ROMCARBON
since 1952

2024

SUSTAINABILITY REPORT

SUSTAINABILITY DECLARATION ESRS

ANNEX TO THE ADMINISTRATORS` REPORT ATTACHED TO THE CONSOLIDATED FINANCIAL STATEMENTS

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GENERAL MANAGER'S MESSAGE

Dear readers,

In the current global socio-economic and geopolitical context, our consistency with the group's short, medium and long-term strategies remains a priority and represents one of the pillars of sustainable development.
In the short term, we focus on increasing the capacity of our plastic recycling activity and on developing our range of regranulate/compounds made from recycled plastic. We are also intensifying our efforts to use green energy and reduce water consumption.
In 2024, the implementation of alternative energy sources continued to be one of our priorities, motivated on the one hand by the permanent concern to be more energy efficient, and on the other hand by reducing our carbon emissions. At the end of 2023, we signed the financing contract through the PNRR for a capacity of 1 MW/h of photovoltaic electricity, and at the end of the first semester of 2024, we completed the implementation and commissioning of this capacity. We continued, in 2024, with another smaller photovoltaic power plant, with a maximum capacity of 390 kW, commissioned at the end of the year.
In the medium term, we are considering introducing and respectively increasing the share of recycled raw materials in our traditional plastic processing activity, but also continuing the direction of sustainable development, by increasing the production of recycled polymers.
The transition to a circular economy remained a key focus in 2024, with the aim of moving towards this economic model as quickly as possible, including to align ourselves with EU sustainability objectives. We continue to develop 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, building on our know-how and experience in plastic processing and recycling. We want to close the loop and create new perspectives on how products can be designed in an environmentally friendly way and how they can be recycled at the end of their life cycle, to transform the post-consumer product from waste into a raw material for new finished products.
In order to adapt to the reporting requirements imposed by the CSRD Directive and the European Sustainability Reporting Standards, we have developed this report that fully aligns us with the ESRS standards.
Transformation is, however, never easy, because change requires time and financial and innovation efforts, but currently we can say that Romcarbon Group is on a path of change.
GHG emissions management, 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 privacy protection and of course, human resource development, will contribute to the economic development of the Group in accordance with this path.
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 development and sustainability plans, with a strong focus on the development of extensive environmental and green energy projects.

Huang Liang Neng

Chairman of the Board
and General Manager

REPORTING PRACTICES AND BASIS OF PREPARATION [ESRS2]

1.1 CSRD transition

Romcarbon Group is one of the main players on the national and European market in the field of plastics processing. With over 70 years of experience in processing polyethylene, polypropylene, PVC and polystyrene, Romcarbon Group is one of the most important plastic packaging manufacturers in Romania and one of the most important plastic waste recyclers, with an annual recycling capacity of approximately 15,000 tons, operating in this field since 2012.

The parent company of the Romcarbon Group is Romcarbon S.A., which operates mainly in the field of plastics processing, serving mainly the food and agricultural sectors, through the plastic packaging it produces. Within Romcarbon, in 2012, we established a new development direction in the field of plastics recycling and the production of virgin and recycled raw materials and compounds.

Starting with 2021, we issued the Group's Sustainability Report prepared in accordance with the GRI Standards, showing the attachment to the principles of a sustainable business, sustainability being, from the perspective of the Romcarbon Group, a key element of the development directions that the Group has established.

In Q4 2023, we initiated the alignment project with the reporting requirements introduced by the Corporate Sustainability Reporting Directive (Directive (EU) 2022/2.464 of the European Parliament and of the Council of 14 December 2022 CSRD), transposed into Romanian legislation by OMF no. 85/2024 and by the European Sustainability Reporting Standards (ESRS).

Therefore, recognizing both the importance and the expanded scope of the new ESRS standards, we understood that preparing the report ahead of time is essential, which led us to take proactive steps to better anticipate and apply the new reporting requirements.

Adapting to the new reporting requirements in accordance with the European Sustainability Reporting Standards (ESRS) primarily involved a detailed dual materiality analysis but also an in-depth assessment of the differences identified by comparing the ESRS requirements with our existing practices.

The results of these analyses were essential to identify sections that require increased attention and additional changes and led us to develop detailed action plans describing the new information and processes that require integration into the CSRD-aligned reporting system, not only for 2024, but also for the following years.

The transition to the new reporting practices aligned with CSRD was ensured by a dedicated team, which includes representatives from various key departments of the Romcarbon Group.

This multifunctional team, which during 2024 was integrated into the organizational structure of Romcarbon S.A., as the Sustainability Office, continued the Group's efforts to align with the reporting requirements of the ESRS/CSRD, to monitor and accelerate the progress made during the development of the 2023 Sustainability Report.
In addition, the team members benefited from targeted support from our consultants throughout the entire process of developing the 2024 Sustainability Report as the first report that meets the CSRD reporting requirements.

The complexity of the ESRS reporting standards superimposed on the complexity and variety of activities undertaken by the companies in the Romcarbon Group required patience and perseverance to achieve the objective of producing a Sustainability Report that demonstrates our firm commitment to sustainability, recognizing that sustainability is for us a continuous journey and not just a destination. We understood that achieving our goals means doing things the right way, even if it requires additional time and effort.
The 2024 Sustainability Report is a consolidated report, issued in accordance with ESRS, regarding which we confirm that it falls within the same scope of consolidation as that of the financial statements,

represents the results of our proactive efforts for compliance with ESRS requirements and forms the basis of our ongoing commitment to more comprehensive reporting to stakeholders.

1.2. Applicable regulations in force

The legal basis for the 2024 Sustainability Report is given by the ESRS Standards and the currently applicable regulations regarding non-financial reporting:

- **P.F.M. Order no. 85/2024, for regulating aspects related to sustainability reporting, which transposes into Romania Directive (EU) 2022/2.464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) no. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards sustainability reporting by undertakings**
- **Directive 2013/34/EU as regards sustainability reporting by undertakings**
- **Commission delegated regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards**
- **Order of the Ministry of Finance no. 1938/2016 and Order no. 2844/2016, which transpose in Romania EU Directive no. 95/2014 on non-financial reporting.**
- **Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (Text with EEA relevance)**
- **EU Regulation on Green Taxonomy and related delegated acts.**

In preparing the 2024 Sustainability Report, we also followed the application of the recommendations from the "Guide on the reporting of non-financial information" published by the European Commission.

Romcarbon, as the Parent Company of Romcarbon Group and a company listed on the BVB, was independently rated by Sustainalytics during the period 2023/2024, based on the collaboration of this ESG rating Company with the BVB. The ratings are calculated by Sustainalytics based on publicly available reports and information. Ratings were also provided for Romcarbon by EcoVadis and Sedex, as sustainability rating providers, obtained based on requests received from some of the Company's clients.

1.3. Materiality Analysis

The Group’s Sustainability Report is based on a double materiality approach, which considers both the impact of Romcarbon Group on the environment and society, and the influence of environmental and social aspects on Romcarbon Group’s performance. This approach ensures that the Sustainability Report is relevant to all stakeholders, including employees, investors, customers, suppliers and the communities in which the Group operates. The report also includes a discussion of the sustainability risks and opportunities faced by the Group.

1.4. Scope

The Sustainability Report was prepared at a consolidated level and is in line with the scope of the Consolidated Financial Statements.

Romcarbon prepared a single report, at a consolidated level, as required by applicable regulations.

The Sustainability Report includes specific data collected for Romcarbon S.A., Livingjumbo Industry S.A., Info Tech Solutions SRL, RC Energo Install SRL.
The companies Grinfild and Eco Pack Management do not have any activity and, therefore, were considered insignificant in the reporting period.

Recyplat is a financial vehicle that was used to manage part of the Group's financial investments. In Yenki, the Group has significant influence but does not have control.
Recyplat and Yenki were also considered insignificant for sustainability reporting, especially since the voluntary dissolution and liquidation procedure of Recyplat Limited was initiated during 2024.

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.

Company Name	Romcarbon Group Holding	Brief description of the activity	Turnover
Romcarbon SA	100.00%	Manufacture of plastic packaging materials (CAEN 2222), manufacture of recycled polymers	225,633,834
Livingjumbo Industry SA	99.86%	Manufacture of plastic packaging materials (NACE 2222)	109,272,489
Info Tech Solutions SRL	99.50%	Other information technology service activities (CAEN 6209)	2,510,008
RC Energo Install SRL	100.00%	Plumbing, heating and air conditioning work (CAEN 4322)	19,637,385
Recyplat LTD	100.00%	Business consultancy and other management activities	-
Grinfild	62.62%	Retail trade	-
Eco Pack Management SA	99.88%	Other business support service activities n.e.c. (CAEN 8299)	-
Yenki SRL	33.34%	Sports facilities activities (CAEN 9311)	-

We would like to point out that none of the subsidiaries included in the consolidation are exempt from individual or consolidated sustainability reporting in accordance with Article 19a(9) or Article 29a(8) of Directive 2013/34/EU, by the nature of the affiliation links with the parent company Romcarbon S.A. which is a public interest entity, whose shares are traded on the regulated market Bucharest Stock Exchange and, therefore, is subject to reporting obligations at consolidated level, both in the financial and sustainability fields.
For the purpose of this Report, the Group has chosen not to use the option to omit certain information corresponding to intellectual property, know-how or innovation results.

Also, by virtue of the fact that Romcarbon is a public interest entity, the Group has agreed not to apply the exemption from the obligation to disclose information regarding developments or imminent issues during negotiations, as provided for in Article 19a(3) and Article 29a(3) of Directive 2013/34/EU.

1.5. The value chain in the Sustainability Report

In its Sustainability Report, the Romcarbon Group considers the value chain through a comprehensive approach.

➔ Materiality Analysis:

The Group conducted a double materiality analysis, including considering the potential impact of Romcarbon Group's sustainability aspects on its value chain, with the aim of developing appropriate strategies to address these issues. We also engaged stakeholders in identifying and assessing impacts, risks and opportunities by incorporating their feedback from an extensive questionnaire into the final version of our Impacts, Risks and Opportunities report.

➔Processes and Procedures

Supplier Code of Ethics and Conduct: To ensure that the ethical values and principles that underpin our business are shared by the suppliers we work with, we have developed the Supplier Code of Ethics and Conduct. As an introduction to the Supplier Code of Ethics and Conduct, its provisions establish minimum requirements and expectations, which are non-negotiable, regarding current and future suppliers of goods and services, subcontractors, consultants. We expect suppliers to understand, share and adhere to the principles of this Code governing business ethics.

The Procurement policy and procedures of the companies in the Romcarbon Group are regulated by the Quality Standards (SR EN ISO 9001), Environment (SR EN ISO 14001, except Info Tech Solutions) and Occupational Health and Safety (SR EN ISO 45001: 2023, except Info Tech Solutions), standards that

impose general conditions for the evaluation of all suppliers, ensuring the quality of purchased products and services, aligning products and services with legal regulations and standards, and ensuring their safety in use for employees, customers, and the environment.

➔Customer satisfaction and customer health and safety

Our products are designed and manufactured taking into account the needs and expectations of our customers, so that we can have a positive impact on different sectors of activity, taking into account the legislative changes in the field. We particularly appreciate the relationship of trust that we have managed to establish with our customers. In this regard, we try to continuously improve the processes through which we make our products. This allows us to have a high level of customer satisfaction.

Customer satisfaction information is collected continuously. The evaluation is carried out both through the use of questionnaires and through ongoing discussions with our customers.
Products in the regulated areas, namely filters and personal respiratory protective equipment, are manufactured in accordance with legal requirements and are authorized by the competent national bodies in the field both in terms of quality requirements and health and safety in operation.

For personal respiratory protection equipment, we hold EU examination certificates specific to each product, as well as the Quality System approval certificate for the production process, module D, granted by the Alexandru Darabont Institute Bucharest.
Car filters have homologation certificates from the Romanian Automobile Registry, the production activity for railway filters has a valid railway supplier authorization and railway technical homologation certificates issued by AFER (Romanian Railway Authority).

Within the sectors that produce packaging that can be used in the food industry, we identify 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, in order to assess the potential risk of fraud.

Food safety hazards are those hazards that can be transferred directly or indirectly to food through the use of the products and/or services provided and which therefore have the potential to cause an adverse effect on human health. In order to prevent these hazards, all products are analyzed in external laboratories authorized in the field.

The products are mandatorily accompanied by declarations of conformity for each batch, as well as analysis reports (at the customer's request).

In 2024, as in 2023, we did not receive any customer complaints regarding health and safety related to the use of our products.

Within the Energo Install company, there is a management team with specialized personnel who hold authorizations in the fields of: electrical installation design (ANRE authorized), gas installation design (ANRE authorized), security system design (IGSU authorized), electricians (ANRE authorized), gas installers (ANRE authorized), firefighters (ISCIR authorized), welders (ISCIR authorized), RTS (technical welding manager - ISCIR), RSL (IR and IMSP works supervision manager - ISCIR), RVT (boiler technical check manager - ISCIR).

In order to ensure quality, compliance with legal requirements, as well as the safety and health of customers for the special regime works carried out within the Energo Install company, we hold authorizations from ANRE (National Energy Regulatory Authority) for: electrical installation works, design works for the use of natural gas < 6 bar type PDI and EDI, ISCIR (State Inspectorate for the Control of Boilers, Pressure Vessels and Lifting Installations) for: Installation, assembly, repair, maintenance and technical checks in the use of hot water boilers with P < 400 kW, maintenance and technical overhaul of self-propelled forklifts, maintenance and technical overhaul of cranes and IGSU (General Inspectorate for Emergency Situations) for: Design of signaling, alarming and alerting systems and installations in case of fire, Design of fire limitation and extinguishing systems and installations.

Thus, all work is carried out by authorized specialists in the field, at the highest levels of quality and safety.

➔Confidentiality of customer data

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

We have implemented GDPR policies and procedures regarding the protection of personal data and all our employees are trained in the use of appropriate IT tools.

During the reporting year 2024, we did not receive any complaints, claims or notifications regarding the confidentiality of our partners' data (customers, suppliers, employees, etc.) and there were no incidents of disclosure of confidential data.

➔ Indicators

To determine the Scope 3 carbon footprint indicator, in order to assess the impact of our value chain, we used industry references, as we did not obtain specific data from our suppliers.

The only information received from our suppliers is the Scope 2 emission factor, available for 2023, for the electricity used.

1.6. Sources of estimation and uncertainty of results (including value chain estimates)

The preparation of the Sustainability Report requires management to consider various scenarios, estimates and assumptions that affect the reported indicators. These are based on experience and various other factors that are considered reasonable in the circumstances. The estimates and assumptions underlying this report are and will be reviewed on an ongoing basis.

The following indicators present a higher level of estimation and complexity, for which changes in assumptions and assessments could lead to different results than those recorded in this Sustainability Report:

Carbon Footprint Scope 3

The emission factors used to calculate GHG emissions are subject to a high level of uncertainty because they use indirect sources such as data from industry averages.
For example, the uncertainty for the emission factors used to assess Category 1 - Purchased Goods and Services is ±50% for ETC/WMGE - Plastics and ±60% for US EEIO. This is a standard uncertainty for an expenditure-based emission factor.

The more relevant data we can obtain from our suppliers, the lower this uncertainty will be.

Uncertainty values for most emission and conversion factors are estimated, as most published factor sources do not provide uncertainty values. The estimated uncertainty values are "directional", so that emission factors involving relatively few assumptions are estimated to have lower uncertainty than emission factors involving more assumptions.

Climate Risk Assessment

In climate risk assessment, uncertainty comes from various sources, including model and parameter uncertainties (differences between model structures and assumptions, and variability in estimated parameters), emission scenarios (various projections based on future greenhouse gas emissions and socioeconomic pathways), data quality (accuracy and resolution of observational data), and methodological approaches (differences in translating global models into regional results).

Natural climate variability (natural fluctuations of the climate system, such as El Niño-Southern Oscillation (ENSO) or external forcing mechanisms, such as solar variability), human responses (adaptation measures

and mitigation efforts), feedback mechanisms (such as ecosystem responses) and nonlinearities (where small changes can lead to disproportionately large effects) further contribute to the uncertainty of the results.
To reduce these uncertainties, we used methods such as:

- ensemble modeling: using multiple climate models and scenarios to capture a range of possible outcomes; the scenarios used in our analysis are based on the "Coupled Model Intercomparison Project 6 (CMIP 6)".
- robust decision-making: focusing on risk mitigation solutions that address a wide range of future conditions.
- sensitivity analysis: identifying the main parameters and assumptions that significantly influence the results.

As part of our climate risk assessment, we have included a number of assumptions to account for the uncertainties inherent in projecting future climate conditions and their impact on our operations. These assumptions include variables such as temperature changes, precipitation patterns and extreme weather events, and their effects on our operations and value chain.

We have also made assumptions regarding construction materials and techniques used, maintenance of storage conditions, equipment stress, power and water supply, etc. These assumptions help us model and forecast the potential impact and the measures needed to ensure the resilience of the business to climate-related risks.

1.7. Time horizons

The Sustainability Report covers the period 01.01.2024 -31.12.2024.

The Group has adopted the following time intervals from the end of the reporting period:

- ✓ **for the short-term time horizon: the reporting period in the financial statements, which for this report is 01.01.2024 -31.12.2024;**
- ✓ **for the medium-term time horizon: from the end of the short-term reporting period up to 5 years;**
- ✓ **for the long-term time horizon: more than 5 years.**
- ✓

1.8. Development and approval of the Sustainability Report

In preparing the report, the Romcarbon Group benefited, in part, from the support of Forvis Mazars SRL, an external sustainability consultant.

The Sustainability Report is verified and approved by the Board of Directors, according to its competences. The Romcarbon auditor, BDO Audit S.R.L, performs verifications in order to issue a limited assurance opinion on the Group's consolidated Sustainability Report.

1.9. Changes in the preparation or presentation of sustainability information

Change in presentation structure:

This Sustainability Report is published in accordance with ESRS.
The Group's Sustainability Report for 2023 was prepared and published in accordance with GRI standards and in preparation for ESRS, and for 2024 we made the full transition to ESRS, our objective being to align ourselves as much as possible with the structure of the standards.

Changing the scope of reporting:

The sustainability reports for the financial years 2021 and 2022, prepared in accordance with GRI, covered the sustainability performance only for the companies Romcarbon S.A. and Livingjumbo Industry S.A. as the main production companies of the group, respectively as the most significant companies in the Romcarbon Group, which held 82% and 14% of the Group's total fixed assets during the reporting period.

Starting with the Report for the financial year 2023,to the two production companies were also added to the subsidiaries with a smaller share in the Group's activity, respectively, Info Tech Solutions SRL and RC Energo Install SRL.

Therefore, for compliance with CSRD, the current Sustainability Report (which refers to the financial year 2024) includes information regarding Romcarbon S.A., Livingjumbo Industry S.A., Info Tech Solutions SRL and RC Energo Install SRL.
The companies Recyplat LTD, Grinfild, Eco Pack Management, Yenki were considered insignificant during the reporting period.

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Place of business: Romania

Given that the Sustainability Report corresponding to the year 2024 is the first report issued by the Group in accordance with ESRS standards, the Group will not disclose comparative figures, therefore there will be no need to adjust comparative information for one or more previous periods.

Therefore, considering that the Group has not previously reported in accordance with ESRS standards, it is not necessary to disclose differences between figures presented in a previous period and revised comparative figures, or to disclose errors or corrections relating to a previous period.

Romcarbon Group has not included in this Report information arising from other legislation requiring a company to disclose sustainability information or from other generally accepted sustainability reporting standards and/or frameworks, in addition to the information prescribed by the ESRS.

2. CORPORATE GOVERNANCE

2.1. Structure and independence of the Board of Directors

ROMCARBON S.A.

The Group's parent company, Romcarbon is a Joint Stock Company, listed on the BVB since 2008.

We have implemented a unitary and strong corporate governance system, which allows us to operate in accordance 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 aspects related to the Company's Governance: the main structures, attributions and responsibilities, etc. We have also adhered to the Corporate Governance Code of the Bucharest Stock Exchange adopted by the BVB Council in 2015. We would like to point out that in January 2025 BVB adopted an updated Governance Code, and Romcarbon will submit the necessary due diligence during 2025 for a closer alignment with the requirements of the Corporate Governance Code of the Bucharest Stock Exchange, 2025 edition.

More information regarding the Group's corporate governance can be found in the corporate governance regulations of Romcarbon SA at https://www.romcarbon.com/wp-content/uploads/2021/01/ROCE-2019-Professional-Ethics-code.pdf

Members name	Executive/ non-executive	Independent (Yes/No)	Gender	Position
Huang, Liang Neng	Executive	No	Male	Chairman General Manager
Wey, Jiann Shyang	Non-executive	Yes	Male	Deputy Chairman
Toderita Stefan- Alexandru	Non-executive	No	Male	Member

We would like to point out that employees and/or workers are not represented at the Board of Directors level of any of the group companies where a Board is established, the structure of the boards of directors being that prescribed by the national legislation in force on commercial companies.

Mr. Huang, Liang Neng, Chairman of the Board of Directors, has extensive experience in the field of circular economy, having over time been the Director of the Companies GREENTECH S.A., GREENFIBER INTERNATIONAL S.A. and LIVING PLASTIC INDUSTRY S.R.L., companies known for their activity in the field of recycling and plastic processing.

ROMCARBON S.A.

Percentage of Non-Executive Members of Romcarbon's Board of Directors: 67%

Gender Diversity within Romcarbon's Board of Directors: 0%.

Gender Diversity within Romcarbon's Executive Management: 33% (for every 3 male members of the Management, there is one female member of the Management)

LIVINGJUMBO INDUSTRY S.A.

For Livingjumbo Industry S.A., the second largest company of the Group, the Management System is unitary.

Gender diversity within the Board of Directors of Livingjumbo Industry: 33% female and 67% male.

Gender diversity within the Executive Management of Livingjumbo Industry: 50% (for every 1 male member of the Management, there is one female member of the Management)

RC Energo Install S.R.L, as a limited liability company, is managed by two Directors (one male and one female), and Info Tech Solutions S.R.L, the smallest reporting entity of the Group, is managed by one Director (male).

2.2. The role of administrative, management and supervisory bodies:

GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders (GMS) is the deliberative body of the Company through which the shareholders exercise their will on the issues regulated by law or the Articles of Association, which fall within the competence of the GMS. The General Meetings of Shareholders are convened by the Board of Directors/Administrator.

The Ordinary General Meeting of Shareholders of Romcarbon takes place at least once a year, within 4 months of the end of the financial year, to approve 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's headquarters or in other places in Buzău, with their exact indication.

BOARD OF DIRECTORS

In accordance with the Articles of Association of the Company, the Board of Directors, in the case of Romcarbon SA and Livingjumbo Industry SA, is composed of three members, elected or appointed by the Ordinary General Meeting of Shareholders by secret ballot for a period of four (4) years, with the possibility of re-election.

The election of directors is made by the shareholders of the company from among the candidates for the positions of director nominated either by the current members of the Board of Directors or by the shareholders. In the process of nominating directors, their experience and personal qualities are taken into account.

Persons who, in accordance with the Law, are incompatible or have been convicted of fraudulent administration, breach of trust, forgery, fraud, embezzlement, perjury, giving or taking bribes, as well as other crimes are incompatible with the quality of member of the Board of Directors.

Board of Directors
The highest governance body is responsible for establishing the strategic direction/objectives and policies regarding sustainability, taking into account the economic, environmental and social impacts of the organization.

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 led by a chairman elected by its members for a term that cannot exceed the term of office of the director.

In the current mandate of the Board (2024 - 2028), the Chairman of the Board of Directors of Romcarbon also performs the function of General Manager in accordance with the provisions of the Articles of Association, the cumulation of these functions being justified by the vast experience of the designated person in the industry in which we operate and within the Romcarbon Group.
The Board of Directors meets at the Company's headquarters or in other places, monthly and whenever necessary, upon convocation by the President, upon the reasoned request of at least 2 of its members or of the General Manager, the President being obliged to participate in such meetings convened in this manner.

During 2024, the Romcarbon Board of Directors had 22 meetings, and that of Livingjumbo Industry 8 meetings. Attendance at all meetings was 100%, in the case of both companies, none of the members being absent. The meetings addressed the topics within the competence of the Board of Directors to approve, according to the articles of association.
Romcarbon's Board of Directors is responsible for conducting a self-assessment of its structure and performance, and for assessing the independence of the non-executive members of the Board of Directors.

The Board of Directors' contribution to the integration of sustainability

The Board of Directors, which is the highest governance body, is responsible for setting strategic objectives and policies regarding sustainability, thus including the economic, environmental and social impact of the organization, but also for monitoring risks, impacts and opportunities in the field of sustainability.
Communication with the Board of Directors takes place in person and/or through written communication. At least twice a year, a status report is presented on the progress of planned actions in the field of sustainability.
In 2024, information was provided on aspects related to energy and water management, respectively on the circular economy.

The reporting flow is directed from the executive management to the General Manager and the Board of Directors, with a frequency, generally, of six months, as well as whenever the need for analysis and decision-making arises, the means of reporting being electronic, by e-mail but also within the operational meetings on resource allocation/resource consumption monitoring/etc.

The Board of Directors was also informed by the executive management, respectively the Deputy General Manager for Administration and the Deputy General Manager for Development, on the progress of the projects regarding the installation of photovoltaic panels, on the content of recycled materials in the group's products, on the consolidation of the Group's presence in the recycling industry and on the Group's social involvement in the local community.

The Board of Directors is responsible for approving the Sustainability Report, the group's Sustainability Strategy (ESG), as well as the sustainability policies applicable at group level.
The Board of Directors is constantly in a process of self-assessment, including aspects related to Sustainability.

Therefore, in line with the ESRS requirements, the self-assessment process will also analyze the knowledge of administrators related to sustainability.

The self-assessment will consider, on the one hand, the understanding and management by the members of the Board of Directors of the material impacts, risks and opportunities in terms of sustainability, and on the other hand, the relevance and adequacy of the training sessions attended by the members of the Board of Directors (BOD) during the year, ensuring that they remain informed about the latest changes in the field of sustainability.
The Board of Directors, supported by the Audit Committee, follows up and monitors to what extent the impacts, risks and opportunities are reflected in the company's articles of association, in the board of directors' mandates and in other policies in the field of sustainability, and adopts decisions to address and integrate them into the group's governance system.

Therefore, in this regard, as a result of determining the material aspects relevant to the Romcarbon Group, the Board of Directors of the parent company, Romcarbon, adopted during 2024 the Climate Change Policy, the Environmental Policy, the Social Responsibility Policy, the Sustainable Procurement Policy, the Sustainability Strategy for the years 2025-2050.
Through the Sustainability Strategy for the years 2025-2050 which was approved by the Board, a series of targets were set related to the material impacts, risks and opportunities identified at the group level, and the Board of Directors, through internal corporate governance and reporting mechanisms, monitors progress towards achieving them or the needs for their adjustment.

AUDIT COMMITTEE

Along with the Board of Directors, Romcarbon's Corporate Governance system is strengthened by the Audit Committee, which is composed of two members appointed by the Board of Directors and one independent member appointed by the General Meeting of Shareholders.

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, which reports to the Audit Committee, the Board of Directors, as well as the responsiveness and effectiveness of management in addressing deficiencies or weaknesses in the internal control system, identified and presented to the Board of Directors through relevant reports.

The Audit Committee analyzes the conflict of interest in the transactions of the organization and its subsidiaries with stakeholders. The Audit Committee is responsible for reviewing the Statement on Corporate Governance in the Annual Report on risk management and internal control, as well as for assessing Corporate Governance and monitoring the application of legal standards and generally accepted internal audit standards.

The Audit Committee's contribution to sustainability integration

Starting with the 2024 financial year, Romcarbon’s Audit Committee, appointed by the Board of Directors (BoD), monitors the Company’s sustainability efforts. It will incorporate audit missions into its annual audit plan to ensure the accuracy and completeness of the non-financial data in the Sustainability Report. In addition, the reporting process to the Board of Directors has been updated and integrated into the Internal Audit Policy.

Both the members of the Board of Directors and the members of the Audit Committee recognize the importance of consistent and continuous information in the field of sustainability, proposing to constantly improve their knowledge in the field, accessing information provided by experts in the field and specialized trainings. In 2024, the Chairman of the Board of Directors of Romcarbon and the Directors of Livingjumbo participated in the training organized by Forvis Mazars Romania, as a specialized consultant in the field of sustainability, on the topic of dual materiality, identification and prioritization of stakeholders and identification of impacts, risks and opportunities.

COMPANY MANAGEMENT

The Management of the Company is delegated by the Board of Directors to the General Manager/Directors, who are responsible for implementing all measures appropriate to the Management of the Company, within the scope of the company's activity and in accordance with the exclusive powers granted by the Law or the Articles of Association, by the Board of Directors or by the General Meeting of Shareholders.

The General Manager/Managers/Directors are appointed or dismissed from office by the Board of Directors/AGM, which will also establish their remuneration, as well as their duties, responsibilities and powers, the duties of representing each Company being delegated by the General Manager/Managers/Directors to a third party only with the prior written consent of the Board of Directors/AGM.
The Chairman of the Board of Directors of Romcarbon also serves as General Manager in accordance with the provisions of the Articles of Association, the cumulation of these functions being justified by the vast experience in the industry in which we operate and within the Romcarbon Group. Any conflicts of interest generated by this dual mandate are addressed in accordance with the provisions of the Romcarbon Corporate Governance Code.

CEO/Managers & Sustainability Office

The CEO/Managers/Directors collaborate with relevant parties on sustainability issues, providing information and collecting feedback to improve processes. They are supported by the Sustainability Office in the process of integrating sustainability into the Group/Company strategy, and in internal and reporting processes.

Leadership's contribution to sustainability integration

The approach to sustainability issues is established by Romcarbon SA, as the Parent Company of the Group, and for the two larger companies, the Board of Directors has delegated sustainability responsibilities to the General Manager/Directors for the duration of their mandate, while for the smaller companies, the administrators are responsible for sustainability issues.
Through the established organizational mechanisms, the General Director/Managers/Directors collaborate with relevant stakeholders on all aspects of sustainability, providing information and collecting feedback for process improvement and reporting, as a rule, in writing, on paper and/or by e-mail to the Board of Directors, represented by the Chairman and/or to the General Meeting of Shareholders, on progress in the field of sustainability, the reporting lines to the administrative and management bodies being therefore clearly defined in the corporate structure.
In addition, the CEO/Managers/Directors and all stakeholders are supported by the members of the Sustainability Office in integrating sustainability into the Group/Company strategy, internal processes and reporting.

The Sustainability Office monitors new legal requirements and trends in the ESG sphere, develops recommendations on the main ESG initiatives to ensure the sustainability of the business and also compliance with the expectations of stakeholders and executes the strategic objectives, reports to the CEO/Managers/Director and is composed of representatives of the departments related to sustainability, such as the Finance, Legal, Internal Audit, Human Resources Departments.
The staff within the sustainability office benefited from a training organized by Forvis Mazars Romania in the field of CSRD and ESRS implementation and continue to improve their skills in the field of sustainability, in order to fulfill the duties assigned to them according to the job description.

2.3. List of material impacts, risks and opportunities addressed by the administrative, management and supervisory bodies or their relevant committees during the reporting period

In 2024, the main sustainability aspects taken into account in the decisions of the governing bodies were related to:

Energy
The impact of energy consumption, the risk of energy price increases, as well as the opportunity to increase renewable energy production.

Water
Impact of water consumption and avoidance of discharged water pollution; development of feasibility study and start of implementation of its solutions.

Circular Economy
Increasingly strict local and European requirements regarding plastic packaging/opportunities created by owning your own recycling sector

Own workforce

Risks regarding labor shortages both in terms of number and qualification level/opportunities to create an adequate working environment for employees.

Starting with 2024, following the update of the materiality analysis assessment, the administrative, management and supervisory bodies will monitor, directly or through their Committees, newly identified IROs.
Thus, by applying the IMPACT, RISKS AND OPPORTUNITIES MANAGEMENT procedure, P ESG -48, as well as by involving the Audit Committee, whose regulations have been supplemented with ESG competencies, the management and supervisory bodies will take into account impacts, risks and opportunities when overseeing the strategy, decisions regarding major transactions and the risk management process.

2.4. Incorporating sustainability-related performance into incentive systems

Currently, neither the Board of Directors nor any other member of the administrative and management bodies benefit from incentives related to sustainability objectives.
Following the development and maturation of our main objectives and transition plans, we will assess the feasibility of aligning sustainability objectives with performance incentives.
(More information on incentives for senior management can be found in the Remuneration Report of Romcarbon SA, as parent company)

2.5. Involvement of employees and employee representatives

Employee representatives are consulted regularly, at least once every two years, when, for the negotiation of the Collective Labor Agreement, topics of common interest are discussed, with the aim of improving employee performance, labor relations, the working environment, employee protection measures, etc.

In addition, in accordance with legal provisions, at the level of each Company - Romcarbon, Livingjumbo Industry and RC Energo Install - an Occupational Health and Safety Committee (OHSC) operates, to ensure the involvement of employees in the development and implementation of decisions in the field.

The CSSM is a joint committee, made up of employer representatives, employee representatives and the physician responsible for occupational medicine.

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

3. RISK MANAGEMENT AND INTERNAL CONTROLS ON SUSTAINABILITY

3.1. Risk Management

At the Group level, a risk management system is implemented in accordance with the SR EN ISO 31010 standard on risk management.

In accordance with the risk management procedure for all Group companies, risks have been identified and assessed in all functional departments within the Group. Management tools and techniques such as PESTLE analysis, SWOT and relevant stakeholder analysis were used to identify and assess risks. The identified risk factors include various general aspects such as: potential political instability, legislative changes, exchange rates, inflation rates, as well as risks related to the capital market and its liquidity, customer demographics, cultural boundaries, lifestyle, education, attitude in terms of quality and savings.

Starting with 2024, sustainability risks have also been identified and assessed within the internal risk analysis through this process. Because it is a very important topic for us, assessing physical vulnerability to climate and ecological transition risk provided new insights that were integrated into the internal approach to sustainability risks.

The register of relevant risks and the associated action plans are approved by the Managers/Directors of the companies within the Group. Annually, the management of the companies within the Group assesses the effectiveness of the risk identification and management process, including the assessment of sustainability risks. Starting with 2024, the Audit Committee of the parent company ensures the assessment of sustainability risks for all Companies within the Group.

Romcarbon Group approaches risks responsibly, in accordance with its long-term strategy and, as result the risks are reviewed annually.
Responsible risk management is becoming increasingly important, taking into account the prolonged economic and financial uncertainties but also the prominent manifestation of market volatility. The strategic vision of risk management is established by the Board of Directors/Administrator and is implemented through governance 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 Association, the Collective Labor Agreement, Policies, Procedures and the organizational structure, as follows: financial auditor, internal auditor, functional structure. More information on material risks and opportunities related to sustainability can be found in the Dual Materiality Assessment section of this Report.

Sustainability risks are considered, together with impacts and opportunities, in the process of developing the Group’s specific sustainability strategy. Sustainability risks assessed as material are those that have the potential to significantly affect our activity. Thus, the measures identified to achieve sustainability objectives are, in many cases, constituted as business development measures.

3.2. Internal Control

Currently, the Internal Control mechanism for non-financial information is under development.

Our approach is to include the related controls directly within our Policies and Procedures and to incorporate recommendations for improvements based on feedback from the statutory auditors following the performance of the limited assurance engagement for the financial year 2024.

4. BUSINESS MODEL, STRATEGY, AND VALUE CHAIN

4.1. Business Model and main products and services

Romcarbon Grup is one of the main players on the local and European market in the field of plastics processing. With over 70 years of experience in the processing of polyethylene, polypropylene, PVC and polystyrene, Romcarbon Group is the largest plastic packaging manufacturer in Romania and one of the largest employers in Buzău County. Romcarbon Group is also one of the most important plastic waste recyclers, with an annual recycling capacity of up to 15,000 tons, operating in this field since 2012.

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

Within Romcarbon, in 2012, we established a new development direction in the field of plastics recycling and the production of virgin and recycled raw materials and compounds. Romcarbon's production range is diversified, including processed plastic products, filters and filter elements, personal respiratory protective equipment, activated carbon required in the food, chemical and pharmaceutical industries and, as a separate sector, plastic waste recycling, regranulation and compound manufacturing.

Total revenue breakdown table

ROMCARBON GRUP	2024 RON
Domestic sales (Romania)	220,956,159
Sales on the foreign market (Europe)	85,517,808
Other countries (China, Israel, Turkey)	841,682
TOTAL	**307,315,650**

ROMCARBON GRUP	2024 RON
Plastics processing	223,769,201
Recycled Polymers & Compounds	35,453,261
Other productive sectors (Protective materials, Activated carbon, Automotive and industrial filters, PVC support)	6,592,659
Other activities (Sales of goods, sales of utilities, provision of services, others)	41,500,527
TOTAL	**307,315,650**

ROMCARBON S.A. carries out its main activities in the following sectors of activity:

Recycled Polymers & Compounds
Plastic waste is treated by separating the recyclable fractions which are subjected to sorting, grinding and washing operations, and then extruded. The finished products in this sector are recycled polymers and compounds that can replace virgin polymers.

Processed polyethylene
Here, polyethylene packaging of various sizes is manufactured (sacks, bags, covers, by extrusion, printing, welding), general purpose film, solar film, germination films, heat-shrinkable films, and since 2019, biodegradable and compostable packaging (bags) have been added to our manufacturing range.

Automotive and industrial filters, protective equipment
Air, oil and fuel filters are produced for cars, trucks and tractors, railway equipment and industrial installations. The respiratory protection equipment sector produces individual respiratory protection equipment - masks and filter cartridges - for the chemical industry, mining industry, defense industry, civil protection and collective protection equipment.

PVC supports and pipes
Here, supports for road signs made of recycled PVC are manufactured, as well as semi-finished pipes for own consumption.

Processed polypropylene
We manufacture polypropylene products: Laminated or non-laminated fabric bags, printed or unprinted in various sizes, thicknesses and colors for packaging agricultural and industrial products.

Activated Carbon
Activated carbon is manufactured here as a semi-finished product for protective equipment, as well as activated carbon used in the oil, food, chemical and pharmaceutical industries.

Processed polystyrene
Here, through extrusion and thermoforming, casseroles for the food industry and construction products in the form of XPS boards and rolls, laminated or unlaminated, are produced.

LIVINGJUMBO INDUSTRY S.A.

Livingjumbo Industry, a closed joint-stock company with its registered office in Buzău, Transilvaniei Street no. 132, began its activity in 2002 in the processing of plastics in the field of polypropylene packaging, consisting of the production of flexible packaging (big-bag type). Over the years, the Company has constantly increased its capacity, both quantitatively and in terms of assortment, and in 2016 it opened a new production sector, namely the sector related to the production of PET foils, rigid PET trays and multilayer barrier film for food packaging.

The main shareholders are Romcarbon S.A. (99.86%) and Living Plastic Industry S.R.L (0.14%).

Processed polypropylene

Yarn extrusion, weaving and packaging manufacturing. The products sold are flexible containers (big bags) in various designs, for packaging bulk products up to 2,000 kg, fabrics, yarns, cords, straps. Polypropylene big bags, also known as "FIBCs", "bulk bags", "jumbo bags", are defined as large containers constructed from flexible woven bodies, for the transport and storage of bulk products.

Usually made of laminated or non-laminated PP fabric, big bags are made of fabrics with different structures, densities and weights, depending on the load capacity and safety factor of the container.

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

Big bags are easy to recycle, thus contributing to environmental protection, and their popularity is also due to low handling costs, low potential losses for the customer and compatibility with truck or container transport.

PET processed

Extrusion and thermoforming. The products sold are rigid thermoforming films, laminated and unlaminated, and trays for modified atmosphere packaging, transparent and in various colors.

To serve a rapidly growing market, Livingjumbo Industry created the LivingFresh brand, which has the following product categories in its portfolio:
LIVING FORM: the range of PET meat trays and FFS (form-fill-seal) films. The range of PET meat trays is perfect for serving a growing fresh produce market. The trays are manufactured using efficient processes that combine mechanical strength and flexibility to provide a superior packaging solution. State-of-the-art technology enables packaging with excellent properties, in line with environmental protection requirements.
LIVING FLEX: the range of multilayer barrier films for sealing, flowpack and flexible thermoforming. **LIVING FLEX is the first domestic brand of 9-layer co-extruded film for special packaging.** Multiple layers improve the mechanical strength of the packaging and allow multiple material combinations that serve a wide range of applications.

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

RC ENERGO INSTALL SRL

The company, organized as a limited liability company, with its registered office in Buzău, Transilvaniei Street no. 132, was established in 2005 by outsourcing the maintenance and repair of heating, water, sewage and substation installations; its main activity is Sanitary, heating and air conditioning installations (NACE 4322).

Currently, the company has the following activities:

- **Design and execution of electrical,** civil and industrial installations - low and medium voltage installations - testing of electrical equipment and installations - lightning protection installations - automation - PRAM station works, electrical panels - street, industrial, residential lighting - photovoltaic systems - thermal rehabilitation systems for buildings
- **Design and execution of ventilation systems**

- **Design and installation of security systems**: - fire detection, signaling, alarming and alerting - fire containment and extinguishing - access control, video surveillance and anti-burglary systems - CCTV (closed circuit television)
- **Design and execution of civil and industrial installations using natural gas:** interior and exterior installations, checks and revisions
- **Design and execution of sanitary installations** - fully equipped bathrooms, fully equipped kitchens - external drainage and sewage installations - septic tanks, wastewater treatment plants
- **Design and execution of thermal installations:** - classic heating systems, with gas, wood, pellets - heating systems with tubes and radiant panels - solar systems
- **Industrial technological installations:** - compressed air installations - steam technological installations - water installations - water pumping stations - maintenance and technical overhauls of lifting installations (cranes, overhead cranes, forklifts, force up to 12.5 tons)
- **Metal constructions, interior design, mechanical processing -** metal stairs, lightweight constructions, fences, gates, scaffolding, metal scaffolding - ceramic cladding, false ceilings, plaster partitions, thermal insulation systems, painting

INFO TECH SOLUTIONS SRL

The company, organized as a limited liability company, with its registered office in Buzău, Transilvaniei Street no. 132, was established in 2005 by outsourcing IT services, and its main activity is information technology activities and IT services (CAEN6209).

Currently, the company has the following activities:

- Trade in hardware and software equipment;
- ERP Soft One distributor, and ERP Soft One implementation and consulting services;
- Customized software; Web design and developer of connector applications for ERP; Customization of ERP Soft One modules;
- Web and desktop applications;
- Development and maintenance of the IT network;
- Design and optimization of network security;
- Hardware and software services;
- Maintenance, updating and development of network systems;
- Updating of network systems;
- Software design according to customer requirements.

CERTIFICATIONS

ROMCARBON SA

The Integrated Management System (IMS) for quality and environment is certified in accordance with the standards **ISO 9001:2015, ISO 14001-2015 and ISO 45001:2023**.

ISO 45001:2023 is certified for all sectors of activity, starting with 2024.

Annually, the entire Integrated Management System is audited internally by our specialists and externally by a nationally and internationally accredited body, namely SRAC Romania, both in terms of quality and environment, as well as occupational health and safety. During the recertification audit conducted in 2024, we did not have any non-conformities or opportunities for improvement reported by the certification body.
The polyethylene, polystyrene and polypropylene packaging for food use, produced by Romcarbon, complies with national and EU regulatory requirements in the field of food safety, the compatibility with food products being attested by the results obtained in accredited laboratories.

Furthermore, the polypropylene bags are certified by LABORDATA-Germany regarding the transport of hazardous substances. The filters produced by Romcarbon are certified by **AFER** and **RAR.**
Since 2021, the Regenerated Polymers and Compounds Division has been certified by **EuCertPlast** as a recycler.

In 2024, EuCertPlast and **RecyClass** reached an agreement on the further development of certification for plastic recyclers. The expertise and know-how of the two audit schemes have been combined in the **RecyClass** recycling process certification.
Thus, in July 2024, the Regenerated Polymers and Compounds Division obtained the **Recyclass P353-ROM-07-25-CBR-CB Certificate** for the recycling process.

Both audit schemes are based on the principles of the EN 15343 standard and focus on the traceability of waste origin in plastic recycling processes. The audit analyzed the process that is implemented and the necessary authorizations to ensure that the operations are environmentally friendly.

LIVINGJUMBO INDUSTRY S.A.

At Livingjumbo Industry, the Integrated Quality, Environmental and Work Safety Management System certification is implemented and maintained, in accordance with the **ISO 9001:2001, ISO 14001-2015 and ISO 45001:2023** standards.

ISO 45001:2023 is certified for all activity sectors, starting with 2024.

The Polypropylene sector is certified for food safety according to **ISO 22000-2018** standard
Also, certain types of Polypropylene big bags are certified by **LABORDATA-Germany** regarding the working load and safety factor.

Since 2016, the PET Sector has held the **BRC Packaging and Packaging** materials certification. This certification attests to 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).
Annually, the entire Integrated Management System is audited internally by our specialists and externally by nationally and internationally accredited bodies, **SRAC CERT** for both Quality, Environment, Occupational Health and Safety, and Food Safety. During the recertification audit conducted in 2024, we had no non-conformities reported by the certification body.

The BRC Packaging and Packaging materials issue 6 certification is granted by the **LRQA** body. annually. During the certification audit conducted in 2024, we obtained the AA grade for the production of flexible film and rigid PET film.

RC ENERGO INSTALL

At RC Enrgo Install, the Integrated Quality, Environmental and Work Safety Management System certification is implemented and maintained, in accordance with the **ISO 9001:2001, ISO 14001-2015 and ISO 45001:2018.** The Integrated Management System is audited internally by our specialists and externally by a nationally and internationally accredited body, ROYALCERT Romania.

INFO TECH SOLUTIONS

At Info Tech Solutions, the Quality Management System certification is implemented and maintained, in accordance with the **ISO 9001:2015,** accredited by SRAC CERT.
The complexity of Romcarbon Group's activity is translated into an equally complex value chain. Through our production companies, we process a wide range of polymers - polyethylene, polypropylene, polystyrene, PET - both as virgin material and as recycled material, transforming them into packaging, materials for construction, agriculture, sanitation, etc.
We take over significant quantities of plastic waste in our own recycling sector, transforming them into raw material for the automotive and plastic processing industries, replacing virgin materials and saving resources.

4.2. Perspectives on the Plastics Processing Market in the EU and Romania

The European Union is a major consumer and producer in the global plastics market, with Romania a key player in the region.
The two largest plastics markets in Europe are packaging (39%) and construction (21%)*. This perspective provides an analysis of market trends, growth forecasts and Romania's comparative performance against other countries in the European Union.

Overview of the EU market

- The global plastics market size is estimated to grow from $532.64 billion in 2024 to $778.67 billion by 2032. **
- The European Union Plastics Processing Market is expected to grow at a compound annual growth

rate (CAGR) of approximately 3-5%, driven by increasing demand in various applications including packaging, automotive, and electronics.***
• The outlook for plastics in the European Union is significantly influenced by the evolution of the regulatory framework, driven mainly by the Packaging and Packaging Waste Regulation (PPWR) and various other legislative measures aimed at promoting sustainability and reducing environmental impact. The "Packaging and Packaging Waste Regulation" sets ambitious targets for the reduction of packaging waste, with all packaging having to be recyclable by design and in practice by 2030.
• Specific targets are set for post-consumer recycled content (PCR): by 2030, plastic packaging must contain 10-35% PCR content, increasing to 50-65% by 2040. Mandatory reuse and refill targets are also set, which vary depending on the type of packaging and product category, to be achieved by 2030 and 2040.
• The European Green Deal and the 8th Environment Programme also guide the Policies to Improve Recycling, Reduce Single-Use Plastic and Incorporate More Recycled Materials in Packaging.
• The packaging industry is expected to face challenges in meeting new regulatory requirements, in particular in terms of achieving high levels of PCR content and developing infrastructure for large-scale recycling. The food and drink industry is expected to be significantly affected and adjustments are underway to ensure that safety and quality standards are maintained, while transitioning to more sustainable packaging solutions.
• Investment in new technologies, such as bio-based polymers and advanced recycling methods, is expected to increase, increasing the efficiency and durability of products.

Market Dynamics in Romania

• The Romanian plastics industry, reflecting broader European trends, is at a crossroads due to evolving regulatory frameworks, environmental concerns and changes in consumer behavior. Starting in 2024, Romania's commitment to the European Union's Circular Economy Package and the Single-Use Plastics Directives significantly influence the industry's trajectory.
• In 2021, Romania was ranked 14th among the largest markets for plastics products in the EU, with its export and import activities showing significant growth potential. This positions Romania as an increasingly important hub within the EU plastics industry.
• From an economic perspective, the Romanian plastics sector is experiencing moderate growth, with sales expected to grow steadily by 2.2% annually. According to recent reports, the industry has seen an increase in production capacity, driven by both domestic demand and export opportunities, particularly in Central and Eastern European markets. However, this growth is tempered by challenges such as rising raw material costs and the need for investment in advanced recycling technologies.

In conclusion, the plastics processing market in the EU and Romania is poised for growth, driven by regulatory changes, market demands and technological advances.
Romania, in particular, presents promising growth potential in the broader EU context, requiring strategic investments in technology and sustainability to capitalize on emerging opportunities.

4.3. Value chain and due diligence

In the Romcarbon Group, 6 major value chains can be identified, each of which is assigned to a significant activity.

For the plastic processing activity, the core activity in the Group's production companies – Romcarbon and Livingjumbo Industry – the basic raw materials are polymer granules: Polyethylene (PE), Polypropylene (PP), Polystyrene (PS) and PET (Livingjumbo). Virgin polymers are the result of refining and processing oil and natural gas. These raw materials have as their sources an internal supplier (from Romania) for most of the Polypropylene and external suppliers (mainly European, who also supply goods of non-European origin) for Polyethylene, Polypropylene, Polystyrene and PET.
We also use recycled polymers, the source of which is plastic waste recycling facilities, both our own, from Romcarbon, and other recyclers (from Romania and the Republic of Moldova).

We purchase and use other raw materials (additives, fillers, dyes, inks and solvents, rubber and metals, etc.), packaging materials (cardboard boxes and tubes, foils, pallets, tape, labels, etc.), auxiliary materials and consumables for production and other departments (laboratory materials, work and protective equipment for employees, office equipment, etc.), spare parts, fuel for internal transport, others.

Plastics processing involves technological flows consisting of Extrusion - Blow molding (films) - Welding (polyethylene bags) - Thermoforming (polystyrene casseroles, PET trays) - Weaving and manufacturing (small bags and big bags made of Polypropylene), resulting in the products presented above.

The products made in our production activity are sold to internal and external customers, especially manufacturers/packers in the food industry, agriculture, the construction materials industry, the recycling industry, but also to distributors who generally address the same industries.
For the plastic waste recycling activity, an activity carried out in Romcarbon, the basic raw material is plastic waste purchased mainly from the Romanian market, from specialized collectors. We buy waste in the form of bales (Polyethylene, Polypropylene), car bars, crates, bottles, etc.

Technological flow of the recycling & compounds sector: multiple sorting (gravimetric, optical) – washing – grinding – regranulation – homogenization, the resulting products being regranulate and compounds.
Our products are intended for the automotive industry, consumer goods manufacturers, plastic processing industries, construction materials, etc., to domestic and foreign customers (mainly European). The group uses regranulate produced in this sector - polyethylene, polypropylene - as secondary raw materials for the plastic processing sectors.
The production activity of respiratory protection materials (gas masks and filter cartridges) and automotive and industrial filters in Romcarbon, even if it has a small share in the total activity, involves an equally diverse supply chain.
The main raw materials are filter paper, activated carbon, metal sheet, parts for gas masks, etc. and the products manufactured are intended for distributors of automotive filters, the chemical industry, civil protection.

RC Energo Install purchases construction materials, materials for gas, water and electrical installations. For the activity of renting/selling lighting installations for holidays, it purchases specific electrical materials.
In the activity of installing photovoltaic panels, it uses materials (panels, mounting structures) of non-European origin (Asia).
Customers are, in general, public institutions and economic agents from Romania.

Info Tech Solutions collaborates with suppliers of hardware (IT equipment), software, IT consumables. Its clients are the Romcarbon Group, but also other economic agents.

