



Sustainability report Chimcomplex Group SA

2024



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MESSAGE FROM THE DIRECTOR GENERAL

Dear colleagues, partners, and supporters of Chimcomplex,

The year 2024 marked a special milestone for Chimcomplex: 70 years since its founding.

This is a remarkable achievement, considering that in the 1990s, Romania had 72 chemical plants and factories, of which only 14 remain today. Most of those that were closed had been purchased by foreign investors who later shut them down. We continue to invest in taking Romanian chemistry to the next level, with positive results and promising prospects.

At the same time, 2024 was a significant test for the entire chemical industry. High energy and gas prices continued to weigh heavily on our sector, and Chimcomplex felt this burden intensely. However, we had plenty of opportunities to once again demonstrate our commitment to sustainability.

We continued to invest strategically, focusing on energy independence, developing high-value-added products, and diversifying our business portfolio. In 2024, we allocated 94.3 million RON for investments. We completed the first trigeneration plant in Europe in the chemical industry, launched an investment in a polyepoxide production unit in Onești (the first in Romania), and initiated investments in a photovoltaic panel park (4.6 MW in Râmnicu Vâlcea and 14 MW in Onești) – and the list goes on. These investments will secure a competitive advantage for the future and help reduce Romania's dependence on imports.

In parallel, we completed the project “**Investing in innovative green technology to produce new environmentally friendly polyols at CHIMCOMPLEX**” co-financed through the Innovation Norway program. This investment highlights our commitment to implementing cutting-edge technologies and transforming production processes in line with circular economy principles.

Our collaboration with **Econic Technologies** for the production of CO₂-based polyols reflects our vision to support sustainable technologies that will help reduce carbon emissions and enhance the sustainability of the chemical industry.

Another important step in 2024 was the acquisition of **Logiserv Tank Cleaning**, which allows us to expand our service portfolio and ensure the highest safety and quality standards in handling chemical products.



Our involvement in education, culture, and sports reflects our commitment to actively contributing to the well-being of our communities and positively influencing youth development. We support **Rugby Club Venus** to promote healthy values such as courage, attitude, and discipline through a balanced lifestyle. Additionally, we have backed the **Romanian Federation of Sports Tourism** to encourage movement through the **National Sports Tourism Championship** and other related competitions.

Through our partnership with the “**Nadia Comănești Foundation**”, we aim to contribute to the future of Romanian gymnastics and give these talented athletes the opportunity to reach the world elite.

Looking ahead to 2025, we are focused on strengthening our position in international markets, continuing investments in energy efficiency, and diversifying our portfolio to ensure we remain a key player in the European chemical industry.

We are proud of our achievements and, at the same time, prepared for the challenges ahead, with confidence and a continued commitment to the future.

Thank you for your constant support and trust in Chimcomplex. It is a privilege to be part of this remarkable company, dedicated not only to operational excellence but also to a sustainable future.

Steve Hunt





General Information



ESRS 2

PRESENTATIONS OF GENERAL INFORMATION

1.1 Foundations of Preparation

1.1.1 General Basis for the Preparation of Sustainability Statements

BP-1

We are publishing our *first Sustainability Report* in accordance with the new ESRS standards and the Methodology for Sustainability Reporting – the Romanian Sustainability Code, dated 16.11.2023, which is an integral part of Government Decision no. 1117/2023, as subsequently amended. This report includes information for the period from January 1 to December 31, 2024. The Sustainability Report for the financial year 2023 was prepared based on the GRI standards.

Chimcomplex SA Borzești (which includes the two sites at Rm. Vâlcea and Onești) and the companies Greencomplex SRL, A5 INVEST SRL, A6 IMPEX, Sistemplast, Logiserv SRL, and CRC Worldtrade SRL make up the CRC Group (hereinafter referred to as Chimcomplex or the **group**) and are part of this initiative, reinforcing our transparency and commitment to sustainability.

We fall under the scope of the Corporate Sustainability Reporting Directive (CSRD), and consequently the European Sustainability Reporting Standards (ESRS), in accordance with the provisions of Order no. 85/2024.

Through our Sustainability Reporting (also known as the Sustainability Statement), we highlight the group's performance in relation to **environmental, social, and governance** aspects, thus emphasizing our commitment to sustainable development in a transparent manner for all stakeholders, both internal and external. This report is prepared based on the results of the double materiality analysis, also known as the significance assessment within the ESRS framework. The Sustainability Report has been prepared on a consolidated basis and mirrors the scope of the Consolidated Financial Statements. We have prepared a single report at the consolidated level, as required by applicable regulations.

As of December 31, 2024, the group consists of the following companies, which have been included in the consolidation perimeter:



Name of the Company	% control	% interest	Activity
CHIMCOMPLEX SA BORZESTI – parent company with branch CHIMCOMPLEX SA BORZESTI Branch Rm. Vâlcea	-	-	Manufacture of other basic inorganic chemicals Manufacture of basic organic chemicals
Greencomplex SRL	99.9998%	99.9998%	Manufacture of other basic inorganic chemicals
A5 INVEST SRL	100.00%	100.00%	General mechanical operations
Sistemplast	94.40%	94.40%	General mechanical operations Electricity production and trading
A6 IMPEX SA	49.4497%	49.4497%	General mechanical operations
Logiserv SRL	100%	100%	Other auxiliary transport activities
CRC Worldtrade SRL	100%	100%	Steam and air conditioning supply

Chimcomplex SA Borzești, the parent company, is a company with a 70-year tradition, developing quality products for a better life and a sustainable future. We are the main producer and supplier of vital chemicals in the region. More information about Chimcomplex can be found on our website: <https://chimcomplex.com/>

Chimcomplex SA Borzești is listed on the Bucharest Stock Exchange, on the regulated market, Standard Category, under the symbol CRC since 17.01.2022.

At Chimcomplex SA Borzești, we provide a wide range of products applicable in many essential markets: metallurgy, iron and steel industry, thermoenergetics, food and beverage industry, automotive, construction materials, extractive industry, textiles, pulp and paper, pharmaceuticals, plastics, electronics, furniture, household appliances, packaging, sanitation, and public hygiene, furniture industry, and household appliance industry.

The reporting is not limited to the companies' own operations, as it also includes information from the upstream and downstream value chain.

Within Chimcomplex, we conducted a double materiality analysis, taking into account the potential impact of the sustainability aspects of our activities on the value chain, with the aim of developing appropriate strategies to address these aspects. Thus, we identified internal and external stakeholders and interviewed them to assess the impact.

Financial risks and opportunities were identified by internal stakeholders who possess in-depth knowledge of Chimcomplex's operations and financial performance. The Chimcomplex finance department assessed these risks and opportunities based on their potential financial impact on the company.

By determining double materiality, we combine the final results of impact materiality with the final results of financial materiality to identify significant environmental, social, and governance (ESG) aspects. This integrated approach allows us to comprehensively understand the ESG issues that generate both significant impacts on the environment and society and substantial financial implications for Chimcomplex. The assessment of double materiality enables us to prioritize our sustainability efforts on the most critical issues that yield both positive environmental and social outcomes and long-term financial performance.

The results of the double materiality assessment will be integrated into Chimcomplex's sustainability strategy, risk management processes, and financial reporting. The company will disclose material ESG risks and opportunities, along with current and potential impacts, in the *Sustainability Report*, ensuring transparency and accountability to all stakeholders.



1.1.2 Information Presentations Related to Specific Circumstances

BP-2

In this report, the term Chimcomplex is used when referring to all the companies that make up the CRC group.

This is the 6th year of sustainability reporting and the first year of reporting according to the ESRS standards.

The Sustainability Report for the year 2024 meets the legal reporting requirements and chooses to use the new ESRS standards, in accordance with the Order of the Minister of Finance 85/2024, which transposes the Corporate Sustainability Reporting Directive (CSRD). Thus, through sustainability reporting, we present our performance in relation to the environment, social aspects, and governance.

Time horizon

At Chimcomplex, we have adopted the following time intervals from the end of the reporting period:

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

Value Chain Estimation

In the Sustainability Report, we consider the value chain through a comprehensive approach both upstream and downstream, to the extent of the materiality of the impact resulting from the double materiality analysis.

Changes in the Preparation or Presentation of Sustainability Information

This is the first year of reporting in accordance with ESRS. In the previous financial year, the Sustainability Report was prepared based on the GRI standards.

Reporting Errors of Previous Periods

No errors were recorded during previous reporting periods.

Presentation of Information Arising from Other Legislative Acts or Generally Accepted Sustainability Reporting Decisions

The applicable standards and specific legislation related to the group's field of activity are presented in the text of the report, where relevant.

Collaboration with ESG rating agencies is very important to us. This allows us to have an external evaluation of our ESG performance and to benchmark against industry best practices.

Ecovadis - In 2023, we conducted our first evaluation and scored 43 out of 100. Although the initial score indicates that there is room for improvement, the recommendations we received provided a clear direction for enhancing our performance. In 2024, by implementing concrete measures in our sustainability strategy, we increased our score, achieving a 15% improvement and earning a bronze medal.

CSR Hub - According to the CSR Hub evaluation, in 2023 we scored 74 out of 100 points, compared to 37,185 companies, and in 2024 we scored 79 out of 100 points, compared to 40,136 companies. This score confirms our efforts to maintain high standards in social and environmental responsibility.

Responsible Care – according to the Responsible Care evaluation, we scored 3.4 out of a maximum of 4 points. We have been participating in this ESG performance evaluation since 2020, and starting in 2024, we are doing so through CEFIC (European Chemical Industry Council).

Chimcomplex has committed to adhering to the Responsible Care principles and has signed the Responsible Care Global Charter. As a result, we participate in the reporting and evaluation conducted by ICCA (International Council of Chemical Associations), which represents chemical product manufacturers worldwide.

We are committed to a continuous process of improving our ESG performance. To achieve this goal, we will invest in the development and implementation of new sustainable practices, enhance transparency, and actively collaborate with all stakeholders. Through these measures, we expect to see a significant increase in our ESG ratings in the coming years, reflecting our commitment to operating responsibly and sustainably.

Inclusion of Information by Reference

References to additional documents or references to information included in another thematic standard are mentioned in this report.

1.2 The Company, Business Model, and Stakeholder Engagement

1.2.1 Strategy, Business Model, and Value Chain

SBM-1

The integration of sustainability into our corporate strategy is key to achieving long-term objectives and creating lasting value. We emphasize the incorporation of sustainability performance into general management and executive remuneration, ensuring leadership accountability. Additionally, we regularly engage with key stakeholders to understand their sustainability priorities. In 2024, we conducted the Double Materiality Analysis to identify significant environmental, social, and governance issues based on feedback from internal and external stakeholders.



Our main objective in all aspects of sustainable development and research is to add value to Romania's natural resources, focusing on the strategic goal of integrating Chimcomplex into the European circular economy to create greater value for Romania. We continuously improve technologies and equipment to enhance product quality, increase productivity, and improve energy efficiency. Additionally, the company is involved in the project 'Investments in Innovative Green Technology to Produce New Eco-Friendly Polyols at Chimcomplex,' which, through the use of renewable, plant-based raw materials, contributes to reducing the potential depletion of fossil and non-fossil resources. Some noteworthy development actions in the current year include:

1. Energy Initiatives

- Commissioning of high-efficiency cogeneration units that use natural gas and hydrogen.
- Investments in technology – Modernization of electrolysis installations and energy efficiency, including reducing the carbon footprint.
- Predominant use of electricity from renewable sources.
- Own sources of green electricity - Installation of photovoltaic panels, which will reduce the carbon footprint of the energy used.
- Use of hydrogen obtained in brine electrolysis installations as an energy vector.
- Energy recovery from waste, both from own waste and recovered waste.

2. Circular Economy Initiatives

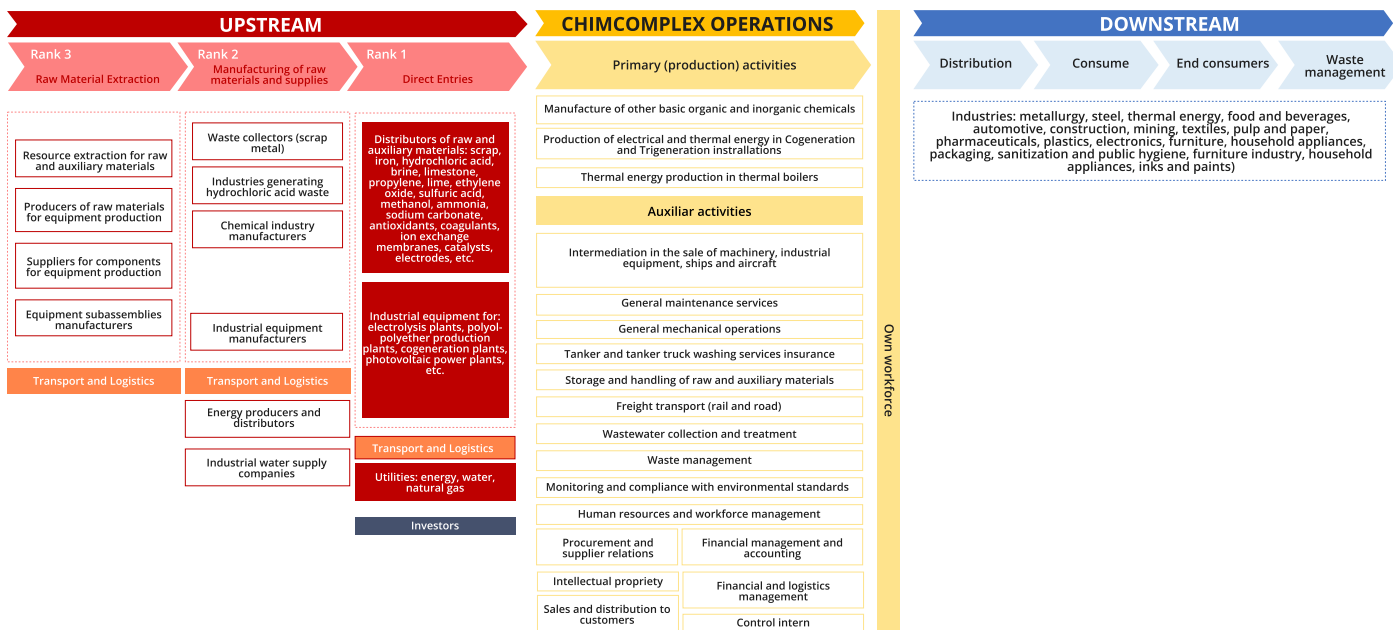
- Manufacture of high-performance epoxy resins based on vegetable glycerin.
- Manufacture of eco-friendly vegetable polyols, replacing fossil-based raw materials with plant-based raw materials.
- Chemical recycling of over 1,000 tons/year of used HCl and 3,500 tons/year of scale crusts, classified as waste under Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain directives, from which Ferric Chloride is obtained - a coagulant for wastewater treatment.
- Recycling of flexible polyurethane foams from scraps from the manufacture of foams, mattresses, furniture (using PU), and interior foam upholstery from automobiles.



Description of the Business Model and Its Value Chain

According to Annex II of the ESRS (*Table 2. Terms Defined in ESRS*), the value chain encompasses all activities, resources, and relationships related to a company's business model and its external environment. This includes everything from the initial concept to delivery, consumption, and the end-of-life stage of products or services.

For Chimcomplex, the value chain includes both upstream and downstream value chains.



The upstream value chain involves national and international suppliers of goods and services necessary for Chimcomplex's operations.

The downstream value chain involves the commercialization of products manufactured by Chimcomplex.

We have strengthened our supply chain management by integrating a new management team, which includes a logistics director and a supply chain director, who bring extensive operational experience and strategic vision.

Additionally, we have implemented a "category management" policy to efficiently manage the procurement of raw materials, materials, and services.

Our continuous efforts include a comprehensive review and optimization of procedures and processes throughout the supply chain. These actions are designed to ensure process optimization, quality assurance, and risk minimization in our procurement activities. Key local functional connections include partnerships with Salina Ocnele Mari and Salina Tg Ocna for brine supply, CET Govora for steam and electricity, and local suppliers for soda ash, natural gas, limestone, and potable water. We continuously analyze and optimize our supply chain processes to ensure quality, minimize risks, and enhance efficiency.

The other companies in the group provide support services (equipment maintenance, tank and tanker washing, etc.) for the production and sale of chemical products, thus contributing to the addition and retention of added value within the group, in accordance with the consolidated financial statements.

At **Chimcomplex SA Borzești**, we produce and market inorganic and organic chemicals. The chemicals manufactured and sold by Chimcomplex are intermediate chemical products, used as raw materials in other industries. For this reason, they are transformed or incorporated into other chemical products and do not appear as such at the end of the life cycle.

The other companies in the group provide support services (equipment maintenance, tank washing, tanker trucks, etc.) for the production and marketing of chemical products, thus contributing to the addition and retention of added value within the group, according to the consolidated financial statements.

Greencomplex SRL Onești is a limited liability company based in Onești, Bacău County, with its main activity being the manufacture of other basic inorganic chemical products. Currently, the company's revenues predominantly come from payroll services.

A5 Invest SRL Onești is a limited liability company based in Onești, Bacău County, with its main activity being intermediaries in the trade of machinery, industrial equipment, ships, and aircraft. Currently, the company's revenues predominantly come from general mechanical works services.

Sistemplast SA Râmnicu Vâlcea is a joint-stock company based in Râmnicu Vâlcea, Vâlcea County, with its main activity being the maintenance and repair of equipment and installations on the Chimcomplex SA Borzești platform in Râmnicu Vâlcea. Sistemplast SA also provides services such as overhauls, repairs, reconditioning, mechanical and electro-mechanical fabrications for other clients from various industries. Currently, the majority of the company's revenues come from these maintenance and repair services.

Logiserv SRL, based in Râmnicu Vâlcea, Vâlcea County, is a leading company in the field of washing tankers, containers, and IBCs intended for the transport and storage of liquid chemicals. It is the first washing facility in Romania to offer services at European standards recognized by the European Chemical Industry Council (CEFIC). It is also the first washing facility in Romania certified by Sqas Cleaning and which in turn certifies the provision of services by issuing the ECD washing certificate.

CRC Worldtrade SRL, based in Râmnicu Vâlcea, Vâlcea County. The company's activity is the supply of steam and air conditioning.

A6 Impex SA, based in Dej, Cluj County, has as its main activity the production, transport, and distribution of electricity from renewable sources, energy obtained with a thermal power plant with a production capacity of 9.5 MWh/hour. Currently, the company's revenues come mainly from the electricity trading activity.

More information regarding the group's turnover can be found in the administrators' report on the economic and financial activity of Chimcomplex SA Borzești group in 2024.

The other companies in the group provide support services (equipment maintenance, tank cleaning, tank trucks, etc.) for the production and marketing of chemical products, thereby contributing to the addition and retention of added value within the group, according to the consolidated financial statements.

We specialize in polyols, oxo-alcohols and chlor-alkali, inorganic chlorides, alkylamines, compressed gases.

We consider Chimcomplex SA Borzești a strategic unit of the national economy through:

- providing basic chemical products (caustic soda and hydrochloric acid) for the energy industry in ion exchanger regeneration processes.
- supplying products necessary for water potabilization (chlorine, sodium hypochlorite, lime chloride) for more a lot of drinking water stations in Romania, Bulgaria, Moldova, Greece.
- supplying sodium hypochlorite-based biocides for the disinfection of hospitals and public spaces.

- providing basic chemical products (coagulants with ferric and ferrous chloride, pH correction agents) for wastewater treatment and purification (municipalities and industry).
- supplying products for various industrial applications (ferrous and non-ferrous metallurgy, detergents and cosmetics, food chemistry, industrial gases - hydrogen, automotive industry, furniture industry, oil and gas industry, fertilizers, plasticizers, solvents, etc.).
- providing products (polyether polyols) for the manufacture of flexible or rigid polyurethane foams, for the synthesis of unsaturated epoxy polyurethane resins, elastomers, adhesives, defoamers, in the production of lubricants and brake fluids, etc.

Chimcomplex SA Borzești's products are used daily in the production of thousands of other safer and more sustainable products: from polyurethane shoe soles and mattress foams to wind turbine blades and hybrid car batteries.

We contribute to enhancing the quality of life for a more dynamic and comfortable world. Chimcomplex SA Borzești is a strategic company for the Romanian economy, being the largest chemical plant with two industrial platforms in Onești and Râmnicu Vâlcea.

The main activity, according to the 2013 CAEN code, is the manufacture of basic inorganic chemicals, in accordance with the provisions of the Society's Constitutive Act. The activity with the highest share in the company's revenue from January to December 2024, according to CAEN coding, is CAEN code 2014 - the manufacture of other basic organic chemicals.

Chimcomplex SA Borzești generates 56% of its turnover from exports and on the intra-community market. We are the largest exporter with Romanian private capital, with Chimcomplex products being exported to 60 countries across 5 continents: Europe, Asia, Africa, the USA, and South America.



1.2.2 Interests and Perspectives of Stakeholders

SMB-2

We are firmly committed to maintaining an active and transparent dialogue with all stakeholders in our sustainability activities. We support various stakeholders through open communication and constant dialogue, aiming to develop mutually beneficial relationships for all parties involved.

We are dedicated to maintaining an active and open dialogue with all parties involved in our sustainability efforts. We are committed to continuously evaluating the social impact of our projects and supporting the communities in which we operate through effective collaboration and support. We recognize the responsibility we have towards these communities and work to provide them with concrete support. Additionally, we collaborate with government institutions and associations in the energy and oil sector to contribute to the development and implementation of sustainable policies and regulations.

We acknowledge the importance of our clients' and investors' concerns regarding ESG aspects and address them through individual discussions or group meetings. We actively engage in relevant external events and participate in dialogues and working groups with various stakeholders.

For us, continuous employee engagement is a priority. In 2024, we organized six sessions between the Management Board members and different groups of employees. These sessions encouraged the exchange of ideas, provided opportunities for constructive feedback, and supported a culture of transparency and open dialogue within the company.

We are committed to growing and strengthening relationships with stakeholders, considering their perspectives and addressing their concerns and needs. We take responsibility for constantly improving communication with stakeholders and supporting the sustainable development of the communities in which we operate.



The management of Chimcomplex is committed to representing and promoting the interests of shareholders, taking responsibility for the company's performance and activities. We are aware of our responsibility towards shareholders and recognize the importance of maintaining constant dialogue with them.

In 2024, we undertook several actions to maintain an active presence in local and international capital markets. Chimcomplex's management participated in relevant conferences and organized meetings with analysts and investors, thus providing valuable opportunities to communicate our operational and financial performance, strategy implementation, and quarterly plans. We are committed to periodically informing investors and analysts about our company's progress and addressing their questions and concerns.

We recognize the importance of dialogue with unions in maintaining a strong social balance within our company. We consider this dialogue essential for promoting harmonious labor relations and achieving common goals. The relationship between unions and management is based on constructive dialogue, aiming to align employee expectations with the company's capabilities, comply with the provisions of the Collective Labor Agreement, and engage in consultation and negotiation within the joint committee.

We will continue to improve our dialogue practices to ensure the consistent provision of relevant and accessible information while developing constructive solutions for the questions and concerns expressed.

The main categories of stakeholders and the channels of engagement are presented in the table below.

Stakeholder Group	Engagement Channel
Suppliers & Contractors	Negotiations and contracts Supplier audits and evaluations Meetings with suppliers Reporting on joint projects
Government/Central Regulatory Authorities	Participation in meetings Relationship management Periodic reporting (according to provisions)
Employees	Periodic events with Management Board members Company's internal online platform Internal newsletter Internal blog Surveys Constant dialogues through unions
Local Community	Sustainability projects Sponsorships and donations Grievance mechanisms Meetings for business projects Public debates Events organized by municipalities

Stakeholder Group	Engagement Channel
Associations (ROMCHIMICA CEFIC, EuroChlor, EUROPUR, ANEIR, AMCHAM, AHK)	Contracts Participation in working groups Meetings/Debates Workshops/Conferences
Mass-media	Press releases Conferences/Events Interviews Workshops
Capital Market Participants	Industry meetings Contracts Participation in working groups
Educational, Scientific, and Research Organizations	Joint projects with industry partners, scientific organizations, schools, and universities Conferences and lectures Sustainability projects Employer branding activities
Clients	Advertising/communication campaigns Events Involvement activities within the distribution stations Newsletter
NGOs/NPOs	Social projects Sponsorships and donations Stakeholder dialogue and grievance mechanisms

1.3 Governance and Business Practices

1.3.1 Role of Administrative, Management, and Supervisory Bodies

GOV-1

The ownership structure of Chimcomplex SA Borzești shares, as of 31.12.2024, according to the reporting by the Central Depository, is as follows:

Shareholder Name	Number of Shares	Percentage (%)
C.R.C. Alchemy Holding B.V.	258,129,743	84.6583%
Statul Român prin A.A.A.S.	27,305,181	8.9552%
Legal Entities	14,409,398	4.7258%
Individuals	5,063,529	1.6607%
TOTAL	304,907,851	100%

Chimcomplex SA Borzești is managed under a unitary system, led by a Board of Directors responsible for setting the main activity directions and overseeing the executive management's activities.

The composition of the Board of Directors of Chimcomplex SA Borzești changed in 2024, with the company being managed by a board of 7 members for the first 7 months of the year and a board of 5 members for the last 5 months. The Board of Directors is chaired by a President who, according to the constitutive act, may also have executive roles.

In 2024, as well as currently, the President of the Board of Directors is a non-executive director who indirectly holds the position of majority shareholder.

The main responsibilities of the Board of Directors include representing the company in relations with third parties through the President and undertaking actions in areas such as financing and refinancing the company, contracting loans, establishing guarantees, making investments, and modernizing the company, as well as organizing the works of the General Meeting of Shareholders.

The Board of Directors is assisted in its activities by four committees that handle specific subjects.

In 2024, administrator elections took place in the context of reducing the number of board seats. The election of board members was conducted by secret vote during the General Meeting of Shareholders, with candidates proposed by shareholders.

Corporate governance policies aim to ensure transparent and sustainable value creation by clearly defining responsibilities, managing processes, and continuously monitoring the performance and efficiency of the Board of Directors, ensuring appropriate decision-making processes regarding policy principles and controls.

The Audit and Risk Committee aims to provide advice and support to the Board by making recommendations. It focuses on ensuring the integrity of the Company's financial reporting, evaluating the financial reporting process, the internal control system, and risk management, as well as internal and external auditing. The Committee is also responsible for assessing the qualifications and independence of internal and external auditors, identifying and managing conflicts of interest, monitoring the Company's performance, and ensuring compliance with relevant laws and regulations.

The Integrity Committee's role is to provide advice and support to the Board. It offers recommendations to assist the Board in fulfilling its responsibilities related to maintaining integrity within the Company.

The Nomination and Remuneration Committee has the following responsibilities:

- Proposes the structure and composition of the Board of Directors, taking into account the shareholder structure and shareholder recommendations.
- Coordinates the development of procedures for selecting candidates for director and executive positions.
- Actively participates in the selection and recruitment process of executives.

- Develops the "Remuneration Policy" for directors and executives, submitting it for approval to the Board of Directors.
- Monitors personnel expenses and the company's employment structure.
- Assists the Board in evaluating the performance of executives.

The Strategy, Development, and Investment Committee aims to:

- Coordinate the development of the company's strategy for development and investment, based on studies and analyses.
- Periodically analyze the progress of implementing development strategies, investment projects, and measures adopted to achieve the established objectives.

The management and coordination of the activities of Chimcomplex SA Borzești in 2024 were ensured by a Board of Directors, which consisted of 7 members during the period from January 1, 2024, to August 1, 2024, and 5 members from August 2, 2024, to December 31, 2024.

Nr. crt.	Name	Function	Relevant Experience	Date of Appointment	Political Affiliation
1	ȘTEFAN VUZA	President of Chimcomplex	He founded and leads the CRC Group (Romanian Chemistry Company), which today consists of 18 companies. Mr. Vuza has been leading Chimcomplex S.A. Borzești since 2018 as President	August 2018	No Political Affiliation
2	MADELINE ALEXANDER	Independent Member	Administrator and legal entity, with over 30 years of international experience in auditing and financial consulting for numerous local and international companies across various industries, including the chemical industry. In the last 23 years of her career, she has been a partner in Big 4 audit firms. Ms. Alexander is accredited as a US GAAP and IFRS expert in the United States and Romania. She is a member of the Chamber of Financial Auditors of Romania (CAFR), ASPAAS, CECCAR, and a Certified Public Accountant (CPA) in the United States. Ms. Alexander has been an independent member of the Board of Directors of Chimcomplex S.A. Borzești since August 2022	August 2022	No Political Affiliation
3	COSMIN ȘOAITĂ	Independent Member	Entrepreneur with international experience in strategic management, internal audit, procurement, and structured finance. He holds a Ph.D. in Economics from the University of Paris 1 Panthéon-Sorbonne, Paris, France, and is an associate lecturer at Lucian Blaga University of Sibiu. Mr. Șoaită has been an independent member of the Board of Directors of Chimcomplex S.A. Borzești since August 2024.	August 2024	No Political Affiliation
4	GABRIEL TISCHER	Independent Member	Entrepreneur led companies in very different industries for 20 years. Experience from the last 3 years in his first position in the public sector, as President of the Board of Directors of Sibiu International Airport. Mr. Tischler has been an independent member of the Board of Directors of Chimcomplex S.A. Borzești since August 2022.	August 2022	No Political Affiliation

Nr. crt.	Name	Function	Relevant Experience	Date of Appointment	Political Affiliation
5	IULIAN LIVIU COJOC	Independent Member	<p>Over 30 years of experience in trading chemical and agri-food products.</p> <p>Founder and President of the 'Dafcochim' group of companies, established in 1994, which operates in the market of chemical products for industry and agriculture, with businesses exceeding 65 million EUR.</p> <p>Partner in several agricultural exploitation companies with a plant profile in central Transylvania, which are in strong development and own state-of-the-art machinery and grain drying silos and storage facilities.</p> <p>Experience in collaboration with Oltchim and Chimcomplex plants or other large chemical product plants in Europe or Asia provides him with undeniable expertise in trade in general and chemical products in particular, including a very good understanding of the market for these products, development prospects, and the players involved.</p> <p>Mr. Cojoc has been an independent member of the Board of Directors of Chimcomplex S.A. Borzești since 2018</p>	August 2018	No Political Affiliation
6.	PREOTEASA VERONICA	Independent Member	<p>Veronica Preoteasa has over 37 years of experience in the chemical industry, including 19 years in management positions, 10 years of consulting in the field of polyurethanes, and entrepreneurship in the trade and distribution of chemical products. Ms. Preoteasa has developed expertise in key areas of the chemical industry: marketing, investments, and the creation and launch of niche products.</p>	August 2022	No Political Affiliation
7.	LUCA FLORIN	Independent Member	<p>Florin Luca, Chief Executive Officer of GAC Innovation Germany & East Europe, is a graduate of the Saint-Cyr Military Academy in Public Finance (France), the Paris Sorbonne University (Master's in Business Law), and the London Business School (Leadership and Performance Program). He has 25 years of executive managerial experience at the international level (including as a member of several boards of directors) in the financial-banking sector, as well as in other industries. Throughout his international career (France, Romania, Central and Eastern European countries, Russia, the Middle East, Asia, Africa...)</p>	August 2023	No Political Affiliation
8.	COMAN DUMITRU	Independent Member	<p>Specialist with extensive experience in the technology and management of the chemical and petrochemical industry in Romania. He has been part of the Chimcomplex team for 32 years. He was promoted to Chief Technical Officer from the position of General Manager, a role he held for 26 years at Chimcomplex. He has completed several management courses both domestically and abroad, which have enabled him to lead and restructure Chimcomplex's operations</p>	January 2024/ replaced in August by Cosmin Soaita	No Political Affiliation

On August 1, 2024, the mandates of the following directors ended: Preoteasa Veronica, Luca Florin, and Dumitru Coman.

The Board of Directors meets whenever necessary, at the President's request. The Board of Directors' discussions take place according to the agenda established based on the draft communicated by the President.

In dealings with third parties, the company is represented by the President of the Board of Directors based on and within the limits of the powers granted by the General Meeting of Shareholders. The representative signs documents that bind the company to third parties, but only within the limits of the law.

The organization of the directors' activities is determined by the Board of Directors' decision, which also sets their remuneration. The Group's results are heavily influenced by the parent company's results, following the same trend. Chimcomplex SA (the Parent Company) reports consolidated financial results.

The composition and diversity of the members of the Board of Directors of Chimcomplex SA Borzești are presented in the following table.

Number of Members with Executive Positions	0
Number of Members with Non-Executive Positions	5
Percentage of Non-Executive Members/ Total Board Members	100%
Gender percentage of the board (board of directors) (calculated as the average ratio between female and male members of the board of directors)	25% feminin
Percentage of Independent Board Members	80%

Executive Management of Chimcomplex SA Borzești.

Nr.	Name	Function	Relevant experience
1	Steven Hunt	CEO	With over 40 years of executive experience, Mr. Hunt has held various leadership positions in Europe, Asia, and America, strengthening his expertise in general, commercial, and strategic management. In recent years, he has served in key roles, including Vice President for Business Development and Strategy at Nouryon Technology Solutions in the United Kingdom, Marketing Director for Polymer Chemicals at AkzoNobel in the USA, and Vice President for Organic Peroxides at AkzoNobel in China. In these positions, Mr. Hunt successfully enhanced the operational and financial performance of companies by implementing growth and efficiency strategies. Through successful management of product portfolios and operations, he has contributed to increasing the profitability and market share of the companies he worked for. His experience also includes successfully managing expansion and restructuring projects, such as relocating a production plant to China and closing a production unit in the Netherlands.
2	Florin Staicu	Director General Adjunct	He is a former member of the Board of Directors of Chimcomplex, with extensive experience in the executive and legislative fields. Over the past years, he has been active both in the Romanian Parliament, as a senator, and in various government institutions. He is a university professor by profession and the author of several books and specialized works.
3	Adrian Teotoc	CFO	Adrian Teotoc took over the position of CFO of the company, bringing with him extensive experience in finance and accounting, gained over 18 years in various industries such as construction, automotive, and trade. As Financial and Administrative Manager at Humana People to People Romania and Flexitech Romania, he successfully led the financial and administrative operations of the companies, ensuring compliance with international financial reporting standards and achieving substantial improvements in financial performance. He possesses strong skills in financial reporting, financial control, financial management, and financial analysis, making him well-qualified to provide strategic recommendations and implement actions to improve the company's profitability.
4	Călin POP	CCO Chimcomplex	Mr. Pop has successfully developed new markets in Europe and carried out efficient restructurings in companies within the consumer goods and chemical sectors.
5	Dan Moldovan	Deputy Commercial Director	With over 25 years of experience in chemical product sales, including the last 5 years as Deputy Commercial Director at Chimcomplex, Dan has demonstrated his skills in managing sales teams and commercial strategies, achieving remarkable results and establishing strong relationships with clients.

The following companies: A5 INVEST SRL., Greencomplex SRL., Sistemplast SA., CRC World Trade SRL., Logiserv SRL., are managed by Chimcomplex SA Borzești, which assumes the obligations of the general meeting of associates/ shareholders, namely:

- To approve the annual financial statements and allocate the net profit.
- To appoint the administrators and grant them discharge for their management.
- To decide on pursuing the administrator for damages caused to the company.
- To amend the constitutive act.

The management of the five previously mentioned companies is entrusted to a sole administrator, with the possibility of re-election, by Chimcomplex SA Borzești.

Companies	Sole Administrator	Mandate Period
A5 Invest SRL	Staicu Dumitru Florian	04.05.2023-31.12.2025
Greencomplex SRL	Staicu Dumitru Florian	04.05.2023-31.12.2025
Logiserv SRL	Sîrbu Eduard Dan	10.05.2024-10.05.2028
Sistemplast SRL	Staicu Dumitru Florian	29.05.2023-31.12.2025
CRC Worldtrade SRL	Sîrbu Eduard Dan	31.01.2024-31.01.2028

The sole administrator has all the prerogatives to engage and represent the company to third parties and authorized state bodies, being endowed with full powers to act in all circumstances in the name and interest of the company.

They can validly sign any act under legal conditions, including contracting loans, registering mortgages, or pledging the company's assets, as well as acquiring share packages or assets. The sole administrator is obliged to submit annually for approval by Chimcomplex, within at most three months from the end of the financial year, the report on the company's activity, the balance sheet, and the profit and loss account for the previous year.

The Chimcomplex Board of Directors decides on the vote in the General Meeting of Shareholders (GMS) of these five companies and mandates the person to represent the Parent Company in the respective GMS.

The sole administrator may delegate the right of representation and their duties to the executive directors of the five aforementioned companies. In 2024, the sole administrator did not delegate the duties to the executive directors.

The joint-stock company A6 IMPEX is managed by a Board of Directors composed of 3 administrators, elected by the General Meeting of Shareholders for a period of 4 years, with the possibility of being re-elected. Administrators may be revoked at any time by the Ordinary General Meeting of Shareholders.

