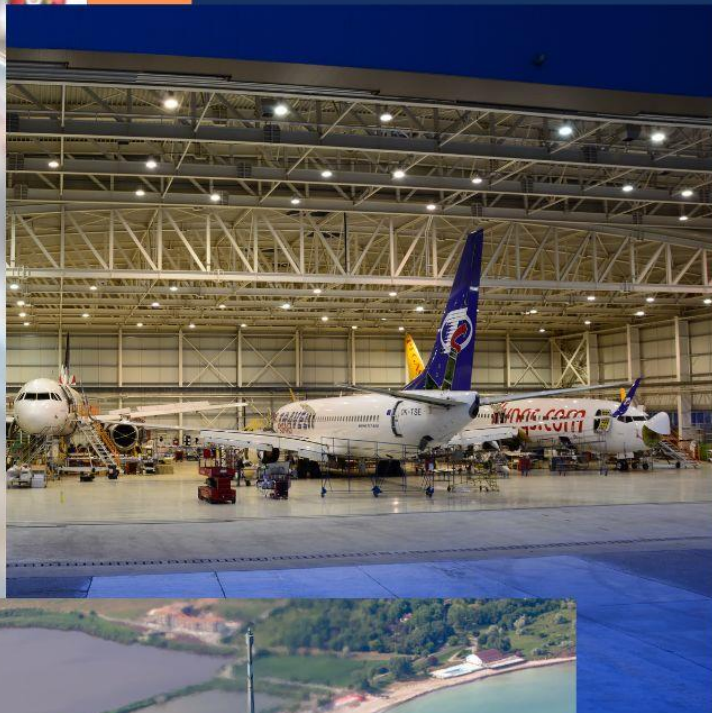


**20  
24**



# ANNUAL REPORT



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## MESSAGE FROM THE PRESIDENT OF THE BOARD OF DIRECTORS OF AEROSTAR S.A.



"The year 2024 was a year full of challenges overcome and significant achievements. In spite of the complex global context, we managed to deliver on our commitments and achieve our objectives.

Financially, our results for 2024 reflect the resilience of our business. We continued to expand our presence in our customers' supply chains while developing the capabilities needed to meet the changing market demands.

AEROSTAR is committed to the principles of transparency and sustainability, essential for our long-term development. Beyond our financial achievements, we have paid particular attention to the non-financial aspects that contribute to the sustainable development of the company. We will continue to take the necessary decisions to ensure the company's performance and at the same time maintain our commitments to our shareholders, employees, partners and community, thus contributing to the economic and social development of our region."

**Grigore Filip**

**President of the Board of Directors**

## MESSAGE FROM THE CHIEF EXECUTIVE OFFICER OF AEROSTAR S.A.



With regard to our business lines, for the manufacture of aeronautical products, we aim to expand our footprint in our customers' supply chains and increase the technological level of AEROSTAR supplied products and means of production. In terms of defence products, we maintain our mission as a first-tier supplier to the Ministry of National Defence, continuing to develop the capabilities related to the maintenance of F-16 aircraft as well as the portfolio of services offered to the MapN.

In the commercial aircraft MRO business line, we aim to strengthen our position in the market and increase the number of

"In a difficult macroeconomic and geopolitical context, our objective is to keep our development directions clear. The aviation market is witnessing a solid demand, but the industry is constrained by factors such as insufficient production capacity, supply chain specific issues, rising production costs, shortage of skilled talent and the growing need for training. These issues have hindered the aviation industry from reaching its full potential.

aircraft we can service. To achieve these goals, AEROSTAR continues its recruitment and professional training policy as well as its investment policy.

In a macro-economic environment with various uncertainties, including regional conflicts, budget deficits and a slow economic growth in the European Union region, AEROSTAR will adopt the necessary decisions to ensure the company's performance and the sustainability of our business and we strongly believe that together we will continue to build a successful future for AEROSTAR."

**Alexandru Filip**  
**Chief Executive Officer**



## I. GENERAL INFORMATION

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### 1. BASIS OF PREPARATION OF THE ANNUAL REPORT

BP-1, BP-2

The company AEROSTAR S.A. was established on 17 April 1953 by Decision No. 1165 of the Council of Ministers. The company AEROSTAR S.A. was established on 17 April 1953 by Decision No. 1165 of the Council of Ministers. Since 1953 it has been successively named URA-1953, IRAv ('Întreprinderea de Reparații Avioane') -1970, IAv ('Întreprinderea de Avioane') -1978, and AEROSTAR S.A. since 1991, when it was registered as a joint-stock company at the Trade Register Office in Bacău.

The company's unique European Company Identification Number (EUID) is ROONRC.J04/1137/1991 and the LEI code for its identification as a legal entity is 315700G9KRN3B7XDBB73;

The Annual Report of AEROSTAR S.A. for the period **January 1, 2024 - December 31, 2024**, was prepared in accordance with the reporting regulations in force, the EU Delegated Regulation 2023/2772 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainable reporting standards (CSRD), in order to provide additional information to all stakeholders about the company's sustainable strategy and the progress made in its corporate processes and to transparently reinforce its commitment to sustainable development and in compliance with the provisions of Law 24/2017 on issuers of financial instruments and market operations and Regulation A. S.F. No. 5/2018 of the Financial Supervisory Authority on issuers of financial instruments and market operations.

In our analysis took into consideration the activities related to our company's business lines.

**Our Sustainability Statement** is prepared based on the double materiality analysis and in accordance with the CSRD Directive and the EFRAG IG Guidelines, Materiality Assessment. As part of it, we have analysed the specific material topics that we have explained in the chapters "Environmental Information", "Social Information" and "Professional Conduct" in accordance with the requirements of the thematic standards ESRS E1-E5, ESRS S1-S4. ESRS G1.

The following sustainability aspects have been included in the materiality assessment as issues of interest to our company: climate change, environmental issues (pollution, resources, circular economy), working conditions, health and safety of the company's employees, safety of our products and services, stakeholders and professional conduct. We also take a particular interest in social performance and the company's position in relation to governance, the community, as well as additional topics such as cyber security.

**The activities of AEROSTAR are carried out at the registered office** of the company, which is located at 9 Condorilor Street, Bacău, postal code 600302.

Since January 2018, AEROSTAR has registered a secondary registered office and workplace within the perimeter of the Iasi International Airport; in 2023 a new secondary registered office and workplace was opened in the Fetești Municipality;

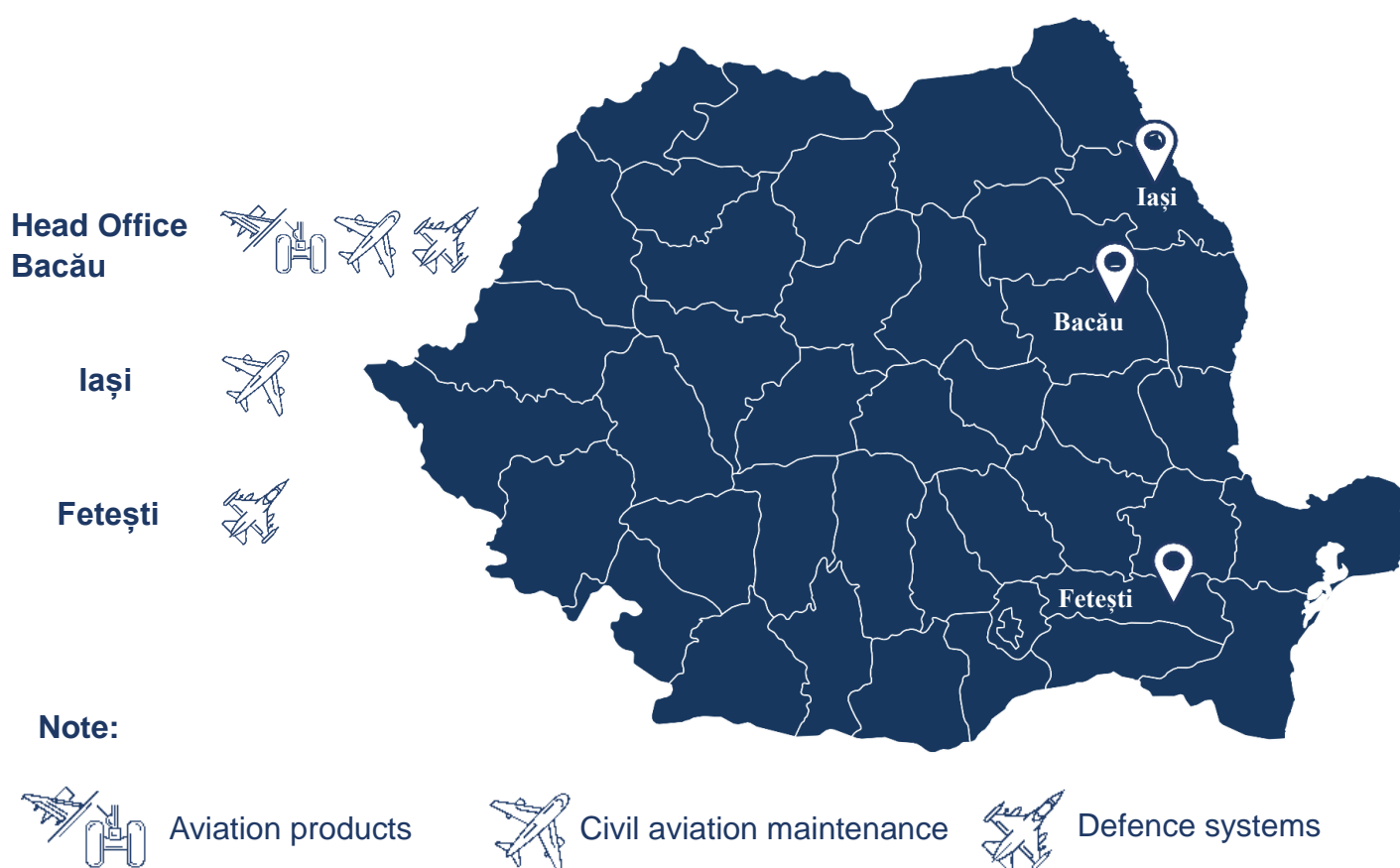
AEROSTAR did not omit any information corresponding to intellectual property, know-how or innovation results.

The company's financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, Accounting Law no. 82/1991, republished, as amended and supplemented, and are presented in accordance with the requirements of IAS 1, Order 2844/2016 for the approval of the Accounting Regulations in compliance with the International Financial Reporting Standards.

The bases of preparation and presentation of the financial statements are disclosed in Note 3; the separate financial statements prepared for the year 2024 are accompanied by the report of the independent financial auditor.

The company AEROSTAR S.A. is listed on the Bucharest Stock Exchange under the code ARS, and the records of shares and shareholders are kept, in accordance with the law, by S.C. Depozitarul Central S.A. Bucharest.

Where appropriate, some of the information presented in accordance with the aforementioned standards is supplemented with additional information in order to understand the analysis performed or the context.



## 1.1. AEROSTAR's Activity and Products

**AEROSTAR** operates on three market segments, materialized in business lines that reflect the organizational and management structure according to the services provided. The company's core business is manufacturing. The company's main object of activity is "Manufacture of civil aircraft and spacecraft" - CAEN code 3031;

In civil aviation we supply aerostructures, components and assemblies to the global aviation industry.

We are authorized to perform maintenance work on Boeing 737 all series and Airbus 320, ceo & neo family aircraft, as well as components.

We are a maintenance centre for F-16 airplanes for the Romanian Army, a maintenance centre for Black Hawk helicopters for the Ministry of Internal Affairs, a maintenance centre for rocket launcher systems for the Ministry of National Defence and we are part of the national defence industry in accordance with Law 232/2016

### AEROSTAR business lines

#### Manufacture of Aeronautical Products



MANUFACTURE OF  
AERONAUTICAL PRODUCTS

The equipment, assemblies and parts produced by AEROSTAR are used on a large number of commercial airplanes: Airbus A320, A321, A330, A350, Boeing B737, B787, B767, Gulfstream G650, Dassault F7X, Bombardier Challenger 600 series and Global 5000/6000 series.

By readapting to the new market requirements regarding the new production structure, as well as the new quality and environmental protection requirements, AEROSTAR maintains its leading position in Romania for the manufacture of aviation products and consolidates its position in the supply chain of major global aviation and aerospace companies.

In 2024, a new program dedicated to landing gear components was successfully integrated, marking an important step in the development of manufacturing capabilities. Earlier last year, critical components of the Airbus A320 and Airbus A321 models were launched into production. A special technical feature of this project is the machining of the locking grooves, a process that is essential for the functionality of the components. To meet the high quality and efficiency requirements, an advanced technological solution had to be adopted.

## MRO Civil Aviation



### MRO CIVIL AVIATION



AEROSTAR has a significant footprint in terms of business volume in the MRO Civil Aviation sector, being an independent provider of industrial maintenance services for commercial airplanes of the Airbus A320 ceo&neo and Boeing B737 300-900 family. AEROSTAR is EASA Part-145 authorized with an extensive range of authorizations obtained from the civil aviation authorities.

In the year 2024 we celebrated 20 YEARS AS A REGIONAL LEADER IN MRO SERVICES.

The year 2024 represented a year of growth and development, highlighting among our achievements the milestone of 100 aircraft released into service from the MAINTENANCE CENTER IN IAȘI after the completion of the maintenance work and a cumulative total of over 1200 AIRCRAFT RELEASED INTO SERVICE since the creation of the business line.



### DEFENCE SYSTEMS

## Defence Systems

On the defence systems business line, AEROSTAR is a leading supplier to the Romanian Ministry of National Defence.

AEROSTAR is the Maintenance Centre for F-16 aircraft belonging to the Romanian Army. AEROSTAR has constantly developed the necessary capabilities to strengthen its position as a supplier, increasing its expertise in the field of maintenance and upgrading of military aircraft, ground-to-ground launch systems and radio-locating communication systems, as part of the command-control systems.

In 2024, the BLACK HAWK S-70 HELICOPTER BLACK HAWK S-70 MAINTENANCE CENTER was inaugurated, a centre authorized by both the manufacturer - Sikorsky (part of the Lockheed Martin group) and the National Military Aviation Authority. The year 2024 also marked the opening of the MAINTENANCE CENTER FOR THE HIMARS SYSTEM - owned by the Romanian Ministry of National Defence.

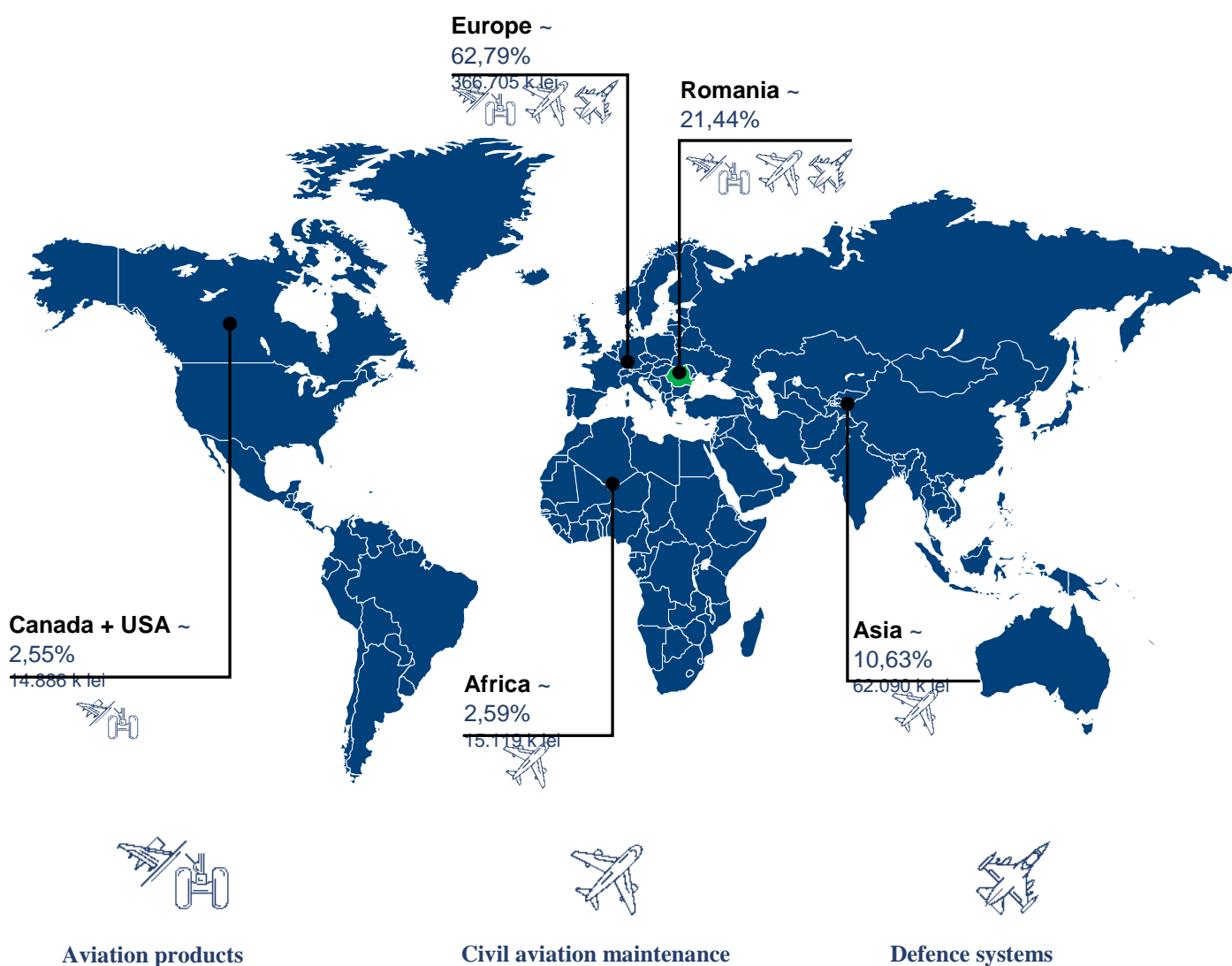


## AEROSTAR's presence in the Global Market

AEROSTAR operates in the global market for products and services in the aerospace and defence industry as an independent company. AEROSTAR's customers are located in Europe, Asia, Africa, USA and Canada.

In Canada - USA we supply aviation products and in Asia and Africa we provide civil aviation maintenance services. In Europe we provide maintenance services for civil aviation, aviation products (landing gear systems, mechanical parts, assemblies and sub-assemblies), electronic equipment and ground equipment.

In Romania we provide repair services for military aircraft and repair of electronic parts and components for military aircraft, upgrades, integrations and maintenance for military aviation systems, repair services of systems and launchers and civil aviation products.



### 1.2. Reporting the Results for 2024

Economic Indicators	31.12.2024	31.12.2023
Turnover (thousand lei)	584.004	506.294
Export sales (thousand lei)	458.805	410.908
Net profit (thousand lei)	95.725	93.028
Investment expenses (from our own sources), (thousand lei)	26.625	19.329

Social Indicators	31.12.2024	31.12.2023
Actual headcount	1.884	1.846
Total number of training hours	45.066	54.230
Value of scholarships granted	434.669	344.789
Scholarships granted by AEROSTAR to dual education students	273	259

Environmental Indicators	31.12.2024	31.12.2023
Energy consumption*	10.490.930 KWh - purchased + 2.395.678,5 KWh – produced	9.814.667 KWh - purchased + 2.375.889 KWh – produced
Target emissions 1*	0,0053 tons CO <sub>2</sub> / RON	0,0058 tons CO <sub>2</sub> / RON
Target emissions 2	12,027 tons CO <sub>2</sub>	969,074 tons CO <sub>2</sub>
Waste recovery	79% of the total produced	90% of the total produced

\*reported to the current year's turnover

Economic Indicators	31.12.2024	31.12.2023
Sales by lines of business (thousand lei)	584.004	506.294
Manufacture of aeronautical products	265.462	255.364
Commercial aircraft maintenance	180.703	149.036
Defence systems	120.187	88.982
Other products and services	17.652	12.912

Economic Indicators	31.12.2024	31.12.2023
Sales by Markets (%)	100%	100%
Romania	21,44%	18,78%
Europe	62,79%	66,00%
Asia	10,63%	9,86%
Africa	2,59%	2,74%
Canada + USA	2,55%	2,62%

Economic Indicators	31.12.2024	31.12.2023
Investments (thousand lei)	26.625	19.329
Development expenses (thousands of lei)	21.850	17.371
Replacement expenses (thousands of lei)	4.780	1.958

REACH consortiums with uses in aviation and defence

Regional Consortium for Dual Education and Sustainable Development Bacău

"Education Cluster for Sustainable Development" Association (C-EDD) Bacău

The Social Dialogue Commission attached to the Prefect's Institution of Bacău County

Local Social Partnership Development Committee (CLDSP) Bacău

Local Social Partnership Development Committee (CLDSP) Iași

Regional Social Partnership Development Committee (CRDPS)

County Employees' Association of SMEs (PJIMM) Bacău

Aeronautical Companies Association of Romania (OPIAR)

RO-NANDTB - National Aerospace Association for Non-Destructive Testing in Romania, in which AEROSTAR is a founding member

## CONSORTIUMS AND AFFILIATIONS

### AWARDS OBTAINED IN THE REPORTING YEAR

1. At national level, according to the NATIONAL TOP OF THE COMPANIES compiled by the ROMANIAN CHAMBER OF COMMERCE AND INDUSTRY, 31st edition 2024, AEROSTAR ranks 1st in the industry, in the category of very large enterprises, with the field of activity manufacture of aircraft and spacecraft.



2. In the D2P-DETAIL PARTS PARTNER analysis made by the AIRBUS COMPANY for all its suppliers, our company is nominated as a "CHALLENGER" PARTNER/SUPLIER" for performance, quality, on-time delivery.

### AEROSTAR HAS FOUNDED:

A CENTER for the assessment of PROFESSIONAL COMPETENCIES acquired by other non-formal routes.

We are authorized to organize qualification courses in four specific trades within the aviation industry.

WE HAVE THE BEST ASSESSMENT PROCESSES  
WE CERTIFY YOUR COMPETENCE!



## COMMUNITY ACTIONS CARRIED OUT BY OUR COMPANY IN 2024:

- ⇒ Donation of equipment and teaching equipment for high schools, colleges and higher education institutions with a technical profile, including: the Technical College "N.V. Karpen" Bacău, Technical College "Mihail Sturdza" Iasi, High School of Transport and Construction Iasi, Faculty of Aerospace Engineering Bucharest;
- ⇒ Providing practical training and sponsorship for devices and materials for the laboratory tests at the "Vasile Alecsandri" University Bacău;
- ⇒ Support for organizing the meeting "Romanian Alliance of the Universities of Science and Technology" (ARUST), organized by the "Gheorghe Asachi" University Foundation Iasi.
- ⇒ Sponsorship for the sixth edition of the "Ion Ion Ionescu de la Brad" Regional Contest on Economic Themes, organized by the "Vasile Alecsandri" University";
- ⇒ Signing and maintaining partnership agreements with 7 technical universities in the country: Bucharest, Iași, Brasov, Craiova, Galați, Suceava and Bacău, as well as with 6 technological high schools or technical colleges in Bacău and Iași, which allow students and their pupils to do internships in our company, and at the end of their studies to be given priority for employment in the company;
- ⇒ Allowing students from all 7 universities to take their Bachelor's or Master's dissertation exams on topics provided by our company, for which we support the documenting and drawing up of the corresponding papers.

## PRODUCT QUALITY AND CONTINUOUS DEVELOPMENT

We focus on our customers and end-users through product quality and on-time delivery, combining these efforts with continuous development to ensure that we meet the expectations of both our customers and all our stakeholders.