At Group level, we have over 1000 suppliers of products, utilities and services, with great influence on our financial and sustainability performance. We understand the impact of our activity through the resources involved in our value chain, through the implications on the environment and people. We act to minimize the negative impact, identify risks and consider sustainability aspects at all stages of the value chain. The Group's current purchases were directed in 2024, as main groups, towards: raw materials and basic materials, utilities, spare parts, services.
The category of utilities suppliers, necessary for the entire activity, includes those through which we purchase the necessary electricity, gas and water (including wastewater disposal).

Regarding services, we collaborate with companies specialized in repairs and maintenance, plant operation, regulatory checks and inspections, laboratory analysis, IT, transport, security, sanitation, etc.

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*Plastics Europe: "Plastics - the Facts 2022", October 2022
**Fortune Business Insights- "Plastics Market Size, Share and Industry Analysis (…) and Regional Forecast, 2024-2032", May 2024
***Orion Market Research- "European Plastics Market Size, Share & Trends Analysis Report, Jul 2022
****ReportLinker-"Romania Plastic Industry Outlook 2022-2026"
*****ReportLinker-"Romania Plastic Industry Outlook 2022-2026

Regarding the origin of purchased goods, we are in the process of implementing additional records to easily identify purchases in accordance with this criterion, regardless of the place of registration of the supplier. There are many European suppliers, in particular, but not only for raw materials used by the group's production companies, which distribute materials of non-EU origin.

Specific changes in the supply chain in 2024

The analysis of the value chain by group for 2024 did not show significant changes compared to the previous year, with no major changes in terms of types of suppliers, processes, products and customers.
The year 2024 was also marked by the international geopolitical situation, the effects of the war in Ukraine, inflation and the economic problems specific to Europe, congealing the negative effects at the micro and macroeconomic levels, with all the imbalances they caused in the supply, processing and transport segments. In the context of the sharp decrease in demand on the market and, implicitly, from the processing sectors, the main raw materials used in the Group's production - polymers - recorded significant price reductions, but the problem of unpredictable quantitative availability persists, with numerous cases of force majeure declarations or capacity limitations by European and non-European suppliers, often in an attempt to stop price reductions.
Continuous adaptation to uncertain market conditions was the watchword in procurement activity in 2024. For certain materials, it was necessary to seek alternative suppliers that would ensure good quality, on-time delivery and a price that would allow us to remain competitive with our products.

Supply Chain Policies and Procedures

The Procurement Policy and Procedures of the Companies in Romcarbon Group are aligned with the Quality Standards (SR EN ISO 9001), Environment (SR EN ISO 14001) and Occupational Health and Safety (ISO 45000), Food Safety (ISO 22000 and BRC Packaging) which impose general conditions for the evaluation of all suppliers, ensuring the quality of purchased products and services, the inclusion of products and services in legal regulations and standards, their safety in use for employees, customers, the environment and food safety. The structures responsible for carrying out procurement activities within the Companies in the group are the Procurement-Logistics/Import-Export Services/Offices, the form of organization and the number of personnel being adapted to the specifics of each. These structures ensure the supply of all necessary materials, the procurement activities being carried out in accordance with the specific procedures. The Procurement-Logistics Service constantly informs sectors and managers about the availability of materials on the market and the evolution of prices, in order to make quick, real-time adaptation decisions. The supply requirement transmitted by the production sectors and/or other departments is approved at the level of the section head/head of department and the profit center manager, only after checking the stocks, in correlation with the planned production activity. Safety stocks are established/fixed in the system, sized and updated periodically, taking into account the evolution of the market, both to avoid the risk of a possible production stop, but also to avoid unnecessary blocking of financial resources. The initiation, approval and transmission of the supply requirement is done through the ERP system of the production companies, ensuring visibility, verification and approval in real time.
Purchasing agents, specialized by product type and group, send requests for proposals to accepted suppliers, informing the departments involved about the offers received and analyzing together with them the technical aspects, price, delivery terms and any other element necessary for making a decision. For new products or alternatives to existing materials, the technical-financial analysis is doubled by tests in production. After the purchase decision/purchase approval, the order is launched to the supplier, this document is also initiated and approved in the ERP system. An order approval/signature matrix is implemented by department, product, value, with responsibilities up to the top management level being involved. Purchasing agents then follow up on the order confirmation, delivery, receipt of goods, concluding the procurement cycle by recording in the same ERP system.

An important part of the procurement activity is the identification of alternative suppliers for each purchased material, especially for basic raw materials for which the quantitative requirement is important. To ensure deliveries, the transport office organizes transport in an

outsourced system both for purchases under ex-works/FCA delivery conditions and for our deliveries to customers. The following objectives are pursued: transport efficiency, ensuring round-trip routes, on-time delivery and ensuring that the goods arrive in good condition at their destination, selecting carriers taking into account all these criteria.

Supplier evaluation
In establishing a business relationship with Suppliers, a mandatory and important step is their evaluation. The analysis, based on a questionnaire, takes into account general information, field of activity, capacity, financial data, system and/or product certifications, authorizations, accreditations, certifications required by legislation, information about the quality, environmental, health and safety management system, information about the documents provided for the delivered products (Declarations of Conformity/Declaration of Food Contact and Warranty Certificate, as applicable; CE Certificate of Conformity; Technical Data Sheets/Product Specifications); Instructions for storage, handling, transport, use of products; Analysis bulletins/Test reports); information on compliance with legal requirements relating to environmental protection, occupational health and safety and human rights; method of evaluating complaints and reports on non-conformities found.

Selected suppliers are included in the "List of accepted suppliers". The evaluation is made for each new supplier and, annually, accepted suppliers are re-evaluated, also taking into account criteria related to price, compliance with delivery terms, compliance with product quality, response to any complaints, payment term, communication method.

In 2024, 620 suppliers were evaluated, of which 574 of the evaluations are associated with the Group's production companies.

Romcarbon Supplier Code of Ethics and Conduct
To ensure that the values and ethical principles that underpin our activities are shared by the suppliers we do business with, we have created the Supplier Code of Ethics and Conduct.
As a transposition of Romcarbon's Code of Ethics and Conduct, the provisions of this code establish the minimum requirements and expectations, which are not negotiable, regarding the suppliers of goods and services, subcontractors, consultants, current or future, with whom we work. We expect suppliers to understand, share and adhere to the principles of this code that regulate business ethics. The Supplier Code of Ethics and Conduct 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
By the time of publication of this Sustainability Report, 53 suppliers had adhered to the Supplier Code of Ethics and Conduct.

According to the Sustainability Strategy for the years 2025 - 2050, 100% of our relevant suppliers (with a turnover with Romcarbon Group > 50,000 euros/year) will be assessed from the perspective of environmental impact.

By the time of publication of this Report, the ESG questionnaire had been sent to 281 relevant suppliers. Of these, 39 suppliers completed the ESG questionnaire, either in electronic format or on analogical support, which means 13.8%.

We will expand the Code of Ethics and Conduct of suppliers at Group level, to include all Companies and to increase the number of suppliers invited to join.

Given the impacts, risks and opportunities identified for the supply chain (for more information, please see the Dual Materiality section), our future measures will aim to:

- continuing to identify local/European/shorter distance sources, to reduce risk and CO2 emissions during transport
- modifying the supplier/bid evaluation procedure by introducing the criterion of geographical proximity of suppliers, to reduce transport distances
- issues related to professional conduct in relations with suppliers and its non-discriminatory application, continuous training of our own staff on business conduct and introducing a chapter in the supplier evaluation questionnaire for their feedback on the relationship with our companies.

Customer management

Our products are aimed at customers operating in various industries, Romcarbon SA being a traditional plastics processor. With over 70 years of experience in polymer processing (polyethylene, polypropylene, PVC and polystyrene) and over 10 years of recycling, we are a recognized brand on the Romanian and European market. Livingjumbo Industry SA, through its initial products or added products along the way, has gained and stabilized its market share. The majority of Romcarbon Group's customers are legal entities, and a smaller proportion of sales is directed to individuals, mainly through distributors.

Policies and procedures for customer relationship management
Within the Romcarbon Group, we have implemented procedures that establish the principles, methods of verification and recording of the activity carried out regarding: product sales - delivery process - customer satisfaction assessment.

The commercial teams manage the relationship with customers throughout the chain: tender - contracting - delivery confirmation and planning - tracking the receipt of the value of the goods.

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

▪ requirements specified by the customer, including 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 (this also includes applicable government regulations on safety and the environment, which apply to the supply, storage, handling, recycling, disposal or decommissioning of materials);

▪ any other additional requirements considered necessary.

Orders for new products or changes to those in the standard range are subject to interdepartmental review.

Customer Satisfaction
The collection of information related to customer satisfaction is carried out continuously, in direct contact with them. Annually, the evaluation of customer satisfaction is carried out through evaluation questionnaires, which customers can access online at the following link:

https://forms.office.com/Pages/ResponsePage.aspx?id=a9h82jcgxUGf_hwBBob_GO_vWUYTf0xDp5gpbDTf 3MtUNEtZMUg3VUNLODhTTjNHRFZXT1VNQU8xMi4u&l ang=ro
with automatic collection of responses.

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

▪ information and proposals 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.

Customer satisfaction table

YEAR	ROMCARBON	LIVINGJUMBO INDUSTRY	RC ENERGO INSTALL	INFO TECH SOLUTIONS
2024	**95.97%** (according to 61 customer responses)	**94.18%** (according to 28 customer responses)	**98.22%** (according to 10 customers' answers)	**99.00%** (according to 15 customers' responses)

Table of the number of complaints received from customers

YEAR	ROMCARBON	LIVINGJUMBO INDUSTRY	RC ENERGO INSTALL	INFO TECH SOLUTIONS	Total Grup
2024	22	9	0	0	31

We promote a fair and responsible attitude towards the customer, 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 the lack of knowledge or choice of customers, so we had no complaints, notifications or warnings in this regard during the reporting year.

Customer health and safety

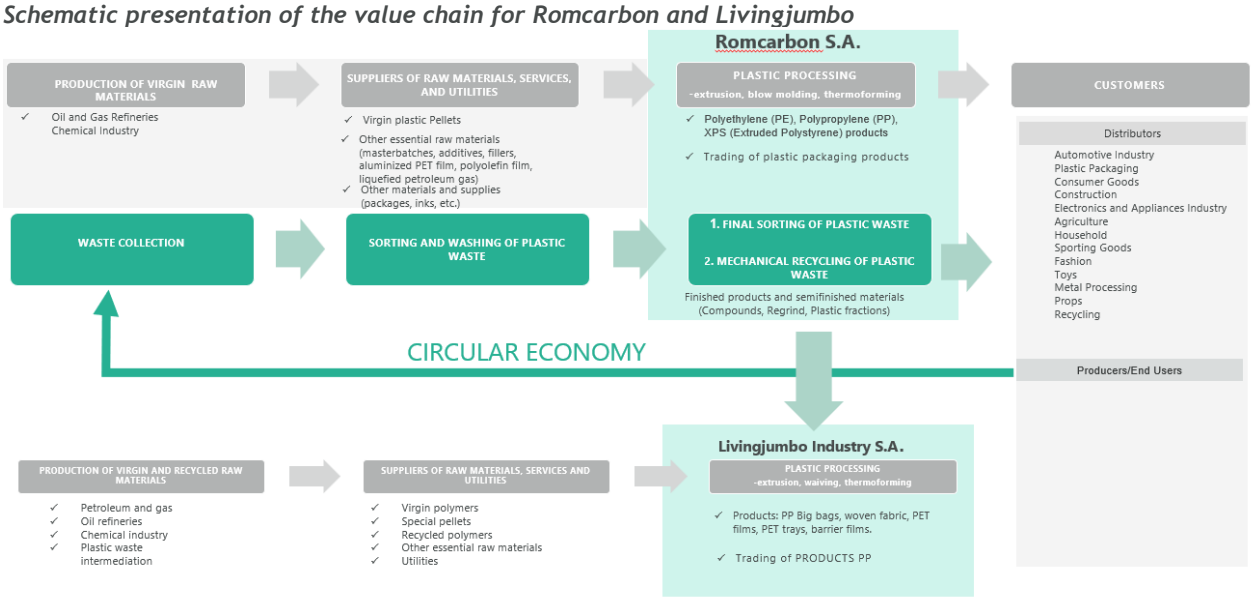
For consumer safety, products in regulated areas, namely filters and personal respiratory protective equipment, are marked and inscribed in accordance with legal requirements with all the data necessary for strict identification. Plastic packaging produced are marked with international recycling symbols to facilitate their separate collection by end users.

100% of our products comply with labeling requirements.

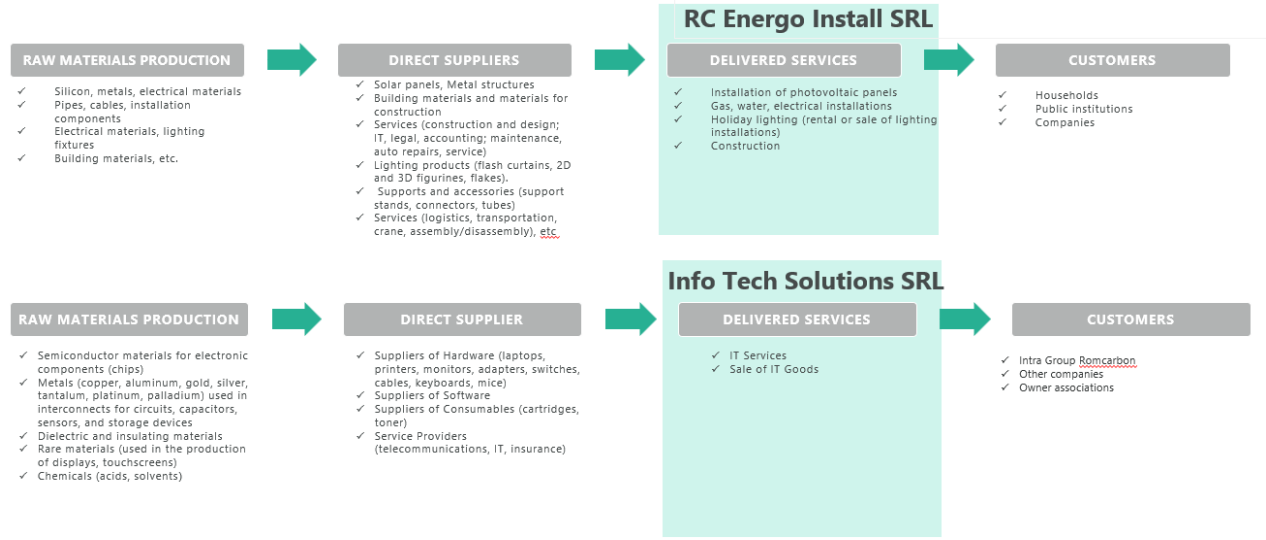
For full transparency and correct information of customers and end users on the content of the product, in particular on substances that could have an impact on the consumer, the environment and/or society, as well as for safe use and disposal, all our products are mandatorily accompanied by: declarations of conformity for each batch; "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); technical safety sheets (if applicable).

Raising awareness among our customers about selective waste collection is made 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 identify 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, assessing 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 products and/or services provided and which thus have the potential to cause a negative effect on human health. In 2024, we did not receive any complaints that our products affected the health and safety of customers, caused incidents and/or accidents of any kind.

Schematic presentation of the value chain for Romcarbon and Livingjumbo



Schematic presentation of the value chain for Energo Install and Info Tech



The Group has not yet analysed sustainability-related objectives in terms of significant product and service groups, customer categories, geographical areas and stakeholder relationships, nor has it made an assessment of the current significant products and (or) services and significant markets and customer groups, in relation to sustainability-related objectives.

During 2024, we developed the Sustainability Strategy for the years 2025-2050 at Group level, establishing strategic objectives and tactics applied to the Impacts-Risks-Opportunities identified in the new dual materiality analysis.

4.4. Stakeholder engagement

Our approach to stakeholder engagement highlights our dedication to listening and interacting with stakeholders. Through continuous communication, we aim to understand their perspectives, concerns and expectations.

This continuous interaction shapes our sustainable development efforts, projects and processes, allowing us to align ourselves with the interests and views of stakeholders, the insights gained from these dialogues influence our due diligence processes and dual materiality assessments.

Details on the identification, prioritization and consultation of stakeholders as well as on the materiality matrix can be found in the specific procedure developed applicable at Group level.

Stakeholder table, categories, organization of involvement

Stakeholders	How engagement is organized	Purpose of involvement	Examples of engagement outcomes
Employees	Labor relations and employee representation in matters of occupational health and safety Consultation with employee representatives Involving employee representatives in the assessment of dual materiality within the dedicated workshop identificării impacts of risks and opportunities Satisfaction surveys Surveys to assess dual materiality	Including employee perceptions and experiences Promoting a sustainable workplace and improving the quality of working life Identifying employee perceptions of material sustainability impacts, risks and opportunities	Internal policy updates Improvements and action plans Communications from management Group initiatives and campaigns Management suggestions for defining material sustainability impacts, risks and opportunities
Customers	Customer support and guidance Customer satisfaction surveys/discussions Complaints received from customers Damages/discounts requested by customers	Building trust and ensuring customer satisfaction Furnizarea de soluții sustenabile Ensuring clients are able to achieve their goals	Improving products/services Internal procedure updates
Suppliers	Supplier assessment (including sustainability due diligence)	Adhering to our code of conduct Promoting responsible sourcing	Rationalized expectations from suppliers Planuri de îmbunătățire a calității furnizorilor Informed supplier selection
Investors	ESG assessments Investor conferences, surveys and emails Regular updates for investors	Understanding sustainability expectations Attracting responsible investors Increasing transparency	Plans to improve ESG rating Answers to investor questions Adapted internal communication regarding sustainability practices
Romanian authorities (both at central and Buzău level)	Surveys and emails	Understanding their requests and complying with legal requirements	Improving the way business is conducted and reducing the risk of being fined
Civic and non-profit organizations	Collaboration on community projects	Contribution to local initiatives	Awareness of the importance of cultural identity, music and reading in the education of the population

Stakeholders	How engagement is organized	Purpose of involvement	Examples of engagement outcomes
	Partnerships with NGOs	Addressing community concerns	
Industry associations	Response to public consultations on industry regulations Joint initiatives and programs Contributions to strategic directions Workshops and knowledge exchanges	Ensuring the possibility for industry to involve political decision-makers Developing industry standards on sustainability	Alignment with sustainability practices and measurement standards
Local communities	Surveys, emails, briefings and meetings	Identifying their needs and providing appropriate solutions	Better cooperation and better development of the local community
Financial institutions	Regular financial reporting and discussions	Securing financing and favorable loan terms	Access to green finance and investment opportunities Better credit ratings and lower borrowing costs
Mass Media	Press releases Participation in sector conferences and public events	Promoting transparency and positive public relations Highlighting sustainability initiatives and innovations Brand reputation and public image management	Increased positive media coverage and public awareness Improving corporate reputation and brand value
Competitors and counterparts	Collaboration within professional associations	National and European level initiatives for the development of the industry	Clarification of legislation and regulations in the fields of the environment and circular economy
Capital market participants	ESG assessments Investor calls, surveys and emails Regular updates for investors	Understanding sustainability expectations Attracting responsible investors Increasing transparency	Improving ESG score Answers to investor questions Tailored internal communication on sustainability practices
Certification and regulatory bodies	Compliance audits and certification processes	Ensuring compliance with environmental and safety standards Obținerea de certificări care sporesc competitivitatea pe piață	Obtaining certifications Reduced risk of fines and legal non-compliance
Education, science and research organizations	Emails, calls, and meetings	Active involvement in the process of training and technical preparation of young people	Obtaining a skilled workforce

According to the Organization Chart of each company in the group, all relevant sectors must identify the stakeholders they collaborate with. The nominated sectors that must analyze the categories and subcategories from the point of view of relevance are set out in the List included in the Stakeholder Assessment form.

Stakeholder prioritization is done initially and whenever there are changes in the established list of stakeholders and/or when there are changes in the way of relating to them.
Annually, members of the sustainability office re-analyze the list to determine the presence of any changes and to determine the need to resume the prioritization process.

The purpose of stakeholder interaction is to obtain qualitative information about the reasons for stakeholder interaction, contact methods, etc. and on the other hand, to assign a score between 0 and 3 for the impact of each stakeholder category and its influence on the company, from the point of view of each respondent.

4.5. Strategy

As a result of the process of identification, prioritization and consultation of stakeholders, in 2024 we developed the Sustainability Strategy for the years 2025-2050, approved by the Boards of Directors of Romcarbon and Livingjumbo/OGMS RC Energo Install and Info Tech Solutions. The strategy is built on the 3 main pillars of sustainability: environment, social and governance, with specific objectives for each pillar.

For each objective, measures and targets are established measured by specific impact indicators.

The sustainability strategy for the years 2025-2050 will become an integral part of the Group's business strategy, the impacts, risks and opportunities specific to the sustainability component complementing the "traditional" ones related to business. Due to the specificity of our main activity, concern for the environment and the reduction of specific impacts have always been present in our business strategy. We are plastic processors, but also recyclers. For more than 10 years we have been recycling plastic at an industrial level, continuously increasing recycling capacity and contributing to reducing negative effects on the environment and people.
The actions and objectives that we have established in the Sustainability Strategy - increasing the production of recycled polymers, reducing the amount of technological waste generated in production, increasing the use of recycled materials in plastic processing - are organically linked to the development and efficiency of our activity.

The actions and objectives established in the energy field - reducing specific consumption and producing renewable energy for our own consumption - refer both to reducing CO2 emissions and to reducing the costs and efficiency of our activity. Calculating the emissions from Scope 1 and 2, as a first step, helps us to establish the directions and investments to reduce these emissions, in more efficient equipment in terms of consumption. Calculating the emissions from Scope 3 also gave us an understanding of the impact of the value chain. Good Corporate Governance, sustainability throughout the entire value chain, relations with our employees and the community of which we are a part are basic elements that help us in the success of our business strategy.

During 2024, as mentioned above, we developed the Sustainability Strategy for the years 2025-2050 at Group level, establishing strategic objectives and tactics applied to the Impacts-Risks-Opportunities identified in the new dual materiality analysis.

Sustainability objectives also included significant product and service groups, customer segments, geographic areas and stakeholder relationships.

As part of our technical investment initiatives, we focused on developing new products and acquiring advanced manufacturing technologies. In addition, we focused on improving existing technologies, consistently prioritizing sustainability in all processes.
At Romcarbon, in the polyethylene sector we continue to assimilate products with a higher recyclable content. Being also a Recycling Company, certified by RecyClass Romcarbon can ensure the circular process, taking post-consumer waste from the market, recycling it and creating new raw materials.

Within the Compounds and Regenerated Polymers Center, new compounds made from recycled plastic were developed, which includes optimization in terms of both costs and the use of raw materials. The products were delivered to beneficiaries for testing, validation and use.

In order to increase the proportion of recycled materials in our products, we will implement investment projects for new equipment that connect the recycling and processing sectors.
Developing our contribution to energy saving through good home insulation, we provide a range of products such as XPS panels, with folded panels laminated with aluminized boPET foil, intended for thermal, acoustic and moisture insulation of floors. In 2023, after the new line became operational, the panels were produced and tested in an external laboratory in accordance with the characteristics specified in the EN 16354 standard. The products demonstrated high quality, aligning with the higher classes of the said standard.
In accordance with Commission Regulation (EU) 2022/1616 of 15 September 2022 on recycled plastics and articles intended to come into contact with food, economic operators placing on the market must comply with appropriate recycling technologies. Livingjumbo is a member of PETCORE EUROPE, a non-profit association. Through this membership, we have taken steps to establish the technology for the

production of PET films and containers that incorporate a functional barrier, making them suitable for contact with food. In addition, Livingjumbo actively participates in the " Functional Barrier Task Force ".

Energo Install started the installation of photovoltaic panels in 2024, an activity supported by the acquisition of photovoltaic panels, started in 2023, in order to gain a stronger position in the renewable energy installation market.

- ✓ **Current significant products and/or services, as well as significant markets and customer groups, in relation to sustainability objectives;**

Our processed plastic products largely meet recycling requirements and we are committed to making all our products 100% recyclable. To achieve this, we intend to invest in equipment and develop formulas for single-cell barrier materials. By capitalizing on our recycling sector, we ensure products with a high recycled content. In collaboration with our customers, we seek efficient logistical solutions to recover waste resulting from the use of our products, with the aim of closing the loop wherever possible.

- ✓ **Elements of the Group's strategy that relate to or have an impact on sustainability issues, including the main future challenges, key solutions or projects to be implemented**

We are committed to achieving our key strategic objectives, focusing on sustainability and reducing production costs. Significant investments in equipment will increase our recycling capacity and increase the use of post-consumer recycled content in our products. In addition, we are investing in renewable energy production, particularly solar energy.

5. DOUBLE MATERIALITY ASSESSMENT (DMA)

The material impacts, risks and opportunities (IRO) of the Romcarbon Group influence or are influenced by our strategy and business model. Our material impacts are due to our presence in the plastic processing value chain, the most relevant being related to emissions, the circular economy, pollution and the actual and potential social impact on our employees. The material risks and opportunities relate to access to capital and its cost, as well as to new business opportunities.

As a key element in our CSRD reporting work, in January-February 2024 we conducted a dual materiality assessment, guided by the ESRS requirements (IRO-1 - Description of processes for identifying and assessing significant impacts, risks and opportunities and IRO-2 - ESRS disclosure requirements covered by the Corporate Sustainability Statement).

Given the wide range of operations and products offered by the Romcarbon group, we recognize that the impacts, risks and opportunities, as well as their intensity, may vary across different value chains. Therefore, we have considered five distinct major value chains.

- Plastics processing (Romcarbon SA, Livingjumbo Industry SA)
- Recycling and obtaining polymers (Romcarbon SA)
- Personal respiratory protective equipment and activated carbon (Romcarbon SA)
- IT services (Info Tech Solutions SRL)
- Electrical, gas, water installations, construction and renovation of buildings (Energo Install SRL)

5.1. Results

In 2024, we identified our impact on the environment and society (impact materiality assessment), as well as the sustainability risks to which we are exposed (financial materiality assessment). The result is aggregated by ESRS theme, showing that E1, E2, E3, E5, S1 and G1 are the most important areas of our sustainability.

Table of material themes and sub-themes, I/R/O determination

Material Subtopic	I/R/O	Description	OWN OPERATIONS	VALUE CHAIN
Energy	Impact -	Impact of energy consumption as a resource	X	
Energy	Risk	Increase in the cost & availability of electricity	X	
Energy	Opportunity	The production of renewable electricity was started and there is still potential to increase capacity which will generate a decrease in energy expense.	X	
Climate change mitigation	Impact -	Direct CO2e footprint impact (Scope 1)	X	
Climate change mitigation	Impact -	Indirect CO2e footprint impact (Scope 2 & Scope 3)	X	X
Climate change mitigation	Risk	Increase in the cost of fossil fuels	X	
Climate change mitigation	Risk	customers to focus more and more on the CO2 footprint of the products that they buy	X	
Climate change mitigation	Risk	Delays in deliveries of materials purchased from outside EU due to climate change effects (both effects in the suppliers' operations and in the logistics)	X	
Climate change adaptation	Risk	Physical risk	X	
Climate change adaptation	Risk	Transition risk	X	
Pollution of water	Impact -	Water contamination through mistreatment of raw materials and products (potential impact)	X	
Pollution of water	Risk	In case of accidental spillage, image risk and risk to receive fines	X	X
Pollution of water	Impact -	Pollution of water due to mistreatment of our plastic products by the end consumer	X	
Pollution of soil	Impact -	Soil contamination due to improper storage of raw materials or cracking of tanks at the treatment plant (potential impact)	X	
Pollution of soil	Impact -	Soil contamination due to improper treatment of waste, especially on refurbishment and IT waste (potential impact)	X	
Pollution of soil	Impact -	Pollution of soil due to mistreatment of our plastic products by the end consumer	X	

Material Subtopic	I/R/O	Description	OWN OPERATIONS	VALUE CHAIN
Substances of concern	Impact -	Pollution with substances of concern due to accidental spills or mishandling (for example mineral oils, etc.)	X	X
Substances of concern	Risk	Risk that suppliers may face operational shutdowns or insolvency (due to fines) if their operating licenses are revoked. This can negatively affect the internal processes.	X	
Substances of concern	Risk	Image Risk, increase in the value of fines received and increase in the cleaning expenses	X	
Microplastics	Impact -	During the production of plastic materials, small plastic particles can be spilled or released into the environment through handling, transportation, and processing activities at production facilities.	X	
Water	Impact -	Water consumption in a water stress area. The water stress in the region will increase as estimated through the vulnerability scenarios	X	
Water	Impact -	Suppliers use a significant amount of water to produce our needed raw materials		X
Water	Risk	Not able to extract the water needed in the production process. The alternative being the need to connect to and purchase water from the city's network if available.	X	
Water	Impact -	Discharge of contaminated water into Buzau river either due to mishandling or due to the cracking of tanks at the wastewater treatment plant.	X	
Water	Risk	Reputational and legal/ fines risk in cased of discharging contaminated waste water (above legal limits)	X	
Resource inflows, including resource use	Impact+	The Romcarbon Group uses waste (post-consumer waste and its own technological waste) as raw material. Solutions are being studied to integrate a larger quantity of recycled materials. Through activities of recycling plastic waste (including plastic packaging), you reduce the amounts of virgin plastic pellets used in the production of new finished products.	X	

Material Subtopic	I/R/O	Description	OWN OPERATIONS	VALUE CHAIN
Resource outflows related to products and services	Opportunity	Opportunity to obtain a lower cost of financing for specific circular economy projects	X	
Waste	Opportunity	Increase the percentage of recycled waste. Implement cost synergies throughout the entire group.	X	
Working conditions	Impact+	As a general rule, all employees have employment contracts and salaries are paid on time. The Group offers employment opportunities, including for low-skilled individuals who would otherwise have few chances to support themselves through work.	X	
Working conditions	Impact+	Workers' Representatives are elected by the employees, and management discusses with them the context of corporate decisions in order to understand the underlying causes. Then, the Workers' Representatives convey the message to the rest of the employees. This involvement helps workers understand the overall situation of the company and allows them to feel included.	X	
Working conditions	Impact+	The Romcarbon Group has implemented robust health and safety policies to minimize accidents and occupational illnesses.	X	
Working conditions	Impact+	Trainings for competences development for all employees	X	
Working conditions	Risk	Productivity loss	X	
Equal treatment and opportunities for all	Impact+	Gender equality promoted by internal policies and follow up through equal pay calculations	X	
Other work-related rights	Impact+	Positive impact through the implementation of our Code of Conduct	X	
Protection of whistleblowers	Impact+	Whistleblowers' protection through the implementation of the internal policy	X	
Management of relationships with suppliers including payment practices	Impact+	Working with local suppliers whenever possible Standard payment terms	X	
Corruption and bribery	Impact+	Ensuring compliance through the implementation of the Group Code of Conduct and the Code of Conduct for suppliers.	X	X

5.2. Methodologies and Assumptions

Stage 1 Stakeholder Identification and Assessment
During this stage, we consulted all departments of each company within the group to:

- identify all stakeholders and their interaction channels
- define communication objectives
- qualitatively assess the impact of Romcarbon Group on stakeholders
- qualitatively assess the influence of stakeholders on Romcarbon Group

Feedback was received from the heads of departments of each company within the Romcarbon Group, from which we collected a total of 33 responses (19 from Romcarbon SA, 11 from LivingJumbo Industry SA, 2 from RC Energo Install SRL and 1 from Info Tech Solutions SRL).

Based on the information received from these internal experts, the Group's employees were classified as the most important stakeholders. Consequently, we involved employee representatives in the workshop dedicated to identifying IROs and ensured that each category of employees provided feedback.

Stage 2 Identify IRO and engage stakeholders
The identification of IRO was carried out in two stages:
• **Stakeholder Questionnaire (Impact Materiality)**
We have prepared a questionnaire asking stakeholders to identify and assess actual and potential impacts from both our own operations and the value chain perspective.

In our dual materiality assessment, we have adopted a comprehensive approach, including all themes and sub-themes from ESRS 1 - Appendix A: Application Requirements in our questionnaire to provide stakeholders with a complete picture of potential impacts and perspectives. In addition, we have included practical examples to enable stakeholders to provide informed feedback. To ensure that stakeholders can highlight other potential impacts, such as sector or company-specific issues, we have also included open-ended questions.
We received 111 responses from different categories of stakeholders (shareholders, employees, associations, authorities, suppliers, financial institutions).

The responses received to the open-ended questions were analyzed and, where appropriate, included in the list of impacts, risks and opportunities.

The impact assessment at theme and sub-theme level, based on the responses to the closed-ended questions, was included in the IRO evaluation process. It served as a guide for the internal experts during their evaluation.

• **Workshop with internal experts (impact materiality and financial materiality)**
Ca parte a activității noastre preliminare:
As part of our preliminary work:

- ➢ we analysed the impacts, risks and opportunities identified by our peers and competitors (local as well as EU) to ensure that all aspects were taken into account at the industry level:

• PP sector: 1 competitor;
• Plastic compounds (recycling sector): 4 competitors,
• PET sector: 1 competitor;
• Polypropylene products (plastic packaging): 3 competitors,
• XPS panels (polystyrene): 3 competitors,
• Extruded polystyrene products: 2 competitors,
• Polyethylene products: 4 competitors
• Industrial filters sector: 3 competitors

- the topics, subtopics and sub-topics from ESRS 1 - Appendix A: Application requirements were used.
- we identified the indicators listed in the ISSB sector standards for the following industries:

• Containers and Packaging

• Chemicals

• Waste Management

- we assessed the exposure to physical vulnerabilities based on scenarios relevant to the geographical location of the Romcarbon Group.

Based on the above information, we organized a workshop attended by members of the Sustainability Office, as well as participants from each Romcarbon Group company and representatives of officially designated employees (22 internal Romcarbon experts and 2 consultants).

Given the novelty and complexity of the sustainability topics, we prioritized explaining the context and terminology to the participants and then continued with a brainstorming session to identify the impact, risks and opportunities.

The feedback received both through the questionnaires and the workshop was centralized in the IRO database by the Sustainability Office, with the support of the consultants. This led to the development of a document that details:

- Descriptions of impacts, risks and opportunities (which also included stakeholder feedback).
- Stakeholder input into the average impact assessments.

The discussions with the experts also considered the links between the Group's impacts and dependencies and the risks and opportunities that may arise from these impacts and dependencies.

Stage 3 Assessment and identification of material IROs

Each identified IRO was documented and assessed for its materiality in a designated project workbook.The scoring parameters used are based on ESRS requirements:

- **Materiality of impact: impact assessment**
  - Magnitude,
  - Scope,
  - Irremediability,
  - Probability of occurrence
  - Severity takes precedence over probability for human rights impacts, according to ESRS 1 (45).
- **Financial materiality: assessment of risks and opportunities**

The existing scales included in the risk management policy were taken as a starting point and then updated to prepare for compliance with the ESRS requirements.

- Magnitude of financial effect
- Direct financial impact
- Reputational impact from a market perspective
- Legal risk
- Probability of occurrence

Based on these scales, the members of the Sustainability office proceeded to assess the impact, risks and opportunities and to identify the material ones.

Reporting threshold: IROs classified as material were those that obtained a score equal to or greater than 5 on a scale of 1 to 10.

Based on these scales, the members of the Sustainability office proceeded to assess the impact, risks and opportunities and to identify the material ones.

Reporting threshold: IROs classified as material were those that obtained a score equal to or greater than 5 on a scale of 1 to 10.

Stage 4 Final Review and Validation
The final list of IRO materials and the evaluation were validated by the General Manager/Managers/Directors.

Regarding the process of identifying, assessing, prioritizing and monitoring potential and real impacts on people and the environment, based on the due diligence process, this is documented through the Impacts, Risks and Opportunities Management Procedure.

This procedure aimed to provide management and subordinate personnel with tools and criteria that facilitate the identification, analysis and assessment of impacts, risks and opportunities in a controlled and efficient manner, in order to achieve all themes and sub-themes within the ESRS standards, as well as obtaining a description of how the material topics for the Romcarbon Group are established following the identification, analysis and assessment of risks, impacts and opportunities.
To determine the group's impacts, risks and opportunities, all categories of interested parties prioritized according to the procedure PP 47 Identification, prioritization and consultation of interested parties are consulted. Following the consultation according to the mentioned procedure, the themes, sub-themes and sub-sub-themes that are considered material by the interested parties result.To these are added the themes, sub-themes and sub-sub-themes that are determined as material by the companies in the ROMCARBON Group (Romcarbon SA, Livingjumbo Industry SA, Energo Install and Info Tech Solutions)

The activities to which the IRO determination was applied are:

- Plastics processing (Romcarbon)
- Polymer recycling and production (Romcarbon)
- Production of filters, personal protective equipment and Activated Carbon (Romcarbon)
- Plastics processing (Livingjumbo)
- IT services (Info Tech Solutions)
- Construction of electrical, gas, water installations, construction and building renovations (Energo Install)

The impact analysis mechanism takes into account the 4 criteria below:
- Magnitude/ severity (M)
- Irremediability (IC)
- Scope/ extent (DA)
- Probability of occurrence (P)

Impact analysis table
Tabel 1

Materiality of impact							
Magnitude/ Severity Effect (M)		**Scope/Extent (YES)**		**Irremediable Character (IC)**		**Probability of occurrence (P)**	
1 Insignificant (Score between 1 and 2)	1	Very low (Score between 0 and 1): - 0% - 5% of exposed people affected - one sector affected	1	1- Reversible and possible in the short term (score between 0 and 1)	1	0.1- very low probability: very unlikely to happen over a long period of time < 10% chance (3-5 years); has not happened to date;	0.10
2 - Low significance (Score between 2 and 3)	2	Low (Score between 1 and 2): - 5% - 15% of exposed individuals affected - one company affected	2	2- Reversible in the medium term and/or the possibility of returning to a certain level of equivalence (score between 1 and 2)	2	0.4- low probability: unlikely to happen over a long period of time (3-5 years), 40% and 10% chance; has happened very few times to date	0.40
3 - Average (Score between 3 and 4)	3	Medium (Score between 2 and 3) : - 15% - 25% of exposed individuals affected - 2 companies affected	3	3 - Partially reversible with moderate effort or resources (score between 2 and 3)	3	0.6- average probability: it is likely to happen over an average period of time (1-3 years) between 60% and 40% chance; it has happened several times in the last 3 years	0.60

Materiality of impact							
Magnitude/ Severity Effect (M)		**Scope/Extent (YES)**		**Irremediable Character (IC)**		**Probability of occurrence (P)**	
4 - High (Score between 4 and 5)	4	Very Widespread (Score between 3 and 4): - 25% - 75% of exposed people affected - at least 3 Group companies affected	4	4 - Possible long-term reversibility and/or return to a lower level of equivalence (score between 3 and 4)	4	0.9- high probability: likely to happen in a short period of time (< 1 year) between 90% and 60% chance; has happened several times in the last year;	0.9
5 - Very High (Score between 4 and 5)	5	Global / total (Score between 4 and 5): - 75% - 100% of exposed people affected - all companies concerned	5	5 - Irremediable effect (Score between 4 and 5)	5	1- very high probability: very likely to happen in a short period of time (< 1 year) > 90% chance; has happened many times in the last year	1

The risk and opportunity analysis mechanism takes into account the 4 criteria:

- Magnitude/severity of the financial effect (M)
- Direct financial impact (IF)
- Reputational impact (RI)
- Legal risks (RL)
- Probability of occurrence (P)

Risk and opportunity analysis table

Materialitatea financiara									
Magnitude of financial effect (M)		**Direct Financial Impact (DFI)**		**Reputational impact (IR)**		**Legal Risks (LR)**		**Probability of occurrence (P)**	
1- very low impact on activities and achievement of objectives and/or no financial impact minor < 10,000 EURO	1	1 - Short interruptions of a process/activity	1	1- Damage that cannot be quantified or involves a low reputational loss from the perspective of a local stakeholder, as a result of local complaints.	1	1 - Negligible: The risk is extremely low or almost non-existent.	1	**0.1- very low probability:** very unlikely to happen over a long period of time < 10% chance (3-5 years); has not happened to date;	0.1
2 -low impact on activities and achievement of objectives and/or with very low financial impact- 10,000÷100,000 EURO	2	2 - Average interruptions of a process/activity	2	2 - One-time, reversible damage or benefit to reputation from a stakeholder perspective, following a significant increase in complaints/lawsuits and/or local media or social media coverage, etc	2	2- Low: The risk is low, but there is a small possibility of situations that could generate legal risks.	2	**0.4- low probability:** unlikely to happen over a long period of time (3-5 years), 40% and 10% chance; has happened very few times to date	0.40
3 - medium impact on activities and achievement of objectives and/or with medium financial impact 100,000÷500,000 EURO	3	3 - The company's profitability is significantly affected.	3	3 - Significant and long-lasting damage or benefit to the reputation of key stakeholders, resulting from a protracted legal conflict, extensive negative media coverage/major environmental incident	3	3- Medium: The risk is in a middle zone, where there is a considerable probability that certain events or situations will generate legal risks	3	**0.6- average probability:** it is likely to happen over an average period of time (1-3 years) between 60% and 40% chance; it has happened several times in the last 3 years	0.60

Materialitatea financiara									
Magnitude of financial effect (M)		**Direct Financial Impact (DFI)**		**Reputational impact (IR)**		**Legal Risks (LR)**		**Probability of occurrence (P)**	
4 - major impact on activities and achievement of objectives and/or with major financial impact 500 000÷1 000 000 EURO	4	4 - Major disruptions in processes/activities, loss of key customers, supply disruptions or product recalls, complaints with significant financial losses. Affects the company's profitability permanently or systemically.	4	4 - Long-term but reversible damage or benefit to reputation from the perspective of a key stakeholder, following a (civil) conviction and/or a conflict or dispute and/or a national media crisis, etc	4	4 - High: The risk is significant and there is a high probability that certain events or situations will generate significant legal risks for the organization	4	**0.9- high probability**: it is likely to happen in a short period of time (< 1 year) between 90% and 60% chance; it has happened several times in the last year**;**	0.90
5 - significant impact on activities and achievement of objectives and/or with significant financial impact > 1,000,000 EURO	5	5 - Major disruptions to multiple core processes/activities. The variation in profitability is very significant and could lead to restructuring, refinancing, etc.	5	5 - Profound, lasting or even irreversible damage; benefits to reputation in the eyes of several interested parties, following a conviction (civil or criminal) and/or a major conflict and/or an international media crisis, etc.	5	5 - Confirmed	5	**1- very high probability:** it is very likely to happen in a short period of time (< 1 year) > 90% chance; it has happened many times in the last year1- very high probability: it is very likely to happen in a short period of time (< 1 year) > 90% chance; it has happened many times in the last year	1

For each material topic and subtopic, impacts, risks and opportunities were identified taking into account the specifics of the activity, the respective topic and the expected time horizon (ST/MT/LT).

As part of the IRO identification, other responsible persons (Environmental Manager, Technical Director, etc.) can also be co-opted.

As a starting point, the Integrated Management System documents existing in each company as well as other documents are analyzed, namely:

- Register of relevant risks and opportunities Romcarbon/Livingjumbo/ Energo Install/ Info Tech Solutions
- Internal and external organizational context / PESTLE analysis
- Environmental authorization Livingjumbo/Romcarbon
- Water management authorization Romcarbon
- List of significant environmental aspects Romcarbon/Livingjumbo/ Energo Install
- List of significant environmental aspects in SU, Romcarbon/Livingjumbo/ Energo Install
- List of hazardous substances, Romcarbon/Livingjumbo/ Energo Install
- Latest Management Analysis carried out Romcarbon/Livingjumbo/ Energo Install / Info Tech Solutions

The identification of IRO takes into account the specifics of the activities, namely:

- Plastics processing (Romcarbon)
- Recycling and obtaining polymers (Romcarbon)
- Production of filters, personal protective equipment and Activated Carbon (Romcarbon)

• Plastics processing (Livingjumbo)

• IT services (Info Tech Solutions)

• Implementation of electrical, gas, water, construction and renovation of buildings (Energo Install) but also the results obtained when consulting the interested parties

To determine the critical IROs, the classification in the table below is considered. The value 5 was chosen as the limit depending on the probability of the answers, so it is considered that all IROs for which the evaluation obtains scores above 5 are considered critical and must be analyzed and taken into account.

Since the range is between 0.2÷ 10, an average value is considered reasonable at this time.

For values situated in the range <5÷4, the identified IROs are closely monitored to determine possible variations that might push them above the established threshold of 5.
All IROs identified and evaluated as >5 are included in the sustainability strategy. They are analyzed, and objectives, indicators, targets, as well as actions and responsible persons for the implementation of those actions, are established

4	4,8	5,4	7,2	8
3,6	4	4,8	6,6	7,8
2,13	3,6	4	4,8	6,6
1,33	2,4	3,2	4	4,8
0,2	1,6	2,9	3,6	4

Regarding the change in the IRO identification and assessment process compared to the previous reporting period, as previously stated, this report is the first prepared in accordance with ESRS standards and does not include a comparative analysis or previous data on the IRO analysis, this being an initial analysis.
The IRO reassessment is done annually based on the performance of the stability actions/measures

5.3. The IRO reassessment is done annually based on the performance of the stability actions/measures.

The identification and assessment of material impacts, risks and opportunities are the basis for updating our sustainability strategy.

The strategic objectives set - Strengthening the Romcarbon Group's capacities to contribute to climate change mitigation (ESRS E1); Improving environmental performance and resource use (ESRS E2, ERSR E3, ESRS E5); Ensuring a qualified, motivated and sufficient workforce (ESRS S1), Ensuring a healthy and safe working environment for our employees, contractors and visitors (ESRS S1), Ensuring equal treatment and opportunities and non-discrimination for all personnel, combating forced and child labor (ESRS S1), Establishing a corporate culture and policies on professional conduct in relations with suppliers (ESRS G1) - are the basis for continuing some of the actions already in implementation, as well as for new actions.

Regarding energy, actions will focus on reducing consumption, including through investments in more energy-efficient equipment, but also by increasing the installed capacity of renewable energy through photovoltaic panels for own consumption (we estimate an installed capacity of 3000 MW by 2030).

Pursuing the European Union's goal of zero emissions by 2050, building on the completion of the carbon footprint with the Scope 3 emissions calculation this year, we intend to develop a transition plan in this regard by the end of 2025. The actions and investments that will be presented in this plan will complete the basis for the completion of the Group's strategy.

In parallel, we will pursue the selection of electricity suppliers based on criteria that take into account the equivalent CO2 emission factor. We will identify closer sources in terms of distance for raw materials and purchased materials and we will make CO2e emissions a key criterion in the selection of equipment.

Our objectives include reducing the amount of waste generated, raising awareness among employees about reducing CO2 emissions generated by daily travel and identifying low-emission alternatives. We will also monitor the coverage of the transition plan by the physical risks identified in the climate scenarios created for this report and the establishment of actions and resources for climate change adaptation within the transition plan.

We continue to prioritize reducing resource consumption, including water, and raising staff awareness of water efficiency. In addition, we are committed to preventing water and soil pollution with hazardous substances and microplastics.

The contribution to the circular economy through the use of recycled materials will be taken to a new level by aligning with the requirements of the new EU regulations in the field, for a minimum recycled content of 35% (2030) /65% (2040) recovered from post-consumer plastic waste, in all plastic packaging produced within the Group and for 100% recyclability for plastic packaging produced within the Group. Investments will be required in equipment that will allow for the inclusion of a high proportion of recycled material in all packaging and packaging materials produced within the Group. It will also be necessary to identify sufficient and nearby sources of post-consumer waste for recycling and/or recycled materials from post-consumer waste that we cannot secure from recycling in our own sector.

Workplace safety, work-life balance for our employees, social dialogue, health and safety at work, ensuring respect for human rights, gender equality and equal pay, ensuring training and skills development, ensuring a work environment free from violence and harassment are areas of permanent interest that will be integrated into the Group's strategy.

The adherence of suppliers and collaborators to the corporate culture and the group's professional conduct policies, on the one hand, and the continuous training of our own staff in matters of professional conduct, on the other, represent essential aspects of our corporate culture.

The time horizons considered when identifying the impacts – risks of opportunities are the short, medium and long term, as defined in the ESRS.

The group's activities involving impacts – risks – opportunities from an ESG perspective were grouped into several categories, namely: plastic processing, recycled polymers and compounds, protective equipment and activated carbon and services.

In the activity of identifying and assessing the risks – impacts – opportunities, the magnitude of their financial impact on financial performance was also taken into account, this fact being documented throughout the entire procedure followed for the identification and assessment of IRO.

The anticipated financial effects of significant risks and opportunities on the financial position, financial performance and cash flows in the short, medium and long term were not analyzed. We specify that in 2025, when elaborating the transition plan, we will analyze the anticipated financial effects of risks and opportunities.

Regarding any changes in significant impacts, risks and opportunities compared to the previous reporting period, as previously stated, this report is the first prepared in accordance with ESRS standards and does not include a comparative analysis of changes in significant impacts, risks and opportunities compared to the previous reporting period.
We specify that the impacts, risks and opportunities identified and dealt with in this report are those covered by the ESRS presentation requirements and the report does not cover additional information specific to the entity.

The Group annually analyzes all the risks faced by the company by drawing up a register of relevant risks. At the date of the report, the Group had not developed a mechanism for prioritizing sustainability risks in relation to the other relevant risks identified.

Climate change has been determined to be a material topic for the Group and is covered in ESRS E1.

6.CLIMATE CHANGE [ESRS E1]

6.1. Climate considerations and the remuneration of members of administrative, management and supervisory bodies

ESRS 2 General information presentations

The urgency of addressing climate change is undeniable. The objectives set will guide us in reducing our impact on the environment and, on the other hand, will make us more resilient to the physical and transitional risks generated by climate change. Being in the plastics processing industry, we are aware of the repercussions on the environment, especially in terms of the negative impact on climate change. For this reason, we are constantly striving to increase the amount of recycled plastic used in the manufacture of our products, to reduce the consumption of natural resources, energy and, implicitly, to reduce greenhouse gas emissions.

The analysis below focused specifically on the Romcarbon Group's own operations, with a less thorough assessment of its value chain.

ESRS 2 GOV-3 – Integrating sustainability performance into incentive systems

Our remuneration policy does not yet take climate objectives into account. However, once the transition plan is finalised, we will start to analyse the feasibility of making the necessary changes.

6.2. Transition plan

E1-1 – Transition plan for climate change mitigation

At the time of publication of the report, Romcarbon Group does not have a transition plan for climate change mitigation, which is planned to be implemented and adopted by the end of the 2025 financial year.