The management and coordination of A6 IMPEX's activities in 2024 were ensured by a Board of Directors, consisting of:

1. Staicu Dumitru Florian, President of the Board, appointed on 12.05.2023, independent member;
2. Stanciugel Vasile Nicolae, Board Member, appointed on 16.06.2021, independent member;
3. Tischer Gabriel, Board Member, appointed on 19.09.2022, also holds positions as a member of the Chimcomplex Board of Directors.

The Board of Directors delegated the management of A6 IMPEX to the General Manager, Voica Marin, for a two-year mandate starting on 20.02.2024, based on a mandate contract. The directors are responsible for taking all measures related to the management of the company, within the limits of the company's scope of activity and in compliance with the exclusive competences reserved by law or by the Board of Directors and the General Meeting of Shareholders.

1.3.2 Information Provided to the Company's Administrative, Management, and Supervisory Bodies and the Sustainability Aspects Addressed by Them

GOV-2

The General Manager of Chimcomplex approves the materiality and content of the company's sustainability report.

The administrative, management, and supervisory bodies, including their relevant committees, are periodically informed by the General Manager and Chief Financial Officer (CFO) about the progress and developments related to impacts, risks, and opportunities (IRO) and other issues related to ESG.

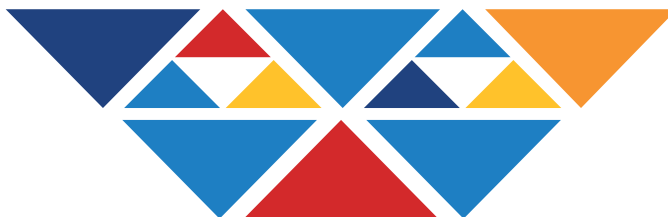
Considering that this is the first year of reporting according to ESRs standards, we are in the initial phase of implementing a comprehensive framework for evaluating these aspects.

For future reporting, we plan to extend the responsibilities of the Strategy, Development, and Investment Committee to also include ESG-related responsibilities.

1.3.3 Integration of Sustainability Performance into Incentive Systems

GOV-3

Currently, neither the Board of Directors nor other members of the executive management bodies receive incentives related to sustainability and financial objectives. As our key objectives and transition plans develop and mature, Chimcomplex will consider the possibility of aligning sustainability goals with performance incentives.



1.4 Risk Management and Control Systems

1.4.1 Statement on the Due Diligence Process

GOV-4

We are in the process of developing a sustainability due diligence framework, which will be essential in evaluating the key identified risks and opportunities (IRO). This ongoing process is designed to identify, prevent, mitigate, and address actual and potential negative impacts on both the environment and people connected to our business operations. We intend to integrate concrete due diligence elements related to people and environmental considerations into our governance, strategy, and business model.

Our future sustainability reports will highlight the essential components of this framework, including risk identification and assessment, implementation of mitigation strategies, and monitoring their effectiveness. Additionally, stakeholder engagement will be a key focus, ensuring that our approach is comprehensive and complete in future reports.

At Chimcomplex SA Borzești, through our certified/accredited integrated management system (ISO 9001, 14001, 17025, etc.), we demonstrate our commitment to implementing sustainable practices to minimize environmental impact and protect natural resources. At the same time, we actively engage with local communities, supporting sustainable development, education, and health projects to contribute to improving the quality of life and well-being of people (providing social aid, scholarships, sponsorships, environmental protection actions, etc.).

1.4.2 Risk Management and Internal Controls Related to Sustainability Reporting

GOV-5

Chimcomplex aims to implement a formalized procedure for managing risks and internal controls related to sustainability reporting in 2025, building on the experience gained from the 2024 ESRS reporting process.

For the current reporting period, a structured process has been established whereby necessary data is collected directly from relevant contributors, with the option to engage external consultants to validate the accuracy and completeness of the information.

Currently, we have established the methodology for data collection and sustainability reporting at Chimcomplex SA Borzești through a General Manager's Decision, which will be updated whenever necessary to ensure proper management of these aspects.

Risk management related to the accuracy and transparency of reporting is ensured by the Sustainability Manager, who processes the collected data. The initial responsibility for providing information lies with the data holders and specialists in the respective fields. Subsequently, the General Manager and Chief Financial Officer perform the final verification of the Sustainability Report, which is then submitted for approval to the Board of Directors.



1.5 Materiality Analysis and Results According to the Concept of Double Materiality

1.5.1 Description of the Processes for Identifying and Evaluating Significant Impacts, Risks, and Opportunities

IRO-1

At Chimcomplex, we conducted a double materiality analysis to assess sustainability-related impacts, risks, and opportunities in accordance with ESRS standards. This assessment is internally validated by the Sustainability Manager and Deputy Technical Director and subsequently approved by the General Manager. The process relies on contributions from company experts in sustainability and finance, including those responsible for climate change, environmental protection, occupational health and safety, social responsibility, human resources, diversity and inclusion, legal compliance, and risk management.

A sustainability aspect is **considered material** if it can have a significant financial impact on the company or if it has the potential to cause such an effect. This occurs when the issue generates or could generate risks or opportunities that significantly influence (or are expected to influence) the company's cash flows, development, performance, position, capital costs, or access to financing in the short, medium, and long term. As part of the obligations derived from the ESRS transposition, Chimcomplex prepared a Double Materiality Analysis (significance analysis), which establishes the significant/material topics in terms of impact, risks, and opportunities.

In sustainability reporting, detailed and relevant information is provided about all impacts, risks, and opportunities (IRO) related to environmental, social, and governance issues that are considered significant from either an impact perspective, a financial perspective, or both.

Impact materiality is analyzed based on the actual and potential effects on sustainability generated by Chimcomplex's own activities and/or business relationships within its value chain, both upstream and downstream (with suppliers and customers).

A positive impact assessment is also conducted, both actual and potential, on sustainability.

The **financial effect** assessment considers the negative reputational, financial, or commercial consequences for Chimcomplex associated with sustainability issues, as well as potential sustainability-related risks or opportunities for the company.

The assessment also includes the **upstream and downstream value chain**; it is not limited to the company's own operations.

Relevance refers to the criteria that help determine the information to be disclosed. This is based on:

- the importance of the information in the context of the issue it describes or
- the usefulness of the information for the decision-making process

To prepare for drafting a sustainability report in accordance with ESRS standards, we applied the principles of Double Materiality Analysis.

In this process, we considered the concerns of stakeholders, Chimcomplex's significant external economic, social, and environmental impacts, the substantial financial impact a subject may have on the company, as well as risks and opportunities throughout the entire value chain.

The materiality assessment for the year 2024 was conducted through a structured process involving consultation with internal stakeholders and representatives from various departments, who contributed as experts in their fields.

The double materiality analysis process considered:

- analysis of relevant internal and external stakeholders.
- conducting an internal consultation with management representatives from each relevant department to assess, for each material topic from ESRS, the impact on environmental, social, and governance aspects, as well as the evaluation of potential financial effects on the company due to climate change. The nature of real and potential, negative and positive impacts in the short, medium, and long term on environmental, social, and governance aspects was analyzed. Financial effects were also analyzed, and the probability of occurrence and potential magnitude of financial effects contribute to assessing the significance of risks and opportunities within the company.

- based on the results of internal consultations, external consultations were conducted by distributing a questionnaire to representatives from all categories of stakeholders.
- materiality analysis conducted for other operators in the industry (peers analysis).
- evaluation of strategic documents prepared by the company.
- final internal consultation with top management representatives, during which the evaluation results were presented for confirmation, through which the materiality assessment results were approved.

The final list of material topics was determined through a careful analysis of the significance of impacts, risks, and opportunities. As a result of the double materiality analysis, topics and subtopics have been identified and included in the current report. Below is a table with the topics, subtopics, and sub-subtopics addressed in the Sustainability Report (SR) for 2024, along with a brief justification for aspects considered non-material, which were not included in the report content.

Subtopic	Sub-subtopic	Explanation
ESRS E1 CLIMATE CHANGE		
Climate Change zMitigation Climate Change Adaptation Energy	—	The subtopics are addressed in the SR
ESRS E2 POLLUTION		
Air Pollution	—	The subtopics are addressed in the SR
Water Pollution	—	The subtopics are addressed in the SR
Soil Pollution		This is not applicable to Chimcomplex or the value chain. Soil quality is monitored at the points and for the indicators established by the integrated environmental permits in force, with a frequency of one analysis every 5 years at Onești, and one analysis every 10 years at Rm. Vâlcea, due to the historical use of a mercury electrolysis installation. No non-compliance with the values established by the current regulatory documents has been recorded .
Pollution of Living Organisms and Food Resources		Not applicable. Chimcomplex's activities do not affect crops or involve discharges into fishing areas.
Substances of Concern		The subtopics are addressed in the SR
Substances of Very High Concern		The subtopics are addressed in the SR
Microplastics		Not applicable. Chimcomplex does not produce, use, commercialize, or generate microplastics in its activities.

Subtopic	Sub-subtopic	Explanation
ESRS E3 WATER AND MARINE RESOURCES		
Water Resources	Water Consumption	The subtopics are addressed in the SR
	Water Withdrawals	The subtopics are addressed in the SR
	Water Discharges	The subtopics are addressed in the SR
Marine Resources	Water Discharges into Oceans	Not applicable. Chimcomplex does not use water from marine sources and does not discharge water into oceans.
	Extraction and Use of Marine Resources	
ESRS E4 BIODIVERSITY AND ECOSYSTEMS		
Drivers of Direct Impact on Biodiversity Decline	Climate Change	The sub-subtopic is addressed in the Climate Change chapter of the Sustainability Report (ESRS E1)
	Land Use Change and Sea Use Change	Not applicable. Chimcomplex's activities do not involve actions that lead to land use change or sea use change
	Direct Exploitation	Not applicable. Within Chimcomplex, there are no activities involving the exploitation of biodiversity or ecosystems
	Invasive Alien Species	This is not applicable in the areas where Chimcomplex operates
	Pollution	It is addressed in the SR, in relation to water pollution and other factors (ESRS E2)
Impact on the Status of Species	Species Population Size	This is not applicable.
	Global Risk of Species Extinction	Both Chimcomplex platforms are located in industrial areas, situated far from Natura 2000 Sites – Sites of Community Importance, Onești – Dealul Perchiu – RO SCI 059, and Rm. Vâlcea - Special Avifauna Protection Area RO SPA 010– Valea Oltului Inferior.
Impact on the State and Expansion Capacity of Ecosystems	Soil Degradation	This is not applicable, as Chimcomplex's activities do not involve soil degradation.
	Desertification	This is not applicable. The activity is not associated with soil footprint in protected areas.
	Soil Sealing/Impermeabilization	This is not applicable. The activity is not associated with a soil footprint in protected areas.
Impacts and Dependencies on Ecosystem Services	—	Chimcomplex does not directly depend on ecosystem services.
ESRS E5 CIRCULAR ECONOMY		
Resource Inputs, Including Resource Use	—	The subtopics are addressed in the SR
Resource Outputs Related to Products and Services	—	The subtopics are addressed in the SR
Waste	—	The subtopics are addressed in the SR

Subtopic	Sub-subtopic	Explanation
ESRS S1 OWN WORKFORCE		
Working Conditions	Safe Working Conditions	The sub-subtopic is addressed in the SR
	Working Hours	The sub-subtopic is addressed in the SR
	Adequate Wages	The sub-subtopic is addressed in the SR
	Social Dialogue	The sub-subtopic is addressed in the SR
	Freedom of association, the existence of works councils, and workers' rights to information, consultation, and participation	The sub-subtopic is addressed in the SR
	Collective bargaining, including the proportion of workers covered by collective bargaining agreements	The sub-subtopic is addressed in the SR
	Work-Life Balance	The sub-subtopic is addressed in the SR
	Health and Safety	The sub-subtopic is addressed in the SR
Egalitatea de tratament și de șanse pentru toți	Gender Equality and Equal Pay for Work of Equal Value	The sub-subtopic is addressed in the SR
	Training and Skills Development	The sub-subtopic is addressed in the SR
	Employment and Inclusion of Persons with Disabilities	The sub-subtopic is addressed in the SR
	Measures Against Workplace Violence and Harassment	The sub-subtopic is addressed in the SR
	Diversity	The sub-subtopic is addressed in the SR
Alte drepturi legate de muncă	— Child Labor	Child labor and forced labor are not relevant to Chimcomplex due to strict legal regulations, ethical commitments, and specific operational requirements of the chemical industry. At Chimcomplex, we are committed to respecting international labor standards and contributing to a safe and ethical working environment
	— Forced Labor	
	— Adequate Housing	The chemical industry traditionally does not involve housing facilities for employees, as seen in other sectors. Therefore, this topic is not relevant to Chimcomplex, as it does not provide housing for employees.
	— Confidentiality	It is addressed in the SR
S2 LUCRĂTORII DIN LANȚUL VALORIC		
Working Conditions	— Safe working conditions	No negative impacts are identified, and most aspects related to positive policies are presented in ESRs G1. Most suppliers are from the EU, being required to comply with strict safety and environmental standards, which limits exposure to social issues related to workers in the value chain. Chimcomplex collaborates with partners who adhere to European and international regulations regarding labor and human rights, thereby reducing associated risks. This is not the case for Chimcomplex. The majority of suppliers are from the EU area, where several legislative acts and initiatives are implemented to prevent forced labor and child labor.
	— Working time	
	— Adequate wages	
	— Social dialogue	
	— Freedom of association, including the existence of works councils	
	— Collective bargaining	
	— Work-life balance	
	— Health and safety	

Subtopic	Sub-subtopic	Explanation
Equality of Treatment and Opportunities for All	Gender equality and equal pay for work of equal value	No negative impacts are identified, and most aspects related to positive policies are presented in ESRS G1. Most suppliers are from the EU, being required to comply with strict safety and environmental standards, which limits exposure to social issues related to workers in the value chain. Chimcomplex collaborates with partners who adhere to European and international regulations regarding labor and human rights, thereby reducing associated risks.
	Training and skills development	
	Employment and inclusion of people with disabilities	
	Measures against violence and harassment in the workplace	
	Diversity	
Other Work-Related Rights	— Child Labor	Most of the company's suppliers are from the European Union, where legislation and specific initiatives prevent forced labor and child labor. Additionally, the supplier prequalification process is part of Chimcomplex's pre-contractual activities, through which we collect and evaluate information to ensure compliance with internal requirements. EU suppliers are required by current legislation to respect human rights in the communities where they operate.
	— Forced Labor	
	— Water and sanitation	This is not applicable. Most of Chimcomplex's suppliers operate in the chemical industry and provide raw materials, equipment, or technical services. These are not directly related to access to drinking water or sanitation for communities.
	— Adequate Housing	The activities of Chimcomplex's suppliers do not have a direct impact on access to adequate housing for communities. .
	— Confidentiality	Addressed in ESRS G1
S3 AFFECTED COMMUNITIES		
Economic, Social, and Cultural Rights of Communities	Adequate Housing	This is not applicable. While adequate housing is an important topic from a social perspective, it is not directly relevant to Chimcomplex in the context of its industrial and commercial activities. Chimcomplex has social responsibility initiatives, but they do not include providing or ensuring access to adequate housing.
	Adequate food	This is not the case. There is no direct link between the company's activities and ensuring food for communities .
	Water and sanitation	This is not the case. Chimcomplex does not ensure access to drinking water or sanitation for communities .
	Soil-related impact	Chimcomplex does not have a direct impact on soils in communities.
	Security-related impacts	SEVESO Objective. It was included in ESRS E2 Pollution - Substances of concern
Civil and Political Rights of Communities	Freedom of expression	The sub-subtopic is addressed in the SR
	Freedom of assembly	The sub-subtopic is addressed in the SR
	Impact on human rights defenders	The sub-subtopic is addressed in the SR
Rights of Indigenous Peoples	Free, prior, and informed consent Self-determination Cultural rights	This is not the case. There are no indigenous populations in Romania

Subtopic	Sub-subtopic	Explanation
S4 CONSUMERS AND END USERS		
— Impacts Related to Information for Consumers and/or End Users	Confidentiality	The sub-subtopic is addressed in the SR
	Freedom of expression	The sub-subtopic is addressed in the SR
	Access to (quality) information	The sub-subtopic is addressed in the SR
— Personal Safety of Consumers and/or End Users	Access to (quality) information	The sub-subtopic is addressed in the SR
	Personal security	Not applicable for Chimcomplex. Chimcomplex's products are intended for B2B, and the technical data sheets specify that they are for industrial use .
	Child protection	
— Social inclusion of consumers and/or financial users	Non-discrimination	At Chimcomplex, we produce and supply chemicals for various industries, not for direct consumer use. We do not deal with consumer-end products (consumer goods), and our activities are not focused on the social inclusion of these consumers.
	Access to Products and Service	
	Responsible Marketing Practices	
ESRS G1 BUSINESS CONDUCT=		
Corporate Culture	—	The subtopics are addressed in the SR
Protection of Whistleblowers	—	The subtopics are addressed in the SR
Animal Welfare	—	This is not applicable. Chimcomplex's activities do not involve animal testing.
Political Engagement and Lobbying Activities	—	This is not applicable. Chimcomplex is not involved in political activities and/or lobbying.
Management of Supplier Relationships, Including Payment Practices	—	The subtopics are addressed in the SR
Corruption and Bribery	Prevention and detection, including training	The subtopics are addressed in the SR
	Incidents	The subtopics are addressed in the SR

* SR – Sustainability Report

No additional topics were identified beyond the themes and sub-themes of the ESRS standards.

Details regarding the impacts, risks, and opportunities identified for each material theme are presented in the corresponding chapter for each material ESRS theme. The management of Chimcomplex reviewed and validated the final list of material theme.



The data points resulting from other EU legislative acts are presented in the table below.

Disclosure requirement and corresponding data point	Reference from the Benchmark Regulation ¹	Reference from the Climate Law ²
ESRS 2 GOV-1 Gender diversity in management bodies paragraph 21(d)	Commission Delegated Regulation (EU) 2020/1816 ³ , Annex II	-
ESRS 2 GOV-1 Percentage of members of management bodies who are independent paragraph 21(e)	Delegated Regulation (EU) 2020/1816, Annex II	-
ESRS 2 SBM-1 Involvement in chemical production activities paragraph 40(d) ii	Regulation (EC) No 1893/2006	-
ESRS E1-1 Transition plan to achieve climate neutrality by 2050 paragraph 14		Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-4 Greenhouse gas emission reduction targets paragraph 34	Delegated Regulation (EU) 2020/1818, Article 6	-
ESRS E1-6 Gross values from 1, 2, 3 and total GHG emissions item 44	Delegated Regulation (EU) 2020/1818, Articles 5(1), 6 and 8(1)	-
ESRS E1-6 Gross GHG Emissions Intensity Paragraphs (53)-(55)	Regulamentul delegat (UE) 2020/1818, articolul 8 alineatul (1)	-
ESRS E1-7 GHG Removals and Carbon Credits Item 56	-	Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9 The benchmark portfolio's exposure to physical climate-related risks paragraph 66	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	-
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities item 69	Delegated Regulation (EU) 2020/1818, Annex II	-
ESRS S1-1 Diligence policies on issues covered by Fundamental Conventions 1-8 of the International Labour Organization paragraph (21)	Delegated Regulation (EU) 2020/1816, Annex II	-
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Delegated Regulation (EU) 2020/1816, Annex II	-
ESRS S1-16 Gender pay gap in unadjusted form paragraph 97(a)	Delegated Regulation (EU) 2020/1816, Annex II	-
ESRS S1-17 Non-compliance with the UN Guiding Principles on Business and Human Rights and OECD Guidelines point 104 letter (a)	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, article 12 paragraph (1)	
ESRS S3-1 Non-compliance with the UN Guiding Principles on Business and Human Rights, ILO principles, and/or OECD guidelines point 17	Delegated Regulation (EU) 2020/1816, Annex II to Delegated Regulation (EU) 2020/1818, Article 12 paragraph (1)	
ESRS G1-4 Fines for violation of anti-corruption and bribery laws, point 24 letter (a)	Delegated Regulation (EU) 2020/1816, Annex II	

¹ Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

² Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

³ Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with regard to the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

1.5.2 Disclosure requirements from ESRS covered by the enterprise's sustainability statement

IRO-2

Information related to the management of Chimcomplex's significant impacts, risks, and opportunities is detailed in each specific thematic chapter of the ESRS. This information is aligned with the minimum reporting requirements regarding the policies, actions, and objectives set at the company level. The list of reporting requirements included in this report is presented in the table below.

Standard	Disclosure requirements (DR)	Applicable data points
ESRS 2	BP-1 – General basis for preparing the sustainability report	5 a, 5 b i, 5 b ii, 5 c AR 1, 5 d, 5 e
	BP-2 – Disclosures related to specific circumstances	9 a, 9 b, 10 a, 10 b, 10 c, 10 d, 11 a, 11 b i, 11 b ii, 13 a, 13 b, 13 c, 14 a, 14 b, 14 c, 15, 15, 16, 17, 17 a, 17 a, 17 b, 17 c, 17 d, 17 e
	GOV-1 – Role of administrative, management, and supervisory bodies	21 a, 21 a, 21 b, 21 c AR 5, 21 d, 21 d, 21 e, 22 a, 22 b AR 3, 22 c AR 4, 22 c i, 22 c ii, 22 c iii, 22 d, 23 AR 5, 23 a, 23 b
	GOV-2 – Information provided to the administrative, management, and supervisory bodies of the company and the sustainability issues addressed by them	21 a, 21 a, 21 b, 21 c AR 5, 21 d, 21 d, 21 e, 22 a, 22 b AR 3, 22 c AR 4, 22 c i, 22 c ii, 22 c iii, 22 d, 23 AR 5, 23 a, 23 b
	GOV-3 – Integration of sustainability-related performance into incentive systems	29 AR 7, 29 a, 29 b, 29 c, 29 d, 29 e
	GOV-4 – Statement on the due diligence process	30; 32 AR 8 - AR 10
	GOV-5 – Risk management and internal controls related to sustainability reporting	36 a AR 11, 36 b AR 11, 36 c AR 11, 36 d AR 11, 36 e AR 11
	SBM-1 – Strategy, business model, and value chain	40 a i AR 12-13, 40 a ii AR 12-13, 40 a iii AR 12-13, 40 a iii AR 12-13, 40 a iv AR 12-13, 40 b AR 12-13, 40 b AR 12-13, 40 c AR 12-13, 40 d i AR 12-13, 40 d i AR 12-13, 40 d i AR 12-13, 40 d i AR 12-13, 40 d i AR 12-13, 40 d ii AR 12-13, 40 d ii AR 12-13, 40 d ii AR 12-13, 40 d iii AR 12-13, 40 d iii AR 12-13, 40 d iv AR 12-13, 40 d iv AR 12-13, 40 e AR 12-13, 40 f AR 12-13, 40 g AR 12-13, 41, 42 AR 14, 42 a, 42 b, 42 c AR 15
	SBM-2 – Interests and viewpoints of stakeholders	45 a AR 16, 45 a i AR 16, 45 a ii AR 16, 45 a iii AR 16, 45 a iv AR 16, 45 a v AR 16, 45 b AR 16, 45 c, 45 c i, 45 c ii, 45 c iii, 45 d
	SBM-3 - Significant impacts, risks, and opportunities and their interaction with the strategy and business model	48 a AR 17-18, 48 a AR 17-18, 48 b AR 18, 48 c i AR 18, 48 c ii AR 18, 48 c iii AR 18, 48 c iv AR 18, 48 d AR 18, 48 e AR 18, 48 f AR 18, 48 g AR 18, 48 h AR 18
	IRO-1 – Description of the processes for identifying and assessing significant impacts, risks, and opportunities	53 a, 53 b, 53 b i, 53 b ii, 53 b iii, 53 b iv, 53 c, 53 c i, 53 c ii, 53 c iii, 53 d, 53 e, 53 f, 53 g, 53 h
	IRO-2 – Disclosure requirements from ESRS covered by the enterprise's sustainability report	56,57,59
	MDR-P – Policies adopted for managing significant sustainability aspects	65 a, 65 b, 65 c, 65 d, 65 e, 65 f
	MDR-A – Actions and resources related to significant sustainability aspects	68 a, 68 b, 68 c, 68 d, 68 e, 69 a, 69 b, 69 c
	MDR-M – Indicators related to significant sustainability aspects	75, 77 a, 77 b
MDR-T targets – tracking the effectiveness of policies and actions through targets	80 a, 80 b, 80 b, 80 c, 80 d, 80 d, 80 e, 80 e, 80 f, 80 g, 80 h, 80 i, 80 j	

Standard	Disclosure requirements (DR)	Applicable data points
ESRS E3 Water and marine resources	ESRS 2 IRO1	8 a AR 1- AR 15, 8 b AR 1- AR 15
	E3-1 – Policies related to water and marine resources	11 AR 16 - AR 18, 12a AR 16 - AR 18, 12a i AR 16 - AR 18, 12a ii AR 16 - AR 18, 12a iii AR 16 - AR 18, 12 b AR 16 - AR 18, 12 c AR 16 - AR 18, 13 AR 16 - AR 18
	E3-2 – Actions and resources related to water and marine resources	17 AR 19 - AR 21, AR 21, 19 AR 19 - AR 21
	E3-3 – Targets related to water and marine resources	22, 23 a, 23 b, 23 c, 25
	E3-4 – Water consumption	28 a, 28 b AR 28, 28 c, 28 d, 28 d, 28 e AR 29, 28 e AR 29
	E3-5 – Anticipated financial effects of risks and opportunities related to water and marine resources	-
ESRS E5 Resource use and circular economy	ESRS 2 IRO 1	11 a , 11 b
	E5-1 – Policies related to resource use and the circular economy	14,15a,15b
	E5-2 – Actions and resources related to resource use and the circular economy	19, 20 a, 20b, 20c, 20d, 20e, 20f, AR 11, AR 12 a, AR 12 b, AR 12 c
	E5-3 – Targets related to resource use and the circular economy	24, 24 a, 24 b, 24 c, 24 d, 24 e, 24 e, 24 f, 25, 27
	E5-4 – Resource inputs	30, 31a, 31b, 31c, 31c, 32
	E5-5 – Resource outputs	35, 36a, 36b, 36c, 36c, 40, 37 a, 37 b, 37 c, 37 d, 37 d, 38, 38 a, 38 b, 39, 39, 40, 43 a, 43 a, 43 b, 43 c
	E5-6 – Anticipated financial effects of impacts, risks, and opportunities related to resource use and the circular economy	-
ESRS S1 Own workforce	ESRS 2 SBM 2	
	ESRS 2 SBM 3	14 AR 6 - AR7, 14 a, 14 b , 14 c , 14 d AR 44, 14 e , 14 f i , 14 f ii , 14 g i , 14 g ii , 15 AR 8, 16 AR 9
	S1-1 – Policies related to own workforce	19, 19, 20, 20a, 20b, 20c, 21 AR 12, 22 , 23 , 24a , 24b AR 15 - AR 16 , 24c, 24d,
	S1-2 – Processes for collaborating with own workers and worker representatives on impacts	27 AR 21, AR 23-24, 27 a, 27 b AR 19, 27 c AR 18 - AR 19, 27 d AR 20, 27 e, 28, 29,
	S1-3 – Processes for remedying negative impacts and channels through which own workers can express their concerns	32a AR 27, 32 b AR 28, 32 c, 32 d, 32 e AR 32, 33 AR 31, 33
	S1-4 – Adoption of measures regarding significant impacts on the own workforce and approaches for mitigating significant risks and pursuing significant opportunities related to the own workforce, as well as the effectiveness of these actions	37, 38 a AR 42, 38 b, 38 c AR 42, 38 d AR 38 - AR 39, 39 AR 34, 40 a AR 44 - AR 45, AR 47 40 b, 41 AR 37, 43, AR 43
	S1-5 – Targets related to managing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities	47 a, 47 b, 47 c
S1-6 – Characteristics of the company's employees	50 a , 50 a AR 57, 50 a AR 57, 50 a, 50 a AR 57, 50 a AR 57, 50 b, 50 b + 51, 50 b + 51, 50 c AR 59, 50 c, 50 d AR 60, 50 d i, 50 d ii , 50 e AR 58, 50 f	

Standard	Disclosure requirements (DR)	Applicable data points
ESRS S1 Own workforce	S1-7 – Characteristics of workers who are not salaried employees within the company's own workforce	55 a, 55 a, 55 a, 55 b, 55 b i, 55 b ii, 55c AR 64 - AR 65, 57 AR 63
	S1-8 – Coverage of collective bargaining and social dialogue	60 a AR 66, 60 b, 60 c, 63 a AR 69, 63 b AR 70
	S1-9 – Diversity indicators	66a, 66 a, 66 b AR 71
	S1-10 – Adequate wages	69 AR 72 - AR 74, 70, 70;
	S1-11 – Social protection	74 a AR 75, 74 b AR 75, 74 c AR 75, 74 d AR 75, 74 e AR 75, 75,
	S1-12 – Persons with disabilities	79, AR 76
	S1-13 – Training and skills development indicators	83 a AR 77, 83 a AR 77, 83 b AR 78, 83 b AR 78,
	S1-14 – Health and safety indicators	88 a AR 80, 88 b AR 82, AR 89 - AR91, 88 b AR 82, AR 89 - AR91, 88 c AR 89 - AR 91, 88 c AR 89 - AR 91, 88 d, 88 e AR 95
	S1-15 – Work-life balance indicators	93 a AR 96 - AR 97, 93 b, 93 b, 94
	S1-16 – Remuneration indicators (pay gap and total remuneration)	97 a AR 98 - AR 100, 97 b AR 101, 97 c AR 99, AR 102
S1-17 – Incidents, complaints, and issues, and serious incidents regarding human rights	103 a , 103 a AR 103-AR 106, 103 b AR 103-AR 106, 103 b AR 103-AR 106, 103 c AR 103-AR 106, 103 c AR 103-AR 106, 103 d AR 103-AR 106, 104 a AR 103-AR 106, 104 a AR 103-AR 106, 104 a AR 103-AR 106, 104 b AR 103-AR 106, 104 b AR 103-AR 106	
ESRS S3 Affected communities	ESRS 2 SBM 2	
	ESRS 2 SBM 3	9, 9 a, 9 a i-iv, 9 b, 9 c, 9 d, 10, 11, AR 5 - AR 6 , AR 7, AR 8
	S3-1 – Policies related to affected communities	15, 16, 16 a, 16 b, 16 c, 17, AR 10
	S3-2 – Processes for collaborating with affected communities on impacts	21, 21 a, 21 b, 21 c, 21 d, 22, 23, 24, AR 16, AR 15, AR 14 - AR 15, AR 13
	S3-3 – Processes for remedying negative impacts and channels through which affected communities can express their concerns	27 a AR 17, AR 22, 27 b AR 18, 27 c, 27 d AR 24, 28 AR 23, 28
	S3-4 – Adoption of measures regarding significant impacts on affected communities and approaches for managing significant risks and pursuing significant opportunities related to affected communities, as well as the effectiveness of these actions	32 a AR 28 - AR 29, AR 36, 32 b, 32 c AR 37, 32 d AR 31 - AR 33, 33 a AR 26, 33 b, 33 c, 34 a AR 38 - AR 40, AR 42, 34 b, 35 AR 30, 36, 38
S3-5 – Targets related to managing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities	41 AR 45 -AR 47, 42 a, 42 b, 42 c	

Standard	Disclosure requirements (DR)	Applicable data points
ESRS S4 Consumers and end-users	ESRS 2 SBM 2	
	ESRS 2 SBM 3	10 AR 5 -AR 6, 10 a, 10 a i-iv, 10 b, 10 c, 10 d, 11 AR 7, 12 AR 8
	S4-1 – Policies regarding consumers and end-users	15, 16, 16 a, 16 b, 17 AR 11
	S4-2 – Processes for collaborating with consumers and end-users on impacts	20 AR 17, 20 a AR 14, 20 b AR 16, 20 c AR 15 - AR 16, 20 d, 21, 22
	S4-3 – Processes for remedying negative impacts and channels through which consumers and end-users can express their concerns	25 a AR 18, 25 b AR 19, 25 c, 25 d AR 24, 26 AR 23, 26, 27
	S4-4 – Adoption of measures regarding significant impacts on consumers and end-users and approaches for managing significant risks and pursuing significant opportunities related to consumers and end-users, as well as the effectiveness of these measures	31 a AR 35, 31 b, 31 c AR 36, 31 d AR 30 - AR 32, 32 a AR 26, 32 b, 32 c, 33 a AR 37 - AR 38, AR 40, 33 b, 34 AR 29, 35, 37
	S4-5 – Targets related to managing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities	41AR 43 - AR 45, 41 a,41 b, 41 c
ESRS G1 Professional conduct	ESRS 2 GOV-1	5a, 5 b
	G1-1 – Corporate culture and policies regarding professional conduct and corporate culture	9 AR 1, 10a, 10 b, 10 b, 10 c, 10 d, 10 d, 10 e, 10 f, 10 g, 10 h
	G1-2 – Supplier relationship management	14 AR 2 -AR 3, 15 a AR 2 - AR 3, 15 b AR 2 - AR 3
	G1-3 – Prevention and detection of corruption and bribery	18 a AR 5 - AR 6, 18 b, 18 c, 19, 20, 21 a, 21 b AR 4, 21 c
	G1-4 – Confirmed cases of corruption or bribery	-
	G1-6 – Payment practices	33 a, 33 b AR 16 - AR 17, 33 b, 33 c, 33 d

In ERSR 2 IRO 1, we provide a brief explanation based on the conclusions of the double materiality assessment regarding themes that were not selected as material. Consequently, all disclosure requirements from a non-material thematic ERSR have been omitted.



1.5.3 Significant impacts, risks, and opportunities and their interaction with the strategy and business model

SMB-3

Information regarding the management of significant impacts, risks, and opportunities for Chimcomplex has been included **in each specific thematic chapter of the ERSR.**

The impacts, risks, and opportunities related to environmental, social, and governance aspects were identified and assessed through a double materiality analysis process, conducted during an internal workshop and by consulting other relevant sources, such as the necessary permits for the proper functioning of Chimcomplex. The identified ESG risks have not yet been integrated into Chimcomplex's business strategy.

1.6 Minimum disclosure requirement regarding policies and actions

1.6.1 Policies adopted for managing significant sustainability aspects

MDR-P Policy

At Chimcomplex, we manage material aspects through a series of well-established internal policies and procedures. These policies are integrated into Chimcomplex's ISO management systems, ensuring compliance with legal requirements and alignment with international best practices. The necessary policies and actions for each material theme (relevant ESRS topic) are detailed in the ESRS report sections. If no policies or actions have been adopted for certain topics, the company has noted this and may indicate a timeframe in which it plans to implement them.

1.6.2 Actions and resources regarding significant sustainability aspects

MDR-P actions

In the ESRS Report, we have outlined the necessary actions for each material theme in the ESRS sections. If the implementation of an action plan involves significant operational (OPEX) or capital (CAPEX) expenditures, this is mentioned in the taxonomy section, where information about current financial resources is provided, and it explains how these are correlated with the most relevant figures in the company's financial statements.

In 2024, we did not use sustainable financing instruments such as green bonds, social bonds, and green loans.

1.7 Indicators and targets

1.7.1 Indicators related to significant sustainability aspects

MDR-M

Indicators related to significant sustainability aspects are presented in the sections of the ESRS report, being assigned to each relevant material theme. If we have not adopted indicators and targets, we have specified this aspect.

1.7.2 Tracking the effectiveness of policies and actions through targets

MDR-T

We assess the effectiveness of our actions to manage significant impacts, risks, and opportunities by annually monitoring performance and reporting it in the sustainability report. The performance, indicators, and objectives for each relevant material theme (ESRS topic) are detailed in the report sections. If measurable, outcome-oriented, and time-framed targets are not present, the report specifies the timeframe in which we intend to adopt them. The ESRS sections also explain if we will not set such targets and the reasons for this decision. Additionally, the report indicates how we evaluate the effectiveness of policies and actions for each material theme.





Environmental information



ESRS E1

CLIMATE CHANGE

2.1 Strategic orientation and concepts for climate protection

2.1.1 Significant impacts, risks, and opportunities and their interaction with the strategy and business model

ESRS 2 SBM-3 IRO-1

According to the recommendations issued by the Task Force on Climate-Related Financial Disclosures (TCFD), climate risks can be classified into two major categories: physical risks and transition risks.

Physical risks are characterized by two distinct types: acute risks, generated by extreme weather events (such as storms, floods, or heatwaves), and chronic risks, which manifest through gradual and long-term changes in climatic conditions, such as sea-level rise or changes in precipitation patterns.



In contrast, **transition risks** refer to the economic and social challenges and uncertainties that arise as societies and industries attempt to implement measures to reduce negative environmental impacts and limit the effects of global climate change by transitioning to a more sustainable and less polluting economy.

We have conducted a detailed identification and analysis of the climate risks that could significantly affect the operations, financial flows, and expenses of Chimcomplex. Thus, I have investigated both physical risks and transition risks to ensure proper adaptability and to implement proactive measures to protect our economic activities in the long term.