## SYSTEM CERTIFICATIONS

The management system implemented in AEROSTAR is certified in terms of quality - to the requirements of EN 9100/ AS 9100, SR EN ISO/ EN ISO 9001 and to the requirements of the NATO quality assurance publications AQAP 2110 and AQAP 2210, in terms of environment - to the requirements of SR EN ISO/ EN ISO 14001 and in terms of occupational health and safety - to the requirements of SR EN ISO/ EN ISO 45001.

## AUTHORIZATIONS

1. AEROSTAR holds the authorization certificate (issued by the Romanian Civil Aviation Authority (AACR)) as a manufacturing organization that complies with the requirements of Regulation (EU) - Part 21, Section A, Subpart G, being authorized to manufacture products, parts and equipment related to the scope of authorization.

2. AEROSTAR holds a certificate of authorization (issued by the Romanian Civil Aviation Authority (AACR)) as a maintenance organization complying with the requirements of Regulation (EU) - Part 145, Section A, Part 145, authorized to perform maintenance on products, parts and appliances specified in the scope of authorization.

AEROSTAR as a maintenance organization is also approved by the Civil Aviation Authorities of UK, Turkey, Morocco, USA and Bermuda.

3. AEROSTAR as a design organization in accordance with the requirements of Regulation (EU) - Part 21, Section A, Subpart J is approved by the European Aviation Safety Agency (EASA).

4. AEROSTAR holds the Military Approval Certificate as a design organization entitled to perform design activities under RMAR 21 and within the scope of approval.

5. As of 2021, AEROSTAR holds a Military Certificate of Approval as a RMAR 145 approved maintenance organization. In 2023 the scope of authorization was extended with maintenance work for Black Hawk S-70 helicopters.

6. In 2022, the National Military Aviation Authority authorized AEROSTAR as a military aircraft maintenance training organization in accordance with RMAR 147, Section A, an organization authorized to conduct training, examinations in the authorized scope and to issue certificates of acknowledgement to graduates.

7. AEROSTAR holds an authorization certificate - granted by the Romanian Civil Aviation Authority (AACR) - for specialized testing in the field of civil aeronautics.

8. Since 2020 AEROSTAR holds the authorization - granted by the National Aerospace Association for NDT (RO-NANDTB) - for the Training and Examination Centre for NDT personnel in the field of aeronautics, for the methods of non-destructive testing with penetrating radiation, ultrasound, eddy current, penetrating liquid, magnetic particle, infrared radiation, defined in the scope of authorization.





AEROSTAR holds accreditations - awarded by the National Aerospace and Defence Contractors Accreditation Program (NADCAP) - for non-destructive testing, chemical processes, heat treatment, heat treatment, shot peening and welding processes.

AEROSTAR's metrology laboratory is accredited by RENAR Accreditation Association - for calibrations in the accredited field.



## GOVERNANCE

### 1.1. The role of the administrative, management and supervisory bodies GOV -1

The sustainability information presented in this report reflects the company's commitment, values and goals, established for a sustainable business and for balancing the expectations of our shareholders with the needs and concerns of our employees, members of our community and all stakeholders.

We believe that by acting responsibly we will contribute to lasting economic success. By pursuing sustainable development, we are moving towards a more secure future.

We are guided by our responsibility for sustainable development, we are consistent in applying the best industry practices and, in line with the practices of our business partners, we transparently provide information, explanations and data in these categories of financial and non-financial information.

Customer satisfaction, complete safety for the users of our products and services, continuous improvement and increased environmental performance are the principles by which we guide ourselves in our business. Our sustainability objectives, correlated with the business environment and global developments, are embedded in the company's overall long-term strategy.

AEROSTAR's corporate governance structures are organized on four levels:

Shareholders - General Meeting of Shareholders

Board of Directors

Audit Committee

Executive Management

#### **General Meeting of Shareholders**

The procedure for organizing and conducting the general meetings of shareholders is published on the website [www.aerostar.ro](http://www.aerostar.ro), in the Investor Relations section, in order to ensure equal treatment and the full and fair exercise of the rights of the shareholders. The company provides them with all relevant information on the General Meetings of Shareholders and on the decisions adopted by them, both through the regulated channels of communication (national newspapers, reports to the ASF and BVB) and in the special Investor Relations section on its website, which is easily identifiable and accessible.

AEROSTAR uses its best efforts, in compliance with the requirements of the relevant legislation, to facilitate the participation of its shareholders in the proceedings of the General Meetings, as well as the full exercise of their rights. Shareholders may attend and vote in person at the General Meeting, but they may also vote by proxy or by correspondence.

The General Meetings of Shareholders were held in full compliance with the provisions of Law 31/1990 on Companies, Law 24/2017 on issuers of financial instruments and market operations and the regulations issued by the applicable ASF, as well as any other incidental legal norm.

In 2024, as in previous years, when distributing profits, the company was equally mindful of distributing dividends to shareholders and allocating resources for the long-term development of the company.

### Board of Directors

In AEROSTAR S.A., the Board of Directors determines the strategic orientation and ensures its implementation. At the same time, the Board of Directors is responsible for ensuring compliance with all applicable legal provisions, its own internal regulations, as well as for adequate risk management and control.

In July 2024, the term of office of the members of the Board of Directors of AEROSTAR S.A. expired, so on 4 July 2024, a new Board of Directors was elected at the General Meeting of Shareholders held on that date, for a period of four years. The election was conducted by secret ballot, with the duration of the new 4-year term of office starting on July 11, 2024 until July 10, 2028.

Thus, as of 11.07.2024, the new Board of Directors of AEROSTAR has the following structure:

The Board of Directors has 5 members					
FULL NAME		POSITION	EXPERIENCE	DATE OF APPOINTMENT	END OF TERM OF OFFICE
FILIP GRIGORE		President	Aviation Engineer	11.07.2024	10.07.2028
DAMASCHIN DORU		Vice-President	Economist	11.07.2024	10.07.2028
FILIP ALEXANDRU		Member	Aviation Engineer	11.07.2024	10.07.2028
TONCEA TUDOR	RADU-	Member	Aviation Engineer	11.07.2024	10.07.2028
DOROȘ CLAUDIU	LIVIU-	Member	Economist	11.07.2024	10.07.2028

During 2024, AEROSTAR's Board of Directors was composed of five directors, two of whom hold executive positions within the company and three of whom are non-executive members.

### Responsibilities of the Board of Directors

The Board of Directors acts in accordance with the Constitutive Deed and the Rules of Procedure of the Board of Directors. The Board convenes at least once every three months or whenever required by the circumstances. The agenda of the meetings shall respect the role and duties of the Board in accordance with the Law and the Constitution.

The Board of Directors is responsible for setting the company's major operations and development directions, including those related to sustainability aspects. It approves the Sustainability Report and delegates to the executive management the fulfilment of sustainability objectives and targets and ensures close monitoring of this activity.

The Board is also responsible for the accounting and financial management system, as well as the income and expenditure budget, and adopts the financial plan for the current year.

### Executive Management

AEROSTAR is administered in a unitary system, with the executive management of the company delegated to the General Manager and the CEO.

In relation to the organizational structure and the management system of AEROSTAR S.A., the management structure at the operational level ensures the management of activities in a divisional type of organization, based on management centres in the production, auxiliary and functional activities.

The executive management is ensured by the CEO and the Financial Director.

The management structure at the executive-operational level is completed by the other Divisional and Directorate Managers.

During the year 2024, some changes occurred in the executive management, namely the replacement of the Chief Executive Officer of the company, as of 01.03.2024, and, at the level of the extended management team, on the same date, a change of the Director of the Human Resources Department as well as the reorganization of this department into the Legal and Human Resources Department.

Thus, the updated management structure is composed of:

The Executive Management has 9 members			
FULL NAME		POSITION	POLITICAL AFFILIATION
FILIP ALEXANDRU		Chief Executive Officer	No affiliation
DAMASCHIN DORU		Financial-Accounting Director	No affiliation
ROGOZ LAURENȚIU	VASILE	Director of Quality Directorate	No affiliation
VÎRNĂ DANIEL		Director of Legal and Human Resources Directorate	No affiliation
CRISTEA ANDRA		Director of Logistics Division	No affiliation
BUHAI OVIDIU		Director of Defence Systems Division	No affiliation
IOSIPESCU ȘERBAN		Director of Aeronautical Products Division	No affiliation
VELEȘCU IOAN-DAN		Director of MRO Civil Aviation Division	No affiliation
BRANCHE BOGDAN	CĂTĂLIN	Director of Utilities and Infrastructure Division	No affiliation

The direct participation of the executive management in the company's share capital is less than 1%. There are no litigations with the above-mentioned persons.

### Audit Committee

Pursuant to the provisions of the Corporate Governance Code corroborated with the provisions of Law no. 162/2017, an independent audit committee has been established

consisting of two members appointed by the General Meeting of Shareholders held on July 04, 2024.

The duties of the Independent Audit Committee are those set out in its own Rules of Operation, approved by the Board of Directors, supplemented by the provisions of Law no. 162/2017 and EU Regulation no. 537/2014, which can also be found on [www.aerostar.ro](http://www.aerostar.ro) in the Investor Relations section.

Since 2018, an Audit Committee has been operating in AEROSTAR in accordance with the provisions of Law no. 162/2017 on the statutory audit of annual financial statements and consolidated financial statements. The Audit Committee meets on a regular basis, at least four times a year, as well as exceptionally, as necessary.

## **1.2. Information provided to the company's administrative, management and supervisory bodies and sustainability aspects addressed by them**

GOV-2

In order to keep up to date on all essential company data, the BoD maintains a permanent liaison with the executive and operational management. At the same time, given the direct participation of two of the members of the BoD in the executive management, the administration has unrestricted and direct access to the company's information.

As a result, the BoD receives regular ad-hoc reports that focus on key areas of the financial and operational aspects, as well as on occupational health and safety, human resources, purchases, investments, research and development, community relations and philanthropic aspects.

This way, the BoD takes into account impacts, risks and opportunities when supervising the company's strategy and makes direct decisions on major transactions and its risk management processes.

## **1.3. Integrating sustainability performance into incentive schemes**

GOV-3

The remuneration policy for the members of the Board of Directors is based on the following key principles:

- (a) It should contribute to the successful implementation of AEROSTAR S.A. strategy in the short, medium and long term;
- (b) It should ensure the proper involvement of the shareholders in setting the remuneration policy and monitoring its implementation;
- (c) It should contribute to promoting the mission and values of AEROSTAR S.A.;
- (d) It should prevent any situations of conflict of interest;
- (e) It should provide the necessary and flexible instruments to remunerate the Directors in accordance with their responsibilities, competencies and performance;
- (f) It should ensure compliance with the applicable legal requirements.

For the activity carried out within the BoD, each Director is entitled to a fixed monthly remuneration, the net amount of which is approved by AGOA upon appointment to office and thereafter annually upon approval of the income and expenditure budget.



The net monthly fixed remuneration approved by the General Meeting of Shareholders for the year 2024 is EUR 1.000 for each member of the Board of Directors.

As such, there are no incentive schemes or remuneration policies related to sustainability aspects in place for the members of the Board of Directors.

The Remuneration Policy is published on the website of AEROSTAR S.A. ([www.aerostar.ro](http://www.aerostar.ro)) and will remain available to the general public for the entire duration of applicability of the Remuneration Policy.

#### **1.4. Risk management and internal controls related to sustainability reporting**

##### **GOV-5**

In AEROSTAR, the management of risks, impacts and opportunities is a continuous process that is carried out to assess risks and to address them, to identify new risks that have not occurred previously, to reassess risks that persist as well as to assess opportunities for growth and expansion.

The risks presented in Chapter I.4. " Management of Impacts, Risks and Opportunities" of this report, which are detailed at the level of each thematic standard, are the result of the double materiality analysis, as required by the ESRS/CSDR.

For better understanding, we present below the structure of AEROSTAR's internal control system and its functions.

- Management accounting
- Budgetary control
- Controlling
- Internal audit

##### **Management accounting**

In AEROSTAR there is a department which fulfils the tasks of management accounting. It ensures the inventory of all assets, liabilities and equity items on the company's books. Throughout this period, the inventory activity has been carried out in compliance with the legal provisions and regulations. The results of the inventories were recorded in the company's accounts. There were no significant differences compared to the bookkeeping records.

##### **Budgetary control**

Budgetary control is carried out by budget officers. In terms of budgets, the company is organized into:

- 1) profit centres
- 2) cost centres

Budgets are defined in the company based on activity programs corresponding to the company's functions.

Budget control ensures:

- that each budgeted indicator is within forecasted values
- the substantiation of any corrective actions.

On a quarterly basis, both the profit and the cost centres report to the executive management on their compliance with the budgetary provisions and on the required, timely, efficient, effective and legal nature of the expenses the company incurs.

### Controlling

In AEROSTAR the concept of controlling has been implemented and is continually developed as a superior stage of budgetary control. Controlling also ensures alignment with the company's mission and strategic objectives.

### Internal audit

The company has an Internal Audit Department with members registered with the Chamber of Financial Auditors of Romania. AEROSTAR has organized the internal audit activity according to the law, in a separate compartment in the organizational structure, according to the organizational chart.

The Internal Audit Compartment reports directly to the Board of Directors and performs an independent and objective assurance and consulting activity designed to evaluate and improve the company's operations.

The internal audit activity is carried out on the basis of the Annual Activity Programme approved by the Board of Directors.

The internal audit missions have confirmed the positive impact of the internal audit activity on the activity carried out within AEROSTAR..

The Internal Audit Compartment regularly submits internal audit reports at the meetings of the Board of Directors and to the Audit Committee.

## 1.5. AEROSTAR Shareholders

The significant shareholders of AEROSTAR S.A. are IAROM S.A. Bucharest and EVERGENT Investments S.A. Bacău. The summarized shareholder structure of the company on December 31, 2024 is as follows:

Shareholders	Number of shares	Percentage %
IAROM S.A.	108.876.903	71,50%
Evergent Investments S.A.	23.068.019	15,15%
Other shareholders	20.332.528	13,35%
Total	152.277.450	100%

### Relations with shareholders and the capital market

In its relationship with shareholders, Aerostar has taken into account the protection and assurance of shareholders' rights, namely:

- to participate in General Meetings directly or by proxy - by providing them with special proxies, voting ballots by correspondence, other useful information;
- to be treated fairly, regardless of their holdings;
- to receive dividends in proportion to the holdings of each shareholder.

In relation to the capital market, Aerostar has fulfilled all the reporting obligations arising from the legal provisions by publishing the mandatory continuous and periodic reports in the electronic system of the Financial Supervisory Authority and the Stock Exchange, on the company's website and through press releases.

In accordance with the provisions of the Corporate Governance Code, continuous and periodic information has been disseminated simultaneously in both Romanian and English. Shareholders can obtain information about Aerostar and main events on the website [www.aerostar.ro](http://www.aerostar.ro).

Also available for download are the annual and half-yearly reports for the last ten years and quarterly reports for the last five years, current reports as well as other useful information for shareholders.

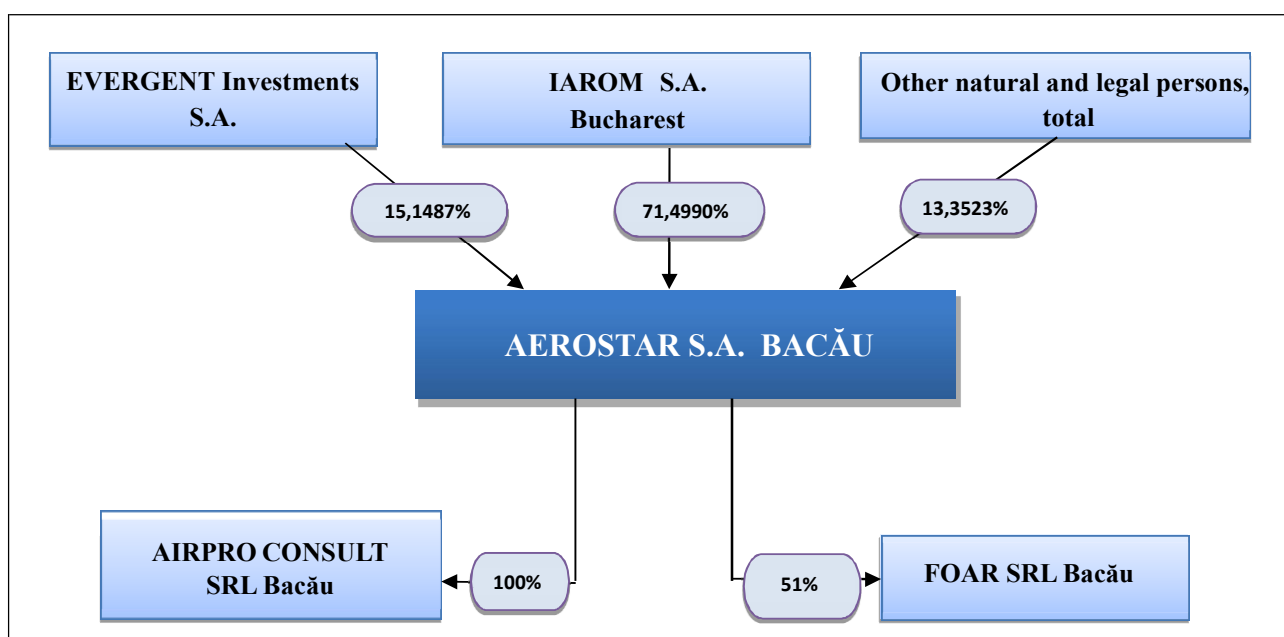
There are no changes in the shareholders' rights. There have been no major transactions entered into by the company with persons with whom it acts concertedly or in which such persons were involved during the relevant time period.

### Aspects concerning the company's capital and management

There were no changes affecting the capital and management of Aerostar S.A.

The Company was not unable to meet its financial obligations during this period.

AEROSTAR's relationship with the parent company, other shareholders and with companies in which it has shareholdings.



Aerostar is a subsidiary of IAROM S.A. and therefore, the parent company consolidating the group's financial statements is IAROM S.A., with the unique identification code 1555301 and the registered office in Bucharest, 39 Aerogării Boulevard. The consolidated financial statements for the financial year 2024 have been submitted to the A.N.A.F. under registration no. 770692053-2023/22.08.2024

The Parent Company will prepare and publish a set of consolidated financial statements in accordance with the applicable accounting regulations for the fiscal year ending 12/31/2024.

## Affiliated parties

As of December 31, 2024 AEROSTAR S.A.'s shareholdings in other companies are as follows:

Name of branch/ subsidiary	Main activity	No. of shares held by Aerostar	Voting rights	Value held by Aerostar (thousand lei)	Financial information for the latest financial year (year 2023) for which the financial statements of affiliated companies have been approved		
					Sales (thousand lei)	Equity (thousand lei)	Net profit (thousand lei)
<b>Airpro Consult S.R.L. Bacău</b>	cod CAEN 7820	100	100%	10	12.863	771	556
<b>Foar S.R.L. Bacău</b>	cod CAEN 7739	408	51%	4	327	550	119
<b>TOTAL</b>				<b>14</b>	<b>13.190</b>	<b>1.321</b>	<b>675</b>

AEROSTAR's shareholdings in these companies are recorded at cost.

Both companies in which AEROSTAR still owns shareholdings are registered in Romania.

The transactions with the affiliated parties are disclosed in the Financial Statements in Note 26.

### Corporate Governance Compliance Table 2024

Code provisions	Compliant	Non-compliant or partially compliant	Reason for non-compliance
A.1	x		
A.2	x		
A.3	x		
A.4		x	Three out of five Board members are non-executive. The Board of Directors does not include an independent member and is voted in this structure by the General Meeting of Shareholders.
A.5	x		
A.6	x		
A.7	x		
A.8	x		
A.9	x		A total of 11 meetings were held during 2024, out of which: - 5 meetings were attended by all members of the BoD; - At 5 meetings 4 members were present, one was absent. At one meeting 3 members were present, the other 2 being absent.
B.1	x		The company has constituted an independent audit committee in accordance with Article 65 of Law no. 162/2017
B.2	x		The members of the audit committee are independent persons elected by the AGA and have competencies in accounting and statutory auditing.
B.3	x		
B.4	x		
B.5	x		
B.6	x		
B.7	x		
B.8	x		
B.9	x		
B.10	x		
B.11	x		
B.12	x		
C.1	x		All AGA decisions on the remuneration of the BoD members have been published. There is now a separate section in the BoD Rules.
D.1	x		
D.1.1	x		
D.1.2		x	The information in this section is available on request but is not published on the company's website.
D.1.3	x		



D.1.4	x		
D.1.5	x		
D.1.6	x		
D.1.7	x		
D.2	x		
D.3	x		
D.4	x		
D.5	x		
D.6	x		
D.7	x		
D.8	x		
D.9	x		
D.10	x		

## 2. STRATEGY

### 2.1. Strategy, Business Model and Value Chain

SBM-1

AEROSTAR's strategy involves increased commitment to all sustainability aspects.

In 2024, we assessed our strategy in light of the new legislative reporting rules, taking into account the proposed commitments, the strategic needs of our business as well as the dynamics of the aviation industry.

We therefore aim to align with both the global requirements and the global trend, by channelling our efforts on achieving the main goal of increasing sustainability by linking profitability with accountability, increasing value in the short, medium and long term and thus enhancing the company's performance.

Through the development objectives we aim to achieve the targets in the multi-year planning derived from the company's strategy, giving particular importance to the environmental, social and economic aspects and focusing on the efforts needed to minimize the negative impacts and to support and promote the positive ones.

Relevant data and performance indicators in line with the company's best practices, procedures and policies have been reported in the annual and periodic reports, following the guidelines of the legislation in force.

Priority objectives set at the top management level form the basis for the development of the annual plans by areas of activity. The annual activity plans are dynamic and, depending on the context, adapt to the requirements and expectations of the stakeholders.

In setting our company's objectives for the year 2024 we have taken into account the selective growth strategy as well as the company's mission to maintain our status as:

- **Nationwide first-tier provider of maintenance, integrations and upgrades for defence systems;**
- **Regional top provider of MRO services for commercial aviation,**
- **Significant supplier in globalized production chains for airframe and landing gear system parts and subassemblies.**

Our medium and long-term strategy focuses on:

- Increasing performance through continuous improvement of activities, processes, products and services;
- Continuous compliance with the environmental protection rules, all quality requirements and national and international regulations;
- Professional development of employees in the spirit of integrity, innovation and initiative and maintaining a thriving social dialogue;
- Ensuring a qualified workforce in line with the company's needs;
- Increasing efficiency as well as reducing costs;
- Maintaining the status of top employer;
- Satisfying customer requirements and guaranteeing full safety for our employees;
- Creating value for the community and strengthening collaborative relationships.

## SUSTAINABILITY STRATEGY



### WE PROTECT THE ENVIRONMENT

Reducing the atmospheric emissions of greenhouse gases and emissions of volatile organic compounds;

Reducing the environmental impact by improving waste recovery and educating all employees in the spirit of minimizing waste generation in order to improve the environmental performance;

Partially supplying the energy needed for the company's processes from green sources through our own photovoltaic parks

We respect the environment, nature and natural resources!

*For more details, see chapter Environmental Information ESRS E1-E5*



### TOP EMPLOYER

Engaging our employees in professional development and supporting an inclusive culture in which every employee can realize their full potential and contribute with our help, thus ensuring the evolution of tomorrow's professions;

Improving the quality of life at work, ensuring the health and safety of our employees and maintaining a thriving social dialogue;  
Promoting a culture of safety and health at work.

Continued training and professional development programs

We respect, support and guarantee equal, non-discriminatory treatment through equal opportunities for all our employees!

*For more details, see chapter Social information Company's own workforce - ESRS*



### INVOLVEMENT IN THE COMMUNITY AND ITS DEVELOPMENT

Constant dialogue with the local communities in the spirit of our desideratum to influence the community in a positive way;

Developing partnerships to attract young people for internships and work placements;

Continued scholarship programs for dual education pupils

Improved professional and social integration.

Action for the benefit of the community!