ESRS 2 SBM-3 - Significant impacts, risks and opportunities and their interaction with the strategy and business model

Topic Sub-topic I/R/O Description IRO I/R/O Description IRO I/R/O Description IRO

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
Energy	All energy-related issues (including climate change)	Impact -	Electricity consumption & CO2 impact of electricity consumed	Risk	Increase in the price of electricity	Oportunity	1. Producing more electricity domestically through the use of renewable energy sources
							2. Conduct more detailed energy audits to identify opportunities to reduce energy consumption
Energy	All energy-related issues (including climate change)	Impact +	Reducing CO2 impact by electrifying more equipment/vehicles that use fossil fuels	Risk	Power outage - Prioritizing power consumption in case of insufficient power	Oportunity	Focus on the use of energy-efficient equipment (procurement policy; Electrification of equipment and vehicles currently used and running on fossil fuels
			Use of renewable energy				Progressive change of electricity sources with renewable sources
Climate change mitigation	GHG – Scope 1 and 2	Impact -	Scope 1 and Scope 2 CO2e emissions	Risk	1. Rising fossil fuel prices 2. Increased control by customers over the carbon footprint of the products they buy	Oportunity	Offering products with a lower carbon footprint than competitors
			The production of plastic packaging involves processes that generate greenhouse gas emissions, such as carbon dioxide and methane, especially during the production and transportation stages.				Cost reduction due to resource savings
							Positioning the Romcarbon brand as a sustainable one that can influence sales margins and shareholder image.
							Clearly defining a transition plan and transition projects to ensure lower financing costs.
Climate change mitigation	GHG- Scope 3 - Procurement of raw materials,	Impact -	The raw materials used contain virgin resources (petroleum products) - resource depletion	Risk	High fluctuation in raw material prices (due to political instability influencing oil prices).	Oportunity	Increase in % of recycled (non-virgin) materials in production

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
	other goods and services		Raw materials are imported from long distances (higher impact on transportation; higher risk)		Delays in receiving raw materials due to increasing political instability		
					There is a high risk that suppliers will demonstrate inadequate social or environmental behavior, especially if they operate in regions with fewer regulatory restrictions		
					Difficult to replace suppliers in areas with high climate risk.		
Climate change mitigation	GHG- Scope 3 - Procurement of raw materials, other goods and services	Impact +	Using recycled materials to reduce impact	Risk	Low quality of raw material for recycling:	Oportunity	Identifying ways to recover used packaging from customers (quality waste)
					- risk of failure of production equipment		
					- generation of an increased amount of waste		
					Purchasing contaminated "raw material waste"		
					The need for product reprocessing		
					The risk of plastic waste purchased for recycling being mixed with other waste		
Climate change mitigation	GES - Scop 3 - Achizitionarea de bunuri de capital	Impact -	emisiile CO2e ale bunurilor achizitionate	Risk	Exponential decline in the value of capital goods due to changes in customer preference or technical innovations	Oportunity	Investments in capital goods that help the company align its activity with the green taxonomy, which should help obtain financing at lower costs

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
					Low quality/reliability equipment (production interruptions, risk of employee accidents/frequent need for maintenance)		
Climate change mitigation	GHG- Scope 3 - Fuel and energy related activities	Impact -	Impact related to fuels and energy consumed (indirect emissions)	NA	NA	NA	NA
Climate change mitigation	GHG - Scope 3 - Upstream transport and distribution	Impact -	CO2 impact of transport processes	Risk	Delays in the delivery of raw materials purchased from outside the EU (conflicts/weather conditions)	Oportunity	Monitoring of EU supplier alternatives - local or closer sources of raw materials/suppliers
Climate change mitigation	GHG - Scope 3 - Waste generated by company operations	Impact -	CO2 impact of waste generated	Risk	Fines from the Environmental Authority for non-compliance with regulations	Oportunity	Reducing waste by using better technologies
Climate change mitigation	GHG - Scope 3 - Waste generated by company operations	Impact +	Reducing waste generated by reusing a proportion of it	NA		Oportunity	Increasing the share of recovered waste by taking back packaging from top customers (this opportunity is not currently feasible; however, it will be monitored for potential implementation in the future)

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
							Improving the technology used with the latest equipment models: more efficient use of raw materials, reducing the waste rate and recycling waste. By reducing waste, savings in material costs and reducing their impact on the environment
Climate change mitigation	GHG - Scope 3 - Business Travel	Impact -	CO2 impact of travel	NA	NA	Oportunity	When possible, use public transportation (e.g. trains instead of cars or planes) or electric cars
Climate change mitigation	GHG- Scope 3 - Employee Commuting	Impact -	CO2 impact of transportation	NA	NA	Oportunity	Increasing the efficiency of transportation methods (optimization) Use of electric means of transport (minibus, cars)
Climate change mitigation	GHG - Scope 3 - Upstream leased assets	NA	NA	NA	NA	NA	NA
Climate change mitigation	GHG - Scope 3 - Downstream transport and distribution	NA	NA	NA	NA	NA	NA
Climate change mitigation	GHG - Scope 3 - Processing of goods sold	Impact -	Resources consumed by the Group's customers to obtain products to be sold to end users	NA	NA	NA	NA
Climate change mitigation	GHG - Scope 3 - Use of products sold	Impact -	CO2 impact	NA	NA	NA	NA

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
Climate change mitigation	GHG- Scope 3 - End-of-life treatment of products sold	Impact -	CO2 Impact	NA	NA	Oportunity	Assess any opportunities for "take-back programs": recovery from end users of sold products (identification based on a QR code)- (This opportunity is not currently feasible; however, it will be monitored for potential implementation in the future.)
Climate change mitigation	GHG- Scope 3 - Goods leased to third parties	NA	NA	NA	NA	NA	
Climate change mitigation	GHG - Scope 3 - Franchises	NA	NA	NA	NA	NA	NA
Climate change mitigation	GHG- Scope 3 - Investments	NA	NA	NA	NA	NA	NA
-	Other climate-related impacts	NA	NA	NA	NA	NA	NA
Climate change mitigation	Physical hazards/risks	NA	NA	Risk	Overall risk score (rated as high) Earthquake Risk Score, Storm Risk Score, Flood risk score as well as location risk Fire risk score, giving a normalized reflection of the annual loss value for industry standard businesses for the general risk of physical deterioration of a location: Storm: Average Flash flood: low Lightning: medium Hail: high	NA	NA

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
					Annual water stress: high		
Climate change mitigation	Physical hazards/risks	NA	NA	Risk	1. Scenario: SSP2-/ RCP4.5 Heat stress index: medium high Drought stress index: high Cold stress index: high 2. Scenario: SSP3-/ RCP7.0 Heat stress index: medium high Drought stress index: high Freeze stress index: high 3. Scenario: SSP5-/ RCP8.5 Fire weather stress index: high, medium Heat stress index: medium high Drought stress index: Very high Freeze stress index: high	NA	NA
Climate change mitigation	How the company addresses its GHG emissions and associated transition risks	NA	NA	Risk	Regulatory risk: Use less plastic for packaging More intensive controls by environmental authorities, increasing the risk of fines	Oportunity	Market evolution: - increased need for recycled raw materials in products (Romcarbon, Livingjumbo - packaging)

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
					Stricter regulations on pollution (waste and responsibility for the recovery of plastic products sold)		- more raw material waste available due to changing consumer recycling behaviors
					Rapid technological progress reinforces the need for frequent investments to keep up with competition and customer needs.		-technological opportunities - equipment that emits less waste
					Reputational risk: As is already happening for fossil fuel companies, the reputation of plastic producers may decline in the medium term. However, companies like Romcarbon can position themselves on how they are actually helping the transition to a more sustainable economy (recycling/more sustainable materials, etc.)		New Certifications: ISO, Cradle to Cradle (C2C) is a holistic approach to product design and production that can help plastic manufacturers create environmentally sustainable and socially responsible products while increasing competitiveness in the marketplace
					As an example of more resistant materials: plastic for solariums that can be used for several seasons		Innovation
							1.(LCA):
							Situations where extending the shelf life of food outweighs the CO2 impact of associated packaging (prevention of food waste)
							2. Increasing the recyclability of the plastic produced (the types that can be recycled)

Topic	Sub topic	I/R/O	Description of IRO	I/R/O	Description of IRO	I/R/O	Description of IRO
							3. Improving the properties of plastic and identifying new markets to overcome barriers adopted by existing customers (e.g. local farmers buying the materials they are used to)
							4. Choosing environmentally friendly and renewable materials as additives or replacements for conventional plastics
							5. Promoting alternative use of products sold (increasing their recyclability, longer life cycle)
							6. Romcarbon Group can collaborate with its customers and partners to develop innovative solutions that reduce the impact on climate change, such as biodegradable products or sustainable alternatives to plastic products

Romcarbon Group has conducted a climate risk analysis, which has been transposed into the Climate Risk and Vulnerability Assessment Report. The assessment aimed to identify effective adaptation solutions that would mitigate the physical climate risks relevant to the economic production activities identified within the Group's operations.

In the analysis carried out in 2024, to prepare the climate risk assessment, we assessed the materiality of physical climate risks for each component of the Group's system, based on the potential impact of different climate-related hazards. This assessment was structured to cover both current conditions (up to the next decade) and different future scenarios (in particular from 2050 to 2100).

By following this methodology, we ensured that our analysis is consistent with the requirements of the Green EU Taxonomy for identifying physical climate risks and provides a clear and unmitigated picture of potential climate-related impacts. This approach not only meets regulatory requirements, but also helps to develop robust and proactive risk management and mitigation strategies. The scope and depth of the climate risk and vulnerability assessment are tailored to align with the scale and expected lifetime of the activities. As the expected lifetime of the activities exceeds a 10-year lifespan, the assessment considers scenarios for the current situation and in the medium and long term, up to 2050 and 2100.

For existing activities and those using pre-existing physical assets, physical and non-physical adaptation solutions have been identified to mitigate the significant climate risks identified, and an adaptation plan will be developed. In this way, the Group demonstrates that it is prepared and resilient against relevant physical climate risks, aligning with broader environmental and sustainability objectives.

The Sustainability Strategy for the years 2025-2050 adopted in 2024 establishes, as one of its strategic objectives, Strengthening the capacity of the Romcarbon Group to contribute to climate change mitigation through topics related to energy, GHG, physical hazards/risks, addressing GHG emissions and associated transition risks.

ESRS 2 IRO-1 – Description of processes for identifying and assessing significant climate-related impacts, risks and opportunities

The impacts on climate change, in particular the GHG emissions of our Group, come from the production activity carried out by the two production companies – Romcarbon and Livingjumbo, in particular from the consumption of electricity necessary for the operation of production equipment, from raw materials and purchased goods, from the transport used for the purchase of raw materials and the delivery of finished products. The Group has calculated the CO2e emissions related to these activities.

Since last year, we have been developing our methodology for assessing the physical material risks that climate change poses to our operations.

In this context, scenario study makes it possible to understand how physical material climate risks may affect our business over time. Potential physical material climate risks are included in our risk assessment processes, both in our own operations and in our value chain.

A material climate risk arises if the system (Romcarbon Group) is exposed and sensitive to climate-related hazards. The degree of risk is determined by the interaction between vulnerability (a function of sensitivity and adaptive capacity), exposure and climate hazard. We focused our understanding of physical material risks on the climate-related hazards that could occur at the Romcarbon site, on the way in which assets are developed and on how design features, engineering and materials are resilient or vulnerable to climate change.

We considered, in classifying climate-related risks, the assessment of 28 acute and chronic risk metrics from 4 categories: temperature, wind, water and solid mass, divided into acute climate-related events (extreme) and "chronic" climate trends that change over time (e.g., slow-onset events).

To accurately assess the overall materiality of material climate risks, the process involved:
- analyzing significant interconnections between climate hazards and system elements
- compiling data on current and expected future climate hazards,
- collecting information on the sensitivity of system components likely to be affected

We have subdivided the processes carried out at our headquarters located in Buzău into risk elements that are decisive for their functionality:

- integrity of buildings and structures (administrative buildings, warehouses, practicability of internal roads, integrity of external areas);
- maintenance of storage conditions for raw materials, products and waste (raw material-polymer stocks);
- stocks of plastic waste for processing;
- storage conditions for generated non-hazardous and hazardous waste;
- maintenance of adequate working conditions for people;
- integrity and proper functioning of equipment;
- availability and quality of supply (suppliers of plastic polymers and plastic waste; equipment suppliers);
- availability and quality of transport networks;
- availability and quality of electricity supply;
- availability and quality of water supply to the site.

In the next step, the materiality of the physical climate risks for each identified risk element was assessed and each decision was documented internally, including the most important prioritization arguments.

To determine the risk, we assess the exposure and sensitivity of each identified risk element to each material climate-related hazard, across two climate scenarios and three time horizons. The risks are assessed according to a two-dimensional map that estimates the sensitivity of the assets (the consequences of climate hazards on operating profit or image/brand) and exposure (the likelihood that the risk will materialize at the location).

To determine the exposure, we simulated the material risks under different climate scenarios and time horizons. The simulations were conducted using two climate scenarios: RCP 4.5 (2-3°C) and RCP 8.5 (4°C), and over three time horizons: the time of the assessment, 2050 and 2100. Scenario analysis is a methodology used to test the resilience of business plans under different assumptions regarding future developments.
The scenarios used (SSP2/RCP 4.5 and SSP5/RCP 8.5) provide two contrasting pathways of future climate conditions based on different assumptions regarding socio-economic trends and greenhouse gas emissions.

SSP2/RCP 4.5 represents an "intermediate" scenario, in which socio-economic trends do not change significantly from historical models, and in which global average temperatures are projected to increase by about 1.4°C to 2.6°C above pre-industrial levels by the end of the 21st century.

SSP5/RCP 8.5 projects a "fossil fuel-based development" trajectory, characterized by high economic growth and low population growth, assuming a strong dependence on fossil fuels, high energy use, and limited adoption of more sustainable technologies, with a possible increase in global average temperatures of 2.6°C to 4.8°C above pre-industrial levels by 2100.

Understanding these scenarios helps us assess potential climate risks and plan appropriate adaptation strategies. We assessed and reported on the short-term (current period) and long-term (over 10 years) climate-related physical material risks and opportunities. We also analyzed the exposure of assets to climate-related hazards in the medium term (up to 2030).

For the 2024 financial year, we decided to adopt the transitional arrangements option and as such, we will not report the specific financial implications of the climate-related physical material risks and will only provide a general assessment.

The outcome of the climate risk assessment will be used as a basis for further discussions on climate risk management with internal and external stakeholders (e.g. for future climate-related reporting).

The analysis resulted in the Romcarbon Group Climate Risk and Vulnerability Assessment Report. During the assessment, we took into account the following risk elements identified at the Romcarbon Group level:

- ✓ Integrity of buildings and constructions (production halls, administrative buildings, warehouses, internal roads)
- ✓ Maintaining storage conditions for raw materials, products and waste
- ✓ Maintaining working and production conditions
- ✓ Integrity and proper functioning of equipment
- ✓ Availability and quality of supply - direct perimeter of tier 1 suppliers
- ✓ Availability and quality of transport networks (access to the site)
- ✓ Availability and quality of electricity supply
- ✓ Availability and quality of water supply to the sites
- ✓ People

ESRS E1 - Tabel 1- Impacturi ale riscurilor fizice legate de clima

Factor	Risk	Time interval	Financial impact area	Financial impact	Potential preventive actions
Heat stress	Increase in absenteeism	Curent	Labor force	Moderate	Installing and maintaining air conditioning systems, providing hydration stations and regular breaks, organizing training courses on heat stress management
Heavy rainfall	Infrastructure damage	2050	Infrastructure	High	Improving drainage systems, strengthening building structures, conducting periodic maintenance checks, developing emergency response plans
Drought	Impact on production due to water shortage	2100	Production efficiency	Significant	Installing large water storage tanks to ensure a reliable supply during periods of drought.
					We already have some water recycling and reuse systems in place to maximize available water and we plan to expand their capacity.
					Adopting water-efficient technologies and practices to reduce overall consumption.
					Conducting periodic audits on water use
Heat waves	Heat stress can disrupt logistics	2100	Low quality and availability of raw materials	High	Optimizing logistics to reduce transit time and exposure to extreme heat, including transportation at night when temperatures are lower.
					Collaborating with suppliers to implement strict quality control measures for the storage and transportation of raw materials.
					Developing contingency plans for sourcing raw materials from alternative suppliers in the event of quality issues in the main supply chain.
Wildfires	Structural damage to buildings and equipment	2050	Safety and storage	Moderate	Use of fire-resistant building materials and construction techniques.
	increased vulnerability to fire - Plastics are generally flammable		Rising insurance costs		Maintaining a clear and easily defensible space around buildings by removing flammable materials.
					Installation and periodic maintenance of fire suppression systems, such as fire extinguishers, indoor and outdoor hydrants.
					Develop and implement comprehensive emergency response plans, including evacuation routes and protocols.
Changes in average temperatures	Possible changes in the physical states	2050	Product quality; Reduced	High	Maintaining temperature-controlled environments
					Use of air conditioning, ventilation, and humidity control to prevent temperature fluctuations

Factor	Risk	Time interval	Financial impact area	Financial impact	Potential preventive actions
	of HDPE and LDPE polymers		product durability; Higher replacement costs		UV protection films on windows in storage spaces to prevent UV light from degrading materials;
					Using opaque containers for storage
					Maintaining air circulation to prevent hot spots and maintain compliant temperatures
					Installing temperature and humidity sensors; using automatic alerts to notify staff of deviations from optimal conditions;
					Installing temperature and humidity sensors; using automatic alerts to notify staff of deviations from optimal conditions;
					Adhering to FIFO (first in first out) inventory management to minimize the duration of materials and finished goods in storage and reduce prolonged exposure
					Insulated packaging for sensitive raw materials

Evaluation of climate scenarios and time horizons

Change in average temperature				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	High	High	High	High

Changing patterns and types of precipitation (rain, hail, snow/ice)				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	Medium	Medium	Medium

Heat stress / heat wave				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	Medium	Medium	Medium

Heavy rainfall				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	Medium	Medium	Medium

Drought / Water stress				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	High	High	High

Cold wave / frost				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
High	Medium	Medium	Medium	Medium

Forest fire				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	Medium	Medium	Medium

Soil erosion				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Medium	Medium	Medium	Medium	Medium

Extreme storms (including wind or hail or lightning)				
Current risk	2050		2100	
	RCP 4.5 - optimistic	RCP 8.5 - pessimistic	RCP 4.5 - optimistic	RCP 8.5 - pessimistic
Low	Low	Low	Low	Low

Transition Risks

Transition risks, such as regulatory changes and new taxes, are typically expected to emerge before physical risks. The Group is constantly monitoring its plans to address potential future carbon regulations and rising raw material costs, which could negatively impact operating expenses. Furthermore, in the medium term, the risks associated with new policy actions and taxes are expected to outweigh the risk of a shift in consumer preferences away from plastics.

ESRS E1 - Table 2 - Transition Events (Risks)

Factor	Risk	Time interval	Financial impact area	Financial Impact	Actions to ensure the capitalization of opportunities
Policy changes	CBAM	1-5 years	Additional costs for raw materials	High	Investments in decarbonization
			Compliance and reporting costs		Focusing on EU suppliers, when possible, to avoid CBAM effects
			Strategic impact: Manufacturers may need to invest in greener technologies to reduce their carbon footprint, while buyers may seek suppliers with lower carbon emissions to minimize CBAM-related costs		
			Non-EU carbon-intensive producers will become less competitive on the EU market when carbon pricing is included in their exports. This could lead to changes in business models and sourcing strategies.		
Policy changes	Progressive regulatory targets for minimum recycled content in plastic packaging	3-5 years	Increased costs for developing new products to comply with new regulations	Medium	We have already invested to develop products with recycled content and we will continue to work to increase the percentage of content.
Policy changes	Certain types of single-use plastic packaging will be banned from January 1, 2030	3-6 years	Turnover, as certain products will be obsolete	Low-Medium	We are changing our strategic orientation towards more environmentally friendly products.
Customer request	Customers and end users are increasingly preferring products that come in sustainable packaging. This growing preference, combined with competitive market forces, is expected to drive up the cost of recyclable materials.	3-10 years	Costs and revenues		Based on its strategy, the Group intends to turn this threat into an opportunity and focus its development efforts towards developing greener products

Factor	Risk	Time interval	Financial impact area	Financial Impact	Actions to ensure the capitalization of opportunities
Technology	The technology to decarbonize industries exists, but it is expensive. Plastic processors will need to balance the new taxes against the cost of using greener technologies, which may require significant capital expenditures.	5-10 years	Investment expenses	High	Including emission levels as a criterion in the analysis and selection of equipment offers
Supply chain	Supply chain disruptions and delays	3-5 years	Material costs and turnover	Medium	When possible, collaborating with local suppliers

ESRS E1 - Tabel 3 - Oportunități de tranziție

Factor	Oportunity	Time interval	Financial impact area	Financial Impact	Actions to ensure the capitalization of opportunities
Technology	Energy efficiency and energy production from renewable resources	1-10 years	Cost reduction	Medium	We will increase renewable energy production capacity
Product design	Designing products for longevity, reusability and end-of-life recyclability can attract consumers looking for sustainable options and reduce environmental impact.	1-5 years	Increase in turnover	High	Most of our products are 100% recyclable and we are working to ensure 100% recyclability for all Group products
	Recycling infrastructure				
Supply chain	Forming partnerships with other companies and stakeholders can lead to joint innovation, improved supply chain sustainability, and better waste management practices	3-5 years		Low	We are looking for ways to improve ESG practices in our existing and future collaborations

Scenario analysis: two different scenarios

SCENARIO 1: IN ACCORDANCE WITH THE PARIS AGREEMENT (BELOW +2°C)

Rapid transition to a low-carbon society. The climate impact of this scenario is based on the IPCC RCP 2.6 scenario.
The scenario is characterized by unification of international policies on the transition and a successful reduction of total GHG emissions by 40-70%* by 2050. Global warming is limited to 2°C by 2100, limiting damage. Political decisions are made and greenhouse gas taxes and regulations are introduced. Large-scale introduction of renewable energy and technological improvements. Rapid transition to community infrastructure.

ESRS E1 – Table 4 – Scenario 1 Analysis

Risks	Opportunities	Financial Impact
A gradual transition in society and negative changes in demand for products that use fossil raw materials		Customer behavior is potentially negative for demand and earnings. Transition needed in the supply chain towards materials from non-virgin sources
The Romcarbon Group risks not being fast enough in adapting its portfolio to changing customer demand for recycled plastic packaging	Romcarbon Group manages to improve its relevant communication regarding a higher share of recycled materials, changing its offer and ensuring a good position on the market, in line with the transition in society	Earnings are influenced by how quickly the company adapts to the transition in society
New competitors will offer competing products		Market share/sales may be threatened
Or customers will reduce the use of plastic packaging and move more towards bulk sales (without packaging) to reduce plastic waste		Capital investments needed to keep up with the market
Climate-related regulations, taxes and levies are increasing rapidly	The impact on society and customers leads to a distinct increase in business opportunities in terms of energy savings and green/recycled products	Capitalizing on new business opportunities is positive for revenue and earnings.
		Regulations and taxes drive up costs and clearly increase the overall cost profile, even indirectly. However, the risk profile is likely to be similar for competitors

SCENARIO 2: CLEAR INCREASE IN GLOBAL WARMING (+4°C)

Slow transition in society. The climate impact of this scenario is based on the IPCC RCP 8.5 scenario. The scenario is characterized by a moderate pace of climate policy initiatives and cooperation and difficulties in international cooperation. Businesses continue to rely on fossil fuels. Greenhouse gas emissions continue and lead to a 4°C increase in global temperatures by 2100. Periods of drought, a clear rise in sea levels, more fires and extreme weather events such as floods cause problems in themselves and lead to refugee flows.

ESRS E1 - Table 5 - Scenario 2 Analysis

Risks	Opportunitie	Financial Impact
Physical effects: Extreme weather conditions cause supply chain disruptions, disrupt some operations (especially due to water shortages) and cause damage.		Such operational disruptions are negative for production and sales
Extreme temperatures or weather conditions make work and life in the area difficult (especially due to lack of water), causing labor unavailability.		It may be necessary to relocate part of the production or transport water from different regions, which implies an increase in the capital that needs to be invested and other costs
Moderate pace of transition for our own energy-related infrastructure		Control of investment requirements
Customer demand is changing, but at a predictable pace	The group can succeed in transforming its offering and securing good market positions, in line with the transition in society	Capitalizing on new business opportunities is positive for earnings
Regulations, taxes, and fees are increasing, but at a moderate pace.	Gradual growth of recycled plastic business opportunities	Regulations and taxes are gradually increasing the cost profile
		Positive impact on income

6.3. Policies related to climate change mitigation and adaptation [E1-2]

Romcarbon Group has adhered to a comprehensive "environmental policy" which includes, among others, the following general principle:

- involvement in environmental protection by reducing environmental impacts (emissions) and by keeping processes under control.

Our commitment aligns with the governance frameworks of the ISO 14001- Environmental Management Systems and ISO 9001- Quality Management Systems standards, according to which the companies within the Group were audited in 2024 for recertification.
Our Board of Directors (BoD)/Directors approves this policy, ensuring that any update is promptly communicated to all employees. For transparency and stakeholder involvement, the policy is publicly accessible and can be consulted here: https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-mediu-2024.pdf

Romcarbon Group has adopted a Climate Change Policy available at https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-privind-schimbarile-climatice-2024.pdf

The stated purpose of this policy is to identify the elements (impacts, risks, opportunities) that contribute to climate change, establish actions that will lead to the reduction of the group's impact on climate change, as well as the adaptation of the ROMCARBON GROUP to the effects of climate change.
This policy reflects the Group's objectives regarding:

- Climate change mitigation (reducing GHG emissions, adopting the Transition Plan and creating the framework and mechanisms for aligning with the targets set in that Plan)
- Climate change adaptation (purchasing sustainable equipment, changes in supply plans)
- Energy efficiency (reducing electricity consumption)
- Use of energy from renewable sources (increasing the proportion of energy from renewable sources in total consumption)

The climate change policy indicates that the ROMCARBON Group will take due diligence to:

- Conducting all activities in accordance with relevant environmental legislation and regulations;
- Taking into account opportunities and risks from a climate change perspective when making business decisions;
- Monitoring, measuring and reducing greenhouse gas emissions from its operations;
- Pursuing a sustainable energy strategy based on efficiency and the use of renewable energy sources, where available;
- Optimizing logistics processes to make them more environmentally friendly;
- Managing natural resources responsibly and sustainably;
- Minimizing the impact of the ROMCARBON Group on climate change, throughout its value chain;
- Implementing the Transition Plan with actions and measures necessary to cover the physical risks identified.

Given that our production activity involves a significant consumption of electricity, within our Management Program, energy efficiency is considered one of the major priorities, translated into medium and long-term objectives. According to the regulations in force, Romcarbon and Livingjumbo Industry periodically carry out - once every 4 years - through specialized and authorized companies in the field, energy audits that contain solutions to reduce energy consumption, these being subsequently monitored, with annual reporting of the implementation progress (the measures established and monitored through the Management Program are sent annually to the Ministry of Energy, Energy Efficiency Directorate, including the energy analysis declaration and questionnaire). The most recent energy audits, carried out in 2023 on the entire energy profile of Romcarbon and Livingjumbo Industry, indicated solutions to reduce energy consumption: complete replacement of lamps that do not have LED technology with LED lamps in the interior lighting installation; in the case of replacing existing transformers, using transformers with improved parameters (reduced losses), avoiding excess gas combustion at thermal power plants, replacing some production equipment with more energy-efficient ones.

Energy consumption is measured in the company's profit centers through meters installed in each production sector, at the main consumption points in production, within an intelligent energy consumption monitoring system. The individual measurement of energy use on the machines with the highest production consumption and the advantage of being able to view in real time, at any time and remotely the evolution of energy consumption correlated with the production cycle, have provided managers in production departments with an effective monitoring tool and simplify the decision-making process. In the coming years, we will improve the metering and monitoring system, so that we have a complete picture of the consumption on each production equipment.

6.4. Actions and resources related to climate change policies [E1-3]

ESRS E1 - Table 6 - Climate change actions and targets

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
All energy-related topics (including climate change)	Impact -	Electricity consumption and the CO2 impact of this electricity	Reducing electricity consumption	1% per year reduction in specific quantitative energy consumption starting with 2025 as a result of improved energy management	2030	2024	1. Continuing the process of replacing classic lighting fixtures with LEDs and installing motion sensors 2. Monthly verification and monitoring of electricity consumption by sectors and analysis of the fluctuation of these consumptions 3. Replacing and modernizing energy-intensive equipment and technologies with energy-efficient equipment and technologies
All energy-related topics (including climate change)	Opportunity	1. We produce more electricity internally through the use of renewable energy sources, generating a reduction in energy costs. 2. Conducting an energy audit every 4 years to identify opportunities to reduce energy consumption, generating a reduction in energy costs.	Installation of electricity generation systems from renewable sources for own use, with photovoltaic panels	3000 MWh/year of electricity produced from renewable sources	2030	2024	Installation of photovoltaic panels for the production of energy for own consumption
All energy-related topics (including climate change)	Opportunity	Focus on the use of energy efficient equipment (purchasing policy)- Electrifying equipment and vehicles currently used and running on fossil fuels Progressive change of electricity sources with renewable sources	Progressive replacement of forklifts and vehicles in the company's own fleet with electric equipment/vehicles	100% replacement of forklifts and vehicles in the company's own fleet with electric equipment/vehicles	2040	2024	1. Preparing a purchase/rental schedule 2. Setting up adequate charging stations for new forklifts/cars
GHG - Scopes 1 and 2		Scope 1 and Scope 2 CO2e emissions				2024	

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
	Impact -	The production of plastic packaging involves processes that generate greenhouse gas emissions, such as carbon dioxide and methane, especially during the production and transportation stages	Zero emissions by 2050	Reducing gross GHG emissions of category 1 and 2 by 4.2%/year by 2030 100% trained employees	2050/ 2030 /annual		Development of a Transition Plan by the end of 2025 and its implementation
GHG - Scopes 1 and 2	Risk	1. Rising fossil fuel prices	Increasing the proportion of renewable energy in total energy consumption	Annual progressive reduction of fossil fuel consumption in accordance with the actions to be established in the transition plan, simultaneously with the increase in renewable energy production / 100% achievement of the carbon footprint calculation of Scope 1 and 2 by processing sectors"			1. Selection of electricity suppliers based on criteria that take into account the equivalent CO2 emission factor 2. Analysis of options for replacing natural gas heating sources with alternative sources 3. Progressive replacement of forklifts and vehicles in the company's own fleet with electric equipment/vehicles
		2. Increased control by customers over the carbon footprint of the products they buy			2035	2024	
GHG - Scopes 1 and 2	Opportunity	We offer products with a lower carbon footprint than our competitors	Increasing competitiveness by offering products with the lowest possible carbon footprint on the market	Ranking of the European plastics processing industry in terms of carbon footprint of the main product categories	2035		1. Calculating the carbon footprint on the main product categories 2. Monitoring competition regarding carbon footprint by product groups
		We reduce costs by saving resources					
		Positioning the Romcarbon brand as a sustainable one that can influence sales margins and shareholder image					
		Defining a transition plan and transition projects to ensure lower financing costs					
GHG - Scope 3 - Procurement of raw materials, goods and services	Impact -	The raw materials used contain virgin resources (oil) - resource depletion	Streamlining the acquisition and use of virgin raw materials	minimum 50% virgin raw materials of European origin / total purchases of virgin raw materials	2035		Identifying local (European) sources for a higher proportion of virgin raw materials
		Raw materials are imported from long distances (higher impact on transportation; higher risk)					
GHG - Scope 3 - Procurement of raw	Impact +	Using non-virgin materials (recyclable materials) to reduce impact	Replacing as much virgin raw materials	Minim 35% (2030) /65% (2040) continut reciclat recuperat din deseuri de	2030/ 2040		1. Purchasing machinery that can process recycled material in a higher proportion

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
materials, goods and services			as possible with recycled material	plastic postconsum in ambalajele din plastic produse in grup			2. Purchasing post-consumer waste that is as less contaminated as possible, to reduce losses and ensure good quality of the recycled product 3. Identifying effective solutions to recover clean plastic packaging for delivered products from customers
GHG - Scope 3 - Purchased capital equipment	Impact -	CO2eq emissions of purchased goods	Purchasing sustainable equipment	100% offer analysis 100% purchased equipment with reduced emissions compared to replaced equipment, respectively alternative offers	2040		1. Comparative analysis of CO2e emissions from equipment suppliers' offers 2. Establishing the level of CO2e emissions as one of the selection criteria for equipment offers 3. Mention of the level of CO2e emissions as a mandatory requirement in equipment tenders
GHG - Scope 3 - Purchased capital equipment	Risk	Exponential decline in the value of capital goods due to changes in customer preferences or technical innovations					
		Low quality/reliability equipment (production breaks, risk of employee accidents/frequent need for maintenance)					
GHG - Scope 3 - Purchased capital equipment	Opportunity	Investments in capital goods that would help the company align its activity with the green taxonomy, helping to obtain financing at lower costs					
GHG - Scope 3 - Fuel and energy related activities	Impact -	Impact of fuel and energy consumption (indirect emissions)	Orientation towards suppliers that provide energy obtained from renewable sources	minimum 50% renewable sources in the supplier's energy labels	2030	2024	The energy supplier selection mechanism will take into account the share of renewable energy in the supplier's label.
GHG - Scope 3 - Upstream transport and distribution	Impact -	CO2 impact of the transportation process	Orientation towards local/European suppliers	minimum 50% share of purchases of basic raw materials from local/European sources in total purchases of basic raw materials made by the group	2035		Mecanismul de selectie a furnizorilor de energie va tine cont de ponderea energiei regenerabile din eticheta furnizoruluui
GHG - Scope 3 - Upstream transport and distribution	Risk	delays in raw materials purchased from outside Europe (conflicts/weather)					

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
GHG - Scope 3 - Upstream transport and distribution	Opportunity	Monitoring supplier alternatives in Europe - raw material sources/suppliers that are local or closer in distance					
GHG - Scope 3 - Waste generated by company operations	Impact -	CO2 impact of waste produced	Reduction in the amount of waste generated	10% reduction in the amount of waste generated	2030	2024	1. Reducing the amount of non-recoverable technological waste 2. Purchasing machinery that can process recycled material in a higher proportion 3. Reuse of technological waste in the process
GHG - Scope 3 - Waste generated by company operations	Risk	Fines from Environmental Authorities if we do not comply with regulations					
GHG - Scope 3 - Waste generated by company operations	Opportunity	Reducing waste by using better technologies					
GHG - Scope 3 - Waste generated by company operations	Impact +	Reducing waste by using a % of it as raw material					
GHG - Scope 3 - Waste generated by company operations	Opportunity	Increasing the percentage of recovered waste by taking over packaging from top customers					
		(This opportunity is not currently feasible; however, it will be monitored for potential implementation in the future.)					
		improving the technology used with the latest equipment models: using raw materials more efficiently, reducing waste rates and recycling residual materials. By reducing waste, saving material costs and reducing their impact on the environment					
GHG - Domain 3 - Commuting	Impact -	CO2 impact of transportation	Reducing CO2 emissions caused by employee commuting	100% employees informed 5% reduction in CO2 emissions caused by employee commuting	2035	2024	1. Raising employee awareness of the need to reduce CO2 emissions 2. Approaches to local authorities to cover as many routes as possible for commuters with public transport
GHG - Domain 3 - Commuting	Opportunity	Increasing the efficiency of transport methods (optimization)					
		Use electric means of transport (minibus, cars)					

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
Physical hazards/risks	Risk	The Overall Risk Score (rated as High) combines the Earthquake Risk Score, Storm Risk Score, Flood Risk Score, and Fire Location Risk, providing a normalized reflection of the annual loss value for standard industrial businesses for the overall risk for physical risk. Damage to a location: Storm: Medium, Flash Flood: Low Lightning: Medium, Hail: High, Annual Water Stress: High	Coverage through the Transition Plan of physical risks identified according to SSP2	100% Measures identified for the risks in the SSP2 Scenario	2025	2024	Preparation of the Transition Plan
Physical hazards/risks	Risk	1. Scenario: SSP2-/ RCP4.5 Heat stress index: High Medium, Drought stress index: High, Cold stress index: High					
		2. Scenario: SSP3-/ RCP7.0. Heat stress index: high, medium, drought stress index: high, cold stress index: high					
		3. Scenario: SSP5-/ RCP8.5, Fire stress index: high, medium, Heat stress index: high medium, Drought stress index: very high, Cold stress index: high					
How the company addresses its GHG emissions and associated transition risks	Risk	Regulatory risk: Using less plastic for packaging	Creating the own framework and mechanisms for alignment with the targets established by the Transition Plan	100% achievement	2025		Establishing climate change actions and resources within the Transition Plan
		More intense controls from environmental authorities, increasing the risk of fines					
		Stricter regulations on pollution (waste and responsibility for the recovery of plastic products sold) and					
		Rapid technological progress reinforces the need for frequent investments to keep up with competition and customer needs					
		Reputational risk: as is already happening for fossil fuel companies, the reputation of plastic producers may decline in the medium term. However, companies like Romcarbon can position themselves on how they actually help the transition to a					

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
		more sustainable economy (recycling/more sustainable materials, etc.					
		As an example of more resistant materials: solarium films that can be used for several seasons					
How does the company address its GHG emissions and associated transition risks?	Opportunity	Market evolution:					
		- increased need for recycled raw materials in products (Romcarbon - packaging)					
		- more raw material waste available due to changing consumer recycling behaviors					
		Technological opportunities - equipment that emits less waste					
		New certifications: ISO, Cradle to Cradle (C2C) is a holistic approach to product design and production that can help plastic manufacturers create environmentally sustainable and socially responsible products while increasing competitiveness in the marketplace					
		Innovation					
		1.(LCA):					
		Demonstrating situations where extending the shelf life of food exceeds the CO2 impact generated by associated packaging (prevention of food waste)					
		2. Increasing the recyclability of the plastic produced (the types that can be recycled)					
		3. improving the properties of plastic and identifying new markets to overcome barriers adopted by existing customers (for example, local farmers who buy the materials they are used to)					

Topic	I/R/O	Description of IRO	TACTICAL OBJECTIVE	Target	Term	Reference year	Action
		4. Choosing ecological and renewable materials as additives or substitutes for conventional plastics					
		5. Promoting alternative uses of products sold (increasing their recyclability, longer life cycle)					
		6. Romcarbon Group can collaborate with its clients and partners to develop innovative solutions that reduce the impact on climate change, such as biodegradable products or sustainable alternatives to plastic products.					

Actions and resources have not yet been integrated into climate change policies. They will be incorporated, after the completion of the transition plan foreseen for the end of 2025.

ESRS E1 - Table 7 - Main actions undertaken in the reporting year

I/R/O	Description of I/R/O	Actions and resources in 2024
Impact -	The impact of energy consumption as a resource	In 2024, the replacement of classic lighting fixtures with LED fixtures continued in Romcarbon. An energy saving of 17.2 MWh was calculated, meaning a reduction of 2.58 tons of CO2e (emission factor 0.1501 kg CO2e/kwh, average for electricity purchases in 2024); information published for 2023
Risk	Increasing cost and availability of electricity	The Group obtained the electricity required for 2024 by negotiating contracts that maintained a relatively balanced price throughout the year, given the conditions on the energy market. There were no interruptions in the supply of electricity. We aimed and succeeded in the second half of the year in ensuring the necessary energy coming, in significant proportion, from renewable sources, reducing the average emissions footprint from grid energy consumption for the entire year below the national average and creating the conditions for an even lower footprint in the following year (average emission factor for electricity purchases in 2024 = 0.1501 kg CO2e/kwh; average for Romania 0.170221 kg CO2e/kwh; information published for 2023
Opportunity	Electricity production from renewable sources has been started and there is still potential for capacity growth, which will generate a decrease in energy costs.	In July 2024, the renewable energy production facility, with a capacity of 0.999 MW through photovoltaic panels, financed by the PNNR, was put into operation. In 2024, we produced 693 MWp of green energy, meaning a reduction in emissions from energy consumption of 104 tons CO2e (considering the available data on the average emission factor declared by our electricity suppliers for 2023).
		Solar energy production capacity will be expanded in 2025 through an additional project of 0.395 MWp, meaning an additional reduction in CO2e emissions by approx. 67 tons/year

The implementation of certain important future actions related to climate change policies will involve significant resources, and it is necessary to identify and apply for funds. These include actions such as:
-Replacing and modernizing energy-intensive equipment and technologies with energy-efficient equipment and technologies
- Purchasing equipment that can process a higher proportion of recycled material
-Installing photovoltaic panels to produce energy for own consumption
- Progressively replacing forklifts and vehicles in the company's fleet with electric equipment/vehicles

For the actions taken in 2024, both EU funds - PNRR (electricity production facility from renewable sources, with a capacity of 0.999 MW through photovoltaic panels) and our own funds were accessed.
For future actions, we have taken steps to finance from EU funds the plans for replacing equipment with greater energy efficiency and which can ensure the incorporation of an increased proportion of recycled material in our products.
For the measures taken in 2024 (see Table 7), CapEX was recorded for the Renewable Energy Production Plant, through photovoltaic panels (2,660,890 lei) and the LED lighting system (19,701 lei).
For future measures, the Group will report in the following reports, as it identifies the values and resources

6.5. Climate change mitigation and adaptation targets [E1-4]

The targets related to climate change mitigation and adaptation, established within the Sustainability Strategy for the years 2025-2050 for each impact, risk and opportunity, are presented in Table 6 in the previous chapter.
These refer to:
-reducing specific quantitative energy consumption;
- increasing the capacity of electricity produced from renewable sources;
- replacing the means of transport in the company's fleet with electric equipment/vehicles

- reducing gross GHG emissions of category 1 and 2 by 4.2%/year by 2030, without the level of 2024, within the framework of the "zero emissions by 2050" objective;
-annual progressive reduction of fossil fuel consumption in accordance with the actions to be established in the transition plan, simultaneously with the increase in renewable energy production/
- calculation of the carbon footprint of Scope 1 and 2 by processing sectors
-attainment to the average of the European plastics processing industry regarding the carbon footprint of the main product categories;
- increase the share of raw materials of European origin in total raw material purchases;
- increase the share of recycled content recovered from post-consumer plastic waste in plastic packaging produced in the group;
- purchase of equipment with reduced emissions compared to the equipment replaced;
- choice of energy supplier depending on the share of energy from renewable sources in its energy label;
- reduction of the amount of waste generated;
- reduction of CO2 emissions caused by employee commuting;
The emission reduction (target) values for Scope 1, 2 and 3, by time intervals, will be finalized within the Transition Plan, estimated to be completed by the end of 2025, to be reported in the future. This plan will establish the expected decarbonization levers and their overall quantitative contributions to achieving the emission reduction targets.
During the preparation of the transition plan, internal processes and policies will be updated accordingly.

6.6. Energy Consumption and Energy Mix [E1-5]

ESRS E1 - Table 8 - Energy consumption and energy mix of the Romcarbon Group in 2024

Energy consumption and energy mix - ROMCARBON GROUP	2024
(1) Fuel consumption from coal and coal-based products (MWh)	
(2) Fuel consumption from crude oil and petroleum products (MWh)	1,016
(3) Natural gas fuel consumption (MWh)	4,670
(4) Fuel consumption from other fossil sources (MWh)	
(5) Consumption of electricity, heat, steam and cooling purchased or obtained from fossil sources (MWh)	8,235
(6) Total energy consumption from fossil sources (MWh) (calculated as the sum of rows 1-5)	13,921
Share of fossil sources in total energy consumption (%)	37%
(7) Consumption from nuclear sources (MWh)	7,856
Share of consumption from nuclear sources in total energy consumption (%)	21.1%
(8) Consumption of fuel from renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, hydrogen from renewable resources, etc.) (MWh)	
(9) Consumption of electricity, heat, steam and cooling purchased or obtained from renewable sources (MWh)	15,537
(10) Energy consumption from renewable sources, other than self-produced fuels (MWh)	
(11) Total energy consumption from renewable sources (MWh), calculated as the sum of rows 8-10)	15,537
Share of renewable sources in total energy consumption (%)	41.6%
Total energy consumption (MWh) (calculated as the sum of rows 6 and 11)	**37,314**
Total energy consumption from activities in sectors with high climate impact (related to Romcarbon SA and Livingjumbo Industry); The sector with high climate impact in which Romcarbon Group operates is the C-Manufacturing sector. (MWh)	**37,061**

In 2024, Romcarbon produced 693 MWh of energy from renewable sources (photovoltaic energy).
No energy was produced from non-renewable sources.

ESRS E1 - Table 9 - Energy consumption breakdown at the level of companies in the Group:

2024		Romcarbon SA	LivingJumbo Industry SA	RC Energo Install SRL	Info Tech SRL	TOTAL GRUP
Category	**UM**					
Car fuel	MWh	737	186	76	17	1,016
Electricity produced (photovoltaic panels)	MWh	693				693
Purchased electricity	MWh	31,737	7,068	25	5	31,737
Gas	MWh	4,701	446	108	19	4,701
Electricity sold	MWh	7,209				112
Purchased heating agent	MWh					
Gas sold	MWh	605				32
Total	**MWh**	**30,053**	**7,701**	**208**	**41**	**38,004**

Note: Conversion factors used: diesel density 0.845 kg/liter; gasoline density 0.758 kg/liter; 1 ton diesel = 1.015 toe; 1 ton gasoline = 1.05 toe; 1 toe = 11.63 MWh

Energy intensity based on net income
The intensity of electricity consumption associated with activities in high-impact climate sectors, meaning the production companies within the Group - Romcarbon and Livingjumbo - is calculated by relating total energy consumption to net revenues from the activities of the respective sectors.

ESRS E1 - Table 10 - Energy intensity

Compania	energy consumption 2024**	Net income from own operations 2024		Electricity consumption intensity
	MWh	mil lei	mil. EUR	MWh/mil.EUR
ROMCARBON*	37,867	225.63	45.36	834.88
LIVINGJUMBO INDUSTRY	7,701	109.27	21.97	350.58
TOTAL	**45,568**	**334.90**	**67.32**	**676.87**
average BNR exchange rate 2024 for EUR		4.9746		

* turnover (includes utility sales)

** is considered total energy purchased and produced by Romcarbon, including the quantity sold within the group and to third parties outside the group

Revenues are reconciled with the sales statement presented in the administrators' report related to the consolidated statements, without taking into account intercompany transactions.

6.7. Gross greenhouse gas (GHG) emissions of scopes 1, 2, 3 and total GHG emissions [E1-6]

In calculating our greenhouse gas (GHG) emissions for 2024, we found that the largest portion of our carbon footprint is attributable to Scope 3 emissions, accounting for approximately 90% of total GHG emissions. This perspective requires deeper collaboration with our suppliers and customers to implement effective GHG reduction strategies across our value chain. By focusing on reducing emissions at all levels, we aim to substantially reduce our environmental impact and contribute to global sustainability efforts.
The reporting period covered 01/01/2024 -31/12/2024, valid for all companies in the Group

ESRS E1 - Table 11 - Gross GHG emissions of Scope 1,2,3 and total GHG emissions

Emission category	Value (tonnes) year 2024
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO2 equivalent)	1,717.87
Percentage of category 1 GHG emissions from regulated emission allowance trading systems (%)	0%
Scope 2 GHG emissions	
Gross Scope 2 GHG emissions based on location (tCO2 equivalent)	5446.14
Gross market-based Scope 2 GHG emissions (tCO2 equivalent)	4750.42
Significant GHG emissions of Scope 3	
Significant GHG emissions of Scope 3	
1. Goods and services purchased	56,701.01
2. Bunuri de capital	753.03
3. Fuel and energy related activities. Activities not included in category 1 or category 2) - location-based emissions	4,093.53
3. Fuel and energy related activities. Activities not included in category 1 or category 2) - market-based emissions	4,097.08
4. Upstream transportation and distribution	3,093.86
5. Waste generated during operations	292.81
6. Business travel	It is not material
7. Employee Commuting	631.56
8. Upstream leased assets	It is not material
9. Downstream transport	It is not material
10. Processing of sold products	It is not material
11. Use of the products sold	It is not material
12. Treatment of products sold at the end of their life cycle	It is not material
13 Downstream leased assets - location based	37.48
13 Downstream leased assets - market based	29.55
14 Franchises	It is not material
15 Investments	It is not material
Total GHG emissions	
Total GHG emissions (based on location) (tCO2 equivalent)	**72,767**
Total GHG emissions (market-based) (tCO2 equivalent)	**72,067**

In 2024 there were no significant changes in the composition of the Group and its value chain.

ESRS E1 - Table 12 - Distribution of GHG emissions by Group companies

Distribution of GHG emissions 2024 by Group companies	Romcarbon (to CO2e)	Livingjumbo (to CO2e)	Energo Install (to CO2e)	Info Tech (to CO2e)	Total GRUP ROMCARBON (to CO2e)
Scope 1	1,447.65	222.32	39.98	7.91	1,717.86
Location based Scope 2	4,224.00	1,217.18	4.26	0.83	5,446.27
Market-based Scope 2	3,696.76	1,049.32	3.63	0.71	4,750.42
Location based Scope 3	57,881.00	21,952.32	433.70	29.90	80,296.92
Market-based Scope 3	57,876.00	21,952.32	433.79	29.90	80,292.01
Total GHG based on location	**63,553**	**23,392**	**478**	**39**	**87,461.05**
Total market-based GHG	**63,021**	**23,224**	**477**	**39**	**86,761.20**

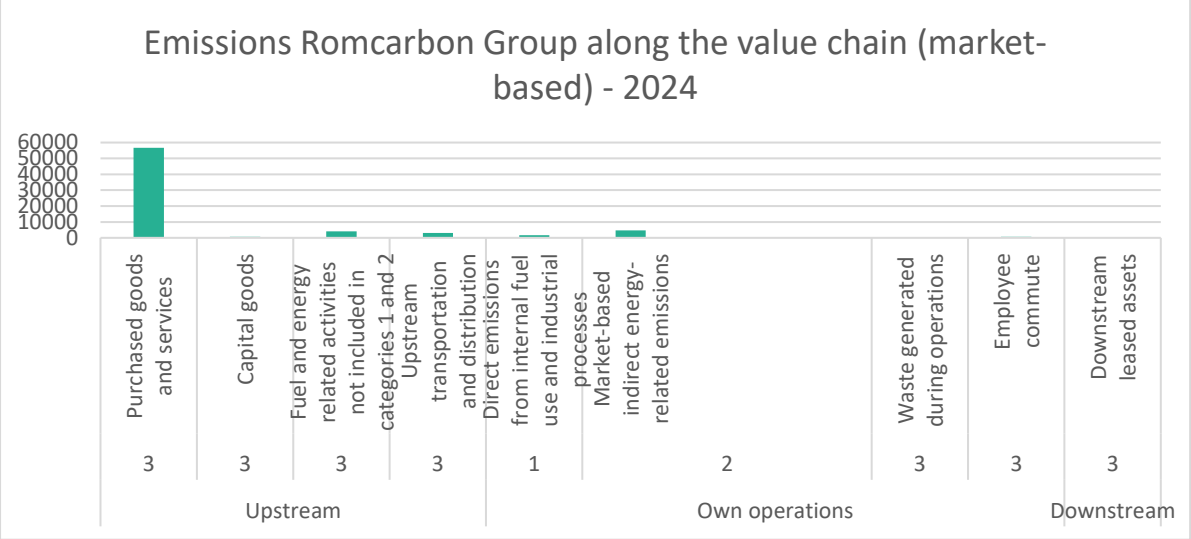
Total GHG based on location without intragroup transactions*		**72,767.66**
Total GHG based on market without intragroup transactions *		**72,067.81**

* from the Romcarbon Group Total, intercompany emissions (14,694 tons CO2e) are eliminated, in order not to double the values

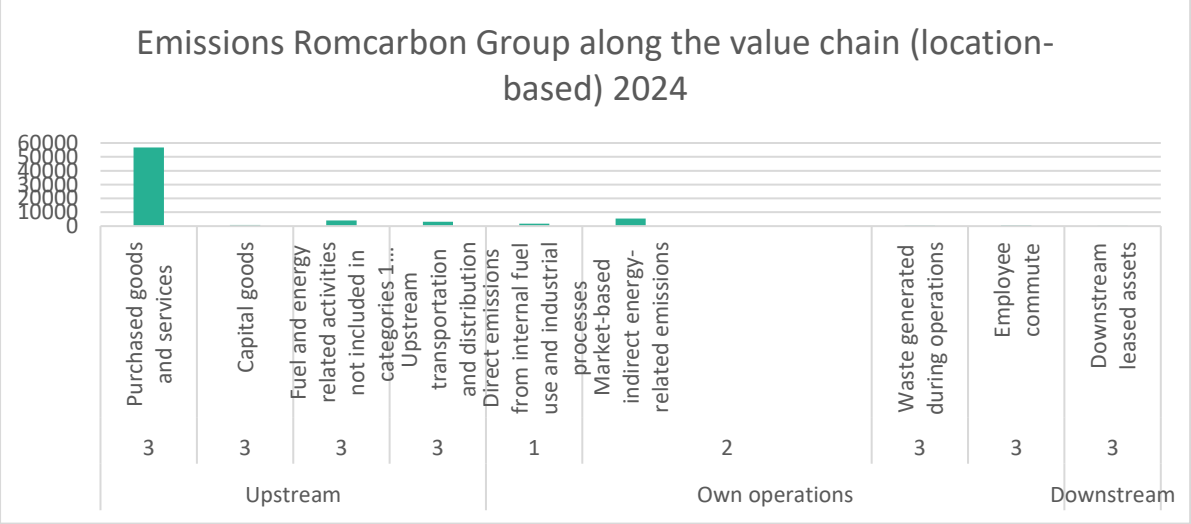
2024	Romcarbon (to CO2e)	Livingjumbo (to CO2e)	Energo Install (to CO2e)	Info Tech (to CO2e)	Total GRUP ROMCARBON (to CO2e)
Intercompany emissions removed from total scope 3 (to CO2 emissions)	14598.59	90.298		4.5	14693.388

ESRS E1 - Romcarbon Group Emissions along the Value Chain, Market-Based (Chart 1) and Location-Based (Chart 2) - 2024

Graph 1



Graph 2



Total GHG emissions calculated for 2024 are lower than those calculated for 2023, by 7.2% for location-based calculation and by 2.7% for market-based calculation.