The process of identifying and assessing impacts, risks, and opportunities (IRO) related to ESRS E1 – Climate Change (with sub-themes: climate change mitigation, climate change adaptation, and energy) is conducted as part of the double materiality analysis.

The detailed assessment of climate risks and the climate vulnerability study based on global warming scenarios is planned for 2025.

The tables below summarize the conclusions of the IRO identification from the double materiality analysis conducted.

Subtopic	Impact description	Location in the value chain	Time horizon	Strategic approach
Climate change mitigation	Actual positive impact regarding the reduction of greenhouse gas emissions through the implementation of energy efficiency technologies, optimization of production processes, and the use of renewable energy sources, such as high-efficiency cogeneration.	Own operations	Short, medium, and long term	Strategic objectives mentioned in the sustainability strategy For the year 2025, we aim to develop a climate study.
	Actual negative impact resulting from the consumption of natural gas and other CO ₂ -emitting fuels used in chemical production processes.	Upstream, Own operations, and Downstream	Short, medium, and long term	
	Actual negative impact resulting from the consumption of electricity associated with the combustion of fuel for electricity generation.	Upstream	Short, medium, and long term	
Climate change adaptation	Potential negative impact if Chimcomplex facilities are not protected against weather events (storms, floods, extreme precipitation, heatwaves, or wildfires). Such extreme climate events can have a severe impact on assets and people.	Own operations	Medium and long	
Energy	Actual positive impact through the production of electricity and heat in its high-efficiency cogeneration plants, using modern technologies that optimize fuel consumption and reduce energy losses.	Own operations	Short, medium, and long term	
	Actual negative impact: Chimcomplex's activities require large amounts of both thermal and electrical energy from sources available on the market/ traditional sources.	Own operations	Short, medium, and long term	

Subtopic	Description of risks/opportunities	Financial effect
Climate change mitigation	Opportunities are in the area of investments in more energy-efficient technologies to reduce greenhouse gas emissions.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
	Transition and financial risk: Climate change mitigation in the chemical industry presents a high risk of greenhouse gas emissions from operations, leading to potential risks/increases in financial expenses for compliance.	
	Financial risk related to the fact that upstream in the value chain, there is a possibility of increased operational costs as a result of implementing measures to reduce carbon emissions and adapt to increasingly stringent environmental protection regulations. Additionally, natural gas suppliers, used especially for the production of thermal and electrical energy and for chemical processes, might need to invest in more efficient technologies for capturing and preventing natural gas losses in the transportation and distribution infrastructure. These additional costs could be passed on to Chimcomplex	Effect on financial performance Effect on cash flows Effect on capital flows
Climate change adaptation	Physical and financial risk: Climate change can reduce the availability of essential resources for Chimcomplex (energy, salt, methane, water) due to extreme weather conditions or the depletion of natural resources. For example, droughts can reduce water resources needed for Chimcomplex processes. This is reflected both in the distribution process/access of customers to products and in the costs of final products.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
Energy	Opportunity related to investments in optimizing and improving Chimcomplex's processes regarding energy consumption/use of traditional energy sources.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
	Transition and financial risk: Both at the Chimcomplex industry level and throughout the entire value chain, there is a financial risk caused by energy consumption in production processes. These expenses are volatile and can lead to: increased operating costs and, consequently, reduced profit margins, unpredictable cash flows, and a decrease in the value of assets that do not comply with new environmental standards.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities

The two sites, Chimcomplex SA Onești and Chimcomplex SA – Râmnicu Vâlcea Branch, are subject to the EU ETS (Emissions Trading System) Directive, which means that these locations are regulated in accordance with European greenhouse gas emissions standards.

In this context, we hold specific permits for greenhouse gas emissions, and the impacts associated with climate change have been rigorously assessed within the technical and legal documentation required to obtain these permits.

This assessment procedure involves a detailed analysis of the emissions generated by the industrial processes carried out at the two sites, as well as the measures to reduce and offset these emissions, in order to minimize the negative impact on the environment. The evaluations are essential for ensuring compliance with European environmental standards and for achieving the greenhouse gas emission reduction targets set by the European Union under international agreements to combat climate change. Chimcomplex is analyzing and preparing a strategy to counteract climate risks in the event they arise.

1. Stricter regulations regarding greenhouse gas emissions

The chemical industry is a generator of greenhouse gas emissions, which means it can be affected by stricter regulations and emission reduction requirements.

Reducing CO₂ emissions is an objective that will contribute to the sustainable development of Chimcomplex in the future. We capture from our own installations (lime production installation) and reprocess over 10,000 tons of CO₂ year after year in chemical processes alongside hydrogen to obtain bulk organic substances (oxo-alcohols). In 2024, 18,688 tons of CO₂ were captured and used.

We have implemented more energy-efficient technologies and improved production efficiency to reduce greenhouse gas emissions. Additionally, we invest in renewable energy sources and use alternative sources of raw materials.

2. Changes in demand for chemical products

Public and government awareness regarding the impact of the chemical industry on the environment can lead to changes in the demand for chemical products, which can affect our business

At Chimcomplex SA Borzești, we have vegetable polyols in our product portfolio, made from castor oil, which are environmentally sustainable. The portfolio of sustainable products is growing: polyols made from cashew oil, polyols with integrated CO₂, and the Advanced Polyols Research Center located on the Rm. Vâlcea platform is researching the diversification of the portfolio with super-customized products.

At the same time, we have been chemically recycling for several years (used hydrochloric acid and scale crusts) and producing ferric chloride, an anticoagulant used in water purification.

We are preparing the recycling of polyurethane waste (for the recovery of rigid polyols), their use in the production of polyols with reduced basic raw material, while also emphasizing water and energy management at high levels of efficiency.

We also have an ongoing research project that is part of the 'Green Transition' program and aims to reduce the carbon footprint by using excess CO₂ resulting from the installations on the platform. The resulting polyols will have a CO₂ content of up to 20% and can be used in classic applications without affecting the characteristics of polyurethane foams.

3. Risks to the supply chain

Climate risks can affect the supply chain, which may lead to disruptions in the supply of raw materials or increased costs for transportation and storage.

Our capacity expansion plan consists of three complementary components:

- increasing the capacity of production units.
- increasing the capacity for raw material storage.
- increasing energy production.

Proximity to the largest regional salt mines (main raw material) with abundant supply and pipeline connections to the salt mines avoids the need to transport rock salt by rail, which would be much more costly and pose supply risks.

We have the best local and regional integration in the supply chain with minimal logistics costs.

4. Insurance costs

Climate risks can lead to increased insurance costs, which can affect our company's profitability. We address climate risks by integrating them into our business strategy.

Through collective actions, the company has reduced its risks, improved its sustainability, and developed sustainable business opportunities.

5. Temperature changes and extreme weather

Our sales are focused on the CEE markets, which have invested heavily in construction and infrastructure.

We only work with transport partners who offer logistical solutions adapted to climate change. At the same time, we have ongoing investments in safe storage warehouses for raw materials (such as a 3000 cubic meter propylene sphere) and finished products.

Our facility design is made to operate in extreme temperatures (-30°C and +50°C) as well as in storm, flood, and drought conditions.

6. Sea-level rise

Sea-level rise can affect the transportation of chemical products, especially in port areas.

We have made progress in reducing exports by sea and have found alternatives to sell products primarily in the rapidly growing CEE/CIS and Turkish markets.

At the same time, we are involved in environmental policies and initiatives, as part of ROMCHIMICA (Association of Chemical Producers and Distributors in Romania), to influence government policies and promote collective actions to combat climate change.

2.1.2 Policies adopted for managing climate change

ESRS E1-2

At Chimcomplex SA Borzești, we have implemented the Sustainable Development Policy, which is in accordance with the requirements of ESRS 2 *MDR-P Policies adopted for managing significant sustainability aspects related to climate change*. The other entities in the group currently do not have specific policies regarding climate change. Next year, the Sustainable Development Policy implemented at Chimcomplex SA Borzești will be extended to cover the entire group.

Within the Sustainable Development Policy, it is specified that the company's development directions directly contribute to the following Sustainable Development Goals (SDGs) of the European Union related to climate change:

- **ODD 13 – Climate action:** Actions for the prevention/mitigation of climate change.
- **ODD 7 - Affordable and clean energy:** Energy efficiency.

Furthermore, at the end of 2024, at Chimcomplex SA Borzești, we developed the Sustainability Strategy 2024-2030, which addresses aspects related to:

- **Energy efficiency and renewable energy:**
- **Greenhouse gas emissions and reducing environmental impact.**

We contribute to SDG 13 by adopting actions to prevent and mitigate climate change. Thus, we focus on energy efficiency and reducing greenhouse gas emissions by implementing our own photovoltaic plants, capturing carbon dioxide, and utilizing waste.

We actively integrate energy efficiency into operations through reduced consumption and emissions, technologies that are environmentally friendly, and adherence to circular economy principles by recycling by-products of some processes into new products.

We are preparing projects for the chemical recycling of polyurethane waste and the use of CO₂ in polyols (polycarbonates).

Our climate change mitigation strategy focuses on implementing energy efficiency programs and innovative process intensification technologies, alongside significant investments in carbon capture and storage (CCS) for high-emission chemical processes. In accordance with European Union regulations, we will report each ton of CO₂ captured, transported, used, and stored, considering its origin, whether fossil, biogenic, or atmospheric.

Moreover, in order to reduce our emissions, it will be essential not only to modernize equipment but also to optimize production processes. We plan to address this aspect from two perspectives.

The first involves using existing equipment, but with a reduction in CO₂ emissions through carbon capture and utilization or through carbon capture and storage technologies.

The second entails modernizing processes, as well as converting to alternative raw materials, such as vegetable oils, green hydrogen, and captured CO₂.

Our strategy for adapting to climate risks is based on the development and implementation of a plan to protect our assets against extreme weather events and water shortages, especially in high-risk production areas. This approach aligns with key documents from the European Commission, which highlight ways to reduce vulnerabilities to climate change and manage risks related to natural dependencies. A concrete example of a solution is the establishment of long-term contracts for critical minerals and metals, ensuring a detailed assessment of the environmental and socio-economic impact associated with our resources and supply plans.



Additionally, new technologies for reducing emissions and promoting economic sustainability require the use of raw materials, often overlooked in the past, that did not have diversified primary and secondary sources. This has led to new dependencies, complicating the production of materials necessary for a sustainable economy, especially in the chemical sector. To counter these challenges, it is essential to maximize our resource efficiency by reducing waste, recycling, and developing substitutes for raw materials. Furthermore, we are committed to leveraging Romania's internal resources, such as graphite, magnesium, salt, and coal, to ensure their efficient and responsible exploitation.

We are firmly committed to enhancing energy efficiency and expanding the use of renewable energy within our operations. To achieve these objectives, we have implemented a series of initiatives aimed at modernizing equipment, implementing energy management systems, and optimizing processes at our production facilities. By adhering to Sustainable Development Goal 7, we continue to invest in projects that lead to reducing our carbon footprint.

In 2023, we completed the installation of a 49 MW cogeneration plant and an 8 MW trigeneration plant at the Râmnicu Vâlcea Platform, significantly contributing to providing a large portion of the company's total energy consumption. Looking ahead, we are considering the establishment of a 68 MW cogeneration plant at the same location, which will supply thermal energy to the municipality of Râmnicu Vâlcea and surrounding areas.

By modernizing electrolysis installations (equipping them with sixth-generation electrolyzers), the consumption of electricity will be reduced, and the hydrogen obtained will be used both for chemical processes and to replace fossil fuels for energy production, which will consequently reduce CO₂ emissions by over 64,000 tons per year.

We aim to achieve energy independence at both industrial platforms, with 100% thermal energy independence already realized at the Onești platform. A significant portion of the electricity consumed is produced through high-efficiency cogeneration installations, which have low CO₂ emissions.

At Chimcomplex SA Borzești, the highest-level person in the organization responsible for implementing climate change policies is the President of the Strategy, Development and Investment Committee.

2.1.3 Climate change actions and resources

ESRS E1-3

The key actions undertaken to prevent, mitigate, and remediate actual and potential impacts and to address risks and opportunities related to climate change mitigation/adaptation and the energy transition are:

- **Modernization of energy-intensive technologies**, reduction of energy consumption.

Investments in Electrolysis facilities: replacing existing membranes with new, energy-efficient membranes

- **Improving the energy efficiency of equipment.**

Acquisition of reliable and energy-efficient equipment (compressors, pumps, etc.).

- **Expanding the scope of existing facilities**, with an impact on the community.

High-efficiency cogeneration in the district heating sector of Rm. Vâlcea.

- **Production of green energy:**

Installation of photovoltaic park.

- **Efficient management of produced and purchased energy:**

- Production of electricity and thermal energy in own Cogeneration, Trigeneration facilities.
- Purchase of renewable energy or energy with a low carbon footprint.
- Use of hydrogen as an energy carrier.

In the Taxonomy section, more information is provided regarding Capex and Opex for Chimcomplex activities considered eligible.

2.1.4 Targets related to climate change mitigation and adaptation.

ESRS E1-4

We have not yet established measurable, outcome-focused targets for climate change mitigation and adaptation according to ESRS 2 MDR-T, which involves monitoring the effectiveness of policies and actions through targets.

The year 2024 is planned to be set as the base year, with reference values for CO₂ equivalent emissions, as it is also the first ESRS reporting year for Chimcomplex. Starting from 2030, emission reduction targets will be updated every 5 years.

Our GHG emission reduction targets will be science-based and aligned with the goal of limiting global warming to 1.5°C. In establishing these targets, we will consider future developments such as changes in production and sales volume, customer preferences and demand, regulatory factors, and new technologies available. We recognize that these factors will affect both our GHG emissions and our planned reduction efforts.

Our primary objective is monitoring the intensity of GHG emissions – Scope 1 and 2 – relative to turnover, with the target being GHG emissions (Scope 1 and 2), max 1.2 tons of CO₂/thousand Euros of turnover. In 2024, we recorded 1.29 tons of CO₂/thousand Euros of turnover – the increase is due to the operation of Cogeneration facilities with emissions generation during the trial period, while the turnover did not register a substantial increase.

2.1.5 Transition plan for climate change mitigation.

ESRS E1-1

Currently, at Chimcomplex, we do not yet have a transition plan in place to address the challenges related to climate change, in line with the climate neutrality goals set out in the Paris Agreement. Additionally, we have not yet established clear targets for reducing greenhouse gas (GHG) emissions or relevant performance indicators for capital expenditures in accordance with the taxonomy.

We are currently evaluating various options and will may implement a transition plan in the future, between 2028 and 2030.

Even though we do not have a transition plan in place, we are committed to increasing energy efficiency and expanding the use of renewable energy in our operational activities.

We have established and already initiated concrete actions for sustainable development and emission reduction, which include:

- Building own cogeneration facilities that use natural gas and hydrogen to produce thermal and electrical energy with a low carbon footprint;
- Inaugurating a new special polyols production facility that allows operation with 30% higher technological and energy efficiency than current facilities, as the state-of-the-art machinery and equipment have been designed based on the most modern specific technologies.
- The company's development plans include new actions with a direct impact on reducing CO² emissions through:
- Modernizing the brine electrolysis facilities with ion-exchange membranes and equipping them with state-of-the-art, energy-efficient equipment, which has led to a reduction of CO² emissions by 18,800 tons per year (from reduced electricity consumption).
- Building a new 68 MW cogeneration facility at the Rm. Vâlcea site to provide thermal energy to the residents of Rm. Vâlcea and surrounding areas.
- Installing photovoltaic panels at the Onești, Someș-Dej, and Rm. Vâlcea sites, which would lead to a reduction in CO² emissions for the electricity consumed by 17,000 tons/year.

- Implementing the POLIEPOXIDES investment – a new Epoxy Resins Factory based on epichlorohydrin from vegetable glycerin and HCl continues this development strategy based on advanced chlorine processing. In this case, chlorine and hydrogen transformed into HCl together with vegetable glycerin ensure the production of high-performance epoxy resins, contribute to the circular economy with high technological and energy yields, achieving an important decarbonization and sustainable chemistry objective.
- In the long term, considering the internal and international economic context, Chimcomplex will continue its development in the following directions:
- Development through product diversification, based on the implementation of new technologies (CO² capture in methanol production, in green polyols production, use of green hydrogen in chemistry and energy production) and the valorization of natural resources (in silicates production).
- Circular economy, as chemical recycling of waste presents an opportunity, and the result of this recycling could replace a large part of the natural resources currently used in various production processes.
- Applying sustainable technologies for the production of eco-friendly polyols and epoxy resins.



2.2 Energy and emissions.

2.2.1 Energy consumption and energy mix.

ESRS E1-5

Energy consumption and energy mix	Comparative	Year 2024
(1) Coal and coal-based products fuel consumption (MWh).	Not applicable	0
(2) Crude oil and petroleum products fuel consumption (gasoline, diesel, propane, butane) (MWh).	Not applicable	34,764
(3) Natural gas fuel consumption (MWh).	Not applicable	903,466
(4) Fuel consumption from other fossil sources (MWh).	Not applicable	0
(5) Consumption of electricity, heat, steam, and cooling purchased or obtained from fossil sources (MWh)	Not applicable	749,106
(6) Total energy consumption from fossil sources (MWh) (calculated as the sum of rows 1-5)	Not applicable	1,687,336
Share of fossil sources in total energy consumption (%)	Not applicable	81.44
(7) Consumption from nuclear sources (MWh)	Not applicable	104,350
Share of consumption from nuclear sources in total energy consumption (%)	Not applicable	5.04
(8) Fuel consumption from renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, hydrogen from renewable sources, etc.) (MWh)	Not applicable	0
(9) Consumption of electricity, heat, steam, and cooling purchased or obtained from renewable sources (MWh)	Not applicable	280,155
(10) Energy consumption from renewable sources, fuels from own production (MWh)	Not applicable	0
(11) Total energy consumption from renewable sources (MWh) (calculated as the sum of rows 8-10)	Not applicable	280,155
Share of renewable sources in total energy consumption (%)	Not applicable	13.52
Total energy consumption (MWh) (calculated as the sum of rows 6, 7, and 11)	Not applicable	2,071,841

Energy intensity per net revenue	Comparative 2023	N (2024)	% N / N-1
Total energy consumption from activities in high climate impact economic sectors per net revenue from activities in high climate impact sectors (MWh/thousand RON).	NA	1.38	NA

Chimcomplex	RON
Net revenue from activities in high climate impact sectors used for calculating energy intensity*	1,495,531,914
Net revenue (others)	71,556,628
Total net revenue (financial statements)	1,502,687,570

*We referred to Turnover – as used in the Taxonomy.

Energy production from non-renewable sources (MWh).	419,969
Energy production from renewable sources (MWh)	0

2.2.2 Gross GHG emissions for categories 1, 2, 3 and total GHG emissions.

ESRS E1-6

Accounting and reporting of GHG emissions were carried out in accordance with the principles, requirements, and guidelines provided by the Enterprise Standard of the Greenhouse Gas Protocol (GHG Protocol, 2004 version).

CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃ emissions have been accounted for and reported, and for calculating the amount of CO₂ equivalent, the global warming potentials (GWP100) provided by the IPCC (AR5) were used.

We present the total GHG emissions disaggregated into Scope 1-3 emissions in the table below. The year 2024 will be considered the base year, against which targets will be set and achievement levels will be reported in the short, medium, and long term.

	Base year (N)	Milestone targets for target years, %.			
	2024	2025	2030	(2050)	Annual reduction target / Base year, %
GHG emissions - Scope 1					
Gross GHG emissions - Scope 1 (tCO ₂ equivalent)	209,660	-	-	-	-
Percentage from category 1 GHG emissions from regulated emissions trading systems (%)	91.32 %	-	-	-	-
GHG emissions - Scope 2					
Gross GHG emissions - Scope 2 location-based (tCO ₂ equivalent)	173.172	95	70	30	5
Gross GHG emissions - Scope 2 market-based (tCO ₂ equivalent)	178.348	95	70	30	5
Gross GHG emissions - Scope 2 market-based (tCO₂ equivalent).					
1 Purchased goods and services	322.619,23	-	-	-	-
4 Upstream transportation and distribution.	5,625.61	-	-	-	-
5 Waste generated in operations.	943.99	-	-	-	-
6 Business travel	34.95	-	-	-	-
7 Employee commuting	1,511.92	-	-	-	-
9 Downstream transportation	35,146.82	-	-	-	-
Gross GHG emissions - Scope 3 (tCO ₂ equivalent)	365,882.51	-	-	-	-
Total GHG emissions					
Total GHG emissions (location-based)* (tCO ₂ equivalent)	748,714.51	-	-	-	-
Total GHG emissions (market-based)** (tCO ₂ equivalent)	753,890.51	98	80	40	2

*Total GHG emissions location-based (tCO₂ equivalent) = Gross GHG emissions Scope 1 + Gross GHG emissions Scope 2 location-based + Gross GHG emissions Scope 3 location-based

**Total GHG emissions market-based (tCO₂ equivalent) = Gross GHG emissions Scope 1 + Gross GHG emissions Scope 2 market-based + Gross GHG emissions Scope 3 market-based

When calculating greenhouse gas emissions for Scope 1, Scope 2 and Scope 3, all entities and operations within the Chimcomplex group were taken into account, thus ensuring a comprehensive assessment.

We specify that for Scope 1, emissions from A6 Impex were not taken into account, as they are insignificant.

Direct GHG emissions (Scope 1) are those associated with:

- stationary combustion of natural gas in thermal power plants and cogeneration plants on-site for the production of thermal energy and electricity, combustion of natural gas for waste incineration, intentional flaring;
- emissions from industrial processes resulting in direct process emissions: lime production;
- fuel consumption by vehicles, machinery, and locomotives owned (including liquefied petroleum gas);
- consumption of refrigerant agent from cooling equipment used on-site.

Scope 1 GHG emissions are determined by calculation, multiplying the activity data (primary data) by the emission factor corresponding to the type of fuel used, the type of industrial process applied, and the type of refrigerant agent replenished (secondary data)

Activity Data (Primary Data):

Natural gas consumption is recorded according to the readings from meters located at the perimeter boundaries of the sites and invoiced by the agreed supplier, as per the contracts in force.

The consumption is accounted for in both cubic meters and MWh by the responsible departments. Quantities of bulk organic products and lime are monitored through monthly and annual balancing of the quantities of raw materials consumed (propylene, limestone), lime production, and the quantity of oxo-alcohols sold.

All these consumptions are monitored by the responsible departments. Fuel consumption by vehicles and rail machinery from the company's own fleet is monitored by specialized departments, based on operating hours and hourly consumption (rail locomotives) or trips made and fuel consumed (vehicles and machinery from the company's own fleet).

Refrigerant agent consumption is considered equal to the quantity of refrigerant replenished in the equipment during the reporting year and recorded by the maintenance company on the equipment verification document.

Emission Factors (Secondary Data):

Emission factors for the combustion of natural gas, for fuel used in vehicle and rail transport, and refrigerant agents from cooling equipment are in accordance with the information available on the site <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US), for each type of vehicle, locomotive, and refrigerant agent. Emission factors for the production of bulk organic substances and lime are in accordance with the provisions of GHG legislation, and the carbon content of the raw materials (which enters the calculation formula) is determined following analysis in an accredited laboratory.

The mass balancing of carbon is performed by summing the CO₂ introduced through raw materials (limestone, propylene, technical gas), from which the CO₂ embedded in the marketed product (oxo-alcohols) is subtracted.

Indirect GHG emissions (Scope 2) are those associated with:

- consumption of purchased electricity used in activities at both sites, in addition to the electricity produced in the cogeneration facilities on-site.
- consumption of thermal energy for the Rm. Vâlcea site (in addition to what is produced on-site, depending on needs).

Scope 2 GHG emissions are determined by calculation, multiplying the activity data (primary data) by the emission factor corresponding to the type of energy used (secondary data).

Activity Data (Primary Data):

Electricity consumption is recorded according to the readings from meters located at the perimeter boundaries of the sites and invoiced by the agreed supplier, as per the contracts in force. The consumption is accounted for in kWh by the responsible departments.

Thermal energy consumption at the Rm. Vâlcea site is based on the meter readings at the perimeter boundary and invoiced by CET Govora, according to the contract in force.





Emission Factors (Secondary Data)

The emission factors for purchased electricity are those specified in the supplier's energy label, available at the time of calculation.

The emission factor for purchased thermal energy is that specified by the thermal energy supplier in the reporting year.

Indirect GHG emissions (Scope 3) include the following categories of emissions:

Category 1 - Purchased goods and services.

This category includes only the emissions corresponding to goods purchased by Chimcomplex, accounted for as raw materials, in the reporting year. Only purchased raw materials were considered because GHG emission factors are available for most of these products.

This category includes GHG emissions released into the atmosphere, 'cradle to gate' - from the extraction of raw materials from natural sources, from which the purchased products were manufactured, to the manufacturer's gate.

The emissions corresponding to the purchased raw materials were calculated using the average data method, based on the quantities purchased and the average emission factors specific to the chemical industry in the geographical area of the production location.

Emissions related to goods purchased as raw materials (tons CO₂e) = Σ[Quantity of purchased product (kg)/1000 x Emission factor of the purchased product (kg CO₂e/kg)].

Activity Data (Primary Data):

The names of the products, countries of origin, quantities purchased in the reporting year, accounted for as raw materials, were extracted from the company's database.

Emission factors (secondary data):

The emission factors were sourced from the Ecoinvent v.3.11 database or from our own calculations for some products that are not included in the database.

Category 4 - Upstream transportation and distribution.

This category includes emissions from the transportation and distribution of products purchased in the reporting year, in vehicles and facilities not owned by Chimcomplex (using transport means belonging to third parties), between the manufacturer and Chimcomplex in the case of direct purchases or between the warehouse of the level 1 distributor (first upstream in the distribution chain relative to Chimcomplex) and Chimcomplex in the case of purchases through distributors.

This category does not include emissions from the transportation of purchased products using Chimcomplex-owned vehicles, nor emissions from pipeline transportation (liquids, gases) that consume electricity, as these are accounted for in Scope 1 and Scope 3 (Category 3), respectively.

"Emissions from the transportation of purchased products were calculated using the distance-based method. Emissions were calculated based on the total round-trip distances and the number of trips made by vehicles dedicated entirely to transporting goods to Chimcomplex, as well as based on the one-way distances and quantities transported by vehicles shared with goods from other companies, including rail, maritime, and air vehicles.

Emissions from the transportation of purchased raw materials (tons CO₂e) = Σ[Number of trips made by vehicle types (vehicle) x Round-trip distance (miles) x Emission factor for the vehicle type (kg CO₂e/vehicle-mile)/1000] + Σ[Quantity of product purchased under shared transport (short tons) x One-way distance (miles) x Emission factor for the vehicle type (road, rail, maritime, air) (kg CO₂e/short ton-mile)/1000].

Activity Data (Primary Data):

The names of the products, quantities purchased in the reporting year, accounted for as raw materials, loading locations, and types of transport means used – extracted from the company's database.

Distances (secondary data)

Retrieved from Google Maps; Railway Routing (signal.eu.org); <https://sea-distances.org/>; <https://www.searates.com/services/distances-time/>

Emission factors (secondary data):

The emission factors were sourced from the website <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US).

Category 5 - Waste generated in operations

This category includes emissions from third-party specialized firms through which waste generated and wastewater treatment/elimination were conducted. Emissions were calculated using the method specific to the type of waste

Emissions (tons CO₂e) = Σ[Quantity of waste treated/disposed by waste type and treatment/disposal method (short tons) × Emission factor specific to the waste type and treatment/disposal method applied (tons CO₂e/short ton)] + Σ[Volume of wastewater (m³) × Emission factor specific to the type of treated wastewater (tons CO₂e/m³)]

Activity Data (Primary Data):

Types of waste generated, quantities of waste treated/disposed, types of wastewater, volumes of purified wastewater, treatment/disposal methods used in the reporting year, sourced from the Chimcomplex database.

Emission factors (secondary data):

The emission factors were sourced from the website <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US); Ecoinvent v.3.11.

Category 6 - Business travel

This category includes emissions from employee transportation for business-related activities using third-party transportation: car, rail, air.

Emissions related to business travel with vehicles owned by Chimcomplex have been accounted for in Scope 1.

Emissions were calculated using the distance-based method. Emissions from transportation in business travel (tons CO₂e) = Σ[Distance traveled by vehicle type (vehicle-mile or passenger-mile) × Emission factor specific to the vehicle (kg CO₂e/vehicle-mile or kg CO₂e/passenger-mile)/1000]

Activity Data (Primary Data):

The names and surnames of employees who traveled for business purposes, the number of people with whom they shared the car, destinations, routes, and types of transportation used were extracted from the company's database

Distances (secondary data)

The distances traveled were sourced from Google Maps; Railway Routing (signal.eu.org); Airport Distance Calculator.

Emission factors (secondary data)

The emission factors were taken from the website: <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US)

Category 7 - Employee commuting

This category includes emissions from employee commuting between their homes and workplaces and back, using transportation means belonging to third parties (personal, belonging to other persons, public transportation)

Emissions related to employee commuting with vehicles owned by Chimcomplex have been accounted for in Scope 1.

Emissions were calculated using the distance-based method.

Emissions from employee commuting (tons CO₂e) = Σ[Number of vehicles (1/Number of people sharing the same vehicle) × Daily distance traveled with each type of vehicle (vehicle-mile) × Number of trips made annually (Total number of hours worked/Number of working hours) × Emission factor specific to the vehicle type (kg CO₂e/vehicle-mile)/1000] + Σ[Daily distance traveled with each type of vehicle (passenger-mile) × Number of trips made annually (Total number of hours worked/Number of working hours) × Emission factor specific to the vehicle type (kg CO₂e/passenger-mile)/1000]

Activity Data (Primary Data):

Daily distance traveled from home to work and back by each employee using each type of transportation, the number of people with whom they share the car, the number of hours in the normal work schedule according to the individual employment contract – sourced from employee declarations.

The total number of hours and days worked by each employee in the reporting year – sourced from the company's database.

Emission factors (secondary data)

The emission factors were sourced from the website <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US).



Category 9 – Downstream transportation and distribution of sold products.

This category includes emissions from the transportation and distribution of products sold in the reporting year, using vehicles and facilities not owned by Chimcomplex (using third-party transportation means), between Chimcomplex and consumers in the case of direct sales or between Chimcomplex and the warehouses of level 1 distributors (first downstream in the distribution chain relative to Chimcomplex) in the case of sales through distributors.

This category does not include emissions from the transportation of sold products using Chimcomplex-owned transportation means, nor emissions from pipeline transportation that consume electricity, as these are accounted for in Scope 1 and Scope 2, respectively.

Emissions were calculated based on the round-trip distances traveled by vehicles entirely dedicated to transporting products sold by Chimcomplex and the number of trips made, as well as based on the one-way distances traveled with shared vehicles carrying products from other companies, including rail, maritime, and air vehicles, and the quantities transported.

Emissions from the transportation and distribution of sold products (tons CO₂e) = Σ[Number of trips made by vehicle types (vehicle) x Round-trip distance (miles) x Emission factor for the vehicle type (kg CO₂e/vehicle-mile)/1000] + Σ[Quantity of product sold and transported under shared transport (short tons) x One-way distance (miles) x Emission factor for the vehicle type (road, rail, maritime, air) (kg CO₂e/short ton-mile)/1000].

Activity Data (Primary Data):

Names of products, quantities sold in the reporting year, destination locations, types of transportation means used – sourced from the company's database.

Distances (secondary data)

The distances traveled were sourced from Google Maps; Railway Routing (signal.eu.org); <https://sea-distances.org/>; <https://www.searates.com/services/distances-time>.

Emission factors (secondary data)

The emission factors were sourced from the website <https://www.epa.gov/system/files/documents/2024-02/ghg-emission-factors-hub-2024.pdf> (EPA US).

The following categories of emissions were excluded from the Scope 3 GHG inventory:

- Category 1 (purchased goods and services), only materials and services. They are irrelevant compared to raw materials due to small quantities, high diversity, unavailable emission factors, large calculation errors;
- Category 2 (capital goods) – they are part of the materials category, emission factors are unavailable;
- Category 3 (Fuel- and energy-related activities not included in Category 1 or Category 2) – we do not know the fuel supply sources of the multiple electricity suppliers, leading to large calculation errors. Emissions related to the transmission and distribution losses of energy are accounted for and reported by distribution companies;
- Category 4 (Upstream transportation and distribution) – only emissions from the transportation of materials, as the exact quantities transported are not known (many are sold individually, with a wide variety of items) and the loading locations are also unknown (many are transported by courier companies);
- Category 8 (Upstream leased assets) – They are irrelevant to the company's activity..
- Categories 10 (processing of sold products) and 11 (use of sold products) – the largest quantities of products are sold through distributors, and we do not know the exact destination of the products in terms of quantities, sectors, applications. Since the company has a large number of clients and the sold products are used in most sectors, this leads to large calculation errors;
- Category 12 (treatment of sold products at the end of their life cycle) – the chemical products manufactured and sold by Chimcomplex are intermediate chemicals used as raw materials in other industries. For this reason, they are transformed or incorporated into other chemical products and do not appear as such at the end of the life cycle;
- Categories 13 (downstream leased assets), 14 (franchises), and 15 (capital investments) – they are irrelevant to the company's activity.

The quantitative information is presented in the following table.

GHG intensity per turnover	Comparative 2023	N 2024	% N / N-1
Total GHG emissions (location-based) per net revenue (tCO ₂ equivalent/Thousand RON)	% N / N-1	0.500	-
Total GHG emissions (market-based) per net revenue (tCO ₂ equivalent/Thousand RON)	NA	0.501	95

Correlating GHG intensity based on revenue with financial reporting information.

Chimcomplex	RON
Turnover used for calculating GHG intensity	1,495,531,914
Net revenue (others)	71,556,628
Turnover (from financial statements)	1,502,687,570

2.2.3 GHG absorptions and GHG emission mitigation projects funded through carbon credits

ESRS E1-7

The GHG absorption activity carried out in the reporting year 2024 consists of planting 70 plane trees. The associated GHG absorptions are not yet accounted for, as official methods have not been established at the EU level. In the coming years, we will apply consensus methods for accounting GHG absorptions as soon as they become available, particularly through the EU regulatory framework for certifying CO₂ absorptions.

2.2.4 Establishing the internal carbon price

ESRS E1-8

Regarding the internal carbon price, we are subject to the provisions of the EU ETS Directive, and we depend on the price of CO₂ emissions traded in the context of this Directive. In 2024, we did not record any costs or profits from the trading of CO₂ certificates.

2.2.5 Anticipated financial effects of significant physical and transition risks and potential climate-related opportunities

ESRS E1-9

As of the year 2024, we have not quantified the anticipated financial effects of significant physical and transition risks and potential climate-related opportunities.

2.3 Incorporating sustainability performance into incentive systems

ESRS E2 GOV 3

Following the development and maturation of our main objectives and transition plans, we will assess the feasibility of aligning climate considerations with performance incentives. Currently, the Board of Directors or any other member of the administrative, management, and supervisory bodies does not benefit from incentives related to climate considerations





POLLUTION



ESRS E2

POLLUTION

3.1 Concepts and Measures Related to Pollution

3.1.1 Presentations of General Information

ESRS-2

This chapter provides information regarding air and water pollution, about hazardous substances used, and substances categorized as those of very high concern (highly hazardous).

At Chimcomplex, we do not produce, use, market, or generate microplastics. Our activities do not involve discharges into fishery areas and do not affect agricultural crops. Additionally, soil quality is monitored in accordance with the integrated environmental permits held by the company, as well as with the current regulatory acts, with no non-compliances recorded against the values established within them. In this context, soil pollution is not a material subject for the company and is not addressed in this sustainability report.

"Air pollution" is related to emissions of chlorine, hydrochloric acid, particulates, and specific pollutants from combustion gases (carbon monoxide, sulfur dioxide, and nitrogen oxides) that can be dispersed into the atmosphere because of the company's production activities, as well as the incineration of chlorinated organic residues. Aspects related to the prevention, control, and reduction of these emissions are addressed.

"Water pollution" is related to emissions of substances that can accidentally reach surface and/or groundwater, as well as the prevention, control, and reduction of these emissions.

Our activities are carefully regulated in terms of environmental protection, being constantly monitored by control authorities as well as the public. We conduct consultations with all categories of stakeholders periodically to ensure proper community involvement in the decision-making processes, and whenever new regulatory acts are requested, or existing ones are reviewed. We comply with all legal requirements and all requirements outlined in the authorization procedures, being committed to a transparent and open dialogue with all interested parties (employees, customers, suppliers, local community, etc.). We have pledged to report our sustainability performance transparently and to respond promptly and responsibly to all existing questions and concerns.

All the above, supported by SR EN ISO 9001 and SR EN ISO 14001 certifications regarding the integrated quality and environmental management system, as well as having our own sustainability strategy for the period 2024-2030, demonstrates our commitment to meeting and respecting the highest standards of compliance, ethics, and governance, for the sustainable and responsible development of the company.