*For more details, see chapter Social Information Affected communities - ESRS*



### OUR CUSTOMERS' SATISFACTION

Developing partnerships so that we may represent a reference point for our customers;

Strengthening our position as a strategic player in the civil and military aviation industry and creating sustainable added value;

Transparent practices based on integrity and business ethics

Focus on customers and end-users

We uphold the highest standard of professional ethics!

*For more details, see chapter Value chain Social Information*

**S1**

**S3**

***End-users-ESRS S4***

## Business Model

### SBM-1

Committed to a sustainable future, our top management has adopted an ambitious strategy and an integrated business model, based on a systemic process approach and RISK-based thinking.

The company's management policy is focused on maintaining a solid capital base for continuous development in the context of the global market and competitive advantage through quality, capabilities, high level technologies to support sustainable and organized development and thereby achieve strategic objectives.

The company's business model has not been changed as a result of the international context, but the way of conducting activities has been adapted in relation to the specific nature of the flows of activities.

We fully comply with the applicable national and international legislation, acting constantly, intensively and transparently to pursue growth opportunities and secure access to new programs in the field of aviation and defence.

## Value Chain

### SBM 2

The analysis of our value chain was carried out from the point of view of the aspects that can generate material impacts that our company's activities can bring to the value chain or to our stakeholders.

Within the company, the value chain is seen as an integrated and strategic process, a continuous flow of activities and work processes aimed not only at operational efficiency, but also at reducing environmental impacts and increasing social well-being. The downstream value chain includes both domestic and external suppliers. The upstream value chain includes our customers and end-users.

Taking into account the company's field of activity, we collaborate with a wide range of suppliers of products and services, both in the civil and military aviation field, as well as with suppliers of products and services in the general industry field, suppliers that operate both in Romania and abroad.

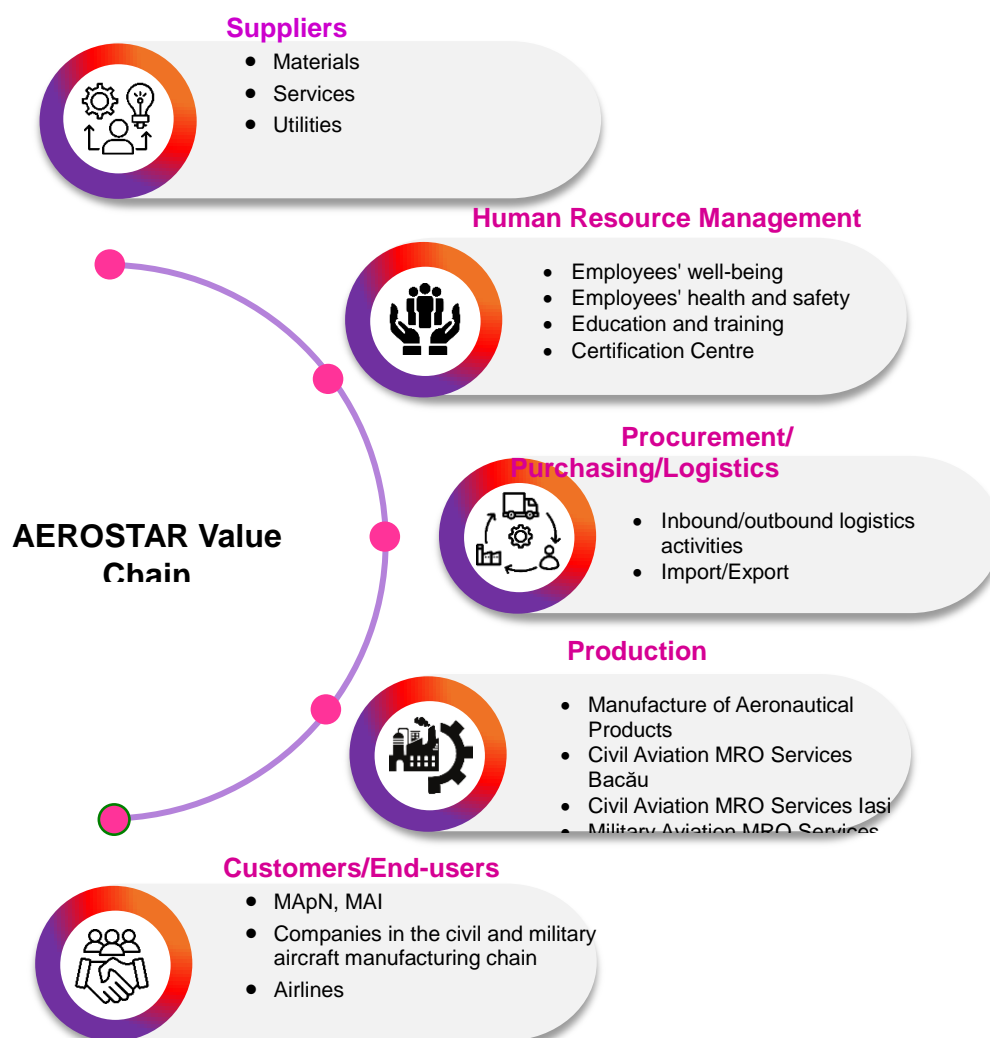
The "Supplier Code of Conduct" clearly expresses the expectations we have of our suppliers in accordance with our own values, principles and ethical standards. Supplier commitments are constantly communicated and can be found on AEROSTAR's website at <https://www.aerostar.ro/suppliers>.

In terms of social aspects, we continue to focus on increasing the positive impacts for the benefit of the community by creating a responsible value chain.

No cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises Involving Affected Communities have been reported in AEROSTAR's operations or the operations of its upstream or downstream value chain partners.

At the same time, there are no incidents of business-related discrimination on the grounds of gender, race or ethnic origin, nationality, religion, disability, age, sexual orientation or other relevant forms of discrimination or incidents of harassment.

Collaboration and open communication with all partners are fundamental to building trust and developing long-term sustainable initiatives.



## 2.2. Stakeholders' interests and views

### SBM 2

AEROSTAR S.A. is an organization with a significant presence both for the environment and the place where we operate, as well as in the public image and consciousness of the local community, which perceives us as a prestigious enterprise, a top employer and an important player in the economic landscape.

Through our organizational values, we promote responsible management, which aims to achieve the defined objectives without negatively affecting our stakeholders. Our products and services are the result of work that is subject to rigorous management systems aligned to international standards and for which we have certificates of authorization for: quality management according to ISO 9001



integrated with environmental management according to ISO 14001, as well as occupational health and safety management according to ISO 45001. We have also implemented the standard for safety management. In order to implement and maintain management systems according to these standards, we have developed system procedures, we set objectives annually, draw up specific action plans and carry out the planned actions to achieve our objectives.








Our company is aware that at different points in time and depending on the development of contextual aspects, the stakeholders' requirements and expectations have different relevance to the company's functions and subsystems. The monitoring and analysis of stakeholder information is carried out systematically and the results of the analysis serve as the basis for the annual update of the company's 5-year Development Strategy.


Our company has included in its Rules of Organization and Functioning both the relevant organizational contextual aspects as well as the interests and expectations of our stakeholders, identified in relation to the shared interests of: our customers, shareholders, suppliers, employees, certification bodies, technical and regulatory authorities, local community.

Moreover, given their particular importance in providing the most important resource - the human resource, the educational institutions, in fact assimilated to the communities, are considered as distinct stakeholders, namely: the pupil community, the student community, the teaching staff community and the scientist community.

The AEROSTAR policies, code of conduct and ethics and other types of information are communicated to the stakeholders through external or internal channels, appropriate for the level of relevance, interest (high/medium/low) and the category of audience to which they are addressed.

In the following table we present our company's stakeholder map, the type of interaction, the communication with them and the level of interest.

STAKEHOLDERS (A→Z)	LEVEL OF INTEREST (LOW, MEDIUM, HIGH)	TYPE OF INFORMATION/COMMUNICATION/INTERACTION
SHAREHOLDERS/ INVESTORS	High	<ul style="list-style-type: none"> <li>• Specific dialogues</li> <li>• Regular reports, briefings and presentations</li> <li>• General meetings of shareholders</li> <li>• Investor conferences</li> <li>• Meetings/Debates</li> <li>• Company's website</li> <li>• Stock exchange reports</li> <li>• Official addresses</li> <li>• Press releases</li> <li>• E-mail/fax</li> </ul> 
ANALYSTS/ BANK REPRESENTATIVE S	High	<ul style="list-style-type: none"> <li>• Specific dialogues</li> <li>• Stock exchange reports</li> <li>• Company's website</li> <li>• E-mail /fax</li> </ul> 
EMPLOYEES	High	<ul style="list-style-type: none"> <li>• Internal online platform of the company</li> <li>• Providing information through the company's biannual magazine</li> <li>• Communicating through the company's trade union organization;</li> <li>• Providing information via the company's Electronic System</li> <li>• Meetings</li> <li>• Direct meetings and face-to-face interactions; trainings on specific topics</li> <li>• Written internal communications</li> <li>• Communications via radio station</li> <li>• E-mail/fax</li> <li>• Posters on general display panel and notice boards</li> <li>• Specific actions in accordance with the hierarchical levels</li> </ul> 
PROFILE ASSOCIATIONS/ NGOs	Medium	<ul style="list-style-type: none"> <li>• Joint projects with partners from research institutes</li> <li>• Sponsorships and donations</li> <li>• Support for cultural and sports activities</li> <li>• E-mail/fax</li> </ul> 
CUSTOMERS	High	<ul style="list-style-type: none"> <li>• Contracts</li> <li>• Periodic briefings, KPI analysis, audits, authorizations</li> <li>• Workshops</li> <li>• Conference calls, e-mail/fax</li> <li>• Press releases</li> <li>• Social media (Facebook, LinkedIn, Instagram)</li> <li>• Meetings at trade fairs</li> <li>• Company website</li> </ul> 
COMPETITORS	Medium	<ul style="list-style-type: none"> <li>• Meetings at trade fairs</li> <li>• Responsible marketing and sales practices</li> </ul> 
LOCAL COMMUNITY	High	<ul style="list-style-type: none"> <li>• Social media (Facebook, LinkedIn, Instagram)</li> <li>• Sponsorships and donations</li> <li>• Events organized by the community</li> <li>• E-mail/fax</li> </ul> 

<b>SUPPLIERS</b>	High	<ul style="list-style-type: none"> <li>• Contracts</li> <li>• Specific dialogues, teleconferences, e-mail</li> <li>• Supplier evaluations</li> <li>• Periodic briefings, teleconferences, e-mail/fax</li> <li>• Press releases</li> <li>• Social media (Facebook, LinkedIn, Instagram)</li> <li>• Meetings at trade fairs</li> <li>• Company website</li> </ul>	
<b>CERTIFICATION BODIES TECHNICAL AND REGULATORY AUTHORITIES</b>	High	<ul style="list-style-type: none"> <li>• Specific dialogues</li> <li>• Audits</li> <li>• Procedures</li> <li>• Periodic briefings</li> <li>• Teleconferences, e-mail/fax</li> <li>• E-mail/fax</li> </ul>	
<b>POTENTIAL EMPLOYEES</b>	High	<ul style="list-style-type: none"> <li>• Company website</li> <li>• Careers page where job vacancies are posted</li> <li>• Professional competency assessment centre</li> <li>• Social media (Facebook, LinkedIn, Instagram)</li> </ul>	
<b>POTENTIAL CUSTOMERS AND SUPPLIERS</b>	High	<ul style="list-style-type: none"> <li>• Meetings at trade fairs</li> <li>• Networking sessions</li> <li>• E-mail/fax</li> </ul>	
<b>PRESS/ MASS-MEDIA/ SOCIAL MEDIA</b>	Medium	<ul style="list-style-type: none"> <li>• Press releases</li> <li>• Conferences/Events</li> <li>• Interviews</li> <li>• E-mail/fax</li> </ul>	
<b>TRADE UNIONS</b>	High	<ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Briefing and consultation sessions</li> <li>• Specific dialogues</li> </ul>	
<b>UNIVERSITIES/ TECHNICAL COLLEGES</b>	High	<ul style="list-style-type: none"> <li>• Internships</li> <li>• Sponsorships for the educational process</li> <li>• R&amp;D project partnerships</li> <li>• Visits</li> <li>• Direct briefings</li> <li>• Social media (Facebook, LinkedIn, Instagram)</li> <li>• E-mail/fax</li> <li>• Company website</li> </ul>	

## 2.3. Material impacts, risks and opportunities and their interaction with the strategy and business model

SBM 3

The overall approach to the company's processes in the light of the management systems aligned to the relevant standards is based on the identification and assessment of risks and the management of the potential impact arising from the assessed risk, consistently following the principle of mitigating the level of risk and minimizing the potential negative impact, while at the same time capitalizing on the opportunities generated by the risks through improvement measures.

The major risk of not achieving the turnover forecasted in the company's strategy induces a risk of job reduction through business downsizing. As a result of careful and effective management of this risk by the company, jobs are in fact maintained, and in reality the impact is positive, in the sense of the company's contribution to the well-being of the local community, through the income provided to the employees, through significant taxes and duties paid to the state budget.

Furthermore, one of the three business lines designed to ensure the attainment of the turnover foreseen in the company's current strategy aims at maintaining our company's status as a supplier of defensive aviation and ground systems for the Romanian Ministry of National Defence. Thus, AEROSTAR contributes to the security of the territory and the population, which induces a positive impact on the community and an opportunity for the company to maintain its image and good reputation in the field.

The risk of damage to the environment through the company's activities has a potentially negative impact on the people in the local community who live or work around the company's sites (head office, factories, workplaces). In order to minimize this potential negative impact, the company has adopted a robust quality and environmental policy, it has implemented and maintains an Environmental Management System, which complies with the requirements of the SREN ISO 14001 standard and is certified in accordance with this standard. Specific actions that lead to ensuring the effectiveness of the environmental management system and its improvement include the assurance that the environmental policy and objectives are compatible with the company's strategic context and direction.

The necessary human resource, estimated for a 5-year horizon, is an important component of our Strategy and an integral part of it. The company's risk of failure to assure its qualified human resource actually induces opportunities and positive impact for the local and regional community, as it is expected that the workforce will be sought primarily in these communities. These considerations lead us to support the communities' right to education and culture and underpin our initiatives and actions to support the development of vocational school education, as well as technical secondary and university education in the geographical area, including dual education, thus ensuring a positive impact on the communities.

Another significant risk that contributes to the adaptation of the business strategy to the changing contextual aspects and the assessment of impacts is the risk of image or reputational risk.

### **3. IMPACT, RISK AND OPPORTUNITY MANAGEMENT**

### 3.1. Double Materiality (Significance)

Impacts, risks and opportunities related to environmental, social and governance aspects have been identified and assessed in line with the ESRS standards and the implementation guide IG 1 - Materiality Assessment.

The connection between the identified impacts, associated risks and opportunities is presented for each theme/sub-theme separately in Chapter II Sustainability Statement.

For this report a joint team was assembled in 2024. This team undertook an extensive, well-documented process of identifying relevant information related to the sustainability of our company, gathering and analysing key data, while making sure that all necessary information is properly documented, accurately reflects our environmental and social impacts, and assessing material aspects and financial impacts.

Thus, during these meetings the following aspects were analysed:

- The actual and potential, positive and negative impacts of our own operations on people or the environment (inside-out) through assessments based on severity and likelihood criteria;
- Financial materiality - the likelihood and severity of the financial impacts related to the identified risks, the company's dependencies (outside-in) and the determination of financial materiality.
- Additional sustainability aspects.

An aspect is material if it meets the defined criteria for impact materiality (significance), or financial materiality, or both. In support of these actions, we have regulated the work method through an internal instruction, thereby reinforcing the team's activities.

The team has paid close attention to the impacts that the company's operational activity may generate, but also to the associated risks and opportunities.

In AEROSTAR, the people who participated in the meeting sessions are part of the executive management, are members of the extended management team or are representatives of the relevant departments for each thematic topic.

For this report, the team was made up of the following persons:

1. Alexandru Filip - **CEO**
2. Doru Damaschin – **Financial-Accounting Director**
3. Andrei Damaschin - **Chief Accounting Officer**
4. Laurențiu Rogoz - **Director of Quality Directorate**
5. Daniel Vîrnă - **Director of Quality Directorate**
6. Andra Cristea - **Director of Logistics Division**
7. Cătălin Branche - **Director of Utilities and Infrastructure Division**
8. Claudia Sfirlea - **Head of Environmental Protection Office**
9. Sorina Palko - **Head of Industrial Engineering and Management Office**
10. Raluca Sofian - **Head of Human Resources Office**
11. Cătălina Costache - **QA Coordinator - Purchasing Analyst**
12. Răzvan Bejenaru - **Legal Counsellor**
13. Elena Costache - **Head of Marketing and Development Service**

### 3.2. Description of the processes to identify and assess material impacts, risks and opportunities

## IRO -1

In line with the methodology presented previously, in our analysis we took into account the following aspects:

- Trends in the market in which we operate, contextual aspects, company priorities in relation to strategy, business model and stakeholder requirements.
- Analysis of sustainability issues covered by the thematic ESRS: climate change, pollution, water and marine resources, biodiversity and ecosystems, biodiversity and ecosystems, circular economy, our own workforce, value chain workers, adequate communities, consumers and end-users, business conduct and value chain analysis.
- Identification and analysis of other matters of interest to the company
- Analysis and assessment of actual or potential material impacts (aspects) and their severity, identification of risks and opportunities and potential financial effects.
- Analysis of the results through final consultation.
- Evaluation of the analysis, preparation of the double sustainability matrix, interpretation of results and setting of targets.

Each aspect has been documented, according to its importance, in a working document produced for this project. The criteria for assessing impacts and determining their materiality are based on the IG 1 - Materiality Assessment Implementation Guide and take into account the magnitude, scope, irremediability, likelihood and severity of the impacts.

The criteria for assessing the risks and determining the materiality of the financial impacts consider severity levels in terms of magnitude and probability levels. Financial effects refer to effects that may affect performance, financial position, liquidity, access to capital and cost of capital. Reputational damage may generate financial effects.

The results of the analysis have been recorded in the working document and will be subject to periodic review.

We consider this assessment to be important in the company's strategy, objectively analysing both our needs and the likelihood of generating impacts through our own activities.

We also aim to hold regular meetings throughout 2025 where, based on the current needs of the company and cross-checked against the list of aspects presented in this report, we will make updates or changes, as appropriate.

The table below shows the sustainability aspects that have been subject to the double materiality analysis and those that are not relevant or not within the scope of our work.

ESRS E1-E5 Environment			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
ESRS E1 Climate Change	Adaptation to climate change		Covered by the double materiality analysis
	Mitigation of climate change		Covered by the double materiality analysis
	Efficiency		Covered by the double materiality analysis
ESRS E2 Pollution	Air pollution		Covered by the double materiality analysis
	Air pollution		Covered by the double materiality analysis
	Soil pollution		Covered by the double materiality analysis
	Pollution of living organisms and food resources		Covered by the double materiality analysis
	Substances of concern		Covered by the double materiality analysis
	Substances of very high concern		Covered by the double materiality analysis
	Microplastics		Not covered by our scope of activity
ESRS E3 Water and marine resources	Water resources	Water consumption	Covered by the double materiality analysis
	Marine resources	Water sampling	N/A
		Discharge of water	N/A
		Discharge of water into oceans	N/A
		Extraction and use of marine resources	N/A



ESRS E4-E5 Environment			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
<b>ESRS E4 Biodiversity and ecosystems</b>	Determining factors of the direct impact on the biodiversity decline	Climate change	Not applicable to our organization. The activities carried out within our organization do not impact protected natural areas, vulnerable habitats or ecosystems.
		Changing the use of land, fresh water and sea	
		Direct exploitation	
		Invasive alien species	
		Pollution	
		Other	
	Impacts on the status of species	Examples: Size of species population	
		Examples: Risk of global extinction of species	
	Impacts on the extent and state of ecosystems	Examples: Soil degradation	
		Examples: Desertification	
		Examples: Soil permeability	
	Impacts and dependencies on ecosystem services		
<b>ESRS E5 Circular economy</b>	Resource inputs, including resource utilization		Covered by the double materiality analysis
	Resource outflows related to products and services		Covered by the double materiality analysis
	Waste	Hazardous waste generation	Covered by the double materiality analysis

ESRS S1-S4 Social information			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
ESRS S1 Own workforce	Working conditions	Safe jobs	Covered by the double materiality analysis
		Working time	Covered by the double materiality analysis
		Adequate salaries	Covered by the double materiality analysis
		Social dialogue	Covered by the double materiality analysis
		Freedom of association, the existence of works councils and employees' rights to be informed, consulted and participate	Covered by the double materiality analysis
		Collective negotiation, including the share of employees covered by collective agreements	Covered by the double materiality analysis
		Work-life balance	Covered by the double materiality analysis
		Health and safety	Covered by the double materiality analysis
	Equal treatment and opportunities for all	Gender equality and equal pay for equal work work of equal value	Covered by the double materiality analysis
		Training and development of competencies	Covered by the double materiality analysis
		Employment and inclusion of people with disabilities	Covered by the double materiality analysis
		Measures against violence and harassment in the workplace	Covered by the double materiality analysis
	Other work-related rights	Diversity	Covered by the double materiality analysis
		Child labour	Covered by the double materiality analysis
		Forced labour	Covered by the double materiality analysis
		Adequate housing	N/A
		Confidentiality	Covered by the double materiality analysis

ESRS S2 Social information			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
ESRS S2 Value chain workers	Working conditions	Safe jobs	N/A
		Working time	N/A
		Adequate salaries	N/A
		Social dialogue	Covered by the double materiality analysis
		Freedom of association, including the existence of works committees	Covered by the double materiality analysis
		Collective negotiation	N/A
		Work-life balance	N/A
		Health and safety	Covered by the double materiality analysis
	Equal treatment and opportunities for all	Gender equality and equal pay for equal work work of equal value	Covered by the double materiality analysis
		Training and development of competencies	N/A
		Employment and inclusion of people with disabilities	N/A
		Measures to combat violence and harassment in the workplace	Covered by the double materiality analysis
		Diversity	N/A
	Other work-related rights	Child labour	Covered by the double materiality analysis
		Forced labour	Covered by the double materiality analysis
		Adequate housing	N/A
		Water and sanitation	Covered by the double materiality analysis
		Confidentiality	Covered by the double materiality analysis

ESRS S3-S4 Social information			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
ESRS S3 Affected communities	Economic, social and cultural rights of communities	Adequate housing	Covered by the double materiality analysis
		Adequate food	N/A
		Water and sanitation	Covered by the double materiality analysis
		Land-related impacts	N/A
		Security impacts	Covered by the double materiality analysis
	Civil and political rights of communities	Freedom of expression	Covered by the double materiality analysis
		Freedom of assembly	N/A
		Impact on human rights defenders	N/A
	Rights of indigenous peoples	Free, prior and informed consent	N/A
		Self-determination	N/A
ESRS S4 Consumers and end-users	Impacts related to information for consumers and/or end-users	Confidentiality	We respect the right to privacy and freedom of expression. AEROSTAR complies with GDPR data protection and legislation. AEROSTAR conducts its business-to-business activities under agreements that ensure the confidentiality of its business partners.
		Freedom of expression	Covered by the double materiality analysis
		Access to (quality) information	Covered by the double materiality analysis
	Personal safety of consumers and/or end-users	Health and safety	Covered by the double materiality analysis
		Personal security	Covered by the double materiality analysis
		Child protection	N/A
	Social inclusion of consumers and/or end-users	Non-discrimination	Covered by the double materiality analysis
		Access to products and services	Covered by the double materiality analysis
		Responsible marketing practices	Covered by the double materiality analysis

ESRS G1 Information on governance			
Thematic standard/theme	Sub-theme	Sub-sub-theme	Comments
ESRS G1 Professional conduct		Corporate culture	Covered by the double materiality analysis
		Whistleblower protection	Covered by the double materiality analysis
	Corporate culture	Animal welfare	N/A
		Political engagement and lobby activities	Covered by the double materiality analysis
		Business conduct	Covered by the double materiality analysis
		Supplier relationship management, including payment practices	Covered by the double materiality analysis
	Corruption and bribery		Covered by the double materiality analysis

Additional topic	Sub-theme/impact	Comments
Computer system security	Security incident	Covered by the double materiality analysis
	GDPR data	Covered by the double materiality analysis
Export/import controls		Covered by the double materiality analysis

## LIST OF MATERIAL MATTERS AND INTERPRETATION OF RESULTS

In our assessment, we analysed **25** sub-themes of the European Standard and added two additional topics: cyber security and export/import controls.