Methodologies - sources used to calculate GHG emissions:

AIB (2024). European Residual Mixes 2023. Version 1.0, 2024-05-30. Association of Issuing Bodies.
Client-supplied market-based instrument emission factor
Clune et al. (2017). Journal of Cleaner Production. Systematic review of greenhouse gas emissions for different fresh food categories. Online:
https://www.sciencedirect.com/science/article/abs/pii/S0959652616303584

Department for Business, Energy and Industrial Strategy (2021). 2021 Government GHG Conversion Factors for Company Reporting.
Department for Energy Security and Net Zero (2024). 2024 Government GHG Conversion Factors for Company Reporting.
EPA (2024). Supply Chain Greenhouse Gas Emission Factors v1.3 by NAICS-6. Available at: https://catalog.data.gov/dataset/supply-chain-greenhouse-gas-emission-factors-v1-3-by-naics-6.
Energy Label Supplier (Eticheta Energiei Electrice furnizate clientilor finali alimentati in regin concurential in anul 2023)
Greenhouse gas emissions and natural capital implications of plastics (including biobased plastics), EEA, 2024
Greenhouse gas emissions and natural capital implications of plastics (including biobased plastics). (2021).
IPCC (2007). IPCC Fourth Assessment Report: Climate Change 2007. Intergovernmental Panel on Climate Change. Cambridge University
Press, Cambridge.
IPCC (2019). Revised IPCC Guidelines for National Greenhouse Gas Inventories: Reference Manual. Intergovernmental Panel on Climate
Change. Cambridge University Press, Cambridge. (No refinement from 2006)
Oanda.com (2024). Historical exchange rates.; Oanda.com (2025). Historical exchange rates.
Transportation Reserach (2015). M. Weiss et al. On the electrification of road transportation – A review of the environmental, economic, and
social performance of electric two-wheelers. Transportation Research Part D 41 (2015) 348–366.
United Nations (2025). UN Statistics Division - 2022 Energy Balance Visualizations. https://unstats.un.org/unsd/energystats/dataPortal/
Vanderreydt, I., Rommens, T., Tenhunen-Lunkka, A., Mortensen, L.F. and Tange, I., 2021. Greenhouse gas emissions and natural capital
implications of plastics (including biobased plastics)
Vanderreydt, I., Rommens, T., Tenhunen-Lunkka, A., Mortensen, L.F. and Tange, I., 2021. Greenhouse gas emissions and natural capital
implications of plastics (including biobased plastics).
Virgin vs. Recycled Plastic Life Cycle Assessment Energy Profile and Life Cycle Assessment Environmental Burdens, 2020

Scope Emissions (categories) 1 and 2 - Calculation methodology:

The assessment was conducted in accordance with the Greenhouse Gas Protocol of the World Business Council for Sustainable Development and World Resources Institute (WBCSD/WRI), a corporate accounting and reporting standard, including GHG Protocol Scope 2.
All emissions are calculated using the operational control consolidation approach, for the financial year 2024.
Emissions were calculated separately for each of the 4 Group Companies - Romcarbon, LivingJumbo Industry, Energo Install and Info Tech Solutions and then consolidated at Group level:

Emissions Scope 1:
Scope 1 includes direct GHG emissions from sources that are owned or controlled by the company:

-all energy burned (gas, fuel) for heating the work spaces and the car park at the Group's headquarters, as well as refrigerants consumed.

-type of fuel burned x emission factor per fuel type.

The calculation of scope 1 emissions does not include biogenic CO2 emissions from the combustion or biodegradation of biomass (not applicable).

Emissions Scope 2:

Scope 2 takes into account GHG emissions from the generation of purchased electricity. As the subject of this assessment operates in markets that offer contractual instruments with product or supplier-specific data, emissions from Scope 2 are reported using both the location-based and market-based methods. The location-based method applies average emission factors that correspond to the network in which consumption takes place (at country level - Romania), while the market-based method applies emission factors that correspond to the energy purchased through contractual instruments.

For the calculation, the electricity used as an energy source by the Romcarbon Group was taken into account.

- ✓ kwh consumed x the emission factor applicable on the territory of Romania for the calculation according to location (published for 2023) and
- ✓ kwh consumed x the emission factors from the energy label provided by energy suppliers (published for 2023);

The purchase of electricity bundled with instruments or separate instruments on their own account is not applicable.
We have no information that the emission factors applied do not separate the percentage of biomass or biogenic CO2.

ESRS E1 – Table 13 – Origin of Scope emissions (categories) 1 and 2: from the consolidated Group / from outside the consolidated Group

2024 Greenhouse gas emissions	originating from the consolidated accounting Group (tonnes)	originating from outside the consolidated Group *
Scope 1	1,717.87	0
Location based Scope 2	5,446.14	0
Market-based Scope 2	4,750.42	0

** Investees (associates, joint ventures or unconsolidated subsidiaries, contractual arrangements that are unstructured joint arrangements through an entity over which it does not have control)*

The location-based Scope 2 emissions calculated for 2024 decreased by 18.9% compared to those calculated for 2023, the cause being related to the reduction of the emission factor for electricity at the country level.

Market-based Scope 2 emissions calculated for 2024 doubled compared to those calculated for 2023, the causes being related to the increase in the Group's electricity consumption by 5.5% and the emission factors for electricity declared by the Group's electricity suppliers (the average was higher than the one related to the calculation for 2023).

Emissions Scop **3**

Scope 3 includes all other indirect emissions, such as purchases of goods and services, purchases of capital goods, upstream transport and distribution, waste disposal, staff commuting.
Regular assessments allow tracking of progress in achieving reductions over time and evidence to support green claims in external marketing initiatives, such as product labelling or CSR reporting.
The calculation of Scope 3 emissions for the Group complies with the "Greenhouse Gas Protocol, a corporate accounting and reporting standard, Revised Edition" of the Greenhouse Gas Protocol Initiative, a partnership between the World Resources Institute and the World Business Council for Sustainable Development. Emissions are calculated by relevant categories, adhering to the guidelines of the GHG Protocol standard, ensuring that at least "minimum limits" are met.

Scope 3 emissions are reported for all Group companies included in the Consolidated Financial Statements on a full or proportional basis, eliminating the duplication of intercompany emissions. The consolidation approach applied is the operational one.
For the calculation of Scope 3 GHG emissions, no primary data obtained from suppliers or other partners in the value chain were used (0% contribution).

We do not have information on biogenic CO2 emissions from the combustion or biodegradation of biomass in our value chain.
Carbon removals and credits or purchased, sold or transferred GHG emission certificates are not included in the calculation of Scope 3 GHG emissions.

ESRS E1 - Table 18 - Emissions calculation methodology Purpose 3

Scop 3 Categories	Description of methodologies, allocation methods and assumptions used to calculate emissions
Category 1- Purchased goods and services	Category 1 includes all upstream emissions (cradle to gate) from the extraction, production and transport of products purchased by the reporting company in the reporting year. The greenhouse gas emissions of goods and services purchased by Romcarbon Group (including goods) were analyzed by calculating cradle to gate emissions (from extraction to the factory gate), including all direct greenhouse gas emissions from the extraction of raw materials, the manufacture of precursors and transport, as well as indirect emissions from energy use. Emissions for goods (goods purchased and resold) were attributed when the goods entered the operational perimeter of the group (when they were purchased by each of the Group companies), subsequently, for consolidation, sales within the group being excluded. For the calculation of emissions, data was extracted from the purchasing/accounting system. Emission factors were applied as follows: for purchased polymers the quantity in kilograms was used, and for other goods and services the monetary value was used.
Category 2 Capital goods	Category 2 includes all upstream emissions (i.e., from extraction to factory gate) from the extraction, production, and transportation of capital goods purchased by the Romcarbon Group in 2024. As for scope 1, emissions are calculated using a cost-based approach, based on a procurement data management system, and based on emission factors from the EPA database (2024). Supply Chain Greenhouse Gas Emission Factors
Category 3: Fuel and energy-related activities not included in Scope 1 or Scope 2	Category 3 includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year, which are not included in scope 1 or scope 2. Greenhouse gas emissions using upstream emission factors are calculated for fuels and energy consumed reported for scopes 1 and 2. Purchased gases that are not combusted (e.g. butane used as a blowing agent), lubricants and other types of fuels (except natural gas) are declared in scope 1 - purchased goods and services. Data on fuels and electricity, steam/heat purchased and consumed, which are the basis for calculating emissions in scope 3, are collected through the Romcarbon data management system. Romcarbon also acts as an energy trader and sells electricity to third parties (inside and outside the Romcarbon group). Emissions generated by the production of electricity purchased and sold to end users are relevant for Romcarbon because the Group sells purchased electricity. The Group purchases high voltage electricity that enters the 110 KV substation and passes through the two transformer stations (at 6 KV) to the 9 transformer points (0.4 KV) and then to the consumers. Purchased electricity that is sold to third parties is treated similarly to purchased goods and services that are subsequently sold (commodity). Upstream emissions are calculated for these sold quantities using specific emission factors (source: derived from Department for Business, Energy and Industrial Strategy (2021). 2021 Government GHG Conversion Factors for Company Reporting). T&D (transmission and distribution) losses of electricity are determined based on the quantities of electricity purchased and country-specific loss factors. Base for country-specific transmission and distribution losses of electricity: derived from United Nations (2025). UN Statistics Division - 2022 Energy Balance Visualizations
Category 4- Upstream transport	Category 4 covers the transport and distribution of products purchased by the Romcarbon Group in 2024 between its Tier 1 suppliers and its own operations (in vehicles and facilities not owned or controlled by the Group), including inbound logistics, outbound logistics (e.g. of products sold). Shipments from suppliers for which transport is not paid by Romcarbon are not included. To calculate emissions from these transport categories, Romcarbon applies the distance-based method, using the weight of the goods and the distance transported (ton-km). Partially, for a part of the transport, an expense-based approach is required. Assumption: trucks are 100% loaded (with cargo); they do not travel empty; Source for factors: Department for Energy Security and Net Zero (2024). 2024 Government GHG Conversion Factors for Company Reporting

Scop 3 Categories	Description of methodologies, allocation methods and assumptions used to calculate emissions
Category 5- Waste generated during operations	Category 5 includes emissions from the disposal and treatment by third parties of waste generated in facilities owned or controlled by Romcarbon (including the disposal of both solid waste and wastewater). Romcarbon generates the following types of waste: plastic waste, metal, paper and cardboard waste, wood, municipal waste and other mixed waste categories. The calculation of emissions from waste generated in operations and disposed of by third parties is based on primary data from Romcarbon collected annually through the data management system (centralization also required by the Romanian environmental authorities through GD 856/2002). This data is divided into different types of waste (e.g. municipal waste, plastic waste, paper waste, etc.) and waste disposal methods (e.g. landfill, recycling, incineration). To calculate greenhouse gas emissions from wastewater treatment in third-party municipal or industrial wastewater treatment plants, we use primary data from the Romcarbon site, which is collected annually. Wastewater volumes are multiplied by the BEIS emission factor for water treatment. Greenhouse gas emissions from on-site waste recycling are taken into account in the Group's Scope 1 and 2 emissions. Off-site physical recovery (recycling) of waste is assigned a zero emission level, in accordance with the cut-off approach of life cycle assessment.
Category 6- Business travel	Not applicable
Category 7 - Employee Commuting	Category 7 includes emissions from employee transport between their home and workplace. The data is based on a large survey conducted for all employees of the Group. Detailed data is available on how Romcarbon employees travel to work (means of transport), the distance they travel each day and the annual frequency of travel to work. The formula for interurban transport takes into account the round trip (6 trips with 3 shifts each). For the interurban public transport contracted by the Company on the Beceni-Vintila Vodă route (40 km away from Buzău), together with other Companies in Buzău, the share of Romcarbon SA and LivingJumbo (considered from the contract with the transport company) is 25% each of the total number of employees transported. Emission factors for transport modes are taken from the Department for Energy Security and Net Zero (2024) factors. 2024 Government GHG Conversion Factors for Company Reporting. Greenhouse gas emissions were calculated by multiplying the distance travelled by the respective CO2e emission factor, taking into account the different means of transport. For public transport, the emission factors are based on the unit passenger.km.
Category 8 - upstream leased assets	Not applicable
Category 9 - downstream transport	Not applicable; No data available of satisfactory quality for this category
Category 10- processing of products sold	Not applicable; Given the diversity of applications, emissions cannot generally be reasonably tracked. According to the "Guidance for Accounting & Reporting Corporate GHG Emissions in the Chemical Sector Value Chain", companies in the chemical sector are not required to report Scope 3 emissions, category 10. We can extrapolate this situation to Romcarbon, as reliable figures are difficult to obtain due to the diversity of applications and customer structure.
Category 11- use of products sold	Not applicable - Romcarbon Group does not sell fuels or energy-intensive products
Category 13 - downstream leased assets	Category 13 includes emissions from the operation of assets that are owned by the reporting company (as lessor) and leased to other entities. Romcarbon leases assets within the Group, but these emissions are accounted for in the Scope 1 and 2 calculation. Romcarbon Group also leases commercial buildings to third parties, to whom it provides utilities (electricity, heating, water, wastewater). Emissions from electricity demand are calculated using the national grid emission factor.
Category 14- Franchises	Not applicable
Category 15- Investments	Not applicable

The relevant Scope 3 emission categories that are part of the Romcarbon Group's emissions inventory in 2024 are:

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel and energy activities (not included in Scope 1 or 2)
- Category 4: Upstream transport and distribution
- Category 5: Waste in operations
- Category 7: Employee commuting

• Category 13: Downstream leased assets

ESRS E 1 - Table 14 - GHG emissions Scope 3 - classification

Significant greenhouse gas emissions from Scope 3	2024 (t CO2e)*
Total Gross indirect (Scope 3) greenhouse gas emissions	
1. Goods and services purchased	56,701.01
[optional subcategory] Cloud computing services and data centers	It is not material
2. Capital goods	753.03
3. Fuel and energy related activities (location based)	4,093.53
3. Fuel and energy activities (market-based)	4,097.08
4. Upstream transportation and distribution	3,093.86
5. Waste generated during operations	292.81
6. Business travel	It is not material
7. Employee Commuting	631.56
8. Upstream leased assets	It is not material
9. Downstream transport	It is not material
10. Processing of sold products	It is not material
11. Use of the products sold	It is not material
12. Treatment of products sold at the end of their life cycle	It is not material
13 Downstream leased assets (based on location)	37.48
13 Downstream leased assets (market based)	29.55
14 Franchises	It is not material
15 Investments	It is not material

The calculated Scope 3 emissions for 2024 were 7.2% lower than those calculated for 2023.
The "Purchased goods and services" category contributes significantly to the Group's Scope 3 emissions across the entire value chain. Based on the 2024 analysis, it represents approximately 86.4% of total Scope 3 emissions. The calculations are conservative, using sector-specific emission factors, which may lead to an overestimation of emissions.
Going forward, our goals are to:

- obtain supplier-specific emission factors.
- actively collaborate with suppliers to develop plans and processes aimed at reducing their carbon emissions.
- explore alternative materials with a lower carbon footprint or those that are fully bio-based.

6.8. GHG emissions intensity

ESRS E1 - Table 15 - Total GHG emissions intensity for Romcarbon Group (to CO2e), reported to net revenues (million EUR) - 2024

Romcarbon Group GHG emissions intensity - 2024	Total GHG emissions 2024 (to CO2e)	Romcarbon Group net income from own operations 2024*		Emission intensity (total to CO2e / million EUR)
		mil lei	mil. EUR	
location-based	72,767.30	307.32	61.78	1,178
market-based	72,067.08	307.32	61.78	1,167

**total net revenues per group exclude 49.74 million lei, representing consolidation adjustments*

ESRS E1 - Table 16 - Total Scope 1 and 2 emissions intensity for Romcarbon Group (to CO2e), reported to net revenues (million EUR) - 2024

Romcarbon Group GHG Scope 1 and 2 emissions intensity - 2024	Total GHG emissions 2024 (to CO2e)	Romcarbon Group net income from own operations 2024*		Emission intensity (total to CO2e / million EUR)
		mil lei	mil. EUR	
location-based	7,164.13	307.32	61.78	116
market-based	6,468.28	307.32	61.78	105

**total net revenues per group exclude 49.74 million lei, representing consolidation adjustments*

ESRS E1- Table 17 - Net revenues used in calculating GHG emissions intensity

Net income 2024**	mil.LEI	mil. EUR*
Net revenues used in the calculation of GHG intensity (million EUR)	307.32	61.78
Other net income (EUR million)	0	0
Total net income (in financial statements)	**307.32**	**61.78**

**average BNR exchange rate 2024 for EUR= 4.9746*
***total net revenues per group exclude 49.74 million lei, representing consolidation adjustments*
Net revenues are reconciled with the position "Revenue from contracts with customers" in the Consolidated Statement of Income and Expenses.

E1-7 - GHG removals and mitigation projects financed by carbon credits
The Group has not yet initiated any GHG removals and mitigation projects financed by carbon credits. These aspects will be taken into account in the Transition Plan.

E1-8 - Internal carbon pricing
Romcarbon Group does not apply internal carbon pricing systems

6.9. EU Green Taxonomy

The taxonomy analysis is presented in Annex 1 of the report.

7.POLUTION [ESRS E2]

7.1. Description of processes for identifying and assessing impacts, risks and opportunities related to material pollution [ESRS 2 IRO-1]

The Group has carried out a thorough analysis of the significance of its business operations, identifying potential and actual pollution impacts and risks (IROs) across its activities and across its supply chain. These IROs have then been assessed to determine their significance, using a methodology similar to the LEAP framework. This involved identifying pollution sources, assessing dependencies and impacts, and assessing associated risks and opportunities (see ESRS E2 Table 1 – Impacts, Risks, Opportunities on the following page).

The main raw materials in the Group's industrial processes are plastic polymers, as well as additives, fillers, etc. The handling of hazardous substances can lead to soil and groundwater contamination.

There is no current impact of pollution on environmental factors and there are no remediation of contamination required by the competent environmental authorities - the Environmental Protection Agency Buzau. Romcarbon Group is constantly working to ensure that we strictly comply with relevant environmental laws and regulations. In accordance with our Environmental Policy, our objective is to continuously improve the Environmental Management System (ISO 14001:2015).

Regarding the value chain, suppliers' production could potentially be responsible for environmental pollution, for example, in connection with the chemical process of producing virgin plastic resins from fossil raw materials.

In addition, pollutants such as nitrogen oxides (NOx), sulfur oxides (SOx), non-methane volatile organic compounds (NMVOCs) and particulate matter are emitted into the atmosphere due to the combustion of fossil fuels by our road transport suppliers. This is particularly important because we purchase raw materials, such as polymers, that are transported over long distances. The release of these pollutants contributes to air quality degradation and represents a systemic negative impact within our value chain, inherent in the transport sector.

The Group consulted key stakeholders in the process of establishing the material topics, Pollution being selected as a relevant material topic. Sub-topics: Water and soil pollution, microplastics and substances of concern.

The location for monitoring pollution risk is the area where the Romcarbon Group's production companies are located: Strada Transilvaniei no. 132, Buzău, Romania.
(For further details, please consult the Materiality Analysis section of this report).
The potential material impact of the Romcarbon Group on the environment and people in terms of pollution is related to water and soil pollution, as well as the use of substances of concern.
The sectors and activities related to pollutant emissions are the production ones in the companies Romcarbon and Livingjumbo Industry, the recycling activity in Romcarbon and the construction activity in Energo Install.

ESRS E2 - Table 1 - Impacts, Risks, Oportunities

Subject	I/R/O	Impact Description	Risk	Risk description	Oportunity	Oportunity Description
Water pollution	Impact -	Water consumption Water contamination Small plastic fractions could mix with household water Improper use of RCB Group's raw materials and finished products can lead to negative effects.	Risk	Water/soil contamination through cracking of the basins at the wastewater treatment plant. Discharge of contaminated process water into the Buzău River: - Image and legal risk, especially from local communities - Fines from environmental authorities, with the possibility of loss of operating license	Oportunity	Investing in closed-loop water systems that recycle and reuse water and implementing water-saving measures, such as monitoring and reducing water consumption
	Impact -	Probable impact - oil and other types of water spills in the value chain	Risk	Risk that suppliers may face operational shutdown due to revocation of operating licenses as a result of excessive water pollution.		
Soil Pollution	Impact -	Waste from building renovation Waste from reconditioning IT equipment (spare parts) Waste from plastic manufacturing Soil contamination through: - improper storage of raw materials (low probability) - cracking of tanks at the sewage treatment plant (low probability)	Risk	Soil cleanup costs Possible environmental fines	NA	NA
	Impact -	Considering the industry in which the suppliers operate, there is a high possibility of soil contamination due to spills.	Risk	There is a risk that suppliers could face operational shutdown or insolvency (due to fines) if their operating licenses are revoked	NA	NA
Substances of concern	Impact -	Water or soil pollution by substances of high concern (low probability)	Risk	Image risk Financial risk from environmental fines in case of leaks Increased cleaning costs	NA	NA
	Impact -		Risk	There is a risk that suppliers could face operational shutdown or insolvency (due to fines) if their operating licenses are revoked.	NA	NA

Subject	I/R/O	Impact Description	Risk	Risk description	Oportunity	Oportunity Description
Substances of very high concern	Impact -	Water or soil pollution by substances of very high concern (low probability)	Risk	Image risk Financial risk from environmental fines in case of leaks Increased cleaning costs There is a risk that suppliers will face operational shutdown or insolvency (due to fines) if their operating licenses are revoked.	NA	NA
	Impact -		Risk	Image risk Possible environmental fines	NA	NA
Microplast	Impact +	Using plastic waste as a raw material in recycling activity and therefore reducing plastic waste considered to be transformed into microplastic.	NA		Oportunity	Improving brand image
Microplast	Impact -	Product use and waste management: Plastic packaging materials can degrade over time due to exposure to sunlight, heat and mechanical stress. As a result, they can fragment into smaller pieces, including microplastics, which can be released into the environment during disposal, recycling or littering. Transport and Distribution: Plastic products and materials transported and distributed by plastic manufacturers can be lost or spilled during transit, handling and storage, leading to the release of microplastics into the environment along transport routes and distribution channels.	Risk	mage risk Lack of education and lack of civility that people have by throwing garbage in the countryside or in the waters.		

7.2. Pollution-related policies [E2 -1]

The Romcarbon Group Environmental Policy, https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-mediu-2024.pdf , updated in 2024, outlines the Group's approach to managing environmental performance, reflecting the environmental objectives set out in the Group's Sustainability Strategy for the years 2025-2050, including with regard to pollution.
The Environmental Policy ensures compliance with all relevant laws, regulations and legislation relating to air and water quality, responsible handling of chemicals, sustainable management of resources and waste reduction. This policy presents the general principles that the Group is committed to respecting; one of the principles being related to "precaution, prevention, correction of pollution at source"

- **Precaution:** if an action may harm the environment or public health and if there is scientific uncertainty about its effects, that action should not be taken until more evidence is available;
- **Prevention:** an instrument designed to prevent damage to the environment, rather than react to it. This principle requires preventive measures to be taken to anticipate and avoid environmental damage.
- **Correcting pollution at source:** if environmental damage has already been caused, polluters are obliged to take appropriate measures to correct it at the point of origin.
- **"Polluter pays":** if damage has been caused, operators are obliged to take appropriate measures to remedy it and bear the related costs. This principle is implemented through the Environmental Liability Directive, which aims to prevent or correct damage to the environment, namely to protected species or natural habitats, water and soil.

This policy applies to each company in the ROMCARBON GROUP and its workforce (as defined below) and the upstream and downstream value chain.
Targeted activities:
• Plastics processing;
• Polymer recycling and production;
• Production of filters, personal protective equipment and Activated Carbon;
• IT products and services;
• Construction of electrical, gas, water installations, construction and building renovations.

All employees are trained on our environmental policy to familiarize themselves with its content, the Group's initiatives, our objectives and our global responsibilities. The policy is approved by the Board of Directors and applies to all Romcarbon Group activities. All pollution incidents are recorded and analyzed. The Group is committed to collaborating with authorities and stakeholders to report and resolve any environmental issue and to implement a solid environmental policy.
The environmental policy is structured to cover both current conditions (up to the next decade) and different future scenarios (in particular from 2050 to 2100).

The Environmental Management System according to SR EN ISO 14001/2015 for ROMCARBON SA, LIVINGJUMBO INDUSTRY SA and RC ENERGO INSTALL SRL, represents a basic lever for:

- permanent monitoring of the impact of the activities carried out on the environment and the establishment of measures, primarily preventive and secondarily restrictive;
- establishing measurable objectives and related programs for the continuous improvement of the company's environmental performance;

- communicating with all stakeholders – employees, suppliers, local society, companies with the same object of activity, etc. – on environmental issues that concern the entire spectrum of the group's activititor to evaluate all environmental data.

Annually, all relevant environmental aspects are analyzed, taking into account current and past relevant activities, products and services, new or planned developments, new or modified activities, products and services, according to the requirements of the reference standard.
Within the analysis of environmental aspects, the following are taken into account: emissions into air, leaks into water, flows onto the ground.
Since the potential material impacts determined by ROMCARBON GROUP on the environment and people in terms of pollution are related to water pollution, soil, microplastics and the use of hazardous substances, the main environmental aspects we consider are: waste management, wastewater, microplastics and hazardous substances.
Regarding the value chain, the production of suppliers could potentially be responsible for environmental pollution, especially in relation to the chemical process of producing virgin plastic resins from fossil raw materials which are the main raw materials of the group.

Potentially polluting substances are presented in the Environmental Authorization and the List of hazardous substances notified to Teritorial Labor Inspectorate and the Police – Directorate for Weapons, Explosives, and Hazardous Substances. The hazardous substances used in production activities cannot, at this time, be replaced with less dangerous ones, especially as some of these hazardous substances are used as laboratory substances, particularly for testing filter cartridges.

We are mindful of this aspect; in previous years, efforts have been made to replace raw materials with less hazardous alternatives (e.g., isocyanates used in the filter sector).
Through precaution and prevention, avoiding incidents and emergencies is paramount. At the same time, our environmental policy mentions the assumption of the “Polluter Pays” principle, through which we assume that, if and when incidents and emergencies occur, we must adopt appropriate measures to remedy them on people and the environment.

7.3. Pollution-related actions and resources [E2 – 2]

The Group’s industrial processes involve an inherent risk of pollution due to accidental spills or leaks. If not properly managed, these emissions can have a negative impact on the environment and local communities. The Group’s activities are regulated by local environmental permits and regional and international regulations on emissions. Incidents involving spills, leaks or non-compliance with environmental regulations can lead to fines and remediation costs, with an impact on the Group’s financial performance. The real or perceived impact of pollution on local communities can lead to the cessation of operations, legal disputes and reputational damage, significantly affecting cash flow and financial results.
Pollution-related actions foreseen in the Romcarbon Group Sustainability Strategy for the years 2025-2050 regarding the impacts, risks and opportunities identified in the field of pollution are presented in table ESRS E2 -Table 2.

The resources that will be used to implement the actions presented above will be directed, in particular, towards: the rehabilitation of the water distribution network and the wastewater discharge network, the construction of concrete platforms for waste storage, and the increase in the recyclability of manufactured products.

In terms of resources, pollution management is a well-established process, part of the standard internal procedures and daily tasks of Romcarbon Group employees.

We consistently perform a “due diligence” process to identify pollution risks and opportunities and are committed to mitigating any real impacts. These impacts and risks are identified through regular site reviews and through the regular updating of our operational risk assessments, which cover impacts on water and soil, as well as the use of hazardous substances.

In terms of managing the risk of pollution arising from accidental spills, leaks or other unplanned events, the Group has carried out risk assessments and developed plans to prevent and mitigate accidental pollution. The Group has established action plans and controls to manage the risk, such as the use of absorbent materials. As no significant pollution incidents were recorded during the reporting period, no financial resources were allocated for remediation.
Considering the industry in which suppliers operate, we are considering, along the value chain, actions to raise awareness among suppliers regarding the danger of soil contamination, through their assessments within ESG questionnaires.

ESRS E2 -Table 2 - Pollution-related actions provided for in the Romcarbon Group Sustainability Strategy for the years 2025-2050 regarding the impacts, risks and opportunities identified in the field of pollution

	I/R/O	IRO Description	TACTICAL OBJECTIVE	Target	Time	Reference year	Actions
Water pollution	Impact -	Water consumption Water contamination Small plastic fractions could be mixed with household water Improper use of RCB Group's raw materials and finished products can lead to negative effects.	Reducing water consumption and ensuring the quality of discharged water	15%	2030	2024	1. Continue monitoring water consumption at group level
	Risk	Water/soil contamination through cracking of the basins at the wastewater treatment plant. Discharge of contaminated process water into the Buzau River: - Image and legal risk, especially from local communities - Fines from environmental authorities, with the possibility of loss of operating license		zero situations of exceeding discharged water quality indicators	2030		2. Monitoring discharged water quality indicators 3. Proper maintenance of water basins at the treatment plant
	Oportunity	Investing in closed-loop water systems that recycle and reuse water and implementing water-saving measures, such as monitoring and reducing water consumption.					4. Investments in the modernization of the internal water supply and wastewater and rainwater discharge network
Soil pollution	Impact -	Waste from building renovation Waste from reconditioning IT equipment (spare parts) Waste from plastic manufacturing Soil contamination through: - improper storage of raw materials (low probability) - cracking of tanks at the treatment plant (low probability)	Reducing the risk of soil pollution with plastic waste	*zero incidents/fines *100% relevant suppliers evaluated	2030		1.Monitoring the recycling process to reduce possible contamination. Compliance with the maintenance plan for production equipment
	Risk	Soil cleanup costs Possible environmental fines					2. Periodic delivery of waste for disposal
	Impact -	Considering the industry in which the suppliers operate, there is a high probability of soil contamination due to spills.					3. Increasing suppliers' awareness of the danger of soil contamination

	I/R/O	IRO Description	TACTICAL OBJECTIVE	Target	Time	Reference year	Actions
Use of hazardous substances	Impact -	Water or soil pollution by substances of very high concern (low probability)	Preventing risks associated with hazardous substances	*100% trained personnel *zero incidents/fines	permanent		1. Proper training of personnel who handle/transport/store and use hazardous substances 2. Storage of hazardous substances in specially designed spaces, under strict control Hazardous substances storage plan 3. Identification of less hazardous alternatives for the substances used 4. Controlled disposal of hazardous waste; Supporting documents attesting to the takeover by specialized companies
	Risk	Image risk Financial risk from environmental fines in case of leaks Increased cleaning costs					
	Risk	There is a risk that providers could face operational shutdown or insolvency (due to fines) if their operating licenses are revoked.					
Production or distribution of goods likely to generate microplastics	Impact -	During the production of plastics, small plastic particles can be spilled or released into the environment through handling, transport and processing activities at production facilities.	Contribution to the reduction of microplastics released into the environment	100% recyclability for group-produced plastic packaging	2030		1. Increasing the degree of recyclability for all group products 2. Increasing our own recycling capacity 3. Increasing the share of recycled material in the group's products 4. Initiating and participating in educational programs for children/students regarding recycling

E2-3 Pollution-related targets

The presented targets cover own operations, and on the value chain, the assessment of relevant suppliers through an ESG questionnaire, including soil pollution aspects.

ESRS E2 - Table3 - Pollution-related targets

I/R/O	IRO Description	TACTICAL OBJECTIVE	Target	Tine	Reference year	Current level of fulfillment	Measures in 2024
Impact -	Water consumption Water contamination Small plastic fractions could be mixed with household water Improper use of RCB Group's raw materials and finished products can lead to negative effects.	Reducing water consumption and ensuring the quality of discharged water	15%	2030	2024	Calculation of the indicator "% water consumption in the reporting year/water consumption in the reference year" in 2025	To prevent situations where some of the monitored discharged water quality indicators are exceeded, we have intensified internal controls, strengthened discipline in production sectors and increased the frequency of sampling for analysis.
Risc	Water/soil contamination through cracking of the basins at the wastewater treatment plant. Discharge of contaminated process water into the Buzau River: - Image and legal risk, especially from local communities - Fines from environmental authorities, with the possibility of loss of operating license		zero situations of exceeding discharged water quality indicators	2030		Unfulfilled	
Oportunitate	Investing in closed-loop water systems that recycle and reuse water and implementing water-saving measures, such as monitoring and reducing water consumption.						
Impact -	Waste from building renovation Waste from reconditioning IT equipment (spare parts) Waste from plastic manufacturing Soil contamination through: - improper storage of raw materials (low probability) - cracking of tanks at the treatment plant (low probability)	Reducing the risk of soil pollution with plastic waste	*zero incidents/fines *100% relevant suppliers evaluated	2030		Completed / in progress	In 2024, the cleaning and inspection of the basins at the recycling sector treatment station was carried out, with a specialized company being hired for this purpose. Measures were taken to ensure that all types of waste generated by the Group are stored and treated in environmentally safe conditions.
Risc	Soil cleanup costs Possible environmental fines						

I/R/O	IRO Description	TACTICAL OBJECTIVE	Target	Tine	Reference year	Current level of fulfillment	Measures in 2024
Impact -	Considering the industry in which the suppliers operate, there is a high probability of soil contamination due to spills.					In progress	For 2024, we developed and sent the ESG supplier assessment questionnaire to 282 relevant suppliers. The questionnaire also assesses how environmental aspects are managed.
Impact -	Water or soil pollution by substances of very high concern (low probability)	Preventing risks associated with hazardous substances	*100% trained personnel, *zero incidents/fines	permanent		Completed	The hazardous substances used within the Group have a special regime since the acquisition, being stored in separate spaces, handled and introduced into the process by trained employees. In 2024, the list of hazardous substances was updated, transmitted to the authorities (Territorial Labor Inspectorate, Police – Directorate of Weapons, Explosives and Dangerous Substances). The Hazardous Substances Storage Plan was updated, a copy of this plan, together with the Safety Data Sheets being available at the main access gate, in case of possible interventions. A copy of the safety data sheets is kept at the warehouses and in the user production departments, all employees participating in the storage, handling and use of hazardous substances being trained as such.
Risc	Image risk Financial risk from environmental fines in case of leaks Increased cleaning costs						Prior verification of suppliers for the possession of operating authorizations and licenses, according to the specific legislation in force.
Risc	There is a risk that suppliers could face operational shutdown or insolvency (due to fines) if their operating licenses are revoked.						No incidents/fines in 2024.
Impact -	During production of plastics, small plastic particles can be spilled or released into the environment through handling, transport and processing activities at production facilities.	Contribution to the reduction of microplastics released into the environment	100% recyclability for group-produced plastic packaging	2030		In progress	Identification of a solution for increasing the recyclability of multilayer PET-film packaging in Livingjumbo. Rethinking the structure of recycled waste by Romcarbon. The dust generated in the sorting and grinding processes in the recycling sector is collected and periodically handed over to specialized companies for energy recovery. Until handover, it is stored in big-bags, on a concrete platform, aiming to preserve the integrity of the packaging and avoid losses.

Pollution targets are related to the prevention and control of:

- water emissions (reduction of consumption and zero exceedances of water quality indicators)
- soil pollution (zero incidents/fines related to soil pollution in own operations; assessment of relevant suppliers)
- substances of concern (trained personnel and zero incidents/fines related to pollution with substances of concern)

No targets are set for atmospheric pollutants, as the level of emissions into the atmosphere, specific to our activity, is not significant.

The targets established and presented comply with the conditions established by the environmental authorization, to which voluntary targets are also added.

7.4. Air, water and soil pollution [E2-4]

Through its operations, the Romcarbon Group does not generate pollutants listed in Annex II of Regulation (EC) No. 166/2006 (E-PRTR) in air, water or soil that exceed the permissible thresholds. Consequently, for the financial year 2024, we consider that these quantities of specific pollutants are not significant to be reported.

Emissions to air, water and soil are generally monitored depending on the nature of the emissions and the source. At a minimum, the environmental permit of a site dictates the monitoring locations, frequency, methodology and legal reporting requirements. The Group does not generate pollutants listed in Annex II to Regulation (EC) No. 166/2006 of the European Parliament and of the Council (Regulation on the European Pollutant Release and Transfer Register E-PRTR") that exceed the applicable threshold values specified in Annex II. In addition, no obligations related to E-PRTR are listed in our environmental permit.

Romcarbon Group uses well-established available techniques in production and constantly monitors compliance with environmental permits. Any deviations and related corrective actions are promptly reported to the authorities. Production processes are designed with a focus on continuous improvement and meeting the set objectives. Environmental risks, emissions and environmental impacts are assessed in all process modification projects.

Most of the atmospheric emissions of production companies (other than greenhouse gases) come from fugitive emissions of volatile organic compounds.

Substances from wastewater discharges consist mainly of ammonium, iron, phosphorus, organic substances measured as biochemical oxygen consumption and suspended solids.

Discharges of substances into water are reduced by reducing water use, by more efficient processes and by efficient technologies. The quality of wastewater is monitored by laboratory measurements and is dealt with in a separate chapter of this Report (ESRS -E3 Water and Marine Resources).

The Group keeps records of the VOC (volatile organic compounds) balance, in accordance with Law 278/2013, Annex 7, in order to identify the areas of activity and to report VOC emissions.

Annual measurements are carried out for:

• Emissions Protective materials sector - degreasing/painting workshop/drying oven (VOC)
• Emissions: Access gates and in the area of Activated carbon (phenol, CO, dust)
• Workplace emissions: PP/PE printing (ethyl acetate, ethyl alcohol); Production halls in the recycling sector (dust); Wastewater treatment plant in the recycling sector (methane, hydrogen sulfide, carbon monoxide); PVC support workshop (vinyl chloride); Production halls in the PS processing sector (styrene, methane, butane); Filter production sector (phenol, isopropyl alcohol)

Regarding VOCs, the balance sheet for the degreasing activity (activity in the Filters and Protective Materials sector) carried out for the year 2024 demonstrated that the fugitive emissions value was 12.29%, without exceeding the permitted emission limit value, according to the regulations in force (L278/2023, Annex 7, point 5).

All measurements carried out in 2024 by a company certified in the field, indicated values below the permitted limits, confirmed by Analysis Bulletins no. 101,102, 103, 104, 105 and 106 of 30.09.2024:
VOC emissions: degreasing/painting/drying oven workshop – determined values 28.1 – 44.1 mg/mc; Admissible limit value (according to GD 699/2003 and GD 1902/2004) - 75 mg/mc; analyses carried out in accordance with Order 462/1993.
Emissions: Access gates and in the Activated Carbon area
Phenol: determined values 0.02 – 0.041 mg/mc; Admissible limit value 0.1 mg/mc
CO: determined values 2.97 – 3.018 mg/mc; Admissible limit value 10 mg/mc
Dusts: determined values 0.017 – 0.033 mg/mc; Admissible limit value 0.05 mg/mc
Admissible limit values in accordance with STAS 12574/87 and Law 104/2011.
No other methodologies are used besides measurements.

7.5. Microplast

The quantity of microplastic resulting from the processing of plastic waste in the Recycling Sector was 574.82 tons, calculated based on quantitative records (kg) for unrecoverable technological waste in the form of 'fan dust' and 'vibroseparator plastic.' This represents 5.65% of the waste processed in 2024. These unrecoverable wastes are sent for disposal (incineration) to specialized companies.
Currently, we do not have a methodology to measure potential microplastics present in the water discharged from the Romcarbon platform. Periodic quantitative measurements are taken of the 'Total Suspended Solids' indicator in the discharged water, but not qualitative ones. Therefore, at this time, we cannot specify whether there are microplastics in these suspended solids or their possible proportion.

We do not use microplastics as specific inputs in our production processes.

There were no significant changes in the above-mentioned values compared to the emission values determined in the previous year. The amount of microplastics produced in 2024 was lower than in 2023, when 730 tons were recorded.

7.6. Substances of concern and substances of very high concern [E2 -5]

In 2024, Romcarbon and Livingjumbo Industry used hazardous substances in their production processes and/or laboratory tests. Romcarbon’s total use of hazardous substances amounted to 271,137 kg, with the majority (62%) being liquefied petroleum gas (LPG) for production purposes. In addition, 6.14% of the substances consumed were inks and solvents, 31.68% were other substances used in production, and a minimal percentage of 0.02% were laboratory substances.
Livingjumbo Industry, on the other hand, consumed a total of 11,227 kg of hazardous substances. A substantial proportion of 91% of this amount was composed of inks and solvents, with the remaining 9% consisting of other substances used in production.
This breakdown highlights the different areas of focus in terms of hazardous materials use between the two companies, with Romcarbon relying heavily on LPG and Livingjumbo Industry predominantly using inks and solvents.

In terms of substances of very high concern, Romcarbon used 208 kg in 2024 in the process of treating activated carbon used in the respiratory protection sector.

ESRS E2- Table 4 -Substances of concern used in the Group's production companies in 2024

Substances of concern used in the group's production companies in 2024	Romcarbon	% in total	Living jumbo	% in total	Total production companies of the Group	% in total
LPG for production (kg)	168,532	62.16%	-	-	**168,532**	59.69%
Inks, solvents for printing (kg)	16,649	6.14%	10,252	91.31%	**26,900**	9.53%
Other siubstances used in production (kg)	85,906	31.68%	975	8.69%	**86,881**	30.77%
Laboratory substances (kg)	51	0.02%	-	0.00%	**51**	0.02%
Total 2024 (kg)	**271,137**	**100.00%**	**11,227**	**100.00%**	**282,364**	**100.00%**

Following the processes, the substances used leave the installations in different forms, mentioned in the following tables:

ESRS E2 - Table 5 -Substances of concern leaving installations in 2024

Substances of concern leaving installations in 2024:	Romcarbon	Livingjumbo	Total production companies of the Group
as services (kg)	0	0	**0**
as part of products (inks, solvents, other substances for production - extraction gasoline (kg)	100,219	11,227	**111,584**
as products (kg)	0	0	**0**
as emisions (kg)	168,734	0	**168,734**
Total quantity of substances of concern leaving the installation as part of products and as emissions (kg)	**268,953**	**11,227**	**280,318**
Total quantity of substances used during production (kg) *	271,137	11,227	**282,364**

Note: the difference of 2.184 kg is represented by laboratory substances + extraction gasoline = VOCs that are not incorporated into products (they become waste after use)

ESRS E2- Table 6 - Substances of very high concern used in the Group's production companies in 2024

Company	Quantity (kg)
Romcarbon	208
Livingjumbo	0
Total	**208**

ESRS E2 - Table 7 -Substances of very high concern leaving installations in 2024

Substances of very high concern leaving installations in 2024:	Romcarbon	Livingjumbo	Total production companies of the Group
as services (kg)	0	0	0
as part of products (inks, solvents, other substances for production - extraction gasoline (kg)	208		208
as products (kg)	0	0	0
as emissions (kg)	0	0	0
Total quantity of substances of very high concern leaving the installation as part of products and as emissions (kg)	**208**	**0**	**208**
Total quantity of substances of very high concern used during production (kg)	208	0	208

8.WATER AND MARINE RESOURCES [ESRS E3]

ESRS 2 – General information presentations

8.1. Description of the processes for identifying and assessing significant impacts, risks and opportunities related to water and marine resources [ESRS 2- IRO-1]

As our operations are intrinsically linked to water as a natural resource and we also operate in a water-stressed area, we consider our responsibility for water management important and are actively working to reduce our water consumption.
According to Aqueduct, Buzău is located in a water risk and high water stress area. Furthermore, according to the climate risk assessment conducted, drought stress has the potential to become high in 2100 under the most pessimistic climate scenario (RCP 8.5), judging by the drought stress index based on SPEI (standardized precipitation-evapotranspiration index; SPEI is a multi-scalar drought index that is used to determine the onset, duration and magnitude of drought conditions relative to normal conditions, where the climatic water balance of the second half of the 20th century is considered as reference conditions).
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 transports water into two underground reinforced concrete tanks with a volume of 500 m3 each from where it is distributed to the consumption points. Distribution is carried out by pumping. At the exit from the storage tanks, a water chlorination station is provided, authorized by the Buzău Public Health Directorate, all water being considered potable.

Groundwater extraction - water consumption

In the processing sectors, the extracted water is used, in particular, for technological cooling of the machinery. We also use water in the washing process of plastic waste in the recycling sector, which is equipped with its own water treatment plant, to recirculate and reuse the water. In addition, there is water consumption for employees (dining rooms, social/sanitary groups).
Romcarbon supplies the water necessary for its own production and employees, but also to the companies on the Romcarbon platform (including Livingjumbo Industry, Energo Install and Info Tech) and a high school located in the immediate vicinity.

Wastewater

Wastewater collection from the Romcarbon platform is carried out through three sewerage networks:
• The collection network for domestic wastewater and process water that requires treatment;
• The collection network for process water used for cooling, which does not require treatment;
• The collection network for rainwater,

The other companies discharge domestic wastewater to the sewerage network of the Municipality of Buzău through the internal collection network of Romcarbon.
Romcarbon takes measures to comply with the maximum permitted limits of wastewater quality indicators provided for in regulatory acts, authorizations, connection agreements and contracts. Domestic and process wastewater that requires treatment is discharged into the sewerage network of the Municipality of Buzău, based on the contract concluded with Compania de Apă SA and the Connection Agreement. The indicators and maximum quality limits are provided in the service contract and in the Connection Agreement, concluded with the Buzău Water Company, in accordance with Order no. 31/2006 and GD 352/2005 with subsequent amendments and completions, as well as NTPA 002. The indicators are: pH – 6.5 – 8.5 pH units; Suspended matter - 200 mg/dmc; Biochemical oxygen demand (BOD5) - 250 mgO2/dmc; Chemical oxygen demand - COD 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; Residues filtered at 105 °C - 2000 mg/dmc, Calcium – 300 mg/dmc, Sulfates – 600 mg/dmc; Chlorides – 500 mg/dmc.

Wastewater that does not require treatment (resulting from the cooling process of the equipment), together with rainwater collected from the site, are discharged into the Buzău River through a pipeline, based on authorization no. 70 C / 13.08.2024, issued by A.N. Apele Române - Buzău-Ialomița Water Basin Administration. The authorization contains the indicators and maximum quality limits for the discharged water: pH – 6.5-8.5 pH units; Suspended matter - 60 mg/dmc; Biochemical oxygen demand (BOD5) - 25 mgO2/dmc; Chemical oxygen demand (COD.Cr) -125 mgO2/dmc; Extractable substances – 20 mg/dmc; Residue filtered at 105 degrees C – 2,000 mg/dmc; Ammonium – 3.0 mg/dmc; Detergents – 0.5 mg/dmc.

Romcarbon is obliged 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 determining wastewater quality indicators is quarterly, the determination of quality indicators being carried out in an accredited laboratory on samples taken directly.

The wastewater resulting from the technological process is collected in a neutralization tank, the neutralization process being carried out under the strict monitoring of the company's own laboratory, the discharge into the sewage network of the Municipality of Buzău being made only under the conditions that their quality complies with the monitored indicators.
The wastewater from the plastic washing process is pre-treated in a treatment plant composed of:
• mechanical treatment stage (pre-filtration plant and equalization tank)
• physico-chemical treatment stage (flotation system and automatic chemical treatment plant)
• biological treatment stage (contact tank and aeration tank);
• sludge dehydration.
The treated water from this plant is reintroduced into the plastic washing process.

Through process monitoring and periodic measurements, we aim not to exceed the permitted limits of the monitored indicators. In 2024, there were some exceedances for some indicators along the collector channel route, even though measurements taken at the platform exit manholes showed that they were within the permitted level. We continue to monitor water indicators in the last manholes of the Romcarbon platform, to identify possible internal contamination, and we have also intensified controls in the sectors. Romcarbon relies heavily on water as an essential resource, taking significant volumes for various operations.

The main water-related risks for Romcarbon include the inability to extract the water needed in the production process, a risk that stems from physical risks related to climate change, such as changes in the availability and quality of freshwater, as well as natural hazards such as floods. Climate change may amplify these risks, leading to more frequent heavy rainfall or, conversely, drought. Seasonal droughts represent another risk, which may disrupt the availability of water for Romcarbon’s operations and logistics within the value chain. Environmental management and ongoing environmental performance are guided by the requirements of the Group’s certified quality and environmental management systems.

During the dual materiality assessment, the Group identified water-related impacts, risks and opportunities, both in its own operations and in the value chain, by consulting various stakeholders through distributed questionnaires. The impacts, risks and opportunities identified are related only to the sub-theme “water”. As we operate only on land, the sub-theme "marine resources" is not significant. We are particularly concerned and take great care in key areas such as water consumption, water abstraction and water discharges (wastewater management). In analyzing our activities and processes to identify water-related impacts, risks and opportunities, we used a methodology similar to the LEAP approach.

This involved identifying locations where water-related IROs may occur, assessing dependencies and impacts, and assessing associated risks and opportunities. The location where “water” is a material topic is the area where the Group’s factories are located: Strada Transilvaniei no. 132, Buzău, Romania.

The business activities associated with material water-related impacts, risks and opportunities are polymer recycling (critical) and plastic processing (significant).
Further details are included in the Dual Materiality section of this report.

ESRS E3 - Table 1 - Significant impacts, risks and opportunities related to water resources

Subject	I/R/O	Impact Descriptioin	I/R/O	Risk Description	I/R/O	Opportunity Description
Water consumption	Impact -	Water consumption in an area with high water stress Water stress will increase progressively/exponentially in the region (speed depending on the climate scenario considered).	Risk	The risk of not being able to extract enough water from the groundwater source. The alternative being the need to connect and purchase water from the city network	NA	NA
Water consumption Water withdrawals	Impact -	Suppliers could use a large volume of water to produce the raw materials needed for our production				
Water discharges Water discharged into the oceans	Impact -	Water contamination (potential impact)	Risk	Water/soil contamination through cracking of the basins at the wastewater treatment plant. Discharge of contaminated water into the Buzău River: - Image and legal risk, especially from local communities - Fines from environmental authorities, with the possibility of losing the operating license	Oportunity	Investments in closed-loop water systems that recycle and reuse water and implementation of water-saving measures, such as monitoring and reducing water consumption.
Extraction and use of marine resources						

8.2. Water and marine resources policies [E3-1]

Aspects related to water management within the Romcarbon Group are included in the Environmental Policy https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-mediu-2024.pdf , within which it is specified, as a general rule, that the implementation of the process of identifying and managing impacts, risks and opportunities includes:

• IRO Analysis: Conducting a comprehensive analysis to identify potential sustainability issues, such as negative environmental impacts,

• Action Plans: Developing and implementing action plans to address the effects of the identified impacts, risks and opportunities, ensuring that appropriate measures are taken.

Environmental policy addresses water management, through a presentation of both the impacts, risks and opportunities, as well as the objectives related to the field of water resources.

Water use and water supply face risks related to the high water stress area in which we operate and from which we extract the necessary water. Water stress will increase progressively/exponentially in the region (the growth rate depending on the climate scenario considered). Therefore, the major objective is to continuously reduce the Group's water consumption. Note: the sub-topic "marine resources" is not significant for us.

Our suppliers could use a large amount of water to produce the raw materials needed by the group. This aspect is under analysis, we cannot provide more information at this time

Water treatment is mentioned in connection with the recycling sector, where water is treated and reused. At this time we cannot extend water treatment actions to the entire platform, but possible medium or long term solutions are being studied.

Preventing and reducing water pollution, by monitoring the quality of discharged water, is part of our objective related to water resources, presented in the environmental policy.

The Group companies do not use water directly in the manufacturing process of their own products, but only indirectly, for cooling machines and for washing in the recycling sector. Thus, redesigning products to reduce water consumption is not a solution for us, so our efforts are focused on reducing consumption and preventing pollution.

The Group's companies operate on the platform located in Buzau, Strada Transilvaniei, no. 132, a water risk area, a fact taken into account in the IRO analysis and in the main objective, to reduce water consumption. In the Climate Change Policy https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-privind-schimbarile-climatice-2024.pdf we refer to the analysis of climate scenarios, as well as the sensitivity analysis and solutions for mitigating physical and material climate-related risks (implicitly related to water resources). More details are presented in section E 1- Climate Change.

Since the materiality analysis resulted in the sub-topic “Marine Resources” not being a significant topic, the Group has not adopted policies or practices related to sustainable oceans and seas.