The technological and utility flows operated at the two sites are integrated to achieve superior valorization of the products obtained, meaning that a large part of the raw materials and utilities needed in the technological processes are produced on our own platforms. Additionally, the industrial platforms are strategically located, near the salt mines that supply the brine necessary for electrolysis and are connected by pipelines to the two platforms.

The company's core products, whose pollution-related aspects are presented in the following subchapters of this report, are:

- Onești Platform: chlor-alkali products (chlorine, hydrochloric acid, caustic soda, and sodium hypochlorite) and products that support the operation of the electrolysis plant through direct or indirect consumption of chlorine and hydrogen.
- Râmnicu Vâlcea Platform: chlor-alkali products, similar to the Onești platform, but also polyethers – polyols, propylene oxide, propylene glycol, and oxo-alcohols.

3.1.2 Description of the Processes for Identifying and Evaluating Significant Pollution-Related Impacts, Risks, and Opportunities

ESRS 2 IRO-1

Significant pollution-related impacts, risks, and opportunities were initially identified during the preparation of the foundational documentation necessary to obtain the integrated environmental permit and the water management permit. These permits, through their framework content stipulated by legislation, lead to the identification of a series of risks and opportunities, including those related to pollution, applicable to Chimcomplex within its operations of manufacturing and marketing inorganic and organic chemical products. Thus, each company location underwent a detailed analysis at the time of requesting regulatory documents as part of the environmental impact assessment stage.

The evaluation was comprehensive and aimed at identifying and understanding all potential negative effects of our activities on the environment. For this purpose, the following environmental factors were considered:

- Emissions of pollutants into the air, which can disrupt air quality and affect human health.
- Discharges of pollutants into water, which can influence water quality and affect aquatic life.
- Soil and subsoil pollution, including potential discharges and contaminating groundwater.
- Use of chemical products with the potential to pollute air, water, and soil, capable of affecting human health and ecosystems.
- Generation of waste, hazardous or not, requiring proper management to minimize impact on the environment and health.
- Production of noise or vibrations that can affect the comfort and health of local communities or wildlife.
- Possible technological leaks from equipment or systems, which can contaminate the environment and also pose health and environmental risks.
- Energy consumption.

We take all measures and make every effort to minimize our impact on the environment and natural resources.

The above-mentioned documentation has been submitted for discussions both within councils and committees organized by the regulatory authorities (Siret and Olt Basin Water Administrations, as well as the National Environmental Protection Agency (ANPM) in Bacău and Vâlcea) and for public debate to obtain the integrated environmental permit.

Additionally, in the course of 2024, we conducted a double materiality analysis in accordance with ESRs standards requirements during an internal meeting with company management representatives who were actively involved in this process. Thus, we identified material topics relevant to Chimcomplex's activities, which were agreed upon with the company's management, and based on these, we developed an online questionnaire used to gather stakeholder opinions. These actions led to the identification and updating of risks and opportunities specific to the company.

Additionally, in accordance with the internal procedure for identifying and evaluating environmental risks and opportunities, we annually analyze the environmental aspects associated with the company's activities, products, and services. Through this process, we have also identified the risks and opportunities related to pollution. Although it is an internal document, its conclusions are presented to stakeholders through the annual environmental reports.

Subsequently, in the risk management stage, we analyzed the "Pollution" aspect in detail, considering the associated financial and non-financial risks. We developed control measures tailored to the specifics of each identified risk, aiming to reduce their potential negative consequences while remaining open to potential new risk reduction measures.

In this context, we have implemented strict standards and procedures for managing potential environmental pollution and promoting sustainable practices in all our activities. These include, among other things, training employees to identify and prevent pollution, constantly monitoring the impact on the environment and local communities and collaborating with competent authorities and stakeholders to identify and implement best practices in the field, in accordance with the company's sustainability strategy.

This translation outlines the company's approach to identifying and managing environmental risks and opportunities, emphasizing pollution control and sustainable practices.



Lastly, we consulted various sources of information, such as reports from economic operators active in an industry like Chimcomplex, as well as various regulatory documents held and some internal documents, such as the internal risk register.

The results obtained are presented in the tables below.

Subtopic	Impact Description	Positioning in the Value Chain	Time horizon	Strategic Approach
Air Pollution	The potential negative impact on air pollution is substantial. Atmospheric emissions resulting from industrial processes have a significant impact on human health and the environment. The impact on air pollution is relevant both within the company and throughout the supply chain. Significant emissions of polluting gases are involved in the raw material extraction processes (upstream) and in the manufacturing of products (downstream). Additionally, the transportation of products can contribute to air pollution.	Upstream Own Operations Downstream	Short, medium and long term	<p>We ensure operational compliance by:</p> <ul style="list-style-type: none"> Adhering to the strictest environmental regulations, keeping air emissions within the limits imposed by national legislation and the Integrated Environmental Permit. Remaining below the E-PRTR (European Pollutant Release and Transfer Register) reporting thresholds. <p>At both sites, we use the best available techniques (BAT) and adhere to European pollution standards</p>
Water Pollution	Actual Positive Impact: Chimcomplex has a positive impact on water pollution through the production of chemical products used for the treatment and purification of wastewater (municipalities and industry)	Downstream	Short, medium and long term	<p>We are strengthening our position as a strategic partner for wastewater treatment and purification by developing coagulants with ferric and ferrous chloride and pH correction agents (for municipalities and industry). We ensure operational compliance by:</p> <ul style="list-style-type: none"> Adhering to the strictest environmental regulations, maintaining the quality of treated wastewater and stormwater within the limits imposed by national legislation and the Integrated Environmental Permit.
	Potential Negative Impact: Both Chimcomplex's operations (specifically at the two sites in Rm. Vâlcea and Onești) and the operations within the supply chain can have a significant impact on water pollution if chemicals are used and handled incorrectly, or if operational incidents occur that can contaminate water sources through various processes.	Upstream Own Operations Downstream	Short, medium and long term	<ul style="list-style-type: none"> Remaining below the E-PRTR (European Pollutant Release and Transfer Register) reporting thresholds
	Actual Negative Impact on Water Pollution: During activities conducted at the Rm. Vâlcea platform, there have been exceedances in the quantities of pollutants, specifically calcium chloride and organic compounds.	Own Operations	Short, medium and long term	<ul style="list-style-type: none"> Remaining below the E-PRTR (European Pollutant Release and Transfer Register) reporting thresholds
Hazardous and Highly Hazardous Substances.	Potential Negative Impact: If not managed properly, hazardous substances can have effects on human health and the environment. In the upstream raw material extraction, in our own operations at the two sites (Rm. Vâlcea and Onești), as well as in upstream activities related to the production of various products, hazardous substances are used.	Upstream Own Operations Downstream	Medium and long	<p>A firm commitment to chemical safety and compliance with international regulations, ensuring responsible and sustainable operations.</p> <ul style="list-style-type: none"> Full compliance with REACH, Biocides, and CLP regulations, guaranteeing strict control of hazardous and highly hazardous substances from production to use. Implementation of rigorous labeling, packaging, and product management measures to protect both the environment and end users. Safe transport of dangerous goods, adhering to ADR standards, through the use of written instructions for drivers.

Subtopic	Description of Risks/Opportunities	Effect financiar
Air pollution	Opportunities exist in the field of investments (including through obtaining non-reimbursable funds) in emissions capture and treatment technologies, as well as cleaner technologies, which can lead to: Reduction of operational costs and increased profitability, Reduction of financial pressure through access to non-reimbursable funds, Easier access to financing and lower cost of capital, Increase in asset value and reduction of liabilities.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on asset and liability values
	Financial risk in the event of exceeding emissions thresholds, which can have significant financial consequences (Reduction in profitability due to fines and additional costs, Unexpected expenses and reduced liquidity, Higher financing costs and more difficult access to investments, Decrease in asset value and increase in liabilities)	Effect on financial performance Effect on cash flows Effect on capital flows Effect on asset and liability values
Water Pollution	Opportunities exist in the field of investments (including through obtaining non-reimbursable funds) in water treatment and recycling technologies, in circular processes where wastewater is reused in production.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on asset and liability values
	Reputational and financial risk due to the possibility of water quality not meeting legally established limits, which leads to significant financial damages (ranging from direct costs related to water remediation and clean-up to penalties, litigation, and reputational losses).	Effect on financial performance Effect on cash flows Effect on capital flows Effect on asset and liability values
Hazardous and Highly Hazardous Substances.	Reputational and financial risk due to the possibility of water quality not meeting legally established limits, which leads to significant financial damages (ranging from direct costs related to water remediation and clean-up to penalties, litigation, and reputational losses).	Effect on financial performance Effect on cash flow Effect on capital flows Effect on asset and liability values

The **financial effects** of significant risks and opportunities for Chimcomplex, in the short, medium and long term, arising from pollution-related impacts, were assessed within the dual materiality process, and the significant ones are presented in the table above

3.1.3 Policies related to pollution

ESRS E2-1

At Chimcomplex SA Borzești, we have committed to a quality and environmental policy, accompanied by a quality and environmental management program and HACCP (Hazard Analysis and Critical Control Points). These documents are signed and endorsed by the company's management and convey its vision on aspects such as efficient resource management, increasing customer and stakeholder satisfaction, improving environmental performance, and preparing the company for technical, economic, and market strategic development for the period 2024–2030.

Three of the priority objectives of an integrated quality-environment management policy typically focus on:

- **Continuous Identification, Evaluation, and Control of Environmental Aspects:** This involves monitoring and managing the environmental aspects associated with the company's activities, products, and services to ensure appropriate environmental quality and protect human health.
- **Full Involvement and Commitment of All Personnel:** Ensuring that all employees, at every level, are fully engaged and committed to efficiently carrying out activities with complete professional and social responsibility. This approach aims to achieve quality, profitability, and external recognition of achievements, while continuously improving environmental performance.

- **Adherence to the Principle of Sustainable Development:** This involves using environmentally friendly techniques and the rational use of energy and natural resources, enabling the company to offer high-quality products at competitive prices.

To achieve the objectives set by the quality-environment policy, all personnel at Chimcomplex SA Borzești are informed about and apply the requirements established by the Integrated Management System (SMI) documentation. The quality-environment policy and the Quality-Environment Management Program – HACCP / 2024 include both commitments and objectives, as well as indicators for efficiently managing the two main impacts related to pollution: wastewater discharge and air pollutant emissions.

By these stipulations, the company has committed to operating its chemical manufacturing and product commercialization processes safely for both humans and the environment. The objectives, actions, indicators, and targets set to uphold this commitment are detailed in subchapters ESRS E2-2 and ESRS E2-3.

The company approaches its environmental protection activities based on the principles underlying environmental legislation, namely:

- The Principle of Integrating Environmental Requirements
- The Principle of Preventive Action
- The Principle of Containing Pollutants at the Source
- The Principle of Conserving Biodiversity and Ecosystems Specific to the Natural Biogeographical Framework
- The Principle of Public Information and Participation in the Decision-Making Process

All of these have the primary objective of pollution prevention, and within our company, the General Director is the person responsible at the highest level for implementing pollution-related policies.

Additionally, at Chimcomplex SA Borzești, we are committed to planning and implementing processes in accordance with the requirements of the standards: SR EN ISO 9001:2015 and SR EN ISO 14001:2015.

Chimcomplex has not yet developed a Policy in accordance with the provisions of the ESRS standards, dedicated to Pollution. We maintain a Risk Register for each of our industrial platforms, according to the Integrated Management System (SMI), which is periodically updated through specific procedures.

Since 2024 is the first year of reporting in accordance with the requirements of the ESRS standards, the SMI policy will be updated in the near future to align with the standard's requirements related to pollution of environmental factors.

3.1.4 Actions and resources related to pollution

ESRS E2-2

The production activities of chemical compounds are regulated activities from the environmental protection standpoint. In this regard, we hold all the necessary regulatory documents to carry out our activities. Within our Environmental Management Program, we monitor all legal requirements as well as all requirements stipulated in the permits we hold. The integrated environmental management system has been developed to systematically ensure the elements necessary for environmental protection and control. Additionally, it contributes to achieving results that lead to the sustainable development of the business and a high level of customer satisfaction.

We constantly monitor environmental quality and pollution-related factors and aspects, and report annually to local Environmental Protection Agencies (Bacău and Vâlcea) data concerning air and water quality, quantities of substances of concern used, and noise levels, as applicable, in accordance with legal requirements from the regulatory documents we possess. Compliance obligations and relevant information are submitted to the authorities annually through the Environmental Report. The degree of monitoring pollution sources and assessing environmental aspects was 100% in 2024—we monitored all pollution sources as outlined in the integrated environmental permits.

We hold the following quality, environmental and product certifications:

Chimcomplex SA Borzești:

- International Quality Standard Certification – SR EN ISO 9001:2015.
- International Environmental Standard Certification – SR EN ISO 14001:2015.
- SR EN ISO 17025:2018 Certification for our own laboratories for testing chemical products on both platforms, ensuring testing and calibration competence.
- Codex Alimentarius Certification - HACCP for the production and commercialization of chemical products used as food additives, calcium chloride flakes, sodium hydroxide solution minimum 48% (for both locations), and sodium hydroxide flakes.

- A Certification for the quality of the product PHARMACEUTICAL GRADE PROPYLENE GLYCOL (ISO 17067:2014), which is a high-purity grade of propylene glycol used in pharmaceutical applications
- Product Conformity Certification for Calcium Chloride – Road De-icing Agent.

Logiserv:

- SQAS Attestation Certification for LOGISERV issued by CEFIC, a member of EFCTO.

Sistemplast:

- International Quality Standard Certification – SR EN ISO 9001:2015.

We also maintain our commitment to strictly comply with all applicable laws and legal provisions, including any amendments and modifications, as well as internal regulations and the stipulations in the permits we hold. These include, but are not limited to, Integrated Environmental Permits and Water Management Permits. We emphasize that this commitment extends throughout our supply chain.



In the year 2024, our activities were conducted in accordance with the following environmental permits:

- Onești Platform:
 - Permanent integrated environmental permit, subject to obtaining the annual endorsement.
 - Water management permit.
 - Greenhouse gas emissions permit.
 - Environmental permit for the pilot plant manufacturing chlorocholine chloride, valid permanently subject to obtaining the annual endorsement.
 - Environmental permit for metal treatment and coating (anticorrosive protection), valid permanently subject to obtaining the annual endorsement.
- Râmnicu Vâlcea Platform:
 - Permanent integrated environmental permit, subject to obtaining the annual endorsement.
 - Water management permit.
 - Post-closure monitoring permit for non-hazardous waste landfill.
 - Post-closure monitoring permit for hazardous waste landfill.
 - Greenhouse gas emissions permit.
- Someș-Dej Workplace:
 - Environmental permit, valid permanently subject to obtaining the annual endorsement.
 - Water management permit.
- Logiserv:
 - Environmental permit, valid permanently subject to obtaining the annual endorsement.
 - Water management permit.

The functionality of the processes is verified through internal and external audits. Additionally, top management reviews records of activities to achieve the proposed environmental and pollution objectives and targets. Annual independent audits also confirm the existence of a functional environmental management system within the organization, which is part of an integrated management system, continuously improving and aligned with international environmental and population protection requirements.

Until now, no pollution-related actions have been undertaken that extend across the value chain to upstream or downstream commitments.

In order to prevent and manage pollution resulting from our own activities, we allocate the following resources, technologies, and techniques:

- **Prevention and Management of Pollutant Emissions in Water:**
 - Physical-chemical wastewater treatment plants from manufacturing processes, both at the Onești platform and at the Râmnicu Vâlcea branch.
 - Biological wastewater treatment plant at the Râmnicu Vâlcea branch.
 - Separate collection of domestic wastewaters and its discharge into the domestic sewage system of the local operator, based on a contract, at the Onești platform.

- **Prevention and Management of Pollutant Emissions in Air:**

- The sources for discharging impurities into the air are equipped with gas washing, neutralization, or pollutant retention equipment, ensuring that emission levels comply with Romanian and EU legislative provisions, as well as BAT (Best Available Techniques) requirements

Regarding the quality of wastewater discharged at the Onești platform, we comply with the current legislative provisions in Romania and the EU. However, at the Râmnicu Vâlcea platform, due to the technology used for producing propylene oxide through chlorohydrination (approximately 50% of European capacities use this technology), there are volumes of water with calcium chloride and organic compounds. This is a common deficiency of all technologies based on the chlorohydrin route, recognized and accepted by producers and authorities at the EU level. For these reasons, the Râmnicu Vâlcea platform pays penalties to ABA Olt for the quantities of contaminants that exceed the limits imposed by the Water Management Permit.

Additionally, to support pollution prevention and control, as well as to mitigate possible incidents or accidents, we take measures regarding the labeling and transportation of all chemical products. Transportation is carried out using clean, covered vehicles appropriate for the category of product being transported. For hazardous substances, we comply with the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), with transport being conducted using vehicles approved for the hazard class of the product and with drivers certified for this purpose.

Labeling complies with Regulation (EC) No 1272/2008 on the classification, labeling, and packaging of substances and mixtures (CLP). According to this regulation, the chemical products we supply are packaged in specific containers made from materials resistant to the action of the products inside, suitable for the state of aggregation (solid, liquid, compressed gas, or liquefied gas), and equipped with airtight closure elements to ensure safe transportation to their destination. All packaged chemical products are labeled individually and collectively in accordance with industry legislation, with product labels. For hazardous products in transport, as per ADR provisions, each individual and collective package is labeled with transport hazard labels. Where the label size does not allow for the display of all necessary information, instructions are attached for each package loaded with the product.

We have committed to investing in the development of safe and sustainable alternatives to reduce emissions resulting from production processes. In this regard, a Technical Project is currently being developed - Phase 1: Sludge Dehydration resulting from the wastewater treatment plant - Propylene Oxide Section. The project aims to reduce the quantity of impurities in the residual water produced at the Râmnicu Vâlcea platform.



According to the Quality-Environment Management Program - HACCP / 2024 and the Sustainability Strategy for the period 2024-2030, the key actions regarding pollution prevention and control are presented in the table below:

Objective	Indicators	Target	Actions	Completion Date
Major Objective: Increasing Customer and Stakeholder Satisfaction, Enhancing Environmental Performance.				
Efficient management of impacts related to wastewater discharge.	Amount of chlorides in discharged water, grams per ton of finished product	Maximum 0.075	Operating processes under optimal conditions and efficiently managing wastewater flows resulting from activities; Preventive maintenance of machinery and equipment; Operating technologies in accordance with operating regulations; Specific measures to limit and reduce impurities in water; Limiting uncontrolled leaks, avoiding wastage, and improper discharges.	31.12.2024
Efficient management of air emissions	Amount of Cl and HCl in the air, grams per ton of finished product.	Maxim 0.2	Operating processes under optimal conditions and efficiently managing air emissions from activities; Preventive maintenance of machinery and equipment	31.12.2024

The company's actions also include promptly addressing all notifications and complaints received from stakeholders regarding the environmental performance of Chimcomplex. All these actions are applied continuously, and the progress towards achieving the objectives and targets outlined in the Policy is monitored and reported semi-annually in the Integrated Management System Report, and annually in the Environmental Report.

3.1.5 Pollution-related Targets

ESRS E2-3

At Chimcomplex SA Borzești, we have established general environmental objectives in line with the quality and environmental policy, ensuring the company's long-term performance. Regarding pollution, we have set two specific objectives related to our field of activity:

- Efficient management of impacts related to wastewater discharge.
- Efficient management of air emissions.

The main specific actions for combating pollution, related to the two objectives, were presented in subchapter ESRs E2-2.

All objectives, indicators, and targets outlined in the Environmental Management Program are associated with a commitment from the Policy and are suitable to the environmental quality monitoring requirements established by regulatory documents and applicable legal requirements.

The pollution-related targets of Chimcomplex SA Borzești refer both to the company's activities (manufacturing and commercialization of chemical products) and to the management of its relationship with customers and stakeholders concerned with its environmental performance—authorities and the community.



The pollution-related targets for the year 2024 have been voluntarily set and are closely correlated with the above objectives. These are:

Objective	Indicators	Target	Achieved 2024
Efficient management of impacts related to wastewater discharge	Amount of chlorides in discharged water, grams per ton of finished product.	Maxim 0.075	0.068
Efficient management of air emissions	Amount of Cl and HCl in the air, grams per ton of finished product.	Maxim 0.2	0.0519

Their establishment was based on monitoring conducted in previous years and is calculated annually at the end of the calendar year of operation. At that time, all relevant production process data are collected and expressed in grams per ton of finished product. Reporting targets per ton of finished product was chosen because it was considered the best and most objective way to reflect the overall environmental impact. It is important to note that the reference value was established based on our own experience, corroborated with the values recorded through monitoring over the last 5 years, and progress is measured against this reference value.

The effectiveness of actions related to significant impacts, risks, and opportunities is monitored periodically by verifying data on air pollutant emissions, water pollutant emissions, and wastewater discharge rates. These are compared with both the maximum allowable values set by legislation and the results obtained in previous periods.

Since the chemical product manufacturing facilities operated by the company are interconnected in a technological flow, the non-operation of a manufacturing facility for technical or commercial reasons may lead to the shutdown of the entire flow or parts of it. Consequently, there may be implications for pollutant emissions recorded at any given time (in terms of concentrations or rates). However, overall, in relation to total production, the environmental impact of these possible situations falls within the established pollution targets.

For the other companies in the group, measurable result-oriented targets related to pollution have not been established.

3.1.6 Air, water, and soil pollution

ESRS E2-4

Air and/or water pollution resulting from activities can occur locally and accidentally during the operation of facilities, generating impact only in accidental cases, such as improper handling or storage of used substances, poor waste management, accidental shutdown of technological installations, chemical accident, explosion, or fire.

We monitor soil quality carefully, as stipulated in the integrated environmental permits held by the company or in various other regulatory documents in effect. No non-conformities have been recorded against the values established within these, so soil pollution does not represent a material issue for us and is not addressed in this report.

The quality of discharged water in the year 2024, for the Onești platform, falls within the limits established by the Water Management Permit.

For the Râmnicu Vâlcea branch, due to the technology used for producing Propylene Oxide through chlorohydrination (approximately 50% of European capacities use this technology), large volumes of water contaminated with calcium chloride and organic compounds result. This is a common deficiency of all technologies based on the chlorohydrin route, recognized and accepted by producers and authorities at the EU level. For these reasons, the Râmnicu Vâlcea platform pays compensation to ABA Olt for the quantities of contaminants that exceed the limits imposed by the Water Management Permit.

We continuously monitor the quality of water discharged by Chimcomplex SA Borzești, specifically twice per shift, daily, weekly, monthly, and quarterly, in accordance with the indicators specified in the regulatory documents. We analyze the indicators with the help of RENAR-accredited laboratories, and the quality of the discharged water is monitored by water management authority representatives monthly, and by environmental protection authority representatives semi-annually.

In the year 2024, there were no discrepancies recorded between the monitoring conducted by the company and that by the authorities. On both the Onești and Râmnicu Vâlcea platforms, we have implemented and applied plans to prevent and combat accidental pollution of water uses, in accordance with current legislation. These plans include various scenarios that form the basis of periodic simulation exercises for accidental pollution situations of these water uses.

In addition, for effective management of impacts related to water discharge, the Râmnicu Vâlcea platform periodically monitors the influence of discharged wastewater on the quality of the recipient, the Olt River, both upstream and downstream of the industrial platform's discharges, in two distinct sections: Priză OLT (upstream) and Cremenari (downstream). Monitoring is conducted by an external laboratory accredited by RENAR, based on a service contract. It is important to note that the wastewater discharge volumes from the Râmnicu Vâlcea platform are much lower than the flow rate of the Olt River in the analyzed sections (the average discharge from the Râmnicu Vâlcea platform in 2024 was 257 l/s, compared to the Olt River's flow of 90,000 – 150,000 l/s), and the monitoring carried out and reported annually to environmental authorities indicates that, in general, the water quality parameters of the Olt River are maintained downstream of the platform.

Among the pollutants currently emitted into the water on the Onești platform, except for chlorides, which are due to current activities, other pollutants are the result of historical pollution. It is worth mentioning that the productions that generated these pollutants were closed before 2004, and the facilities were first decontaminated and subsequently demolished. Phenols represent the only category of pollutants that exceed the reporting threshold stipulated in the E-PRTR Registry (20kg). It is important to note that none of the monitored indicators exceed the maximum values allowed by legislation.

On the Râmnicu Vâlcea platform, among the pollutants emitted into the water, only chlorides, total organic carbon, nickel, and phenols are attributable to current activities. Mercury is due to historical pollution, with the productions that generated it having been closed before 2014. Mercury, nickel, phenols, total organic carbon, and chlorides exceed the reporting threshold stipulated in the E-PRTR Registry. Among these, total organic carbon and chlorides exceed the maximum allowable values set by legislation (mg/l), as explained earlier regarding the method of obtaining propylene oxide specific to the Râmnicu Vâlcea platform.

The quantities of pollutants discharged into the water (kg) are calculated using the concentrations (mg/l) periodically determined by Chimcomplex and the volume of discharged water (m³), as determined by the measuring instruments specified in the regulatory documents.

In terms of environmental aspects, both sites implement air quality monitoring programs. These programs include measuring the main pollutants emitted by fixed sources. Measurements consist of determining the instantaneous concentration of pollutants (3 consecutive measurements), the flow rate of gases discharged, and the weather conditions at the time of determination. The measurements are carried out by our own laboratory, which is accredited according to SR EN ISO/IEC 17025, for those indicators for which the company has the specific equipment and methods. For indicators for which the company does not have equipment and methods, the measurements are conducted by accredited external laboratories.

The results of the measurements are reported annually in the "Questionnaire on Atmospheric Pollutant Emissions" for the respective year, as well as in the Annual Environmental Report, which is prepared for each site.

The pollutants monitored, discharged, and declared by the company include chlorine, hydrochloric acid, particulates, combustion-specific pollutants (CO, SO₂, NO_x), as well as emissions specific to installations for incinerating chlorinated organic residues.

For the year 2024, on both platforms, for none of the above indicators (air pollutants) did the maximum values allowed by legislation exceed.

Variations in pollutant emissions, both in water and air, are described below, separately for the two industrial platforms.

Onești Platform: The values of pollutant emissions in water and air have shown an annual decrease in absolute terms, due to the operation of installations at a capacity adapted to commercial requirements. Thus, when reported to the quantity of finished product, the values of pollutant emissions remained below the target set for the year 2024.

Râmnicu Vâlcea Platform: The values of pollutant emissions in water and air vary from year to year, either due to the operation of installations at a capacity adapted to commercial requirements or due to the closure/opening of installations for legislative reasons (REACH Regulation), commercial reasons (significant reduction in demand), or the emergence of investment opportunities.





At Chimcomplex SA Borzești, we strictly comply with all current laws and regulations. The manufacture and commercialization of inorganic and organic chemical products fall under the Industrial Emissions Directive (IED) and the European Pollutant Release and Transfer Register (E-PRTR). The installations operated by the company that fall under the IED are presented below. For these, BAT (Best Available Techniques) requirements have been assessed, and the BAT conclusions applicable to the activities carried out on site are as follows:

Onești Platform:

- For the chlorosodic product manufacturing installations (Soda M, HCl, Sodium Hypochlorite, and Liquid Chlorine) - European Commission Decision No. 732/2013 establishing the conclusions on the best available techniques (BAT), pursuant to Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions, for chlor-alkali production.
- For the inorganic chloride manufacturing installations (Lime Chloride, Calcium Chloride, Ferric Chloride) - Reference Document on "Best Available Techniques for the Production of Speciality Inorganic Chemicals" - August 2007 edition.
- For the organic product manufacturing installations (Alkylamines, Pesticide Conditioning) - Implementing Decision (EU) No. 2117/2017 establishing the conclusions on the best available techniques (BAT), pursuant to Directive 2010/75/EU of the European Parliament and of the Council, for the production of large volume organic chemicals (notified under document number C(2017) 7469).

- For emissions in water and air - Implementing Decision (EU) No. 902/2016 establishing the conclusions on the best available techniques (BAT) for common waste water and waste gas treatment/management systems in the chemical sector, pursuant to Directive 2010/75/EU of the European Parliament and of the Council.
- The technological installations for obtaining inorganic chlorides, organic products (alkylamines), as well as those for steam and electricity production within the Chimcomplex platform are not presented "illustratively" in the BREF documents (BAT Reference Documents). These are part of the installations for which the assessment in relation to BAT can be estimated only for certain processes and/or unit operations and/or equipment, and only for the level of environmental discharges

Râmnicu Vâlcea Platform:

- For chlorosodic installations - Commission Implementing Decision establishing the conclusions on the best available techniques (BAT) pursuant to Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions for chlor-alkali production / 2013 (CAK BREF / 2014);
- For the VAR SIC installation (lime and cement) in the propylene oxide section, line 2 - Commission Implementing Decision establishing the conclusions on the best available techniques (BAT) pursuant to Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions for the production of cement, lime, and magnesium oxide / 2013 (CLM BATC / BREF / 2013);
- For the Oxo Alcohols installation - Commission Implementing Decision establishing the conclusions on the best available techniques (BAT) pursuant to Directive 2010/75/EU of the European Parliament and of the Council on industrial emissions for the production of large volume organic chemicals / 2017 (LVOC BATC / BREF / 2017);
- For waste incineration - Commission Implementing Decision (EU) 2019/2010 of 12 November 2019 establishing the conclusions on the best available techniques (BAT) pursuant to Directive 2010/75/EU of the European Parliament and of the Council for waste incineration (WI / BATC / BREF / 2019);
- For energy efficiency - Reference Document on Best Available Techniques in energy efficiency (ENE BREF / 2009);
- For emissions in water and air - Commission Implementing Decision (EU) No. 902/2016 establishing the conclusions on the best available techniques (BAT) for common waste water and waste gas treatment/management systems in the chemical sector, pursuant to Directive 2010/75/EU of the European Parliament and of the Council;
- For cogeneration installations - Commission Implementing Decision (EU) 2021/2326 of 30 November 2021 establishing the conclusions on the best available techniques (BAT) for large combustion plants, pursuant to Directive 2010/75/EU of the European Parliament and of the Council.

For both sites of Chimcomplex SA Borzești, the compliance of the activities carried out with the BAT Conclusions is detailed in the current Integrated Environmental Permit for each site. No compliance programs or exemptions from the provisions of these regulatory documents are applicable.

In the following table, the pollutants emitted that exceed the reporting threshold stipulated by the E-PRTR Registry are presented:

Air emissions		
Location Rm. Vâlcea		
Pollutant	Threshold value (kg/year)	Total quantity 2024 (kg/year)
Nitrogen oxides (NOx/NO ₂)	100.000	378.780
Location Onești – no E-PRTR threshold exceeded for any pollutant.		
Water emissions		
Location Rm. Vâlcea		
Pollutant	Threshold value (kg/year)	Total quantity 2024 (kg/year)
Mercury and compounds (expressed as Hg)	1	16.48
Nickel and compounds (expressed as Ni)	20	31.8
Phenols (expressed as total C)	20	186.43
Total Organic Carbon (TOC) (as total C or COD/3)	50,000	386,338
Chlorides (expressed as total Cl)	2,000,000	78,252,000
Location Onești		
Phenol	20	82.51

3.1.7 Substances of concern and substances of very high concern

ESRS E2-5

During the reporting period at Chimcomplex SA Borzești, we used substances of concern (SVC) and substances of very high concern (SVHC).

We strictly adhere to all local and international regulations regarding hazardous chemicals. Additionally, we comply with the following laws and regulations for all our products, including any subsequent amendments and modifications:

- Regulation (EC) No 1907/2006 concerning the registration, evaluation, authorization, and restriction of chemicals (REACH). In this regard, the company has appointed a REACH officer who maintains contact with the REACH consortia of which Chimcomplex is a member and who continuously updates information related to the chemicals purchased, used, manufactured, and distributed.
- Regulation (EC) No 1272/2008 on the classification, labeling, and packaging of substances and mixtures (CLP).
- Regulation (EU) No 528/2012 concerning biocidal products.

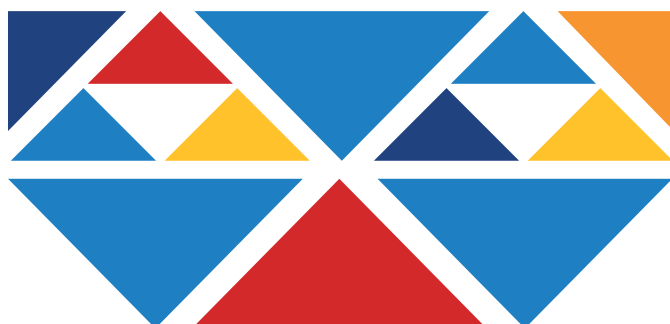
In the case of road transport of goods, we comply with the Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), with strict instructions and drivers authorized by the Romanian Road Authority (ARR) in this regard, and the transports are also conducted with approved vehicles.

Moreover, all departments within the company involved in the manufacturing and commercialization of chemical substances carry out careful and continuous monitoring of the types and quantities of substances used, sold, and imported/exported.

In the event of incidents or emergencies, Chimcomplex SA Borzești has an Internal Emergency Plan to limit and eliminate the consequences of an accident. This is part of a broader sphere of safety protocols and procedures, which include guidelines for the safe operation of equipment, emergency response plans, and protocols for reporting and addressing safety issues, which all employees must adhere to.

The activity of Chimcomplex SA Borzești, which involves the manufacturing and commercialization of inorganic and organic chemical products, falls under both the Industrial Emissions Directive (IED) and the European Pollutant Release and Transfer Register (E-PRTR), as detailed in section ESRS E2-4. The BAT (Best Available Techniques) requirements have been assessed, and the activities carried out comply with the BAT Conclusions, as detailed in the two integrated environmental permits (1/20.03.2023 for the Onești platform and 1/13.03.2023 for the Râmnicu Vâlcea branch).

We operate on both sites under the SEVESO Directive at the upper threshold of relevant quantities of hazardous substances (chlorine, sodium hypochlorite, ammonia, methanol, acetone, alkylamines, 1,2-dichloroethane, isopropylamine, lime chloride, propylene, dichloropropane, hydrogen, phenol, nonylphenol, hydrogen peroxide, etc.).



The table below summarizes the quantities of hazardous chemical substances and preparations that present special concerns (SVHC) and concerns (SVC) used during production in 2024 by Chimcomplex, categorized by hazard category:

Name	Stock as of 01/01/2024	Entries (Tons)	Production (tons)	Exits (Tons)	Stock 21/12/2024
SVHC	195	678	0	716	157
Category 1 and 2 carcinogenic substance	1,131	7,325	76,227	83,796	887
Category 1 and 2 mutagenic substances.	0,275	0	0	0	0,275
Category 1 and 2 reproductive toxic substances.	204	538	0	616	126
Category 1 skin sensitizing substances	7	0	0	0	7
Category 1 and 2 specific target organ toxic substances - repeated exposure	52	526	0	530	48
Category 1 and 2 specific target organ toxic substances - single exposure	113	463	0	390	186
chronic hazardous substances for the aquatic environment, categories 1-4	260	0	21,085	21,144	201

3.1.8 Anticipated financial effects of impacts, risks, and opportunities related to pollution

ESRS E2-6

We have not yet evaluated or quantified in detail the anticipated financial effects of significant physical and transition risks or potential opportunities related to air or water pollution. However, we have noted their relevance and significance within the context of the double materiality analysis. Since 2024 is the first reporting year based on the new ESRs standards for Chimcomplex, a series of specific impacts, risks, and opportunities will be re-evaluated and aligned with ESRs reporting requirements in the coming period.

No major incidents occurred during 2024, the company did not incur operating expenses related to closed or owned deposits, but it recorded penalties for water discharges at the Râmnicu Vâlcea platform due to exceeding specified, specifically calcium chloride and organic compounds, amounting to 37,324,567 lei.

In the year 2024, no rehabilitations of waste deposits were carried out at Onești, and no environmental contamination was reported at any production site location.

At Rm. Vâlcea, expenses were recorded for the operational non-hazardous waste landfill, amounting to 12,600 RON (rearrangement of waste unloading ramps, leveling of sludge piles, and maintaining the functionality of access roads).

Expenses were recorded for the monitoring of the company's waste deposits, in accordance with applicable legal provisions, regarding settlement behavior and landfill level, as follows:

- At the Onești platform: 10,582 RON;
- At the Râmnicu Vâlcea platform: 21,842 RON





WATER AND MARINE RESOURCES



ESRS E3

WATER AND MARINE RESOURCES

4.1 Concepts and Measures Related to Water and Marine Resource

At Chimcomplex, we recognize the importance of water as a vital resource. For the entities located at the two sites, Onești (A5 INVEST) and Rm. Vâlcea (Sistemplast, Logiserv), water quantities are managed jointly with Chimcomplex SA Borzești. The other entities within the group manage insignificant quantities of water for consumption or discharge; therefore, the data presented in ESRS E3 will not pertain to these entities.

Within the quality and environmental policy, various aspects related to water management are mentioned: responsible water consumption, quality monitoring, and wastewater treatment, as well as accidental pollution prevention. These measures not only ensure compliance with regulations but also emphasize our commitment to responsible water resource management.