The results of our assessment have provided a comprehensive overview of the material matters and risks that are likely to have financial effects and could impact our business. We have addressed these impacts, risks and opportunities in the thematic standards covered in the sustainability statement.

We interpret the results in close correlation with our needs, paying attention to the potential impacts that our activities may generate, whether positive or negative. In doing so, we ensure that the decisions we take are well-informed and balanced, taking into account both the opportunities and risks involved.

**The analysis matrix revealed the following:**

**1. Potential negative matters with financial effects:**

2 matters that could have a significant financial impact on the organization.

**2. Real negative non-material matters**

9 matters that are considered negative but do not have a material/financial impact and are continuously monitored

**3. Potential negative non-material matters:**

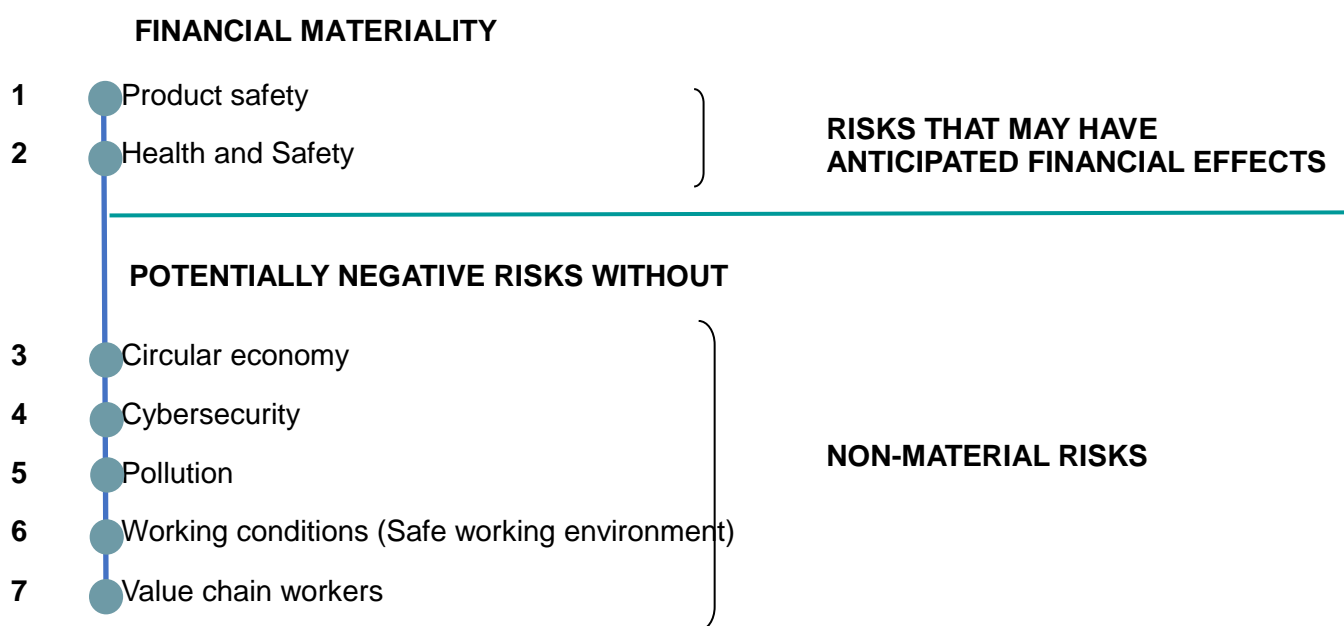
7 matters that could have a negative impact, but have no material/financial impact

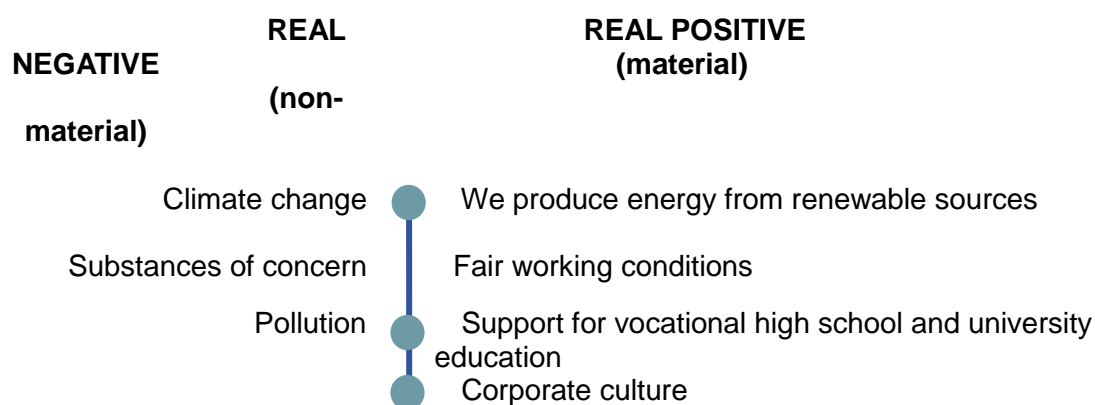
**4. Real positive non-material matters**

18 matters that are positive, where we will implement concrete actions to maximize their impact

**5. Potential positive non-material matter:**

1 matter that could be positive but does not have a significant material/financial impact on the organization.





**Two main areas of interest stood out in light of their severity thresholds.**

**These areas of interest are top priorities for our company.**

#### **End User Domain - The safety of our products**

is a priority for the company and is closely linked to our company's adherence to quality standards and continuous improvement. One of the strategic objectives of AEROSTAR is to make products and provide services that offer full safety for our end users.

#### **Own Workforce Domain - Health and safety at work**

are key matters for AEROSTAR. We are committed to providing a working environment in which all employees can perform their activities in a safe and healthy manner. This involves implementing and maintaining safety procedures, providing adequate training to prevent accidents and constantly improving working conditions.

**No detailed breakdown of the anticipated financial effects in monetary terms has been made for the year 2024, and the monetary forecasted risks will have to be validated during the year 2025, following an extensive monitoring and analysis to be carried out for the two priority areas.**

**We will focus our attention on these areas, by implementing specific measures to meet both the operational requirements and the priorities dictated by the financial materiality.**



### 3.3. MDR-P Policies, MDR-A Actions, MDR-M Indicators, MDR-T Targets

The resources needed for risk management are allocated within the company, with authorities and responsibilities for the relevant functions and levels established. The general framework for dealing with risks relies on understanding the needs and expectations of the stakeholders in achieving the organization's expected results.

In our company:

- Responsibilities for the quality and environmental aspects, as well as Risk Management, are assigned/delegated to the Director of Quality and Environment.
- Responsibilities for the social, personnel, occupational health and safety, anti-discrimination and diversity matters are assigned/delegated to the Human Resources Director; as an area of interference, these responsibilities are correlated with:
- Responsibilities on the legal compliance, human rights and anti-corruption and anti-bribery matters, which are assigned/delegated to the Legal Office.
- Responsibilities on the matters of sustainable use of resources, reduced consumption of natural resources are assigned/delegated to the Director of the Infrastructure and Utilities Division.
- Responsibilities for the compliance measures related to the avoidance of money laundering are assigned to the Financial-Accounting Director.
- Corporate Governance responsibilities are assigned to the General Secretariat of the company.

The contextual aspects and their impact over short, medium and long-time horizons, along with the company's priorities in relation to the stakeholders' requirements over the same time horizons, as well as the significant risks and opportunities related to the business model serve as the basis of the company's development strategy. All of these are subject to ongoing risk analysis and risk management measures, and are also subject to a complex and in-depth analysis at the time of the annual strategy update.

We follow policies specifically aimed at identifying, assessing, managing and mitigating potentially significant negative impacts, maintaining and enhancing positive impacts.

The risks identified in terms of quality, environment and safety are highlighted in the Risk Register created in the company as a requirement for the implementation of the quality, environment and safety management system. The Risk Register is used for recording the significant risks, assessed on the basis of an internal procedure, and the actions planned to manage each risk. The status of actions is assessed during the management reviews conducted annually. During these reviews, ongoing and emerging risks and opportunities are identified, as well as the actions that need to be taken.

Process-specific dashboards, monthly reports and current summary reports are presented at the operational meetings held during the year. The company monitors their progress by means of the Quality-Environment Dashboard, which is prepared and analysed on a weekly basis.

Through specific annual plans, risk mitigation actions are established and planned so that the actual impact of a risk that would nevertheless materialize would be below the materiality threshold. The company's internal audits, as well as supervisory audits carried out by the relevant authorizing

competent bodies monitor the implementation of the risk management action plans, highlighting any non-compliances and requiring the identification of new actions to address them.

Another tool we use is the Quarterly Management Report which analyses the turnover, productivity and added value ratios, resource management, quality and environmental issues, commitments and related risks, resulting in corrective or improvement measures.

We communicate the results of the Management Reports across the company, both to disseminate positive results, so that the methods and means used to achieve those results are adapted and extended throughout the company, and to identify concerted action by all profit centres in order to improve the overall organizational performance. Improvement is planned, while the recommendations and measures established in the management reports materialize into specific action plans. Improvement actions are reinforced through appropriate information and communication, and general monitoring is exercised through the internal control system with the following components: management accounting, budgetary controlling, managerial controlling, internal audit.

The effectiveness and suitability of this general approach are proven by the fact that in 2024 AEROSTAR S.A. did not register any negative impact of its activities on the communities in terms of economic, social and cultural rights, civil and political rights, or other specific rights.

In order to manage the risk of environmental damage, we continuously make efforts to maintain our Environmental Management System certification, so that from this perspective we can make sure that the potential negative impact is not material. Our objectives in this regard are:

- To make products and provide services that offer full safety to their users;
- To increase the environmental performance.

Our environmental management system is continually monitored by its certifying authority through surveillance audits, which identify any non-conformities and make recommendations that are closed by a root cause analysis, followed by corrective action plans and improvement plans, as applicable.

To manage the risk of job cuts through downsizing, as a result of a significant non-achievement of the forecasted turnover, the company is constantly carrying out actions based on the generic cycle Plan - Do - Check - Update, which covers both the general framework of the strategy and the current activities. The Weekly Production Activity Dashboard is the tool by which the company's top management monitors results against the approved budget and planned monthly targets, identifies and analyses in real time the risks of non-achievement of production and sales and can identify and effective remedial measures in a timely manner.

## II. SUSTAINABILITY STATEMENT

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### 4. ENVIRONMENTAL INFORMATION

#### 4.1. CLIMATE CHANGE - E1

##### Transition plan for climate change mitigation

E1-1

The environmental policy and the lines of action established for the implementation of the general management objectives have led to the improvement of the company's environmental performance through the following actions:

- Investments in safe equipment in terms of occupational health and safety and environmentally friendly technologies, pollution prevention and environmental protection, prevention of emissions to air/water/soil, other specific environmental risks and issues;
- Accurate completion and validation of all regulated formalities related to greenhouse gas emission certificates;
- Providing part of the energy for the company's processes from green sources, through its own photovoltaic parks.

AEROSTAR has a dedicated department in charge of verifying the compliance with the environmental legislation and coordinating all activities specific to Environmental Protection. AEROSTAR has complied with the environmental legislation as well as with the requirements of the Integrated Environmental Authorization, the Water Management Authorization and the Greenhouse Gas Emission Authorization. The results of the controls conducted by the commissioners of the Bacău Environmental Guard confirm AEROSTAR's compliance with the applicable legal and regulatory requirements.

The activities with environmental impact are kept under control through internal operational checks respectively by analysing the results of monitoring and measurements carried out in accordance with the provisions of the environmental permits on air emissions, waste generation, noise generation, discharges.

A full transition plan is still under development, but our organization has always had a proactive vision and commitment to the environment, so we have taken successive steps to optimize energy consumption, such as:

- Thermal rehabilitation of building facades with sandwich panels. About 70% of all buildings have been rehabilitated, resulting in an area of about 24.600 square meters of sandwich panels. Their installation improved the thermal insulation of the buildings by about 20%.
- Replacing old generation boilers with modern 6 MWh boilers with higher energy efficiency, with dual burners allowing operation with methane gas or diesel.
- Complete replacement of the entire heat distribution network: the old external pipes have been replaced with steel pipes pre-insulated with polyurethane foam according to SR EN 253 with low thermal conductivity, guaranteed to withstand temperatures up to 160°C for a minimum period of 30 years.
- The commissioning of a photovoltaic park with a total capacity of 3 MW for the production of electricity from renewable sources. This way, the company has achieved the objective that contributes to increasing sustainability, reducing global warming effects and achieving climate neutralization.

## Material impacts, risks and opportunities and their interaction with the business model

SBM-3, IRO -1

In the context of the industry in which we operate, we pay particular attention to managing climate change issues through regular internal audits and annually through external audits.

By means of the double materiality assessment, AEROSTAR has analysed the adaptation to climate change and the risk of increased utility costs due to the investment in the purchase of GHG emission allowances to cover the deficit, with the anticipated financial effects described in E1-9.

At the same time, as a real positive impact we mention that we produce energy from renewable sources, measures that have led to a decrease of about 20% in purchased energy.

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Adaptation to climate change	<b>Real Negative</b> Our activities generate greenhouse gas emissions within the permissible limits	Risk of increased utility costs due to investment in the purchase of GHG emission allowances to cover the deficit	Maintaining the company's reputation and image in the community
	<b>Real Positive</b> We produce energy from renewable sources		
The impacts under analysis are not material and the risks are not financially material.			

The impacts analysed by our organization are not material. However, we constantly take action to support climate change mitigation and contribute to the sustainable growth of our business.

## Description of the processes to identify and assess material climate-related impacts, risks and opportunities

IRO-1

In AEROSTAR, the process of identifying and assessing material impacts, risks and opportunities is carried out systematically through our integrated management system, which ensures a consistent approach in all our activities. We continually monitor, analyse data, identify and manage the relevant environmental aspects, while aligning with the compliance requirements and our objectives for sustainable development.

## Climate change policy actions and resources

E1-3

An industrial and building energy audit was carried out in 2023 to get an overview of the potential for optimizing energy consumption, including as a basis for preparing a medium and long term strategic decarbonization plan. In 2024, an Action Plan was approved, which includes both the recommendations for improvement resulting from the audit and our own feasible measures to increase energy efficiency.

## Climate change mitigation and adaptation targets

E1-4

In our objectives, we aim to optimize the management of resources and reduce consumption. To this end, we are constantly striving to make our natural gas and electricity consumption more efficient through long-term targets. Thus, we make sure that we use resources in a responsible and sustainable way, thereby contributing to environmental protection. Our commitment to sustainability through energy efficiency enables us to remain competitive and add value to our customers and communities.

Year	Natural gas consumption (SCM) in relation to turnover	TARGETS Increase/decrease compared to reference year	Electricity consumption (KWh) in relation to turnover	TARGETS Increase/decrease compared to reference year
2017	0,0047	-	0,0438	-
2021	0,0054	↑14,89%	0,0305	↓30,36%
2022	0,0035	↓25,53%	0,0200	↓54,33%
2023	0,0025	↓46,80%	0,0193	↓55,93%
2024	0,0027	↓42,55%	0,0179	↓59,13%
2025	0,0046	↓2%	0,0350	↓20%
2030	0,0045	↓3%	0,0328	↓25%

## Energy consumption and mix

E1-5

Evolution of electricity and natural gas consumption in the period 2021 - 2024, compared to the reference year 2017

Year	Electricity consumption - kWh	Evolution compared to the reference year	Natural gas consumption - SCM	Evolution compared to the reference year
2017	14.915.197	-	1.597.221	-
2021	11.507.262	↓22,84%	2.032.028	↑27,2%
2022	9.355.856	↓37,27%	1.616.998	↑1,24%
2023	9.814.667	↓34,19%	1.286.783	↓19,43%
2024	10.490.930	↓29,66%	1.617.631	↑1,27%

### Energy consumption from fossil fuels

Diesel consumption in 2021 (for the production of thermal agent) = 10.821 litres

Diesel oil consumption in 2022 (for the production of thermal agent) = 1.433 litres

Diesel consumption in 2023 (for the production of thermal agent) = 183.531 litres

Diesel consumption in 2024 (for the production of thermal agent) = 196 litres

The increase in diesel consumption for the production of thermal agent in 2021-2023 was caused by the instability of the natural gas market due to geopolitical instabilities. The consumption of diesel oil in 2024 referred strictly to the tests that are periodically conducted at the plant.

## Gross emissions of GHG categories 1, 2, 3 and total GHG emissions

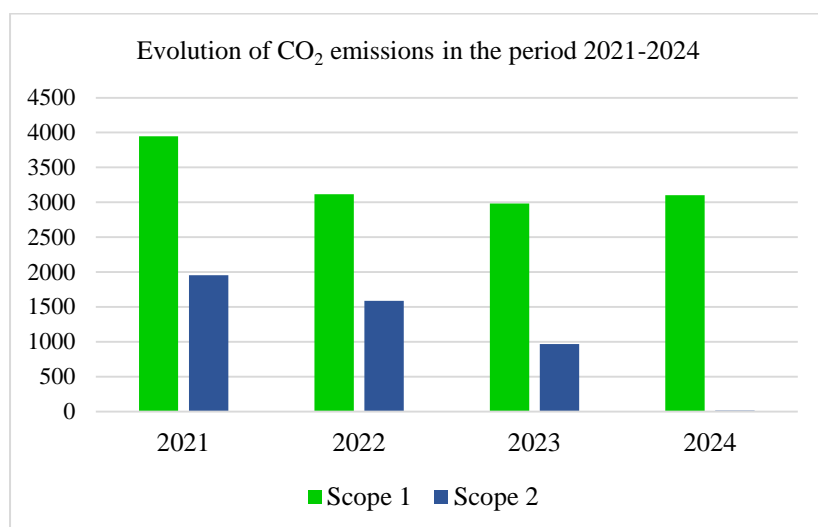
E1-6

### Gross GHG emissions

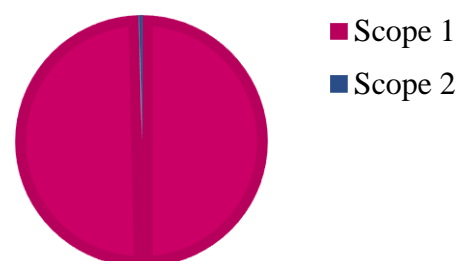
**Category 1 (Scope 1)** covers fuel and natural gas consumption and represents direct carbon emissions. In total, our Scope 1 carbon footprint in 2024 amounted to 3103 tons of CO<sub>2</sub>e.

**Category 2 (Scope 2)** represents electricity consumption, and includes indirect carbon emissions. Total carbon emissions for Scope 2 in 2024 amount to 12,027 tons CO<sub>2</sub>e.

For a more detailed understanding of our impact on the environment, we are in the process of defining and adapting our **Scope 3** methodology with the final aim of obtaining a calculation including emissions from the supply chain.



### CO<sub>2</sub> EMISSIONS 2024



### Evolution of carbon footprint (Scope 1 and Scope 2) between 2021-2024

	Scope 1 (t CO <sub>2</sub> e)	Evolution compared to last year	Scope 2 (t CO <sub>2</sub> e)	Evolution compared to last year
2021	3945	-	1952,207	-
2022	3114	↓ 21,06%	1587,22	↓ 18,69%
2023	2983	↓ 4,2%	969,074	↓ 38,94%
2024	3103	↑ 4,02%	12,027	↓ 98,75%

Total GHG emissions:

2021 – 5897,207 t CO<sub>2</sub>e

2022 – 4701,22 t CO<sub>2</sub>e

2023 – 3952,074 t CO<sub>2</sub>e

2024 – 3115,027 t CO<sub>2</sub>e

Total GHG emissions in relation to turnover:

total GHG emissions in metric tons of CO<sub>2</sub> equivalent

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turnover

Total GHG emissions in metric tons CO<sub>2</sub> equivalent = Scope 1 GHG emissions + Scope 2 GHG emissions

2021 – 0,0000156  
2022 – 0,0000100  
2023 – 0,0000078  
2024 – 0,0000053

As of August 2023, the company has opted for a renewable electricity supplier that produces 91,82% of its electricity from renewable sources. As a result, the carbon footprint for Scope 2 is on a steep downward trend, with CO<sub>2</sub>e/kWh emissions now around 1,3 g/kWh compared to the previous supplier's reported value of around 170g/kWh.

In its first year of operation, the photovoltaic park developed at our company, with an installed capacity of 3MW, has generated an energy production of about 2.396.000 kWh, thus contributing to increased sustainability and reduced environmental impact.

### **Internal carbon pricing**

E1-8

AEROSTAR monitors the quarterly trading price of a GHG certificate on the EEX (European Energy Exchange) platform).

### **Anticipated financial impacts from material physical and transition risks and potential climate-related opportunities**

E1-9

The financial effect of the decrease in the free allocation of GHG allowances will be known in the upcoming years, meaning that AEROSTAR will have to purchase allowances to maintain compliance with the regulated requirements. At the end of 2024, there were 9615 GHG allowances available in the RUEGES account, and taking into account an average of 3000 retrieved allowances per year, this reserve in the account can cover at most 3 more years. Based on the last trading price of 2024 as of 30.12.2024, this results in a financial impact of approximately 200,000 EUR for the purchase of 3000 GHG allowances.

Climate change brings both significant risks to our operations and opportunities for sustainable development. We understand the importance of assessing the financial impact of these factors and we are actively working to integrate this aspect into our business strategy.

We anticipate that the main risks to our organization include the impact on raw material supply caused by prolonged droughts and possible increases in energy costs due to stricter regulations. At the same time, the transition to a green economy could result in additional expenditure to implement energy-efficient technologies and low-emission standards.

The opportunities we anticipate include reducing long-term operational costs through the adoption of renewable energy sources.

We will include the results of future assessments in our annual reports to ensure transparency and to communicate our strategic decisions.





## 4.2. POLLUTION - E2

### Material impacts, risks and opportunities

IRO-1



Natural resource protection is a priority for the management and development of our business. AEROSTAR's main goal is to minimize the effects of its activities on the environment through pollution prevention, efficient use of resources and energy, effective waste management and protection of ecosystems. Our activities are regulated in terms of environmental protection and are supervised by the controlling authorities.

All sustainability aspects specified in the thematic standard (water, air, soil pollution and substances of concern) have been assessed through the double materiality analysis. This approach has once again assured us that all sources of pollution are properly assessed and monitored.

Water pollution is monitored by analysing the quality of wastewater. For air pollution monitoring, gas emissions are assessed and the necessary measures are planned in order to reduce/prevent them. Soil pollution is addressed through responsible management of substances and compliance with applicable legal requirements and those imposed by REACH.

We aim for full transparency, and for this reason, although the impacts assessed are not material and the risks analysed did not result in financial impacts, we are disclosing the most relevant aspects. We engage ourselves to provide clear and detailed information to demonstrate our commitment to sustainability and accountability. Even in the absence of material impacts, we believe it is essential to be open and transparent in communicating our actions to protect the environment and mitigate the associated risks.

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Air pollution	<b>Real negative</b> Very low pollutant emissions (below legal limits)	Reputational risk if legal limits are exceeded (sanctions from environmental authorities)	
Substances of very high concern	<b>Real negative</b> The use of substances of concern - authorized under REACH	Non-compliance with the applicable legal requirements and those imposed by the REACH Regulation	Transition to new, more environmentally friendly processes
The impacts being analysed are not material and the risks are not financially material.			