8.3. Actions and resources related to water resources [E3-2]

ESRS E3- Table 2 - Actions and resources related to water resources

Subjiect	I/R/O	IRO Description	Tactical objective	Target	Time	Actions
Water consumption, especially in areas exposed to water risks and/or high water stress	Impact -	Water consumption in an area with high water stress	Ensuring the water requirement for carrying out the activity in optimal conditions	*100% trained personnel *zero activity interruptions due to lack of water	permanent/ 2030	Action 1: Raising staff awareness for efficient water use and eliminating waste Action 2: Increasing the degree of recirculation of technological water Action 3: Solutions for storing rainwater and using it for production and sanitary facilities
		Water stress will increase progressively/exponentially in the region (speed depending on the climate scenario considered).				
Water consumption, especially in areas exposed to water risks and/or high water stress	Risk	The risk of not being able to extract enough water from the groundwater source. The alternative being the need to connect and purchase water from the city network				
Water consumption, especially in areas exposed to water risks and/or high water stress	Impact -	Suppliers could use a lot of water to produce RCB raw materials				
Wastewater management	Impact -	Water contamination (potential impact)	Wastewater quality control to prevent water/soil contamination	zero situations of exceeding discharged water quality indicators	permanent	Action 1: Ensuring the optimal functioning of the treatment plant in the recycling sector Action 2: Monitoring the quality indicators of discharged water Action 3: Periodic analysis reports for discharged water
Wastewater management	Risk	Water/soil contamination through cracking the basins at the wastewater treatment plant.				
		Discharge of contaminated water into the Buzau River				
		Image and legal risk, especially from local communities				
		Fines from environmental authorities, with the possibility of losing the operating license				
Wastewater management	Oportunity	Investing in closed-loop water systems that recycle and reuse water and implementing water-saving measures, such as monitoring and reducing water consumption.				

Considering the location of our activity, the actions presented above are also actions related to the water risk area.

8.4. Targets related to water and marine resources [E3-3]

ESRS E3 - Table 3 - Water resources targets

IRO	IRO Description	Tactical Objective	Target	Time	Current level of fulfillment	Measures in 2024
Impact -	Water consumption in an area with high water stress Water stress will increase progressively/exponentially in the region (speed depending on the climate scenario considered).	Ensuring the water requirements for carrying out the activity in optimal conditions	100% trained staff *zero interruptions due to lack of water *reducing water consumption by 5% per year until 2030 (base year 2024)	permanent/ 2030/2030	In progress	Continued monitoring of water consumption at Group level. In 2024, the volume of water extracted was at the level of 2023, given that, due to faults in the internal distribution network, we had losses. By monitoring water consumption daily, we were able to identify potential losses, with any consumption higher than the daily average representing a warning in this regard. Immediate checks were made and remedial measures were taken. Investments continued to modernize the internal water supply network, with the replacement of over 500 m of distribution pipes (Main Line 1), and work began on replacing Main Line 4.
Risk	The risk of not being able to extract enough water from the groundwater source. The alternative being the need to connect and purchase water from the city network					Raising staff awareness of the efficient use of water and eliminating waste, by placing warning messages at consumption points.
Impact -	Suppliers could use a lot of water to produce RCB raw materials					The Supplier ESG Assessment Questionnaire includes issues related to commitments, objectives and targets that address water consumption. We will update the questionnaire to include requests for information on water intensity.
Impact -	Water contamination (potential impact)	Wastewater quality control to prevent	zero situations of exceeding discharged water quality indicators	permanent	unfulfilled	Monitoring of discharged wastewater quality indicators, in accordance with the authorizations in force; periodic analysis reports for discharged water

IRO	IRO Description	Tactical Objective	Target	Time	Current level of fulfillment	Measures in 2024
Risk	Water/soil contamination through cracking of the basins at the wastewater treatment plant. Contaminated water discharge into the Buzau River: - Image and legal risk, especially from local communities - Fines from environmental authorities, with the possibility of losing the operating license	water/soil contamination				By monitoring processes and periodic measurements, we aim not to exceed the permissible limits of the monitored indicators for discharged water. In 2024, certain exceedances were recorded for certain indicators along the collector channel route. We have intensified the monitoring of water indicators in the last manholes of the Romcarbon platform and we have also intensified sectoral controls to identify and eliminate any possible contamination. The water tanks were cleaned and checked by a specialized company.
Oportunity	Investing in closed-loop water systems that recycle and reuse water and implementing water-saving measures, such as monitoring and reducing water consumption.					A new chiller was purchased for the waste recycling sector

The targets in the field consider the management of significant impacts, risks and opportunities related to water risk areas (specific to the area in which we operate). Thus, the targets established are related both to ensuring the water needed to carry out the activity under optimal conditions, and to preventing water and soil contamination and the discharge of contaminated water.
Since marine resources are not a material subject for us, no targets related to this aspect are set.
One of the basic targets related to the fact that we operate in a water-risk area is the reduction of water consumption, established as an annual reduction of 5% until 2030.
The targets set are voluntary.

8.5. Water consumption [E3-4]

ESRS E3 - Table 4 - Total water consumption

Indicator	Value
Water consumption in areas exposed to water risk (m3)	193,276
Group water consumption* (m3)	191,164

* the Group's net consumption is taken into account, excluding water sold to third parties (outside the group)

ESRS E3- Table 5 - Distribution of water consumption by companies in 2024

Company	Water consumption (m3) in 2024
ROMCARBON	184,849
LIVINGJUMBO INDUSTRY	5,597
RC ENERGO INSTALL	639
INFO TECH SOLUTIONS	79
Total Romcarbon Group	**191,164**
Others	2,112
Total water extracted in 2024	**193,276**

In 2024, the total volume of groundwater extracted was 2.7% lower than in 2023 (-5,325 m3). The consumption of the group companies decreased by 0.9% compared to 2023, the difference coming from consumption reductions by third parties.
For the Romcarbon Group, water consumption in areas at risk of water shortages is equal to total water consumption.
Regarding water treatment and recirculation, the treatment plant in the recycling sector has a capacity of 150 m3/day (water is recirculated after treatment). Considering 300 working days per year, it can be estimated that recirculation ensures a reduction of approximately 45,000 m3/year compared to the use of water from the general water supply system.
Regarding water storage, the following volumes of water were stored in 2024:
- 1000 m3 in two underground reinforced concrete tanks, each with a capacity of 500 m3, initially storing the groundwater extracted and transported through pipelines to the entrance to the Romcarbon Platform. Subsequently, depending on consumption, the water reserve is continuously replenished through the pumping system.
-500 m3 in an underground reinforced concrete tank, which serves as an intangible reserve for fires.
There were no changes in water storage capacity.

The consumption data presented in this section are real data, based on the readings of the water meters at the water extraction station and the water meters installed at each user company.

ESRS E3- Table 7 - Water consumption intensity by companies

Company	Water consumption 2024	net income from own operations 2024*		Water consumption intensity
	m3	Million lei	million EUR	m3/Mill.EUR
ROMCARBON**	193,276	225.63	45.36	4,261.20
LIVINGJUMBO INDUSTRY	5,597	109.27	21.97	254.80
RC ENERGO INSTALL	639	19.64	3.95	161.87
INFO TECH	79	2.51	0.5	156.57
TOTAL GROUP* **	**191,164**	**307.32**	**61.78**	**2,663.37**

average BNR exchange rate 2024 for EUR = 4.9746
*Romcarbon's turnover includes sales of utilities
** all extracted water is considered, including the quantity sold within the group and to third parties outside the group
*** total net revenues per group exclude 49.74 million lei, representing consolidation adjustments

The intensity of water consumption in 2024 for the companies in the Group decreased by 14.7% compared to 2023.

9. RESOURCE USE AND CIRCULAR ECONOMY [ESRS E5]

ESRS 2 General information presentations

As a plastics processor, we have always considered recycling as a responsibility towards society and the environment, being a promoter of the circular economy. The impact that our activity and products can have on the environment is controlled and reduced through our involvement in waste management, through our actions as recyclers and by using a significant proportion of recycled material in our products.
We are committed to identifying practical solutions that can contribute to improving our performance in the field of waste management, but also to reducing the impact that plastic products have on the environment.

9.1. Description of the processes for identifying and assessing significant impacts, risks and opportunities related to resource use and the circular economy [ESRS 2 IRO-1]

The Group has conducted a thorough analysis of the materiality of its business operations, identifying potential and actual impacts, risks and opportunities (IROs) related to the circular economy within its own activities and along the supply chain, paying particular attention to resource inputs, resource outputs and waste, including the management of hazardous and non-hazardous waste. Through the survey we conducted, we obtained information from various stakeholders, including affected communities; in this way, stakeholders were consulted (had the opportunity to respond to questions). These IROs were then assessed to determine their significance, using a methodology similar to the LEAP framework. This involved assessing dependencies and impacts, as well as assessing the associated risks and opportunities.
The location for monitoring aspects related to resource use and circular economy is the area where the Romcarbon Group's production plants are located: Strada Transilvaniei no. 132, Buzău, Romania.
(For further details, please refer to the Materiality Analysis section of this report).
The main sectors and activities related to resource consumption and circular economy within the Group are the plastics processing sectors of the production companies, Romcarbon and Livingjumbo Industry, and the recycling sector of Romcarbon.

ESRS E5 - Table 1 - Impacts, Risks, Oportunities

Subject	I/R/O	Impact Description	Risk	Risk Description	Oportunity	Oportunity Description
Resource inputs, including resource usage	Impact +	Romcarbon Group uses waste (post-consumer waste and own technological waste) as raw material. Solutions are being studied to integrate a larger amount of recycled materials Through plastic waste recycling activities (including plastic packaging), we reduce the quantities of virgin plastic granules used in the production of new finished products.	Risk	Declining market share due to changes in customer needs (more durable products).	Oportunity	Increasing market share through the structure of our products
	Impact -	By producing recycled materials and using them in finished products, these items may be of lower quality, resulting regranulated material with inconsistent characteristics from their recycling.	Risk	Reducing plastic consumption and banning plastic-packed products will force current plastic waste suppliers to generate/collect smaller quantities. This will increase competition between recyclers, automatically leading to an increase in waste prices. To not face competition.		
Resource outputs related to products and services, including information about products and materials	Impact +	Recycled plastic polymers produced and sold by Romcarbon have a positive impact, as this operation prevents the production of new plastic. Eco-design: recyclability of products; production of solar foil that can be used for 2-3 years by farmers (there is no need to consume plastic every year); plastic foils are intended to extend the shelf life of food, which helps reduce food waste; solutions are being studied for the integration of a larger amount of recycled materials; packaging with reduced specific weight; Reuse: Romcarbon Group uses waste as raw material (post-consumer waste and its own technological waste). Reconditioning: computer repairs/production equipment/ Generating less waste in production, continuous monitoring of technological waste generated, by measuring and recording in each sector, offers the possibility of identifying places where the accepted level of waste generated is exceeded. Recycling of post-consumer waste	Risk		Oportunity	Financing related to the circular economy
Waste management	Impact -	No direct actions for end-of-life products (recycling, upcycling, extended producer responsibility) for construction waste, IT equipment repair waste	Risk	To not face the competition	Oportunity	Identifying opportunities for end-of-life actions (recycling, upcycling, extended producer responsibility)
	Impact +	Part of the plastic waste is recycled	Risk	To not face the competition	Oportunity	We are increasing the percentage of recycled waste. We are implementing synergies across the entire group

9.2. Policies related to resource use and circular economy [ESRS E5-1]

Our objective regarding the circular economy is also addressed through the principles of the Environmental Policy https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-mediu-2024.pdf :
▫ to get involved in environmental protection by reducing environmental effects (emissions, waste) and by separate collection and safe recovery of residual waste.
▫ efficient use of raw materials and energy resources
▫ reducing the impact on the environment by developing the recycling sector
Our environmental policy clearly states that the circular economy favors activities that preserve value in the form of energy, labor and materials, and this means focusing on sustainability, reuse, re-manufacturing and recycling to keep products, components and materials in circulation in the economy.

Through its policy, the Romcarbon Group applies in its own activity the transition from the use of virgin resources (polymers, in particular) to the increase in the use of secondary (recycled) resources. The Romcarbon Group uses waste as raw material (post-consumer waste and its own technological waste). Through plastic waste recycling activities (including plastic packaging), we reduce the quantities of virgin plastic granules used in the production of new finished products. Solutions are being studied for the integration of a larger quantity of recycled materials in the production process.
Waste purchases for recycling are made in accordance 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 (Information System for Ensuring Waste Traceability). Through internal and external audits, we ensure that the waste management policy and procedures are respected and implemented appropriately.
Our environmental policy analyses impacts, risks and opportunities in the field of resource use and circular economy.

The Sustainable Procurement Policy https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-privind-achizitiile-durabile-2024.pdf adopted at Group level provides, as a basic criterion for the sustainability of procurement, the conservation of resources, by encouraging the use of recycled and recyclable materials, as well as products that require fewer natural resources.

The impacts, risks and opportunities directly refer to:
- resources, in the sense that the raw materials used contain virgin resources (oil), the concern being regarding the depletion of resources;
- the use of non-virgin materials (recycled materials) to reduce the impact
- the reduction of waste generated by using as much of them as possible, as a substitute for raw materials
We evaluate, through internal audits:
• the manner in which the obligations resulting from the Integrated Management System (according to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2023 standards) are fulfilled in terms of its effectiveness and compliance with the requirements of the standards transposed into the documented and implemented procedures;
• whether the Integrated Management System continues to meet the applicable legal, regulatory and contractual requirements;
• continuity of operational control
• opportunities for improvement.

External audits are carried out by certification authorities, clients and public authorities.

The certification audits are carried out by SRAC CERT for Romcarbon and for Livingjumbo Industry, respectively by LRQA for Livingjumbo and have the following objectives:
• assessing the compliance and effectiveness of the integrated management system with the requirements of the reference standards;
• identifying areas of 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 carried out in 2024 by SRAC CERT and LRQA, no non-conformities regarding environmental aspects were reported.
Waste management is carried out in accordance with the environmental management system and the internal procedures regarding waste management, implemented in the Group's companies, in accordance with the legislation in force, with the provisions of the environmental permit and with the Sustainability Strategy for the years 2025-2050 of the Romcarbon Group.

In the policy applied in the field of waste, we consider that PREVENTION, REDUCTION and INTERNAL REUSE are of major importance. Romcarbon and Livingjumbo Industry have also implemented the "Program for the prevention and reduction of generated waste", according to legal requirements. The program translates the policies into achievable elements, detailing the specific steps, resources and responsibilities.

- ✓ **Transfer of responsibility**

In order to achieve the targets set by the law on recycling and the market, Romcarbon and Livingjumbo Industry have transferred the responsibility for the collection and recycling of plastic packaging placed on the market to OIREP organizations (Organizations for the Implementation of Extended Producer Responsibility Obligations). 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 regard, the recovery objective established by Law 249/2015 of 65% was achieved through organizations implementing extended producer responsibility (OIREP).
Romcarbon and RC Energo Install, in addition to packaging, have transferred to OIREP the responsibility for WEEE - Waste Electrical and Electronic Equipment

Recycled plastic materials and articles in contact with food
In accordance with European Commission Regulation 2022/1616 of 15 September 2022 on recycled plastic materials and articles in contact with food, economic operators placing them on the market must comply with appropriate recycling technologies.
To this end, since October 2022, Livingjumbo Industry has become a member of PETCORE EUROPE, a non-profit association through which steps are taken to establish technologies for obtaining PET films and trays that use a functional barrier as suitable for use in contact with food.
Livingjumbo Industry is part of the "Functional Barrier Task Force", in this capacity having to complete the following steps: at an individual level - registration as a recycler using a recycling technology in the European Union Register and at a national level - registration with the National Institute of Public Health, stages already completed and notification to EFSA (European Food Safety Authority), through PETCORE EUROPE, the stage to be completed.
In 2024 we continued the implementation of Regulation 1616/2022 which requires a recycler operating a decontamination facility to monitor the average level of contamination based on a robust sampling strategy that samples incoming plastic batches and corresponding decontaminated output batches.

9.3. Actions and resources related to resource use and the circular economy [E5 - 2]

ESRS E5 - Table 2 - Actions and resources related to resource use and the circular economy

Subject	I/R/O	IRO Description	TACTICAL OBJECTIVE	Target	Time	Reference year	Action
Resource inputs, including resource use	Impact +	Romcarbon Group uses waste as raw material (post-consumer waste and own technological waste). Solutions are being studied for the integration of a larger amount of recycled materials Through plastic waste recycling activities (including plastic packaging), we reduce the amounts of virgin raw materials used in the production of new finished products.	Contribution to the circular economy through the use of recycled materials	Minimum 35% (2030) /65% (2040) recycled content recovered from post-consumer plastic waste in all plastic packaging produced by the group	2030/2040	2024	1. Ensuring internally (at national level) a higher share of recycled material for our own production 2. Identifying European sources to ensure sufficient and quality post-consumer recycled materials for the products/sectors in the group for which we cannot provide the necessary domestically 3. Investments in equipment and machinery that allow the incorporation of a higher proportion of recycled material, where appropriate
Resource outputs related to products and services, including information about products and materials	Oportunity	Obtaining financing related to the circular economy, if necessary		100% recyclability for group-produced plastic packaging			4. Attracting funding dedicated to the circular economy
Waste management	Oportunity	Increase the percentage of recycled waste. Implement synergies throughout the group					
Strengthening the Romcarbon Group's capacities to contribute to climate change mitigation	GHG - Scope 3 - Waste generated by company operations		Reduction in the amount of waste generated	10% reduction in the amount of waste generated	2030	2024	1. Reducing the amount of non-recoverable technological waste 2. Acquisition of machinery that can process recycled material in a higher proportion 3. Reuse of technological waste in the process 4. Reconditioning of wooden pallets for reuse 5. Identifying effective solutions to recover clean plastic packaging for delivered products from customers

The group does not use critical raw materials or rare earths.
One of our main actions is to focus on the use of secondary (recycled) raw materials, the information presented in this chapter indicating the replacement rates of virgin raw materials with recycled materials.
Our products are designed and manufactured for the circular economy, framing in the durability classes specific to the industry in which we operate (see information under "Resource Outputs"). We have products designed for extended durability (example - solar films with increased UV treatment, which can be used up to 3 years). We ensure the recyclability of our products, all plastic products manufactured by Romcarbon are 100% recyclable. These products are made of plastic, collected for recycling, sorted and aggregated into defined streams for recycling processes. They can be processed and recovered/recycled through commercial recycling processes. Recycled plastic becomes a raw material used in the production of new products.
Similarly, at Livingjumbo Industry, for products made of PP and PE; separate mentions for multi-material products made of PET (recyclability >80%) and multilayer barrier films (recyclability >70%), for which efforts are underway to ensure recyclability. In these cases, recycled plastic can become a raw material used in the manufacture of new products, depending on technological developments at European level, including the use of compatibilizers or chemical recycling. In the case of Livingjumbo Industry, solutions are being identified to ensure 100% reuse for these product groups.
We pursue involvement in circular business practices specific to our products through actions at the end of their life cycle, meaning recycling.
Within our own recycling sector in Romcarbon, we ensure the recycling of plastic waste taken from specialized collectors and its transformation into secondary raw materials. We try to take over plastic waste directly from our customers, but it is a difficult and expensive practice, due to the high transport costs involved and the small quantities of waste per customer, but also because many of our customers are packers.
Actions to prevent waste generation in the upstream and downstream value chain are difficult to put into practice, and at this time we are unable to transmit information in this regard.
We optimize the management of waste generated in our activity, through actions to prevent and reduce technological waste from production, by reusing it to the greatest extent possible in our own production, through recycling in our own sector in Romcarbon.

The actions presented are our own actions; at this time, it is difficult to initiate collaborative actions with our value chain, especially the upstream one, but also the downstream one. We will return to this aspect in future reports.
Another way to participate in the development of the circular economy is through Romcarbon products that directly address the field of selective waste collection from individual households, especially through "yellow" bags (associated with plastic-metal collection), "blue" bags (associated with paper-cardboard collection) and "green" bags (associated with glass collection). These bags are delivered either directly to sanitation companies or through Intercommunity Development Associations.
Romcarbon was also a supplier of packaging in 2024 for the collection of packaging in the SGR system (Return Grant System) implemented at national level by the RetuRO Company.
Romcarbon proposes and/or responds to the requirements of the stakeholders mentioned above regarding products designed and made specifically for these purposes.

9.5.Targets related to resource use and circular economy [E5-3]

Our goals are to increase the use of recycled materials, minimize the input of virgin raw materials and manage waste. By setting such goals, we commit to making specific improvements in product design that contribute to reducing resource inputs (by reducing the need for new polymers) and minimizing resource outputs (by reducing waste). Romcabon effectively reduces the need for virgin polymers obtained from non-renewable resources, such as crude oil; this change means that for every unit of recycled polymer production, there is a corresponding reduction in the amount of primary raw materials.

By conserving resources (the polymer recycling process consumes less energy and resources compared to the extraction and processing of new materials) and by diverting waste (increasing the production of recycled polymers contributes to a greater diversion of plastic waste from landfills), our objectives are important in the transition to a circular economy model. In addition, the objective "Reduce the amount of waste generated by 10% by 2030" mentioned in the Climate Change chapter (ESRS E1) refers to waste management by reducing the amount of waste per unit of production. This objective, which we have also added to this chapter, is a clear indicator of improving efficiency in the production process and in waste management practices.

ESRS E5 – Table 3 – Targets related to resource use and circular economy

Subject	I/R/O	IRO Description	Tactical Objective	Target	Time	Reference Year	Degree of fulfillment	Measures 2024
Resource inputs, including resource use	Impact +	Romcarbon Group uses waste as raw material (post-consumer waste and own technological waste). Solutions are being studied for the integration of a larger amount of recycled materials Through recycling activities of plastic waste (including plastic packaging), reduce the quantities of virgin raw materials used in the production of new finished products.	Contribution to the circular economy through the use of recycled materials	Minimum 35% (2030) /65% (2040) recycled content recovered from post-consumer plastic waste in all plastic packaging produced by the group	2030/2040	2024	Partial [1]	In 2024, the action to renew and increase the production capacity of the production lines in the Recycled Polymers & Compounds sector in Romcarbon continued, by completing and entering into normal operation the new polyolefin recycling line (PP/LDPE) with a processing capacity of approximately 5000 tons/year. At the same time, changes were made to the production structure, by simplifying the assortment range, in order to ensure increased efficiency. We continued our efforts to obtain financing from European funds for the investment that will integrate the recycling-production activities of packaging, with the specific aim of adapting to the new European regulations in the field.
Resource outputs related to products and services, including information about products and materials	Oportunity	Obtain circular economy financing, if necessary		100% recyclability for group-produced plastic packaging			Romcarbon - 100%; Livingjumbo - 80% PET foils and casseroles; 70% - multilayer barrier films	
Waste management	Oportunity	We are increasing the percentage of recycled waste. We are implementing synergies across the entire group.						In Livingjumbo Industry-PET Sector, the solution to ensure better recyclability of products (PET casseroles) was identified by purchasing a machine that allows them to be sealed with any type of barrier film. The investment will materialize in 2025.

Note:
Romcarbon: In the plastic processing sectors, recycled material - own technological waste, grindings, regranulated materials - represented 41.1% of the total materials entering the process. We cannot yet identify and monitor recycled materials originating only from post-consumer waste.
Livingjumbo Industry: In the plastic processing sectors, recycled material - own technological waste, grindings, regranulated materials - represented 16.2% of the total materials entering the process. We cannot yet identify and monitor recycled materials originating only from post-consumer waste.

In the mentioned targets, the production stage (reduction of virgin resources) was taken into account, as well as the use and end-of-life stages of the products (by ensuring recyclability).
The targets set:
- relate directly to the inputs and outputs of resources, including waste;
- involve, indirectly, the circular design of our products, so that they can be recycled and used in the highest percentages possible in the manufacture of new products
- directly indicate an increase in the rate of circular use of materials
- indirectly indicate the reduction to the minimum possible of primary, virgin raw materials; we do not have sufficient data to assess the impact on the decline of biodiversity.
- are based on sustainable supply and the use of renewable resources
- refer to waste management, primarily by reducing the generated, non-recoverable technological waste
- involve access to new technologies, through which the respective targets can be achieved.
The targets set in the field of circular economy refer to the prevention, reuse and recycling of waste, leading to the reduction of landfilled and/or incinerated waste.

The European Union has set ambitious targets for the recycled plastic content of plastic packaging: a minimum of 35% by 2030 and 65% by 2040. This stipulates that the recovery must come from waste collected and recycled in the EU or in other countries that adhere to the applicable EU directives.
The origin of the recycled material (post-consumer/post-industrial) must be clearly identified and a transparent traceability system from collection (through recycling, to use) to transformation into finished products (packaging) must be implemented.

This will pose a challenge for all plastic packaging manufacturers, both in terms of the supply and quality of the recycled material and in terms of the processing of each type of packaging with a high recycled content. The advantage of having a developed recycling sector within the Group is obvious and we continue to work on increasing the capacity to integrate a higher proportion of recycled material into our products, while developing market sources of supply for post-consumer waste/recycled materials.

The need to replace some extruders is evident and is part of our short and medium term investment plans. In addition, we are investing in the Recycled Polymers & Compounds sector to increase the quantitative and qualitative sorting and processing capacity.

Our concern for replacing as many virgin raw materials as possible translates into the search for solutions to increase the capacity of equipment and products to incorporate recycled material, by expanding the sources of acquisition of waste and recycled granules, in the testing and assimilation in production of materials from several suppliers. In sectors where the capacity to absorb recycled material is reduced - for objective reasons, primarily related to production equipment - we have investment plans to renew the extrusion capacity with new machinery, designed specifically for this purpose. These are complex projects that will maximize the advantage of the simultaneous presence in our group of the plastic recycling and processing sectors.

In the polypropylene processing sectors, both in Romcarbon and Livingjumbo Industry, we are studying solutions for integrating a higher amount of recycled material into the finished product, without affecting the quality and strength of the yarn and fabric, the basic characteristics that give the bag its strength.

In the PET processing sector of Livingjumbo Industry, we produce rigid PET films and trays, as well as flexible barrier films for food packaging, ensuring a high level of safety for packaged products and extending shelf life, conditions for reducing food waste and, implicitly, resources. The equipment for the production of 3-layer co-extruded rigid PET films is designed to work in the intermediate layer with recycled material, protected by outer layers of virgin PET.

The biodegradable products, made entirely from certified biodegradable raw materials, are "OK Compost Home" and "OK Compost Industrial", in accordance with EN 13432, by TUV Austria.
However, the quantity produced and sold in 2024 was very low, for reasons of price competitiveness.

9.6. Resource inputs [E5-4]

The main resource inputs are represented by raw materials and materials used in the manufacturing processes of the Group's production companies: Romcarbon and Livingjumbo Industry, virgin and recycled polymers representing the basic raw materials.

ESRS E5 - Table 4 - Materials used for the production and packaging of products and services in 2024

Materials used for the production and packaging of products and services in 2024	
Materials used (tons)	
ROMCARBON, from which:	**19,539.74**
Plastics processing sectors	10,663.53
Recycled polymers & compounds sector	8,650.40
Other production sector	167.56
Pallet sreconditioning workshop	58.24
LIVINGJUMBO INDUSTRY	**10,034.85**
TOTAL PRODUCTION COMPANIES	**29,574.59**
RC ENERGO INSTALL[1]	**1.75**
INFO TECH SOLUTIONS [2]	-

Note:
1 For RC Energo Install, construction materials are identified and purchased in kg. Other materials are purchased in different units (units, boxes, crates, etc.) and there is no recorded information regarding their weight.
2 For Info Tech Solutions, all materials are recorded per unit and there is no recorded information regarding their weight.

Biodegradable raw materials (EN 13432) represented 0.026% of the total raw materials and materials entering the process in the plastics processing sectors and 0.0143% of the total per company.

ESRS E5 - Table 5 - Quantity (in tons and percentages) of raw materials and secondary recycled materials used in the Group's production companies in 2024

Recycled raw materials used in the production process, in the plastic processing sectors of the Group's manufacturing companies in 2024

Company	Indicator
ROMCARBON	
%	41%
Tons	**4,381.03**
LIVINGJUMBO INDUSTRY	
%	16%
Tons	**1,629.98**

Note:
Recycled materials: own technological waste, regranulated material from our own sector of recycling post-industrial and post-consumer waste purchased on the market, recycled material (flakes, regranulated) purchased on the market

The share, in absolute and percentage value, of recycled secondary components used for the manufacture of Romcarbon products, in the Regenerated Polymers & Compounds sector, in 2024

Companie	Indicator
ROMCARBON	
%	97%
Tone	**8,383.21**

ESRS E5 - Table 6 - Share (%) of raw materials and secondary recycled materials used in the plastic processing sectors

Share of recycled raw materials used in the production process, in the plastic processing sectors of the production companies within the group.			
	2022 (%)	**2023 (%)**	**2024 (%)**
ROMCARBON total, from which:	**35%**	**36.90%**	**41.10%**
Polyethylene processing sector	57.17%	59.80%	63.46%
Polypropylene processing sector	1.06%	1.40%	0.71%
Polystyrene processing sector	29.44%	31.15%	30.61%
PVC supports sector	100%	100%	100.00%
LIVINGJUMBO INDUSTRY total, from which:	**21.10%**	**21.70%**	**16.20%**
Polypropylene processing sector	2.90%	2.50%	2.60%
PET processing sector	34.10%	36%	27.00%

Note:
Recycled materials: own technological waste, regranulated material from our own sector for recycling post-industrial and post-consumer waste purchased on the market, recycled material (flakes, regranulated) purchased on the market

We specify that these proportions refer to recycled material from our own technological waste (recycled material obtained in our own sectors), from post-industrial and post-consumer waste purchased on the market, or recycled material (flakes, regranulate) purchased from other recyclers. The proportion varies depending on the sector, the types of products manufactured and the capacity of existing equipment to produce high-quality finished products from a mixture of virgin and recycled materials.

The Recycling Polymers & Compounds sector must be treated separately, as the raw materials entering the process are predominantly plastic waste (96.9%), originating from the group's processing sectors and/or purchased on the market, from specialized collectors.

The data presented above are calculated based on our own consumption records.

9.7. Resource outputs [E5-5]

ESRS E5 - Table 7 - Description of the main products and materials resulting from the production process and which are designed in accordance with circular principles, including details on recyclability and durability

Products	Reciclability(%)		Observations	Estimated durability depending on composition and conditions of use
Romcarbon				
Plastic materials				
Processed polyethylene products	100%		Produsele sunt fabricate din plastic, colectate pentru reciclare, sortate și agregate în fluxuri definite pentru procesele de reciclare. Acestea pot fi prelucrate și recuperate/reciclate prin procese comerciale de reciclare. Plasticul reciclat devine o materie primă utilizată în producția de noi produse.	max. 2 years
Processed polystyrene products	100%			max. 2 years
Processed polypropylene products (small bags)	100%			max.1 year
PVC supports	100%			max. 5 years
Other products				
Automotive and industrial filters	100%			max. 1 year
Respiratory protection materials	100%			max. 10 years
LivingJumbo Industry				
Plastic Materials				
Processed polypropylene products (big bags)	100%		Products are made of plastic, collected for recycling; sorted and aggregated into defined streams for recycling processes; can be processed and recovered/recycled through commercial recycling processes; recycled plastic becomes a raw material used in the production of new products.	max. 1 year
Simple polyethylene films	100%			max. 2 year
Processed PET products (PET foil and casseroles)	mono-material: 100%	multi-material: > 80%	Products are made of plastic, collected for recycling; sorted and aggregated into defined streams for recycling processes; can be processed and recovered/recycled through commercial recycling processes; recycled plastic becomes a raw material used in the production of new products.	max. 2 year

Products	Reciclability(%)	Observations	Estimated durability depending on composition and conditions of use
Multilayer barrier films	multi-material: >70%	The products are made of plastic; they can be processed and recovered/recycled through commercial recycling processes. Depending on technological developments at European level, recycled plastic can become a raw material used in the production of new products, including through the use of compatibilizers or chemical recycling..	max. 3 years

The products made in our group do not enter into the category of repairable products.
The data presented above regarding recyclability is calculated taking into account the components used to make the products, depending on their recyclability.

Waste

ESRS E5 - Table 8 - Presentation of waste from the Group's own operations in 2024

Romcarbon Group (tons) - 2024	2024
Waste generated	**4,690.57**
Hazardous waste diverted from disposal	8.01
Hazardous waste diverted from disposal due to preparation for reuse	0.00
Hazardous waste diverted from disposal due to recycling	0.00
Hazardous waste diverted from disposal due to other recovery operations	8.01
Non-hazardous waste diverted from disposal	4,232.57
Non-hazardous waste diverted from disposal due to preparation for reuse	49.70
Non-hazardous waste diverted from disposal due to recycling	629.27
Non-hazardous waste diverted from disposal due to other recovery operations	3,553.60
Hazardous waste directed to disposal	2.16
Hazardous waste directed to disposal by incineration	0.00
Hazardous waste intended to disposal by landfill	0.00
Hazardous waste directed to disposal by other disposal operations	2.16
Non-hazardous waste directed to disposal	467.89
Non-hazardous waste directed to disposal by incineration	0.00
Non-hazardous waste directed to disposal by landfill	467.89
Non-hazardous waste directed to disposal through other disposal operations	0.00
Non-recycled waste	**1,795.29**
Percentage of non-recycled waste	**38%**

Waste quantities are taken from data reported by the Group to the Environmental Authority.

ESRS E5 - Table 8.1. - Waste diverted from disposal

ROMCARBON GROUP [1]	by preparing for reuse		by recycling		through other operations (including recovery through co-incineration for energy purposes)		TOTAL
	code	Quanity (to)	code	Quantity (to)	code	Quantity (to) [2]	Quantity (to)
Non-hazardous waste	R3(wood)	49.70	R3(others)	629.27	R1,R12	3,553.60	4,232.57
Hazardous waste			R3(others)	-	R1,R9,R12	8.01	8.01
TOTAL		**49.70**		**629.27**		**3,561.61**	**4,240.58**

Note:
1 for Romcarbon excludes the recovery of waste purchased from the market for recycling = 9625,400 tons)
2 In "Other operations" is also included the recovery by co-incineration for energy purposes = R1 = 1279.29 tons (non-hazardous RCB) + 38.96 tons (non-hazardous LJI) + 5,015 tons (hazardous RCB)

ESRS E 5 - Table 8.2. - Waste directed to disposal

ROMCARBON GROUP	by incineration		by storage		by other elimination operations		TOTAL
	code	Quantity(to)	code	Quantity (to)	code	Quantity (to)	
Non-hazardous waste			D5,15	467.89			467.89
Hazardous waste					D9, D15	2.16	2.16
TOTAL				**467.89**		**2.16**	**470.05**

ESRS E5 - Table 8.3. - Total quantity and percentage of non-recycled waste

Indicator	Value
Total non-recycled waste (to)[1]	1,795.29
% non-recycled waste [2]	38%

Note:
1 includes waste disposed of + waste recovered through co-incineration for energy purposes (1,279.29 tonnes non-hazardous RCB + 38.96 tonnes non-hazardous LJI + 5.02 tonnes hazardous RCB)
2 Total non-recycled waste/total waste generated

ESRS E5 - Table 9 - Composition of waste generated in 2024

TOTAL GROUP	ROMCARBON (to)	LIVINGJUMBO (to)	RC ENERGO INSTALL (to)	INFO TECH (to)	TOTAL GROUP (to)
Total Waste generated, of which:	**2,743.06**	**1,940.03**	**6.33**	**1.16**	**4,690.57**
Non-hazardous waste, of which:	**2,734.01**	**1,936.93**	**6.33**	**1.16**	**4,678.43**
Plastic materials	1,908.56	1,782.28			**3,690.84**
Paper-Cardboard	44.92	43.88			**88.80**

TOTAL GROUP	ROMCARBON (to)	LIVINGJUMBO (to)	RC ENERGO INSTALL (to)	INFO TECH (to)	TOTAL GROUP (to)
Metals-Nonmetals	109.81	16.63	4.00		**130.44**
Wood	226.34	12.90			**239.24**
Other categories	251.84	-			**251.84**
Municipal waste	192.53	81.24	2.33	1.16	**277.26**
Hazardous waste	**9.05**	**3.10**			**12.14**

The group does not generate radioactive waste.

ESRS E5 - Table 10 - Quantity of own waste processed internally (recycled) for reuse in own production

	ROMCARBON	LIVINGJUMBO INDUSTRY
TOTAL (tons)	1,793.05	1,052.66

In 2024, Romcarbon purchased 9,625.4 tons of plastic waste from the market, of which 75% was packaging waste. This was processed in the recycling sector, and the resulting material was either used as a raw material substitute in the Group's processing sectors or sold to other users.
At this time, we do not have the necessary mechanism to clearly identify post-industrial waste from post-consumer waste when purchasing from collectors. In the future, this mechanism will need to be implemented on the market and also internally, in order to meet the new requirements for measuring the recycled content recovered from post-consumer plastic waste in the packaging produced.

In the two major sectors of activity - processing and recycling of plastic materials - Romcarbon generates the following types of waste: technological and sorting waste, packaging waste, waste resulting from equipment maintenance, disassembly, sorting mixtures and sludge from washing in the recycling sector, etc. For each type of waste, traceability and reporting to the authorities are ensured. The companies within the Group recover on site, in the recycling sector, a large part of the plastic waste, i.e. waste from the packaging of the raw materials supplied and technological plastic waste from our production.
For wood waste, recovery is carried out by a specific pallet repair/reconditioning workshop, by trying to reduce this type of waste as much as possible.

In 2024, the Group generated 4,690.6 tons of waste, of which 99.74% was non-hazardous.
The main generators within the Group were the 2 production companies Romcarbon - 58.48% and Livingjumbo Industry – 41.36%.

ESRS E5 - Tabel 11 - Composition of non-hazardous waste

Waste type	Plastic materials	Paper-Cardboard	Metals-Nonmetals	Wood	Other categories	Municipal waste
% of total non-hazardous waste	79%	2%	3%	5%	5%	6%

Taking into account municipal waste, for a fair comparison, in 2024 the Group generated 10.31% less non-hazardous waste compared to the previous year.

The amount of hazardous waste, which represented in 2024 – 0.3% of the total waste generated, increased by 30.16% compared to 2023.

In Romcarbon, there is a pallet reconditioning workshop for reuse within the company. In 2024, 2488 pallets were reconditioned.
The data presented come from own records and reports to the Environmental Agency.

10.Own Workforce [ESRS S1]

10.1. Interests and views of own employees [ESRS 2 SBM-2]

Our employees are the most important resource of the Romcarbon Group and represent the most important category of stakeholders. They benefit from all the rights provided by the labor legislation in force and the applicable collective bargaining agreement, including the right to information and consultation. Thus, within the Romcarbon Group, the dialog with our employees and with the other categories of people who are part of our own workforce is constantly encouraged and supported both by the policies developed at Group level, detailed in item 10.3, and by the "open doors" policy applied by the Romcarbon Group managers, which allows both the effective dissemination of information and the collection of valuable feedback that can contribute to the continuous improvement of the working environment.

In consideration of the above, in 2024, Romcarbon Group's employee satisfaction was also assessed in terms of working environment and conditions, employee benefits, career development plan, equal opportunities, communication with superiors and colleagues within Romcarbon Group. Thus, a total of 734 employees of ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A voluntarily and anonymously completed an employee satisfaction assessment questionnaire and an employee consultation questionnaire as part of our Human Resources policy.

For the development of the Romcarbon Group and for a safe working environment it is essential that both our Group's employees and other stakeholders can be certain that their interests and views are taken into account, analyzed and implemented.

In support of the above the Romcarbon Group since 2023 has introduced a complaints/grievance mechanism, detailed in the Governance section of this report.

This is available for all 4 companies within the Romcarbon Group by accessing the following link https://whistleblowing.romcarbon.com/.

At the same time, complaints/notifications can also be made directly to the Human Resources Service.

10.2. Material impacts, risks and opportunities and their interaction with strategy and business model [ESRS 2 SBM-3]

At Romcarbon Group level, the impacts, risks and opportunities are assessed for all categories of employees, respectively for employees with individual employment contracts of indefinite duration, employees with individual employment contracts of fixed duration, full-time and part-time employees, as well as for non-employees, respectively contractors hired by the GROUP to perform activities that would otherwise have been performed by employees

Romcarbon Group's New Sustainability Strategy for 2025-2050 and the Romcarbon Group's business model are based on the safety and productivity of our workforce, so in order to systematically assess the factors that could affect our employees/own workforce, we have used a comprehensive process of identifying and assessing material impacts, risks and opportunities (IRO) in 2024.

This process is described in detail in the **'Dual Materiality Assessment (DMA**)' chapter of this report and involved both in-depth assessments and consultation with stakeholders (including our own employees) to ensure that all potential workforce issues were considered. The first step was to identify and assess material IROs that have a direct impact on our workforce.

This assessment was essential as it facilitated the identification and alignment of our strategic objectives with the needs, interests and expectations of our employees.

Table 1- Significant IROs for ROMCARBON GROUP in terms of its own workforce

SUBTOPIC NAME	Impacts (positive or negative)	Risk	Opportunity
Workplace security	As a general rule, all employees have individual employment contracts and salaries are paid on time. Romcarbon Group offers employment opportunities, including for low-skilled people, who would otherwise have little chance of supporting themselves through work.	The available labor force is quite limited in the area. In addition, specialized workers are quite hard to find.	Low employee turnover for qualified employees when job security is ensured. No collective layoffs and no individual dismissals without a justified reason
Working time	Any overtime worked by operational employees is paid/compensated with time off.	The available labor force is quite limited in the area. In addition, specialized workers are quite hard to find.	Low employee turnover
Working time	Night shifts are necessary to avoid the costs of stopping production machinery.	The available labor force is quite limited in the area. In addition, specialized workers are quite difficult to find.	
Decent pay	Employees are paid more than the minimum wage, according to their experience. Minimum wage paid to entry-level employees.	When the minimum wage increases, it becomes a challenge for companies within the Group to maintain the same percentage wage difference between specialized and entry-level employees.	
Social dialogue and collective agreements	Employee representatives are appointed in accordance with the legislation in force. The management of each company within the Group, which has appointed such representatives, discusses with them decisions that impact the company/workforce in order to understand the root causes. The employee representatives convey the message to the rest of the employees. This involvement helps employees to understand the overall situation of the company and allows them to feel included.	If dialogues with employees are not managed properly, there is a risk of decreasing employee satisfaction, leading to increased employee turnover.	Employees are more productive and engaged when they understand the big picture. For example, if a decision may be seen as having a negative impact on them (e.g., a reduction in benefits), employees may demonstrate greater understanding if they are informed about the reasons behind such a decision.
Employee health and safety	Romcarbon Group has implemented strong health and safety policies to minimize accidents and occupational illnesses. Work-related - lost time injury - employed and non-employed)	1. The risk of not finding enough qualified personnel, which will increase the risk of accidents. 2. The possibility that a potential health and safety hazard will not be identified and included in internal procedures. 3. Risk of accidents 4. Workplace accidents lead to lost working days and trigger investigations that require financial expenses (time, people, money) and higher costs for accident insurance	If employees perceive that the implemented procedures ensure their safety, they are more likely to remain within the Romcarbon Group for a long period, which leads to lower turnover rates.

SUBTOPIC NAME	Impacts (positive or negative)	Risk	Opportunity
Gender equality and equal pay	At Group level - internal policies are also focused on gender equality. We have women in key senior management positions. Equal pay for equal work: calculations made	Due to the specifics of the sector, especially on the operational side, female candidates are very limited.	Employees are more productive and engaged when they feel included. An equitable work environment attracts more valuable employees who take advantage of the different perspectives, experiences, and know-how that diversity brings.
Training and skills development	Training plan for all employees to develop their skills.	Lack of training poses risks such as: - Workplace accidents - Failure to follow procedures -Increased waste and non-conforming products - Failure to comply with regulations generates fines - Customer complaints	If employees believe that they are developing professionally (specialized training) and personally (soft skills training), they are more likely to stay longer within the Romcarbon Group. Reducing the gap of specialized employees with the help of internal programs. Collaborating with schools to prepare specialized candidates for future roles within the Romcarbon Group.
Diversity and inclusion	At Group level, internal policies are also focused on gender equality, including by promoting and supporting women in key senior management positions, equal pay for equal work: calculations made	Due to the specifics of the sector/field of activity, especially on the operational side, female candidates are very limited.	Employees are more productive and engaged when they feel included. An equitable work environment attracts more valuable employees who take advantage of the different perspectives, experiences, and know-how that diversity brings.
Combating violence and harassment in the workplace	At Group level, there is the Code of Professional Ethics and Business Conduct and the Code of Ethics and Conduct for Suppliers, internal policies and procedures, the Guide on preventing and combating sexual harassment as well as moral harassment in the workplace.	Image and regulatory risk Given the inherent risk of the industry, companies within the Group may implement additional controls	
Child labor	At the Group level, there is the Code of Professional Ethics and Business Conduct and the Supplier Code of Ethics and Conduct, internal policies and procedures.	Image and regulatory risk Given the inherent risk of the industry, companies within the Group may implement additional controls	
Forced labor	At the Group level, there is the Code of Professional Ethics and Business Conduct and the Supplier Code of Ethics and Conduct, internal policies and procedures.	Image and regulatory risk Given the inherent risk of the industry, companies within the Group may implement additional controls	

SUBTOPIC NAME	Impacts (positive or negative)	Risk	Opportunity
Suitable accommodation	At the Group level, there is the Code of Professional Ethics and Business Conduct and the Supplier Code of Ethics and Conduct, internal policies and procedures.	Image and regulatory risk Given the inherent risk of the industry, companies within the Group may implement additional controls	
Privacy policy	Employee data is secured based on the internal personal data protection program, the personal data confidentiality policy and the Internal Personal Data Protection Policies.	Regulatory risk in case of personal data leaks - GDPR fines	

No real negative impacts on our workforce were identified during the dual materiality assessment and the potential negative impacts that we have identified relate to lost time injuries for both employees and non-employees. But these relate to isolated incidents and do not indicate systemic risks.
Any potential negative health and safety related impacts are assessed and followed up, where necessary, by improving health and safety policies and taking appropriate measures to eliminate / mitigate them.

However, several activities have been identified as having a positive impact on our workforce, namely:
- Job stability, in 2024 there were no collective layoffs/abusive dismissals within the Romcarbon Group,
-employment opportunities, both young and unskilled people are among the employees of our Group,which supports diversity and continuous professional training,
- inclusive decision-making through employee representatives, employee representatives are regularly consulted on : (i)conclusion, execution, modification, suspension and termination of the individual employment contract, (ii)occupational health and safety conditions and emergency situations, (iii)salary and other wage entitlements, (iv)working time and rest time, (v)additional protective measures and other facilities granted to employees, (vi)vocational training, (vii)other provisions in relation to the rights and obligations of the parties,
-Health and safety policies, all our employees benefit from training and social protection,
- training and skills development, at the level of ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL SRL, annual training and professional training plans have been developed, drawn up in consultation with the employees' representatives or at the freely expressed wish of the employees, also at the level of ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A, professional training programs have been developed at the workplace, and the regulation for training of personnel for internal qualification and internal qualification certificate have been developed,
- gender equality and equal opportunities, labor relations are governed by the principle of equal treatment of all employees, any form of direct or indirect discrimination is prohibited at the Romcarbon Group level, and any discrimination based on gender is also prohibited for equal work or work of equal value with regard to all elements and conditions of remuneration.
,,Ensuring a qualified, motivated and sufficient workforce", ,,Ensuring a healthy and safe working environment for our employees, contractors and visitors", ,,Ensuring equal treatment and equal opportunities and non-discrimination for all staff, combating forced labor and child labor" , constitute strategic objectives according to Romcarbon Group's New Sustainability Strategy for 2025-2050 and reiterate once again our commitment to maintain high standards of health and safety.
In addition, *work-life balance for our employees, social dialog, health and safety at work, ensuring respect for human rights, gender equality and equal pay, ensuring training and skills development, ensuring a work environment free from violence and harassment* are areas of focus that have been integrated into the new Romcarbon Group Sustainability Strategy.

The risks and opportunities associated with our own workforce are also taken into account in the development and updating of our occupational health and safety strategy and policies.
The new sustainability strategy and our business model foster the development, productivity, satisfaction, health and well-being of our employees through training, health and safety programs and fair remuneration.

The qualified labor force is an essential factor for the development of the Romcarbon Group, and our dependence on this factor influences the way we develop and implement the necessary measures and policies to reduce this dependence
At the Romcarbon Group level, the recruitment and development of employees are seen as both a risk and an opportunity. An essential role in retaining employees and attracting new employees is played by a safe and favorable working environment, freedom of expression, gender equality and equal opportunities, as well as by the professional training programs developed at Group level.

With regard to the risks and opportunities arising from the dependence on our labor force, the exodus of Romanian employees to the European labor market has led to a local shortage of skilled labor, and to cope with this shortage and to better manage the situation, we have developed on-the-job training programs and also hired workers from outside the EU.
At this time, no material human/labor impacts of the climate change transition plans have been identified.
The Romcarbon Group complies with relevant health, safety and labor legislation.
The dual materiality assessment has not identified any areas within our operations or the region in which we operate that pose a labor risk through the involvement of children or the use of forced or compulsory labor.
Through our Code of Business Conduct and Ethics, Supplier Code of Business Conduct and Ethics, internal policies and procedures, we are making a positive impact on this, and through continuous improvement of internal policies and procedures we seek to identify and assist that part of our workforce that may be adversely affected or at greater risk of harm.

The main categories within our own workforce that are or could be adversely affected are:

- **Manufacturing workers**: Because of the nature of their work, which often involves handling hazardous materials and operating heavy machinery, manufacturing employees are exposed to an increased risk of personal injury. Therefore, ensuring adequate safety measures, thorough and continuous training, and providing appropriate safety equipment are essential measures to reduce these risks.
- **Women**: given the scope of work, women may face additional challenges and risks. Romcarbon Group is therefore committed to promoting gender equality and ensuring a safe and fair working environment. This includes both implementing and enforcing anti-discrimination policies and ensuring equal opportunities for career advancement.
- **Migrant Workers**: The Romcarbon Group has employees including foreign nationals from Taiwan, Sri Lanka and Malaysia, who have been integrated,mainly in the Recycled Polymers & Compounds sector, as unskilled laborers (Sri Lanka). In order to protect these employees, Romcarbon Group ensures respect for human rights and labor laws, providing a safe and fair working environment. For the smooth integration of foreign employees, all instructions, regulations and work procedures have been translated into English and presented to them during their adaptation period in their new workplace.

The goal of Romcarbon Group is to create a safe, inclusive and supportive workplace for all employees, in line with our strategic objectives and our ethical commitment.

10.3. Policies related to own workforce [S1-1]

In 2024 the Romcarbon Group developed a Social Responsibility Policy in order to ensure that the Romcarbon Group continuously manages the interests, views and rights of the people in its own workforce, including respect for human rights, throughout the entire workflow.
The **Social Responsibility Policy** comprises the following policies**:**

- **Human Rights Policy**
- **Discrimination and Harassment Policy**
- **Personal Data Privacy Policy**
- **Policy regarding Forced labor, Child labor**
- **Anti-retaliation policy**

The Policy has been approved by the Board of Directors (in the case of ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A), respectively by the General Meeting of Associates (in the case of RC ENERGO INSTALL SRL and INFO TECH SOLUTIONS SRL).

The ROMCARBON GROUP's policies in the field of its own labor force are mainly aimed at ensuring the necessary personnel in correlation with the development objectives established at Group level and anticipating possible fluctuations of staff shortage or surplus.

These policies also reflect the strategic objectives for own workforce set out in the Group's new Sustainability Strategy in terms of:

- Working conditions;
- Equal treatment and equal opportunities;
- Other work-related rights.

The ROMCARBON Group is therefore committed to make every effort to:

- Conduct all activities in compliance with relevant social legislation and regulations ;
- Consider impacts, opportunities and risks from a social responsibility perspective when making business decisions;
- Set objectives and targets to reduce identified impacts and risks;
- Monitor human rights compliance for its entire own workforce;
- Consider and try to minimize the indirect impact of ROMCARBON Group on the community;
- Obtain value chain partners' adherence to social responsibility policy and international human rights regulations.