In the following pages, we will address all three subtopics related to Water Resources: Water Consumption, Water Withdrawals, and Water Discharge. We do not address aspects related to marine resources, as this is not applicable. We do not use water from marine sources nor do we discharge water into oceans.

4.1.1 Description of the processes for identifying and assessing significant impacts, risks, and opportunities related to water and marine resources

ESRS E2 IRO-1

We identified the initial impacts related to water resources within our operations of manufacturing and trading inorganic and organic chemical products through foundational documentation for obtaining various permits, including the water management permit, whose framework content is stipulated by legislation. Within this documentation, we also review the risks and opportunities related to water resources. The documentation is subject to discussion in councils and committees at the level of regulatory authorities (Siret River Basin Administration (ABA) and Olt River Basin Administration (ABA)).

Additionally, through the annual analysis of environmental aspects associated with activities, products, and services, we identify and assess environmental risks and opportunities, including those related to water resources, in accordance with our internal procedure for identifying and evaluating environmental risks and opportunities. This analysis is an internal document, but its conclusions are presented to stakeholders through the annual sustainability report.

The process of identifying relevant risks and opportunities is closely linked to the analysis of the context in which we operate, as well as compliance obligations and the needs and expectations of stakeholders. Additionally, risks may be associated with various emergency situations that can have harmful impacts on the environment, health, and workplace safety, or various other effects on the company. Identifying potential emergency situations takes into account the nature of the hazard, the type and extent of the most probable emergencies, as well as potential emergency situations in neighboring areas.

The steps undertaken to identify significant impacts, as well as the main risks and opportunities related to water resources, included:

- Collection and analysis of data on water sources, based on categories of water usage, identification of the potential for recycling/reuse, and evaluation of water quality (before and after use).
- Identification of risk categories and assessment of their impact related to water, including environmental risks, availability risks, and operational risks.
- Identification of existing opportunities, including those related to water reuse and water consumption efficiency.
- Consultation with stakeholders related to water management, such as regulatory authorities and business partners.
- Continuous monitoring of water-related aspects to adjust company strategies and ensure continuous improvement.

Additionally, a double materiality assessment was conducted, during which we identified Chimcomplex's impacts, risks, and opportunities related to water, associated with the sites where various activities are carried out, as well as the business activities conducted within our own operations and throughout the value chain. Consultations with stakeholders were conducted as part of the materiality assessment, and various sources of information were also consulted, such as reports from economic operators active in a similar industry, various regulatory documents, and some internal documents, such as the internal risk register.

Both at the level of Chimcomplex and throughout the upstream value chain, there is a financial risk associated with the price and consumption of water necessary for operations. This includes the increase in the price of purchased water (updated by the government with the consumer price index), increased production costs, and possible supply disruptions due to strict regulations on water use and limited resources, with these issues being exacerbated by climate change and frequent droughts.

Additionally, in accordance with the current legal provisions in the field of water management, authorities require companies to have water supply programs for industrial use during drought conditions and low flow rates, ensuring that the organization complies through continuous monitoring of the withdrawn water flow rates.

The financial effects of significant risks and opportunities, in the short, medium, and long term, arising from the impacts associated with pollution have been assessed within the double materiality process.

The main impacts, risks, and opportunities identified in connection with water resources are summarized in the tables below.

Subtopic	Impact description	Positioning within the value chain	Time horizon	Strategic approach
Water resources	The actual negative impact caused by the excessive use of water resources, both within Chimcomplex's direct operations (industrial operations require large quantities of water for cooling processes and other technological activities) and throughout the entire supply chain (both in upstream raw material extraction processes and downstream production processes), can have significant effects on the environment and local communities.	Upstream, Own Operations, Downstream	Short term Medium term Long term	We are consolidating our position as a leader in sustainable water treatment solutions by developing advanced coagulants based on ferric and ferrous chloride, as well as pH correction agents (for municipalities and industry). Implementing strict environmental standards: <ul style="list-style-type: none"> We comply with current regulations by maintaining the quality of treated wastewater and rainwater below the limits imposed by legislation and the Integrated Environmental Authorization. We adhere to the requirements of the E-PRTR Registry.

Subtopic	Description of Risks/Opportunities	Risc/Oportunitate
Water resources	Financial risk: Excessive use of water resources can generate significant financial risks.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities

4.1.2 Policies related to water and marine resources

ESRS E3-1

A specific water resources policy that complies with the minimum disclosure requirements regarding policies (MDR-P), as defined in ESRS 2, has not been developed at this time. However, this aspect is considered by Chimcomplex management in the current Quality and Environmental Policy.

The policies adopted to manage significant impacts, risks, and opportunities related to water resources are included within the Quality and Environmental Policy, as well as the Quality-Environment-HACCP Management Program/2024. These are also mentioned in the Sustainability Strategy of Chimcomplex SA Borzești for the period 2024–2030. These documents result from the increased importance we place on sustainability and the environment, including water resources. The implementation of the policies is carried out with the involvement of the company's Chief Executive Officer (CEO).

A few priority objectives of the Integrated Quality-Environment Management Strategy that also involve water resources and for which the company's management has committed itself are:

- Permanent identification, evaluation, and control of environmental aspects associated with the company's activities, products, and services, to ensure appropriate environmental quality and protect human factors.
- Efficient management of available resources, focusing on the development of core processes, optimizing specific consumption of raw materials, materials, and utilities, and ensuring energy efficiency by controlling the share of energy costs in production costs.

- Full involvement and commitment of all staff, at all levels, for the efficient conduct of activities, with complete professional and social responsibility, enabling the achievement of quality, profit, and external appreciation of accomplishments, under conditions of continuous improvement of environmental performance.
- Observing the principle of sustainable and lasting development by using environmentally friendly techniques, rational use of energy and natural resources, so that we can offer quality products at competitive prices.

We note that the policies are reviewed periodically to maintain their relevance and currency, being also communicated to all employees and available to stakeholders. Additionally, they are developed in accordance with the laws and regulations in force, in full agreement with Chimcomplex's firm commitment to comply with all current laws and subsequent amendments, as well as all internal regulations. This is complemented by the commitment to respond seriously and promptly to any requests for information or potential complaints. The above commitments also extend to the company's supply chain.

Chimcomplex sites are not located in areas with high water stress. However, although it is not explicitly stated in the company's policy and established environmental objectives, water consumption is closely monitored by both the company and the supplier (National Administration "Romanian Waters," through Siret River Basin Administration and Olt River Basin Administration). Both the intake of water for industrial and sanitary use and the discharge of wastewater into the emmissary are metered using appropriate equipment recognized and accepted by all partners, both suppliers and authorities.

In support of protecting water resources, we optimize production processes to reduce water consumption. Implementing an advanced water management system aims to reduce consumption and recycle water used in production processes during the reporting period. We continuously monitor the quality of treated and discharged wastewater, with analyses conducted by RENAR-accredited laboratories. Additionally, competent authorities ensure compliance with environmental standards through monthly and semiannual inspections.

4.1.3 Actions and resources related to water and marine resources

ESRS E3-2

We have policies and commitments related to quality and the environment, implicitly including water resources, as detailed in the previous subsection, "Policies related to water and marine resources," as well as the following certifications:

- International quality standard certification – ISO 9001:2015.
- International environmental standard certification – ISO 14001:2015.

We note that Chimcomplex sites are not located in areas with high water stress but are situated on the right banks of the Olt and Trotuș rivers, which, due to their extensive basins, provide sufficient flow for the production activities at the Râmnicu Vâlcea and Onești platforms.

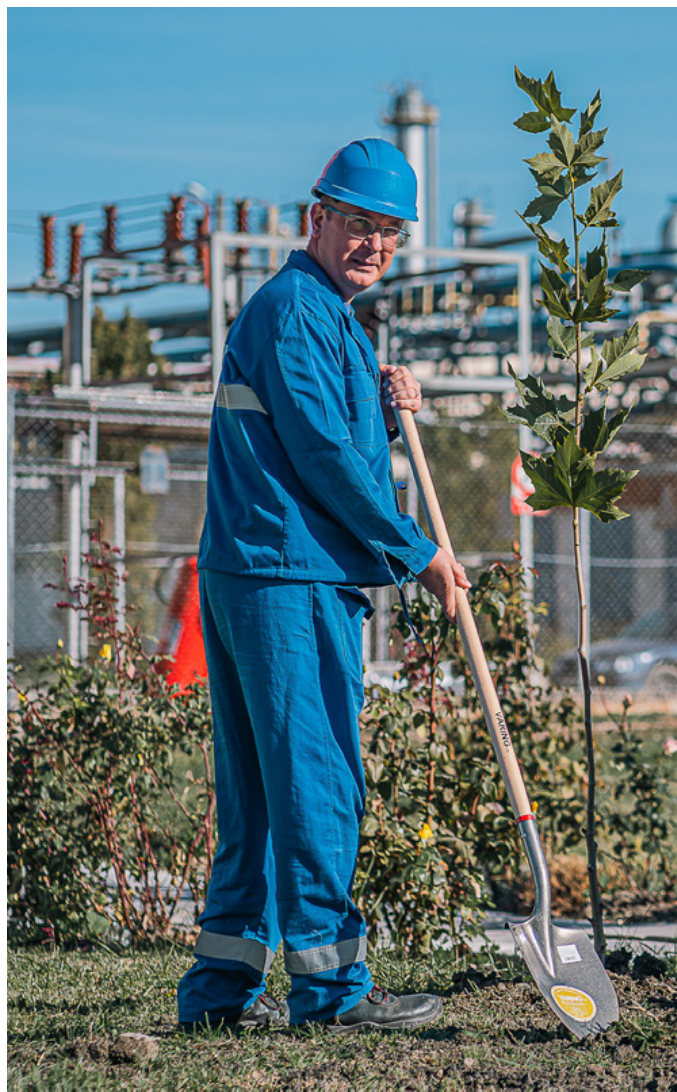
Among the actions taken by the company to manage significant impacts and risks associated with discharged wastewater, as stipulated in the Quality and Environmental Policy and the Sustainability Strategy, we mention:

- Operating processes under optimal conditions and efficiently managing the wastewater flows resulting from activities.
- Preventive maintenance of machinery and equipment.
- Monitoring the quality of discharged wastewater according to the frequency and pollutants specified in regulatory documents; through RENAR-accredited laboratories. Competent authorities verify compliance with environmental standards monthly and semiannually.
- Implementing corrective measures as provided in the operating documents whenever deviations from the specified standards are recorded.

We have our own wastewater treatment plants for industrial wastewater, and domestic wastewater is discharged to the municipal treatment plant in Onești, according to contractual agreements, while in Râmnicu Vâlcea, it is discharged to the biological treatment plant. Additionally, plans for preventing and combating accidental water pollution are implemented, prepared in accordance with current legal provisions. More details on these aspects can be found in chapter *ESRS E2 - Pollution*.

Other actions undertaken by us, closely related to the identified impacts, risks, and opportunities regarding water consumption, include:

- Focusing on the development of products (chlorine, sodium hypochlorite, lime chloride) necessary for water purification for more a lot of the potable water stations in Romania, Bulgaria, Moldova, and Greece.
- Optimizing production processes to reduce water consumption.;



Implementing an advanced water management system to reduce consumption and recycle water used in production processes.

In 2024, we did not have any ongoing actions related to water resources. Additionally, up to this point, no actions related to water resources or their pollution have been undertaken that extend along the value chain to upstream or downstream commitments.

Operating expenses were recorded for the water withdrawn for industrial use, as well as for the discharged wastewater. Regarding the water withdrawn for industrial use, these operating expenses pertain to the industrial water treatment facilities and cooling water facilities, as well as the expenses for monitoring their quality (carried out by the company's own laboratory). For the discharged wastewater, the expenses pertain to the wastewater treatment plant and the monitoring of the quality of discharged wastewater (by the company's own laboratory and external laboratories).



4.1.4 Targets related to water and marine resources

ESRS E3-3

We have not set measurable targets related to water and marine resources, in accordance with the minimum disclosure requirement – *Targets MDR-T – monitoring the effectiveness of policies and actions through targets.*

Within the Sustainability Strategy for the period 2024–2030, as well as in the Quality-Environment Management Program, there are clearly defined objectives, actions, indicators, and specific targets related to the subject E3 - Water Resources. These are presented in the table below and are aligned with Sustainable Development Goal 6: ensuring the availability and sustainable management of water and sanitation for all.

Objective	Indicators	Targets	Actions	Completion Date
Efficient management of impacts related to water consumption and wastewater discharge	Quantity of wastewater discharged, MMC	Exclusive disclosure	Operating processes under optimal conditions and efficiently managing the wastewater flows resulting from activities; Utilizing technologies in accordance with operating regulations; Specific measures to limit and reduce pollutants in water; Preventive maintenance of machinery and equipment; Limiting uncontrolled leaks, avoiding waste, and inappropriate discharges; Monitoring quality / quantity of discharged wastewater.	Annual
	Level of water stress			
	Level of water reuse			

For the consumption of water from surface waters, we have not yet established specific indicators and targets for the year 2024. Consequently, water consumption is closely monitored, and specific consumption for each manufacturing process is analyzed annually. Following these analyses, operational and maintenance measures are implemented to maintain or reduce these specific water consumptions.



4.1.5 Water Consumption

ESRS E3-4

Water Consumption

At the Onești site, the water requirements for the year 2024 were met as follows:

- Potable water for hygienic-sanitary use – 98,656 m³, sourced from the Valea Uzului potable water supply and the potable water network of SC RAJA Constanța – Onești branch.
- Potable water for industrial use – 475,882 m³ for obtaining demineralized water, sourced from the Valea Uzului supply line and the route belonging to SE Borzești.
- Raw river water – 800,000 m³ from the Trotuș River, via the GIB channel operated by the National Administration 'Romanian Waters' – Siret River Basin Administration; this water is distributed to consumers through the Industrial Water Treatment Plant.
- Total water consumption at the Onești platform = 1,374,538 m³
- Quantity of water recirculated in the year 2024 = 13,889,000 m³
- Quantity of water stored (in case of fire) = 1,500 m³ (two underground circular storage tanks made of reinforced concrete, each with a capacity of 750 m³)

At the Râmnicu Vâlcea platform, the water requirements for the year 2024 were met as follows:

- Potable water consumption – 1,049,978 m³, sourced from the underground potable water supply - Bistrița stream, measured with FT 6 diaphragm measurement and YOKOGAWA recording;
- Potable water consumption, for technological purposes – 706,416 m³, sourced from the centralized city potable water network – Brădișor source, based on the contract with S.C. APAVIL S.A. Râmnicu Vâlcea, for obtaining demineralized water;
- Raw river water consumption for technological purposes – 9,712,552 m³ from the Olt River; this water is captured through 2 bank intakes, owned by the National Administration 'Romanian Waters' – Olt River Basin Administration. This water is distributed to consumers via the Olt Intake Facility.
- Total water consumption at the Râmnicu Vâlcea platform = 11,468,946 m³
- Quantity of water recirculated in the year 2024 = 66,748,000 m
- Quantity of water stored (in case of fire) = 3,000 m³ (there are 4 semi-buried tanks R1 – 4; each with a capacity of 750 m³)

Discharged water

Regarding the activities carried out, in the year 2024, the following types of water resulted from the Chimcomplex platforms:

Onești Platform:

a) Inorganic and non-biodegradable organic chemically impure waters, originating from technological processes and the washing of pipelines, equipment, and tanks, which are directed through the sewer system of each installation to the company's own Wastewater Treatment Plant, from where they are discharged into the Trotuș River.

b) Domestic wastewater, collected through the sewer system of each workplace and directed to the municipal operator's domestic collector (RAJA Constanța – Onești branch)

c) Rainwater, directed into the Trotuș River through two rainwater collectors, M I and M III. During the year 2024, a volume of 2,128,405 m³ of water was treated in the Wastewater Treatment Plant at the Onești site.

Additionally, in the year 2024, 98,656 m³ of domestic wastewater were discharged.

Total discharged water at the Onești platform = 2,227,061 m³.

Râmnicu Vâlcea Platform

a) Biodegradable organic chemically impure waters: These originate from manufacturing processes and include both organic and domestic waters. They are collected through the organic sewer system and pumped to the Biological Treatment Plant, from where they are discharged into the emissary - Govora stream.

b) Inorganic chemically impure waters: These waters are generated from manufacturing processes and are initially passed through local pre-treatment stations, where they are neutralized and purified. Subsequently, they are collected through the inorganic sewer system and directed to the Final Control Station. From there, they are transported to the Mixing Chamber and discharged into the Băbeni reservoir on the Olt River, via the open 'Olt Spillway' channel.

c) Stormwater and uncontaminated technological waters (conventionally clean): These waters originate from cooling systems and are collected through the sewer network designated for conventionally clean and rainwater. They are discharged into the Mixing Chamber and subsequently into the Băbeni reservoir on the Olt River, via the open 'Olt Spillway' channel.

During the year 2024, a volume of 3,413,865 m³ of water was treated and discharged through the Biological Treatment Plant at the Râmnicu Vâlcea site. Additionally, a volume of 4,611,986 m³ of water was discharged through the Mixing Chamber (the open "Olt Spillway" channel).

Total water discharged at the Râmnicu Vâlcea platform = 8,025,851 m³

Total discharges: 10,252,912 m³.

The total quantity of chlorides is presented within ESRS E2 – Pollution.

Recirculating water in over 70 cycles within production processes significantly contributes to reducing the consumption of this essential resource

In 2024, the quantity of water purchased and used remained below the limits of the quantities contracted and regulated through the water management permits for both sites.

We are committed to creating sustainable value for all stakeholders, including shareholders, customers, suppliers, employees, partners, and the community at large. We are dedicated to maintaining high standards of quality, environmental protection, and constructive community engagement, aligned with strict safety operating standards and the appreciation of our employees. Sustainability remains a core principle in our business strategy.



As previously mentioned, within the company, water management involves its recirculation, the physico-chemical and biological treatment of wastewater, and collaboration with local authorities for the conservation of water resources. The quality of discharged water is periodically monitored by the company, in accordance with the indicators specified in the current regulations, and analyses are conducted by RENAR-accredited laboratories. Water management authorities check the quality of discharged water monthly, while environmental protection authorities do so semiannually.

In 2024, there were no discrepancies between the monitoring conducted directly by the company and that conducted by the authorities.

For effective management of the impact of water discharge, the effects of wastewater on the quality of the Olt River are periodically assessed on the Râmnicu Vâlcea platform, both upstream and downstream of the industrial platform. Due to the fact that the volumes of wastewater discharged from this platform are significantly smaller than the flow of the Olt River in the analyzed sections, annual reports to environmental authorities show that the water quality parameters of the river generally remain constant downstream of the platform.

The situation regarding water consumption and discharges is presented in the table below.

2024	Unit of measure	Quantity
Total water consumption	m ³	12,843,484
Water consumption in areas with water risk	m ³	N/A
Potable water consumption	m ³	2,330,932
Industrial water consumption	m ³	10,512,552
"Total quantity of recycled and reused water	m ³	80,637,000
Total quantity of stored water	m ³	4,500
Changes regarding storage	m ³	-
Water consumption intensity (total water consumption in own operations, in m ³ per net revenue in million RON)	m ³ /RON	8.59
Additional intensity rates	(%)	-
Total water withdrawals	m ³	-
Total water discharges	m ³	10,252,912

4.1.6 Anticipated financial effects of risks and opportunities related to water and marine resources

ESRS E3-5

We do not anticipate significant financial effects from risks arising from impacts and dependencies related to water resources. The production units are located on the right banks of the Trotuş and Olt rivers, both having river basins that meet the current operational requirements. From this perspective, no risk of dependency on water resources is anticipated.

Instead, a financial risk related to water resources is anticipated, in terms of the annual increase in costs for both supplied water and the quantities of discharged pollutants. The anticipated increase is due to the annual indexing of tariffs charged by the river basin administrations with the consumer price index, in accordance with current legal provisions.

We have not identified other anticipated financial effects, but these aspects will be evaluated in detail by the company in the upcoming period.





RESOURCE USE AND CIRCULAR ECONOMY



ESRS E5

RESOURCE USE AND CIRCULAR ECONOMY

5.1 Concepts and measures related to resource use and circular economy

5.1.1 Description of processes for identifying and evaluating significant impacts, risks, and opportunities related to resource use and circular economy

ESRS 2 IRO-1

Resource management involves the efficient administration of available resources through the use of advanced tools for monitoring, measuring, and anticipating needs. This method facilitates awareness of current consumption and the development of strategies to optimize processes, thereby reducing the impact on the environment and society. By monitoring and anticipating needs, our companies can identify opportunities to save resources and improve long-term sustainability.

For the companies located at the two sites, Onești (A5 INVEST) and Rm. Vâlcea (Sistemplast, Logiserv), the management of resource inputs and waste quantities is centralized and coordinated by Chimcomplex SA Borzești.

The impacts, risks, and opportunities associated with resource use and the circular economy in the production and sale of inorganic and organic chemical products are analyzed in the documentation required for obtaining integrated environmental and water management permits, in accordance with legal requirements. These documents are discussed in the councils and committees of regulatory authorities, such as APM Bacău, APM Rm. Vâlcea, ABA Siret, and ABA Olt, and are also open to public debate as part of the process for obtaining the integrated environmental permit. Additionally, the annual analysis of environmental aspects related to activities, products, and services allows for the identification and evaluation of environmental risks and opportunities, including those related to resource management and the circular economy.

As part of our double materiality assessment, we analyzed the site locations and our business activities. This comprehensive evaluation aimed to identify and understand all potential negative effects of the activities conducted. We are committed to implementing all measures to prevent and reduce pollution at every stage of our operations.

Subtopic	Impact Description	Positioning on the value chain	Time horizon	Strategic approach
Resource inputs	Potential negative impact related to the excessive use of resources and/or their depletion, both at the level of Chimcomplex operations (as the industrial processes on the platforms require large quantities of raw materials for the production of chemical products) and along the supply chain (activities related to the extraction of raw materials, production, and processing activities).	Upstream, Own operations, Downstream	Medium and long term.	We adopt policies and practices for using natural resources in a sustainable and responsible manner. We address the reduction of fossil resource use and replacement with renewable/green or recycled materials in production.
Resource outputs	Potential negative impact on the environment and human health if the chemical products obtained by Chimcomplex are not handled properly.	Own operations	Medium and long term.	The sustainable product portfolio is continuously expanding, including polyols from cashew oil and polyols with integrated CO ₂ . Additionally, the Advanced Polyols Research Center in Rm. Vâlcea is working on diversifying the portfolio with highly customized products. Our clients have access to safety data sheets, which provide detailed information about the health, safety, and environmental risks of the products. These sheets offer guidelines for clients and employees on the safe handling and use of the products.

Subtopic	Impact Description	Positioning on the value chain	Time horizon	Strategic approach
Waste	Actual positive impact regarding the reduction of waste quantities through their recovery: packaging waste, scrap iron, used tires, and waste electrical and electronic equipment, metal packaging waste, galvanized sheet metal, stainless steel, aluminum, Monel, which are delivered to authorized economic operators for recovery.	Own operations, Downstream	Medium and long term.	We focus on recycling, recovery, and utilization of useful compounds from generated waste. We collect waste from Romania for recovery through recycling (used hydrochloric acid and mill scales). We follow the hierarchy established by legislation regarding waste management. Waste transportation for recovery/elimination is conducted with authorized operators, in accordance with Government Decision 1.061/2008, based on service contracts.
	Potential negative impact in the case of improper waste management.	Own operations	Medium and long term.	

Subtopic	Description of risks/opportunities	Financial effect
Resource inputs	Transition and financial risk: Both at the level of Chimcomplex and throughout the supply chain, there are risks related to external regulations and financial risks (fluctuation of raw material prices, increase in costs for non-renewable resources). These risks can have a significant impact on the internal operations of Chimcomplex (restrictions on certain categories of raw materials/chemicals) and on financial stability.*	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
Resource outputs	Transition and financial risk: Regulatory risk is a significant factor for Chimcomplex, as any legislative change may impose additional costs, require modifications to production procedures, or even result in sanctions in case of non-compliance with standards, which could also affect the products provided.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
Waste	Opportunity: Waste recycling represents a valuable opportunity to replace natural resources in production processes, contributing to significant savings and enhancing reputation through waste reduction initiatives and policies.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities
	Financial risk: Both within our own operations and across the entire value chain, there are costs associated with waste management. Potential fines for non-compliance can significantly impact financial stability.	Effect on financial performance Effect on cash flows Effect on capital flows Effect on the value of assets and liabilities

Chimcomplex's dependence on raw materials and resources results from the need to use essential materials in its activities, such as brine, limestone, propylene, lime, ethylene oxide, sulfuric acid, methanol, ammonia, sodium carbonate, antioxidants and coagulants. Price fluctuations or difficulties in supplying these resources can generate significant risks at both operational and financial levels.

The financial effects of significant risks and opportunities for Chimcomplex, in the short, medium, and long term, resulting from impacts associated with pollution, have been evaluated within the double materiality process.

5.1.2 Policies related to resource use and circular economy

ESRS E5-1

"We do not have a policy regarding waste management in accordance with the provisions of the ESRS standard, specifically for managing the impact, risks, and significant opportunities related to the circular economy. However, the Quality and Environmental Policy, endorsed by the highest level of management, along with the accompanying management program, includes commitments, objectives, and indicators for effectively managing the impacts related to waste management.

Efficient management of material resources is a key point in the sustainable development strategy. Within the environmental management objectives, we focus on the optimal use of available resources, the development of core processes, and the optimization of specific consumption of raw materials, materials, and utilities, while also ensuring energy efficiency by controlling energy costs in production.

The activities carried out at Chimcomplex generate various types and categories of waste, which are managed in accordance with current legal regulations. Annually, we fulfill our obligations for managing packaging and packaging waste on both platforms. Additionally, special emphasis is placed on waste recovery.

Efficient use of resources and waste recovery contribute to reducing environmental impact within our activities. We have adopted a circular approach, continuously optimizing production processes to minimize waste generation and maximize recovery. Additionally, we collect and recycle waste from Romania at the ferric chloride facility in Onești, processing used hydrochloric acid and mill scales. Through these actions, the company has obtained a product widely used in water treatment. At the same time, we have initiated the process of calculating the lifecycle impact of products to develop solutions for minimization.

Even though there are no specific policies with numerical targets regarding the percentage of recycled products, as this depends on the market demand for ferric chloride, the company aims to reduce the use of fossil resources and replace them with renewable, green, or recycled materials from the production process as a central objective.

5.1.3 Actions and resources related to resource use and circular economy

ESRS E5-2

We have implemented a series of actions and allocated resources to promote the circular economy. These actions are aligned with the principles defined in ESRS 2 MDR-A.

In 2024, we developed eco-friendly products, promoted recycling both internally and externally, and established partnerships for innovation in the field of circular economy.

We have initiated an investment plan focused on the circular economy, which involves the construction of an integrated plant complex aligned with sustainability and ecological principles. This investment includes the acquisition of technologies, equipment, and construction-installation works and comprises modules such as gaseous HCl synthesis, glycerin purification, epichlorohydrin synthesis, epoxy resin manufacturing, brine purification, and waste incineration. Additionally, the company has submitted a project to obtain non-reimbursable funds for recycling polyurethane foams with the aim of producing polyols.

At Chimcomplex, we purchase approximately 60% of the raw materials from the local market and have included supplier diversification in our business strategy to mitigate risks. In this context, we produce ferric chloride using iron waste, known as mill scales, sourced from the metallurgical industry, as well as hydrochloric acid waste.

We also implement policies and practices that promote the sustainable and responsible use of natural resources, such as brine and limestone. Another objective of ours is to reduce the use of fossil resources, which we intend to replace with renewable, eco-friendly, or recycled materials in the production process.

The type of packaging is evaluated before concluding a contract to ensure proper sorting. However, there is no system for returning packaging, except for wooden pallets, which can be returned under certain conditions. Packaging is recovered through authorized operators.

In order to substantiate the specific consumption of raw materials, packaging, and utilities, the evolution of actual specific consumption, project-specific consumption, and opportunities for modernizing manufacturing technologies are analyzed, with the aim of minimizing losses. The specific consumption is established annually by the Planning, Production Monitoring, and Dispatch Service (SPUPD), in collaboration with the production sections and workshops, and its achievement is subsequently monitored. The level of achievement or exceeding of specific consumption is reported monthly or cumulatively to inform the company's management.

Production is monitored daily, weekly, and monthly at the level of each installation and production section by SPUPD and Chimcomplex management. This process involves the daily recording of actual production, delivery notes to the Commercial Department, internal consumption, stocks of raw materials and finished products, non-conformities at the installation (stoppages), operating parameters, as well as the daily analysis and coordination of production activities.

The management and control of technological processes, resources, and significant environmental aspects are regulated in the operating regulations of each technological process.

National and international economic conditions, along with legislative restrictions adopted by the European Union, have led Chimcomplex to reevaluate the company's operational and development strategy. This process resulted in the permanent closure of certain production lines, as well as the efficient use of existing equipment on-site. As a result, the three transformers are still in good working condition, without leaks and without requiring technological interventions.

The communication of efficiency in our operations is inferred from the cost reduction and monitoring policy. We invest in and utilize efficient technologies, such as cogeneration and upgrades in the brine electrolysis installations.

The main resource, salt (brine), is purchased from salt mines, and the depleted brine is returned. Although limestone is used, it does not fall into the category of critical raw materials.

Efficiency at Chimcomplex focuses primarily on energy and technological efficiency, which implicitly leads to the use of smaller quantities of raw materials to obtain the final product.

We recover part of the operational waste, including chlorinated organic residues. At the Ferric Chloride Plant in Onești, we recover waste from other industries, specifically used hydrochloric acid and mill scales, from which we obtain a product—ferric chloride—used as a coagulant in water treatment.

In 2024, selective waste collection actions were maintained, with the aim of either recovering them (such as paper and cardboard packaging waste, paper and cardboard waste from administrative activities, metal waste, used oil) or handing them over to authorized operators for collection or recovery (such as waste from lighting fixtures).

For the disposal of **non-recoverable and non-hazardous waste**, we manage compliant landfills on both platforms, adhering to all current legal regulations regarding waste disposal. In cases where we cannot internally recover or dispose of waste, we collaborate with authorized economic operators through service contracts for the disposal or recovery of these wastes.

In terms of packaging, only a small number of products are individually packaged. Chemical products from Chimcomplex are distributed in special containers made from materials that resist the action of chemicals and are suitable for their state of aggregation (solid, liquid, gas under pressure, or liquefied gas). These containers are equipped with airtight sealing systems to ensure safe transportation. From a sustainability perspective, no additional measures are applied, as the chemicals have a long shelf life.



We have delegated to an authorized operator in Bucharest the responsibility for managing packaging waste made of plastic, paper, cardboard, and wood, generated from the commercialization of products in the national market. Through this contract, we fully meet our obligations concerning the objectives of recovery and recycling of packaging waste, in accordance with the provisions of Law 249/2015 on the management of packaging and packaging waste, as well as the updated provisions of GEO 196/2005 regarding the Environmental Fund.

The analysis of the type of packaging is conducted before the conclusion of the contract, and the analyses are performed to enable proper sorting. However, return measures are not applied, except for wooden pallets, which are returned under certain conditions. Packaging is recovered through authorized operators.

Our approach to waste management follows the hierarchy established by legislation, which includes:

- Prevention and reduction of waste quantities;
- Preparation of waste for reuse;
- Recycling of waste;
- Other recovery operations, such as energy recovery;
- Disposal of waste

Field	Key performance indicator	Target	Achieved 2024
Sustainable use of materials	% vegetable material used in the product (polyol)	Exclusively disclosed"	666 tons with 30% vegetable material
Waste	Tons of waste recovered / tons of recoverable waste	min. 90%	90.6

The target was set considering all stages: production, usage stage, and the end of the functional lifespan of products and materials, the activity profile.

The waste target is a relative target, as it refers to the proportion of waste recovered in relation to waste that can be recovered.

The Quality-Environment Management Program, which serves as a supporting document for the Quality and Environment Policy, includes the planned necessary actions to achieve the objectives and targets regarding resource use and waste recovery.

Chimcomplex has set higher-level objectives concerning the circular economy and innovation, which include:

- Development of circular economy technologies and decarbonization technologies integrated into the current technological structure.
- Ensuring clean and affordable energy.
- Reducing the use of fossil resources and replacing them with renewable, green, or recycled materials from production

In this context, at Chimcomplex, **we aim to optimize processes by 2030** to reduce waste generation and to **implement closed-loop systems that allow for the recycling and reuse of materials** within our operations or their external recovery.

At Chimcomplex, the necessary resources are available annually (significant operational expenditures (Opex) and/or capital expenditures (Capex)) for implementing the necessary measures/actions for the responsible and sustainable management of resources/waste.

5.1.4 Targets related to resource use and circular economy

ESRS E5-3

At Chimcomplex, we have set measurable targets according to the disclosure requirements – MDR-T Targets – to monitor the effectiveness of policies and actions through targets, specifically for waste management, to fulfill the objectives of the Quality and Environment Policy. Nevertheless, we are strongly committed to the principles of the circular economy and responsible resource use, aiming towards a sustainable future.

We respect national targets regarding the recovery/recycling of waste as well as the obligations related to selective collection.



We also plan to transition to the use of renewable, recycled, or plant-based raw materials such as castor oil, soybean oil, and palm oil, with the goal of reducing reliance on fossil fuels and increasing the share of these alternative raw materials in our products. In the year 2024, 666 tons of polyols were manufactured using renewable plant-based raw materials (replacing 30% of the fossil raw materials with castor oil).

In addition, we will design products to facilitate disassembly, reuse, and recycling, collaborating with customers to ensure efficient collection and recycling of products at the end of their lifecycle.

We have improved our circular strategy: we focus on optimizing production processes to minimize waste generation and maximize recovery. At the Ferric Chloride Plant in Onești, Chimcomplex recovers waste from other industries, specifically used hydrochloric acid and mill scales, from which it obtains a product—ferric chloride—used as a coagulant in water treatment.

At Chimcomplex, we are preparing to recycle polyurethane waste to recover rigid polyols, PET waste to extract TPA used in plasticizers (terephthalic acid for plasticizers), and rubber waste to obtain pyrolysis oil. Additionally, we place special emphasis on efficient management of water and energy resources.

We plan to implement new projects for recycling waste generated at the end of the lifecycle of marketed products, such as the recycling of polyurethane foams and replacing primary raw materials.

Due to the specific nature of the activity, waste recycling is not largely feasible, but the company uses recyclable waste from other companies, as long as these meet the input requirements for the applied technological processes (for example, used HCl and mill scales used in the production of ferric chloride).

Our approach in 2024:

- Optimization of resource consumption.
- Increasing the share of renewable energy use.
- Use of advanced technologies (BAT - Best Available Techniques).
- Efficient use of energy in production processes

5.1.5 Resource inputs

ESRS E5-4

The significant resource inputs for Chimcomplex are presented below. The main raw materials used at both sites include: brine, limestone, propylene, lime, ethylene oxide, sulfuric acid, methanol, ammonia, sodium carbonate, antioxidants, coagulants, etc.

Quantitative information regarding resource inputs is presented in the table below.

Chimcomplex	Information about the materials used for manufacturing products during the reporting period:
Overall total weight of products and materials used during the reporting period. (tons)	459,833
Weight of reused or recycled secondary components, secondary intermediate products, and secondary materials used for manufacturing products (including packaging) (tons)	6500,155
Percentage of weight of reused or recycled secondary components, secondary intermediate products, and secondary materials used for manufacturing products (%)	1.41%

The methodology used for calculating the data involves processing the quantities from the report received from the Production Department, based on the entry documents of these resources.