AEROSTAR generates emissions in very low quantities of pollutants (below the legally permitted limits) and as for the use of substances of very high concern, a detailed description has been given in section E2-5.

### Pollution actions and resources

#### E2-2

Environmental impact management is a priority in our company's activities. In this respect, all actions taken are aligned with the legal requirements and provisions of the applicable environmental permits. We implement measures for monitoring and controlling the environmental factors in accordance with the regulations in force, while providing the necessary financial resources through an annual budget.

This budget includes the execution of regular monitoring and compliance with all legal obligations regarding pollution mitigation and prevention.

Over time many investments have been made on our company's site to treat and prevent pollution, including:

- two neutralization plants that deplete the wastewater and physically process the residual sludge by dewatering-pressing,
- oil separators,
- a reverse osmosis plant,
- upgraded fume exhaust systems for special process lines equipped with new generation scrubbers for gas scrubbing,
- enclosed, environmentally friendly paint booths with dry filter system for air purification, etc.

## Targets related to pollution

E2-3

AEROSTAR's pollution objectives are in line with the requirements imposed by the legislation in force. The main goal is to keep our activities within the legal limits set for the environmental factors by implementing proactive monitoring, control and prevention measures. Through this approach, we ensure that our operations comply with environmental standards, thus contributing to a minimal impact on the environment.

## Pollution of air, water and soil

E2-4

The monitoring of emissions to wastewater and air emissions is carried out in compliance with the applicable legal requirements and the requirements of the environmental permits, by an authorized company with which AEROSTAR has a contract. Test reports issued for the 2024 monitoring revealed compliance with the permissible limits for each pollutant analysed.

All hazardous chemical substances and preparations used in AEROSTAR are managed according to the applicable regulations in force. Hazardous chemical substances and preparations subject to the REACH regulation are used in compliance with the conditions imposed by the authorizations issued by the European Commission.

Evolution of emissions of volatile organic compounds from 2021 to 2024 compared to the reference year 2017

Year	Volatile organic compound emissions (kg)	Evolution compared to the reference year	Volatile Organic Compounds emissions relative to turnover (kg/RON)	Evolution compared to the reference year
2017	23.212	-	6,82	-
2021	8.997	↓61,23%	2,39	↓64,95%
2022	6.605	↓71,54%	1,41	↓79,32%
2023	4.442	↓80,86%	0,87	↓87,24%
2024	7.709	↓66,78%	1,32	↓80,64%

The decrease in emissions of volatile compounds in recent years is due to the use of water-based paints from the Automated Paint Line. The paints used here contain on average 3% volatile organic

compounds (VOCs), compared to a conventional solvent-based paint which contains about 60-90% volatile organic compounds.

Soil monitoring is carried out in accordance with the Integrated Environmental Authorization and the determined values were within the permissible limits imposed by the Integrated Environmental Authorization.

## **Substances of concern and substances of very high concern**

### **E2-5**

Our organization has always been concerned with reducing the environmental impact, paying particular attention to special processes where hazardous substances are used. Over the years, we have constantly invested in upgrading our production lines, looking for safer alternatives for these processes, even before these hazardous substances became restricted under REACH. We mention that AEROSTAR has made the transition from chromic anodizing to tartaric-sulphur anodizing - TSA since 2015 and in the following years to thin film sulphur anodizing (TFSA) and continues the actions of transition to processes that do not use CrO<sub>3</sub> (chromium trioxide).

This commitment reflects our proactive vision and responsibility for the environment and our employees' safety.

At the level of the European Union, concerns have arisen about the substance CrO<sub>3</sub> (chromium trioxide), whose authorization for use was annulled by the European Court of Justice on 20.04.2023, and we are currently in a transitional period.

This aspect has generated a major risk in terms of the continuity of some specific processes that use this substance, so an analysis team has been assembled within the company to find solutions to replace this substance in the future.

Following the annual review on the use of substances covered by Annex XIV REACH, the following findings were noted:

#### *1. The use of chromium trioxide:*

- The authorization decision issued at the end of 2020 for the CTACsub consortium has been cancelled as of April 2024, and the 2017 status of the authorization process for chromium trioxide has been reverted back to the status of 2017. Therefore, a new decision of the European Commission is awaited, and meanwhile we can use chromium trioxide from the suppliers in the original CTACsub consortium. From the original CTACsub consortium, two consortia were subsequently formed which include AEROSTAR suppliers - ADCR and CTACsub2. AEROSTAR has collaborated with both consortia throughout this period by providing the requested data. The review report of the ADCR consortium is accepted by ECHA and is currently in the analysis phase. The CTACsub2 consortium submitted a new application for authorization. We are tracking the authorization process of the two consortia.
- Safran LS has applied for substance authorization and AEROSTAR is co-applicant with other suppliers of Safran LS. For the Safran application, the draft authorization decision has been published on the ECHA website and the final decision will be published.

#### *2. The use of other substances covered by the Annex XIV REACH:*

- The provisions of the authorization decisions for the remaining chromates shall still be complied with;
- Purchases of these substances can only be made against the technical report drawn up by the end-using facility;
- The authorization decision for sodium dichromate expired in September 2024. The ADCR Consortium has submitted review reports for continued use after September 2024.

AEROSTAR has provided the information requested by the consortium on the conditions of use of the substance and may use the substance until a new decision is issued.

- In 2026, the authorization decision for strontium chromate and two other chromates contained in primers is due to expire. Our suppliers have asked for our support in preparing the review reports and we have provided the requested information whenever required.

AEROSTAR has made and will continue to make considerable efforts throughout this process in order to be able to maintain production and to comply with all European regulations concerning the use of controlled substances.

### **Anticipated financial effects from pollution-related impacts, risks and opportunities**

E2-6

The environmental impacts related to air emissions, noise generation, land discharges and waste generation are analysed every year, while also assessing the environmental aspects and determining the material aspects.

The monitoring carried out during 2024 has confirmed the ongoing efforts made to minimize the environmental impacts.

The measured values fall within the legally defined limits.

### 4.3. WATER AND MARINE RESOURCES – E3

#### Actions and resources related to water and marine resources

E3-2

In order to ensure a sustainable management of water resources, our company takes the following action:

- Continuous monitoring of water consumption to identify and reduce losses;
- Implementation of technological solutions that optimize water consumption in the operational processes;
- Proper collection and treatment of wastewater in compliance with the applicable legal requirements;
- Promoting water reuse initiatives where possible, thus contributing to reducing the impact on the natural resources.

These actions are supported by an annual budget allocated for monitoring, equipment maintenance and continuous improvement of the water management infrastructure.

#### Targets related to water and marine resources

E3-3

As part of our sustainability efforts, we have set targets related to the management of water consumption.

Year	Total water consumption (mc)	Evolution compared to the reference year	Total water consumption in relation to turnover (cubic meters/RON)	Evolution compared to the reference year
2017	128.751	-	0,3784	-
2021	97.717	↓24,10%	0,2596	↓31,39%
2022	103.709	↓19,44%	0,2220	↓41,33%
2023	126.634	↓1,64%	0,2501	↓33,90%
2024	114.134	↓11,35%	0,1954	↓48,36%
2025	-	-	0,3670	↓3%
2030	-	-	0,3594	↓5%

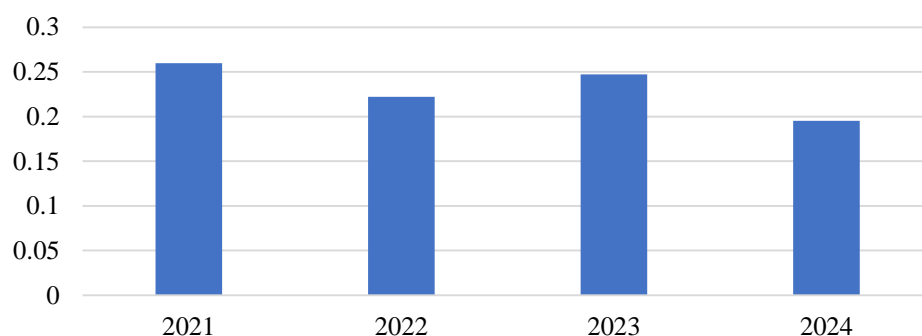
#### Water consumption

E3-4

There are no instability phenomena, active or stabilized landslides on the site and in its vicinity, the stratification of the terrain being uniform both horizontally and vertically.

The terrain of the site has an almost horizontal surface, with very good general stability, and the company's premises are equipped with sewerage networks for the collection of technological, domestic and rainwater wastewater. The site is not in the path of torrents and is not flood-prone.

Water consumption in relation to turnover



Actions taken to reduce water resources usage and efficiency measures implemented:

- removal of the cast iron pipes from the drinking water supply network and their replacement with HDPE pipes guaranteed to operate without failures for at least 50 years;
- modernization of the control and distribution facilities for drinking water from its point of entry into AEROSTAR, upstream to the water towers and its delivery to the internal consumers;
- replacement of defective hydrants and replacement of non-functional underground hydrants with overground hydrants with improved functionality;
- the prompt troubleshooting of damages occurred in the drinking, industrial and recirculated water systems.

Total water consumption in m<sup>3</sup>

	Drinking water	Industrial water	Total consumption
2021	61.502	36.215	97.717
2022	57.854	45.855	103.709
2023	82.483	44.151	126.634
2024	71.536	42.598	114.134

## Anticipated financial effects of material water and marine resources-related impacts, risks and opportunities

E3-5

In 2024 the risk of damage to water pipes was identified, and implicitly the risk of increased water consumption. To this end, measures have been taken to remove the cast iron pipes from the drinking water supply network and replace them with HDPE pipes guaranteed to operate without failure for at least 50 years.

#### 4.4. BIODIVERSITY AND ECOSYSTEMS - E4

##### Transition plan and consideration of biodiversity and ecosystems in strategy and business model

E4-1

The site of our operations is located in an industrial area with no direct impact on the protected natural areas or vulnerable habitats. However, we are aware of our responsibility towards the sustainable use of natural resources and reducing the impact on the local biodiversity.

##### Actions and resources related to biodiversity and ecosystems

E4-3

Although our location has no impact on the protected ecosystems, we aim to integrate biodiversity into our sustainability strategy by:

- Conducting a regular assessment of the impact of our activities on the local environment.
- Collaborating with environmental organizations on projects that support the regional biodiversity.
- Promoting a responsible supply chain, that includes sustainability criteria for the suppliers.

#### 4.5. RESOURCE USE AND CIRCULAR ECONOMY - E5

##### Material impacts, risks and opportunities

IRO-1

As part of our sustainability strategy, we are focused on increasing waste recovery and educating all employees in the spirit of minimizing waste generation to improve environmental performance.

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Resource inputs, included	<b>Potential negative</b> Excessive use of raw materials		Opportunity: improving efficiency from the design phase for the cutting and routing processes so that less waste results from processing

The impacts analysed are not material and the risks are not financially material.

We monitor both hazardous and non-hazardous waste, recover it and transfer it through an authorized recycling company, in compliance with the legislative provisions. The management of all categories of waste is carried out in compliance with specific legislative requirements. All waste generated from the activities carried out within the company is stored separately in appropriate containers and subsequently handed over to authorized operators for collection, recovery, disposal.

##### Actions and resources related to resource use and circular economy

E5-2

During the year, monthly and periodical reports are prepared on waste management (types of waste and quantities generated, methods of recovery) both for internal reporting within the company and for reporting to the environmental authorities, in accordance with the requirements of the environmental permits held.



Periodically, internal audits are carried out to determine compliance with the applicable environmental protection legislation, as well as external audits to supervise the Environmental Management System.

For efficient waste management, various activities are carried out, such as:

- Identification and classification of waste according to the environmental legislation in force;
- Conducting waste management audits in accordance with the applicable legislation (OUG 92/2021) and implementing programs to prevent and reduce the quantities of waste generated;
- Providing specific collection infrastructure (waste bins, dustbins, containers, retention tanks, spaces/areas specially designated for temporary waste storage);
- Identifying and analysing the best recovery solutions available on the market for the waste generated.

## Targets related to resource use and circular economy

### E5-4, E5-5

	Total waste generated (kg)	Total waste generated as a percentage of turnover (kg/RON)	Hazardous waste (kg)	Non-hazardous waste (kg)	Recovery rate
2021	875.672	0,0023	197.665	678.007	80%
2022	1.225.611	0,0026	208.313	1.017.298	84%
2023	1.673.684	0,0033	259.201	1.414.483	90%
2024	1.711.620	0,0029	554.610	1.157.011	79%

Other resource outputs consist of recovered packaging, declared to the Environmental Fund Administration on a monthly basis, mentioning that these quantities are already included in the waste situation at the level of AEROSTAR. Thus, in 2024 the quantities generated were:

- plastic - 641 kg,
- paper/cardboard – 3.441 kg,
- metal – 1.517 kg,
- wood – 65.531 kg.

## Anticipated financial effects from material resource use and circular economy-related impacts, risks and opportunities

### E5-6

Legal sanctions and regulations can arise in relation to resource use: non-compliance with resource use and waste management regulations can lead to fines and financial losses.

Waste disposal costs can have a financial impact: inefficient waste management may involve higher taxes or additional costs for storage and recycling.

Energy efficiency represents an opportunity provided by the circular economy: the implementation of circular solutions reduces energy consumption and the related costs, thereby contributing to long-term savings.

## POLICIES

E1-2, E2-1, E3-1, E5-1

Our policy is focused on prevention through measures intended to minimize risk. Through our quality and environmental management system certified in accordance with the SREN ISO 140001 standard, we have set ourselves the objective of improving environmental performance. To this end, we have implemented an "Accidental Pollution Prevention and Fighting Plan" at the Bacău and Iași sites as well as a "Plan for preventing and reducing the quantities of waste generated from our own activities". At the same time, we carry out actions in the following areas:

- permanent awareness of environmental protection among employees;
- investing in environmentally friendly technologies and equipment that is safe from the point of view of occupational health and safety, there is a chapter in the company's budget dedicated to environmental expenditure;
- pollution prevention and environmental protection, as regards: collection, disposal, prevention, recycling, reuse of waste, handling and use of hazardous products and chemicals, prevention of emissions to air/water/soil, other specific environmental risks and aspects;
- partial supply of energy required for the company's processes from green sources, through its own parks with photovoltaic power plants. Our quality and environmental policy aims to increase environmental performance and includes commitments related to environmental protection, including pollution prevention and responsible use of resources.

Our organization recognizes the need to adopt effective policies for climate change mitigation and adaptation. We understand that these policies are essential to ensure the long-term sustainability of both our business and the environment. Our aim is to comply with all legal regulations so that our actions and decisions contribute to reducing our carbon footprint.

Our company is committed to managing water resources responsibly, with a primary focus on efficient use and reducing consumption wherever possible. We implement measures to regularly monitor water consumption and promote technological solutions that support the reduction of water loss and reuse of water in internal processes. We also make sure that wastewater discharge complies with all applicable legal regulations, thus protecting natural resources and local ecosystems.

The circular economy and waste management represent an aspect of great importance to us, due to the responsibility we have assumed towards the environment. To carry out the operations of handling, collection, segregation, baling and temporary storage of waste generated on the site, we collaborate with companies specialized in waste management, which provide equipment and human resources to carry out these operations.

All categories of waste are managed in compliance with specific legislative requirements. All waste generated from the activities carried out within the company are stored separately in appropriate containers and subsequently handed over to authorized operators for collection, recovery and disposal.

## **6. SOCIAL INFORMATION**

### **6.1. AEROSTAR'S OWN WORKFORCE**

#### **General information**

ESRS 2

Within AEROSTAR S.A., the rights and responsibilities of the employees, as set out in the Collective Labour Agreement (CCM) and in the Rules of Organization and Functioning, are formulated in accordance with the respect for human rights and the right to work, in line with the principles outlined in the International Bill of Human Rights and the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These are reflected in the labour legislation and are governed by the principles of consensus and good faith, which underpin the interactions in labour relations.

Our strategic objectives have been defined taking into account the needs of our employees at different stages of their career path, linked to the need to attract, retain, motivate and continuously develop at work.

Within the company operates the Legal and Human Resources Directorate with responsibilities for ensuring the required personnel, carrying out specific evaluations, professional development, conducting training necessary for certification, certifications, personnel authorization, OHS activities and other activities adjacent to these functions.

#### **Interests and views of stakeholders**

SBM-2

AEROSTAR S.A. is constantly focused on complying with national and European legislation regarding labour relations, relations with the social dialogue partners and informing and consulting the employees. The relations between the employer and the employees are regulated by the Collective Labor Agreement at the company level, as well as by the individual employment agreements of the employees.

Our regulations provide a transparent framework that establishes a work environment in which every employee feels safe, engaged and valued. Our human resources policy is employee-centred, providing employees with opportunities for advancement and access to professional development programs tailored to the specifics of their work. Moreover, we encourage employees to communicate openly with both their colleagues and the AEROSTAR S.A. management team, as we believe that only through effective communication we can achieve our internal goals and those set in the relationship with our collaborators.

#### **Material impacts, risks and opportunities and their interaction with the strategy and business model**

SBM-3

The impacts, risks and opportunities associated with our own workforce are essential to ensure the long-term sustainability of our organization.

In our double materiality analysis, we assessed:

- ⇒ **Fair and motivating working conditions:** it is important to ensure safe working conditions for employees to minimize the risks of accidents and occupational diseases.
- ⇒ **Health and safety:** Ensuring a safe and healthy working environment helps reduce the employee turnover, which can improve the employees' productivity.
- ⇒ **Employment rights:** Respecting labour rights, including the right to adequate salaries, decent working conditions and protection against discrimination and harassment, is essential for maintaining a motivated and loyal workforce.
- ⇒ **Training and skills development:** Investments in employees' professional development and skills training helps to improve the organization's performance and its adaptation to the changes in the business environment.

These aspects not only reduce risks and improve the sustainability of the organization, but also contribute to attracting and retaining talent, improving the organization's image and reputation, as well as fulfilling social and ethical responsibilities.

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Adequate salaries	<b>Real Positive</b> Fair and motivating working conditions	No material risks related to fair and motivating working conditions have been identified .	Improving the company's reputation by increasing the existing employees' motivation and commitment towards the company.
Social Dialogue	<b>Real Positive</b> Respecting and promoting employees' rights	Non-compliance with labour rights or discriminatory practices may lead to loss of company reputation, violation of applicable legislation, risk of litigation .	Creating a culture of participation by consulting the employees on the company's strategic decisions, continuous feedback mechanisms and internal surveys. Recognizing and rewarding the employees for innovative ideas.
Gender equality and equal pay for work of equal value	<b>Real Positive</b> Equality and diversity	Excluding or favouring candidates/employees on the basis of gender, age, ethnicity, religion or other personal characteristics would lead to loss of company reputation, violation of applicable laws, risk of litigation.	Improving the company's reputation by increasing the motivation and commitment towards the company of existing employees.
Training and skills development	<b>Real Positive</b> Investments in training and professional development	Lack of professional development opportunities could lead to employees' demotivation and reduced efficiency.	Digitalization of processes to reduce repetitive tasks. Integration of artificial intelligence and automation of operational processes. Training and retraining to help the employees adapt to new technologies and digital training.
The impacts analysed are not material and the risks do not present financial materiality .			

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Health and safety	<b>Negative Potential</b> Safe and healthy work environment	Non-compliance with the occupational safety and health (SSM) regulations represents a material potential risk for both the employees and the company. For employees, this risk manifests through an increased likelihood of workplace accidents and occupational diseases, which can lead to serious injury, disability or even loss of life. For the company, the consequences include considerable financial losses due to compensation and legal fines, reduced productivity due to the absence of injured employees, damage to reputation and the morale of remaining employees, as well as potential litigation. In addition, non-compliance with SSM regulations may lead to sanctions from the relevant authorities, negatively affecting the company's operations and long-term sustainability.	
<b>This risk is financially material</b>			

## Policies related to Aerostar's own workforce

ESRS S1-1

### Working conditions

Specialized compartments within the company assess the potential negative impacts associated with their operations, including GDPR, corruption, reports/complaints/grievances, collective bargaining and other important social issues identified as material.

All operational policies and procedures of AEROSTAR S.A. apply to the entire company.

Our personnel policy focuses on medium and long-term commitments for mutual benefit between the personnel and the organization, aiming to ensure the necessary personnel in correlation with the company's development objectives, anticipating potential fluctuations of personnel shortages or surpluses.

The main lines of action are:

- diversity of thinking and experience, our aim being to stimulate the growth of competencies;
- recruiting, providing professional training through professional development plans and maintaining qualified personnel with the necessary skills, specialized knowledge and necessary competencies;
- fair opportunities by actively removing barriers so that everyone can develop and contribute to the company's success;
- mentoring programs for various target groups that generate well-prepared, flexible teams capable of adapting to a dynamic, changing environment;

- promoting a culture of trust and respect, using constructive discussions and the exchange of knowledge and information about the business, to strengthen solidarity within the company
- Our company respects and upholds the internationally recognized human rights and implements fair rewards (meritocracy) and equal opportunities for all its employees, without discrimination and respecting the diversity of its personnel.

## **Recruiting and retaining talent**

ESRS S1-1

We collaborate with technical high schools specialized in trades specific to AEROSTAR S.A., as well as with universities, aviation being a particularly attractive field for young people who aspire to excel. The internship in AEROSTAR S.A. is a learning journey through which each intern is guided to launch his/her career with the help of our experts. The internship program connects the younger generation with AEROSTAR S.A., giving interns the opportunity to delve deeper into the specifics of the aviation industry, gain exposure to our work environment and work alongside our outstanding teams. We are proud when graduates choose to join the AEROSTAR S.A. team, thus helping us to maintain a good mix of generations and promoting a constant exchange of knowledge and skills.

In the school year 2023-2024 we awarded scholarships, in the amount of 434.669 lei to students from 5 dual education institutions in Bacău and Iași.

Students from the National University of Science and Technology POLITEHNIC Bucharest, the Faculty of Aerospace Engineering, benefited from private scholarships worth 17.200 lei during their internship in AEROSTAR S.A. which took place between June-August 2024.

## **Equal treatment and opportunities for all**

S1-1

At AEROSTAR S.A. it is mandatory to ensure equal opportunities and equal treatment regarding the personal development of all personnel through relationships based on responsibility, loyalty, mutual respect, freedom of expression, collaboration and professional support. We value the professional skills, integrity and ethical values of our employees. Our employees consistently benefit from equal and non-discriminatory treatment in accordance with the international standards in the industry in which we operate, while complying with the national legislation. The motivational packages are adapted to the specific macroeconomic and microeconomic context in Romania, thus ensuring fairness and competitiveness.

At AEROSTAR S.A., we always show respect to all parties with whom we interact. In our daily activities, we come into contact with people of different ethnicities, cultures, religions, political beliefs, ages, genders or disabilities.

Discrimination through the use of practices that disadvantage people of a particular gender, ethnicity, age, disability, in social and professional relationships is forbidden.

The Collective Labor Agreement and the Internal Regulations contain detailed rules regarding direct or indirect non-discrimination on the grounds of sex, sexual orientation, genetic characteristics, age, nationality, race, colour, ethnicity, religion, political belief, social origin, disability, family status or responsibility, trade union affiliation or activity.

## **Other policies related to Aerostar's own workforce**

ESRS S1-1

In our activities, we pay the utmost attention to the security of the information system, with the main objective of ensuring a safe and trustworthy experience.

AEROSTAR S.A., is constantly concerned with ensuring a high level of security regarding the processing of personal data in accordance with the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

AEROSTAR S.A. complies with the legislation on child labour and forced labour. Matters concerning adequate housing are not the subject of the company's activity.

