material topics			
	308-1 New suppliers that were screened using environmental criteria		Information unavailable/incomplete	In 2022, the tools necessary to evaluate suppliers from an ESG perspective were developed.
	308-2 Negative environmental impacts in the supply chain and actions taken		Information unavailable/incomplete	In 2022, the tools necessary to evaluate suppliers from an ESG perspective were developed.
Employment				
GRI 401: Employment 2016	3-3 Management of material topics	Human Resources Management p.53-54		
	401-1 New employee hires and employee turnover	Human Resources Management p.55, Sustainability indicators p.80-83		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Part-time or temporary employees don not receive meals and gift vouchers		
	401-3 Parental leave	Sustainability indicators p.84-85		
Labor/Management Relations				
GRI 402: Labor/Management Relations 2016	3-3 Management of material topics	Human Resources Management p.53-54		
	402-1 Minimum notice periods regarding operational changes	According to the legal provisions in force in Romania regarding labor relations		
Occupational Health and Safety				
GRI 403: Occupational Health and Safety 2018>>>	3-3 Management of material topics	Occupational Health and Safety p.59		
	403-1 Occupational health and safety management system	Occupational Health and Safety p.59		
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety p.60, 61		
	403-3 Occupational health services	Occupational Health and Safety p.63		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety p.63		
	403-5 Worker training on occupational health and safety	Occupational Health and Safety p.62		

	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	OMISSION	
			REQUIREMENT(S) OMITTED	REASON EXPLANATION
>>> GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Occupational Health and Safety p.63		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety p.62		
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety p.59		
	403-9 Work-related injuries	Occupational Health and Safety p.60		
	403-10 Work-related ill health	Occupational Health and Safety p.60		
	Training and Education			
GRI 404: Training and Education 2016	3-3 Management of material topics			
	404-1 Average hours of training per year per employee	Human Resources Management p.56		
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Resources Management p.55-56		
	404-3 Percentage of employees receiving regular performance and career development reviews	Human Resources Management p.57		
Diversity and Equal Opportunity				
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topics	Human Resources Management p.58		
	405-1 Diversity of governance bodies and employees	Human Resources Management pag.58, Sustainability indicators p.86-87		
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability indicators p.91		
Non-discrimination				
GRI 406: Non- discrimination 2016	3-3 Management of material topics			
	406-1 Incidents of discrimination and corrective actions taken	During the reporting period, no cases of discrimination were registered		
Freedom of Association and Collective Bargaining				
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topics			
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable/incomplete	For the Group's operations, the requirements of the standard are applied. Regarding suppliers, for the reporting period, we do not have enough data.



	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION	
				REASON	EXPLANATION
GRI 408: Child Labor 2016	Child Labor				
	3-3 Management of material topics				
GRI 409: Forced or Compulsory Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor			Information unavailable/incomplete	For the Group's operations, the requirements of the standard are applied. Regarding suppliers, for the reporting period, we do not have enough data
	Forced or Compulsory Labor				
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics				
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor			Information unavailable/incomplete	For the Group's operations, the requirements of the standard are applied. Regarding suppliers, for the reporting period, we do not have enough data
GRI 410: Security Practices 2016	Security Practices				
	3-3 Management of material topics				
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures				The group has concluded a contract for guarding and security services with the company Mediator Service Security, which serves several companies in our area. The employees are carefully selected and trained in terms of human rights, so that there are no situations that contravene them (abuse, humiliation, harassment). There was no complaint related to the violation of these rights during the reporting period.

	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION		
				REASON	EXPLANATION	
GRI 413: Local Communities 2016	Local Communities					
	3-3 Management of material topics	Community Development p.65-71				
	413-1 Operations with local community engagement, impact assessments, and development programs	Community Development p.65-71				
	413-2 Operations with significant actual and potential negative impacts on local communities	The Group's activities with negative impacts and/or potential on the local community are detailed on pages 97-98				
GRI 414: Supplier Social Assessment 2016	Supplier Social Assessment					
	3-3 Management of material topics					
	414-1 New suppliers that were screened using social criteria			Information unavailable/incomplete	In 2022, the tools necessary to evaluate suppliers from an ESG perspective were developed.	
	414-2 Negative social impacts in the supply chain and actions taken			Information unavailable/incomplete	In 2022, the tools necessary to evaluate suppliers from an ESG perspective were developed.	
GRI 415: Public Policy 2016	Public Policy					
	3-3 Management of material topics					
	415-1 Political contributions	The group is not politically involved				
GRI 416: Customer Health and Safety 2016	Customer Health and Safety					
	3-3 Management of material topics	Customer Management p.34-36				
	416-1 Assessment of the health and safety impacts of product and service categories	Customer Management p.34 -36				
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Management p.34-36				



	DISCLOSURE	LOCATION IN THE REPORT (page number and/or links)	REQUIREMENT(S) OMITTED	OMISSION	
				REASON	EXPLANATION
GRI 417: Marketing and Labeling 2016	Marketing and Labeling				
	3-3 Management of material topics	Customer Management p.35			
	417-1 Requirements for product and service information and labeling	Customer Management p.35			
	417-2 Incidents of non-compliance concerning product and service information and labeling	Customer Management p.35			
GRI 418: Customer Privacy 2016	417-3 Incidents of non-compliance concerning marketing communications	Customer Management p.35			
	Customer Privacy				
	3-3 Management of material topics	Customer Management p.36			
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Management p.36			



ROMCARBON **70**
marking 70 years and heading forward

ROMCARBON SA | Thinking forward
Buzău, 132 Transilvaniei street
Postal code 120012
Tel. 0238.711.155
Fax. 0238.710.697
www.romcarbon.com
sustainability@romcarbon.com