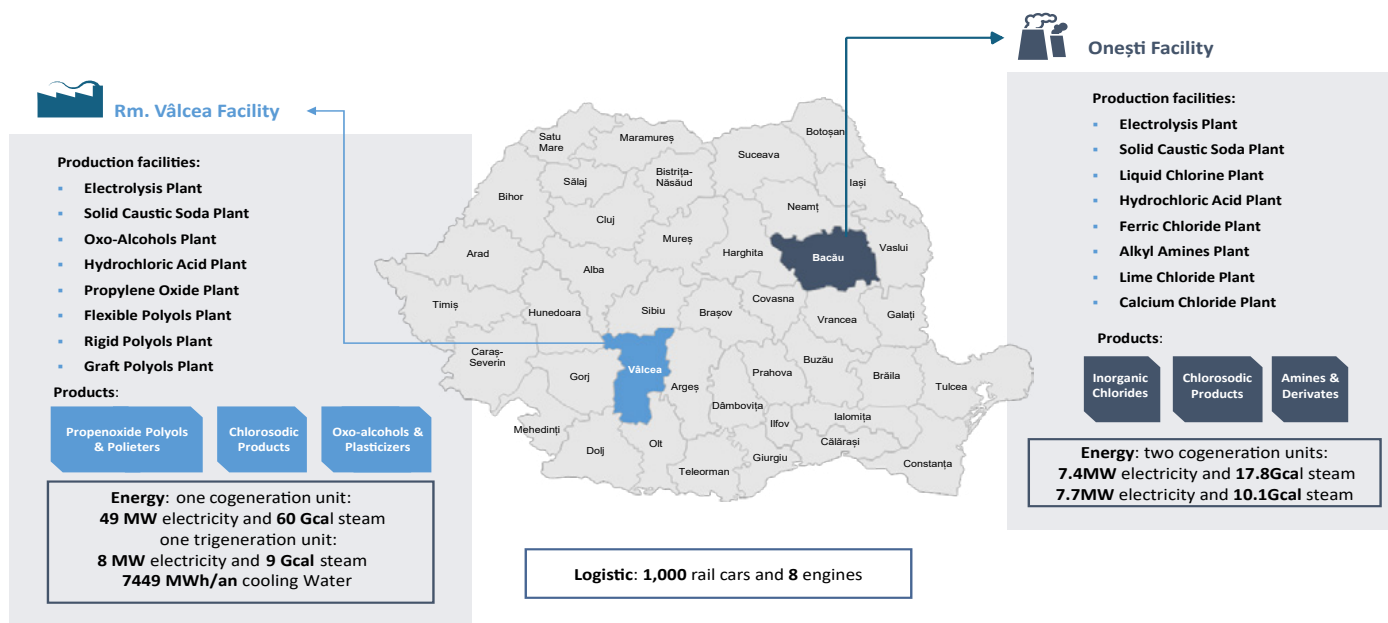
In 2024, Chimcomplex recovered waste from other industries at the Ferric Chloride Plant in Onești, specifically 1,399.405 tons of used hydrochloric acid and 4,100.75 tons of mill scales, from which it obtained ferric chloride—a product widely used in water treatment.



5.1.6 Resources outputs

ESRS E5-5

Chimcomplex is an internationally recognized brand, with its two industrial platforms. Due to its strategic geographical position, we are able to easily meet the demands of both the Western European market and the Eastern market.



The durability of our products, especially chemicals and basic products used in a wide range of industries (chemical, petrochemical, pharmaceutical, food, etc.), will depend on their performance in specific applications.

We offer a diverse range of products used in numerous essential industries, including metallurgy, steel industry, thermal energy, food and beverages, automotive, construction, mining, textiles, pulp and paper, pharmaceuticals, plastics, electronics, furniture, household appliances, packaging, sanitation and public hygiene, the furniture industry, automotive, and household appliances, inks and paints, among others.

Below we present a description of the materials and products that come from the production process of Chimcomplex:

• Caustic soda solution

It is used in the chemical industry for the production of soaps, detergents, pesticides, fertilizers, bleaching agents, and for the regeneration of ion exchangers; in the petrochemical industry for refining petroleum products; in the wood industry; in the textile industry for the production of cellulose and viscose; in the sugar industry; in the oil industry for purifying oils from free fatty acids; and in the aluminum industry.

• Caustic soda flakes

It has similar uses to caustic soda solution, but has the advantage of lower storage, handling, and transportation costs.

• Liquid chlorine

It is used in the chemical industry for organic and inorganic syntheses, in the production of chlorinated rubber, in the manufacture of plastics, in the synthesis of dyes and pesticides, in the pharmaceutical industry, in the paper industry as a bleaching agent, and for water chlorination.

• Hydrochloric acid

It is used in oil extraction for acidizing oil wells, in the metallurgical industry for steel pickling/degreasing, in the chemical industry for the production of inorganic salts, fertilizers, resins, and dyes, in the food and beverage industry, in the textile industry, in the pharmaceutical industry, for the regeneration of ion exchange resins, and in water demineralization stations.

• Sodium hypochlorite

It is used as a bleaching agent for textiles, detergents, cellulose, and paper, in the oxidation processes of organic products, in oil refining, for disinfecting water, and sterilizing sanitary installations.

• Polyether polyols

They are used in the synthesis of unsaturated epoxy polyurethane resins, elastomers, adhesives, antifoam agents, and in the manufacture of lubricants and brake fluids. Their most important use is in the production of flexible or rigid polyurethane foams. Polyurethane foams are obtained through a block or linear foaming process.

They are used in the furniture industry for upholstery, in the automotive industry for various components (dashboard, steering wheel), and for car upholstery. Additionally, they are used for thermal insulation at low temperatures (refrigerators, cold storage rooms). Polyurethane foams are also used for making foam cores for sandwich panels.

• Propylene glycol

It is mainly used in the production of antifreeze, polyether polyols, antifoam agents, in the paint and varnish industry, as a solvent for the production of printing inks and laundry detergents, as a plasticizer to improve the processing capability of plastics, and in the cosmetic and pharmaceutical industries.



- **Oxo-alcohols**

They are used in the manufacture of plasticizers, synthetic lubricants, surfactants, and antifoaming agents, as a solvent for animal fats, vegetable and mineral oils, and as a wetting and dispersing agent for textiles.

- **Isobutanol and n-butanol**

They are used in the lacquer industry based on nitrocellulose and alkyd resins, as a solvent for the manufacture of artificial leather, an extraction agent for oils, pharmaceuticals, perfumes, raw material for the production of hormones, vitamins, and as a solvent for oven-dried lacquers based on urea and phenolic resins.

- **Ferric chloride**

It is used as a flocculant in the treatment of drinking and industrial water, in the treatment of metal surfaces, in the electronics industry for the manufacture of integrated circuits, in chemical polishing, and in the electroplating of stainless steels, as a pigment for decorating ceramic objects.

- **Calcium chloride**

It is used as a de-icing agent for road maintenance in winter, as a dust control agent on unpaved roads, in the extractive industry (dust control in mining, additive in drilling muds), for the transportation and storage of ores in winter, as a drying agent in refrigeration technology, and as an additive in the food industry.

- **Bleaching powder**

It is used in public hygiene as a deodorizing and disinfecting agent, for water chlorination, in the pulp and paper industry as a bleaching agent, and in the textile industry.

- **Monomethylamine**

It is used in organic syntheses to produce insecticides, solvents, pharmaceuticals, explosives, anionic detergents, emulsifiers, dyes, polymers and polymerization catalysts, vulcanization accelerators, and photographic substances.

- **Dimethylamine**

It is used in organic syntheses to produce emulsifiers, corrosion inhibitors, insecticides and fungicides, solvents, pharmaceuticals, ion exchangers, chemical fibers, polymers and polymerization catalysts, vulcanization accelerators, and photographic substances.

- **Trimethylamine**

It is used in organic syntheses for the production of quaternary ammonium salts, choline chloride, emulsifiers, insecticides, solvents, pharmaceuticals, ion exchangers, dyes, detergents, and photographic substances.

- **Isopropylamine**

It is used as a corrosion inhibitor, in the manufacture of dyes, in the production of pharmaceuticals, and pesticides.

In the year 2024, the company primarily produced and delivered three categories of products:

- **Polyols** – polyethers with a share of 45% of total sales;
- **Chlor-alkali**- products with a share of 36% of total sales, of which liquid and solid caustic soda accounted for 26% of total sales;
- **Oxo products** – alcohols with a share of 15% of total sales.

The production and sale activities of chemical products carried out at the two Chimcomplex sites generate solid and liquid waste, both hazardous and non-hazardous, which are classified according to the codes established by current European legislation.

In the table below, we present the total quantities of generated waste (non-hazardous and hazardous), the total amount and percentage of recovered waste, and the total amount and percentage of non-recycled waste (disposed).

	Rm. Vâlcea site	Onesti Site	Total
Total waste generated (tons)	70,227	1,525	71,752
Non-hazardous waste generated (tons)	63,172	1,525	64,697
Hazardous waste generated (tons)	7,055	0	7,055
Non-hazardous + hazardous recoverable waste (tons)	7,959	203	8,162
Non-hazardous + hazardous waste recovered (tons)	7,196	201	7,397
Waste recovery percentage: recovered/recoverable *100 (%)	90.4	98.8	90.6
Non-recycled waste (disposed) (tons)	39,896	1,321	39,896
Non-recycled waste (%)	56.81	86.62	55.6

Additionally, in the table below, we present both the total weight for which disposal was avoided, with a breakdown into hazardous waste and non-hazardous waste and a breakdown by types of recovery operations (preparation for reuse, recycling, and other recovery operations), as well as the weight intended for disposal according to the type of treatment (incineration, landfill, and other disposal operations) of the waste and the total amount summing all three types, with a breakdown into hazardous waste and non-hazardous waste.

Type of waste	Type of operation	Vâlcea site	Onesti site	Total
Recovered waste				
Hazardous waste	Preparation for reuse (tons)	0	0	0
	Recycling (tons)	0	0	0
	Other recovery operations (tons)	5,030	0	0
Non-hazardous waste	Preparation for reuse (tons)	0	0	0
	Recycling (tons)	115	0	115
	Other recovery operations (tons)	2,051	201	2,252
Total recovered waste (tons)		7,196	201	7,397
Disposed waste				
Hazardous waste	Incineration (tons)	-	-	-
	Landfill (tons)	1,130	0	1,130
	Other disposal operations (tons)	-	-	-
Total hazardous waste intended for disposal (tons)		1,130	0	1,130
Non-hazardous waste	Incineration (tons)	-	-	-
	Landfill (tons)	38,766	1,321	40,087
	Other disposal operations (tons)	-	-	-
Recovered waste				
Total non-hazardous waste intended for disposal (t)		38,766	1,321	40,087
Total waste destined for disposal (t)		39,896	1,321	41,217



In the year 2024, we generated a total of 71,752 tons of waste across the two platforms, of which 8,162 tons were recoverable waste.

At Chimcomplex, we recovered through recycling, recovery, and the utilization of useful compounds 10.3% of the total waste generated throughout the year, which represents 90.6% of the total recoverable waste generated.

We manage waste according to the legislative hierarchy, focusing on preventing and reducing generated quantities, preparing for reuse, recycling, recovery through various methods, including energy recovery, and ultimately their disposal.

We have implemented a waste management system that allows for diversion from disposal through selective collection and recovery. Organic waste residues are recovered through incineration in our own facilities at Rm. Vâlcea, with steam recovery. Packaging waste, scrap iron, used tires, and waste electrical and electronic equipment are handed over to authorized economic operators for recovery. These measures contribute to avoiding waste disposal in landfills, thereby promoting sustainable waste management.

At each site, the generated waste is temporarily stored in specially designated areas, with hazardous waste separated from non-hazardous waste.

We keep records of waste in accordance with current legislation, and their transport for recovery or disposal is carried out by authorized operators, in compliance with Government Decision 1.061/2008, based on service contracts.

The waste resulting from technological processes on the two platforms is both non-hazardous and hazardous. Due to the nature of the technologies, we do not generate recyclable waste of our own, but we can utilize waste from outside the sites (used HCl, mill scales).

As mentioned, some of the non-hazardous waste is recoverable (old iron, paper, polyethylene, wooden packaging waste (pallets), metal packaging waste, galvanized sheet metal, stainless steel, aluminum, Monel, waste from decommissioned electrical and electronic equipment) and is collected and handed over to authorized operators.

Non-hazardous waste generated in the year 2024 was from the categories:

- Wooden packaging waste.
- Metal packaging waste.
- PE+PP packaging waste.
- Paper and cardboard packaging waste.
- Old iron/stainless steel waste.
- Galvanized sheet metal.
- Aluminum waste.
- Waste electrical and electronic equipment.
- Metallic mixture waste (Monel).
- Inorganic sludge from brine purification.
- Waste from lime slaking.
- Residues from lime calcination.
- Sludge from wastewater treatment.
- Soil and stones without hazardous substance content.
- Insulating material waste.
- Household waste.

Hazardous waste generated in the year 2024 was from the categories:

- Heavy oil residues from Oxo Alcohols distillation.
- Lead batteries and accumulators.
- Used oils.
- Used catalysts from the Oxo Alcohols Plant.
- Cake from polyols filtration.
- Dichloropropane residues.

Our company's approach to waste management follows the hierarchy established by legislation, namely:

- Prevention and reduction of waste quantities.
- Preparation of waste for reuse.
- Recycling of waste.
- Other recovery operations, such as energy recovery.
- Disposal of waste.

At each site level:

- The generated waste is temporarily stored in specially designated areas, with hazardous waste separated from non-hazardous waste.
- Waste management records are maintained in accordance with current legislation.
- Waste transportation for recovery/disposal is carried out by authorized operators, in compliance with Government Decision 1.061/2008, based on service contracts.

For the disposal of non-recoverable non-hazardous waste, we have an ecological landfill for solid non-hazardous waste on each platform, constructed and operated in accordance with current legal regulations regarding waste disposal. For the waste generated, for which we do not have recovery/disposal facilities, we have service contracts with authorized economic operators for the disposal/recovery of entrusted waste.

Waste diverted from disposal

A series of waste generated from the company's activities:

- Chlorinated organic residues.
- Packaging waste.
- Scrap iron waste.
- Used tires.
- Waste electrical and electronic equipment.

They are selectively collected and either incinerated in the incineration facilities with steam recovery at the Rm. Vâlcea site (chlorinated organic residues), or handed over for recovery to authorized economic operators, thus avoiding waste disposal in landfills through these actions.

Additionally, the Onești platform is authorized and collects waste of used hydrochloric acid from pickling and tunder crusts from metallurgical activities, which are recovered in the ferric chloride production facility

Waste directed for disposal

For non-recoverable waste and waste for which we do not have recycling/recovery solutions, such as inorganic sludge from brine filtration, sludge from wastewater treatment, cake from filtration of obtained products, etc., the company has a landfill for non-hazardous waste disposal on each of the two platforms. Additionally, for waste that cannot be disposed of at these landfills, we have contracts with authorized operators for the disposal of the generated waste.

Rm. Vâlcea site

For the year 2024, the overall target for packaging recovery placed on the market was achieved at 74.7%, compared to the threshold of 65% stipulated by GEO No. 196/2005 regarding the Environmental Fund, with subsequent amendments. The recovery and recycling of packaging waste is carried out through a contract with a specialized company that takes over this waste.

Onești site

In the year 2024, responsibility for managing packaging waste made of plastic, paper, cardboard, and wood was transferred to an authorized operator. This waste is generated from the commercialization of Chimcomplex products on the national market. The overall recovery target achieved for 2024 was 60.81%, according to declarations from the operator who took over the responsibility for managing this waste on behalf of Chimcomplex.

We fully meet our obligations regarding the recovery and recycling targets for packaging waste, in accordance with the provisions of Law 249/2015 on the management of packaging and packaging waste and GEO 196/2005 regarding the Environmental Fund, as updated.

5.1.7 Anticipated financial effects of impacts, risks, and opportunities related to resource use and circular economy

ESRS E5-6

The anticipated financial effects of risks and opportunities related to resource use and circular economy have not been evaluated or quantified in detail.





Social Information



ESRS S1

OWN WORKFORCE

6.1 Strategy and concepts related to own workforce

6.1.1 Interests and viewpoints of stakeholders

ESRS 2 SBM-2

In this report, when referring to the CRC group consisting of Chimcomplex SA Borzești, A5 Invest SRL, Logiserv SRL, Greencomplex, A6 IMPEX, Sistemplast, and CRC Worldtrade SRL, we use the term Chimcomplex.

At Chimcomplex, we pay particular attention to the interests, viewpoints, and rights of individuals within our own workforce, integrating these aspects into our strategy and business model. Employees are the most important asset at Chimcomplex for achieving our established objectives. A quality working environment and employee well-being are priorities, directly impacting employee performance.

To achieve our objectives, we have a specialized and well-trained workforce in our fields of activity. At Chimcomplex, employees enjoy a professional work environment, development opportunities, and fair working relationships. Their performance is objectively evaluated, and personal safety and security are priorities.

In addition, according to the Collective Labor Agreements at Chimcomplex SA Borzești, Sistemplast, and A5 INVEST SRL, social protection measures, bonuses, and other benefits are offered.

At Chimcomplex SA Borzești, we offer benefits according to the Collective Labor Agreement, which include working conditions, vacation days, monetary assistance, health and safety at work, professional training, private medical subscription, meal vouchers, and vacation vouchers.

Chimcomplex SA Borzești maintains an active dialogue with unions to ensure a **solid social balance** and to harmonize employee expectations with the company's capabilities. This dialogue is essential for promoting harmonious labor relations.

Chimcomplex is committed to respecting human rights, in accordance with the Universal Declaration of Human Rights and other international conventions. The company promotes a safe and healthy work environment, diversity and inclusion, and prohibits any form of discrimination or harassment.

These measures demonstrate Chimcomplex's commitment to integrating the respect for employee rights and human rights into its business strategy, thereby contributing to a sustainable and responsible business mode.

6.1.2 Significant impacts, risks, and opportunities and their interaction with the strategy and business model

ESRS 2 SBM-3

At Chimcomplex, we identify workplace health and safety risks in accordance with our internal procedure for risk identification and assessment, which is developed based on the methodology approved by the National Institute for Research and Development in Labour Protection (INCDPM) and the Ministry of Labour. The risk assessment is conducted by accredited evaluators who have completed a 180-hour accredited training course on risk assessment. Additionally, this process involves the occupational health physician, section and department heads, and worker representatives.

In the risk assessment process, we consider legal requirements, the working system, accidents, non-compliance incidents, employee suggestions, medical observations, as well as national and international best practices.

After assessing workplace risks and ranking the identified factors based on their risk level, we establish preventive and protective measures of a technical, organizational, hygienic-sanitary, and other nature necessary to ensure the safety and health of workers.

We review the risk factors for accidents and occupational illnesses in the following situations:

- Whenever there are changes or modifications regarding technology, work equipment, substances, or chemical preparations used in workplace arrangements.
- After an event occurs.
- Upon the discovery of omitted risks or the emergence of new risks.
- When the workstation is used by a worker belonging to groups sensitive to risks.
- When performing special work.

At Chimcomplex, we have identified and assessed workplace hazards based on risk assessment sheets and risk level calculations for each job position. We encourage all workers to report any potential situations that could cause an accident. Additionally, if situations arise that could endanger workplace safety and health, any worker in the respective section/department has the right to stop work and the obligation to immediately inform their superior.

Any individual or organization has the right to submit a request, complaint, notification, or suggestion to the company's management to inform about situations, conditions, or actions that could negatively affect the normal course of activities, the health and safety of employees and citizens, the local community, the environment, legal compliance, or to make accusations against a person, group of persons, or a specific subdivision within the company, or to express dissatisfaction or protest against a situation considered abusive or illegal.

To improve the health and safety management system, we conduct periodic inspections in all production units on both platforms. The purpose of these inspections is to identify any non-conformities and to implement appropriate corrective measures.

Due to the importance of this aspect both for us and our employees, and considering our objective set within the sustainability strategy, we consistently focus on identifying the best solutions to help us improve our health and safety performance. Annually, we conduct an assessment of our performance, following which we develop an action plan to be implemented, such as:

- Ensuring that all workers use personal protective equipment while performing activities on company premises and enforcing disciplinary action for non-compliance.
- Operating any machinery, equipment, or installations only according to the operating regulations, which include: work instructions, occupational health and safety instructions, emergency instructions, approved in accordance with legal provisions.
- Zero tolerance for the consumption of alcoholic beverages, narcotics, or hallucinogenic substances during work hours or arriving at work under their influence, as well as facilitating such actions.

- Zero tolerance for process modifications, conducting experiments on industrial installations, or workers using improvisations.
- Disciplinary action against both workers who violate occupational health and safety legislation and supervisors who tolerate these violations.

All work-related accidents occurring on the company's platforms must be reported to the Territorial Labor Inspectorate in accordance with Romanian legal provisions. For serious accidents, the Territorial Labor Inspectorate is responsible for the investigation as per the legislation. Additionally, to take immediate measures to prevent similar events, Chimcomplex initiates an internal investigation.

In the case of minor accidents or those resulting in temporary work stoppage, we establish an internal investigation committee to examine their cause and provide recommendations for improvement or correction.

During 2024, one work-related accident was recorded at Chimcomplex SA Borzești and one work-related accident at the Sistemplast workplace. No work-related accidents were recorded at the other companies in the group.

The real and potential effects on the workforce identified in the double materiality assessment are related to our business model and help adjust our strategy. In the process of identifying impacts, risks, and opportunities (IRO) related to our own workforce, we included both Chimcomplex sites and the value chain.

Impacts, risks, and opportunities are identified and assessed as part of the materiality analysis process through an internal workshop and consultation of other sources. The results are presented in the table below.



Impacts, risks, and opportunities are identified and assessed as part of the materiality analysis process through an internal workshop and consultation of other sources. The results are presented in the table below.

Subtopic	Impact description	Location in the value chain	Time Horizon	Strategic approach
Working conditions	Actual positive impact on employees due to optimal working conditions supported by the implementation of appropriate policies	Own operations	Short, medium and long term	At Chimcomplex, we have implemented appropriate policies related to working conditions: the Remuneration Policy, the Human Rights Policy, and the Collective Labor Agreement. Additionally, at Chimcomplex, we have implemented a series of measures to ensure safe working conditions and protect employee health (employee training, identification of workplace safety and health risks, preventive maintenance of equipment, safety systems in case of failure, occupational health and safety management system)
	Potential negative impact: The industry in which Chimcomplex operates carries a high risk for employees of being exposed to fires, accidents, or contact with hazardous substances. Additionally, if the measures adopted for working conditions, accidents, regulatory violations, and lack of transparency are not properly managed, a significant negative impact on the company's reputation can occur.	Own operations	Short, medium and long term	
	Potential negative impact that may occur if employee rights are not respected, in which case key employees might choose to leave the organization, leading to a decrease in Chimcomplex's ability to achieve its strategic objectives	Own operations	Short, medium and long term	
Equal opportunities and treatment for all	Actual positive impact through the adoption of internal policies ensures equal development opportunities and treatment for all employees.	Own operations	Short, medium and long term	
Other rights related to the work of own employees	Actual positive impact on Chimcomplex employees due to the periodic improvement of internal policies	Own operations	Short, medium and long term	

Subtopic	Description of risks/opportunities	Financial effect
Working conditions	Opportunity regarding the development of dedicated policies and the use of technologies to increase employee safety and satisfaction levels. Companies that prioritize workplace health and safety not only protect the well-being of their employees but also enhance their market position by attracting more business opportunities and strengthening their reputation.	Effect on financial performance Effect on cash flows
	Financial risk related to the costs of compliance with safety regulations and continuous employee training. Non-compliance with regulations or the use of unsafe practices can lead not only to legal penalties but also to a loss of market credibility	Effect on financial performance Effect on cash flows
Equal opportunities and treatment for all	Opportunity: By fostering diversity and inclusion, ensuring pay equity, and facilitating ongoing professional development opportunities, the company not only cultivates a harmonious and respectful work environment but also strengthens its competitive advantage in the market. This demonstrates a deep commitment to the core values of social responsibility and organizational sustainability	Effect on financial performance Effect on cash flows Effect on asset value
Other rights related to the work of own employees	Opportunity: By demonstrating its commitment to the well-being of its employees, Chimcomplex can significantly enhance its market reputation and increase employee retention.	Effect on financial performance Effect on cash flows Effect on asset value



6.1.3 Policies related to own workforce

ESRS S1-1

At Chimcomplex, we ensure a safe, competitive, and fair working environment, free from prejudice, where human rights are respected.

Any employee working at Chimcomplex benefits from working conditions appropriate to the activity performed, social protection, workplace safety and health, as well as respect for their dignity and conscience, without any discrimination.

We create conditions at Chimcomplex where employees feel a sense of belonging within the company and express their desire to contribute to its progress.

At Chimcomplex SA Borzești, we have adopted **policies** to manage material impacts, risks, and opportunities related to our own workforce, in accordance with the minimum reporting requirements established in MDRP within ESRs 2.

For the other companies in the group, workforce policies have not yet been adopted. Next year, **we plan to extend the policy applied at Chimcomplex SA Borzești to the entire group.**

These policies, described below, are designed to ensure a safe, fair, and inclusive working environment, while also protecting employee rights and promoting their professional development.

- **Human Resources Policy:** described below.
- **Diversity, Equality, and Inclusion Policy:** described below.
- **Internal Policy on the Prevention and Combating of Sexual and Moral Harassment:** described below.
- **Human Rights Policy:** described below.
- **Workplace Safety and Security Policy:** described below.
- **Sustainable Development Policy:** described below.

- **Internal Whistleblower Policy:** This policy is described within the ESRs G1-1 theme – Policies on Professional Conduct and Corporate Culture.
- **Remuneration Policy:** This policy is described within the ESRs2 GOV-3 theme – Integration of Sustainability-Related Performance into Incentive System.

Additionally, at Chimcomplex SA Borzești, the Collective Labor Agreement mentions aspects related to:

- **Working and rest time:** There are limitations on overtime, with specific conditions under which it can be performed, and provisions for rest periods.
- **Adequate wages:** For the work performed, based on the individual employment contract, each employee is entitled to a salary.
- **Social dialogue:** The contract encourages social dialogue, with provisions for the administration to consult the representative union on matters of professional, economic, and social interest.
- **Freedom of association/collective bargaining:** The contract recognizes freedom of opinion and association for employees, and the administration is obliged to remain neutral and impartial towards union members.
- **Work-life balance:** The contract provides for annual leave and other types of leave, ensuring that employees can balance work and personal life.

1. Human Resources Policy

The Human Resources Policy of Chimcomplex SA Borzești applies to all employees and addresses several aspects, including:

- **Recruitment and selection:** Focuses on adhering to the principles of equal opportunity and transparency. The recruitment and selection process concentrates on identifying the skills necessary for the role, evaluating them through various methods such as interviews and tests, as well as identifying the ideal candidate profile.

- **Training and professional development:** Continuous training is an integral part of Chimcomplex's organizational culture. Every employee understands the importance of constantly enriching their knowledge and skills. The Human Resources Department organizes professional and personal development courses according to an annual plan based on identified training needs. Through these initiatives, employees acquire and develop the knowledge necessary for achieving company objectives and personal progress.
- **Performance management:** Aims to motivate employees to support the achievement of organizational goals, improve results, and develop their skills. It is based on open dialogue between superiors and subordinates, using objective feedback to improve performance. Clear objectives and challenging activities contribute to employee development, and annual evaluations are used for training, promotion, and financial rewards.
- **Career development:** Focuses on ensuring the necessary execution and leadership personnel and providing advancement opportunities for employees with potential. The key principles are competence, competition, equal opportunity, professionalism, motivation, and transparency. The process targets motivating and retaining high-performing employees, with hierarchical superiors actively involved in identifying potential leaders and developing employee careers, supported by the Human Resources Department for their training.
- **Internal communication:** Includes all information transmission processes within the organization. It is based on transparency and honesty, aiming to facilitate the exchange of information and knowledge.
- **Equal opportunity:** Chimcomplex is committed to promoting and ensuring equal opportunities and treatment for all employees, without discrimination based on gender, sexual orientation, age, race, ethnicity, religion, political beliefs, disability, or any other personal characteristic. The company aims to eliminate any form of discrimination and ensure a work environment that supports the full exercise of fundamental human rights.
- **Job satisfaction:** Focuses on assessing employee satisfaction regarding working conditions, organizational climate, and the Human Resources Department's response to their requests. The objective is to identify measures to improve job satisfaction and balance professional and personal life, contributing to creating a positive and motivating work environment that supports employee well-being and achieving organizational goals.
- **Customer orientation:** The customer orientation section emphasizes Chimcomplex's commitment to promoting a customer-centric culture, prioritizing their needs through listening, understanding, and appropriate actions. The company encourages employees to empathize with customers, anticipate their desires, and actively improve their experience. The goal is to build lasting relationships with customers, focusing on long-term value, not just short-term transactions.





2. Diversity, Equality, and Inclusion Policy

The purpose of the Diversity, Equality, and Inclusion Policy of Chimcomplex SA Borzești is to promote a dignified and protective working environment that supports diversity and inclusion both within the company and in its relationships with business partners.

The principles of diversity, equality, and inclusion specified in our policy are:

- *Equal employment opportunities* – National legislation on equal opportunities is respected, without discrimination, and candidate selection is based solely on skills and professional experience.
- *Equal opportunities and treatment* – Fair treatment is ensured between women and men at all stages of the employment relationship, including recruitment, remuneration, benefits, and professional development programs.
- *Internal inclusion* – The company invests in employee development, providing training opportunities and effective communication channels to leverage the diversity and potential of each employee.
- *External inclusion* – The principles of diversity and inclusion are promoted in business relationships, encouraging partners to adopt best practices for the sustainable development of society

The policy is an integral part of the sustainability programs of Chimcomplex SA Borzești, aiming to raise awareness and manage diversity and inclusion for the sustainable development of the company and society.

3. Internal Policy on the Prevention and Combatting of Sexual and Moral Harassment

At Chimcomplex SA Borzești, we strive to provide both employees and business partners with a high-trust working environment, maintaining zero tolerance for any violation of legal provisions that could negatively affect the work environment, reputation, image, and credibility of the company.

Through this Internal Policy on the Prevention and Combatting of Sexual and Moral Harassment in the workplace, we aim to establish a clear and effective framework for preventing, identifying, and addressing cases of sexual and moral harassment within the organization.

The purpose of this Policy is to ensure a safe, respectful, and inclusive working environment for all employees, where each person is treated with dignity and respect, regardless of gender, sex, or any other personal characteristics.

The policy aims to:

- Establish a clear and effective framework for preventing, identifying, and addressing cases of harassment based on sex and moral harassment within the organization.
- Promote respect and equality: Ensure a work environment that fosters mutual respect and equal opportunities for all employees.
- Prevent harassment: Implement proactive measures to prevent all forms of harassment, including sexual and moral harassment.
- Identification and reporting: Establish clear procedures for identifying and reporting harassment cases, encouraging employees to report incidents without fear of retaliation.
- Investigation and resolution: Ensure fair, impartial, and confidential investigations of all harassment complaints and take appropriate measures for their resolution.
- Support and protection: Provide support and protection for employees affected by harassment, including counseling and measures to protect against retaliation.
- Education and awareness: Develop and implement education and awareness programs for all employees to better understand what constitutes harassment and how it can be effectively prevented and addressed.

This Policy reflects our commitment to maintaining a safe and professional working environment, where every employee feels valued and respected.

The implementation of this Policy is essential for ensuring a healthy and productive organizational climate. The scope of the policy extends to all aspects of work relationships and professional interactions within the company.

Additionally, the Internal Regulations (chapter 9) address issues related to the rules on respecting the principle of non-discrimination and eliminating any form of violation of dignity.

4. Human Rights Policy

At Chimcomplex SA Borzești, there is a **Human Rights Policy that applies to employees (including top management), suppliers, customers, and stakeholders**. This policy reflects our commitment to respecting human rights in accordance with national and international principles, aligned with Labor Law, the European Convention on Human Rights, the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations (UN) Global Compact, and the UN Guiding Principles on Business and Human Rights.

Respecting human rights is a priority for us, therefore we have integrated this policy into both our Sustainability Strategy and our Code of Ethics and Collective Labor Agreement.

The commitments of the Policy are:

- Promoting and protecting the rights and well-being of employees, communities, and society.
- Ensuring a safe and healthy working environment.
- Promoting diversity and inclusion and preventing discrimination or harassment.
- Respecting laws and the rule of law in all activities.

Regarding the **processes and mechanisms for monitoring compliance**, the policy is reviewed and updated to ensure adherence to international best practices. Grievance mechanisms are used to prevent and manage negative impacts on employees and communities.

Awareness and communication are essential for supporting our commitment to human rights. We are committed to making the Human Rights Policy public so that its content is known and respected by all stakeholders. Additionally, the importance of raising awareness and providing professional training in the field of human rights is emphasized. In this sense, we ensure the training of employees and communicate this policy to collaborators so that they can, in turn, train their own employees.

Grievance mechanisms provide a channel for identifying and resolving negative impacts on human rights, and the company is committed to addressing all complaints received, regardless of their nature.

5. Occupational Health and Safety Policy

The safety of employees in the workplace is a major concern for us. Through the **Occupational Health and Safety (OHS) Policy**, all workplace safety standards regarding employee safety are adhered to, in accordance with ISO 45001:2018.

This policy covers both our employees and subcontractors.

The OHS policy stipulates measures for preventing incidents, the occurrence of occupational diseases, and ensuring the proper functioning and conduct of activities according to established safety standards.

Our target for OHS 2025 is Zero accidents.

6. Sustainable Development Policy

Among the priority actions of the sustainable development strategy within Chimcomplex SA Borzești that refer to the own workforce are:

- Continuous training and professional development of employees to enhance their skills.

Internal policies are disseminated to department heads and communicated to their subordinate employees, who acknowledge receipt with a signature.

Through the annual report monitoring the established actions, the results obtained are analyzed against the set indicators, improvement proposals are made, and future actions are determined.

At Chimcomplex, we encourage employees to use communication channels to submit proposals or suggestions in this regard, either verbally or in writing.

The person at the highest level within Chimcomplex SA Borzești **responsible for implementing policies** related to the own workforce is the Deputy General Manager.

6.1.4 Processes for collaborating with own workers and worker representatives on impacts

ESRS S1-2

The purpose of performance management at Chimcomplex is to motivate employees to contribute to achieving objectives, improving performance, and developing skills. Productive employees are a valuable resource for the company, and their individual qualities contribute to the organization's success. Individual performance is directly correlated with organizational performance.

At Chimcomplex SA Borzești and affiliated companies (Sistemplast and A5 INVEST), Occupational Health and Safety Committees (CSSM) are established (in accordance with legal provisions) to ensure collaboration and employee involvement in developing and implementing decisions in the field of occupational health and safety, with the aim of improving working conditions, preventing workplace accidents, and preventing occupational illnesses.

The Occupational Health and Safety Committees meet quarterly to inspect workplaces. Irregularities, deficiencies, and deviations from occupational health and safety legislation are reported to the company management and the Representative Union through a report signed by all CSSM members.

Regarding significant, real, and potential impacts, both positive and/or negative, related to our own workforce, at Chimcomplex we encourage employee involvement in decisions or activities aimed at managing these impacts.



We are fully aware of the crucial importance of dialogue with unions to ensure a stable social balance within our organization.

The unions within Chimcomplex SA Borzești that were active in 2024 are:

- Chimistul Onești Union.
- Chimistul Oltchim Rm. Vâlcea Union.
- MENTCHIM Free Union affiliated with the Federation of Free Unions in Chemistry and Petrochemistry.

We recognize the fundamental role that this exchange of opinions plays in strengthening harmonious labor relations and achieving common objectives. The relationship between the unions and the company management is based on constructive dialogue, aimed at aligning employee expectations with the company's capabilities, while ensuring compliance with the stipulations of the Collective Labor Agreement, as well as consultation and negotiation within the joint committee.

This collaboration focuses on mitigation approaches and evaluating the effectiveness of impact mitigation.

The collective labor agreement is concluded under Article 110 of Law No. 367/2022 on social dialogue, between the Representatives of the Chimcomplex SA Borzești Administration and the Representatives of the Chimistul Oltchim Union, as the representative union at the Company level, for a period of 24 months (Onești and Rm. Vâlcea sites).

For Sistemplast employees, the collective labor agreement is concluded between the Representatives of the Sistemplast Administration and the representatives of the MENTCHIM Free Union, and for A5 INVEST SRL, the collective labor agreement is concluded between employee representatives and the Administrator.

The modification, suspension, or termination of the Collective Labor Agreement occurs only under the conditions expressly provided by law or by the agreement of the parties.

Information to employees is communicated through channels for communication and consultation/participation with employee representatives (Union). Communication channels are established both vertically and horizontally, and Chimcomplex considers the opinions and suggestions of all employees, being open to any proposals.

Financial resources allocated for collaboration with employees: The company provides the necessary material resources for the functioning of the Representative Union. Union representatives, called upon or delegated to various union actions within the country for one or more days, will be considered on delegation, and the related expenses (per diem, transport, accommodation) may be covered from the company's funds, in compliance with internal procedures regarding travel, accommodation, and per diem expenses. Participation of union members in meetings organized according to the statute, during working hours, with the Administration's approval, will not affect their salary rights for this period.

In the event that situations arise within the Company leading to a reduction in activity or reorganization of the production process, which would result in the termination of employment contracts, the Administration is obliged to inform the Union about these situations and to undertake the following measures together:

- Identify and utilize opportunities to reassign employees to other departments within the Company;
- Prioritize employees in such situations for retraining courses that align with the Company's future objectives.



At Chimcomplex, we promote diversity, equality, and inclusion throughout the value chain, with employees and management participating directly.

We understand and value diversity, providing equal opportunities to all individuals, as these differences can lead to positive outcomes, ensuring success at individual, team, and organizational levels.

Emphasis is placed on raising awareness among all employees and stakeholders about the principles of diversity and inclusion.

The General Manager represents the highest function and role at Chimcomplex SA Borzești, holding operational responsibility to ensure that this collaboration takes place.