### **Processes for engaging with its own employees and employees' representatives about impacts**

ESRS S1-2

AEROSTAR S.A. strictly complies with the international laws and treaties regulating human rights, both within the company and in relations with its partners and collaborators. The general rights and obligations of AEROSTAR S.A. employees are specified in the Collective Labour Agreement (CCM), a document resulting from social dialogue and collective negotiations between the executive management and the representative trade union in the company.

Furthermore, the company has implemented an Internal Regulation, applicable to all employees, which sets out the rules of work organization and discipline, as well as the rights and obligations of both the employer and the employees. Each employee has access to the content of the Collective Labour Agreement on the company's intranet page.

### **Processes to remediate negative impacts and channels for own employees to raise concerns**

ESRS S1-3

In addition to complying with the legislation in force, the regulations of the Corporate Governance Code of the Bucharest Stock Exchange, our activity is guided by the Internal Regulations of AEROSTAR S.A., which contain the rights and obligations of employees and employer, including rules on non-discrimination and violation of human dignity, rules concerning conflict of interest, disciplinary procedure or the settlement of employees' requests or complaints.

Furthermore, a Code of Conduct and Ethics has been adopted at the company level, a document that defines the values, principles and rules that the contractual personnel AEROSTAR S.A. must observe and apply.

All employees are encouraged to report any suspicion concerning the existence of any non-compliances, ethical or conduct violations to the email address [sesizari@aerostar.ro](mailto:sesizari@aerostar.ro). Nevertheless, beyond the existence of a formal organizational framework, reporting misconduct is an individual responsibility.

### **Taking action on material impacts and approaches to mitigating material risks and pursuing material opportunities related to our own workforce, as well as the effectiveness of these actions and approaches**

ESRS S1-4

Maintaining a safe working environment is a daily priority for our company. We constantly focus on identifying and improving the processes related to the management of safety and security in the workplace. At the same time, we actively promote training, awareness and engagement programs for our employees.



In 2024, the activity in the field of occupational safety and health was carried out in a planned and organized manner, aiming at identifying and preventing or eliminating, as the case may be, the risks of occurrence of events, occupational accidents, dangerous incidents and occupational diseases at the workplace, as well as complying with the legislative provisions in the field of occupational safety and health, by carrying out the measures included in the Training and Testing Program in the field of Occupational Safety and Health for 2024 no. 10187/19.12.2023 and fulfilling the duties established by the company's Rules of Organization and Functioning.

The human resources policy is aligned with the values of the institution, as well as with the provisions of the Universal Declaration of Human Rights of the United Nations and the conventions of the International Labor Organization. Within AEROSTAR S.A. all forms of forced labour, exploitation of minors, physical or psychological abuse or harassment are forbidden.

Equal opportunities and equal treatment among our employees are fundamental pillars of the way we conduct our daily activities, therefore discrimination based on gender, religion, nationality, age, sexual orientation, disability or political affiliation is also firmly prohibited within the company.

The company also conducts transparent and equal opportunities recruitment processes for all participants, regardless of gender, nationality or age. We offer equal opportunities and equal treatment for both our current employees and those who want to join us. The concepts of equal opportunities and equal treatment are at the same time applied to personnel promotion processes in both executive and production departments.

We support and encourage diversity among our employees in both executive and production positions. During the reporting period, out of the 1.883 employees, 553 were women and 1.330 men, the proportion being mainly justified by the nature of the company's business, which is predominantly technical. Debates within AEROSTAR S.A. are held through rational arguments, and the use of offensive language, personal attacks and insulting behaviour is prohibited.

### **Targets related to managing material negative impacts, promoting positive impacts as well as managing material risks and opportunities**

ESRS S1-5

Specific targets related to our own employees were adopted as part of an internal process, based on the materiality of the occupational health and safety process, including the following: ensuring the protection of personnel during the activities carried out at AEROSTAR S.A., compliance with the legal requirements, maintaining the health of the personnel and compliance with the training program.

### **Characteristics of the company's own workforce**

ESRS S1-6; ESRS S1-7

The AEROSTAR S.A. team is mainly made up of professionals with experience, skills and solid technical knowledge, and in addition to continuous development, it is also necessary to encourage the transfer of knowledge from these key employees to the new employees in order to ensure the long-term success of the company.



## Number of employees

AEROSTAR S.A. aims to ensure a homogenous team, with a balanced structure both in terms of age groups and gender categories, however, taking into account the operational nature of the activity, the number of male employees represents 71% of the total.

### Number of employees by gender

2023		2024
Gender	Number of employees (number of persons)	Number of employees (number of persons)
Male	1.307	1.330
Female	539	553
Other	0	0
Undeclared	0	0
<b>Total Employees</b>	<b>1.846</b>	<b>1.883</b>

The tables for employees based on type of agreement, broken down by gender, can be found in Appendix 2.

Out of the total of 1.883 individual labour agreements active in 2024, 2 agreements are part-time and 1.881 are full-time. Full-time is considered 40 hours/week and part-time is considered 4 hours/day/20 hours/week and/or 6 hours/day/30 hours/week.

The voluntary termination rate in 2024 was 10.73%, lower than in 2023 (12.73%). The site of the business activity of AEROSTAR S.A. is considered to be the locations where AEROSTAR S.A. carries out its activities. The head office is located in Bacău and we also have a secondary workplace in Iași.

The tables for employees based on location and type of agreement, broken down by gender, can be found in Appendix 3.

## Collective bargaining coverage and social dialogue

ESRS S1-8

At AEROSTAR S.A., the employees can join the trade union organization - AVIAS. The unionization rate is 57%. The "Avias" trade union is the representative trade union at the unit level, in accordance with the provisions of Law no. 367/2022 on Social Dialogue, which is why it represents the company's employees during the negotiation and implementation of the Collective Labour Agreement concluded at AEROSTAR S.A. The relations between the employer and the employees are regulated by the Collective Labour Agreement concluded at company level, as well as by the individual labour agreements.

The Collective Labor Contract regulates both the individual and the collective labour relations as well as the rights and obligations of the parties

- ✓ signing, executing, amending, suspending and terminating the individual labour agreements;
- ✓ working conditions, health and safety at work;

- ✓ professional training;
- ✓ working time and rest time;
- ✓ salaries;
- ✓ employment rights and obligations, work discipline;
- ✓ social protection of employees;
- ✓ other rights and obligations arising from the employment relationships;
- ✓ mutual recognition, rights and obligations of the employer and trade union organizations.

Annually, the trade union organization is consulted regarding the collective indexation of employees' salaries.

	2023	2024
Number of employees covered by collective labour agreements	1.846	1.883
Number of employees who are union members	58%	57%

The relations between the employer and the employees are in accordance with the legal provisions in force, and in 2024 no conflictual elements have been identified regarding these relations.

## Diversity metrics

ESRS S1-9

The diversity metrics applied within the AEROSTAR S.A. structures, as part of our top management's commitment to increase the level of diversity at the company level, measure the proportion of young people under 30 years of age employed and retained within the company, the proportion of male and female employees and the number of employees with disabilities.

The tables for employees with distribution by gender in terms of number and as percentage at the management level, and for the personnel structure by age categories and gender can be found in Appendix 3.

## Adequate salaries

ESRS S1-10

The remuneration of AEROSTAR S.A. personnel is regulated uniformly through the Collective Labour Agreement (CCM). The CCM includes a hierarchy of positions and jobs within the company, establishing salary limits for each hierarchical level, depending on the complexity of the work, the degree of technicality and professional competency required for the positions in the company's organizational chart.

When negotiating salaries, the requirements specified in the Job Description (attached as an appendix to the Individual Labor Agreement) are taken into account, as well as a comparative evaluation with the average income levels for similar activities.

**At AEROSTAR S.A. there are no employees earning below the reference level of the adequate remuneration applicable at national level.**

The Individual Labour Agreement implemented through the CCM contains provisions consistent with the applicable national legislation in the field and complies with the clauses stipulated by Order no. 2171/2022, regarding the approval of the Framework Model of the Individual Labour Agreement.

## Social protection

## ESRS S1-11

Social protection of employees is essential to ensure their well-being and to maintain a stable and safe working environment. This includes comprehensive occupational health and safety measures, ensuring adequate working conditions. The company is committed to comply with all legal regulations concerning social protection.

It also promotes training and awareness programs for the prevention of occupational hazards and encourages a constant dialogue between employees and management to identify and solve social and labour issues. This creates a climate of safety and trust, which is essential for the smooth running of activities in such a critical and specialized sector.

According to the Collective Labour Agreement (CCM), all AEROSTAR S.A. employees benefit from social protection at work.

All our employees are entitled, where applicable, to maternity/paternity/parental leave in accordance with the legislation in force and the provisions of the Collective Labour Agreement. In 2024, 52 of our employees benefited from parental leave (43 women and 9 men).

AEROSTAR S.A. is a responsible employer and offers its employees, in addition to the negotiated regular salaries and bonuses, a number of benefits provided for in the Collective Labour Agreement.

## Persons with disabilities

### ESRS S1-12

We support the inclusion of the persons with disabilities, although the specific nature of the company's workplaces imposes specific health requirements for most of our employees, confirmed according to the applicable legal requirements. The total percentage of employees with disabilities is 0.33%.

## Training and skills development metrics

### ESRS S1-13

We promote a learning organizational culture in which our employees continuously enhance their knowledge, skills and performance to achieve the company's business goals. In 2024, through the Office of Human Resource Development, training and professional development courses were initiated and conducted for 1.554 participants.

	2023	2024
Total number of training hours	54.230	45.066

	2024		
	FEMALE	MALE	TOTAL
Total number of employees	553	1330	1.883
% employees who participated in the periodic evaluation	21%	51%	72%
% employees who participated in professional training	21%	61%	83%

Special attention is paid to the training and retaining of EASA-licensed aeronautical technical personnel to perform and certify maintenance work on aircraft and their components.

In the field of continuous training and development, the themes of the programs cover the areas of interest for the company's activity, specifically, engineering, aviation, economics, legal, human resources, information technology and communications and the fields of quality - environment, occupational health and safety, security, safety, internal audit, internal control and financial management, as well as other themes of general interest necessary for running our business.

### **Performance assessment**

We have an annual assessment process to support our employees and managers through structured and systematic performance planning. The main objective of this process is to measure and improve the employees' performance on the job in order to increase their potential and value to the company by enhancing the positive performance indicators and establishing the steps required to achieve better results for the next evaluation interval. The assessment of the employee job performance is conducted in accordance with the internal procedure PA-A1.41 - Career Management. The assessment process is an opportunity to provide employees with constructive feedback on their performance, both their strengths and weaknesses.

### **Integrating new employees**

During the integration period, new employees receive information about the tasks and responsibilities of the position they hold, about the working environment, team, managers, departments they will collaborate with, as well as the work procedures. In order to facilitate a smoother and more comfortable integration of the new employees, the training themes are regulated in Appendix 1 - Framework program for new employees' professional adaptation and integration to the procedure PA-A1.49 - Professional training at AEROSTAR S.A.

### **Health and safety metrics**

ESRS S1-14

In order to ensure a unitary approach and to streamline the workers' training process at AEROSTAR S.A., a Training/Testing Program in the field of corporate occupational health and safety accompanied by training themes for all phases of training in OHS (general introductory training - upon employment, on-the-job training, periodic training and additional periodic training) have been developed and distributed to all company departments. Training of personnel was ensured at all levels for all newly hired employees.

### **100% of the company's own workforce is covered by the health and safety management system**

In accordance with the provisions of Law no. 319/2006 on safety and health at work, hazard identification actions are carried out at all workplaces within AEROSTAR S.A. and risks are assessed for each component of the work system, namely, the worker, the work task, the means of work/work equipment and the work environment. These assessments are available to all workers and are included in the annual OHS training syllabus.

Summary of work accidents occurred in the workplaces of the AEROSTAR S.A. facilities during the reporting period:

In 2024, within AEROSTAR S.A. were identified, analysed and solved 8 work-related events that had an impact on the activity carried out and on the employees, 1 of them being classified as work accident.

At the company level are developed and implemented procedures for analysing and solving work-related events, which provide for stages of investigation of the events, dissemination of the reports prepared following the occurrence of the event to all organizational structures, analysis and re-assessment of the risks of occupational accidents and illness, setting a deadline for reviewing the medical checks for the employees involved in work-related events and/or undergoing training sessions upon the resumption of work

	2023	2024
<b>No. of accidents outside work</b>	0	6
<b>No. of minor accidents</b>	0	1
<b>No. of fatal work accidents</b>	0	0
<b>No. of employees with occupational diseases and hazardous incidents</b>	0	0
<b>Number of accidents per 100.000 hours worked</b>	0,00197	0,00008
<b>Time lost due to work accidents per 100.000 work hours</b>	0,06100	0,00018

During the reporting period AEROSTAR S. A. did not record any work accidents resulting in disability, and the number of accidents leading to temporary incapacity for work remains low. Also, in 2024 no occupational diseases were reported/ investigated/ declared.

### **Number of employees trained in Occupational Safety and Health**

All employees undergo mandatory OHS training, upon hiring, on-the-job, periodic and additional when necessary. Specialized personnel with specific responsibilities in the field of OHS are trained by participating in training programs dedicated to their responsibilities within the internal Occupational Safety services organized at company level.

With regard to the measures adopted to prevent the occurrence of work-related events, we specify that these measures aimed at least at the following: revising/updating the protection and prevention plans drawn up for 2024, supplementing the training programs in the field of occupational health and safety, processing the provisions of the internal regulatory framework issued in the field of occupational health and safety at the level of all employees, intensifying controls and/or assigning additional responsibilities for carrying out periodic checks.

AEROSTAR S.A. has not registered any disputes as a result of the labour events identified in 2024 and it was not necessary to pay any damages as a result of their occurrence.

### **Work-life balance indicators**

ESRS S1-15

An essential condition for AEROSTAR S.A. to maintain its status as a top employer, in addition to the salary component, is the existence of an extensive benefits package set in accordance with the annual budgets. The benefits package is an important factor contributing to employee satisfaction, commitment and loyalty to the institution.

In the case of exceptional family events, employees are entitled to paid days off, which are not included in the annual leave. Exceptional family events and the number of paid days off are determined by law, by the applicable collective labour agreement or by internal regulation, according

to the Labour Code.

2023			
	FEMALE	MALE	TOTAL
Percentage of employees entitled to additional leave	100%	100%	100%
% of employees who took maternity, paternity or parental leave	2%	1%	3%
% of employees who took additional leave	9%	22%	31%

2024			
	FEMALE	MALE	TOTAL
Percentage of employees entitled to additional leave	100%	100%	100%
% of employees who took maternity, paternity or parental leave	2%	1%	3%
% of employees who took additional leave	10%	24%	34%

## Remuneration metrics (pay gap and total remuneration)

ESRS S1-16

The remuneration of AEROSTAR S.A. personnel is regulated in a unitary manner by the Collective Labour Agreement (CCM), which includes a hierarchization of the positions and jobs within the company. It specifies salary limits for each hierarchical level, established according to the complexity of the work, the degree of technicality and professional competency specific to the positions in the organizational chart.

When negotiating the salary, the requirements specified in the job description, attached to the CCM, are taken into account, resulting in a salary whose value will be established in accordance with the limits of the salary scale set out in the CCM.

Gender pay gap, defined as the difference in average pay levels between female and male employees:

	2023	2024
Pay gap between women and men	9,66 %	8,54 %
Pay gap between women and men at management level	11,07 %	9,01 %
Pay gap between women and men at the execution level	8,46 %	7,45 %
Ratio of total annual remuneration	5,68	5,58

\* Difference in remuneration between women and men=(Average gross hourly salary of male employees - Average gross hourly salary level of female employees)/Average gross hourly salary of male employees\*100

\*\*Ratio of total annual remuneration = Total annual remuneration ( salary & management allowance) of the highest paid employee /Average total annual remuneration of employees (excluding the highest paid employee)

## Incidents, complaints, issues and severe incidents related to human rights

ESRS S1-17

AEROSTAR S.A. promotes equality, regardless of grounds, such as race, gender, sexual identity, age, colour, ethnic or social origin, family status, etc.

Equal opportunities and equal treatment among our employees are fundamental pillars of the way we conduct our daily activities, therefore discrimination is firmly prohibited within AEROSTAR S.A.

In the financial year 2024, no incidents of discrimination or harassment among the company's employees and no employee complaints related to occupational health and safety were recorded.

Likewise, no incidents and/or complaints related to labour or serious human rights impacts (e.g. forced labour, human trafficking or child labour) were recorded within the company's own workforce.

The company did not receive any significant fines, sanctions or compensation related to human rights or the company's own workforce in 2024.

The company recorded zero cases of non-compliance with the UNUNO on Business and Human Rights, the OIM Declaration on Fundamental Principles and Rights at Work or the OCDE Guidelines for Multinational Enterprises during the reporting period.

	2023	2024
Number of incidents of human rights violations	0	0
Number of employee complaints regarding human rights	0	0
Number of employee complaints regarding occupational health and safety(OHS)	0	0

## 6.2. WORKERS IN THE VALUE CHAIN

### Interests and views of stakeholders

SBM-2

AEROSTAR through its policies ensures that it aligns with internationally recognized instruments relevant to the workers in the value chain.

In addition to the company's own workforce, AEROSTAR S.A. may have value chain workers present, as part of the company's stakeholder representatives; among them, the following are significant:

- Workers of service providers;
- Workers of equipment suppliers providing commissioning and periodic maintenance services of equipment;
- Workers representing the customer;
- Workers of control bodies or authorities (ITM, ANAF, VAMA)

Given the company's business model, there are varying degrees of dependence on the value chain workers, which may affect the company's objectives in terms of ensuring the logistical conditions necessary to deliver our products and services on time and within the required quality standards. The level of interest of the workers in the value chain is described in the chapter "Strategy" - Stakeholders.

### Material impacts, risks and opportunities and their interaction with business strategy and business model

SBM-3

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Health and safety	<b>Negative potential</b> The company's activity can be negatively impacted if suppliers' employees' health and safety rights are not respected, damaging the company's reputation.	Non-compliance with labour legislation resulting in damage to the company's reputation	
Equal treatment and opportunities for all	<b>Real Positive</b> The safety of service-providing workers on the company's premises and encouraging suppliers	Non-compliance with standards of conduct and ethics which would result in the loss of the company's reputation	Improving the company's Code of Conduct and Ethics and encouraging suppliers to adopt the same principles in their activities through the Supplier Code of Conduct



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to adopt the same principles in their activities through the Supplier Code of Conduct

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The impacts analysed are not material and the risks are not financially material .

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Through its policies AEROSTAR ensures that:

- It complies with the international regulations on the limitation of illegal exploitation of rare minerals under inhumane conditions. AEROSTAR ensures through the adopted policy that its suppliers are aware of and comply with these regulations.
- In the General Purchasing Conditions, our company has also defined requirements for its suppliers regarding both ethics and the observance of the labour legislation. Moreover, through contractual requirements, we require our suppliers to comply with the labour legislation applicable in their country. AEROSTAR works with suppliers from countries that are members of the International Labor Organization (ILO), a United Nations Organization, which sets international labour standards, develops policies in the field and promotes decent working conditions for all workers.

In 2024, no social criteria were used for selecting suppliers and no negative social impacts were created in its supply chain.

In relation to value chain workers, the following were analysed from the perspective of the double materiality matrix:

- **potential negative impacts** on occupational health and safety.

When granted access to the AEROSTAR site, the workers receive specific training in occupational health and safety. The company also provides personal protective equipment or appropriate work clothing for visitors. Through the contractual clauses we ensure that the employers of the value chain workers operating on the site assume their obligations in terms of occupational health and safety for their own personnel.

- The real positive impact for value chain workers who have access to company premises was also analysed under the sub-theme "**equal treatment and equal opportunities for all**". They benefit from similar treatment to that of the company's own employees through the robust policies promoted by the company in the workplace. Through our contracts with the service providers and suppliers working on site, we ensure that they comply with the legal requirements in force.

- The risk of failure to ensure the qualified human resource by service providers and other value chain suppliers operating at the company's site, as well as the risk related to security, safety and increased mobility of the workforce, in fact create opportunities and a positive impact for the workers in the value chain. Thus, through our contracts with companies and organizations in the value chain, on one hand, we ensure that workers are qualified, and on the other hand, we provide them with the motivation to improve their professional training, while ensuring their job stability and complying with the occupational safety and security requirements.

## Policies related to value chain workers

## S2-1

The "Supplier Code of Conduct" is a key tool for ensuring responsible and ethical collaboration between AEROSTAR and its suppliers. By setting clear expectations and standards of behaviour, it ensures that all parties involved adhere to the values and principles of the organization.

If the expectations of this code are not met, the business relationship may be revised and AEROSTAR may propose corrective actions to the contractual terms(s).

Through policies such as "General Purchasing Terms and Conditions", "AEROSTAR Code of Conduct", "Supplier Code of Conduct", our company ensures that it aligns with internationally recognized instruments relevant to value chain workers.

Suppliers are encouraged to implement, in writing, their own Codes of Conduct and to transmit them in turn to their main suppliers of goods and services.

The Code of Conduct for Suppliers addresses aspects of promoting and respecting human rights, treating people with respect and dignity, encouraging diversity, promoting equal opportunities for all and fostering an ethics-based culture. They must not be involved in any way in human trafficking, forced labour or child labour exploitation.

In 2024 there were no significant changes from 2023 in terms of expectations for the suppliers.

In 2024, the "Supplier Code of Conduct" was also applied to the suppliers in Romania, clearly expressing the expectations we have of our suppliers in terms of compliance with our own values, principles and ethical standards. We encourage our employees to report any circumstances where, through the nature of their activities, they may become aware of situations likely to indicate non-compliance in the suppliers' conduct.

Furthermore, 87% of the suppliers surveyed have assumed and signed the "Declaration of adherence to the policy of ethics and conduct throughout the entire period of collaboration with AEROSTAR S.A.

## **Processes for engaging with value chain workers about impacts**

### S2-2

AEROSTAR cooperates and maintains contact with the representatives of the companies to which the value chain workers belong and with which contracts/agreements/protocols or other arrangements are concluded, or for which there are prospects and/or interest in this respect. Collaboration and communication are initiated by a request for quotation and continued with the tendering, negotiation, contracting and execution of the contract, resolving any ambiguities and non-conformities, and ending with the delivery of products or provision of services, their reception, as well as the related payments or collections and, if necessary, resolving warranty claims.

The operational responsibility for ensuring that this collaboration takes place rests with the CEO of the company who, as appropriate, delegates authority or grants mandates for collaboration and communication.

## **Processes to remediate negative impacts and channels for value chain workers to raise concerns**

S2-3

Our company promptly honours all orders and commercial contracts by strictly fulfilling the obligations arising from them, in particular: timely delivery of products and services to customers, in the required quality conditions; paying suppliers on due dates, at the agreed prices.

During the course of the relationship, any means of direct communication between the value chain workers and our designated employees responsible for the business, as well as between their employers and our company, is permitted through the formal channels of communication outlined on page 26. Electronic mail is a common and easy way in which value chain workers are expected to express their concerns or needs.

Any value chain worker can file a complaint if he/she is aware of any misconduct and ethical violations by an employee or representative of our company, including if he/she has perceived or become aware of any form of retaliation while working at the company's site or elsewhere in connection with activities arising from the relationship with AEROSTAR.

Employees can file complaints by any means, in writing, at the company's registered office or by mail, fax, e-mail, either in person or through a third-party, expressly authorized by the person making the complaint.

The company will use due diligence to resolve all complaints, including anonymous complaints.

## **Taking action on material impacts on value chain workers and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, as well as the effectiveness of those actions**

S2-4

AEROSTAR S.A. has initiated actions to prevent any negative impacts on the value chain workers. In this regard, a self-assessment questionnaire on sustainability has been developed. The questionnaire was sent to the most important suppliers and feedback was received from approximately 75% of the suppliers. Efforts are being made to get suppliers to respond.