Romcarbon Group is also committed to respect and uphold human rights in all its operations/activities, especially in relation to its workforce. These commitments are demonstrated including through our Code of Professional Ethics and Business Conduct, Social Responsibility Policy, Human Resources Policy, Human Rights Policy, Occupational Health and Safety Policy, as well as our actions that align with global standards such as the UN Declaration of Human Rights, International Labor Organization (ILO) Declaration, United Nations Global Compact in "Human Rights Policy", OECD Guidelines for Multinational Enterprises.

In order to ensure continued compliance with sustainability commitments and compliance with relevant legislation, the ROMCARBON GROUP is concerned to carry out/undertake:

- **Regular Audits**: scheduling and conducting regular audits to verify compliance with the social responsibility policy and applicable legal requirements.
- **Performance Review**: Collecting and analyzing data to assess sustainability progress and to identify areas for improvement, which is carried out annually, including by analyzing responses to the Employee Satisfaction Assessment Questionnaire and Employee Consultation Questionnaire
- **Actions**: Implementation of actions and measures when non-compliances are identified

Through these measures, the ROMCARBON GROUP aims to strengthen its capacity to manage the sustainability risks related to its own workforce and to ensure a high level of compliance with the relevant legislation and applicable international standards.

➢ Human Resources Policy

Within the Romcarbon Group, the Human Resources Department is responsible for recruiting employees whose skills and competencies best match the requirements of the vacant positions or the needs of the Group.

In the recruitment process, the emphasis is placed on professional competence so that future employees will be able to meet organizational objectives and contribute to increased performance.

The main objective of our human resources policy is to ensure the necessary workforce in correlation with the Group's development objectives, anticipating possible fluctuations in the shortfall or surplus of employees.

The main directions of action in the field of human resources and social responsibility are:

- Creating a transparent and safe working environment where teamwork is supported and participative and accountability is encouraged;

- Investing in human resources and monitoring the development of its own workforce with a view to continuous improvement in line with the Group's strategy and objectives;
- Ensuring the adoption of a fair and balanced performance system for own workforce;
- Increasing employee satisfaction in line with their expectations and those of the ROMCARBON GROUP and to this end, assessing employee perceptions of satisfaction and performance indicators;
- Evaluation of employee-related processes as a whole, in an integrated approach, process management structuring, reporting and continuous development;
- Initiation of innovative programs with a solution focused and problem solving approach;

- Reducing the dependency on external recruitment when a shortage of qualified staff is identified within a sector by running employee development programs;
- The development by executive management, using mentoring principles and programs, of well-trained and flexible teams, teams capable of adapting to a dynamic, changing environment;
- Promote 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 ROMCARBON GROUP;
- Improving staff utilization by introducing flexible organizational models;
- Ensuring equal treatment and equal opportunities, combating/eliminating harassment and discrimination for the entire own workforce.
- Protection of people with disabilities;

The policy emphasizes the importance of respect for human rights, including favorable working conditions and fair wages and focuses on maintaining a safe working environment in compliance with legal and regulatory requirements, promoting equal treatment and eliminating/combating any form of discrimination and/or harassment.
The policy is also focused on gender equality, including promoting and supporting women in key senior management positions and on protecting people with disabilities, the employees being more productive and engaged when they feel included.
The policy expressly prohibits forced labor, child labor and any form of discrimination or harassment.It also emphasizes the importance of respecting the privacy of employees' personal data and implementing GDPR procedures. Within the Romcarbon Group the reporting of legal and ethical issues without fear of retaliation is encouraged and the open-door policy for addressing employee/non-employee concerns is also supported and promoted.
The Romcarbon Group reserves the right to update the policy whenever necessary, with any updates being communicated through official channels and approved by the Board of Directors/General Meeting of Associates, as appropriate
The Romcarbon Group Human Resources Policy can be consulted here: ttps://www.romcarbon.com/wp-content/uploads/2023/06/Politica-de-resurse-umane-2023.pdf.

➢ Human Rights Policy

Romcarbon Group is committed to respecting human rights and fundamental freedoms and, as a result, both the Group's new Sustainability Strategy for 2025-2050, as well as our internal policies and procedures are based on these fundamental principles which are also promoted in all our interactions and business relationships.

Thus, in support of the above:
-ROMCARBON GROUP is committed to ensuring an optimal work environment, based on respect for the dignity of the human being, and to ensuring all employees the necessary conditions for a climate in which trust, empathy, understanding, professionalism, dedication to satisfying the general interest prevail.
-ROMCARBON GROUP does not tolerate any form of forced, compulsory or child labor.
-ROMCARBON GROUP encourages dialogue and will support anyone who expresses a concern in good faith, while ensuring that the person concerned will not suffer any unfavorable treatment as a result of its decisions or for reporting.

- All employees of ROMCARBON GROUP have the right to equal pay for equal work, the right to collective bargaining, the right to the protection of personal data, as well as the right to protection against illegal dismissals.
-All employees of Romcarbon Group can elect representatives to promote and defend their interests.
-All employees of the Romcarbon Group may associate according to their own will. The companies within the Romcarbon Group negotiate with duly elected employee representatives, in good faith and make all necessary efforts to reach a collective agreement. This consultation takes place at least once every 2 years on the occasion of the negotiation of the collective labor agreement at company level and whenever necessary.
All employees of the Romcarbon Group have the right to adequate working conditions, to the determination and improvement of working conditions and the working environment, and the Romcarbon Group has committed to making all necessary efforts to ensure these conditions.
Labor relations are therefore based on the principle of consensus and good faith.

The Human Rights Policy is based on both the Code of Professional Ethics and Business Conduct, which represents the principles and values of the Romcarbon Group, and on international declarations on human rights, including the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises, the UN Global Compact.
This policy applies in the relationship with each interested party: its own workforce, suppliers, clients, associations, etc., and the Romcarbon Group, through the Supplier Code of Ethics and Conduct, ensures the promotion of these rights.

Our policy addresses a wide range of rights, including civil, political, economic, social and cultural rights, namely the right to human dignity, the right to life, liberty and security of the person, the right to legal and favorable working conditions, the right to fair wages and a decent living, the right to form and join a trade union and the right to collective bargaining, the right to equal opportunities and treatment in employment relationships, the right to respect for human dignity and personality within employment relationships, under the law and internal regulations, the right to security, protection and health at work, the right to vocational training, under the law, the right to appropriate working conditions, to the determination and improvement of working conditions and the working environment, the prohibition of all forms of forced or compulsory labour, the prohibition of child labour, the prohibition of discrimination, freedom of opinion.
At the same time, all employees of the Romcarbon Group are periodically trained to be aware of and respect human rights. In addition, together with our business partners, we try to respect human rights through commitments, monitoring and contractual provisions.
We encourage and support open dialogue with members of our community, both to identify people who may be affected by our activities and to ensure that we fully respect their rights.
This can be consulted here: https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf and is periodically reviewed and updated based on legislative changes and organizational needs.

➢ Personal Data Privacy Policy

ROMCARBON GROUP ensures respect for the privacy of its employees and collaborators and the confidentiality of their personal information.
ROMCARBON Group requests and stores only that personal information necessary for the efficient functioning of the Group, in accordance with **Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC** and internal GDPR procedures and will always adopt preventive security measures for all databases, to avoid the risks of destruction, loss or unauthorized access.
All of our own workforce is informed and trained annually on GDPR procedures, with clear mechanisms established to monitor and measure their application, and the Data Protection Officer (DPO) is continuously concerned with compliance with these, so that at the Romcarbon Group level no data security incidents have been recorded according to GDPR.
The provisions of this policy are corroborated with the provisions of the GDPR personal data protection policy and the GDPR internal policy on the management of access requests of the data subjects.

The Personal Data Privacy Policy can be consulted here:https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf and is periodically reviewed and updated based on legislative changes and organizational needs.

➢ Anti-retaliation Policy

ROMCARBON GROUP supports a work environment in which its workforce and other stakeholders can report legal or ethical concerns without fear of retaliation (including being penalized, fired, demoted, suspended, threatened or harassed).
In consideration of the above, ROMCARBON GROUP provides communication channels for its employees and other stakeholders to report such concerns and prohibits retaliation against employees and any other stakeholders who honestly and in good faith raise such concerns.
Prompt identification of such concerns provides ROMCARBON GROUP with the best opportunity to be proactive, verify and confirm the facts while they are recent and minimize any potential impact.
Efforts to discourage or prevent someone from reporting such concerns or any retaliation against an individual who raises such concerns are not tolerated and will be treated as a serious matter and subject to disciplinary action.
This Policy applies to all legal and ethical concerns raised or reported (anonymously or otherwise).
Retaliation can take many forms and may include:
• Reduction, addition, or modification of duties or hours of work, without the employee's consent and without receiving an appropriate compensation benefit;
• Physical abuse or threats;
• Verbal abuse or conduct intended to embarrass or humiliate an employee;
• Termination, demotion, or threats of termination or demotion;
• Failure to hire or consider for employment, promotion, salary increase, assignment, transfer, or overtime pay opportunities.
Ethical and legal issues, as well as investigations, are often complex and multifaceted. It is important that all employees and other stakeholders who have come into contact with such investigative matters cooperate fully so that ROMCARBON GROUP can obtain the information necessary to respond to these matters promptly and appropriately.
At ROMCARBON GROUP, we ensure that executive management at each company within the Group maintains an OPEN DOOR process.
Managers must ensure that they are approachable, that they treat legal and ethical concerns seriously, and that they are familiar with the process for raising and resolving such concerns.
It is important that both ROMCARBON Group's own workforce and other stakeholders understand that their concerns will be addressed. It is also important that such concerns are raised, reviewed, and promptly escalated for resolution.
Reporting can be done directly to the Human Resources Department, the Legal Office and/or by accessing the reporting form at https://whistleblowing.GRUPUL ROMCARBON.com/ (this method also allows anonymous reporting).

At Romcarbon S.A. and Livingjumbo Industry S.A., a whistleblowing procedure is implemented, which establishes the framework within which reports regarding violations of the law that have occurred or are likely to occur can be submitted, as well as the general framework applicable to the protection of persons who report violations of the law that have occurred or are likely to occur.
Employees and other interested parties must also be aware that reporting systems must be respected and must not be abused for any reason. Persons who are identified as making incorrect reports or with improper intentions (for example, to punish or harass a colleague) are subject to disciplinary sanctions.
The Anti-retaliation policy can be consulted here : https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf ,being reviewed and updated periodically based on legislative changes and organizational needs.

➢ Policy regarding Forced labor, Child labor

ROMCARBON GROUP does not tolerate forced, involuntary labor or labor trafficking in any form.
Also, within ROMCARBON GROUP, the use of corporal, mental punishment or mental or physical coercion, as well as verbal abuse, is prohibited. Any employee who resorts to such practices, in relation to his colleagues, superiors, or subordinates, will be subject to a disciplinary investigation procedure, following which disciplinary sanctions will be applied according to the internal regulations, from a warning to the disciplinary termination of the individual labor contract.
Employment relationships are voluntary and are based on the consent of both parties.
There is no evidence of practices related to forced labor, including, but not limited to, the following:
• physical, psychological or sexual violence,
• forced labor,
• unlawful withholding of wages / including payment of employment taxes and / or advance payment for starting work,
• restriction of mobility / movement,
• retention of passport or identity documents,
• threats of denunciation to the authorities

To emphasize the fact that the ROMCARBON GROUP offers future employees the opportunity to freely choose whether or not they want to work within the Group, they are provided, prior to employment, with information including:
a) the identity of the employer;
b) the workplace or, in the absence of a fixed workplace, the possibility for the employee to carry out his activity in different workplaces, as well as whether the travel between them is provided or reimbursed by the employer, according to the case;
c) the headquarters or, as the case may be, the domicile of the employer;
d) the position/occupation according to the specification of the Classification of Occupations in Romania or other normative acts, as well as the job description, specifying the attributions of the job;
e) the criteria for evaluating the employee's professional activity applicable at the employer's level;
f) the risks specific to the job;
g) the date from which the contract is to take effect;
h) in the case of a fixed-term employment contract or a temporary employment contract, their duration;
i) the duration of the vacation leave to which the employee is entitled;
j) the conditions for granting notice by the contracting parties and its duration;
k) the basic salary, other constituent elements of the salary income, highlighted separately, the periodicity of the salary payment to which the employee is entitled and the method of payment;
l) the normal working hours, expressed in hours/day and/or hours/week, the conditions for performing and compensating for or paying overtime, as well as, where applicable, the methods of organizing work in shifts;
m) indication of the collective labor agreement regulating the employee's working conditions;
n) the duration and conditions of the probationary period;
o) the procedures for using electronic signatures, advanced electronic signatures and qualified electronic signatures, where applicable
p) the right and conditions for professional training offered by the employer;
q) the employer's support of private medical insurance, of additional contributions to the employee's voluntary pension or occupational pension, under the terms of the law, as well as the granting, at the employer's initiative, of any other rights, when these constitute monetary advantages granted or paid by the employer to the employee as a result of his professional activity, as the case may be.
Employees are informed both verbally and in writing, by providing the draft individual employment contract and job description in advance for study, and in case of acceptance, the two documents are signed.
In the ROMCARBON GROUP, the own workforce is not obliged to work under the threat of violence, penalties or sanctions, having the right to leave the workplace after the end of the usual working day. Any member of the own workforce is free to request the termination of the employment contract/collaboration/mandate, the termination being carried out in compliance with the agreed notice period.

All employees of the Romcarbon Group have the right to equal pay for equal work, the right to collective bargaining, the right to the protection of personal data, as well as the right to protection against illegal dismissals.

The employment of children is prohibited. According to the Labor Code, a natural person acquires the capacity to work upon reaching the age of 16. However, a natural person may conclude an individual employment contract as an employee upon reaching the age of 15, with the consent of his parents or legal representatives, for activities appropriate to his physical development, skills and knowledge, if this does not endanger his health, development and professional training. As a result, the ROMCARBON GROUP does not employ children and does not collaborate with suppliers or third parties who employ children under the age of 15/under the age of graduation from compulsory education or under the minimum age at which employment is permitted in the respective country, whichever age is higher. In addition, the Romcarbon Group does not employ children under the age of 18, if they could be involved in work that could be classified as dangerous and we will not tolerate suppliers or third parties who do so.
When employing young people (people under 18 years of age), ROMCARBON GROUP takes into account:
• the normal working time is 6 hours per day and 30 hours per week;
• the minimum guaranteed wage must be at least equal to the minimum wage in the economy for a normal work schedule (6 hours/day and 30 hours/week, respectively);
• young people under 18 years of age are not allowed to perform overtime work;
• young people under 18 years of age cannot perform night work;
• young people under 18 years of age benefit from a meal break of at least 30 minutes, if the daily working time is more than 4 and a half hours;
• young people up to 18 years of age benefit from an additional rest leave of at least 3 working days
Young people accepted to work benefit from working conditions adapted to their age and are protected against any activity that could endanger their security, health, physical, mental, moral or social development or that could compromise their education.
The provisions are established by the Internal Regulations of each company within the ROMCARBON GROUP.
ROMCARBON GROUP assumes the responsibility to guarantee that the entire workforce is treated fairly, with dignity and respect and to collaborate with authorities and civil society organizations to make progress in addressing issues and to better understand how we can positively impact the workforce.

The Policy regarding Forced labor, Child labor can be consulted here: https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf, being reviewed and updated periodically based on legislative changes and organizational needs.

➢ Occupational Health and Safety Policy

Romcarbon Group has always been concerned with creating and ensuring a safe and healthy working environment for all its employees, so that one of the strategic objectives found in the new Sustainability Strategy of Romcarbon Group for 2025-2050 is "*Ensuring a healthy and safe working environment for our employees, contractors and visitors",* thus placing occupational health and safety at the same level as the other strategic objectives of our business.
The occupational health and safety policy therefore focuses both on the health and safety of employees and on ensuring a safe working environment for all our employees, visitors, suppliers and other stakeholders.
Our health and safety policy ensures the allocation of adequate resources to promote and maintain excellent health and safety practices.
The policy includes both the Romcarbon Group's commitment to: *(i) preventing work accidents and occupational diseases,) ii) continuously improving health and safety systems, (iii) complying with all relevant legal and other requirements, as well as specific objectives, such as: (i) training and periodic monitoring of personnel, (ii) raising awareness about safety, (iii) eliminating serious work accidents by applying documented procedures, and (iv) maintaining and improving the health and safety management system.*
Thus, on the first day of work, general introductory training in the field of occupational health and safety and emergency situations is carried out, and on the second day of work, training is carried out at the workplace, regarding: own safety and health instructions, existing risks at the workplace, first aid measures in the event of

an accident, how to behave in the event of a fire, practical demonstrations, as well as the importance of the job in the production process, requirements and expectations from superiors. Also, after the general introductory training, new employees are made aware of the provisions of the Internal Regulations and specific procedures.

An essential role in improving working conditions, identifying hazards, conducting risk assessments and ensuring safe working conditions by improving work organization falls to the management at the level of each company within the Romcarbon Group. It is responsible for providing adequate information, instructions, training and monitoring to employees to ensure health and safety at work. Our employees are actively involved by designating their representatives who ensure communication between staff and management, but also through the Occupational Health and Safety Committee and are also obliged to immediately report unsafe conditions and to avoid risky actions that could endanger themselves or other employees/third parties.

Cooperation in order to comply with legal requirements and occupational health and safety (OHS) policies is strongly encouraged and supported. Continuous compliance monitoring and periodic assessments ensure compliance with health and safety regulations.

The policy is made available to all employees, displayed in designated areas and communicated to contractors, customers and visitors.

The current policy can be consulted here: https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-de-sanatate-si-securitate-in-munca-2023.pdf, being reviewed and updated periodically based on legislative changes and organizational needs.

➢ Discrimination and Harassment Policy

The ROMCARBON Group ensures non-discriminatory access for all employees in all areas related to employment relationships, especially with regard to:

a) the announcement, organization of competitions or exams and the selection of candidates for vacant positions;
b) the conclusion, suspension, modification and/or termination of the legal employment or service relationship;
c) the establishment or modification of the attributions in the job description;
d) the establishment of remuneration;
e) benefits, other than those of a salary nature and social protection and insurance measures;
f) professional information and counseling, programs for initiation, improvement, specialization and professional retraining;
g) the evaluation of individual professional performances;
h) professional promotion;
i) the application of disciplinary measures;
j) the right to join the union and access to the facilities granted by it;
k) any other conditions of employment, according to the legislation in force.

ROMCARBON GROUP prohibits discrimination of any kind, such as, but not limited to, discrimination based on: race, color, sex, age, language, religion, political or other opinions, ethnic, national or social origin, property, birth, sexual orientation or any other criteria including marital status or parental status, we are also committed to the idea of providing equal opportunities to all persons, based on merit.

For this purpose, the **Guide on combating harassment based on gender and moral harassment at the workplace was developed, as well as the mechanism for receiving and resolving harassment cases**. The entire workforce is informed and trained annually with the provisions of this guide and clear mechanisms are established for monitoring and measuring the implementation of the guide.

In the sense of the above, the ROMCARBON GROUP sanctions disciplinary action through the internal regulations for any behavior proven to be classified as discrimination of any kind, the sanctions being able to go as far as the termination of the individual employment contract in cases of sexual harassment or other serious cases of discrimination. The application of any disciplinary sanction is made in accordance with the provisions of Law no.53/2003- Labor Code, republished, with subsequent amendments and completions and of the Internal Regulations.

Therefore, the manifestation of any unwanted behavior, moral harassment or sexual harassment, having as its purpose or effect the creation of an atmosphere of intimidation, hostility or discouragement for the affected

person at work and which negatively influences the situation of the person targeted by this behavior, their emotional or material state, constitutes a serious disciplinary offense and is subject to disciplinary/criminal sanctions, as the case may be.
At the same time, according to the internal regulations, any manifestation that is threatening, abusive, exploitative or constitutes sexual coercion, including in the form of gestures, language or physical contact, at the workplace/Group premises and in all properties/locations made available, regardless of whether they are owned, rented or contracted, constitutes a serious disciplinary offense, being subject to disciplinary sanctions.
When hiring, the ROMCARBON GROUP hires employees exclusively on the basis of their professional training and competence, ignoring any aspect related to race, nationality or social origin, religion, disability, gender, sexual orientation, family and/or marital status, family obligations, union membership, political opinions, or any other subjective criteria that may be classified as forms of discrimination.
In terms of remuneration, the ROMCARBON GROUP ensures equal remuneration for employees who perform the same work under identical or similar conditions, regardless of race, nationality or social origin, religion, disability, gender, sexual orientation, family and/or marital status, family obligations, union membership, political opinions, or any other subjective criteria that may be classified as forms of discrimination. The only differentiation allowed between employees who perform similar activities is that related to seniority and work experience, as well as other circumstances that cannot be classified as discrimination (results in professional activity, recognized and appreciated merits).
In terms of promotion, the Romcarbon Group ensures equal opportunities for occupying a job located on a higher hierarchical level to all candidates, the position being given priority to its own employees who meet the necessary qualification conditions.
Access to training is provided in a non-discriminatory manner, based on annual training and professional development plans, drawn up in consultation with employee representatives or at the employees' own request. For mandatory training included in training and professional development plans, employees are normally remunerated for the hours of course attendance. For training that involves costs, in the form of participation fees or other categories of fees, these will be borne by the employer for all employees, to the extent that they pass the exams and tests related to the respective training.
Discrimination and Harassment Policy can be consulted here:https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf, being reviewed and updated periodically based on legislative changes and organizational needs.

10.4. Processes for engaging with own workforce and workers' representatives about impacts [S1-2]

In the process of assessing stakeholder groups, employees were identified as the most critical stakeholder category for Romcarbon Group, so that processes were developed at Romcarbon Group level to involve our workforce and their representatives regarding impacts.
Thus, employee representatives are consulted regularly, at least once every two years, when, together with the negotiation of the Collective Labor Agreement, topics of common interest are also discussed with the aim of improving employee performance, labor relations, the working environment, employee protection measures, etc. This commitment aims both to understand the perspective of workers and to integrate their opinions into our decision-making process.
Also, annually, ROMCARBON S.A. and LIVINGJUMBO INDUSTRY S.A. employees are involved in the process of evaluating the working environment and conditions, employee benefits, career development plan, equal opportunities, communication with superiors and colleagues within the Romcarbon Group through employee satisfaction assessment and consultation questionnaires.
The Human Resources Department is the one that centralizes and analyzes the feedback regarding employee satisfaction with regard to the above-mentioned aspects, and subsequently the main conclusions are integrated into the annual management analysis, part of the management system implemented at the level of ROMCARBON S.A. and LIVINGJUMBO INDUSTRY S.A. This feedback also constitutes the basis for improving the Group's policies and conditions for all employees.
In the dual materiality assessment process, the own workforce represented the predominant group that participated in the survey, and their involvement and responses were essential in shaping our understanding of material impacts, risks and opportunities and in setting sustainability priorities. Our approach to materiality,

including engagement on impacts, risks and opportunities, is described in this report in the chapter "Dual Materiality Assessment (DMA)"
The random sampling rate for DMA was 15% for all employee categories. The consultation process was entirely online, and for employees who did not have access/had limited access to IT/internet devices, the Romcarbon Group organized the logistics (computer and internet access) so that they could express their opinion.
The Board of Directors in the case of ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL SRL, respectively the Administrator in the case of INFO TECH SOLUTIONS SRL is the competent body responsible for ensuring that collaboration with its own workers/workers' representatives takes place and that its results form the basis of the Romcarbon Group's strategy, policies and internal procedures.
The Romcarbon Group does not have, at the date of this report, a formalized process or a Global Framework Agreement for the involvement of its employees regarding negative impact. This involvement takes place either ad-hoc, during manager/administrator-employee meetings, or through employee representatives.

Female, migrants and people with disabilities are also involved in the consultation/dialogue process both to understand the concerns/challenges they face and, implicitly, to support them. In order to facilitate the integration process of migrants, both the individual employment contract, the job description and the work instructions/OSH instructions, work procedures and internal regulations were translated into English.

10.5.Processes to remediate negative impacts and channels for own workforce to raise concerns [S1-3]

The internal regulation, brought to the knowledge of the employees on the first day of work, contain provisions regarding the rights and obligations of the employees and the employer, including the rules regarding the observance of the principle of non-discrimination and the elimination of any form of violation of dignity, the procedure of prior disciplinary investigation, the procedure for dealing with individual requests or complaints of employees.
Thus, in consideration of the above, any employee has the right to formulate a request, petition, complaint addressed to the company's management regarding issues related to his/her activity or that of another employee or regarding acts or facts of discrimination within the meaning of Law no. 202/2002 with subsequent amendments and additions and to have this request, petition, complaint resolved by the company's management.
For this purpose, the employee shall formulate in writing the request, petition, complaint addressed to the executive management and register it with the company secretariat.
The executive management will analyze the request and will give the employee a verbal or written reply within 10 working days from the date of registration of the request, after having previously investigated the factual situation through the Human Resources Service.
This procedure is generally applicable, except in situations where complaints or appeals are resolved within time limits other than those provided for above by other special regulations adapted to specific cases.
The Code of Professional Ethics and Business Conduct also defines the values, principles and rules of conduct that Romcarbon Group's employees must respect and apply.
As Romcarbon Group is committed to ensuring an optimal work environment based on equal respect for the dignity of the human being, and to providing all employees, regardless of gender, with the necessary conditions for an environment where trust, empathy, understanding, professionalism, dedication to the satisfaction of the general interest prevail, in 2023 was elaborated the **Guide on preventing and combating sexual harassment and moral harassment at work** applicable to all employees, as well as to the persons with whom they interact during working hours (such as: Visitors, suppliers/customers, security guards, IT security staff, representatives of public institutions/authorities, other affected stakeholders).
Thus, any person can make a complaint/notification in written form (holograph or electronically) or verbally (discussion with the persons responsible, following which a Minutes will be drawn up).
The complaint/notification shall be dealt with by the Committee for the Reception and Settlement of Cases of

Harassment on the Basis of Sex and Moral Harassment at Work,which:

- will record the complaint/ notification and relevant information in the register;
- will ensure that the victim/alleged victim understands the procedures for dealing with the complaint/notification;
- keep a confidential record of all discussions;

- respect the choice of the victim/ alleged victim;
- will ensure that the victim/alleged victim is aware that she can also make a complaint/petition to other institutions that have competence in the area of harassment.

During the procedure of solving the complaint/notification,the victim/alleged victim may be assisted by a representative of the employees, and the committee shall ensure that the victim/alleged victim is informed about the possibility of seeking legal or psychological counseling.
The table with the responsible persons, respectively the members of the committee and their function is displayed in the company premises and is also communicated to the employee representatives.
The commission that received the complaint/notification will start the preparation of a case report that will include: data from the complaint, data resulting from the process of guidance and counseling of the victim, data resulting from the process of hearing and counseling of the person alleged to have committed the harassment. The case report shall be made within a maximum of 7 working days after the complaint is lodged. Through the case report the committee proposes to the management of the company, if necessary, measures to protect the victim in compliance with the legal provisions.
Also, in case the alleged harasser/alleged victim is a person from outside the company, the Commission proposes to the management of the company to refer the case to the employer of the person from outside the company, requesting also to cooperate and take all measures for the prompt resolution of the case of harassment.
The resolution of the complaint/notification is the final stage of the procedure, during which the committee prepares a final report detailing its investigations, findings and proposed measures, if any, and submits it to the management of the company.

The parties involved, respectively the person who lodged the complaint/notification and the person alleged to have committed acts or facts of harassment will be informed, in writing (e-mail/mail with acknowledgement of receipt/mail/mail/ personal delivery), within 7 working days from the date of issuing the final report, of the outcome of the investigation.

Romcarbon Group therefore supports a work environment in which its employees and other stakeholders can report legal or ethical concerns without fear of retaliation and, as a result, ROMCARBON GROUP prohibits:
• intimidation or retaliation against any employee who makes a good faith report about a possible deviation from the provisions of any internal policy or procedure or a legal provision.
• any intimidation or retaliation against any person who provides assistance during the investigation of the possible deviation reported, those who encourage retaliation or threats being sanctioned according to labor law norms, internal regulations, civil and/or criminal provisions, as the case may be.

The principles governing the protection of reports of violations of the law are the following:

a) the principle of legality, according to which each company within the Romcarbon Group has the obligation to respect fundamental rights and freedoms by ensuring full respect for, among others, freedom of expression and information, the right to the protection of personal data, the freedom to conduct a commercial activity, the right to a high level of consumer protection, the right to a high level of human health protection, the right to a high level of environmental protection, the right to an effective remedy and the right to defense;
b) the principle of responsibility, according to which the whistleblower has the obligation to present data or information, evidence, regarding the reported facts;
c) the principle of impartiality, according to which the examination and resolution of reports are made without subjectivity, regardless of the beliefs and interests of the persons responsible for resolving them;
d) the principle of balance, according to which no person may rely on the provisions of the law to reduce the administrative or disciplinary sanction for a more serious act of his that is not related to the reporting;
e) the principle of good faith, according to which the person who had reasonable grounds to believe that the information regarding the reported violations was true at the time of the reporting and that the said information fell within the scope of application of this procedure and of the Law is protected

In order to manage the notifications/complaints based on the provisions of Law no.361/2022 on the protection of whistleblowers in the public interest, the Whistleblowing procedure,detailed below, was elaborated in 2023 and also was founded the Integrity Office and the post of Integrity Officer, responsible for :

- managing the manner in which reports are received so that the confidentiality of the identity of the whistleblower and any third party named in the report is protected and preventing unauthorized personnel from accessing the report;
- transmission to the whistleblower of the acknowledgement of receipt of the report, no later than 7 calendar days after receipt of the report;
- receiving, recording, examining, carrying out follow-up actions and resolving reports;
- performing duties impartially and independently;
- diligently carrying out follow-up actions;
- informing the whistleblower about the status of the follow-up actions, no later than 3 months from the date of confirmation of receipt or, in case the receipt of the report has not been confirmed, from the expiry of the 7-day period provided by law, and, thereafter, whenever there are developments in the conduct of the follow-up actions, unless the information could jeopardize their conduct;
- informing the General Manager of the company regarding the solution of the report;
- provision of clear and easily accessible information on external reporting procedures to the competent authorities and, where appropriate, to the institutions, bodies, offices or agencies of the European Union
- informing the public interest whistleblower regarding the method of resolving the report.

Also, in order to support the integration of new employees, the Employee Training, Integration and Assessment Manual was elaborated so that they can become productive in the shortest possible time, adding value to the Romcarbon Group.
As mentioned in section 10.2 of this report, no real negative impacts on our workforce were identified in the dual materiality assessment, and the potential negative impacts that we have identified relate to lost time injuries for both employees and non-employees. These however relate to isolated incidents and do not indicate systemic risks.
The Collective Labor Contracts signed at the level of ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL S.R.L expressly regulate the obligations of each company in terms of occupational health and safety, respectively working conditions. Thus, on the basis of the above mentioned contracts and in compliance with the legislation in force, each company is obliged to take all necessary measures to ensure the safety and health protection of its employees, the prevention of occupational risks, the information and training of employees, the provision of the organizational framework and the means necessary for safety and health at work.
In consideration of the above, the Romcarbon Group provides for the workplaces, which impose such a requirement, individual protective equipment whose value is fully borne by each company within the Group.

Additional information on the personal protective equipment, protective nutrition(antidote) and other measures that the Romcarbon Group provides/has implemented in the field of occupational health and safety can be found in item 10.6 of this report,,**Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.''**

At ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL S.R.L the Occupational Health and Safety Committee is constituted and meets at least once a quarter or whenever necessary in order to avoid any risks that may arise at the workplaces.
The Committee consists of employee representatives (to whom employees can directly communicate their occupational health and safety concerns), employer representatives and the the doctor responsible for occupational safety.
In the meetings of the Occupational Health and Safety Committee are presented the annual report on occupational health and safety related to each company, information on risk assessment, preventive measures at the level of each company and at the workplace and also are analyzed proposals and requests made by employees.

The evaluation of the effectiveness of corrective measures in the field of occupational health and safety is carried out through the reports issued by the Occupational Health and Safety Committee and the annual report on occupational health and safety.

In order for employees to be able to express their concerns regarding the negative impact, Romcarbon Group has made available to them several reporting channels, on several levels. These include:

- Direct hierarchical superior
- Human Resources Department
- Legal Office
- An anonymous complaints channel: https://whistleblowing.romcarbon.com/

In 2023, the **Whistleblowing procedure** (*integrity warning (whistleblowing), reporting and verification of legal violations*) was approved and implemented, which establishes the framework within which notifications regarding violations of the law that have occurred or are likely to occur can be transmitted, as well as the general framework applicable to the protection of persons who report violations of the law that have occurred or are likely to occur. The procedure also regulates the methods of receiving, examining and resolving notifications, the rights and obligations of persons who make notifications or publicly disclose information regarding violations of the law, the measures to protect them, the rights of the persons concerned, as well as the obligations of the Romcarbon Group during the procedure.
This procedure was brought to the attention of employees both through collective processing and by display, and any modification is also communicated to employees.
All employees are obliged to comply with the provisions of the whistleblowing procedure, failure to comply with its provisions constitutes, according to the internal regulations, a serious disciplinary offense and is subject to disciplinary sanctions.
Notifications/complaints that do not fall within the scope of the Whistleblowing procedure are analyzed/resolved in accordance with the provisions of the internal regulations/procedure/specific policy, so that any employee, regardless of the subject of the notification, is guaranteed to receive objective treatment and an adequate solution within a reasonable time frame, without retaliation

The procedure and mechanism can be accessed at: https://www.romcarbon.com/integritate/

Suspected violations of the law are reported directly to the Integrity Officer or through the communication channels made available by the company (e-mail, mail, external communication channel that guarantees anonymity and confidentiality: access the reporting form at https://whistleblowing.romcarbon.com/) depending on how the whistleblower (the person making the complaint/notification) chooses to report.
Reports, regardless of how they are received, are registered in a register, which includes the date the report was received, the first and last name, contact details of the whistleblower, the subject of the report and the manner of resolution.
The Integrity Officer is required to keep a record of the reports in the Integrity Incident Report Register. The Register shall be kept in electronic format. The Society, through the Integrity Office, within which the Integrity Officer functions, is required to maintain statistics on reports concerning breaches of the law. Reports received by mail are immediately communicated to the Integrity Office, in compliance with the confidentiality obligations provided by the Law.
The Integrity Office keeps records of all reports received in compliance with confidentiality requirements. Reports are kept for 5 years. After the 5-year retention period, they shall be destroyed, regardless of the medium on which they are kept.
If the whistleblower requests that the reporting takes place in the presence of the Integrity Officer, the Integrity Officer shall be obliged to draw up a minutes of the record in a durable and accessible form, subject to the consent of the whistleblower. The integrity officer shall provide the whistleblower with the opportunity to verify, correct and agree to the record of the conversation by signing it.
If the whistleblower does not express his/her consent to the transcription or recording of the conversation, the whistleblower is directed to report in writing, on paper, or in electronic format to the e-mail address provided by the company or using the form available at https://whistleblowing.romcarbon.com/

In the exceptional situation in which the whistleblower wishes to report using a telephone line or other voice messaging system, the only person who can take the call with the whistleblower is the Integrity Officer, who is required to document the report in one of the following ways:
(a) by making a recording of the conversation in a durable and accessible form, subject to the consent of the whistleblower ;
(b) by a complete and accurate transcript of the conversation.
Where a telephone line or other voicemail system is used for reporting where conversations cannot be recorded, the Integrity Officer shall be required to make a full and accurate transcript of the conversation.

The Integrity Officer must give the whistleblower the opportunity to check, correct and agree to the transcript of the conversation by signing it.

The integrity officer is obliged not to disclose the identity of the whistleblower or information that would allow the direct or indirect identification of the whistleblower, except in the case where he has the express consent of the whistleblower and/or in the case where this is an obligation imposed by law. In the latter case, the whistleblower is previously informed, in writing, about the disclosure of the identity and the reasons for the disclosure of confidential data to the competent authority in question. The obligation to provide prior information does not exist if this information would jeopardize investigations or legal proceedings.
The obligation to maintain confidentiality does not exist if the whistleblower has intentionally disclosed his identity in the context of a public disclosure.
Maintaining confidentiality regarding reports and whistleblowers is an obligation for any employee of the company who, either in the performance of his duties or accidentally, comes into contact with information about them.
As soon as the Integrity Officer receives a report, he initiates a preliminary check to determine whether the report includes information that allows for the initiation of subsequent actions.
In justified cases, in the absence of sufficient, precise or complete information, the Integrity Officer may contact the whistleblower who declared his identity and contact details or through the contact link in order to obtain additional information.
Depending on the results of the preliminary checks and any additional information obtained from the whistleblower, as appropriate, the Integrity Officer assigns the report either the status “in process of resolution” or “classified”.
The report is classified if the report does not contain information about the professional context in which the information was obtained, about the person concerned, if known, about the description of the act likely to constitute a violation of the law, as well as, where applicable, about the evidence in support of the report, the date and signature, as applicable, and the Integrity Officer has requested its completion within 15 days, without the whistleblower fulfilling this obligation to complete it.
The report is also classified if it is transmitted anonymously and does not contain sufficient information regarding violations of the law, which would allow the analysis and resolution of the report, and the Integrity Officer has requested its completion within 15 days, without this obligation being fulfilled.
If a whistleblower makes several reports with the same object,they will be joined,the whistleblower will receive a single information regarding its resolution.
If, after sending the information regarding the resolution of the related reports, a new report with the same subject is received, without presenting additional information that would justify a different subsequent action, this new report will be classified.
Within the preliminary analysis carried out by the Integrity Officer, he may decide to close the procedure if, after examining the report, it is found that it is a clearly minor violation and does not require additional subsequent actions, other than closing the procedure. The Integrity Officer may also decide to close the

procedure if, following the preliminary verification, he concludes that the report is irrelevant or false, equivocal, made in bad faith or with the aim of harassing the person concerned, or the information provided was insufficient or impossible to verify or the whistleblower has omitted/refused to provide additional information or adequate evidence. The obligation to maintain confidentiality and to inform the whistleblower remains in this case, and the filing of a report that includes a violation considered minor does not remove the obligation/possibility to comply with other obligations or other applicable procedures to remedy the reported violation. In all cases of filing, the solution is communicated to the whistleblower, indicating the legal basis, when contact details are available.
If,during the preliminary verification detailed above, it is found that the report does not meet the criteria/conditions for triggering the resolution procedure, the Integrity Officer draws up a classification report documenting the verifications carried out, followed by archiving the documentation.
If, from the preliminary verifications, the Integrity Officer finds that the conditions for triggering the resolution procedure are fulfilled, he goes through all the stages and includes the conclusions of the verifications and subsequent actions in a report containing a description of the activities carried out and a conclusion of the procedure.
The report is subsequently presented to the General Manager/Board of Directors, as appropriate.
If the report is verified and approved as a violation of the law, it is assigned the status "confirmed", and if the verifications find that although the report was made in good faith, there was still no violation of the law, it is assigned the status "unconfirmed".
Any documentation created during the resolution procedure is archived at the Integrity Office, in compliance with the archiving norms at the company level and maintaining full confidentiality and security of documents.
Every 3 months, the Integrity Office, through the Integrity Officers, sends to the General Director a summary of the reports on violations of the law received, their status and the outcome of the resolution procedures.

Corrective actions
Based on the minutes of the report settlement process, the following actions may be ordered, without the corrective measures/actions being limited to these:
a. Initiation of a disciplinary/criminal investigation procedure against the persons concerned regarding whom the integrity reports were confirmed;
b. Notification of the competent legal institutions;
c. Implementation of additional processes or procedures;
d. Modification of existing processes and procedures;
e. Provision of courses;
f. Processing, in justified cases, of all employees or only employees in an internal sector about the reported and confirmed violation, the conclusions of the procedure and the remedial measures taken (lessons learned), while maintaining the anonymization and confidentiality of data about the whistleblower and the person concerned;
g. Carrying out other remedial measures.

Any form of retaliation against employees/persons who make complaints is prohibited, as well as any threats of retaliation or attempted retaliation, in particular those concerning:
a) any suspension of the individual employment contract;
b) dismissal;
c) modification of the employment contract;
d) reduction of salary and/or change of working hours;
e) employee degradation or impediment of promotion and professional development, including through negative evaluations of individual professional performance, or through negative recommendations for the professional activity carried out;
f) application of any other disciplinary sanction;
g) coercion, intimidation, harassment;
h) discrimination, creating another disadvantage or subjecting to unfair treatment;
i) refusal to convert a fixed-term employment contract into an employment contract for an indefinite period where the employee had legitimate expectations of being offered a permanent position;
j) refusal to renew a fixed-term employment contract or early termination of such a contract;

k) causing damage, including to the reputation of the person concerned, in particular on social media platforms, or financial loss, including in the form of loss of business opportunities and loss of income;
l) inclusion on a negative list or database, based on a formal or informal sectoral or industry-wide agreement, which may imply that the person concerned will not find employment in the sector or industry in question in the future;
m) unilateral extrajudicial termination of a contract for goods or services, without the conditions for this being met;
n) cancellation of a license or permit;
o) request for a psychiatric or medical evaluation.

Also, for the protection of persons who use the reporting channels, including employee representatives, the anti-retaliation policy has been developed, which can be consulted here: https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf
Both within the Whistleblowing procedure and in any of the other procedures, employees may be assisted by their representatives or third parties.
To ensure that all employees are aware of the Whistleblowing procedure/are aware of the communication channels made available according to this procedure, this procedure is included in the annual training program.
Also, ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A employees, through the employee satisfaction assessment questionnaire, have the opportunity to make recommendations for improving the company-employee relationship.
During 2024, **o(zero) complaints were registered through the channels made available to employees/own workforce/third parties to express their dissatisfaction (including through complaint resolution mechanisms**).

10.6.Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions [S1-4]

The new Sustainability Strategy of Romcarbon Group for 2025-2050 addresses the impacts, risks and opportunities related to its own workforce, resulting from the dual materiality assessment process, contributing both to the improvement of operational activities and to the development of the Social Responsibility Policy in 2024.
This dynamic process highlights our dedication to promoting a healthy and conducive work environment for the development of our employees.
As a result of the double materiality assessment, three material topics related to the Romcarbon Group's own workforce were identified:

- working conditions (safe workplaces, work-life balance, social dialogue and collective agreements, employee health and safety)
- equal treatment and opportunities for all (gender and pay equality, training and skills development, combating discrimination, violence and harassment at work)
- other work-related rights (private life)

and, at the same time, no real negative impacts on our workforce were identified, and the potential negative impacts that were identified refer to lost-time accidents for both employees and non-employees. However, these concern isolated incidents and do not indicate systemic risks.
Any potential negative impact related to health and safety is assessed and followed, as appropriate, by improving health and safety policies and taking appropriate measures to eliminate/reduce it.

Health and safety risks within our operations, including those related to third-party contractors working on our premises, are assessed annually, since, in the case of companies with manufacturing activities, such as ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A, poor safety management can significantly increase the likelihood of occupational accidents.
Identifying and understanding these risks helps us to implement the necessary measures to ensure the safety and well-being of all employees and to implement strategies to mitigate the identified risks.

In support of the above, all employees of the Romcarbon Group benefit from training on occupational health and safety in accordance with legal requirements and internal procedures, namely initial general training upon employment, initial and periodic on-the-job training based on specific work instructions, retraining following work accidents, training on general and specific topics related to occupational health and safety.

The training is carried out quarterly for operating personnel and annually for TESA personnel. The job training consists of: presentation of OSH instructions for the actual workplace, hazards and risks identified at the workplace based on their assessment, legal requirements that must be complied with, implementation of practical training at the workplace, presentation of dangerous places (with risk of accident/occupational disease), how to use personal protective equipment.

Measures to raise awareness among employees:

- systematically identifying and assessing the potential impact of tasks or operational conditions on the health and safety of employees;
- maintaining operational instructions and processes to ensure that health and safety risks and hazards are adequately controlled when changes are made to installations or processes;
- maintaining operational instructions and processes that enable operators to handle chemicals or hazardous substances safely and to protect themselves against exposure to these substances;
- maintaining a health and safety committee with employer and employee representatives;
- training, equipping with protective equipment, measuring and monitoring employee exposure to stress and noise

Additional actions:

- Romcarbon Group provides work and personal protective equipment for each employee, depending on the requirements of the job, keeping records and periodically renewing the equipment. Romcarbon Group also provides antidote (milk) for employees working in conditions for which this measure is necessary.
- Periodic maintenance of the equipment is carried out according to the maintenance plan, in accordance with legal requirements, so that the equipment does not constitute a danger to the health and safety of the performing personnel.
- The operating status of the alarm, warning, emergency signaling, as well as safety systems is checked. Based on the identified hazards, the areas that require safety signaling and the types of signaling required for each area are established. The working environment is monitored, checking the level of exposure to noise and pollution

For all productive personnel, within the companies ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL SRL, the periodic program/thematic periodic improvement on OSH topics was carried out, at 3 month intervals, the specific instructions, the documents regulating the activity and any other aspects related to this field were processed. In the sectors that handle and use hazardous substances, the training was based on the updated Technical Safety Data Sheets of these substances. After each work accident, the personnel in the respective sector was retrained, taking into account the conclusions of the research.
In all cases of work accidents that occurred in 2024, the employees in question were trained in the field of occupational safety and health, as evidenced by the completion and signing of the individual training sheets. Also, the staff of the own central laboratory was trained on the safety data sheets of the hazardous substances used.
Failure to comply with all occupational health and safety rules and instructions constitutes, according to the internal regulations, a serious disciplinary offense and is subject to disciplinary sanctions.
The execution of works and/or the provision of services on the Romcarbon Group platform is preceded by the signing of OSH/Environment/Emergency Situations conventions, for the information and assumption of the responsibility of third-party providers/executors regarding the OSH rules applicable within the premises of our company.
Occupational health and safety risks are identified and assessed annually by applying the method of the National Institute for Research and Development for Labor Protection “Alexandru Darabont”

The assessment of workplace risks is carried out, according to legal requirements, upon the initial creation of a job, and will be updated when working conditions change or following accidents, the frequency of reassessment being correlated with the programs of measures established after evaluating the effectiveness of the actions taken.
The risk assessment is carried out by qualified internal staff who have completed an accredited course in the field, in collaboration with sector managers, the occupational health physician and employee representatives. When identifying and assessing risks, legal requirements and practices in the field, concrete working conditions, observations of our employees resulting from accumulated experience and previous work accidents are taken into account. The risk level is determined according to the maximum foreseeable consequences, the level of severity and the probability of occurrence. We also take into account the opinions of the occupational health physician and collaborate with the Territorial Labor Inspectorate in order to better understand any aspect in the field.
Based on the risk assessment, our own instructions (internal OSH) 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 within the Romcarbon Group, both management and execution, the general and specific responsibilities being mentioned in the job descriptions assumed by the employees. After each work accident, a reassessment of the risks at the workplace in question is initiated, the risk assessment sheets are revised, supplemented, if necessary, with new risks, and the OSH instructions are also revised.
In the event of real negative effects on health and safety, all work accidents are reported to the Territorial Labor Inspectorate, and an internal investigation committee is appointed to investigate the causes and responsibilities and to propose measures. The investigation of work accidents with serious consequences is carried out by the Territorial Labor Inspectorate, and the measures imposed are mandatory.
From a procedural point of view, the person responsible for the workplace or any other person who is aware of the occurrence of any work accident is obliged to communicate it to the employer, and the employer, represented by the head of the IPP & Environment Service/OSH Manager, immediately communicates the accident to: the Territorial Labor Inspectorate, the insurer for employees insured against work accidents and occupational diseases, criminal investigation bodies, as appropriate.

The Romcarbon Group complies with the obligation to take the necessary measures not to modify the state of affairs resulting from the occurrence of the event, until receiving the agreement from the bodies conducting the investigation, except in cases where maintaining this state would generate the occurrence of other events, worsen the condition of the injured or endanger the lives of workers and other participants in the work process. In such cases, to the extent possible, sketches or photographs are made of the place where the work accident occurred, all objects containing or bearing a trace of the work accident are identified and removed. The objects are handed over to the bodies conducting the investigation. They constitute evidence in the investigation of the work accident.
The purpose of investigating work accidents 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 appointment of persons to be part of the work accident investigation committee is made in compliance with legal requirements, namely it is intended that these persons: have adequate technical training, are not involved in the organization and management of the workplace where the event occurred and have no responsibility for the occurrence of the event. If the work accident involves victims with different employers, the persons appointed by written decision by the other employers are also appointed to the research committee appointed by the employer where the event occurred (**this was not the case in 2024).**
Persons authorized by law to investigate the work accident 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 law. The expenses necessary for the collection and analysis of samples for the purpose of investigating the work accident are borne by the employer where the accident occurred.

The investigation of the work accident followed by incapacity for work is completed within 5 working days at the latest from the date of the event. The exception is cases in which expertise or sampling is required, for

which an extension of the research term is requested in writing, with reasons and within the deadline, to the Territorial Labor Inspectorate. The research file, drawn up by the commission designated by the employer, is submitted for verification and approval to the Territorial Labor Inspectorate in whose area the event occurred, within 5 working days from the completion of the research.
The Territorial Labor Inspectorate analyzes the file, approves it and returns the file within a maximum of 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 carried out correctly, it may order the completion of the file and/or the re-writing of the investigation report, as the case may be.
The investigation commission will complete the file and draw up the investigation report within 5 working days from its receipt.
After an occupational accident, we reassess the risks related to the respective workplace, review the prevention and protection plan, update, if necessary, the work instructions and the OSH instructions. All employees at the respective workplace and/or similar workplaces are trained on the conclusions and measures of the investigation.
In order to mitigate the significant risks arising from our impacts and dependencies on our own workforce, we have developed and continue to develop on-the-job training programs, and we have also resorted to hiring labor from outside the EU.

The recruitment of new employees also represents an opportunity for the Romcarbon Group, so in order to train qualified employees, we have concluded with the educational unit, the Technological High School "Dimitrie Filipescu" Buzau, practical training contracts for the practical training of students in vocational and technical education and we have also offered scholarships for 6 high school students in the dual education system (mechanic and electrician specializations).
At the same time, ROMCARBON S.A. is a member of the local Consortium for the project "**CENTER OF EXCELLENCE FOR DUAL-TECHNICAL PRE-UNIVERSITY AND UNIVERSITY EDUCATION BUZĂU".**
To ensure that our practices do not produce or contribute to significant negative impacts on the workforce, we developed new policies in 2024, such as the social responsibility policy and the sustainable procurement policy .
In order to manage our significant impacts through the new Romcarbon Group Sustainability Strategy for the period 2025-2050, the necessary financial resources were allocated to manage these impacts and implement the necessary policies/procedures.
For 2024, the Romcarbon Group does not have a transition plan, which will be developed by the end of 2025, according to the new Romcarbon Group Sustainability Strategy for 2025-2050.

10.7.Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities [S1-5]

As part of the dual materiality assessment process, the following targets related to managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities were identified, described in the table below, these targets being, at the same time, integrated into the new Romcarbon Group Strategy for 2025-2050.

Table 1- Targets related to managing significant negative impacts, promoting positive impacts and managing significant risks and opportunities

IRO	Description	Strategic objectives	Indicators and targets	Actions	Fulfilled in 2024
Impact +	As a general rule, all employees have individual employment contracts and salaries are paid on time. Romcarbon Group offers employment opportunities, including for low-skilled people, who would otherwise have little chance of supporting themselves through work.	Ensuring a qualified, motivated and sufficient workforce	95% of the company's workforce covered by an individual employment contract concluded for an indefinite period by 2030	Conclusion of individual employment contracts for an indefinite period for own workforce Verification of the existence of individual employment contracts for unpaid workforce	At the end of 2024, out of the total of 1289 employees of the group, 95.57% had individual employment contracts concluded for an indefinite period. No collective dismissals were ordered and we had no appeals/complaints for abusive individual dismissals. There were no delays in the payment of salaries.
Impact +	Any additional time worked by operational employees is paid/compensated with time off.	Ensuring a qualified, motivated and sufficient workforce	100% of employees have the right to receive leave for family reasons 10% reduction in the share of unused vacation days in total vacation days due according to the CIM, by 2030.	Creation and approval of work schedules related to each sector of activity, with continuous flow Granting paid days off for special family situations.	In 2024, all requests received from employees regarding leave for family reasons were resolved positively. The percentage of unused leave days in 2024 was 26%.