6.1.5 Processes for remedying negative impacts and channels through which own workers can express their concerns

ESRS S1-3

Problem resolution is a crucial aspect of our activity. At Chimcomplex SA Borzești, we have implemented specific channels through which employees can directly express their concerns or needs. Additionally, we have an internal **Whistleblower Policy**, which is described in the ESRS G1-1 section on Corporate Culture and Policies regarding *Professional Conduct and Corporate Culture*.

Currently, for the other companies in the group, we do not have specific policies regarding whistleblower protection. For 2025, we aim to extend the existing Whistleblower Policy at Chimcomplex SA Borzești to cover all companies within the group.

Internal communication includes all the processes of information transmission within the organization. Transparency and honesty are the basic requirements of efficient and open internal communication, aimed at conveying and exchanging information and knowledge.

Communication channels are established both vertically and horizontally, and we take into account the opinions and suggestions of all employees, being open to any proposals.

In the event of **identifying significant negative impacts** on employees, caused directly or indirectly by the company's activities, we implement clear processes **to address and remedy these situations** in a prompt, fair, and efficient manner:

1. **Identification and assessment of negative impacts:** Through internal evaluations and feedback channels, we collect information about potential issues affecting employees.
2. **Employee consultation:** During social dialogue sessions and regular meetings, employees can voice concerns, and solutions are discussed and developed collaboratively.
3. **Adoption of remedial measures:** In the event of an identified impact, we implement appropriate corrective actions, such as:
 - Adjusting working conditions.
 - Financial support or assistance for affected employees.

- Disciplinary measures, if applicable, to prevent the recurrence of similar situations.

We apply a continuous process of evaluating and improving corrective measures, ensuring the involvement of stakeholders, including affected employees, in identifying solutions and monitoring their implementation.

To encourage transparency and open communication, we provide employees with multiple channels through which they can express concerns or grievances:

1. **Employee email address:** A channel where employees can report issues related to working conditions, discrimination, or other negative aspects.
2. **Regular feedback sessions:** Management teams organize active listening sessions to address employee concerns.
3. **Human Resources Department:** This department plays a central role in processing and resolving complaints, providing support to employees in managing reported issues.
4. **Union representatives:** We actively collaborate with union representatives to ensure that employee needs and concerns are appropriately expressed and addressed

To ensure the effectiveness of remedial measures:

- We monitor the impact of implemented solutions through continuous feedback from employees.
- We periodically evaluate the remediation processes using performance indicators.
- We conduct internal audits to verify the compliance of corrective measures with ethical standards and best practices





Our commitment to transparency and continuous improvement is reflected in the serious treatment of each concern, and the remedial processes are deeply integrated into the organizational culture.

To ensure the **effectiveness of processes and communication channels**, we have established the following measures:

- **Continuous monitoring:** All received complaints are recorded, analyzed, and resolved in accordance with internal policies.
- **Periodic reports:** The Human Resources Department prepares reports on the issues raised and the solutions implemented, which are discussed at the managerial level.
- **Internal audit:** Processes and channels are periodically evaluated to identify possible improvements.
- **Stakeholder involvement:** The company encourages users of these channels to provide feedback on their accessibility and effectiveness.

To ensure that employees are aware of and trust these structures and processes, Chimcomplex periodically conducts:

- **Information sessions** to ensure employees are familiar with the available mechanisms.

Chimcomplex has adopted strict policies regarding the protection of individuals who use these structures and processes.

- **Protecting whistleblowers** by anonymizing the identity of those who report issues through dedicated channels by the designated person.
- **Prohibiting any retaliation** against employees who express concerns, in accordance with national and international legislation.
- **Continuous training of leaders** and HR personnel to ensure the ethical and impartial management of employee concerns.

We recognize the importance of monitoring the Policy on the Prevention and Combatting of Sexual and Moral Harassment at the Workplace and will ensure its application.

The heads of departments, services, divisions, and those responsible for handling harassment cases will monitor and report to the company's management on the compliance with the application of the Guide's provisions by the end of the first quarter of each year for the previous year, including the number of recorded incidents and how they were resolved, as well as any recommendations made.

The management of Chimcomplex promotes the use of communication channels for submitting harassment complaints/reports and signaling situations of sexual and moral harassment at the workplace, under conditions of security and confidentiality.

To monitor the processes of sexual and moral harassment at the workplace, Chimcomplex opens email accounts dedicated to reporting harassment cases. These are managed by the secretary of the committee for receiving and resolving harassment cases.

6.1.6 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

ESRS S1-4

Preventing significant impacts and mitigating risks is a current concern at Chimcomplex. In this regard, the company implements clear measures within its policies, ensuring responsible and efficient conduct of activities.

The Internal Regulations, as well as relevant policies for the own workforce, are updated to align with new legal regulations and union requirements in the CCM negotiation process. The Whistleblower Policy applies to all employees.

Additionally, a series of measures have been planned to efficiently manage the material impact, risks, and opportunities associated with the workforce, in accordance with ESRS 2 MDR-A.

OCCUPATIONAL HEALTH AND SAFETY

Chimcomplex takes **the following measures** regarding occupational health and safety to address **negative impacts and manage relevant risks**:

- **Ensuring a safe work environment:** The company is committed to providing safe and healthy working conditions for employees, contractors, and visitors, in compliance with relevant occupational health and safety regulations.
- **Equipment maintenance:** Ensuring and maintaining work facilities and equipment so they can be used safely and without risks.
- **Chemical management:** Minimizing risks in the use, handling, storage, and transportation of chemicals.
- **Training and supervision:** Providing adequate information, work instructions, training, and supervision to ensure the safety of all employees.
- **Communication and improvement:** Encouraging discussions between employees and management regarding occupational health and safety and proposing improvement measures through the Occupational Health and Safety Committee.
- **Risk assessment:** Identifying and assessing the risks of accidents and occupational illnesses specific to each workplace and establishing prevention and protection measures.



The measures also aim to achieve significant positive impacts, such as: a safer work environment, increased employee morale, and a positive organizational culture.

The employer takes the necessary steps to protect the safety and health of employees, including activities for the prevention of occupational risks, information and training, as well as implementing the organization of workplace safety and the necessary means for it, while adhering to the following general principles of prevention:

- Avoiding risks.
- Evaluating risks that cannot be avoided.
- Combating risks at their source.
- Adapting work to the individual, especially in terms of workplace design and the selection of equipment and methods for repetitive tasks, as well as minimizing health effects.
- Considering the evolution of technology.
- Replacing dangerous elements with non-dangerous or less dangerous ones.
- Planning prevention measures.
- Prioritizing collective protective measures over individual protective measures.
- Informing employees about appropriate instructions.

The company's internal prevention and protection service is responsible for implementing these measures, adhering to the principles of the ISO 45001:2018 occupational health and safety management system. Staff members are responsible for complying with these measures and instructions.

Chimcomplex has a **detailed prevention and protection plan** that is periodically updated, along with a dedicated program for managing workplace health and safety.

Additionally, the company implements an internal inspection program and a hazardous chemical management plan to minimize risks and impacts on employee health and safety.

To enhance employee protection, we have implemented a signaling system that provides clear information about risks and hazards, establishes prohibitions, marks emergency exits, and identifies first aid points and protective equipment.

Each employee is provided with appropriate protective equipment for their workplace, and all facilities are equipped with first aid kits and emergency showers. Furthermore, for employees working under special conditions, we offer protective nutrition and necessary hygiene materials.

Risk assessment takes into account legal requirements, work organization, accidents and non-compliance incidents, employee suggestions, medical observations, and best national and international practices. After identifying and ranking risks, prevention and protection measures are established, which may include technical, organizational, sanitary, and other measures to ensure a safe working environment.

The **review of risks of accidents** and occupational illnesses is conducted in the following cases:

- Changes in technology, equipment, or substances used in the workplace.
- Identification of previously unassessed risks or the emergence of new risks.
- Use of the workplace by employees from sensitive groups.
- Execution of special tasks.
- Following the occurrence of an incident.

Workplace hazards have been assessed based on risk assessment sheets and risk level calculations for each job position. We encourage all employees to report any situation that could lead to an accident. Additionally, every employee has the right to stop work in the case of obvious risks and must immediately inform their superior.

Any person or organization can submit requests, complaints, or notifications to the company's management regarding any situation that could affect health, safety, the environment, or legality during activities.

To improve health and safety management, we conduct periodic inspections in all production units to identify potential non-compliances and implement corrective measures. As part of our sustainability strategy, we continually focus on identifying the best solutions to improve performance in the field of health and safety.

We annually evaluate performance in the field of health and safety, and following this assessment, we establish corrective measures, including:

- Checking compliance with the use of personal protective equipment and applying penalties for non-use.
- Using equipment and installations only in accordance with legal regulations and safety instructions.
- Zero tolerance policy towards the consumption of alcohol, narcotics, or hallucinogens at the workplace and unauthorized changes to industrial processes.
- Disciplinary action against employees who violate health and safety legislation or supervisors who tolerate such violations.

Within Chimcomplex SA Borzest, the organization of prevention and protection activities is ensured by the employer through the establishment of an Internal Prevention and Protection Service. The prevention and protection activities conducted within the company, in accordance with legal provisions (updated HG 1425/2006), are as follows:

- Identification of hazards and risk assessment for each aspect of the work system, including employees, work tasks, work equipment, and the work environment at each location or workstation.
- Preparation and updating of the prevention and protection plan for each workplace.
- Development of specific health and safety instructions, taking into account the specifics of each activity and workplace.
- Verification of the level of knowledge and implementation of the measures included in the prevention and protection plan by all employees, as well as their duties and responsibilities regarding health and safety at work, as specified in the job description.
- Development of training topics, determining the appropriate frequency for each job, ensuring the information and training of workers in the field of health and safety at work, and verifying their understanding and application of the information received.
- Creation of a training and testing program at the company level.
- Preparation of reports on occupational accidents suffered by workers.
- Monitoring the implementation of measures established by labor inspectors during control visits and in investigating events





Employee training in the field of health and safety at work

An essential measure in the field of occupational health and safety is the continuous training of employees, aimed at helping them identify occupational risks, implement accident prevention practices, and promote a safe and healthy work environment. All our employees receive occupational health and safety training in accordance with the Annual Training Plan.

The employee training process is comprehensive and covers all categories of personnel within the company. It is not limited to our permanent employees but also extends to new employees, delegates, interns, students, and pupils. We also ensure training for temporary or subcontracted staff. We organize specialized training sessions tailored for personnel who issue and approve work permits, as well as for rescue teams operating on the two platform.

These sessions provide workers with the information and skills necessary to fulfill their responsibilities efficiently and safely. In preparation for potential emergency situations, we conduct planned exercises that include practical simulations of scenarios such as fires and other crises. Through this proactive approach, we ensure that we are ready to respond quickly and effectively to any emergency that may arise.

Additionally, we provide extra training in cases where employees change their workplace or have been absent for more than 30 days, when new work equipment is introduced or modifications are made to existing equipment, when new technology is introduced or existing ones are modified, or following the occurrence of events related to occupational health and safety (work accidents, incidents).

The evaluation of employee training can be conducted through: written tests, interviews with the participants, or practical demonstrations. During the year 2024, at Chimcomplex, the following were conducted:

- 2,136 hours of introductory general training for new employees.
- 1,382 hours of occupational health and safety training for on-site service providers, pupils, and student interns.
- 43,968 hours of periodic occupational health and safety training (SSM) for company employees

45 employees from the two sites are trained and instructed monthly for intervention and rescue situations in accordance with applicable legislation for units operating in toxic/explosive/flammable environments.

Training and development of employee skills

We continuously invest **in the training and professional development of our employees**, aiming to improve their skills and offer diverse career opportunities. This effort includes:

- On-the-job training programs and specialized courses.
- Collaborations with academic institutions for continuous learning programs.
- Periodic evaluations and the development of personalized development plans for each employee.

Diversity and Equal Opportunities

Chimcomplex emphasizes promoting a fair, respectful, and inclusive work environment that supports the personal and professional development of all employees, regardless of their personal characteristics.

The diversity, equality, and inclusion policy of Chimcomplex SA Borzești is one of the priorities in implementing sustainability programs. It continuously supports awareness of diversity, equality, and inclusion, enhances professional training, ensures a dignified and protective work environment for employees, upholds the right to family life and gender equality, and encompasses all aspects derived from the vision and mission applied at Chimcomplex.

To fulfill this commitment, we undertake the following **internal actions**:

- **Promoting diversity in recruitment and selection** - Implementing recruitment policies that ensure equal access to employment opportunities, based on skills and without discrimination.
- **Developing and promoting equal opportunities** - Creating an environment where all employees have the same chances for professional development through mentoring programs and other support initiatives.
- **Cultivating a culture of respect and inclusion** - Organizing training programs to encourage mutual respect and understanding among employees, ensuring everyone feels valued and included.
- **Evaluating and eliminating disparities** - Periodically assessing internal policies and practices to identify and correct any inequalities related to diversity.
- **Monitoring and reporting performance** - Establishing performance indicators and monitoring progress to ensure diversity and equality objectives are met, with transparent reporting and openness to feedback

All these measures are essential for building an inclusive and equitable work environment, and the commitment to diversity and inclusion is fundamental in this process. Chimcomplex has implemented a series of significant actions to support and improve the working conditions of its employees, considering the economic impact generated by rising prices.

Regarding adequate salaries, at the beginning of 2024, a new Collective Labor Agreement was negotiated for Chimcomplex SA Borzești, six months earlier than the old agreement (June 2024), to assist employees whose incomes have been affected by price increases across the economy.

The salary package for the period 2024 - 2026 is adapted to the new fiscal policies in Romania.

In the new Collective Labor Agreement of Chimcomplex SA Borzești and A5 Invest SRL, bonuses, benefits, and cumulative rewards have been established as follows:

- General increase of all base salaries by 10% in 2024.
- For the year 2025, an increase equal to 125% of the inflation rate for 2024 will be granted.
- Increase in the value of the March 8th Bonus for women.
- Increase in the value of the June 1st Bonus for employees' minor children.
- Increase in the value of Meal Vouchers starting January 2024.

- Private Medical Subscription: All employees receive a private medical subscription that covers high-quality medical services. This subscription includes a set of over 300 laboratory tests, consultations with general practitioners and specialists, including medical imaging services (ultrasounds, MRI, CT, etc.).
- Increase in the value provided for vacation/transport vouchers.
- ESOP Share Package Bonus - this program has been adopted by the company since 2022.

In the Sistemplast Employment Contract, the following bonuses and incentives have been established:

- Increase in the value of Meal Vouchers starting January 2024.
- Granting of bonuses for Easter, Chemist's Day, March 8th, and Christmas.
- Providing a fixed transportation allowance.
- Providing a vacation bonus

Workers play a decisive role in achieving quality, but it's not just the benefits provided to motivate employees that are important. The role of workers in achieving quality is influenced by motivation, skill level, the condition of production equipment, the effectiveness of managerial actions, etc.

We invest in equipment, new production lines, modernizations, and facility upgrades, as well as environmental investments, etc.

At Chimcomplex SA Borzești, we have planned an accelerated dynamic for the next two years, with an ambitious series of investments supported by programs funded by European funds and the National Recovery and Resilience Plan (PNRR). The company's strategy focuses on concrete objectives, including decarbonization, harnessing hydrogen energy, developing renewable green energy, and diversifying production.



6.2 Metrics and Targets

6.2.1 Targets related to managing significant impacts, promoting positive impacts, and managing significant risks and opportunities

ESRS S1-5

The adoption of specific targets related to our own employees has not yet been carried out within an internal process based on materiality, as 2024 is the first year in which Chimcomplex (group) reports according to ESRS standards.

However, at Chimcomplex SA Borzești, annual, measurable, time-bound, results-oriented targets are set to achieve the objectives of policies related to our workforce, and they are presented in the table below, being monitored annually.



Objective	Indicator	Target	Status as of 31.12.2024
Ensuring the participation of women in leadership positions	The proportion of women in leadership positions	Minim 25%	37.5%
Promotion of development-oriented policies	The proportion of non-employed workers per total number of workers	0%	0%
Protecting labor rights and ensuring safe working environments	Work accident rate per 1 million hours worked	0	0.2893
Ensuring the work environment and monitoring for the purpose of preventing occupational illnesses and work accidents	Number of fatalities resulting from work accidents and accidents resulting in medical leave	0	1 on sick leave
Ensuring Universal Health through: Providing access to essential quality health services; Facilitating access to essential, safe, effective, quality, and affordable medicines and vaccines for all employees and their family	Percentage of employee coverage in terms of medical services	100%	100 %
Continuous training and professional development of employees to enhance their skills	Number of external training hours / per employee	min. 8	15.6

These established targets are absolute, fixed objectives, independent of other factors or external conditions.

The significant methodologies and assumptions used to define the targets are related to Chimcomplex's policies and objectives regarding diversity and equal opportunities, professional training and development, and operating in a safe and adequate work environment.

Stakeholders were involved in setting the targets.

6.2.2 Characteristics of the company's employees

ESRS S1-6

We operate in a challenging environment when it comes to identifying qualified personnel, making employee retention essential. Therefore, we aim to recruit colleagues with expertise that can contribute to the organization's dynamics or who can be trained to ensure long-term sustainability. To continuously develop and find optimal solutions for staffing needs, we annually evaluate our performance in recruitment and retention, identifying areas for improvement to remain competitive and attractive as an employer in the labor market.

The total number of employees for Chimcomplex (group), expressed as the average number of people and broken down by gender, is presented in the table below:

Sex	Number of employees
Women	533
Men	1301
Other	-
Not reported	-
Total	1834





The number of employees by type of contract, broken down by gender (number of employees or FTE) for Chimcomplex is presented in the table below.

		2024		
FEMININE	MASCULINE	OTHER*	UNDECLARED	TOTAL**
Number of employees (number of people)				
533	1301	0	0	1834
Number of permanent employees (number of people)				
612	958	0	0	1570
Number of temporary employees (number of people)				
83	187	0	0	270
Number of employees with non-guaranteed working hours (number of people / FTE)				
0	0	0	0	0
Number of full-time employees (number of people)				
680	1131			1811
Number of part-time employees (number of people)				
15	8			23

Out of the total 1,834 active individual employment contracts in 2024, 23 are part-time contracts, and 1,811 are full-time. Full-time is considered 40 hours per week, while part-time is considered any work time less than 8 hours per day/40 hours per week.

In Chimcomplex, employees work based on individual employment contracts, with over 82% being indefinite-term contracts, and over 99% are full-time employees, thus providing greater confidence to employees in their future within the Chimcomplex team

The total number of employees who left the group during the reporting period is 309, with a staff turnover rate of **16.85%**

employee turnover = (The total number of people who left the company in the year 2024)/(The average number of employees in the year 2024) x **100**

The average number of employees for Chimcomplex (group) in the year 2024, calculated as the average of the monthly employee numbers on the last day of the month, is **1834**.

The figures/data are reported at the end of the reporting period, as an average of the monthly workforce, throughout the reporting period.



6.2.3 Characteristics of workers who are not employees within the company's own workforce

ESRS S1-7

The total number of non-employees in our workforce is 0 for the reporting period, meaning no seconded workers or volunteers were employed.

6.2.4 Diversity indicators

ESRS S1-9

We are firmly committed to promoting diversity and equal opportunities through our Diversity, Equality, and Inclusion Policy, creating an inclusive and respectful work environment. We implement recruitment policies based on skills and abilities, without discrimination, and actively seek candidates from diverse backgrounds. We offer equal opportunities for professional development to all employees, regardless of personal characteristics, through mentoring and development programs. We cultivate respect and inclusion through training programs and periodically assess our practices to eliminate inequalities. We monitor progress with performance indicators and report transparently, being open to feedback for continuous improvement.

The gender distribution at Chimcomplex SA Borzești, both as a number and as a percentage at the management level (department heads), is presented in the table below.

Age	Number of women	Percentage	Number of men	Percent	Total percentage of women
<30 years	0	0%	0	0%	37.5
30 - 50 years	3	25%	5	25%	
>50 years	9	75%	15	75%	
Total	12	100%	20	100%	

The gender distribution within the group, both as a number and as a percentage at the management level (department heads), is presented in the table below.

Age	Number of women	Percentage	Number of men	Percent	Total percentage of women
<30 years	0	0%	0	0%	33,33%
30 - 50 years	6	33,33%	9	25%	
>50 years	12	66,66%	27	75%	
Total	18	100%	36	100%	

The distribution of employees in Chimcomplex (group) by age group is presented in the table below.

Age	Number of women	Percentage	Number of men	Percent	Total percentage of women
<30 years	8	1,5%	50	3,8%	29,06%
30 - 50 years	210	39,4%	372	28,6%	
>50 years	315	59,1%	879	67,6%	
Total	533	100%	1301	100%	

We mention that within Chimcomplex, we do not have employees under 18 years old.

6.2.5 Persons with disabilities

ESRS S1-12

We recognize and respect the rights of persons with disabilities. The Internal Regulations cover aspects related to employees with disabilities. The employer will not reject the employment or, if applicable, the retention of persons with disabilities if they are capable of performing the job tasks associated with the positions.

The minimum annual leave is 23 working days for all companies within the group. The exact duration of this leave is determined by the relevant Collective Labor Agreement (Chimcomplex SA Borzești, Sistemplast, A5 Invest). Employees with disabilities are entitled to an additional 3 days of annual leave.

At Chimcomplex SA Borzești, there are 10 employees with disabilities, of which 2 are women and 8 are men. The percentage of employees with disabilities is 0.62%, with 0.12% being women and 0.50% being men.

The percentage of employees with disabilities at Chimcomplex SA Borzești

FEMININ	MASCULINE	OTHER*	UNDECLARED	TOTAL
0.12%	0.50%	-	-	0.62%

Percentage of employees with disabilities at Chimcomplex = (Percentage of employees with disabilities at Chimcomplexnul 2024) / (The average number of employees in the year 2024) x 100

The other companies in the group do not have employees with disabilities.

6.3 Fair and safe working conditions

6.3.1 Coverage of collective bargaining and social dialogue

ESRS S1-8

The working conditions of employees are determined by the collective labor agreement (for Chimcomplex SA Borzești, Sistemplast, A5 Invest). Employees also benefit from social protection measures, bonuses, and other benefits established through the Collective Labor Agreement.

In the year 2024, all provisions of the Collective Labor Agreement were fully respected. All employees benefited from adequate working conditions, vacation days, financial support, health and safety measures at work, professional training opportunities, meal vouchers and holiday vouchers, and private medical subscriptions, as stipulated in the contract.

Chimcomplex (group)

The percentage of its total employees who are subject to collective labor agreements	99.8%
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The overall percentage of employees covered by worker representatives is 99.8%, due to the collective labor agreement (CCM).

6.3.2 Adequate wages

ESRS S1-10

The salaries of employees at Chimcomplex SA Borzești, Sistemplast, and A5 INVEST SRL are uniformly regulated by the Collective Labor Agreement (CLA), respecting the current legislation regarding minimum wage, individual and employer social contributions, and taxes. The other companies in the group, not having a Collective Labor Agreement, comply with the current labor code legislation.

The minimum wage level for all companies in the group exceeds the mandatory level stipulated by applicable legislation and is adapted to the new fiscal policies in Romania. When determining salary levels, Chimcomplex considers the cost of meeting the basic needs of employees and their families.

6.3.3 Social protection

ESRS S1-11

Employees of Chimcomplex SA Borzești, Sistemplast, and A5 INVEST SRL benefit from social protection through the Collective Labor Agreement.

This provides job security and ensures support in the event of major life events or illness.

For the other companies in the group, social protection is provided in accordance with current legislation, namely the Labor Code (Law no. 53/2003).

Our employees are covered by social protection against income loss due to major life events through state-governed national programs, such as those for illness, unemployment, work accidents, disability, maternity leave, and pensions.

The applicable legislation governing medical leave is the Government Emergency Ordinance no. 158/2005 on medical leave and health insurance benefits;

6.3.4 Remuneration indicators (pay gap and total remuneration)

ESRS S1-16

At Chimcomplex SA Borzești, the pay gap between women and men, defined as the difference between the average levels of remuneration for female and male employees, is -17.75%.

The ratio between the total annual remuneration for the highest-paid employee and the median total annual remuneration for all employees is 10.47.

At A5 Invest, the pay gap between women and men, defined as the difference between the average levels of remuneration for female and male employees, is -7.084%

The ratio between the total annual remuneration for the highest-paid employee and the median total annual remuneration for all employees is 0.81.

At Logiserv, the pay gap between women and men, defined as the difference between the average levels of remuneration for female and male employees, is -38.9%.

The ratio between the total annual remuneration for the highest-paid employee and the median total annual remuneration for all employees is 1.6.

4 calculated in accordance with ESRs S1 AR100

5 calculated in accordance with ESRs S1 AR101 (c)

6 calculated in accordance with ESRs S1 AR100

7 calculated in accordance with ESRs S1 AR101 (c)

6.4 Protection of human rights

6.4.1 Incidents, complaints, and issues and serious incidents regarding human rights

ESRS S1-17

We are committed to providing a safe and healthy work environment for all our employees, encouraging diversity and inclusion within the organization, and implementing concrete measures to prevent any form of discrimination or harassment.

In 2024, at the group level, there were no reported incidents of discrimination or harassment among company employees, and no employee complaints regarding occupational health and safety were registered.

Additionally, there were no incidents or complaints related to labor or significant impacts on human rights (e.g., forced labor, human trafficking, or child labor) within our workforce. The company has not received fines, sanctions, or significant compensations related to human rights or its own workforce.

Furthermore, we did not record any 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 during the reporting period.

6.5 Employee well-being and development measures

6.5.1 Health and safety indicators

ESRS S1-14

Considering the obligation to apply and adhere to legal provisions in the field of occupational safety and health, we are committed to establishing and implementing technical, organizational, hygienic-sanitary, and other types of measures to ensure that activities are conducted safely and without risks for all employees.

Health and safety indicators:	Chimcomplex	SISTEMPLAST	LOGISERV	A5 INVEST
Number of fatalities resulting from work-related injuries and work-related illnesses	0	0	0	0
Work accident rate	0.2893	0.1049	0	0
Number of cases of work-related illnesses	0	0	0	0
Number of lost days	108	82	0	0

6.5.2 Work-life balance

ESRS S1-15

We believe that balancing professional and personal life plays an important role in the well-being and development of employees. All employees are entitled to leave for family reasons or other justified reasons as mentioned in the Collective Labor Agreement and applicable legislation.

Parental rights are respected at Chimcomplex, with both women and men being encouraged to take advantage of their right to parental leave for child-rearing and care, as well as paternity leave.

The Safety and Health Policy at Chimcomplex SA Borzești ensures and maintains a safe working environment for all employees and visitors, and it prevents potential work accidents or illnesses through existing measures.

Our objective is to provide the safest possible environment for employees in accordance with the relevant regulations in our field of activity. Employees' equipment is specific to each activity they perform, and each facility is equipped with first aid kits and emergency showers.

To enhance the protection of our employees, we have implemented a health and safety signaling system. This system provides information about risks and hazards, establishes prohibitions, marks emergency exits, and identifies first aid points and protective equipment.

To optimize the health and safety management system, we conduct periodic inspections in all production units across the two platforms. These inspections aim to identify non-compliances and implement appropriate corrective measures.

All work accidents occurring on the company's platforms must be reported to the Territorial Labor Inspectorate, in accordance with Romanian legislation. In the case of minor accidents or those causing only a temporary interruption of activity, we form an internal investigation committee that examines the causes and makes recommendations for improvements or corrections. For serious accidents, the investigation is managed by the Territorial Labor Inspectorate. In the case of particularly serious accidents, we initiate an internal investigation to take immediate action and prevent similar events in the future.

The safety of our personnel is paramount, and we hope to maintain the number of accidents at zero in the coming years, at the group level.

The percentage of employees with disabilities at Chimcomplex SA Borzești.

In 2024, at the group level, 5 employees requested and received parental leave for child-rearing and care (2 women and 3 men). Additionally, 7 employees returned to work after completing their parental leave and are still employed.

We received one request from an employee for paternity leave (1 man) and one request for caregiver leave (1 woman).

In addition to legally mandated days off, Chimcomplex S.A. Borzești and A5 Invest provide 5 paid days off for the birth of a child, allowing employees to be with their families during the initial days of the newborn's life.

2024			
	FEMININE	MASCULINE	TOTAL
Total number of employees	533	1301	1834
Employees entitled to receive leave for family reasons	533	1301	1834
Employees who have taken maternity, paternity, or parental leave	2	3	5
Employees who have taken caregiver leave	1	0	1
Percentage of employees entitled to receive leave for family reasons	100%	100%	100%
% of employees who have taken leave for family reasons	0.2%	0.09%	0.12%
% of employees who have taken maternity, paternity, or parental leave	0.4%	0.27%	0.31%
% of employees who have taken caregiver leave	0.06%	0%	0.06%

6.5.3 Training and skills development indicators

ESRS S1-13

The development of personal and professional skills of our employees is a priority for the organization. To enhance the level of professional competence, activities such as organizing and planning internal and external training courses, and participating in symposiums, conferences, and congresses have been conducted.

At Chimcomplex SA Borzești, we apply the Professional Performance Evaluation Regulation, an internal document that describes the organization and conduct of the employee performance evaluation process based on predefined evaluation criteria, in accordance with current labor legislation, the Internal Regulations, and applicable employment contracts at the company level.

The provisions of the regulation apply to all departments and categories of personnel, except for employees who are in a probation period or are executing an adaptation or internship contract. The professional performance evaluation of employees is conducted in January each year for the previous year.

Through the periodic evaluation of professional performance, we also aim to achieve career development objectives, such as: providing supporting information for career and succession planning, providing supporting information for reward programs, identifying training, educational, and professional development needs, professional reorientation of employees based on their knowledge, skills, and professional aptitudes, and providing supporting decision information in the case of collective dismissals and in resolving promotion-related disputes.





AFFECTED COMMUNITIES



ESRS S3

AFFECTED COMMUNITIES

7.1 Strategy and concepts related to affected communities

7.1.1 Interests and views of stakeholders

ESRS 2 SBM 2

We operate with integrity and openness, ensuring that our actions demonstrate a commitment to ethics and responsibility. We take responsibility for our social impact, manage resources efficiently and support the communities in which we operate. We believe in the importance of collaboration, working closely with stakeholders to achieve common goals and promote sustainable development.

Our engagement with local communities and all stakeholders is based on collaboration, transparency and mutual respect. We carry out a variety of activities to ensure that we understand and respond to the needs and concerns of the communities we serve. By maintaining an ongoing dialogue, we strive to be responsive and supportive.



As communities could be significantly affected by our activities, we perceive them as a key group of affected stakeholders. Therefore, their interests, opinions and rights have a significant impact on our business model, making our strategy adapt and continuously follow the demands of the community. We adapt our strategy and business model based on material impacts, such as information-related impacts and other customer concerns, having comprehensive policies and procedures that aim to protect and meet the needs of the community, which include privacy, freedom of expression and access to quality information.

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

ESRS 2 SBM 3 IRO 1

At Chimcomplex we are deeply committed to having a positive impact in the communities in which we operate. Our community engagement and social impact initiatives are designed to foster strong relationships with local communities, support educational institutions and create meaningful employment opportunities.

By actively engaging with communities, we not only contribute to their well-being, but also ensure that our operations align with their needs and aspirations. In the tables below we present the actual and potential impacts on the communities involved, as well as the opportunities we identified in the dual materiality analysis.

Impact

Sub-topic	Impact description	Location in the value chain	Time horizon	Strategic approach
Communities civil and political rights	Actual positive impact through Community engagement and transparency. Chimcomplex conducts stakeholder consultation processes, ensuring the right to freedom of expression, freedom of assembly, and respect for the rights of human rights defenders through grievance and complaint mechanisms. These rights are also guaranteed for stakeholders across the value chain.	Upstream, Own Operations, Downstream	Short term, medium term, and long term	We consult communities during the approval process for new investments or operational changes. We comply with legal provisions. We have implemented grievance mechanism
	Potential Negative Impact if both Chimcomplex and its value chain fail to consider civil and political rights of the local communities in which they operate, including their rights to freedom of expression, peaceful assembly, or fair participation in decision-making processes. This could lead to increased community discomfort, social unrest, and conflicts.	Upstream, Own Operations, Downstream	Short term, medium term, and long term	

Risks/Opportunities

Subtopic	Risks/Opportunities Description	Financial effects
Communities civil and political rights	Opportunity: Chimcomplex's alignment with civil rights organizations and the respect for these rights can open new markets, strengthen customer loyalty, and attract socially responsible investors.	Effect on Financial Performance Effect on Cash Flows Effect on Asset Value
	Risk: Financial risk if civil and political rights are not respected, especially through public consultations. There is a risk of increased administrative costs due to regulatory oversight and delays in obtaining permits and authorizations, or a risk associated with supply disruptions or reputation loss from upstream production.	Effect on Financial Performance Effect on Cash Flows

Communities that may be affected by Chimcomplex's operations are those located along the value chain, both upstream and downstream.

Upstream, these include localities near the brine transport routes, which represent the main raw material for production, coming from the Tg. Ocna salt mines (for the Onești site, 22 km away) and the Ocnele Mari salt mines (for the Râmnicu Vâlcea site, 8 km away). These communities may be exposed to risks related to brine transportation, such as potential incidents or leaks that could affect the surrounding environment.

At Chimcomplex, we continuously monitor the state of transportation infrastructure to prevent any incidents, and in the case of an unforeseen event, we implement rapid remediation measures with minimal impact on the environment and residents.

Additionally, operations related to the procurement of raw materials and goods, as well as the delivery of products, may affect communities upstream and downstream of Chimcomplex. However, for these operations, we use transport companies authorized in the chemicals field, and raw materials and products are properly packaged and labeled in specific containers made of materials resistant to the action of the products, suitable for their state (solid, liquid, pressurized gas, liquefied gas), equipped with tight-sealing elements to ensure safe transportation to the destination.

All packaged chemical products are individually and collectively labeled in accordance with applicable legislation, with product labels. If the product is hazardous for transportation, in accordance with ADR/RID regulations, each individual and collective package will be labeled with transport hazard labels.

At Chimcomplex, for all investments, we consider contributing to sustainability and complying with regulations (to reduce pollution, noise, and emissions) by employing people from nearby communities. We have not identified any negative impacts on the affected communities.

Regarding **significant positive impacts**, Chimcomplex is committed to supporting the economic and social development of the communities where we operate. Creating meaningful employment opportunities is a key aspect of our social impact strategy. We contribute to the economic development of our communities through job creation initiatives. By focusing on local hiring and skills training, we aim to empower community members and promote sustainable growth in the regions where we operate.

Local Employment Practices: We prioritize hiring from the local community whenever possible. Our recruitment efforts are focused on attracting talent from the areas where we operate, supporting local economies, and reducing unemployment. By emphasizing local hiring, we ensure that the benefits of our business extend directly to the communities that support us.

Skills Training Programs: We offer skills training programs to prepare community members for employment opportunities within our company and in the broader job market. These programs cover a range of technical and soft skills, ensuring that participants are well-equipped for their careers. Our commitment to skills development reflects our belief in the potential of our community members and our desire to support their long-term success.

7.1.3 Policies related to affected communities

ESRS S3-1

At Chimcomplex, we have adopted policies to manage the material impacts, risks, and opportunities related to affected communities, in line with the minimum reporting requirements set out in the MDRP under ESRS 2.

Through the Human Rights Policy, we ensure the active involvement of stakeholders. We develop, adopt, and implement social responsibility programs through participatory processes, collaborating with social partners and other stakeholders. We are committed to promoting a constructive dialogue with local communities that may be affected by our operations. Grievance mechanisms are essential for preventing and managing negative impacts on these communities. Thus, we aim to address and resolve all complaints received, regardless of their nature or whether the complainant is identified or anonymous.

This policy reflects our commitment to respecting human rights in accordance with national and international human rights principles, consistent with Labor Law, the European Convention on Human Rights, the Universal Declaration of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations (UN) Global Compact, and the UN Guiding Principles on Business and Human Rights.

In line with the Sustainable Development Policy, a priority action for Chimcomplex is our active contribution to the local community's well-being.





Community Consultations: We regularly organize consultations with community members to gather feedback and understand their priorities. These consultations include focus groups and surveys, allowing us to hear directly from residents and stakeholders. Through these interactive sessions, we can identify specific areas where our support is most needed and adapt our initiatives accordingly. The insights gained from these consultations are crucial in shaping our community programs and ensuring they have a meaningful impact. In 2024, as part of the Integrated Environmental Permit review process in Rm. Vâlcea, public consultations were held, including a public debate on the documentation.

Open Communication Channels: We maintain open communication lines with community members through dedicated contact points, such as community liaison officers and online platforms. This ensures that residents can easily address questions, concerns, or suggestions. By offering multiple communication channels, we make it convenient for community members to interact with us. Our community liaison officers are trained to handle inquiries and facilitate discussions, fostering a sense of trust and collaboration. Additionally, our online platforms provide an ongoing engagement space where updates and information about our activities can be regularly shared.

During the reporting period, there were no recorded incidents of human rights violations within Chimcomplex operations.

As part of our supplier sustainability assessment process, we found that 82% of the suppliers who responded to our questionnaires have a policy regarding labor conditions and human rights.