No serious issues or incidents concerning human rights have been reported in the upstream and downstream value chain.

## 6.3. AFFECTED COMMUNITIES

### Interests and views of stakeholders

SBM-2

We continually work to maintain healthy, mutually supportive and collaborative relationships with the communities affected by our activity, relative to which there is significant interdependence between AEROSTAR's continued supply of jobs to the community on the one hand and the supply of labour in the local community, qualified in professions of interest to AEROSTAR, on the other hand. Our main expectation is to prioritize recruiting personnel from the local community, while the main expectation of the interested segment in the local community is that AEROSTAR will maintain attractive and well-paid jobs.

### Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

Stakeholders' requirements, in conjunction with contextual issues and their impact over short, medium and long-time horizons, as well as material risks or opportunities, determine the company's priorities and underpin its Development Strategy. Thus, in the 2024 update of our Strategy, the following requirements relevant for the local and other communities have been taken into account in the analysis of stakeholder requirements with a "high" priority level:

- local priority-utilized workforce;
- protected environment;
- ethics and respect in business;
- stability and retention of jobs,

and with "medium" priority level, sponsorship and civic participation were taken into consideration.

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
Security-related impacts	<b>Real Positive</b> Contributing to the well-being of communities through job retention	Cutting jobs through activity downsizing	
Right to education and culture (beyond the standard)	<b>Real Positive</b> Supporting vocational, secondary and university education and cultural and sports activities through scholarships, providing internships for pupils and students, various sponsorships	Insufficient recruitment and retention of graduates from the local community	Increasing the efficiency of spending company funds on scholarships for pupils and students
Freedom of expression	<b>Real Positive</b> Participation in various bodies with consultative role, representative at local level (Social Dialogue Commission attached to the Institution of the Prefect of Bacău County, Local Committee for the Development of Social Partnership in Bacău and Iași, Regional Committee for the Development of Social Partnership		Opportunity: Establishing and maintaining collaborations with bodies that collect community concerns and provide the company with the framework to express its own values
The analysed impacts are not material and the risks are not financially material.			

At the same time, our company contributes to the respect of the right to freedom of expression, having a positive impact on the community by having representatives in various local consultative bodies. By establishing and maintaining collaborations with such organizations that capture the community's concerns, the company has the opportunity to express its own values.

## **Policies related to affected communities**

### **S3-1**

A significant impact our company has on society and communities is represented by the secure jobs we provide as an economically strong employer and the tax revenues we contribute, which have a decisive effect in improving the living standards of the community members. However, we have adopted policies that go beyond that, in that we strive to influence our communities in a positive way through engagement and by returning benefits to them. Under these policies, in addition to specific human resources policies on recruitment and selection of personnel, we have ongoing concerns for:

- engaging in public interest partnerships with the local authorities
- sponsoring various events or public initiatives;
- contributing to the educational and vocational training process, collaborating with the educational establishments and getting involved in joint projects for the development and adaptation of young people to the current requirements of the economic agents and the business environment;
- collaborating with non-profit organizations in order to support extra-curricular cultural-sport and educational activities;
- encouraging and supporting our employees to donate for the benefit of the community and to get involved in the organization of donation campaigns, in humanitarian or charitable cases;
- supporting the small business and SME community.

## **Processes for engaging with affected communities about impacts**

### **S3-2**

In the spirit of our desire to influence communities in a positive way by getting involved and giving back to them from our results, we work with the local authorities, industry employers' organizations, associations, foundations and other non-profit organizations, secondary, high school and university institutions and cultural and sports institutions.

We maintain a permanent dialogue with the local communities, through our presence in various consultative, locally representative bodies, including:

- Social Dialogue Commission attached to the Institution of the Prefect of Bacău County;
- Local Committee for the Development of Social Partnership (CLDSP) in Bacău and Iași, in which we currently hold the presidency, being co-opted in the Regional Committee for the Development of Social Partnership (CRDPS).).

We also support the community of small entrepreneurs by supporting the activities of the County Employers' Association of SMEs (PJIMM) Bacău, where we disseminate our positive experiences, in the pursuit of common interests.

At the same time, we maintain a dialogue with the other communities relevant to the company, such as the business community in the aviation industry. Thus, our company is represented in the Romanian Aeronautical Industry Employers Organization (OPIAR).

We collaborate with non-profit organizations in the interest of the knowledge and promotion of cultural, historical and educational values, of strengthening the professional prestige of the workers in the aviation industry, of reinforcing the spirit of belonging to the group of elite manufacturers, in leading fields of the Romanian and worldwide industry.

Our company is the initiator of a series of actions together with the Bacău City Hall with a view to setting up a dual education cluster in Bacău. The actions were aimed at setting up a legal association for this purpose, in partnership with the Bacău City Hall, Bacău County Council, Bacău County School Inspectorate, "Vasile Alecsandri" University of Bacău and the Bacău County Employers' Association of SMEs. The North-East Regional Development Agency - a non-profit organization from Piatra Neamț, the technical colleges "Anghel Saligny" and "N.V. Karpen", as well as the "Dimitrie Mangeron" Technological High School from Bacău were also involved along the way. Subsequently, a consortium was formed in accordance with the provisions of the Applicant's Guide for the submittal of a project to obtain funding through the National Recovery and Resilience Program, chapter "Educated Romania", for the setting up of an integrated vocational campus, high school and university, for dual education in Bacău. In 2024 the project was selected for funding.

Aware of the benefits of culture and sport in the educational process, as well as of the positive impact of cultural and sporting events in the community, we sponsor the "AEROSTAR Bacău Cultural and Educational Association" - a non-profit organization with its own legal personality, as well as the AEROSTAR Sports Association, within which a professional football club and an aeromodelling club operate. The AEROSTAR football club, as well as the aeromodelling club, are open to all talented children or young people in the community.

The company's expectations regarding the collaboration with the communities are related to our policy of generating long-term recruitment and selection pools adequate for AEROSTAR's future needs, from among university and college graduates and from the human resource available in the communities within our geographical area.

## **Processes to remediate negative impacts and channels for affected communities to raise concerns**

### **S3-3**

In 2024 - as in all previous years, our company has not recorded any negative impacts on the communities. On the basis of previous positive experiences, the know-how acquired and developed within the company, we will continue to improve our methods and tools to closely and systematically monitor the results of our activities, to identify risks early, to assess impacts, and to identify and implement the necessary corrections and improvement measures in a timely manner.

Our values include strictly prohibiting any retaliation against a person who, in good faith, seeks help or reports a known or suspected wrongdoing. We also promote these values in our relations with our partners.

Any member or representative of a community may file reports, complaints or grievances if they are aware of or believe that they have been affected by a company action, including inaction by the company in a case where it should have acted. The report, complaint, or grievance may be submitted through any means of contact open to the public, in writing, to the company's head office through the company's Registry Office or by mail, fax, e-mail, either in person or through a third party expressly



authorized by the owner. The company will act diligently to resolve such reports, complaints or grievances, and they will all be received and resolved, including anonymous complaints. All necessary investigations are carried out with discretion and all cases are solved with respect for the confidentiality of information, principles and measures to protect personal data. Through our human resources policies, we have in place the following core principles:

- Collecting and processing personal data only within the scope of the responsibilities, and powers assigned and only in the fulfilment of specific job duties;
- Non-disclosure of data to third parties, in an unauthorized manner or outside the scope of their specific job duties;
- Informing the persons concerned of the purpose of data gathering and processing and, where appropriate, obtaining their consent.

### **Taking action on material impacts on affected communities and approaches to mitigating material risks and pursuing material opportunities related to affected communities, as well as the effectiveness of those actions**

S3-4

In order to manage and capitalize our offer of secure and better paid jobs to the community, our company continuously carries out actions to publicize its activity and values, to strengthen and promote its image as a top employer, to identify and implement methods and tools specific to human resources marketing, to create solid recruitment pools in the local community and in the immediate vicinity, from where to select new employees. At the same time, after hiring, the company conducts intensive training activities for both new and existing employees; for the company, these activities represent actions to minimize the risk of not having adequately qualified human resources.

In the same spirit of meeting the expectations of the local communities, our company is authorized to organize qualification courses in four trades specific to the aviation industry.

Furthermore, in 2024, the "Centre for assessment of professional competencies obtained by non-formal means" set up within the company was authorized by the National Qualifications Authority. The above authorization allows us to issue certificates of professional competency to any candidates in the community, who would successfully complete the assessment process.

The actions planned and undertaken in relation to the material impact on communities generated by the risk of environmental damage due to the company's activities are outlined in the "Action Plan for the achievement of quality and environmental objectives" for 2024, which includes the following actions:

- analysis of changes in applicable legal and regulatory requirements and update, where necessary, the environmental working instructions;
- training environmental officers regarding the provisions of the environmental working instructions;
- conducting environmental inspections in areas with significant environmental aspects;
- carrying out planned environmental audits.

In order to mitigate the risk of insufficient employment and retention among graduates from the local community, AEROSTAR has carried out in 2024 a campaign to present the company's activity and its job offer to technical universities across the country that train specialists in professions of interest for our business, in the fields of aeronautics, mechanics, electronics, etc. We are interested in and

present our offer to future specialists in complementary, collateral or related fields such as: automation, information technology, transportation.

At the same time, we have supported the Technical University of Bacău by participating in debates on the occasion of the audits carried out by the Romanian Agency for Quality Assurance in Higher Education for the accreditation of some faculties within this university. We also have close relations and partnerships with 6 technological high schools or technical colleges in Bacău and Iași that allow their students to do internships in our company, and for a significant part of them we grant private scholarships. At the end of their studies, the students of these high schools and colleges have priority for employment in our company, as we are concerned to capitalize on the opportunity to optimize the expenses with scholarships granted from company funds.

In 2024 no issues and incidents regarding human rights were reported in relation to affected communities.



## **6.4. END USERS**

### **Interests and views of stakeholders**

SBM 2

We have the obligation towards both our customers and end users as well as towards our employees, investors, suppliers, or representatives of the local community to be honest, fair and truthful in all our activities.

We are guided by the responsibility for sustainable development, we are consistent in applying the best practices in the field and, in alignment with the practices of our business partners, we transparently provide information, explanations and data in these categories of non-financial and financial reporting.

Satisfying customer requirements, complete safety for the users of our products and services are the principles that guide our activities.

We believe that all parties involved in the aerospace industry have a defining role to play in further enhancing air safety. The aviation industry is built on compliance with regulations, as a result AEROSTAR respects, enforces and complies with these regulations, constantly acting at all levels to prevent any form of risk and to deliver safe products and services.

AEROSTAR's activities are carried out based on commercial contracts with our customers. AEROSTAR products equip civil and military airplanes and our MRO services are intended for the aircraft of the commercial airlines and for the maintenance of military aircraft of the Romanian Army.

We consider that for AEROSTAR, the end-users in the field of aeronautical manufacturing are the integrators of our products into the final product. In the field of civil aircraft MRO, the end-users are the airlines, and in the field of military aircraft MRO, the end-user is the Ministry of National Defence, AEROSTAR being the first-tier supplier for it.

The interests, views and rights of the end-users are integrated into the business model through policies relating to product management, quality assurance, delivery of quality products and services, full safety for users along with continuous performance improvement.

This chapter should be read in conjunction with "AEROSTAR Activity and Products" and "AEROSTAR Presence on the Global Market",

### **Material impacts, risks and opportunities and their interaction with business strategy and business model**

SBM 3-IRO 1

AEROSTAR's strategy and business model (see page nr. 21) are designed in such a way that their impacts are positive or minimize potential negative impacts, appropriately manage the risks and opportunities arising from the actions with our customers, end-users or other stakeholders.

Since we believe that the entire value chain and our stakeholders need easily accessible and transparent information about the impacts of our operations, the double materiality analysis has been conducted from both a positive and a negative perspective.

Topic	Description of the impact	Risk
Safety of products and services	<b>Negative Potential</b> End-users' diminished confidence in case of incidents.	Risk of end-user incident if not all applicable requirements are met.
<b>The risk has financial effects</b>		

End-users' diminished confidence in the case of incidents is a risk that can have material financial effects. Our approach to mitigating this risk includes proactive monitoring and quality assurance measures, as well as transparent communication with the end-users in order to maintain and build their trust. We are committed to providing high-quality products and services, meeting all safety and compliance standards, to minimize risk and maximize our customers' satisfaction.

## Policies related to consumers and end users

S4-1

The policies adopted by AEROSTAR S.A. have the following strategic objectives: satisfying the requirements of our customers and end-users, complying with the legal and regulatory requirements applicable to the activities carried out, enhancing environmental performance, full safety for the users of AEROSTAR S.A. products and services, as well as continuous improvement of the competitiveness of our products and services.

The actions of AEROSTAR S.A. are therefore aimed at continuously adapting the management system to respond effectively to changes in the global market, appropriately allocating responsibilities and roles in relation to the changes, but also ensuring an inclusive organizational culture for adherence to the necessary measures.

AEROSTAR S.A. respects and guarantees equal and non-discriminatory treatment in relations with its partners, collaborators and customers. The company's personnel behave in a professional manner, transparently and impartially ensures diversity and equal opportunities in relations with all stakeholders, avoiding any action that could be construed as an act of discrimination. AEROSTAR shows respect!

We fully comply with national and international standards and regulations, applicable to environmental, social and personnel aspects, human rights, anti-corruption and anti-bribery, and the promotion of diversity.

In AEROSTAR business relationships are protected by contracts or confidentiality agreements to ensure the protection of company data and sensitive information.

Our management system ensures the privacy of our customers' data by adopting effective strategies that help us prevent privacy breach issues. Because of our management system and our consistency in improving its effectiveness, there have been no complaints from our customers or end-users about non-compliance with the privacy regulations.

The executive management is also concerned with ensuring compliance with all the existing anti-corruption policies and procedures, including the whistleblower mechanism also stipulated in the Romanian law. For the reporting of problematic aspects, with the implementation of OHS policies, potential hazards, unintentional errors and near misses can be reported, regulated by the "Voluntary Reporting" procedure. "

In 2024 there were no complaints about breaches of customer confidentiality; no complaints received from stakeholders; no complaints from regulatory bodies; no loss of customer data.

## **Processes for engaging with consumers and end users about impacts**

S4-2

AEROSTAR S.A. is a company that aims to accomplish its business portfolio by consistently pursuing the highest standards of business ethics.

We attach great importance to communication and transparency so that our customers or end-users benefit from direct communication through emails, phone or fax numbers listed on the company's website and other means listed in the "Stakeholders" table. At the same time, in business relations, each operational department within the company is in direct communication with the corresponding departments owned by the customers. Also, the marketing and development department has a communication office acting as a public relations office.

Transparent communication strengthens and consolidates our partnerships. This approach enables us to expand our market presence and develop long-term relationships.

Closely linked to this chapter is the chapter "The role of the administration, management and supervisory bodies" (see page 13).

## **Processes to remediate negative impacts and channels for consumers and end-users to raise concerns**

S4-3

Recognizing the importance of protecting the well-being of the end users of our products and preventing potential impacts, we fully follow procedures so as to manufacture products according to our customers' specifications. AEROSTAR S.A. has action plans and targets to reduce the risk of non-conformities and to eliminate the related cost when they occur.

In our sustainability policy we are committed to ensuring the highest standards of quality, reliability and safety.

## **Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, as well as the effectiveness of those actions**

S4-4

The relevant certification bodies audit the production facilities and support functions at least annually, conducting surveillance audits, and these are recertified every three years. We hold EASA, FAA and EMAR certifications which cover design, production and repair. Added to these are the authorizations obtained following the audits conducted by our customers.

AEROSTAR S.A. directly checks the compliance with the internal procedures and policies through constant internal audits.

We are certified according to ISO 9001 or EN/AS9100 management standard, which aligns us to the international quality standards.

Our products are made and our services are provided in full compliance with the requirements of our customers and users and with the legal and regulatory requirements in order to respect the health and safety of users.

The risk management system consists of a set of rules, methods and organizational structures designed to ensure the identification, assessment, mitigation and monitoring of critical risks relevant to AEROSTAR S.A.

In the collaborations of AEROSTAR S.A., no real negative impacts on the end consumers have been identified.

## 7. BUSINESS CONDUCT

### Impacts, risks, opportunities

The sustainability aspects analysed in relation to the professional conduct are those specified in the thematic standard and in Appendix AR16, as well as some aspects identified outside the standard.

The impacts on the professional conduct can directly influence the relationships with our customers, employees, suppliers and business partners, thus affecting our reputation, trust

Sub-theme	Impact (I)	Risk (R)	Opportunity (O)
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and effectiveness.

Concerns about behaviour that is illegal or contravenes the code of conduct or the internal norms	<b>Real Positive ;</b> Promoting the responsibility to comply with the legal provisions and the code of business conduct or other internal norms as core values of the organizational culture	Reputational risk, restricted access to finance, fines resulting from non-compliance with governance standard requirements	
Business conduct	<b>Real Positive</b> Credibility in the business environment, based on the established and respected ethical business conduct (the company being freely traded on the capital market)	Reputational risk, loss of credibility in the business community, reduction in the number of active investors	Improving control over the way the provisions of the company's Code of Conduct and Ethics are respected
Payment practices	<b>Real Positive</b> Fair payment practices, on agreed terms to all suppliers who fulfil their contractual obligations. The company is concerned with minimizing supply chain risks and maintaining a strong supply chain with high supply capacity	Weakening the supply chain through late payment or non-payment of invoices Inability to deliver on time	
Supply chain and impacts on sustainability aspects			

**The impacts analysed are not material and the risks are not financially material.**

## Policies related to professional conduct and corporate culture

### G1-1

AEROSTAR upholds the company's principles and values honestly, fairly and with integrity and consistently strives to comply with the highest standards of business ethics, having voluntarily adopted the AEROSTAR Code of Business Conduct and Ethics for many years.

This code is posted on the company's website [www.aerostar.ro](http://www.aerostar.ro) and is part of the collective labour agreement. To the extent that this code requires a higher standard than that required by trade practice or applicable laws, rules or regulations, we adhere to those higher standards.

This code is mandatory for administrators, employees and is adopted in all matters that concern our employees, as well as our investors, customers, suppliers, representatives of the local community, other business partners and contains general guidelines for conducting the company's business in accordance with the highest standards of business ethics.

The company has a simple and straightforward policy on the rules of conduct and behaviour that its employees and agents must follow when conducting company business. They must do what is right, comply with all legal requirements, behave honestly and with integrity, treat people fairly, respect diversity, accept responsibility, communicate openly and always maintain an impeccable behaviour. These requirements are generally referred to as 'ethics'. Every employee has an obligation to

maintain these high ethical standards at all times, even if doing so may result in loss of business for the company. No employee should ever believe that a compromising or unethical situation (not complying with business ethics) can be justified by achieving a business result. Anyone who violates these rules of conduct and behaviour may be subject to disciplinary sanctions, including disciplinary termination of the CIM and/or penal or civil penalties.

The Board of Directors pays special attention to the compliance with corporate governance principles in order to ensure:

- the achievement of sustainable performance of the development;
- the accuracy and transparency of the company's decision-making process;
- respect for the rights and equitable treatment of the shareholders by protecting and exercising their prerogatives;
- transparency and access to information through regular publication of relevant financial and operational information.

## **Management of relationships with suppliers**

G1-2

Through its policies, the company ensures that it aligns with internationally recognized instruments relevant to the value chain workers regarding business and human rights. Through its contractual requirements, AEROSTAR requires its suppliers to comply with the labour legislation applicable in their country of origin.

The Supplier Code of Conduct represents the expectations we have of our suppliers to ensure a healthy business relationship in accordance with our values, principles and ethical standards. If the expectations of this code are not met, the business relationship may be revised and AEROSTAR S.A. may propose corrective actions to the terms of the contract(s).

AEROSTAR S.A. has also defined in its General Conditions of Purchase its requirements for suppliers on ethics and compliance with labour legislation.

Notes: This chapter is dealt with in conjunction with the Stakeholders and S2-Value Chain Workers

## **Prevention and detection of corruption and bribery**

### **Incidents of corruption or bribery**

G1-3

As mentioned above, the Company's Code of Business Conduct and Ethics also clarifies the Company's position on the detection of corruption and bribery.

Thus, each employee is under the obligation to comply with all laws, rules and regulations applicable to the Company's operations. These include, without limitation, laws relating to bribery and illegal commissions, copyrights, trademarks and trade secrets, confidentiality of information, illegal political contributions, antitrust interdictions, anti-corruption practices, the giving or accepting of gratuities, environmental risks, workplace discrimination or harassment, occupational health and safety, false or misleading (erroneous) financial information or misuse of corporate assets. Each

employee must understand and comply with all laws, rules and regulations applicable to the position he/she holds.

If an employee discovers a questionable, fraudulent or illegal event that is or may be a violation of our policies and could harm us, he or she is obligated to report it immediately to management who will take all necessary steps to verify the veracity of the event.

In our company, the employees and citizens of our community can address requests, complaints, notifications and proposals to the management through hearings. The hearings are held by the Chief Executive Officer and, in his absence, by his substitute.

Depending on the issues notified, measures and deadlines for their settlement shall be laid down. The final resolution of the issue will be communicated in writing, by e-mail, fax or phone by the designated person after the issue has been definitively resolved during a hearing.

In 2024, there were no reported concerns or requests for counselling regarding unethical or illegal behaviour and organizational integrity in our company, no incidents of corruption, no employees dismissed or sanctioned for acts of corruption, and no incidents of corruption leading to the termination or refusal to renew contracts with our business partners.

The company is committed to complying with the applicable national and international legislation on the prevention of corruption and bribery and has not been involved in any incidents of this nature, nor have any legal actions been filed in relation to these matters, during 2024.

At the same time, we ensure compliance with the same standard with regard to the prevention of corruption and bribery by establishing contractual obligations with our partners, suppliers or customers to comply with these provisions and to report incidents of this nature immediately.

## **Political influence and lobbying activities**

G1-5

In 2024, we did not make any political donations or implement any lobbying activities. AEROSTAR S.A. has no concerns regarding political influence or political affiliations of any kind.

Moreover, none of the members of the Board of Directors or members of the management and supervisory bodies have held a comparable position in public administration (including regulatory authorities) during 2024.

## **Payment practices**

G1-6

Our company has fair payment practices, and in 2024 no late payments were reported and no legal actions were taken regarding AEROSTAR S.A.'s non-compliance with the payment terms.

The Company is concerned with the matters related to combating money laundering and the financing of terrorism, having implemented internal procedures in this regard, which describe the organizational measures, the manner of identifying and reporting suspicious transactions as well as keeping records related to these transactions.



## 8. ADDITIONAL TOPICS

**In these additional topics no risks of material real impact are identified.**

Internal control tools, existing security procedures and systems, systematic monitoring and enforcement of AEROSTAR S.A. policies are taken into account in order to ensure cyber security measures and compliance with customs control regulations.

To avoid risks related to information system security, a plan with measures for the implementation of ISO 27001 standard is in place and regular "Security Awareness" courses are envisaged.

Sub-theme Additional Topic	Impact (I)	Risk (R)	Opportunity (O)
-------------------------------	------------	----------	-----------------

Compliance with export/import control regulations	<b>Negative Potential</b> The company's activities may be negatively affected if export control regulations are not complied with	Failure to comply with the regulations affects the company by placing it on the list of denied entities (affects military operations internally and civil and military operations externally)
The impacts analysed are not material and the risks are not financially material .		

### Information system security

Sub-theme Additional Topic	Impact (I)	Risk (R)	Opportunity (O)
Security incident - data loss	<b>Negative Potential</b> Interruption of activity for a longer period of time	Reputational risk, delayed deliveries, costs related to incident remediation	
GDPR data	<b>Negative Potential</b> Loss of personal data confidentiality	Reputational risk, costs related to incident remediation	
The impacts analysed are not material and the risks are not financially material .			