IRO	Description	Strategic objectives	Indicators and targets	Actions	Fulfilled in 2024
Impact +	Employee representatives are elected in accordance with legal provisions, and the management of each company within the Group discusses with them the context of the company's decisions in order to understand the underlying causes. The employee representatives then convey the message to the employees they represent. This involvement helps all employees to understand the overall situation of the company and allows them to feel included.	Ensuring a qualified, motivated and sufficient workforce	100% employees covered by CCM (collective labor agreement) within the companies within the Group at which there is an obligation to carry out collective bargaining. 100% employees represented Minimum one annual consultation between the employer and employee representatives	Encourage all employees to appoint representatives. Inform employees, through designated representatives, on important topics/subjects in the company's activity Ensure adequate free time for employee representatives to carry out their duties and protection against dismissals	In 2024, Romcarbon S.A. employees from Profit Center no. 6, respectively LIVINGJUMBO INDUSTRY S.A. employees from the PET Section appointed a new representative. In 2024, employee representatives from ROMCARBON S.A., LIVINGJUMBO INDUSTRY S.A. and RC ENERGO INSTALL SRL were involved in the workshop dedicated to identifying IROs, as well as in the process of evaluating material IROs.

IRO	Description	Strategic objectives	Indicators and targets	Actions	Fulfilled in 2024
Impact +	Romcarbon Group has implemented solid health and safety policies to minimize accidents and occupational illnesses.	Ensuring a healthy and safe working environment for our employees, contractors and visitors	100% employees covered by occupational health and safety (OHS) policy 0 (zero) fatal or permanently disabled work accidents 0 (zero) illnesses and deaths due to occupational diseases	Measures to raise awareness among employees of the importance of respecting OSH, as detailed in section 10.6 of this report. Training programs offered to employees to improve their knowledge of health and safety related to their workplace and/or to improve their ability to perform their tasks safely Planning annual health checks to allow for early detection of occupational diseases, to ensure that employees remain fit for work and to help the organization assess whether existing control measures are effective Additional actions as detailed in section 10.6 of this report.	In 2024, the occupational health and safety training program continued according to schedule. In 2024, no fatal accidents or work-related illnesses were recorded. In 2024, work accidents were recorded only at ROMCARBON S.A. and RC ENERGO INSTALL SRL, respectively, a total of 9 accidents were recorded. Planning constantly respected.
Impact+	Training to develop	Ensuring a qualified,	100% of employees participated in	Identifying topics of	In 2024 this objective was met.

IRO	Description	Strategic objectives	Indicators and targets	Actions	Fulfilled in 2024
	skills/abilities for all employees	motivated and sufficient workforce	regular performance and career development reviews 30 average hours of training / employee / year by 2030	interest and appropriate trainers	In 2024, 28,01 average hours of training/employee were completed
Risc	Loss of productivity	Ensuring a healthy and safe working environment for our employees, contractors and visitors.	100% employees trained according to the requirements of their job		Fulfilled in 2024.
Impact +	Promoting gender equality through internal policies and pursuing it through equal pay	Ensuring equal treatment and opportunities and non-discrimination for all personnel, combating forced labor and child labor	100% gender equality in pay by 2040 50% women in senior and middle management positions by 2040	Create a salary scale for positions and qualification levels applicable regardless of gender. Non-discriminatory information to employees regarding management positions Ensure objective and non-discriminatory evaluation criteria for candidates	In 2024, the increase in salary benefits was made regardless of gender and there were no complaints/grievances/reports of any incidents. No vacant leadership position in 2024
Impact +	Positive impact by combating violence and harassment in the workplace	Ensuring a healthy and safe working environment for our employees, contractors and visitors	0 complaints/grievances/reports	Implementation of the Guide on preventing and combating sexual harassment, as well as moral	All employees of the Romcarbon Group were trained on the provisions of the internal regulations and the specific guide on preventing and

IRO	Description	Strategic objectives	Indicators and targets	Actions	Fulfilled in 2024
				harassment at the workplace.	combating sexual harassment, as well as moral harassment at the workplace.
Impact +	Positive impact by securing employee data based on the internal personal data protection program.	Ensuring a healthy and safe working environment for our employees, contractors and visitors	0 complaints/grievances/reports	Employee training on compliance with privacy policy and GDPR GDPR audit every 3 years.	In 2024, no complaints/grievances were registered regarding the security of our employees/own workforce. Annual training

Note:If there is no target year assigned to the objective, it means that the objective is considered permanent. The target reference year is 2024
The method used to determine the objective is based on historical data and projections for the future period.

In setting our own workforce objectives, our employees are actively involved, including in matters related to occupational health and safety (OHS). Thus, our employees are informed, including through internal regulations, that they must immediately report unsafe conditions to their supervisors and must not take risky actions that could endanger their health and safety or that of others.
Employee training in the field of occupational health and safety is carried out periodically, through specific modalities established by mutual agreement between the employer and the Occupational Health and Safety Committee/OHS manager, as the case may be.
When adapting and implementing the necessary measures to protect the safety and health of employees, the following general principles of prevention are taken into account:
a) avoiding risks;
b) assessing risks that cannot be avoided;
c) combating risks at source;
d) adapting work to the person, in particular as regards the design of workplaces and the choice of equipment and work and production methods, with a view to alleviating, in particular, monotonous and repetitive work, as well as reducing the effects on health;
e) taking into account technical developments;
f) replacing what is dangerous with what is not dangerous or with what is less dangerous;
g) planning prevention;
h) adopting collective protection measures with priority over individual protection measures;
i) bringing the appropriate instructions to the attention of employees.

Also, in order to improve the performance regarding health and safety at work, the following general objectives have been established through the health and safety at work policy:

- Permanent training and monitoring of all staff and stakeholders
- Raising staff awareness regarding health and safety at work
- Eliminating work accidents with serious consequences by applying the rules formulated in the documented procedures and instructions
- Maintaining and improving the health and safety at work management system.

At the same time, employee representatives are consulted periodically (at least once every two years)/whenever necessary, depending on the case, so that both their concerns and suggestions can be integrated into our decision-making processes.

At the Romcarbon Group level, we conduct consultations including through surveys, such as the dual materiality assessment survey, but also through questionnaires, such as the employee satisfaction assessment questionnaire, to collect relevant information on the aspects that matter most to our employees. We also maintain an accessible feedback mechanism through the website, where employees within the whistleblowing procedure can submit complaints and suggestions.

The feedback collected through these channels is analyzed and also directly influences our process of setting strategic objectives. For example, when our employees expressed the need for more training and development opportunities, we integrated this feedback into our strategic employee development objectives by assuming,,*Ensuring a qualified, motivated and sufficient workforce.''*

10.8. Characteristics of our workforce [S1-6]

The Romcarbon Group, through ROMCARBON S.A., has been present on the labor market for more than 70 years, being one of the main employers in Buzău County.

The companies within the Romcarbon Group employ both permanent and temporary personnel, including full-time and part-time, and also collaborate with other economic agents/entrepreneurs to support and develop their specific activities.

The Romcarbon Group's workforce mainly includes direct employees in production, indirect employees in production and employees in support services/offices, and 95% of the employees work at the registered office located at Transilvaniei Street no.132, Buzău, Buzău County.

The Romcarbon Group does not have any employees outside Romania.

At the end of 2024, the total number of employees was 1,289, of which 685 were women, and the average number of employees in 2024 was 1,222.

The termination of the individual employment contracts of the 259 employees who left the Romcarbon Group in 2024 took place in compliance with the provisions of the Labor Code, the termination of individual employment contracts taking place: (i) by law (expiration of the term of the individual employment contract concluded for a fixed period, retirement, death), (ii) as a result of the agreement of the parties, on the date agreed upon by them, (iii) as a result of the unilateral will of the employee (resignation), (iv) as a result of the unilateral will of the employer.

The reported data is collected through the Romcarbon Group's human resources services. The methodology used for reporting the parameters in this chapter is based on the number of employees at the end of the reporting period.

In the annual report of the administrators attached to the audited consolidated financial statements for the year ended December 31, 2024, both the total number of employees at the end of 2024 and the average number of employees in 2024 are presented.

Table 1: Information on the number of employees by gender

Gender	Female (head count)	Male (head count)	Other genders (head count)	Not reported	Total
Romcarbon	347	380			**727**
Livingjumbo Industry	330	163			**493**
RC Energo Install	5	56			**61**
Info Tech Solutions	3	5			**8**
Total	**685**	**604**	**0**	**0**	**1,289**

Table 2: Information on the number of employees by nationality

Țara	Number of employees (head count)în 2024
Sri Lanka	14
Taiwan	4
Republica Moldova	1
Malaezia	1
Romania	1,269
Total	**1,289**

Table 3: Presentation of information on employees by contract type, broken down by gender

	Female	Male	Other*	Non disclosed	Total
	2024	2024	2024	2024	2024
Number of employees(head count)	685	604	0	0	**1,289**
Number of permanent employees(head count)	666	566	0	0	**1,232**
Number of temporary employees(head count)	19	38	0	0	**57**
Number of non-guaranted hours employees (head count)	0	0	0	0	**0**
Number of full time employees(head count)	659	579	0	0	**1,238**
Number of part time employees (head count)	26	25	0	0	**51**

** Employee gender specified*
There is no data disclosed for employees classified as "Other" or "Non disclosed". This is because there were no employees who identified themselves as being of a gender other than female or male, so this category is not applicable for the reporting period.

In 2024, Romcarbon Group hired 151 new colleagues.

Table 4: Information on new employees, in 2024, Romcarbon Group

	Male			Female		
Age category	**<30**	**30-50**	**>50**	**<30**	**30-50**	**>50**
Number of employees	24	36	35	10	30	16

The total number of employees who left Romcarbon Group in 2024 is 259. The employee turnover rate is 19.28%.

Table 5: Information regarding employee departures in 2024, Romcarbon Group

Number of departures	Number of employees on 01.01.2024	Number of employees on 31.12.2024	Turnover rate
259	1,397	1,289	19,28%

The turnover rate was determined as the ratio between the total number of departures (voluntary or due to dismissal or retirement/death) and the average number of employees at the beginning and end of the reporting period.
The turnover rate is influenced by local labor market conditions and labor migration to Western European countries in the macroeconomic context

10.9. Characteristics of non-employees in the undertaking's own workforce [S1-7]

Romcarbon Group, for activities/operations for which it does not have qualified personnel and/or the qualified personnel is not sufficient, uses non-employees.
In the category of non-employees in the undertaking's own workforce, we consider both individual contractors supplying labour to the Group (self-employed people) and workers provided by undertakings primarily engaged in ,,employment activities''.
At the end of 2024, the total number of non-employees was 5 self-employed people, there were no workers provided by undertakings primarily engaged in ,,employment activities''.
Romcarbon Group also collaborated during 2024 with other non-employees, for the activities detailed below, but they are not employees provided by undertakings primarily engaged in ,,employment activities''.

Table 1-Other categories of non-employees

Other categories of non-employees	
	2024
Security services(external contractor)	16

The reported data was also collected through the Romcarbon Group's human resources services, and the methodology used for reporting the parameters in this chapter is based on the number of non-employees at the end of the reporting period taking into account the number of non-employees as head count.

10.10. Collective bargaining coverage and social dialogue [S1-8]

At the Romcarbon Group level, the percentage of employees covered by collective bargaining and social dialogue is 100% in the case of ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL SRL. In the case of INFO TECH SOLUTIONS SRL, considering the number of employees (under 10), there is no legal obligation

to initiate collective bargaining in order to conclude a collective labor agreement, but the company INFO TECH SOLUTIONS SRL establishes the working conditions and employment conditions based on the collective labor agreements that target the other employees within the Group.

10.11. Diversity metrics[S1-9]

Romcarbon Group protects and promotes diversity, especially since respect for cultural diversity, tolerance, dialogue and cooperation are the guarantee of developing a healthy and safe working environment for our employees/other categories of people who are part of our workforce.
Thus, both our employees and customers, business partners, suppliers and all other stakeholders are citizens who come from different countries, with different nationalities, beliefs, religions, convictions, cultures and social backgrounds.
We therefore support cultural diversity, the creation of an international team and a business community, protecting cultural diversity being an ethical imperative, inseparable from respect for human dignity.
In consideration of the above, ROMCARBON GROUP prohibits discrimination of any kind, such as, but not limited to, discrimination based on: racial or ethnic origin, colour, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national or social origin or other forms of discrimination covered by Union regulations and national legislation, we are also committed to the idea of providing equal opportunities to all persons, based on their merits.
The recruitment and assessment of employees is carried out solely on the basis of professional competence and adaptation, integration in the workplace.
When preparing the presentation of information on gender at the level of senior management, we used the definition of senior management as being one and two levels below the level of administrative bodies.

Table 6: Information on diversity metrics at top management level, Romcarbon Group

	Total	Female	Male
Total	18	5	13
Percentage		0,28%	0,72%

Table 7: Information on diversity metrics at the middle management level, Romcarbon Group

	Total	Female	Male
Total	41	22	19
Percentage		0,51%	0,49%

Table 8: Information on the distribution of employees by age group

Age	<30	30-50	>50
Total	**81**	**564**	**644**

10.12. Adequate wages[S1-10]

Romcarbon Group pays all its employees no less than the minimum gross wage established by national legislation, therefore there are no employees who are paid below the minimum gross wage established at national level.
The minimum gross wage established by national legislation is also guaranteed by the collective labor contracts concluded at the level of ROMCARBON S.A, LIVINGJUMBO INDUSTRY S.A and RC ENERGO INSTALL SRL,

respectively by the individual labor contracts concluded at the level of each company within the Romcarbon Group.

10.13. Social protection[S1-11]

All employees of the Romcarbon Group benefit from working conditions appropriate to the activity carried out, social protection, occupational health and safety, as well as respect for dignity and conscience, without any discrimination.
Thus, all employees of the Romcarbon Group are covered by complete social protection, either through public programs or through benefits offered by the company under the applicable collective labor agreement/individual labor agreement, as the case may be. This coverage protects against loss of income as a result of the following major life events:

- Illness
- Unemployment, starting from the moment the employee starts working for the company
- Workplace injury and acquired disability
- Parental leave
- Retirement.

Also, based on the collective labor agreements, employees of the Romcarbon Group benefit from additional protection measures and other facilities granted to employees, namely financial aid in case of birth of a child/death of an employee/parent/child of the employee, bearing of 50% of the cost of transportation for employees living outside the locality.

10.14. Persons with disabilities [S1-12]

Table 9: Information regarding persons with disabilities, Romcarbon Group

	Number of persons with disabilities		Number of employees		
	Female	**Male**	**Female**	**Male**	**Total**
Total	1	2	685	604	1289
Percentage			0,27%	0,47%	0,36%

Romcarbon Group supports the inclusion of people with disabilities, namely people whose social environment, not adapted to their physical, sensory, psychic, mental and/or associated deficiencies, totally prevents or limits their access to society with equal opportunities, requiring protection measures in support of integration and social inclusion.
These people are employed according to their professional training and work capacity and benefit from the following rights:
-a paid probationary period upon employment of at least 45 working days;
-a paid notice period of at least 30 working days, granted upon termination of the individual employment contract at the initiative of the employer for reasons not attributable to him
-the possibility of working less than 8 hours per day, under the law, if they benefit from the recommendation of the evaluation committee in this regard.
Since most of the activities carried out by the companies within the Romcarbon Group are production activities, the jobs, for the most part, are conditioned by certain requirements regarding health and safety at work, requirements validated according to the legal provisions in force. Considering the above and in accordance with the legislation in force, the health of our employees is permanently supervised through occupational health services provided by specialized units and is permanently monitored through medical examinations upon employment, adaptation medical examinations, periodic medical check-ups and medical examinations upon resumption of activity.

10.15. Training and Skills Development metrics [S1-13]

The professional training of Romcarbon Group employees represents an essential stage in the development and professional evolution of employees and is carried out on the basis of annual training programs drawn up on the basis of training plans, which include the necessary individual and collective training.
The professional training of employees has, mainly, the following objectives:
a) adapting the employee to the requirements of the job or workplace;
b) obtaining a professional qualification;
c) updating the knowledge and skills specific to the job and workplace and improving the professional training for the basic occupation;
d) acquiring advanced knowledge, modern methods and procedures, necessary for carrying out professional activities;
All employees of the Romcarbon Group benefit from periodic internal training on work instructions, occupational health and safety regulations, instructions for emergency situations, as well as periodic training on the Guide on the prevention and combating of harassment based on gender and moral harassment at work and the whistleblowing procedure.
In the event of changes / developments in production processes, products and / or materials and / or the occurrence of legislative changes, internal / external training of the employees involved / training on new legislative regulations is also carried out.
Also, employees in the support sectors participate in conferences and professional training courses to be up to date with changes in our fields of activity.
In 2024, we provided a total of 36,108 hours of training to employees within the Romcarbon Group, thus giving them the opportunity to develop the knowledge and skills necessary to properly perform their work tasks and to contribute to the development of the Romcarbon Group.
Investing in our employees is therefore paramount for the development of the Romcarbon Group and for creating a safe, healthy and conducive working environment for employee development.
The Romcarbon Group therefore makes all necessary efforts to provide its employees with comprehensive training and development programs.

Table 10: Training and skills development metrics

	Female		Male	
	Number of training hours	Number of employees	Number of training hours	Number of employees
Total	**19,196**	**685**	**16,912**	**604**
Average number of training hours		28,02		28,00

The table below provides an overview of the training hours and number of employees within the Romcarbon Group at three management levels: Top Management, Middle Management and Executive personnel.
These data highlight the distribution and average of training hours dedicated to the different management levels within the Romcarbon Group, with executive personnel having, in total, the most training hours, totaling 34,440 hours and having an average of 28 hours per employee.

Table 11: Average number of training hours, split by functions within organization

	Top Management		Middle Management		Executive personnel	
	Number of training hours	Number of employees	Number of training hours	Number of employees	Number of training hours	Number of employees
Total		**18**	**1,156**	**41**	**34,440**	**1,230**
Average number of training hours				28,20		28

Employee performance is evaluated annually, for 100% of the employees within the Group.

This activity allows determining the degree to which employees efficiently perform their tasks and correctly and completely discharge the responsibilities assigned to them.
The general objectives of the evaluation are:

1. Identifying the current level of performance in the activity carried out by the employee;
2. Identifying the strengths and weaknesses of an employee;
3. Helping employees improve their performance in their professional activity;
4. Ensuring the basis for rewarding employees according to their contribution to achieving the goals of the Romcarbon Group;
5. Motivating employees;
6. Identifying training and professional development needs;
7. Identifying the potential performances of the organization members (for the purpose of promotion or transfer);
8. Facilitating self-knowledge and awareness of personal and professional qualities and competencies;
9. Creating a climate of mutual trust between the manager and employees;
10. Encouraging responsibility.

Also, an additional assessment is applied, in the event of a change of workplace, for the employees in question. The assessment is made by practical testing of the employee, by verifying the quality of the activity/work performed and by completing the Observation and Evaluation Form by two evaluators: the direct hierarchical superior and the director/manager.
The evaluation forms contain the evaluation criteria, which take into account:

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

Depending on the employee's progress during the evaluated period, grades from 1 to 5 are awarded, and the total score is established by applying the weight of importance given to the evaluated criterion.
The grades that can be awarded, depending on the score obtained, can be from "very good" to "unsatisfactory". During the evaluation, recommendations for improving performance are also made, where appropriate.
The performance evaluation of new employees is carried out during the probationary period in the case of permanent employment contracts or at the end of the period for fixed-term employment contracts. In the case of new employees who are in the probationary period, the evaluation is carried out by the head of the sector in which they work, taking into account both the theoretical and practical knowledge acquired, as well as aspects related to work discipline and compliance with internal rules, followed by the presentation to the director or sector manager of the proposal to continue or terminate the activity.
The evaluation results provide a serious substantiation of the Romcarbon Group's decisions regarding:
a) personnel training and education programs;
b) reorganization programs;
c) promotion, reward (benefits, working conditions, facilities) and salary methodologies;
d) employee skills improvement/development programs;
e) qualification as "professionally inadequate" of employees, if the result obtained, during a calendar year, is unsatisfactory.

10.16. Health and safety metrics[S1-14]

The Romcarbon Group ensures comprehensive health and safety measures for its employees. Therefore, 100% of our workforce within the companies ROMCARBON S.A, LIVINGJUMBO INDUSRTRY S.A and RC ENERGO INSTALL SRL is covered by the occupational health and safety management system, according to the ISO 45001/2023 standard (in the case of ROMCARBON S.A and LIVINGJUMBO INDUSTRY S.A), respectively the ISO 45001/2018 standard in the case of RC ENERGO INSTALL SRL. We note that the above-mentioned certification covers all sectors of activity/all activities carried out, being, at the same time, proof of the safety of all our employees.
Also, within INFO TECH SOLUTIONS SRL, all employees benefit from comprehensive health and safety measures.
Romcarbon Group complies with the legislation in force in the field of occupational health and safety, namely Law no. 319/2006 on occupational health and safety (as amended and supplemented), Government Decision no. 1425/2006 for the approval of the Methodological Norms for the application of the provisions of the Occupational Health and Safety Law no. 319/2006 (as amended and supplemented), as well as other normative acts in the field of occupational health and safety specific to our fields of activity.
The internal prevention and protection service – SIPP & Environment/OSH Manager, subordinated to the Deputy General Administrative Director/Deputy General Director/Administrator, as the case may be, ensures the specific activities and collaborates with both the Occupational Health and Safety Committee and all services/offices/sectors for the implementation of legal and system requirements.
The management of each company within the Romcarbon Group is, therefore, involved in fulfilling the legal obligations in the field to ensure the safety and health of employees in all aspects related to work, consulting, informing and training employees, ensuring the technical and organizational framework and the necessary means for safety and health at work.
When adapting and implementing the necessary measures to protect the safety and health of employees, the following general principles of prevention are taken into account:
a) avoiding risks;
b) assessing risks that cannot be avoided;
c) combating risks at source;
d) adapting work to people, especially with regard to the design of workplaces and the choice of equipment and work and production methods, in order to mitigate, in particular, monotonous work and repetitive work, as well as reducing the effects on health;
e) taking into account the evolution of technology;
f) replacing what is dangerous with what is not dangerous or with what is less dangerous;
g) planning prevention;
h) adopting collective protection measures with priority over individual protection measures;
i) bringing the appropriate instructions to the attention of employees.

The core activity of the Romcarbon Group is production and, given the specific nature of the work and the equipment involved, the main cause of work accidents in 2024 was the lack of attention and negligence of the injured person.
In 2024, there were no fatalities as a result of work-related accidents and work-related illnesses, neither among our employees nor among the other workers who worked on the site of the companies within the Romcarbon Group.

In 2024, no occupational diseases were recorded.

Table 12: Work-related injuries

	2024
Percentage of people in own workforce who are covered by the health and safety management system	100%
Number of fatalities in own workforce as result of work-related ill health	0
Number of recorded work -related accidents	9
Number of days lost to work-related injuries and fatalities from work-related accidents	294
Total hours worked	2,214,192
Rate of recorded work-related accidents (LTI)	4,06
The injury severity rate (LTI)	0,133

The lost-time injury rate (lost-time injuries) is 4,06, calculated by dividing the number of recorded injuries by the total number of hours worked and then multiplying by one million. This metric helps us monitor and improve workplace safety. Lost days were calculated to include the first full day and the last day of absence. Calendar days were taken into account for the calculation. The injury severity rate is 0,133, calculated as the total number of lost days of absence divided by the total number of worked hours multiplied by 1,000.

10.17. Work-life balance metrics [S1-15]

Romcarbon Group supports and sustains a healthy balance between personal and professional life, thus through collective labor agreements concluded at company level, employees are entitled to a number of paid days off for special family events or other situations, as follows :

- employee's marriage	5 days
- child's marriage	2 days
- birth of a child	5 days
- death of husband, wife, child, parents, in-laws	3 days
- death of brothers and sisters	2 days
- death of grandparents	1 day
- blood donors	conform legii

Also, 100% of Romcarbon Group employees have the right to take leave for family reasons, namely maternity leave, paternity leave, parental leave and caregiver leave, when necessary. This right gives all employees the opportunity to balance their professional and personal responsibilities and at the same time ensures a favorable and inclusive work environment.

Of our total employees, in 2024, 3,56% b**enefited from leave for family reasons (35 female and 11 male).**

Table 13: Employees who took family-related leave

	2024
Female	35
Male	11

In 2024, the share of unused leave days in the total number of leave days due in accordance with individual employment contracts was 26%, mostly from Technical, Economic and Socio-Administrative (TESA) personnel.

Table 14: The situation of unused leave days

	Number of days of leave according to the entitlement of employees	Number of days of leave taken	Number of days of leave not taken
Total	**37,434**	**29,780**	**7,654**

The percentage of unused vacation leave is 26%.

10.18. Remuneration metrics (pay gap and total remuneration) [S1-16]

The gender pay gap is -14%, calculated as the difference between the average remuneration levels of females and male employees and expressed as a percentage of the average remuneration level of male employees. This percentage is an average of different working positions of different types of activities. An additional influence in this average is due to the specific activities of RC Energo Install and Info Tech Solutions, respectively construction and IT. The annual total remuneration ratio of the highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual) is 5.55. The calculation base included all employees and considered the benefits in cash.

Table 15: Ratio of females to males average renumeration on category of Group's employees

	Direct employees in production	Indirect employees in production	Employees in the supporting services	Average on Group
Ratio of females to males average renumeration	-18%	1,11%	-4,4%	-14%

10.19. Incidents, complaints and severe human rights impacts [S1-17]

In 2024, 0 (zero) cases of discrimination or harassment were recorded at the Romcarbon Group level . There were also 0 (zero) complaints filed through the channels made available to our employees for them to express their dissatisfaction, respectively, there were 0 (zero) complaints filed through the national contact points for OECD Multinational Enterprises regarding incidents, complaints and serious human rights issues and incidents . The Romcarbon Group recorded 0 (zero) fines, sanctions and paid 0 (zero) compensations related to possible incidents of discrimination or harassment and, as a result, there was no need for a reconciliation of possible monetary values.

Also, in 2024, 0 (zero) serious human rights incidents (e.g, forced labor, human trafficking or child labor) were recorded in relation to our own workforce, 0 (zero) cases of non-compliance with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises were recorded.

In consideration of the above, in 2024, the Romcarbon Group recorded 0 (zero) fines, sanctions and paid 0 (zero) compensations related to possible serious human rights incidents and, as a result, there was no need for a reconciliation of possible monetary values.

GOVERNANCE [ESRS G1]

11.1. Description of processes to identify and assess material governance-related impacts, risks and opportunities.

The Group conducted a detailed materiality analysis for its business operations, identifying potential governance-related impacts and risks (IROs) across its own activities and across its supply chain. These IROs were then assessed to determine their significance. This involved assessing the dependencies, impacts, risks and associated opportunities.

11.2. Business conduct policies and corporate culture

Business ethics

All our actions, as a leader in our sector, are guided by the set of principles, values and rules of conduct established in the "**Code of Professional Ethics and Business Conduct**". All of these represent a reference in the activities carried out by directors, executive management and employees in all departments. The Code is a pillar of the fundamental principles of our business ethics and governs the decision-making process and operational approach of the Group and our workforce in the interest of stakeholders. Through the Code we want to promote social responsibility, a culture of quality that contributes to achieving superior performance and represents a way to resolve ethical issues in business.
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 Group level to ensure that all employees are aware of and comply with the Code of Professional Ethics and Business Conduct. In all companies in which Romcarbon S.A. holds shares, 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 supported by us, as well as 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 decision-makers, local communities, non-governmental organizations, etc. on the Romcarbon 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 rules of operation of Group companies from a professional and disciplinary point of view, constitutes a means of communication between the Group companies as an employer and employees and establishes the rules of employee discipline, as well as the measures/means of their protection.

The members of the Board of Directors/Directors have the necessary expertise to manage business conduct issues, the Code of Ethics and Business Conduct being approved at the level of this governing body and applied at the group level, the obligation to implement and monitor compliance with the provisions of this Code falling to the General Director/Managers and the structures subordinated to them, the Legal Office, Internal Audit, Sustainability Office.

Counselling on ethical issues

Counseling mechanisms are internalized regarding the application of ethical principles, as well as rules of conduct, including compliance with legal provisions. Within the companies of the Romcarbon Group, there are several specialized structures, such as the Legal Office, the Human Resources Service, the Internal Prevention and Protection Service & Environmental Service, the Private Emergency Service, the Quality and Environmental Management Office, which, as the case may be, either individually or in collaboration, analyze and issue counseling opinions addressed to the company's management in order to support decision-making in various situations involving the application of ethical principles, as well as rules of conduct, respectively compliance with legal provisions.

The Internal Regulations also include rules of conduct regarding the notification/reporting of situations of unethical or illegal behavior or that affect the integrity of the organization. Reporting problems 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. The operating rules from the point of view of professional and disciplinary aspects constitute a means of communication between the company as an employer and employees and establish the rules of employee discipline, as well as their measures/means of protection.
According to the Sustainability Strategy for 2025 - 2050, we will organize at least 1 training program on topics related to ethics, anti-corruption, respect for human rights, diversity and equal opportunities implemented annually for all employees. In 2024, we organized training for the group's employees on the topic "Ethical Principles in the Romcarbon Group", based on the Code of Professional Ethics and Business Conduct and Human Resources Policies.

OUR VALUES
- Honesty
- Competence
- Responsibility
- Commitment
- Innovation

How we promote the corporate culture

Romcarbon S.A., as a parent company operating on the principles of the Integrated Management System (according to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2023 standards), has designed and implemented policies and guidelines that contain guidelines on the need to respect the legal framework, human rights and ethics, as well as our commitment to an ethical and socially responsible business environment.
We use corporate, social and environmental responsibility as synonyms for sustainability. For us, sustainability is a corporate commitment to the balanced integration of economic, environmental and social factors in daily activities.
We strive to create economic value while achieving important social goals, such as strengthening local community well-being through good jobs and quality education, improving safety and environmental performance, and reducing inequality and poverty, as well as other human rights violations. We believe that our responsibility should extend to all of our activities and to all of our partners.

Sustainable procurement policy

The purpose of this policy is to establish and implement in the coming years a defined framework for sustainable procurement carried out by the Romcarbon Group, ensuring that all procurements support our vision of sustainability.
The policy also aims to integrate social and environmental responsibility requirements into the procurement decision-making process, from supplier selection to the finalization of contracts and orders. By implementing this policy, we aim to minimize the impact of the Romcarbon Group on the environment, promote human rights and encourage innovation and efficiency in our supply chain.
The Romcarbon Group bases its sustainable procurement on a series of basic principles, which guide our entire procurement process, ensuring that each decision will support our commitments to environmental protection, ethical labor practices and human rights.

The basic principles in sustainable procurement include:

- **Environmental responsibility**: We recognize the importance of environmental protection and the evolution of climate change and are committed to reducing the environmental impact of our operations through the careful selection of raw materials and relevant suppliers
- **Ethics and transparency**: All purchases are made with integrity, honesty and in accordance with the highest ethical standards, promoting transparency at all stages of the procurement process.

- **Respect for human rights**: We are firmly committed to respecting human rights in our supply chain, to avoid any form of forced or child labor, and to ensure safe and fair working conditions for all.
- **Innovation and efficiency**: We encourage and value innovation in sustainability practices, both within our company and with our suppliers, to continuously improve our efficiency and environmental and social impact.

Romcarbon Group is committed to working closely with its suppliers to promote and improve sustainability practices through:
• Constant dialogue: We maintain open and continuous communication with our suppliers to share good practices, innovations and challenges in the field of sustainability.
• Assessments and feedback: We conduct periodic (annual) assessments of suppliers' sustainability performance and provide constructive feedback for continuous improvements.

Through this collaborative approach, Romcarbon Group aims to create a strong and sustainable supply chain that reflects our shared commitment to a better future. Together, we build a solid foundation for sustainability that supports not only our goals, but also those of the communities and environment in which we operate.

The sustainable procurement policy is approved by the Board of Directors/GMS and implemented by the executive management, with the General Manager/Administrators being responsible for monitoring progress in implementing and achieving the targets and objectives pursued by this policy.
Through this policy, the Romcarbon Group reaffirms its commitment to comply with relevant international and local legal requirements, such as the United Nations Global Compact and the CSRD Directive. Furthermore, by consulting stakeholders and involving them in the sustainable procurement process, the Romcarbon Group aims to build solid partnerships, based on trust and mutual performance.
The sustainable procurement policy is made available to interested parties by publication on www.romcarbon.com website and is implemented through the specific procedures of the companies that are part of the Romcarbon Group.

Environmental Policy

The environmental policy applies to the following companies in the Romcarbon Group: ROMCARBON SA, LIVINGJUMBO INDUSTRY SA, RC ENERGO INSTALL SRL and INFO TECH SOLUTIONS SRL and aims to formalize the commitment of the companies in the Group to act in such a way as to support society/community in achieving sustainable development, actively and continuously considering the impact of all our activities on the environment.
The considerations that have led to the development of the environmental policy are:
- replacing the system of random, occasional actions with programmed and coherent environmental protection actions;
- developing, implementing and evaluating the environmental policy in stages, so that it is possible to re-evaluate it at any time;
- adapting action and implementation plans to the time scale (short, medium and long term);
- controlling the rigorous application of the measures established according to agreements, authorizations, norms or other legal requirements.

The environmental policy of the Romcarbon Group is based on four principles:
- **Precaution**: if an action may harm the environment or public health and if scientific uncertainty persists regarding its effects, this action should not be taken until more evidence is provided;
- **Prevention**: an instrument designed to prevent environmental damage, and not to react to it. This principle requires taking preventive measures to anticipate and avoid environmental damage.
- **Correcting pollution at source**: if environmental damage has already been caused, polluters are obliged to adopt appropriate measures to correct it at the point of origin.
- **"Polluter pays"**: If damage has been caused, operators are obliged to adopt appropriate measures to remedy it and bear the related costs. This principle is implemented through the Environmental Liability Directive, which aims to prevent or remedy damage to the environment, namely to protected species or natural habitats, water and soil.

Romcarbon Group's commitment to continuous improvement is fueled by stakeholder feedback:
- **Stakeholder consultation**: Initiates and maintains open communication channels with customers, suppliers, employees and other stakeholders, to collect their feedback on sustainable practices, including in the analysis of dual materiality;
- **Feedback meetings**: Is open to organizing feedback meetings with stakeholders to discuss sustainability performance and identify opportunities for improvement.
- **Feedback-based improvement processes**: Implements changes and improvements in sustainable policies and practices based on feedback received from stakeholders, engaging in a continuous cycle of evaluation and improvement.

Through these measures, Romcarbon Group demonstrates its commitment to complete transparency and continuous improvement of its performance, while strengthening the relationship of trust with stakeholders and promoting an organizational culture based on responsibility and openness.
The environmental policy and any changes to it are subject to approval by the Board of Directors and will be brought to the attention of its own workforce and interested parties by publication on www.romcarbon.com website and is implemented through the specific procedures of the companies that are part of the Romcarbon Group.

Climate change Policy

The purpose of this policy is to identify the elements (impacts, risks, opportunities) that contribute to climate change, establish actions that will lead to the reduction of the group's impact on climate change, as well as the adaptation of the Romcarbon Group to the effects of climate change.
This policy reflects the objectives established in the group's Sustainability Strategy for 2025-2050 regarding:
- Climate change mitigation;
- Climate change adaptation;

Romcarbon Group adheres to the principles of the Paris Agreement (2015), which represents a benchmark in the multilateral process to combat climate change because, for the first time, a binding agreement brings together all nations in a common cause to undertake ambitious efforts to mitigate the impact of climate change and adapt to its effects.

Romcarbon Group will exercise due diligence to:
- Conduct all activities in accordance with relevant environmental legislation and regulations;
- Consider opportunities and risks from a climate change perspective when making business decisions;
- Monitor, measure and strive to reduce greenhouse gas emissions from its operations;
- Follow a sustainable energy strategy based on efficiency and the use of renewable energy sources, where available;
- Optimize logistics processes to make them more environmentally friendly;
- Manage natural resources responsibly and sustainably;
- Consider and seek to minimize the impact of Romcarbon Group on climate change, throughout its value chain;
- Implement the Transition Plan with necessary action measures to cover the identified physical risks.

Romcarbon Group’s commitment to continuous improvement is fueled by stakeholder feedback:
- Stakeholder consultation: Initiates and maintains open communication channels with customers, suppliers, employees and other stakeholders to collect their feedback on sustainable practices, including dual materiality analysis;
- Feedback meetings: Is open to organizing feedback meetings with stakeholders to discuss sustainability performance and identify opportunities for improvement.
- Feedback-based improvement processes: Implements changes and improvements in sustainable policies and practices based on feedback received from stakeholders, engaging in a continuous cycle of evaluation and improvement.

Through these measures, Romcarbon Group demonstrates its commitment to complete transparency and continuous improvement of its performance, while strengthening the relationship of trust with stakeholders and promoting an organizational culture based on responsibility and openness.
The Climate Change Policy is approved by the Board of Directors/GMS and implemented by the executive management, with the General Manager/Administrators being responsible for monitoring progress in the implementation and achievement of the targets and objectives pursued by this policy.
The Climate Change Policy entered into force on the date of its approval by the Board, is made available to stakeholders by publishing on www.romcarbon.com website and is implemented through the specific procedures of the companies that are part of the Romcarbon Group

Social responsibility Policy

The purpose of the Social Responsibility Policy is to ensure that the Romcarbon Group permanently manages the interests, views and rights of individuals within its workforce, including respect for human rights, throughout the entire flow of activity.
The Romcarbon Group's policy in the field of its own workforce aims to ensure the necessary personnel in correlation with the established development objectives, anticipating possible fluctuations in personnel deficit or surplus.
This policy reflects the objectives regarding its own workforce established in the Group's Sustainability Strategy for 2025-2050 regarding:
• Working conditions;
• Equal treatment and opportunities;
• Other rights related to work.

Through this policy, the Romcarbon Group reaffirms its commitment to comply with relevant international and local legal requirements, such as:
• The Universal Declaration of Human Rights, adopted by the United Nations General Assembly through Resolution 217 A (III) of 10 December 1948 in Paris.
• The Universal Declaration of Human Rights has the character of customary international law, constituting a point of reference that draws guidelines or lines, and which, although often cited in the fundamental laws or constitutions of many countries, and in other domestic laws, nevertheless does not have the status of an international agreement or international treaty
• The Labor Code and relevant legislation on labor relations

The Romcarbon Group will make every effort to:
• Carry out all activities in accordance with relevant social legislation and regulations;
• Consider impacts, opportunities and risks from a social responsibility perspective when making business decisions;
• Set objectives and targets to reduce identified impacts and risks;
• Monitor compliance with human rights for its entire workforce;
• Consider and try to minimize the indirect impact of the Romcarbon Group on the community;
• Obtain the adherence of partners in the value chain to this policy as well as to international regulations on human rights.

The Romcarbon Group is determined to respect human rights in its relationship with each interested party: its workforce, suppliers, customers, associations, etc. and we want them, in turn, to respect the rights of others.

A wide range of civil, political, economic, social and cultural rights are considered, including the following (the list is not exhaustive):
- the right to human dignity;
- the right to life;
- liberty and security of the person;
- the right to lawful and favourable working conditions
- the right to daily and weekly rest;
- the right to paid annual leave;

- the right to social security benefits, under the law;
- the right to fair wages and a decent living;
- the right to form and join a trade union and the right to collective bargaining;
- the right to equal opportunities and treatment in employment relationships;
- the right to respect for human dignity and personality in employment relationships, under the law and internal regulations;
- the right to safety, protection and health at work;
- the right to vocational training, under the law;
- the right to just and favourable working conditions, to the determination and improvement of working conditions and the working environment;
- the right to information, under the law;
- the right to petition, addressed to the employer, under the law
- the right to protection in the event of dismissal;
- the right to collective and individual bargaining;
- the right to the protection of personal data.
- the prohibition of all forms of forced or compulsory labour;
- the prohibition of child labour;
- the prohibition of discrimination;
- freedom of opinion.

Romcarbon Group is dedicated to prohibiting and preventing discrimination of any kind, such as, but not limited to, discrimination based on: race, color, sex, age, language, religion, political or other opinions, ethnic, national or social origin, property, birth, sexual orientation or any other criteria including marital status or parental status, we are also committed to the idea of providing equal opportunities to all persons, based on merit
To this end, we have implemented the Guide on combating harassment based on gender and moral harassment in the workplace as well as the mechanism for receiving and resolving harassment cases.
The entire workforce is informed and trained annually with the provisions of this guide and clear mechanisms are established to monitor and measure the implementation of the guide.
Romcarbon Group is dedicated to respecting the privacy of its employees and collaborators and maintaining the confidentiality of their personal information.
Romcarbon Group does not tolerate forced, involuntary or bonded labor or labor trafficking in any form. This includes work performed without the consent of the person, in slavery or involuntary servitude, and other forms of work that are contrary to the will or choice of the person concerned.
Romcarbon Group management negotiates with duly elected employee representatives, in good faith and applying all necessary efforts to reach a collective agreement.
The employer only monitors the legality of the election of employee representatives, to ensure that the electoral process is carried out in accordance with the law, and that the representatives are validly elected and will be recognized by the authorities. The Social Dialogue Law prohibits the employer from intervening in or obstructing the electoral process.

We aim to obtain feedback from stakeholders and achieve continuous improvement of the social responsibility policy by:

- Stakeholder consultation: Initiates and maintains open communication channels with customers, suppliers, employees and other stakeholders to collect their feedback, including in the analysis of dual materiality;
- Feedback meetings: Is open to organizing feedback meetings with stakeholders to discuss performance in the field and to identify opportunities for improvement.
- Feedback-based improvement processes: Implements changes and improvements in its policies and practices based on feedback received from stakeholders, engaging in a continuous cycle of evaluation and improvement.

The social responsibility policy entered into force on the date of its approval by the Board of Directors, is made available to interested parties by publishing it on on www.romcarbon.com website and is implemented through the specific procedures of the companies that are part of the Romcarbon Group.

Remuneration Policy

Romcarbon has 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 adequate conditions for attracting managers/employees with necessary and useful skills to achieve the company's purpose.
- creating a satisfactory level of retention of managers/employees;
- supporting/facilitating the successful implementation/development of the company's short, medium and long-term strategy;
- providing tools to reward exceptional performance/achievements.

The remuneration policy also complies with the following principles:

- **The principle of remuneration** in accordance with 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 efficient risk management, without encouraging the assumption of risks incompatible with the activity profile, the company's internal rules or the Articles of Association.
- **The principle of proportionality** of remuneration, according to which the Remuneration Policy is developed to comply with the provisions of labor legislation and those agreed upon by the collective labor agreement applicable at the company level, which will always comply with the remuneration principles established by the legal regulations on labor remuneration, in a manner appropriate to the size, internal organization, and the nature and complexity of its activities.
- **The principles regarding the recovery of the variable remuneration** (component) of the adjustment (malus) and restitution (claw-back) type, 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 regulates the manner in which the remuneration of the members of the Board of Directors, the General Manager, the Deputy General Managers/Managers and the employees of the companies within the Group is established.
The internal structures that have responsibilities in establishing/implementing the remuneration are the Board of Directors and the Human Resources Department. At Group level, up to this point, a Remuneration Committee has not been established.

More information on the remuneration policy can be accessed at the following link:https://www.romcarbon.com/wp-content/uploads/2021/04/ROCE_Politica-de-remunerare_RO.pdf

Anti-Retaliation Policy

As stated in our Anti-Retaliation Policy, we treat people with dignity and respect and support diversity and inclusion. We do not harass or discriminate, whether by culture, nationality, race, religion, gender, disability, association, sexual orientation or age. We promote a culture in which legal and ethical concerns can be expressed without fear of retaliation. Romcarbon provides multiple channels for employees and other stakeholders to report concerns and prohibits any form of retaliation against those who do so in good faith. This includes protection against actions such as changes in duties or work schedules without consent, physical or verbal abuse, threats, dismissal and deprivation of promotions.
Within the Romcarbon Group, behaviors that may lead to discrimination against our own workforce and other categories of stakeholders are not accepted. We are fully committed to combating discrimination in all areas of the workplace, throughout the supply chain and in society as a whole.
At the Group level, we understand the value of diversity. Our employees, customers, business partners, suppliers and all other interested third parties are citizens coming from different countries, with many different nationalities, beliefs, religions, convictions, cultures and social backgrounds. In this sense, we support cultural diversity, the creation of an international team and a business community.

We are also dedicated to the idea of providing equal opportunities to all people, based on individual qualities and professional capacity. Recruitment, employee evaluation is carried out only on criteria of professional competence and adaptation, integration in the workplace.

Governance of the Policies and strategies within the Group

The policies, codes and strategies of each company within the Group are adopted by the Boards of Directors/Administrators, which represent the highest corporate governance bodies.
We have developed policies and commitments, both in terms of human rights, environmental policy and health and safety at work. These have been proposed by the General Manager/Directors of the companies in the Group for approval by the Board of Directors/Administrators.
The policies, codes and strategies mention the commitments assumed and the actions, tools developed to comply with them. They are also developed taking into account the principle of prudence, as well as the principle of respect for human rights.
The commitments regarding activities and business relationships are also transposed into the Supplier Code of Ethics and Conduct, which can be consulted by accessing this link.
The Group's policies and strategies are developed in accordance with the recommendations and directives published by international bodies, namely in accordance with the OECD Guidelines for Multinational Enterprises, the OECD Specific Due Diligence Guidelines for Responsible Business Conduct, the Guiding Principles on Business and Human Rights in Application of the United Nations Framework "Protect, Respect and Remedy" and in accordance with the fundamental conventions of the ILO.
The policies, codes and strategies adopted are disseminated within the Group according to the organizational charts, on the hierarchical structure, being adopted by the management at all levels who are responsible for their application.
Also, in order to be brought to the attention of all employees, they have been included in the Annual Professional Training Plan.

https://www.romcarbon.com/wp-content/uploads/2023/06/Politica-privind-drepturile-omului-iunie-2023-.pdf
https://www.romcarbon.com/wp-content/uploads/2025/03/Politica-de-responsabilitate-sociala-2024.pdf

The Group has developed mechanisms for analyzing and resolving/remediating various types of complaints, notifications, and grievances received from stakeholders.
We are open to constant communication with stakeholders, including to request advice or to express concerns related to the impact of our activities.

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

However, Romcarbon Group will update its governance policies and procedures as follows:

Actions planned for 2025 regarding Policies:	Policies under evaluation:
Group will update its governance policies for each identified IRO, including the following: ✓ a description of the scope of the policy or exclusions from it in terms of activities, upstream and/or downstream value chain, geographical areas and, where applicable, the stakeholder groups affected; ✓ the highest body within the Romcarbon Group that is responsible for implementing the policy; ✓ a description of the consideration given to the interests of key stakeholders in setting the policy; ✓ Inclusion of the monitoring process	✓ Code of Professional Ethics and Business Conduct ✓ Guide to Compliance with Competition Rules ✓ Anti-Corruption and Bribery Policy

11.3. Actions and resources in relation to governance

I/R/O	Description	Targets	Actions in 2024
Impact+	Whistleblowers'protection through the implementation of internal policy	0 complaints/grievances/notifications 100% informed staff	Ensuring the confidentiality of the whistleblower and taking the necessary measures to ensure his/her protection Informing employees, including by displaying on the bulletin boards within the departments, about the whistleblower mechanism
Impact+	Working with local suppliers whenever possible Standard payment terms	0 complaints/grievances/notices regarding discriminatory treatment of the supplier/regarding payment delays	Updating the Purchasing Procedure
Impact+	Ensuring compliance by implementing the Group's Code of Conduct and Business Conduct and the Supplier Code of Ethics and Business Conduct.	Objectives to be achieved by 2030: 100% adherence of relevant suppliers to the Group's Code of Ethics and Supplier Conduct 0 confirmed incidents of corruption 0 confirmed incidents where own employees were dismissed/subject to disciplinary proceedings for incidents of corruption or bribery 0 confirmed incidents related to contracts with partners that were terminated/not renewed due to acts of corruption and/or bribery 0 corruption or bribery litigations in which the company/own employees are a party	Expanding the number of suppliers that adhere to the Suppliers' Ethics and Code of Conduct

In 2024 we did not receive any complaints from employees or third parties regarding the above-mentioned aspects.

11.4. Prevention and detection of corruption or bribery

Anticorruption & antibribery

Romcarbon Group does not tolerate corruption in any form (including bribery, facilitation payments, financial support, blackmail, abuse of power for personal gain, improper use of entrusted power, receiving or giving gifts with the intention of influencing), regardless of whether it occurs in the public or private sector and regardless of its size. We maintain this point of view even if our commitments to this policy place companies in an uncompetitive position in the market or if speaking out against these activities leads to loss of business. Throughout our value chain, including community involvement, charities and sponsorships, we are committed to applying a zero-tolerance policy regarding corruption and bribery. Fraud, including falsification of financial or non-financial records, money laundering and insider trading are prohibited.

Romcarbon Group fights against fraud and does not tolerate fraudulent practices. To protect the values, assets and reputation of the companies, 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 suspicions of fraud can lead to liability for companies and the individual.
The Romcarbon Group 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 acts of corruption.
The training plan provides for at least one annual training on corruption topics, and in 2024, 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 for identifying and monitoring transactions with involved parties", the "Code of professional ethics and business conduct**" and **the "Code of ethics and conduct of suppliers".**
Romcarbon has adopted in its own Corporate Governance Code norms regarding the management of conflicts of interest. Thus, the members of the Board of Directors of Romcarbon submit the Declaration of Interest 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 conflict of interest, directly or indirectly, with the organization or 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 about the conflicts of interest involved, in which case he/she has the obligation to abstain from the debates and votes on the respective issues.
The director/manager has the same obligation if, in a certain operation, he/she knows that his/her spouse, his/her relatives or in-laws up to the fourth degree inclusive are interested. It is also prohibited for any person with access to privileged information to:

- use this information to acquire or dispose of or with the intention of acquiring or disposing of, on his/her own account or on behalf of a third party, directly or indirectly, the financial instruments to which this information refers;
- recommend to third parties to carry out transactions with securities held by the company, if they have information in this regard;
- disclose internal information for a purpose other than that falling within the scope of their tasks and duties;
- disseminate information in any way that creates or is likely to create a false or misleading impression;
- engage in conduct that creates a false or misleading impression regarding the demand, supply, price or value of investments;
- engage in market manipulation activities.

These obligations apply to any person who is in possession of inside information if these persons know or should know that this information is sensitive.

In accordance with the law, shareholders who are members of the Board of Directors cannot vote, based on the shares they hold, personally or by proxy, for the discharge of their management or for a matter in which their person or administration would be in question. However, these persons may vote on the annual financial statement, if the majority required by law or the articles of association cannot be formed. At the same time, members of the Board of Directors, directors or officers 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 situations of cross-membership, in which members of the Board of Directors hold similar positions within the Boards of Directors of some of the companies' 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 the level of the Romcarbon Group, in 2024, there were no situations that could constitute a conflict of interest.

Whistleblowing Program

The whistleblower procedure includes the requirements of Directive (EU) 2019/1937, in particular regarding the protection of the whistleblower and the investigation process.
The Whistleblowing procedure regulates the methods of receiving, examining and resolving reports, the rights and obligations of persons who make reports or publicly disclose information regarding violations of the law, the measures to protect them, the rights of the persons concerned as well as the obligations of Romcarbon during the procedure.

In addition to the reporting mechanisms established in the Whistleblowing procedure, the Romcarbon Group has also implemented other mechanisms for reporting irregularities or violations of the norms of conduct of various kinds, these mechanisms being included in the Internal Regulations or in the Guide on combating sexual harassment and moral harassment at work.
In order 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 by business partners, in 2023 we implemented the Whistleblower Program. The whistleblowing mechanism and policy can be accessed at https://www.romcarbon.com/integritate/
No incidents of corruption or bribery were reported during 2024
The Whistleblowing procedure and the anonymous reporting mechanism are available to interested persons on the Romcarbon website www.romcarbon.com

11.5 Treatment of corruption and bribery

Romcarbon Group has a system for preventing and detecting, investigating and responding to allegations or incidents related to corruption and bribery, including related training. In 2024, all personnel were trained with the provisions of the Code of Professional Ethics and Business Conduct, including executive management.
The Group does not currently have a committee to investigate potential reports of corruption and/or bribery, but the approach to this issue follows the general procedure provided for in the Internal Regulations of each company in the group regarding reports/complaints. Therefore, the Group aligns itself with the requirements of the standard and, in the event of receiving a report, an investigation committee consisting of persons who are not part of the management chain involved in the reported issues will be appointed.
In 2025, the Group will proceed to update the Code of Professional Ethics and Business Conduct, to include the mechanisms for handling and investigating acts of corruption and bribery, including the method of appointing an Investigation Committee, as well as the process of reporting the results to the Board of Directors / Administrators.
The Code of Professional Ethics and Business Conduct is available/accessible through various communication channels such as the company website, intranet, as well as through the Annual Training Program.
The Relevant Risk Register identifies both corruption risks and the positions exposed to these risks, namely sales managers and agents, logistics and procurement managers and agents, and the personnel of the Human Resources Department, but for 2024 the percentage of positions exposed to corruption risks was not determined.
In 2024, except for the training carried out with the provisions of the Code of Professional Ethics and Business Conduct according to the Annual Training Program, the Group did not organize other training programs on combating corruption and bribery, neither for positions exposed to risks nor for members of the administrative and management bodies. All positions exposed to risk (100%) were trained with the provisions of the Code of Professional Ethics and Business Conduct
In 2024, the Group had 0 (zero) incidents of corruption or bribery and recorded 0 (zero) fines

11.6. Management of relationships with suppliers

Our relationship with suppliers is guided by solid and forward-looking policies designed to promote shared values and ethical principles:**Supplier Code of Ethics and Conduct.**
To ensure that our suppliers align with the values and ethical principles fundamental to our operations, we have developed the Supplier Code of Ethics and Conduct. This code sets out minimum non-negotiable requirements and expectations for all current and future suppliers, including subcontractors and consultants. We are

committed to fostering a partnership in which suppliers understand, share and adhere to these ethical standards, promoting a responsible and sustainable supply chain.
The purchasing policy and procedures of the companies in the Romcarbon Group are regulated by quality (SR EN ISO 9001), environment (SR EN ISO 14001, except Info Tech Solutions) and occupational health and safety (SR EN ISO 45001: 2023, except Info Tech Solutions) standards, which establish the general principles for evaluating all suppliers, ensuring the quality of purchased products and services, the compliance of products and services with legal regulations and standards, and their safety in use for employees, customers, and the environment.
Through these measures, we constantly strive to enhance our sustainability practices and maintain high standards in every aspect of our supply chain.

11.7. Payment practices

In 2024, there were no significant changes in the Group's payment behavior compared to the previous year. In 2023, according to commercial contracts and agreements, 9% of payments are made in advance, 34% within 1-30 days, 4% within 31-45 days, 24% within 45-60 days, 26% within 60-90 days and 3% over 120 days.
In the range of 1-30 days, most (72%) of payments up to EUR 10,000 are concentrated and approx. half of payments up to EUR 100,000.
Payment terms are agreed with suppliers, payments are made on time. In 2024, there were no situations or disputes related to late payments to our suppliers. We note that the situation presented above does not take into account cash payments and excludes intragroup payments.
Until the date of the report, the Group has not developed a methodology for classifying suppliers by size categories, since in order to verify the classification by category, it is necessary to also verify some financial indicators, which, compared to the large number of suppliers, raises difficulties both in terms of the human resources involved and in terms of the allocation of the necessary financial resources.

Fiscal Approach
A tax 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.

11.8. Other Governance Elements

Each company within the Group declares and pays local taxes to the budgets of the Municipalities of Buzău and Iași correctly and within the legal deadlines, contributing to the development of the local community, as well as taxes, fees and contributions to the Consolidated General Budget.

The consolidated annual financial statements for the financial year 2024 were prepared by the Financial Department of the parent company, verified by the Board of Directors, audited by the external financial auditor BDO Audit SRL and are subject to approval by the OGMS at the meeting of 29.04.2025.

Compliance with legal provisions in the field of taxes and contributions is constantly monitored so that there are no violations of tax legislation. The companies within the Group annually prepare the transfer prices file, with external consultancy and according to the law.

Chairman of the Board and General Manager,

Huang Liang Neng

Financial Manager,

ec. Zainescu Viorica Ioana

Deputy General Manager for Administrative Operations,
Manaila Carmen

ANNEX 1 - TAXONOMY

EU TAXONOMY 2024 FOR ROMCARBON GROUP

The Taxonomy Regulation establishes the framework for a common classification system to help define environmentally sustainable economic activities, by outlining four conditions that an economic activity must meet to qualify as environmentally sustainable:

1. Substantial Contribution: The activity must contribute substantially to one or more of the following six environmental objectives:
    - Climate change mitigation
    - Climate change adaptation
    - Sustainable use and protection of water and marine resources
    - Transition to a circular economy
    - Pollution prevention and control
    - Protection and restoration of biodiversity and ecosystems
2. No Significant Harm: The activity must do no significant harm to any of the other environmental objectives.
3. Minimum Safeguards: The activity must be carried out in compliance with minimum social safeguards.
4. Technical Screening Criteria: The activity must comply with technical screening criteria that have been established by Commission delegated Regulation (EU) 2021/2139.

The economic activities that can potentially be environmentally sustainable (taxonomy-eligible) and also are carried out as environmentally sustainable (taxonomy-aligned) are specified by the EU Commission through Delegated Acts. To date, there is a Delegated Act on the environmental objectives "climate change mitigation" (Annex I of the Delegated Act) and "climate change adaptation" (Annex II of the Delegated Act), which was amended through Delegated Regulation (EU) 2023/2485 of 27 June 2023. The Environmental Delegated Act, introduced in June 2023, provides a description of the eligible and Taxonomy-aligned activities pertaining to sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and Protection and restoration of biodiversity and ecosystems.

In this context, all economic activities are to be classified in principle as taxonomy-eligible if they are described in the Delegated Acts.

As of the approval date of this report, the Commission has released several key delegated acts:

- The first delegated act (EU 2021/2139), and its subsequent amendment (EU 2023/2485), establish criteria for climate mitigation and adaptation objectives. This act now encompasses 14 economic sectors and activities that potentially contribute to climate mitigation or adaptation goals. Initially, the 2021 act focused on sectors with significant Scope 1 emissions and those critical to the energy transition, covering 64% of the EU's greenhouse gas emissions according to 2021 Eurostat data.
- Another delegated act (EU 2021/2178), later modified by EU 2023/2485, defines disclosure norms regarding content, methodology, and presentation for enterprises mandated to compile an annual non-financial (Sustainability) Report. These entities must disclose the turnover, operating expenses (OPEX), and capital expenditures (CAPEX) associated with eligible economic activities that conform to the taxonomy's criteria, DNSH principle, and minimum safeguards as stipulated by the Commission.

- Additional provisions were made in the delegated act (EU 2022/1214), which incorporated specific activities related to nuclear energy and fossil gas production into the list of eligible economic activities by setting out the technical screening criteria for these sectors.
- The delegated act on the sustainable management and conservation of water and marine resources, advancement of a circular economy, pollution prevention and control, and the restoration and protection of biodiversity and ecosystems (EU 2023/2486) includes 8 economic sectors and 35 activities that support the fulfillment of the Regulation's four environmental objectives.

Our process for identifying and assessing EU Taxonomy activities

a) EU Taxonomy eligibility assessment

The assessment of eligible activities and services at the company level was conducted through an interdisciplinary project, utilizing both bottom-up and top-down approaches.

A series of internal meetings and workshops with management and experts was held in order to:

- give Romcarbon' senior management an introduction to the updated EU Taxonomy and disclosure requirements.
- to ensure identification of eligible activities, assets, processes, projects and related eligible CAPEX/OPEX/ turnover by involving in scope department representatives.

The proportion of taxonomy-eligible economic activities in the sales revenues, CAPEX, and OPEX (the "eligibility ratio") has been calculated as the part of sales revenues, CAPEX, and OPEX derived from services and projects associated with taxonomy-eligible economic activities (numerator) divided by the total sales revenues, CAPEX, and OPEX (denominator), calculated by applying the EU Taxonomy requirements.

We have identified our taxonomy-eligible activities by screening the economic activities in the Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental Delegated Act (Commission Delegated Regulation (EU) 2023/2486), and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485).

We conducted a preliminary analysis of the Group's activities in relation to the environmental objectives outlined in the EU Taxonomy: climate change mitigation, climate change adaptation, transition to a circular economy, sustainable use and protection of water and marine resources, pollution prevention and control and protection and restoration of biodiversity and ecosystems, to assess their eligibility. Special attention was given to identifying overlaps between definitions of eligible activities that might contribute to multiple objectives. This preliminary mapping identified eligible activities from different Group companies that substantially contribute to climate change mitigation or to circular economy. The alignment of these activities with the technical criteria was then assessed.

Six activities in the Delegated Acts have been identified as eligible for climate change mitigation. Three of these are considered to be both Taxonomy-eligible and Taxonomy-aligned. We have identified the eligible activities based on their description and associated Standard Classification of Economic Activities in the European Community (NACE) system codes and sectors. The use of NACE codes and sectors is for indicative purposes only and does not prevail over the activity description nor should it be interpreted as otherwise affecting the scope of reporting.

For the climate change mitigation

- **Manufacture of plastics in primary form (3.17)- taxonomy eligible and aligned**
- **Electricity generation using solar photovoltaic technology (4.1)- taxonomy eligible and aligned**
- Construction, extension and operation of water collection, treatment and supply systems (5.1)- eligible
- Construction, extension and operation of wastewater collection and treatment (5.3)- eligible
- Transport by motorbikes, passenger cars and light commercial vehicles (6.5)- eligible
- **Installation, maintenance and repair of renewable energy technologies (7.6)- taxonomy eligible and aligned.**

For the objective of circular economy, one eligible activity was identified, however, it was not aligned with the required criteria.

- Manufacture of plastic packaging goods (1.1)

Eligibility for climate change adaptation objective

According to the Climate Delegated Act and considering Commission Notice C/2023/305 on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act (second Commission Notice), the contribution of a given activity to climate change mitigation or climate change adaptation should be assessed based on the nature of that activity. Regarding the turnover KPI, it can only be counted under climate change adaptation if the activity is enabling climate change adaptation. Since none of the identified eligible activities are classified as enabling for climate change adaptation, the environmental objective to which they make a substantial contribution, and for which we will calculate the KPIs, is climate change mitigation.

As for the CAPEX and OPEX KPI, the choice between contribution to climate change mitigation or climate change adaptation is made based on the intent of the expense. It is necessary to differentiate between CapEx for activities substantially contributing to climate change mitigation (CCM) from CapEx for climate change adaptation (CCA). According to the guidance given in FAQ 8 of the Commission Notice C/2023/305, all our eligible activities are substantially contributing only to climate change mitigation and circular economy.

b) EU Taxonomy alignment assessment

For the financial year 2024, Romcarbon is required to assess alignment for the economic activities substantially contributing to all 6 EU taxonomy environmental objectives.

After identifying the eligible activities within the Group's portfolio, the Group's management and technical representatives were consulted to ensure compliance with the technical screening criteria and the DNSH requirements outlined in the Regulation. To verify adherence to the technical criteria related to climate change mitigation, support was required from the Quality, Safety, and Environmental Management teams, as well as the legal team to obtain the necessary proofs.

Focus on substantial contribution criteria for eligible and aligned activities

3.17 Manufacture of plastics in primary form

The activity aligns with the EU Taxonomy substantial contribution criteria for manufacturing plastics in primary form under Regulation (EU) 2020/852. The primary plastic materials are entirely produced through mechanical recycling of plastic waste, specifically PE, PP, PVC, and PS, meeting the requirement that plastics must be derived from 100% recycled content.

The recycling process follows a structured methodology, including waste storage, sorting, grinding, extrusion, and regranulation, ensuring that plastic waste is converted into secondary raw materials. Once regranulated,

the plastic ceases to be classified as waste and serves as feedstock for new plastic products, which are subsequently supplied to various industries.

This activity is classified under R3 Recycling/Recovery, as defined in Annex 3 of Government Ordinance No. 92/2021, contributing directly to the circular economy by transforming plastic waste into compounds, regranulates, and other recycled plastic fractions.

By fully integrating mechanical recycling, the process supports climate change mitigation objectives by reducing dependence on virgin plastic production, lowering greenhouse gas emissions, and promoting sustainable resource use in line with EU sustainability goals.

4.11 Electricity generation using solar photovoltaic technology

The activity meets the substantial contribution criteria as it involves the generation of electricity using solar photovoltaic technology, which is a key component of the EU Taxonomy's climate change mitigation framework.

In 2024, Romcarbon Group extended the installation of solar panels on its platform as part of its ongoing efforts to reduce energy consumption and greenhouse gas emissions. The Group confirms the installation of photovoltaic panels, ensuring compliance with renewable energy deployment requirements.

7.6 Installation, maintenance and repair of renewable energy technologies

The activity meets the substantial contribution criteria as it involves the turnover resulting from services regarding on-site installation of solar photovoltaic systems and ancillary technical equipment performed by Energo-Install. SRL for their clients.

Focus on DNSH Principles

3.17 Manufacture of plastics in primary form

Adaptation to Climate Change

The activity complies with the climate adaptation criteria established in Appendix A of the EU Taxonomy. A risk and vulnerability analysis has been conducted, identifying potential climate-related threats.

Sustainable Use and Protection of Water and Marine Resources

A detailed risk assessment was conducted to identify potential environmental degradation risks associated with plastic recycling activities, incorporating stakeholder consultations and double materiality analysis. The identified risks include water pollution from leaks and excessive use of water resources in a water-stressed area.

In 2024, quarterly **exceedances of detergents and ammonium indicators were recorded in the Buzău River**. However, these exceedances were detected at the **collector channel discharge point (a collector channel of approx. 4 km, which is not totally under Romcarbon's control (Romcarbon is not able to check potential discharging from other parties connection**, but is under Romcarbon's responsibility **Water discharged directly from Romcarbon's platform is tested monthly in an accredited laboratory and remains within legal limits.**

However, the Romanian Waters Basin Administration collects water samples only at the collector channel's discharge into the Buzău River and identified exceedances of the two indicators - detergents and ammonium in 2024.

All other indicators remained within normal limits, with the following permissible values:

- pH: 6.5–8.5 units
- Suspended solids: 60 mg/dm^3
- BOD_5 (Biochemical Oxygen Demand): 25 mg O_2/dm^3

- CODCr (Chemical Oxygen Demand): 125 mg O_2/dm^3
- Extractable substances: 20 mg/dm^3
- Residue filtered at 105°C: 2000 mg/dm^3

To mitigate risks, Romcarbon has implemented the following measures:

- Monitoring activities to ensure compliance with work procedures.
- Training and awareness programs for personnel regarding the handling, transport, and storage of substances.
- Frequent pipeline inspections to prevent leaks caused by defects or cracks.
- Continuous monitoring of discharged water parameters.
- Water conservation measures, including recirculation and wastewater treatment systems (analysis for future projects).

The receiving water bodies (BUZAU_AC. CANDESTI_BUZAU RORW12-1-82_B4) maintain good chemical status and ecological potential without a tendency for deterioration, as per the Buzău-Ialomița Basin Management Plan. Similarly, the groundwater body (RO AG 12-EASTERN VALAHIAN DEPRESSION) is classified as a deep aquifer with no contamination risk.

A Pollution Prevention and Control Plan has been established in line with the Water Framework Directive and Water Law 107/1996, ensuring full compliance with EU Taxonomy requirements.

Transition to a Circular Economy

Transition to a Circular Economy criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Pollution Prevention and Control

The activity complies with the pollution prevention criteria outlined in Appendix C of the EU Taxonomy. Emissions remain within the limits set by the Best Available Techniques (BAT-AEL) for the sector, as outlined in the Best Available Techniques Reference Document (BREF) for polymer production and wastewater treatment in the chemical sector. There are no significant intersectoral effects related to emissions.

Romcarbon does not manufacture, introduce, or use substances restricted under:

- Annex I and II of Regulation (EU) 2019/1021 (Persistent Organic Pollutants)
- Annex I and II of Regulation (CE) No. 1005/2009 (Ozone-Depleting Substances)
- Annex XVII of Regulation (CE) No. 1907/2006 (REACH) (Restricted Substances)
- Annex II of Directive 2011/65/EU (RoHS Directive) (Restricted Heavy Metals)

Substances such as mercury compounds, lead, cadmium, and certain brominated flame retardants are either not present or are strictly controlled for laboratory use only, ensuring full compliance. Romcarbon's activities do not fall under the scope of the Industrial Emissions Directive (2010/75/EU). Additionally, VOC emissions remain within regulatory limits, as demonstrated through solvent balance reporting.

For water emissions, BAT conclusions for wastewater treatment systems do not apply to Romcarbon, as the activity is not classified within the chemical sector. Compliance with all relevant pollution control regulations is ensured through periodic monitoring and strict adherence to environmental permits.

Biodiversity and Ecosystems Protection

The activity complies with the biodiversity protection criteria established in Appendix D of the EU Taxonomy. An Environmental Impact Assessment (EIA) or screening process has been conducted in accordance with

Directive 2011/92/EU, ensuring that necessary mitigation and compensation measures are in place to protect ecosystems.

Romcarbon operates 1,300 meters from the "Lunca Buzăului" Natura 2000 protected area, while its water catchment area is located 100 meters from the same site. Following the enactment of Law 292/2018 on Environmental Impact Assessment, Romcarbon initiated several projects for which the Buzău Environmental Protection Agency (APM Buzău) confirmed that no additional environmental or water impact assessments were required. These projects include:

- Implementation of a solar energy production capacity (Decision No. 103, July 10, 2023)
- Extension of Hall CP 5 & Demolition of C13 (Decision No. 509, August 5, 2024)

These evaluations confirm that Romcarbon's activities do not negatively impact biodiversity, protected habitats, or sensitive ecosystems, ensuring full compliance with EU Taxonomy biodiversity requirements.

4.11 Electricity generation using solar photovoltaic technology

Adaptation to Climate Change

A climate risk and vulnerability assessment has been conducted, identifying potential risks and implementing mitigation solutions. This confirm full compliance with EU Taxonomy requirements for climate adaptation.

Sustainable Use and Protection of Water and Marine Resources

DNSH – Water Protection criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Transition to a Circular Economy

The activity aligns with the DNSH – Transition to a Circular Economy criteria as it evaluates the availability of equipment and components with a high degree of durability, recyclability, and ease of disassembly and refurbishment. Compliance is ensured through an internal evaluation process carried out by **Energo Install**, a specialized entity within the Group that also oversees repair and maintenance services for photovoltaic systems.

Pollution Prevention and Control

The DNSH – Pollution Prevention and Control criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Biodiversity and Ecosystems Protection

The activity meets the DNSH – Biodiversity and Ecosystems Protection criteria as outlined in Appendix D of the EU Taxonomy.

An Environmental Impact Assessment (EIA) or screening process has been conducted in accordance with Directive 2011/92/EU, ensuring compliance with mitigation and compensation measures for biodiversity protection.

Romcarbon operates 1,300 meters from the "Lunca Buzăului" Natura 2000 protected site, with its water catchment area located 100 meters from the same site. Following the enactment of Law 292/2018 on Environmental Impact Assessments, Romcarbon initiated several projects, for which the Buzău Environmental Protection Agency (APM Buzău) issued screening decisions confirming that no further environmental or water impact assessments were required. These projects include:

- Implementation of a solar energy production capacity (Decision No. 103, July 10, 2023)
- Extension of Hall CP 5 & Demolition of C13 (Decision No. 509, August 5, 2024)

These evaluations confirm that Romcarbon's activities do not negatively impact biodiversity, protected habitats, or sensitive ecosystems, ensuring full compliance with EU Taxonomy biodiversity requirements.

7.6 Installation, maintenance and repair of renewable energy technologies

Adaptation to Climate Change

A climate risk and vulnerability analysis has been conducted, identifying potential risks and adaptation measures to mitigate climate-related impacts.

Sustainable Use and Protection of Water and Marine Resources

DNSH – Water Protection criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Transition to a Circular Economy

DNSH – Transition to a Circular Economy criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Pollution Prevention and Control

The DNSH – Pollution Prevention and Control criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

Biodiversity and Ecosystems Protection

The DNSH – Biodiversity and Ecosystems Protection criterion is Not Applicable (N/A) for this activity, as per the legislative framework outlined in the EU Taxonomy.

c) Minimum Social Safeguards

Verification of the Minimum Social Safeguard requirement has been conducted at the company level. This includes adherence to international conventions and regulations on health and safety, corruption, tax, fair competition, and human rights, such as the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights (UNGPs), ILO core conventions, and the International Bill of Human Rights. Romcarbon has adopted relevant guidelines and processes to a degree that allows for compliance. Additionally, an assessment of Romcarbon's liability concerning breaches of any of these aspects has been performed.

Criteria for Compliance	Compliance Status
Human Rights	
Process: Adequate due diligence process in human rights, in line with UNGPs and OECD Guidelines for Multinational Enterprises.	The company has implemented a Human Resources Policy and a Human Rights Policy, in accordance with OECD Guidelines for Multinational Enterprises and UN principles on business and human rights, including the ILO Declaration on Fundamental Principles and Rights at Work, core ILO conventions, and the International Bill of Human Rights. An Anti-Retaliation Policy is also in place.
Result: The company or its management has not committed any violations of labor or human rights laws.	No violations of labor or human rights laws occurred during the 2024 financial year.
The company has not refused to engage in dialogue with the OECD National Contact Point (NCP), and the NCP has not issued any statements accusing the company of labor or human rights violations.	The company has not been contacted by an OECD NCP, as there were no suspicions or accusations in this regard.

Criteria for Compliance	Compliance Status
Bribery/Corruption	
Process: Implementation and publication of internal controls for the prevention and detection of bribery.	To ensure that all activities comply with current legislation and internal regulations and procedures, and that these rules are respected by all employees and business partners, Romcarbon implemented a Whistleblower Program in 2023. The whistleblowing mechanism and policy can be accessed at www.romcarbon.com/integrity.
Result: The company or its management has not been convicted of bribery.	No incidents of bribery/corruption occurred during the 2024 financial year.
Taxes	
Process: Fiscal governance is treated as an important element; implementation and publication of fiscal risk management and strategy.	Romcarbon accurately documents and accounts for financial aspects in accordance with relevant regulations, as a publicly listed company, ensuring proper financial reporting to its investors and stakeholders. Necessary due diligence and verification of transactions and business partners are ensured, with legal obligations regarding money laundering being met and closely monitored.
Result: The company has not been convicted of tax evasion.	The company strictly complies with current fiscal legislation and has not been convicted of tax evasion.
Fair Competition	
Process: The company, through the assumed procedures, covers aspects related to competition	These aspects relating to a wide range of topics, including fair competition practices, business ethics, corruption prevention and legal compliance, are found in the CODE OF PROFESSIONAL ETHICS AND BUSINESS CONDUCT available on the website.
Result:The company has not been convicted of violating competition law.	The company strictly complies with current legislation and has not been convicted of violating competition law.

d) Regulatory Templates

The regulatory templates as per Annex II of the Delegated Acts for eligible and aligned turnover, CAPEX and OPEX are presented at the end of this current section.

For 2024, we report the KPI figures at Group level.

These templates do not include comparative figures on alignment because in **2024** we did not have **aligned CAPEX, OPEX, or turnover** for the same activities as in 2023.

Definition of Key Performance Indicators (KPIs)

The key performance indicators relevant under EU taxonomy are turnover, CapEx and OpEx. For the purpose of the calculation of eligible activities, the following financial information has been derived from Romcarbon's Consolidated financial statements:

- Turnover for the denominator under EU taxonomy is equal to consolidated external revenues as reported in our Consolidated statement of income, amounting to 307,315,650 RON.
- CapEx eligible under EU taxonomy is the sum of additions in property, plant and equipment, intangible assets and right-of-use assets from both investments and acquisitions resulting from business

combinations, amounting to 16,427,812 RON. CapEx denominator is reflected in the Consolidated financial statements from the Annual Report

- OpEx is calculated in accordance with the EU taxonomy as direct non-capitalized costs incurred for the day-to-day servicing of assets, consisting of research and development costs, short-term leases, maintenance and repair costs and other similar costs, amounting to 13,238,923 RON. This definition differs from OpEx as included in our Consolidated statement of income.

To avoid double counting in the numerator, economic activities are attributed to the Group's business activities that are presented separately. Eligible or aligned turnover, CAPEX and OPEX from economic activities that contribute to specific environmental objectives are presented separately. Economic activities are verified against their contribution to climate change mitigation or to circular economy

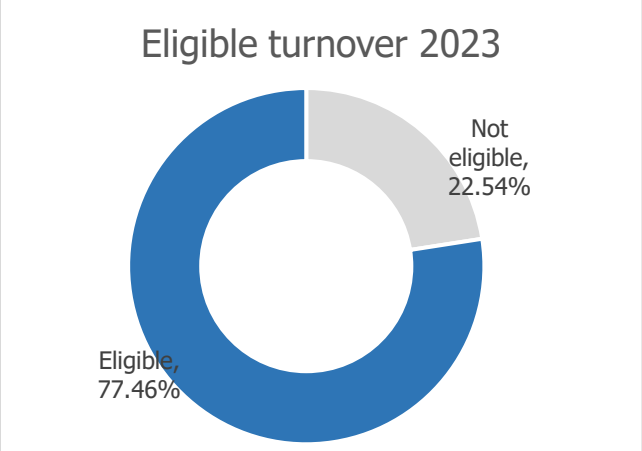
Turnover

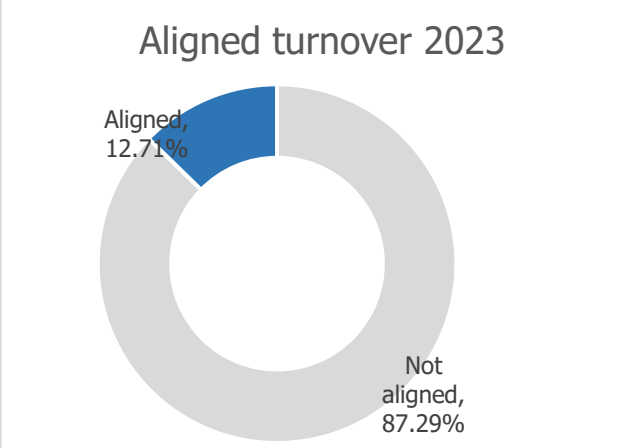
Romcarbon produces plastic packaging goods. In addition, one of the Group's companies (Energo -Install. SRL) is installing Photovoltaic panels for their customers.

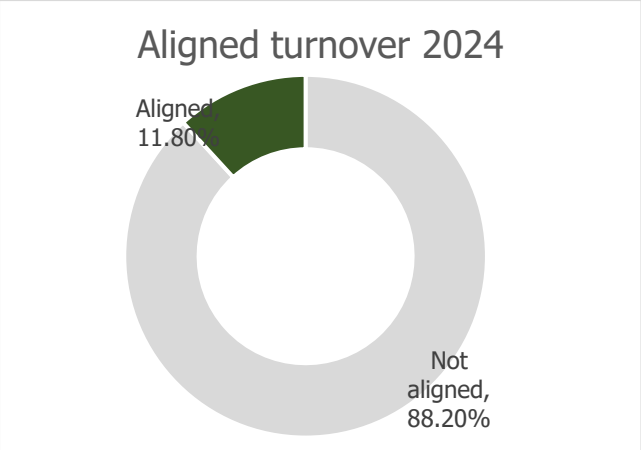
The denominator of the turnover KPI (the key performance indicator for net sales) covers Romcarbon's total turnover, which is recognized in line with IFRS 15. The numerator of the turnover KPI is the turnover from products or services related to taxonomy- eligible or taxonomy-aligned economic activities, including intangible assets, presented by taxonomy class. The intra-Group revenues were eliminated from the calculations

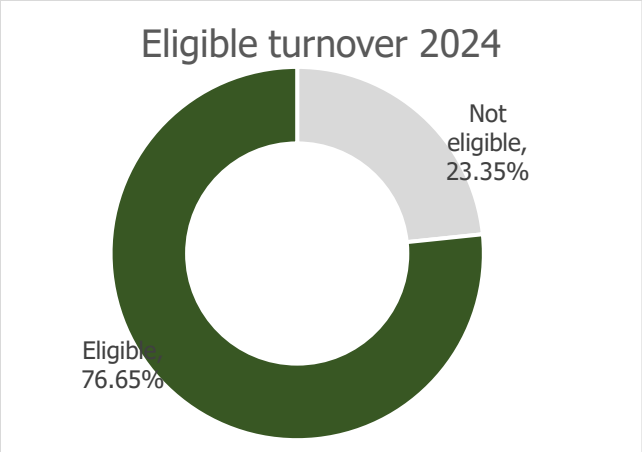
Aligned turnover (numerator) = Eligible turnover from economic activities attributed to assets that meet technical screening criteria including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards

Our taxonomy-eligible share of revenue in 2024 was 76,65%, while our Taxonomy-aligned share of revenue is 11.08%.



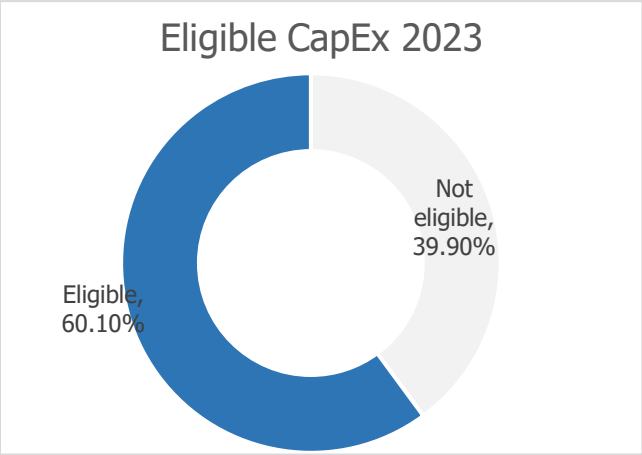


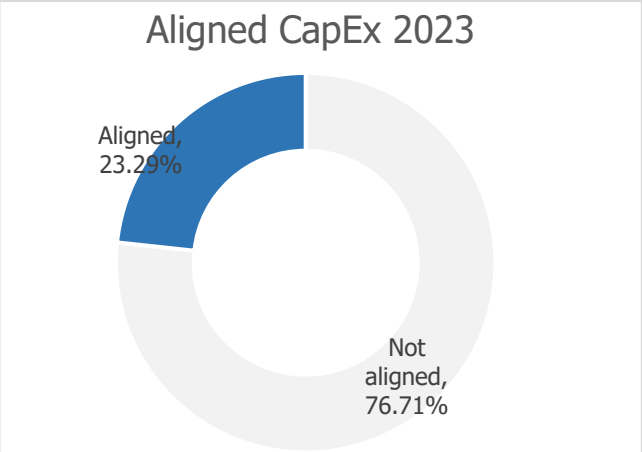


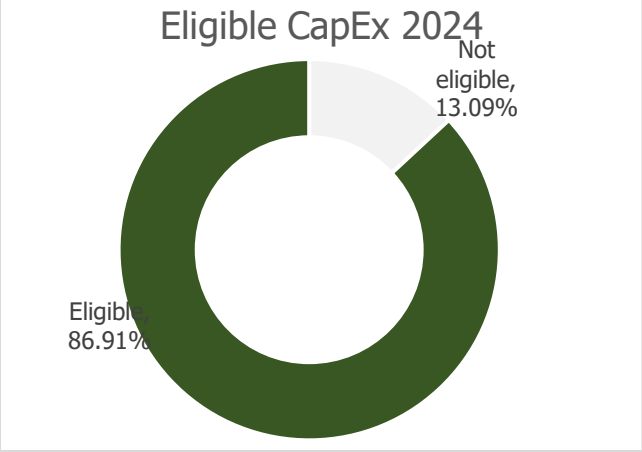


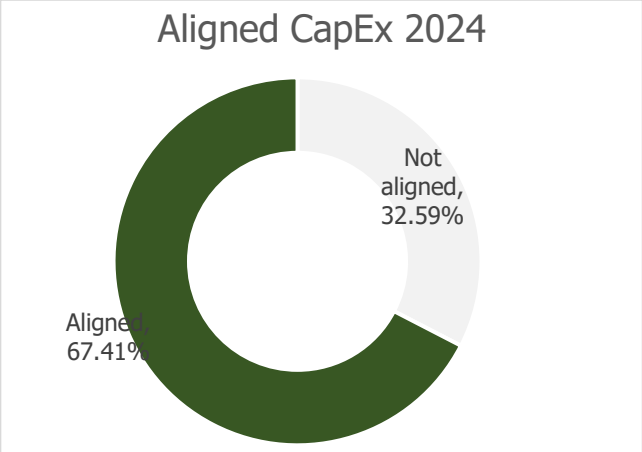
CapEx

Aligned CAPEX (numerator) = Eligible CAPEX from economic activities attributed to assets that meet technical screening criteria including Substantial Contribution Criteria, Do Not Significantly Harm Criteria and Minimum Social Safeguards





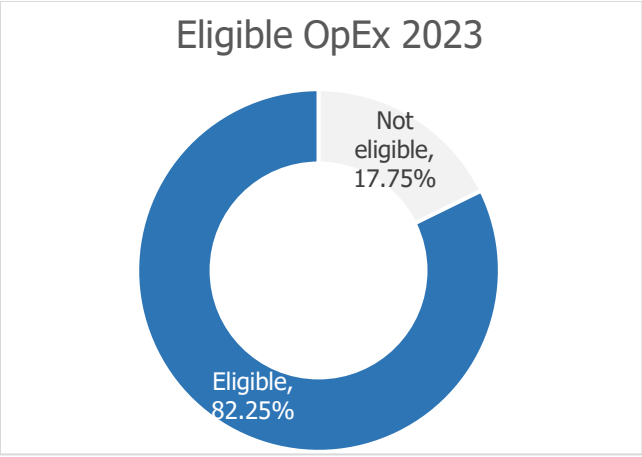


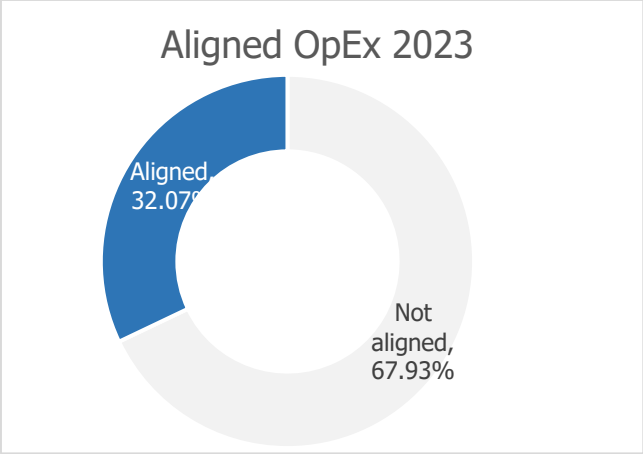


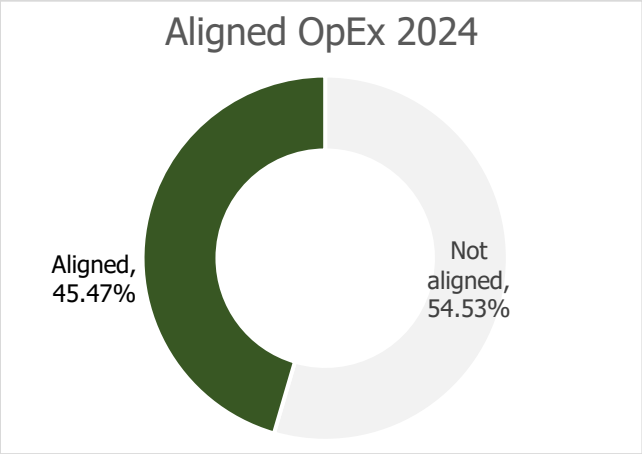
OpEx

The EU Delegated Act specifies items to be considered as OpEx, including research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures related to the day-to-day servicing of property, plant, and equipment by the undertaking or outsourced third parties, necessary to ensure the continued and effective functioning of such assets. Consequently, the calculation is not based on the consolidated Financial Statements. Instead, a bottom-up approach has been used, with OpEx extracted from using allocations for third-party repair expenses, spare parts costs, expenses for auxiliary materials and expenses with the staff involved in maintenance and repairs.

The Opex indicator includes repair expenses from Group companies in the amount of 136,685 lei. The project team considered that, even if in the consolidated financial statements, these expenses are eliminated, the same reasoning cannot be applied in the calculation of the indicator for Taxonomy because these expenses were necessary and if they had not been provided intragroup they would have been provided by a third party.






Aligned OpEx 2024
Aligned, 45.47%
Not aligned, 54.53%

Eligible OpEx 2024
Not eligible, 4.49%
Eligible, 95.51%

a) Turnover

Financial Year 2024		2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (s) (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
Text		*RON*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**76.65%**																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	1,978,977	0.64%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Manufacture of plastics in primary form	**CCM 3.17**	34,291,828	11.16%	D	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**36,270,805.03**	**11.80%**	**11.80%**	**0%**	**0.00%**	**0%**	**0.00%**	**0%**	D	D	D	D	D	D	D	**0%**		
of which enabling																		**E**	
of which transitional		**34,291,828.12**	**11%**	**Y**															**T**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*										
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1**	23,060	0.008%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of waste water collection and treatment	**CCM 5.3**	16,191	0.005%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Manufacture of plastic packaging goods	**CE 1.1**	199,239,065	64.832%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		199,278,317	**64.84%**	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Total (A.1+A.2)		**235,549,122.11**	**76.65%**	0.01%	0.00%	0.00%	0.00%	64.84%	0.00%										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**71,766,527.76**	**23.35%**																
Total (A+B)		**307,315,649.87**	**100.00%**																

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.: - Climate Change Mitigation: CCM - Climate Change Adaptation: CCA - Water and Marine Resources: WTR - Circular Economy: CE - Pollution Prevention and Control: PPC - Biodiversity and ecosystems: BIO For example, the Activity "Afforestation" would have the Code: CCM 1.1 Where activities are eligible to make a substantial contribution to more than one objective, the codes for all objectives should be indicated. For example, if the operator reports that the activity "Construction of new buildings" makes a substantial contribution to climate change mitigation and circular economy, the code would be: CCM 7.1. / CE 3.1. The same codes should be used in Sections A.1 and A.2 of this template
(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall **indicate, in bold,** the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:
(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective
(g) Activities shall be reported in Section A.2 of this template only if they are not aligned to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.
(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in **on a voluntary basis by non-financial undertakings**. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH – Y/N codes.

	Proportion of turnover/ Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	11.80%	11.82%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	64.83%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

b) CapEx

Financial Year 2024		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year 2022 (18)**	Category (enabling activity) (19)	Category (transitional activity) (20)
Text		*RON*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**86.91%**																
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovoltaic technology	**CCM 4.1**	2,660,889.51	16.20%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y			
Manufacture of plastics in primary form	**CCM 3.17**	8,413,537.78	51.22%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y			T
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**11,074,427.29**	**67.41%**	**67%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**N**	**Y**	**0%**	**0%**	**0%**
of which enabling																			
of which transitional		**8,413,537.78**	**51.22%**	**Y**															**T**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				EL; N/EL (f)	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*										
Manufacture of plastic packaging goods	**CE 1.1**	2,226,912.92	13.56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1**	729,424.03	4.44%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	246,844.91	1.50%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3,203,181.86**	**19.50%**																
Total (A.1+A.2)		**14,277,609.15**	**86.91%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**2,150,202.35**	**13.09%**																
Total (A+B)		**16,427,811.50**	**100.00%**																

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.: - Climate Change Mitigation: CCM - Climate Change Adaptation: CCA - Water and Marine Resources: WTR - Circular Economy: CE - Pollution Prevention and Control: PPC - Biodiversity and ecosystems: BIO For example, the Activity "Afforestation" would have the Code: CCM 1.1 Where activities are eligible to make a substantial contribution to more than one objective, the codes for all objectives should be indicated. For example, if the operator reports that the activity "Construction of new buildings" makes a substantial contribution to climate change mitigation and circular economy, the code would be: CCM 7.1. / CE 3.1. The same codes should be used in Sections A.1 and A.2 of this template
(b) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective
(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall **indicate, in bold,** the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:
(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective
(g) Activities shall be reported in Section A.2 of this template only if they are not aligned to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.
(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in **on a voluntary basis by non-financial undertakings**. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH – Y/N codes.

	Proportion of Capex/ Total Capex	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	67.41%	73.36%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	13.56%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

c) OpEx:

Financial year 2024		2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)							
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total OpEx, year 2023 (18)**
Text		*RON*	*%*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*
A. TAXONOMY-ELIGIBLE ACTIVITIES			**95.51%**														
A.1. Environmentally sustainable activities (Taxonomy-aligned)																	
Manufacture of plastics in primary form	CMM 3.17	6,020,389.20	45.47%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**6,020,389.20**	**45.47%**	**45.47%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0%**
of which enabling																	
of which transitional																	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																	
				EL; N/EL (f)	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*	*EL; N/EL (f)*								
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	181,608.10	1.37%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
Manufacture of plastic packaging goods	CE 1.1	6,416,549.67	48.47%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	26,064.95	0.20%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**6,624,222.72**	**50.04%**	50%	0%	0%	0%	0%	0%								6%
Total (A.1+A.2)		**12,644,611.92**	**95.51%**														
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
OpEx of Taxonomy-non-eligible activities		**594,311.14**	**4.49%**														
Total (A+B)		13,238,923.06	**100.00%**														

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.: - Climate Change Mitigation: CCM - Climate Change Adaptation: CCA - Water and Marine Resources: WTR - Circular Economy: CE - Pollution Prevention and Control: PPC - Biodiversity and ecosystems: BIO For example, the Activity "Afforestation" would have the Code: CCM 1.1 Where activities are eligible to make a substantial contribution to more than one objective, the codes for all objectives should be indicated. For example, if the operator reports that the activity "Construction of new buildings" makes a substantial contribution to climate change mitigation and circular economy, the code would be: CCM 7.1. / CE 3.1. The same codes should be used in Sections A.1 and A.2 of this template
(b) Y - Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective N - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective
(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall **indicate, in bold,** the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:
(f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective
(g) Activities shall be reported in Section A.2 of this template only if they are not aligned to any environmental objective for which they are eligible. Activities that align to at least one environmental objective shall be reported in Section A.1 of this template.
(h) For an activity to be reported in Section A.1 all DNSH criteria and minimum safeguards shall be met. For activities listed under A2, columns (5) to (17) may be filled in **on a voluntary basis by non-financial undertakings**. Non-financial undertakings may indicate the substantial contribution and DNSH criteria that they meet or do not meet in Section A.2 by using: (a) for substantial contribution - Y/N and N/EL codes instead of EL and N/EL and (b) for DNSH - Y/N codes.

	Proportion of Opex/ Total Opex	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	45.47%	47.04%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	48.47%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Chairman of the Board and General Manager,

Huang Liang Neng

Financial Manager,

ec. Zainescu Viorica Ioana

Deputy General Manager for Administrative Operations,
Manaila Carmen

ANNEX 2 - Datapoints that derive from other EU legislation

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS 2 GOV-1 Gender diversity in management bodies paragraph 21 (d)	Indicator No. 13 in Table 1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (5), Annex II		02- Corporate Governance	GOV-1_05, GOV-1_06, GOV-1_07	12
ESRS 2 GOV-1 Percentage of members of the management bodies who are independent paragraph 21(e)			Delegated Regulation (EU) 2020/1816, Annex II		02- Corporate Governance	GOV-1_01, GOV-1_02	11
ESRS 2 GOV-4 Due Diligence Statement item 30	Indicator No. 10 in Table 3 of Annex 1				04-Strategy, business model and value chain 08-Pollution	GOV-4_01	22
ESRS 2 SBM-1 Involvement in fossil fuel activities paragraph 40(d)(i)	Indicator No. 4 in Table 1 of Annex 1	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (6) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not-relevant		
ESRS 2 SBM-1 Involvement in activities related to the manufacture of chemical products paragraph 40(d)(ii)	Indicator No. 9 in Table 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not-relevant		
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40(d)(iii)	Indicator No. 14 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1818 (7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not-relevant		

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not-relevant		
ESRS E1-1 Transition plan to achieve climate neutrality by 2050 paragraph (14)				Regulation (EU) 2021/1119, Article 2(1)	Nu este raportat; dezvoltarea planului de tranziție până la sfârșitul anului 2025	E1-1_16	43
ESRS E1-4 Greenhouse gas emission reduction targets point 34;	Indicator No. 4 in Table 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Model 3: Banking portfolio - Climate change transition risk: alignment indicators	Delegated Regulation (EU) 2020/1818, Article 6		In the ESG Strategy 2025-2050 - Tactical objective: Zero emissions by 2050; Target: Reducing gross GHG emissions category 1 and 2 by 4.2%/year by 2030	E1.MDR-A_01-12, E1.MDR-T_01-13	63,64
ESRS E1-5 Fossil energy consumption from sources disaggregated by source (only sectors with a high climate impact) paragraph 38	Indicator No. 5 in Table 1 and Indicator No. 5 in Table 2 of Annex 1				07- Climate change	E1-5_10 , E1-5_11; E1-5_12; E1-5_13; E1-5_14	71
ESRS E1-5 energy consumption and energy mix point 37	Indicator No. 5 in Table 1 of Annex 1				07- Climate change	E1-5_01; E1-5_02; E1-5_03; E1-5_05; E1-5_06; E1-5_07; E1-5_08	71
ESRS E1-5 Energy intensity associated with activities in sectors with a high climate impact Paragraphs (40)-(43)	Indicator No. 6 in Table 1 of Annex 1				07- Climate change	E1-5_18, E1-5_19,	72

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
						E1-5_20; E1-5_21	
ESRS E1-6 Gross values from 1, 2, 3 and total GHG emissions item 44	Indicators No. 1 and No. 2 in Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)		07- Climate change	E1-6_01	**73**
ESRS E1-6 Gross GHG Emissions Intensity Paragraphs (53)-(55)	Indicator No. 3 in Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 8(1)		07- Climate change	E1-6_30, E1-6_31, E1-6_32	**79,80**
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not-material	E1-7_01, E1-7_02	**80**
ESRS E1-9 Benchmark portfolio exposure to physical climate-related risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not-reported		
ESRS E1-9 Disaggregation of monetary values by acute and chronic physical risk paragraph 66(a) ESRS E1-9 Location of significant assets that are subject to significant physical risk paragraph 66(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, points 46 and 47; Template 5: Banking portfolio – Physical climate			Not-reported		

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
		risk: exposures subject to physical risk.					
ESRS E1-9 Breakdown of the carrying amount of real estate assets by energy efficiency class paragraph 67(c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 point 34; Template 2: Banking portfolio – Climate change transition risk: Loans secured by real estate – Energy efficiency of collateral.			Not-reported		
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not-reported		
ESRS E4-2 Sustainable land/agricultural practices or policies paragraph 24(b)	Indicator No. 11 in Table 2 of Annex 1				Not-material		
ESRS E4-2 Sustainable ocean/sea practices or policies paragraph 24(c)	Indicator No. 12 in Table 2 of Annex 1				Not-material		
ESRS E4-2 Policies to combat deforestation paragraph 24(d)	Indicator No. 15 in Table 2 of Annex 1				No- material		
ESRS E5-5 Non-recycled waste paragraph 37(d)	Indicator No. 13 in Table 2 of Annex 1				10- Circular economy	E5-5_10, E5-5_11	115
ESRS E5-5 Hazardous waste and radioactive waste item 39	Indicator No. 9 in Table 1 of Annex 1				10- Circular economy; hazardous waste generated; no radioactive waste generated	E5-5_15, E5-5_16	116

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS 2- SBM3 - S1 Risk of incidents of forced labor point 14 letter (f)	Indicator No. 13 in Table 3 of Annex I				10- Own workforce	S1.SBM-3_07	123
ESRS 2- SBM3 - S1 Risk of child labor incidents point 14 letter (g)	Indicator No. 12 in Table 3 of Annex I				10- Own workforce	S1.SBM-3_09, S1.SBM-3_10	123
ESRS S1-1 Human Rights Policy Commitments paragraph (20)	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex I				10- Own workforce	S1-1_03	124-127
ESRS S1-1 Due diligence policies on issues addressed by Fundamental Conventions 1-8 of the International Labour Organization paragraph (21)			Delegated Regulation (EU) 2020/1816, Annex II		10- Own workforce	S1-1_01,S1-1_08, S1-1_10	123-126, 128-131
ESRS S1-1 Processes and measures to prevent human trafficking point 22	Indicator No. 11 in Table 3 of Annex I				10- Own labor; policies explicitly address forced labor and child labor	S1-1_08	128,129
ESRS S1-1 Workplace accident prevention policy or management system point 23	Indicator No. 1 in Table 3 of Annex I				10- Own workforce	S1-1_09	129,130
ESRS S1-3 grievance/complaint resolution mechanisms paragraph 32 (c)	Indicator No. 5 in Table 3 of Annex I				10- Own workforce	S1-3_05	135
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 letters (b) and (c	Indicator No. 2 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		10- Own workforce	S1-14_02,S1-14_03, S1-14_05	154,155
ESRS S1-14 Number of days lost due to injuries, accidents, deaths or illnesses paragraph 88(e)	Indicator No. 3 in Table 3 of Annex I				10- Own workforce	S1-14_07	155
ESRS S1-16 Gender pay gap in unadjusted form paragraph 97(a)	Indicator No. 12 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		10- Own workforce	S1-16_01	156

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS S1-16 Excessive level of ratio between CEO and employee remuneration paragraph 97(b)	Indicator No. 8 in Table 3 of Annex I				10- Own workforce	S1-16_02	156
ESRS S1-17 Discrimination Incidents paragraph 103(a)	Indicator No. 7 in Table 3 of Annex I				10- Own workforce	S1-17_02	156
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines paragraph 104(a)	Indicator No. 10 in Table 1 and Indicator No. 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)		10- Own workforce	S1-17_09	156
ESRS 2- SBM3 – S2 Significant risk of child labor or forced labor in the value chain point 11 (b)	Indicators No. 12 and No. 13 in Table 3 of Annex I				Not-reported		
ESRS S2-1 Human Rights Policy Commitments item 17	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex 1				Not-material		
ESRS S2-1 Value Chain Worker Policies Item 18	Indicators No. 11 and No. 4 in Table 3 of Annex 1				Not-material		
ESRS S2-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines paragraph 19	Indicatorul nr. 10 din tabelul 1 din anexa 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)		Not-material		
ESRS S2-1 Due diligence policies on issues addressed by Fundamental Conventions 1-8 of the International Labour Organization point 19			Delegated Regulation (EU) 2020/1816, Annex II		Not-material		

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS S2-4 Human rights issues and incidents related to its upstream and downstream value chain item 36	Indicator No. 14 in Table 3 of Annex 1				Not-material		
ESRS S3-1 Human Rights Policy Commitments, Item 16	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex 1				Not-material		
ESRS S3-1 Non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Principles and/or the OECD Guidelines, paragraph 17	Indicator No. 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)		Not-material		
ESRS S3-4 Human rights issues and incidents item 36	Indicator No. 14 in Table 3 of Annex 1				Not-material		
ESRS S4-1 Consumer and End User Policies item 16.	Indicator No. 9 in Table 3 and Indicator No. 11 in Table 1 of Annex 1				Not-material		
ESRS S4-1 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines paragraph 17	Indicator No. 10 in Table 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12(1)		Not-material		
ESRS S4-4 Human rights issues and incidents item 35	Indicator No. 14 in Table 3 of Annex 1				Not-material		
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator No. 15 in Table 3 of Annex 1				It's not relevant, there is an anti-corruption policy		
ESRS G1-1 Whistleblower Protection Section 10(d)	Indicator No. 6 in Table 3 of Annex 1				12- Governance		167

Disclosure requirement and related data point	The reference in SFDR	Pillar 3 reference	Reference from the Benchmark Regulation	EU Climate Law Reference	Section	Id data points	Page
ESRS G1-4 Fines for Violations of Anti-Corruption and Anti-Bribery Laws paragraph 24(a)	Indicator No. 17 in Table 3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		12- Governance- no fines for violating anti-corruption and bribery laws		167
ESRS G1-4 Anti-Corruption and Bribery Standards paragraph 24(b)	Indicator No. 16 in Table 3 of Annex 1				Not- material		

Chairman of the Board and General Manager,

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