## 9. APPENDICES

### Appendix 1

**Report in accordance with Article 8 of (EU) Regulation (EU) 2020/852 of the European Parliament and of the Council ("Taxonomy Regulation")**

#### 1. INTRODUCTION

In 2023, the European Commission published a delegated act for the EU Taxonomy Regulation, which includes a set of specific criteria for the aviation sector. This initiative recognizes the

decarbonization potential of the latest generations of commercial aircraft. This potential is manifested through the replacement of the current fleet and an ambitious increase in the use of Sustainable Fuels (SAF), as well as "zero direct tailpipe CO2 emissions" technologies".

### **Technical Screening Criteria**

The Technical Screening Criteria (TSCs) have been progressively developed in line with the six environmental objectives set by the Climate Delegated Act (applicable from January 1, 2022) and the complementary Climate Delegated Act (applicable from January 1, 2023).

The European Commission has adopted a delegated act targeting economic activities that contribute significantly to other environmental objectives and has amended the Climate Delegated Act by adding additional economic activities and criteria, including in the aviation sector.

### **Disclosing the regulations**

The European Union Taxonomy is designed to establish a list of economic activities that are considered environmentally sustainable. This taxonomy is defined in accordance with the (EU) Regulation 2020/852 of the European Parliament and of the Council, known as the 'Taxonomy Regulation'. The information disclosed must be in line with Article 8 of this Regulation, which requires companies to disclose how their activities contribute to the environmental objectives set by the EU. In addition, the European Commission Delegated Regulation (EU) 2021/2139 specifies the technical screening criteria for determining whether an economic activity contributes substantially to climate change mitigation and adaptation. The (EU) Delegated Regulation 2023/2486 extends and updates these criteria to include new economic activities and to ensure compliance with the latest EU environmental objectives.

The Taxonomy focuses on six major environmental objectives, each with specific sets of criteria that must be met for an economic activity to be classified as environmentally sustainable. To be aligned with the Taxonomy, an eligible activity must comply with the criteria of Substantial Contribution to Multiple Objectives, the DNSH criteria and the minimum safeguards.

## **2. ASSESSING THE ACTIVITIES AND THE COMPLIANCE WITH THE TAXONOMY**

AEROSTAR has made a detailed analysis of the exposure to taxonomy-eligible activities in accordance with the applicable delegated acts. In addition, it has assessed the compliance with the relevant Technical Screening Criteria (TSC), including the DNSH (Do No Significant Harm) criteria and the minimum safeguards required. The review of the economic activities was carried out in consultation between the financial and technical departments, and the assessment process included an overall analysis of our contribution to the climate change mitigation objective.

### **Eligible economic activities**

The company's activities identified as eligible for taxonomy are those described in the Technical Screening Criteria, as per paragraph 3.21, relating to aircraft manufacturing - described as "manufacture, repair, maintenance, overhaul, overhaul, reconditioning, design, conversion and modernization of aircraft and aircraft parts and equipment", in accordance with NACE codes C30.3 and C33.1.6.

According to the technical screening criteria for "Aircraft Manufacturing", the substantial contribution to climate change mitigation can be assessed in two ways: a) for aircraft with "zero direct tailpipe CO<sub>2</sub> emissions" or b) for aircraft meeting the performance criteria for CO<sub>2</sub> emissions set out in the ICAO standards. Given that the ICAO standard only applies to commercial aircraft and that alignment with this standard will be reported from 2025 onwards, which means that aircraft manufacturers and operators need to ensure that their fleets comply with these requirements in order to contribute to climate change mitigation, the assessment of alignment against these criteria is only relevant for commercial aircraft products.

The company's EU taxonomy reporting covers the following scope: the EU taxonomy's share of turnover, capital expenditure ("CapEx") and operating expenditure ("OpEx") and total assets. We valued and allocated turnover, CapEx, OpEx and total assets through a process of correlation between the activities specified in the EU Taxonomy and our internal portfolio of revenues, investments and expenses. In the context of EU Taxonomy reporting, the company may omit economic activities that do not exceed 1% of total turnover, CapEx, OpEx or total assets, as they are deemed not to have a material impact on the reporting purpose.

As a manufacturer of parts and subassemblies for the aviation industry, as well as a provider of maintenance and repair services, the majority of the company's revenue, CapEx, OpEx and total assets are related to the Aircraft Manufacturing business. As the "Aircraft Manufacturing" activity contributes to climate change mitigation, it can also contribute to the rest of the environmental objectives. The company has assessed this contribution to any other objective as being insignificant for reporting purposes and is therefore reporting the contribution to climate change mitigation only.

In line with the requirements set for Activity 3.21 Aircraft Manufacturing regarding the substantial contribution to climate change mitigation, the company has identified the following relevant aspects that prevent the compliance with the technical selection criteria:

- Compliance with CO<sub>2</sub> emission requirements: At the time of reporting, the company is unable to determine the proportion of aircraft meeting the CO<sub>2</sub> emission metric specified in the ICAO standard as specified in point (b) of the technical selection criteria. The absence of official certification of CO<sub>2</sub> metric values or a declaration of compliance with the requirements prevents a full assessment of eligibility.
- Calculation of aircraft replacement rate: To date there is no officially published indicator on the replacement ratio and the company does not have a database with the necessary information to calculate this indicator as required by the EU Taxonomy.

Despite these constraints, the company reaffirms its commitment to sustainability and compliance with the applicable regulations. The company will continue to monitor the legislative developments and assess its business activities in order to align with the requirements of the EU Taxonomy. The Company expects the reporting to evolve as additional information required for the analysis becomes available as described above. Future guidance on the EU Taxonomy may result in updated definitions and further decisions on the reporting obligations.



Turnover																						
Financial year		Year 2024		Criteria for substantial contribution						Does Not Significantly Harm (DNSH) criteria												
Economic activities (1)	Code (a) (2)	Turnover	Proportion of turnover (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned turnover (A.1.) or taxonomy eligible (A.2.) turnover, year 2023 (18)	Facilitation activity category (19)	Transition activity category (20)			
Text		RON	%	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitating	Transitional			
A. TAXONOMY ELIGIBLE ACTIVITIES																						
A.1. Environmentally sustainable activities (taxonomy-aligned)																						
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%												0%						
Of which facilitating		0	0%	0%												0%						
Of which transitional		0	0%	0%												0%						
A.2 Activities eligible in terms of taxonomy but which are not environmentally sustainable (not taxonomy-aligned activities) (g)																						
Aircraft manufacturing	CCM 3.21	584,004,013	100%	N	N	N	N	N	N	D	D	D	D	D	D	D	0%	Facilitating				
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)													
Turnover of taxonomy-eligible but environmentally non-sustainable activities (not taxonomy-aligned activities) (A.2)		584,004,013	100%	0%	0%	0%	0%	0%	0%											0%		
A. Turnover of taxonomy eligible activities (A.1+A.2)		584,004,013	100%	100%	0%	0%	0%	0%	0%											0%		
B. ACTIVITIES THAT ARE TAXONOMY-NON-ELIGIBLE																						
Turnover of activities that are taxonomy-non-eligible		0	0%																			
TOTAL (A+B)		584,004,013	100%																			

CapEx																							
Financial year		Year 2024			Criteria for substantial contribution					Does Not Significantly Harm (DNSH) criteria													
Economic activities (1)	Code (a) (2)	CapEx	Proportion of CapEx (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned CapEx (A.1.) or taxonomy eligible (A.2.) CapEx, year 2023 (18)	Facilitation activity category (19)	Transition activity category (20)				
Text		RON	%	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitating	Transitional				
A. TAXONOMY ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (taxonomy-aligned)																							
CapEx related to environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%												0%							
Of which facilitating		0	0%	0%												0%							
Of which transitional		0	0%	0%												0%							
A.2 Activities eligible in terms of taxonomy but which are not environmentally sustainable (not taxonomy-aligned activities) (g)																							
Aircraft manufacturing	CCM 3.21	26,625,246	100%	N	N	N	N	N	N	D	D	D	D	D	D	D	0%	Facilitating					
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)														
CapEx related to taxonomy-eligible but environmentally non-sustainable activities (not taxonomy-aligned activities) (A.2)		26,625,246	100%	0%	0%	0%	0%	0%	0%											0%			
A. CapEx related to taxonomy eligible activities (A.1+A.2)		26,625,246	100%	100%	0%	0%	0%	0%	0%											0%			
B. ACTIVITIES THAT ARE TAXONOMY-NON-ELIGIBLE																							
CapEx of activities that are taxonomy-non-eligible		0	0%																				
TOTAL (A+B)		26,625,246	100%																				

OpEx																			
Financial year	Year 2024			Criteria for substantial contribution						Does Not Significantly Harm (DNSH) criteria									
Economic activities (1)	Code (a) (2)	OpEx	Proportion of OpEx (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of taxonomy-aligned OpEx (A.1.) or taxonomy eligible (A.2.) OpEx, year 2023 (18)	Facilitation activity category (19)	Transition activity category (20)
Text		RON	%	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D; N; N/EL (b)(c)	D/N	D/N	D/N	D/N	D/N	D/N	D/N	%	Facilitating	Transitional
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx related to environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%												0%			
Of which facilitating		0	0%	0%												0%			
Of which transitional		0	0%	0%												0%			
A.2 Activities eligible in terms of taxonomy but which are not environmentally sustainable (not taxonomy-aligned activities) (g)																			
Aircraft manufacturing	CCM 3.21	19,930,599	100%	N	N	N	N	N	N	D	D	D	D	D	D	D	0%	Facilitating	
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
OpEx related to taxonomy-eligible but environmentally non-sustainable activities (not taxonomy-aligned activities) (A.2)		19,930,599	100%	0%	0%	0%	0%	0%	0%								0%		
A. OpEx related to taxonomy eligible activities (A.1+A.2)		19,930,599	100%	100%	0%	0%	0%	0%	0%								0%		
B. ACTIVITIES THAT ARE TAXONOMY-NON-ELIGIBLE																			
OpEx of activities that are taxonomy-non-eligible		0	0%																
TOTAL (A+B)		19,930,599	100%																

Total assets																			
Financial year	Year 2024			Criteria for substantial contribution						Does Not Significantly Harm (DNSH) criteria						96   AEROSTAR S.A.			
Economic activities (1)	Code (a) (2)	Total assets	Proportion of Total	Climate change (5)	Adaptation to change (6)	Water (7)	Pollution (8)	Circular econ (9)	Biodiversit (10)	Climate change (11)	Adaptation to change (12)	Water (13)	Pollution (14)	Circular econ (15)	Biodiversit (16)	Minimum safeg (17)	Proportion of taxonomy-aligned Total assets (A.1.) or taxonomy eligible (A.2.) (18)	Facilitation activity (19)	Transition activity category (20)



## Appendix 2

### Employees by type of contract, broken down by gender

2023				
FEMALE	MALE	OTHER *	UNDECLARED	TOTAL
Number of employees (number of persons)				
539	1.307	0	0	1.846
Number of permanent employees (number of persons)				
523	1.229	0	0	1.752
Number of temporary employees (number of persons)				
16	78	0	0	94
Number of employees with non-guaranteed working hours (number of persons)				
0	0	0	0	0
Number of full-time employees (number of persons)				
538	1.306	0	0	1.844
Number of part-time employees (number of persons)				
1	1	0	0	2

2024				
FEMALE	MALE	OTHER*	UNDECLARED	TOTAL
Number of employees (number of persons)				
553	1.330	0	0	1.883
Number of permanent employees (number of persons)				
528	1.224	0	0	1.752
Number of temporary employees (number of persons)				
25	106	0	0	131
Number of employees with non-guaranteed working hours (number of persons)				
0	0	0	0	0
Number of full-time employees (number of persons)				
552	1.329	0	0	1.881
Number of part-time employees (number of persons)				
1	1	0	0	2

\* The gender is as mentioned by the employees.

### Appendix 3

#### Employees by site and type of contract, broken down by gender

			2023
	FEMALE	MALE	TOTAL
Number of employees - Bacău	531	1.238	1.769
Number of employees - Iași	8	69	77
Total number of employees	539	1.307	1.846

			2024
	FEMALE	MALE	TOTAL
Number of employees - Bacău	542	1.253	1.795
Number of employees - Iași	11	77	88
Total number of employees	553	1.33	1.883

			2023
	FEMALE	MALE	TOTAL
Total number of employees	539	1.307	1.846
Employees on permanent contracts	495	1.111	1.606
Employees on fixed-term contracts	44	196	240
Full-time employees	538	1.306	1844
Part-time employees	1	1	2

			2024
	FEMALE	MALE	TOTAL
Total number of employees	553	1.33	1.883
Employees on permanent contracts	498	1.129	1.627
Employees on fixed-term contracts	55	201	256
Full-time employees	552	1.329	1.881
Part-time employees	1	1	2

## Gender distribution by number and percentage at management level

2023			
	FEMALE	MALE	TOTAL
Number of management employees	47	135	182
Percentage of management employees	26%	74%	100%

2024			
	FEMALE	MALE	TOTAL
Number of management employees	49	140	189
Percentage of management employees	26%	74%	100%

## Personnel structure by age groups and gender

2023			
	FEMALE	MALE	TOTAL
< 30 YEARS	79	301	380
31-50 YEARS	294	497	791
> 50 YEARS	166	509	675
Total	539	1.307	1.846

2024			
	FEMALE	MALE	TOTAL
< 30 YEARS	83	341	424
31-50 YEARS	304	499	803
> 50 YEARS	166	490	656
Total	553	1.330	1.883

2023			
	FEMALE	MALE	TOTAL
< 30 YEARS	4%	16%	20%
31-50 YEARS	16%	27%	43%
> 50 YEARS	9%	28%	37%
Total	29%	71%	100%

2024			
	FEMALE	MALE	TOTAL
< 30 YEARS	4%	18%	23%
31-50 YEARS	16%	27%	43%
> 50 YEARS	9%	26%	35%
Total	29%	71%	100%

## APPENDIX 4

### ESRS REPORTING REQUIREMENTS COVERED BY THE SUSTAINABILITY STATEMENT

Standard	Disclosure requirements (RR)	Applicable data points
ESRS S2	BP-1- General basis for preparing the sustainability statements	5(a), 5(c), 5(d)
	BP-2- Reporting information regarding specific circumstances	13(a), 15,16, AR 2
	GOV-1 - The role of the administrative, management and supervisory bodies	21, 22, 23, AR3
	GOV -2 – Information provided to the company's administrative, management and supervisory bodies and sustainability aspects addressed by them	26(a), 26(b)
	GOV-3- Integrating sustainability performance into incentive schemes	27
	GOV-4 - Statement on due diligence	30, AR 10
	GOV-5 - Risk management and internal controls related to sustainability reporting	34
	SBM-1 - Strategy, business model and value chain	40(a), 40(b), 42
	SBM-2 - Stakeholders' interests and views	45
	SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	48
	IRO-1 - Description of processes to identify and assess material impacts, risks and opportunities	53
	IRO-2 – Disclosure requirements in ESRS covered by the company's sustainability statement	56, 59
	MDR-P Policies - Policies adopted to manage material sustainability aspects	
	MDR-A Actions - Actions and resources in relation to material sustainability aspects	
	Indicators and targets	
	MDR-M – Metrics in relation to material sustainability matters	
	MDR-T Targets - Tracking the effectiveness of policies and actions through targets	

Standard	Disclosure requirements (RR)	Applicable data points
<b>ESRS E1 – Climate change</b>	E1-1 – Transition plan for climate change mitigation	17
	E1-2 – Climate change mitigation and adaptation policies	22 25
	E1-3 – Climate change policy actions and resources	26
	E1-4 – Climate change mitigation and adaptation targets	30
	E1-5 – Energy consumption and energy mix	35,37,39
	E1-6 – Gross emissions of GHG categories 1, 2, 3 and total GHG emissions	44,48,49,53
	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	
	E1-8 – Internal carbon pricing	62
	E1-9 – Anticipated financial impacts of material physical and transition risks and potential climate-related opportunities	64
<b>ESRS E2 – Pollution</b>	E2-1 – Pollution-related policies	12
	E2-2 – Pollution actions and resources	16
	E2-3 – Targets related to pollution	20, 23
	E2-4 – Air, water and soil pollution	26
	E2-5 – Substances of concern and substances of very high concern	32, 35
	E2-6 – Anticipated financial effects of pollution-related impacts, risks and opportunities	36
<b>ESRS E3 – Water and marine resources</b>	E3-1 – Water and marine resources-related policies	9
	E3-2 – Actions and resources related to water and marine resources	15
	E3-3 – Targets related to water and marine resources	20
	E3-4 – Water consumption	26, 29
	E3-5 – Anticipated financial effects of impacts, risks and opportunities related to water and marine resources	
<b>ESRS E4 – Biodiversity and ecosystems</b>	E4-1 – Transition plan and consideration of biodiversity and ecosystems in the strategy and business model	
	E4-1 – Transition plan and consideration of biodiversity and ecosystems in the strategy and business model	
	E4-2 – Biodiversity and ecosystems policies	
	E4-3 – Actions and resources related to biodiversity and ecosystems	
	E4-4 – Targets related to biodiversity and ecosystems	
	E4-5 – Impact metrics related to biodiversity and ecosystems change	
	E4-6 – Anticipated financial impacts from biodiversity and ecosystem-related risks and opportunities	
<b>ESRS E5 –</b>	E5-1 – Policies related to resource use and circular economy	12

<b>Resource use and circular economy</b>	E5-2 – Actions and resources related to resource use and the circular economy	17
	E5-3 – Targets related to resource use and circular economy	21
	E5-4 – Resource inflows	
	E5-5 – Resource outflows	33,37,39
	E5-6 – Anticipated financial effects of material risks and opportunities arising from resource use and circular economy-related impacts	41

Standard	Disclosure requirements (RR)	Applicable data points
<b>ESRS S1 Own workforce</b>	S1-1 – Own workforce policies	19, 20 (a), 20 (b), 20 (c), 21, 23, 24 (a), 24 (b), 24 (c), 24 (d), AR 13
	S1-2 – Processes for engaging with own workers and workers' representatives on impacts	27 (a), 27 (b), 27 (c), 27 (e), 28
	S1-3 – Processes to remediate negative impacts and channels for own workers to raise concerns	32 (a), 32 (b), 32 (c), 32 (d), 32 (e), 33
	S1-4 – Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	38 (a), 38 (b), 38 (c), 38 (d), 40 (a), 40 (b), 41, 43, AR 42
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	46, 47 (a), 47 (b), 47 (c)
	S1-6 – Characteristics of the company's employees	50 (a), 50 (b) i., 50 (b) ii., 50 (b) iii., 50 (c), AR 55
	S1-7 – Characteristics of non-employee workers in the company's own workforce	55 (a)
	S1-8 – Coverage of collective negotiations and social dialogue	60 (a)
	S1-9 – Diversity metrics	66 (a), 66 (b)
	S1-10 – Adequate salaries	69
	S1-11 – Social protection	74 (a), 74 (b), 74 (c), 74 (d), 74 (e)
	S1-12 – People with disabilities	79
	S1-13 - Training and skills development metrics	83 (a), 83 (b)
	S1-14 - Health and safety metrics	88 (a), 88 (b), 88 (c), 88 (d), 88 (e), AR 91
	S1-15 - Work-life balance metrics	93 (a), 93 (b)

Standard	Disclosure requirements (RR)	Applicable data points	
ESRS S4 Consumers and end-users	S4-1 - Policies related to consumers and end-users		1 (a)
	S4-2 - Processes for engaging with consumers and end-users about impacts		
	S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns		
	S4-4 - Taking action on material impacts on consumers and end-users and approaches to managing material risks and pursuing material opportunities related to value chain workers, and the effectiveness of those actions		
	S4-5 - Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities		
	S2-5 - Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities		

Standard	Disclosure requirements (RR)	Applicable data points
ESRS S3 Affected communities	S3-1 - Policies related to affected communities	12, 16, 17
	S3-2 - Processes for engaging with affected communities about impacts	19, 21 (c, d), 22
	S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns	25, 27 (b, c, d), 28
	S3-4 - Taking action on material impacts on affected communities and approaches to managing material risks and pursuing material opportunities related to affected communities, and the effectiveness of those actions	30, 32 (a,c), 33 (b), 34, 36
	S3-5 - Targets related to managing material negative impacts, promoting positive impacts and managing materials risks and opportunities	

Disclosure requirement and related data point	SFDR reference(1)	Pillar 3(2) reference	Reference in the Benchmarks Regulation(3)	EU Climate Law Reference(4)
ESRS E1-4	Indicator No. 4 in Table	Article 449a	Delegated Regulation	



GHG emission reduction targets point 34;	2 of Annex 1	(EU) Regulation No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Model 3: Banking book - Climate Change Transition Risk: Alignment Indicators	(EU) 2020/1818, Article 6	
<b>ESRS E1-5</b> energy consumption and mix point 37	Indicator No. 5 in Table 1 of Annex 1			
<b>ESRS E1-6</b> Gross scopes 1, 2, 3 and total GHG emissions point 44	Indicators 1 and 2 in Table 1 of Annex 1	Article 449a of (EU) Regulation No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Model 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 paragraph (1)	
<b>ESRS E1-6</b> Intensity of gross GHG emissions paragraphs (53)-(55)	Indicator No. 3 in Table 1 of Annex 1	Article 449a of (EU) Regulation No. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Model 3: Banking book - Climate change transition risk: alignment indicators	Delegated Regulation (EU) 2020/1818, Article 8 paragraph (1)	
<b>ESRS E1-7</b> GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2 paragraph (1)
<b>ESRS E2-4</b> Quantity of each pollutant listed in Annex II of the European Pollutant Release and Transfer Register "E-PRTR Regulation" emitted to air, water and soil, point 28	Indicator No. 8 in Table 1 of Annex 1 Indicator No. 2 of Table 2 in Annex 1 Indicator No. 1 of Table 2 in Annex 1 Indicator No. 3 of Table 2 in Annex 1			
<b>ESRS E3-1</b> Water and marine resources point 9	Indicator No. 7 of Table 2 in Annex 1			
<b>ESRS E3-1</b> Specific policy point	Indicator No. 8 of Table 2 in Annex 1			

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<b>ESRS E3-4</b> Total water recycled and reused point 28(c)	Indicator No. 6.2 of Table 2 in Annex 1			
<b>ESRS E3-4</b> Total water consumption in its own operations in m3 per net revenue paragraph 29	Indicator No. 6.1 of Table 2 in Annex 1			
<b>ESRS 2- IRO 1 - E4</b> point 16(a) (i)	Indicator No. 7 of Table 1 in Annex 1			
<b>ESRS 2- IRO 1 - E4</b> point 16 (b)	Indicator No.10 of Table 2 in Annex 1			
<b>ESRS 2- IRO 1 - E4</b> point 16 (c)	Indicator No. 14 of Table 2 in Annex 1			
<b>ESRS E5-5</b> Non-recycled waste point 37(d)	Indicator No. 13 of Table 2 in Annex 1			
<b>ESRS E5-5</b> Hazardous waste and radioactive waste point 39	Indicator No.9 of Table 1 in Annex 1			

## ABBREVIATIONS

ADCR	Aerospace and Defence Chromates Reauthorization
AGOA	Ordinary General Meeting of Shareholders

ASF	Financial Supervisory Authority
BVB	Bucharest Stock Exchange
CAEN	Classification of Activities in the National Economy
CSRD	Council on Sustainable Reporting Standards
CTAC	Chromium Trioxide Authorization Consortium
EASA	European Aviation Safety Agency
ECHA	European Chemicals Agency
EMAR	European Military Airworthiness Requirements
ESRS	European Sustainability Reporting Standard
EUID	European Unique Identifier of the Company
FAA	Federal Aviation Administration
GDPR	General Data Protection Regulation
GHG	Greenhouse Gases
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
OCDE	Organization for Economic Cooperation and Development
OIM	International Labour Organization
UN	United Nations
PEHD	High-Density Polyethylene
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
SSM	Occupational Health and Safety