7.1.4 Processes for engaging with affected communities about impacts

ESRS S3-2

Our engagement with local communities is built on principles of collaboration, transparency, and mutual respect. We organize various activities to ensure that we understand and address the needs and concerns of the communities we serve. By maintaining constant dialogue, we are committed to being responsive and supportive.

We organize regular consultations with community members to gather feedback and understand their priorities. These consultations include focus groups and surveys, providing us with the opportunity to hear directly from residents and stakeholders. Through these interactive sessions, we are able to identify areas where our support is most needed and adjust our initiatives accordingly. The insights gained from these consultations are essential in shaping our community programs and ensuring they have a meaningful impact.

We maintain open communication with community members through specialized contact points, such as community representatives and online platforms. This allows residents to easily ask questions, express concerns, or offer suggestions. By diversifying communication channels, we facilitate community interaction with our organization. Community representatives are trained to answer questions and facilitate dialogues, fostering a sense of trust and cooperation. Additionally, our online platforms provide a space for ongoing engagement, where updates and information about our activities are regularly shared.

The Deputy General Manager has the operational responsibility to ensure this collaboration takes place and that its outcomes form the basis of Chimcomplex's approach.

Regarding environmental aspects, collaboration with affected local communities occurs both directly and indirectly through municipal representatives. The collaboration involves participation in public debates, which generally focus on environmental issues.

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

ESRS S3-3

To ensure a minimal impact on affected communities and promote constructive dialogue, Chimcomplex has implemented processes and mechanisms designed to respond promptly and efficiently to their concerns, following principles of transparency and social responsibility. These processes include the periodic assessment of the impact of our activities on the environment and local communities, as well as corrective measures to address any negative effects identified.

Processes established to remediate negative impacts:

- 1. Social and Environmental Impact Assessment:** At Chimcomplex, we conduct annual assessments that allow us to identify potential risks and negative impacts. Based on these assessments, appropriate corrective measures are developed to prevent or reduce effects on communities.
- 2. Remediation Mechanisms:** If significant impacts on communities are identified, Chimcomplex implements detailed action plans, including investments in local infrastructure, educational programs, ecological initiatives, and support for the sustainable economic development of the region.
- 3. Collaboration with Authorities and Non-Governmental Organizations (NGOs):** We closely cooperate with public authorities, NGOs, and other stakeholders to find sustainable and innovative solutions that address the concerns expressed by communities.

Channels for expressing concerns from affected communities:

- 1. Dedicated Email Address:** At Chimcomplex, we have a special email address (comunicare@chimcomplex.com) to facilitate the receipt of complaints and suggestions from affected communities. These messages are prioritized, and responses are provided within a maximum of 10 working days.
- 2. Periodic Meetings with Communities:** Company representatives regularly meet with local leaders and citizens to discuss reported issues, identify common solutions, and ensure transparency in the resolution process.
- 3. Social Media and Local Mass Media:** At Chimcomplex, we use social media platforms (LinkedIn, Facebook) to actively communicate with communities and promptly address their concerns. We also collaborate with local mass media to address comments and complaints that may arise in the public space.
- 4. Continuous Monitoring and Evaluation:** There is a constant focus on improving processes, using performance indicators and integrating community feedback into future strategic plans.

Our leadership promotes the use of communication channels for reporting, signaling, and warning about environmental incidents, ethical issues, conduct, and professional integrity, ensuring security and confidentiality.

Complaint mechanisms are a key tool for us in preventing and managing negative impacts on employees, local communities, and other stakeholders. Therefore, we are committed to addressing and resolving all complaints received, regardless of their nature and whether the complainant is identified or anonymous.



These mechanisms are designed to provide a channel for identifying potential negative impacts, resolving complaints, and offering solutions to the rights holders who caused or were negatively affected. We recognize that this does not affect the rights of stakeholders to pursue judicial or other forms of redress.

7.1.6 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

ESRS S3-4

At Chimcomplex, we have implemented a series of measures to prevent, mitigate, and remedy significant negative impacts on affected communities. These include:

- **Periodic socio-economic and environmental impact assessments:** These assessments help identify potential risks associated with our activities and develop strategies to prevent them.
- **Continuous consultations and dialogue with stakeholders:** At Chimcomplex, we regularly hold meetings with local authorities, NGOs, and community leaders to address community needs and ensure transparency in the decision-making process.
- **Support for educational and cultural projects:** We support chemistry Olympiads, educational scholarships, and dual education systems. We contribute to the sustainable development of local communities by promoting academic excellence.
- **Social programs for vulnerable groups:** The measures we implement include donations and partnerships with charitable organizations to support people in vulnerable communities.



At Chimcomplex, we have implemented specific initiatives to address the needs of communities and create significant positive impacts:

- **Educational and cultural projects:** By supporting educational projects and scholarships, we contribute to sustainable development and the formation of future generations.
- **Support for vulnerable groups:** Social projects, including donations and collaborations with charity organizations, have a direct positive impact on the most vulnerable segments of the population.

At Chimcomplex, we use a structured process for identifying and managing significant risks and opportunities related to affected communities:

- **Continuous compliance monitoring:** We ensure compliance with national and international regulations on human rights and environmental protection.
- **Emergency plans and remedial measures:** We have developed plans to minimize risks that could arise in local communities, including remedial actions and rapid interventions in case of incidents.
- **Impact assessment and monitoring:** We set indicators to measure the effects of our projects on communities and publish sustainability reports to document the results of implemented measures.
- **Risk and opportunity analysis:** We constantly monitor risks associated with operations and identify opportunities to create added value for communities through partnerships with local authorities and NGOs.

To date, Chimcomplex has not reported any serious human rights incidents in the communities affected by its operations. However, we maintain a firm commitment to preventing such situations and actively collaborate with stakeholders to ensure respect for human rights and sustainable development.

Other measures considered to reduce impacts:

- Reduction of industrial emissions in adjacent areas to minimize air pollution and protect the health of nearby residents.
- Improvement of air quality for nearby communities.
- Management of hazardous waste.
- Increasing hazardous waste processing capacity by collaborating with authorized operators and investing in environmental infrastructure.
- Reducing risks of soil and water contamination.
- Minimizing industrial noise.
- Creating educational opportunities: Launching a new annual scholarship program for students from families in affected communities.
- Increasing access to education for young people from disadvantaged areas.
- Supporting cultural and social initiatives.
- Organizing two annual cultural events in partnership with local communities to promote local traditions and values.

Expected outcomes include strengthening the sense of belonging and promoting cultural diversity by encouraging active participation in community life, as well as creating an action plan to enhance their resilience.



The development and implementation of a rapid response plan for emergency situations in adjacent areas, including the organization of simulation exercises, aim to reduce response time and impact in the case of industrial incidents.

Social and Community Engagement of Chimcomplex SA Borzești

Chimcomplex SA Borzești is a company committed to supporting and developing communities through a series of initiatives aimed at promoting sports, culture, education, and health. These activities demonstrate our commitment to improving quality of life and fostering sustainable development in the areas where we operate and beyond.

The total sponsorship budget for 2024 amounted to **1,496,988 RON**.

Supporting Education

We continuously invest in taking Romanian education to the next level. Simply acknowledging that change is needed in education will not make it happen, and hoping for improvement without action will not bring any real progress! What we must do is act, take measures, and be intentional!

The Merito Project, which we support as partners, identifies exceptional teachers who inspire generations, shares their inspirational stories, and helps them reach the next level of excellence. At Chimcomplex, we support them because, together, we are the change we wish to see in Romania!

We were delighted to learn that the award-winning teachers in the Merito Project admire the young people they work with, respect them, and train them for the most challenging competitions through engaging and serious play. They approach their students with love and a big heart, shaping and, in many cases, changing their lives and sculpting their souls. This is how they become reliable individuals and future leaders of Romania!

We have great chemistry with all teachers who, through their dedication and passion for education, shape the future of our youth, the true national values!

Chimcomplex SA Borzești, represented by Mr. Ștefan Vuza, awarded Adelin Stanciu, a biology teacher at Gropnița Vocational School and "Al. I. Cuza" University High School in Iași.

Supporting Sports

• Women's Handball

Chimcomplex SA Borzești continued to be a financial partner of SCM Râmnicu Vâlcea in 2024. Together with the SCM community, Chimcomplex supports and encourages the club's performance in achieving its objectives. We aim for a consistent evolution that makes us proud every day.

A group of 160 Chimcomplex employees, accompanied by their families, cheered for the team at every match of the National Handball Championship held at the stadium in Rm. Vâlcea. Employees could request free invitations from the Communication Department, reinforcing team spirit and community support.

• Women's Rugby

Chimcomplex is a financial partner of Rugby Club Venus, jointly promoting healthy values among young people such as courage, attitude, and discipline, supported by a balanced and healthy lifestyle.

Rugby Club Venus celebrates 33 years this year and is one of the most respected clubs at the national level. With an impressive track record both nationally and internationally, the club is recognized as the birthplace of Romanian women's rugby.

• Sports Dance

Rareș Cojoc has accumulated 26 years of experience in sports dance, becoming a prominent figure in this field.

In October 2022, Rareș Cojoc achieved a historic milestone, becoming the world leader in sports dance—a first-time achievement for a Romanian dancer.

In 2023, he and his dance partner, Andreea Matei, secured second place in the WDSF Grand Slam Standard Adult Final.

This pair, ranked first in the global hierarchy of the International Dance Sport Federation, has demonstrated that sports dance is not only about elegance but also about determination and resilience—just like in chemistry.

In 2024, Rareș Cojoc continued to impress, winning major competitions:

- National champions in the Standard Adults category at the competition in Târgu Mureș.
- Second place at the WDSF Grand Slam in Stuttgart, Germany.
- Bronze medal at the WDSF Grand Slam in Wuxi, China, in July.
- Vice world champions at the WDSF World Championship in Leipzig, Germany, in October.
- Tarcău Half Marathon

A 19 km run at the Tarcău Half Marathon marked the success of our team of employees who completed a challenging mountain route with a 1,160 m elevation gain.

We were delighted to be the main partner in organizing the second edition of the Tarcău Half Marathon, held in the picturesque Tarcău Valley.

The event featured three competitions: Half Marathon (19 km), Cross (8 km), and Family Race (2 km), offering options for all levels of fitness and preferences.

- Gymnastics of Excellence, Chemistry of Excellence

Over 70 young gymnasts from across the country celebrated Children's Day by following in Nadia Comăneci's footsteps at the 10th edition of the "Nadia Comăneci" artistic gymnastics competition.

We are excited that by investing in this sport for the third consecutive year, we contribute to discovering and training Romanian gymnastics talents!

The "Nadia Comăneci" Foundation, with the support of Chimcomplex and other partners, awarded scholarships to gymnasts who stood on the podium for the all-around competition in all four categories.



Supporting Cultural Projects in Our Local Communities

We enthusiastically support the extraordinary cultural events in the communities where we operate.

The anniversary concert at the Casa Sindicatelor in Rm. Vâlcea featured the band Antract and its guests in a special event.

Titled "You Must Believe," the event conveyed a message encouraging new generations of artists to believe in their dreams.

On stage, alongside the ANTRACT band, were nationally recognized artists and an impressive number of young musicians from the new generation. Together, they performed the musical creations of the ANTRACT band.

Future Plans

Chimcomplex reaffirms its commitment to contributing to the development of local communities through a wide range of initiatives planned for the coming years. These initiatives reflect our core values and our desire to support sustainable growth and community well-being.

Strategic Partnerships for Community Development

Chimcomplex SA Borzești plans to establish new strategic partnerships with various educational institutions, non-profit organizations, and local authorities to support community development projects.

These partnerships will focus on renovating schools, modernizing community infrastructure, and supporting local entrepreneurship initiatives. Through these collaborations, we aim to contribute to economic growth and improve the quality of life in our communities.

Partnerships with Educational Institutions

We recognize our responsibility to the community and are committed to shaping future generations.

Chimcomplex has established various partnerships with technical education institutions to provide professional training for students through vocational and dual education programs.

Classes are organized in industrial-profile high schools, where students follow a curriculum adapted to market needs and gain practical experience within our organization. Upon graduation, they can easily integrate into our teams of specialists.

7.1.7 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS S3-5

The measurable, time-bound, results-oriented targets set at Chimcomplex to achieve the objectives of the policies related to affected communities are presented in the table below, and are monitored annually.



Objective	Indicator	Targets	Status 31.12.2024
Increasing Access to Education	Number of scholarships awarded annually to young people from affected communities.	min. 4	9
	Number of partnerships with local schools for educational support programs	min. 2	3
Increasing Stakeholder Satisfaction, in relation to their requirements and expectations	Number of substantiated complaints regarding environmental performance	max. 3	No complaints regarding environmental performance have been recorded.

These established targets are **absolute**, fixed objectives, independent of other factors or external conditions.





CONSUMERS AND END USERS



ESRS S4

CONSUMERS AND END USERS

8.1 Strategy and concepts related to the protection of consumers and end users

8.1.1 The interests and viewpoints of the stakeholders

ESRS 2 SBM 2

At Chimcomplex, we prioritize the interests, perspectives, and rights of consumers and end users, including a strong commitment to respecting human rights as a central element of our strategy and business model. We are dedicated to engaging with all consumers and end users who may be significantly affected by our operations. To ensure that consumers are well-informed, we constantly update our labels, technical documents, and website, and actively share information with the relevant public.

The current potential impact on consumers and end users is negative if the safety standard is ignored. Chemical products must be packaged and labeled appropriately. The safety of our customers is a priority for us.

Customers and stakeholders have access to safety data sheets that detail the potential health and safety risks of our products. These documents provide essential guidelines for safe handling and use. Our internal standard for managing hazardous substances ensures compliance with current regulations and includes risk assessments for all products and hazardous substances.

At Chimcomplex, we fully comply with EU health and safety regulations, including REACH and CLP, ensuring the provision of all necessary information in safety data sheets. The safety of our products is ensured through advanced technological solutions, which guarantee the highest standards of quality and safety, while also promoting responsible use. We constantly evaluate the impact of our products on the environment, health, and safety, and strive to minimize the associated chemical risks and hazards.

8.1.2 Significant impacts, risks, and opportunities and their interaction with the strategy and business model

ESRS 2 SBM 3 IRO 1

In accordance with ESRS requirements, at Chimcomplex we are committed to identifying and including all relevant categories of consumers and end users who might be significantly affected by our activities and operations. This assessment includes the direct and indirect impacts generated by our products and services, as well as business relationships with partners in the value chain.

In our ESRS-compliant reports, we ensure that all groups of consumers and end users who might be significantly affected, either directly or through our products and services, are included. These encompass:

Direct consumers, who use our products and may be affected by changes related to quality, prices, availability, or safety.

End users, who are indirectly influenced by our products, especially when they are repackaged and used in applications that reach the final consumer (for example, chemicals used in drinking water treatment or for industrial uses)

External stakeholders, including suppliers, business partners, and other entities in our value chain, who may indirectly affect end users through business relationships or impacts on the supply chain.

We are committed to providing complete and transparent information regarding significant impacts on these groups of consumers and end users. We have integrated these considerations into our risk assessments and impact analysis of our operations, ensuring that all relevant aspects are covered in our ESRS-compliant reports.

At Chimcomplex, we provide a diverse range of products used in a variety of essential markets, including metallurgy, steel industry, thermal energy, food and beverage industry, automotive industry, construction materials, mining industry, textiles, pulp and paper, pharmaceuticals, plastics, electronics, furniture, household appliances, packaging, sanitation, and public hygiene, as well as the furniture and household appliances industry.

At Chimcomplex, we comply with relevant European and national legislation for the manufacture and sale of chemical products. Additionally, the production and sale of these products are conducted within certified and accredited management systems that cover quality, environment, food safety, and chemical product testing, and are subject to a continuous improvement process.

All consumers and end users rely on the accurate information presented on our product labels.

At Chimcomplex, we ensure that all manufactured and marketed chemical products comply with European and national legislation, and the production and sale process take place within certified management systems for quality, environment, food safety, and product testing. These systems are subject to continuous improvement.

Consumers and end users rely on the accurate information on our product labels. Some of our products are classified as hazardous, possessing toxic, flammable, oxidizing, corrosive, or environmentally hazardous characteristics. Additionally, some products are legally regulated and prohibited for certain uses, such as precursors for chemical weapons, drugs, or explosives.

At Chimcomplex, we produce food additives and solutions for sanitizing equipment in the food and beverage industry. Throughout the supply chain, production, and marketing process, we constantly communicate with suppliers and customers to ensure compliance with national and European legal requirements, as well as other specific requirements.

The main European regulations governing activities with chemical products manufactured at Chimcomplex include:

Regulation (EC) No. 1907/2006 (REACH): This pertains to the registration, evaluation, authorization, and restriction of chemical substances and led to the establishment of the European Chemicals Agency.

Regulation (EC) No. 1272/2008 (CLP): This regulation deals with the classification, labeling, and packaging of substances and mixtures.

Regulation (EU) No. 528/2012: Regulates the marketing and use of biocidal products.

Regulation (EC) No. 1333/2008: This pertains to food additives.

At Chimcomplex, we provide our clients with updated documentation about the company and its products, including product technical sheets, safety data sheets, biocide approvals, sanitary approvals, usage instructions, usage brochures, declarations, and completed questionnaires. For the authorization of marketing and use of biocidal products, such as chlorine, sodium hypochlorite, and bleaching powder, we at Chimcomplex have registered them in the R4BP registry, in accordance with Regulation (EU) No. 528/2012. The dossiers are currently under evaluation by authorities in the EU member states where these products are marketed.

Our company's chemical products are packaged in specially designed containers made from materials resistant to the action of chemicals and suitable for their state of aggregation (solid, liquid, gas under pressure, or liquefied gas). The packaging is equipped with airtight sealing systems to ensure safe transportation to the destination.

Each packaged chemical product is labeled both individually and collectively, in accordance with current legislation, with product labels. If the product is classified as dangerous for transport, according to ADR/RID regulations, each package will have the appropriate warning labels. In cases where the label cannot include all the necessary information, additional instructions are attached to each package.

Impact

Subtopic	Impact description	Positioning on the value chain	Time horizon	Strategic approach
Impacts related to information for consumers and/or end-users	Actual positive impact: Increased consumer confidence through transparent provision of information on chemical safety, responsible use and measures to protect the confidentiality of their data.	Own operations	Short, medium and long term	We focus on transparency, integrating advanced feedback and communication mechanisms with consumers.
Personal safety of consumers and/or end users	Potential negative impact related to the disregard of safety standards, especially concerning the correct labeling and packaging of chemical products, can have serious consequences on human health, the environment, and economic operations.	Upstream, Own operations, Downstream	Short, medium and long term.	We assume responsibility for developing and providing safe and high-quality chemical products, thereby protecting the safety of consumers and end users through the implementation of actions and policies: providing Safety Data Sheets (SDS), managing hazardous substances in accordance with applicable regulations, including REACH and CLP, monitoring regulations and recommendations, and the continuous evaluation of the impact of products on health.



The transport of chemical products is carried out with clean and covered vehicles, suitable for the type of product being transported. If the product is hazardous, the vehicles are authorized according to ADR/RID standards for the appropriate hazard class.

Our products are accompanied by Safety Data Sheets (SDS), which provide detailed information about potential health, safety, and environmental risks. These SDS include clear instructions for the safe handling and use of our products.

We mention that there are no main categories of consumers or end users who are or could be negatively affected.

At Chimcomplex, we provide information regarding the potential risks associated with its products for safe storage and use.

The table below presents the actual and potential impacts on consumers and end users, as well as the opportunities we have identified within the double materiality analysis.

Risks/Opportunities

Subtopic	Description of risks/opportunities	Financial effect
Personal safety of consumers and/or end users	Risk: Financial risk concerning significant financial losses and a decrease in market share in the event of non-compliance with safety standards related to the chemical products developed and supplied.	Effect on financial performance Effect on cash flows Effect on the value of assets and liabilities

8.2 Management of impacts, risks, and opportunities

8.2.1 Policies regarding consumers and end users

ESRS S4-1

In accordance with the Universal Declaration of Human Rights (UDHR) and the specific requirements of the chemical industry, we, Chimcomplex, reaffirm our strong commitment to promoting and protecting the rights and well-being of employees, customers, communities, and society as a whole.

Our policy is based on respecting national and international legal principles and requirements regarding human rights. This is in accordance with labor legislation, the European Convention on Human Rights, the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights (ICCPR)¹, and the International Covenant on Economic, Social and Cultural Rights (ICESCR)².

At Chimcomplex, we are committed to respecting the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, as well as the UN Guiding Principles on Business and Human Rights. Recognizing the importance of respecting human rights as a core value for ethical business development, we have integrated this principle into our Code of Professional Ethics and Business Conduct, the Collective Bargaining Agreement, and our sustainability strategy.

We actively involve stakeholders in making key decisions that influence our operations and strategic direction. This includes not only employees and customers but also shareholders, suppliers, community members, and regulatory bodies. We organize stakeholder meetings, surveys, and forums to gather suggestions and encourage open dialogue. By collaborating with a variety of stakeholders, we ensure that diverse perspectives are considered and that our decisions reflect the interests and concerns of everyone involved in our activities.

At Chimcomplex, we place a strong emphasis on protecting the health and safety of consumers and end users of our products. In this regard, we have implemented rigorous measures within the company to manage significant impacts on health and safety through the Quality-Environment Policy and the Sustainable Development Policy.

⁸ Națiunile Unite. (1948). Declarația Universală a Drepturilor Omului.

⁹ Națiunile Unite (Adunarea Generală). (1966). Pactul internațional cu privire la drepturile civile și politice. Seria Tratat, 999, 171.

¹⁰ Națiunile Unite (Adunarea Generală). (1966). Pactul internațional cu privire la drepturile economice, sociale și culturale. Seria Tratat, 999, 171.

¹¹ Organizația Internațională a Muncii (OIM) (1998). Declarația OIM privind principiile și drepturile fundamentale la locul de muncă și urmărirea acestora.

¹² Comisia Națiunilor Unite pentru Drepturile Omului. (1998). Principii directoare privind strămutarea internă. Comisia Națiunilor Unite pentru Drepturile Omului.

The Quality-Environment Policy establishes clear regulations regarding the safety and quality of products, ensuring that they comply with relevant safety standards and do not have negative effects on the health of end users. We are committed to delivering safe and high-quality products through a quality management system and continuous monitoring of processes.

The Sustainable Development Policy reflects our commitment at Chimcomplex to positively impact the community and the environment, managing significant risks and opportunities within the value chain. This includes assessing and managing risks related to the health and safety of consumers, encouraging sustainable solutions that reduce negative impacts on the environment and health.

Both policies are interconnected and demonstrate our commitment at Chimcomplex to responsible development, addressing the risks and opportunities associated with products and business relationships.

8.2.2 Collaboration processes with consumers and end users regarding impacts

ESRS S4-2

At Chimcomplex, we work closely with consumers, end users, and their representatives to manage the actual and potential impacts on health and safety. This collaboration takes place through various channels, aligning with our commitments to transparency and social responsibility.

At Chimcomplex, we maintain a close collaboration with end consumers through direct commercial relationships and work closely with distributors and other industries that act as intermediaries in the value chain. This partnership ensures the correct and safe use of our products by indirect end users. We also collaborate with regulatory authorities and other representatives of end users who possess knowledge about the impact of our products on health and safety. These interactions are essential for monitoring and evaluating associated risks.

At Chimcomplex, we work closely with end consumers and partners in the value chain to ensure the correct and safe use of our products. This collaboration involves several essential steps:

Product Development Stage: We work alongside our partners to ensure that products comply with regulations and safety standards before they reach the market.

Product Use Stage: We maintain an ongoing dialogue with our intermediary customers, who inform us about any safety issues that arise during use.

Post-Use Evaluation Stage: We collect feedback and analyze the impact of products on the health and safety of end users through periodic research and audits.

Our collaboration varies in frequency, influenced by legal requirements, identified risks, and feedback received from clients and authorities. It takes place throughout the entire product life cycle but can be adjusted according to the specific needs of each situation.

Responsibility for collaborating with consumers and end users lies with the Sustainability Department, led by the Sustainability Manager. This department works closely with the regulatory and commercial departments to ensure that all procedures are followed and that the results of the collaboration are integrated into the company's strategy. Additionally, the Audit and Risk Committee monitors progress and contributes to strategic decision-making.

The efficiency of our collaboration is evaluated by analyzing feedback from customers and regulatory authorities. This involves:

- Internal and external audits that verify compliance with safety standards;
- Periodic meetings and consultations organized with clients and authorities to evaluate the impact of products on health and safety;
- Periodic reports that identify possible risks and the corrective measures implemented.

In public debates organized for obtaining regulatory approvals, community members participate regardless of gender, age, or other characteristics. All observations are carefully evaluated, especially those from consumers or end users who may be vulnerable to negative impacts or at risk of marginalization. These perspectives are integrated into the decision-making process for authorization.

If product or process modifications are identified as necessary, we take corrective actions to ensure consumer safety and compliance with applicable legal standards.

Customers have access to safety data sheets that detail potential health, safety, and environmental risks of our products. These documents provide essential guidelines for safe handling and use of the products by customers.

Our internal standard for managing hazardous substances ensures compliance with current regulations and requires risk assessments for all products and hazardous substances. Customers interested in procurement processes and other essential information can access the 'For Business' section on the Chimcomplex website at <https://chimcomplex.com>.

To ensure transparency in communication with consumers and end users, the company also provides the 'Contact Us' section, available at <https://chimcomplex.com/contact/>, where customers can directly contact company representatives for questions and additional information.



8.2.3 Processes for remedying negative impacts and the channels through which consumers and end users can express their concerns

ESRS S4-3

At Chimcomplex, we have implemented effective measures to address and remedy the negative impacts on the health and safety of consumers and end users. We provide dedicated communication channels for expressing concerns, as follows:

- **Complaint Management:** Complaints are received by the commercial department, which records them in a centralized register and coordinates their resolution with other relevant departments.
- **Collaboration with Distributors and Partners:** Distributors are trained to promptly respond to customer concerns and manage potential risks associated with the products.
- **Dialogue with Affected Communities:** We maintain active dialogue with authorities, consumers, and other stakeholders to identify and address emerging risks.
- **Monitoring and Improvement:** The efficiency of the processes is periodically evaluated based on received feedback, and measures are adjusted as needed.
- **Stakeholder Involvement:** At Chimcomplex, we collaborate with relevant authorities and organizations to ensure proper resolution of consumer concerns.

These measures emphasize our commitment to protecting the health and safety of end users.

The introduction of communication channels itself constitutes a remediation process, allowing consumers and end users to report any dissatisfaction regarding our products or services through the 'Contact Us' section on our website.

The process of managing and improving the feedback mechanism within our company includes:

- **Monitoring feedback:** We collect feedback from consumers, end users, and distributors following complaints or interactions to assess whether existing processes are known, accessible, and effective.
- **Periodic consultations:** At Chimcomplex, we collaborate with distributors and business partners to verify how consumers perceive and use communication channels, especially for products that have a significant impact on health and safety.
- **Reviews and adjustments:** Based on the information collected, processes are adjusted and improved to better meet the needs of end users, ensuring their accessibility and transparency

In 2024, a total of 6 complaints were registered, of which 4 were evaluated and found to be unfounded, not requiring corrective measures. For the other 2 cases, following a detailed analysis, it was decided to return and replace the product, thus ensuring compliance with quality standards and customer satisfaction. No additional remediation measures were necessary, as the solutions adopted were deemed appropriate and in accordance with internal procedures.



8.2.4 Adoption of measures regarding significant impacts on consumers and end users and approaches for managing significant risks and pursuing significant opportunities related to consumers and end users, as well as the effectiveness of these measures

ESRS S4-4

At Chimcomplex, we adopt extensive measures to manage the impact on the health and safety of consumers and end users. We ensure that all products comply with regulations and promote their responsible use through best practices.

To prevent and mitigate negative impacts, all our products are registered under the REACH regulation, and we are part of consortia that conduct health and safety tests for various fields of use.

The products are accompanied by safety data sheets and detailed appendices that include exposure scenarios, protection measures, personal hygiene, and health risk assessments. Additionally, biocidal products such as chlorine, sodium hypochlorite, and bleaching powder are marketed with biocide approvals and are registered at the European level in the R4BP. These come with detailed usage instructions.

To address significant actual impacts, Chimcomplex centralizes and manages received complaints, ensuring their prompt resolution. The company collaborates with end users, distributors, and authorities to address and remediate any identified negative effects.

At Chimcomplex, we are actively involved in initiatives that promote the safe use of chemical products, providing detailed information to partners and users. Additionally, our biocidal products are essential for the treatment of drinking water and wastewater, thereby contributing to improved health conditions in communities.

The effectiveness of actions is monitored and evaluated through periodic audits and assessments, as well as by collecting feedback, thus facilitating a continuous improvement process. Processes are evaluated through periodic audits to verify the effectiveness of safety measures and compliance with legal requirements. The company also analyzes feedback from complaints and end-user evaluations with the aim of continuously improving processes and products.

The measures implemented at Chimcomplex highlight our commitment to protecting the health and safety of consumers and end users. This commitment is demonstrated through an integrated approach that combines regulatory compliance, user education, and close collaboration with all stakeholders.

In the processes for identifying necessary and appropriate actions, Chimcomplex uses the Chemical Safety Report (CSR) of products as the main tool to identify and evaluate actual or potential negative impacts on consumers and end users. The CSR includes product classification, risk assessment, and appropriate control measures. It also includes exposure scenarios that describe safe uses of substances and the conditions necessary to prevent health and safety risks.

At Chimcomplex, we implement **proactive measures to prevent or reduce significant negative impacts on health and safety** by using information from the Chemical Safety Report (CSR) and Safety Data Sheets (SDS). These documents provide detailed instructions on the safe handling, transport, use, and disposal of hazardous chemicals. The CSR also includes personal and technical protection measures for users, thus contributing to risk reduction. At Chimcomplex, we work closely with partners and end users to ensure the implementation of these measures and, when necessary, participate in industry-level initiatives to manage impacts.

At Chimcomplex, we ensure that end users and distributors have access to essential information contained in the Chemical Safety Report (CSR) and Safety Data Sheets (SDS). These documents, along with exposure scenarios, provide detailed instructions for the safe use of products and specify necessary interventions in case of incidents. We monitor the effectiveness of processes by verifying customer compliance with communicated regulations and requirements, continuously improving practices based on feedback received from users

Measures for reducing significant risks:

- **Regulatory Compliance:** Chimcomplex products are aligned with European regulations such as REACH, CLP, and Biocides, ensuring they meet all safety and health standards.
- **Monitoring and Resolution:** Complaints are centralized and efficiently addressed, allowing for the quick identification and remediation of risks.
- **Training and Education:** Distributors and customers receive specialized training to implement safety measures, thereby reducing the risks associated with the products.
- **Continuous Evaluation:** The effectiveness of measures is monitored through feedback and regularly adjusted for continuous improvements.

Measures for capitalizing on opportunities:

- **Close collaborations with end users:** At Chimcomplex, we maintain a constant dialogue with our customers to better understand their specific needs, thereby developing customized solutions that increase customer satisfaction and loyalty.
- **Strategic partnerships:** We collaborate with distributors and organizations in the chemical industry to identify new opportunities and improve access to international markets.
- **Sustainability and competitiveness:** By adhering to international standards regarding health, safety, and sustainability, Chimcomplex has gained a competitive advantage, attracting customers who value social responsibility.

At Chimcomplex, we adopt a responsible approach to prevent or reduce significant negative impacts on consumers and end users. This is reflected in all stages of the value chain, including marketing, sales, and data management processes.

Prevention of significant negative impacts

Compliance with strict regulations: All Chimcomplex products are registered in accordance with REACH regulations, ensuring that the risks associated with their use are identified, evaluated, and managed. Additionally, biocidal products are approved at the national and European levels (R4BP) and are accompanied by clear usage instructions to prevent misuse.

Exposure scenarios and protection measures: Products are delivered with Safety Data Sheets (SDS) that include exposure scenarios, user protection measures, and recommendations for personnel hygiene, helping to avoid health risks.

Control of products with increased risks: The sale of precursors for drugs (e.g., hydrochloric acid, sulfuric acid) is conducted exclusively with authorization from the National Anti-drug Agency, preventing their abusive or improper use.

At Chimcomplex, we are committed to providing detailed and transparent information about our products, focusing on correct use and safety measures. Sales and technical teams collaborate with distributors and end users to identify potential risks associated with use and provide technical support when necessary. Distributors are trained to monitor how products are used, and end users receive assistance in applying safety measures, thereby reducing the risk of incidents.

Managing tensions between impacts and commercial pressures

To manage tensions between impacts and commercial pressures at Chimcomplex, we prioritize the safety of consumers and end users, placing it ahead of commercial objectives. Products undergo rigorous testing before being marketed, and we will not sell products that do not meet safety standards, regardless of market pressures. If a product is found to pose health risks, we take immediate corrective actions, even if these result in financial losses.

Evaluation and remediation of negative impacts

At Chimcomplex, we implement internal processes and collect feedback from consumers to identify potential significant negative impacts of our products. Any complaint received is promptly recorded, investigated, and resolved. We provide users with direct communication channels to report any issues encountered. In the event of incidents, Chimcomplex works closely with authorities and users to swiftly apply corrective measures.

Approach to consumer data usage

At Chimcomplex, we do not collect sensitive personal data from consumers or end users, but we are committed to respecting the principles of transparency and confidentiality in all commercial interactions.

At Chimcomplex, we demonstrate a strong commitment to preventing and reducing significant negative impacts on consumers and end users. By adhering to regulations, adopting responsible business practices, and constant monitoring, the company successfully balances user safety with our commercial objectives.

In 2024, no complaints or notifications were registered with the National Authority for the Supervision of Personal Data Processing that required responses or clarifications regarding breaches of confidentiality for employees and collaborators. We have not received warnings, sanctions, fines, or recommendations from this authority, and no internal incidents of risk related to non-compliance with internal data protection regulations have been identified. Our management is periodically informed about the processes implemented for the protection and management of personal data through regular reports and presentations.



8.2.5 Targets related to managing significant negative impacts, promoting positive impacts, and managing significant risks and opportunities

ESRS S4-5

At Chimcomplex, we have not developed targets in accordance with ERSR requirements for consumers and end users.



Objective	Indicator	Target	Stage 31.12.2024
Increasing the satisfaction level of customers and stakeholders in relation to their requirements and expectations	Number of justified notifications and complaints regarding the quality/delivery of products	Reduction by 10% compared to the previous year	Reduction by ~82%

Additionally, at Chimcomplex, we are committed to complying with the current legislation regarding the commercialization of chemical products through the following measures:

- Compliance with REACH and CLP: Products are registered according to REACH standards and classified according to CLP regulations, with clear labels specifying risks and necessary protection measures.
- Provision of Safety Data Sheets (SDS): Each product includes an updated SDS, providing essential safety information for users.
- Correct labeling: Products are labeled in accordance with legal regulations, providing information about associated hazards and usage instructions.
- Monitoring regulations: At Chimcomplex, we closely follow legislative changes and align with European standards, collaborating with authorities and industry associations.
- Transparency and communication: At Chimcomplex, we provide detailed information about our products and offer channels through which customers can request additional information.
- Continuous training: Employees and partners are constantly trained to comply with legal requirements and to promote the correct and safe use of products.
- This approach ensures compliance with legal requirements and protects consumers.





INFORMATION REGARDING GOVERNANCE



ESRS G1

Business conduct

9.1 Business Conduct

ESRS 2 GOV 1

The role of the administrative and management bodies regarding professional conduct is essential for ensuring effective and ethical corporate governance. In this context, at Chimcomplex SA Borzești, we have adopted **the Code of Professional Ethics and Business Conduct**, thereby strengthening the normative framework that guides ethical behavior and professional responsibility at all levels of the organization. This code is presented below within ESRS G1-1.

For the reporting year 2024, the codes of conduct and policies regarding professional conduct have not yet been extended to the other companies in the group. Their extension is planned for the year 2025. Therefore, the information we present in this chapter applies exclusively to Chimcomplex SA and is not currently available at the group level.

At Chimcomplex SA Borzești, we apply a corporate governance code in accordance with the provisions of the Bucharest Stock Exchange (BSE) Governance Code, as part of the inclusion of its shares on the Bucharest Stock Exchange.

The leadership structures of Chimcomplex SA Borzești that play a decisive role in establishing professional conduct include the Board of Directors (BoD), Directors, the Audit and Risk Committee, and the Integrity Committee.

The Board of Directors of Chimcomplex SA Borzești plays a crucial role in establishing and promoting standards in an integral and ethical manner, overseeing the implementation of internal policies and procedures that support professional conduct. Specialized committees, such as the Audit and Risk Committee, periodically monitor and analyze risks associated with corruption, fraud, or other unethical practices. The Board also ensures that internal reporting mechanisms are effective and accessible to all employees.

Corporate governance policies aim to ensure transparency, accountability, and integrity, thus protecting the interests of all stakeholders and ensuring the company's long-term sustainability.

The selection of board members was conducted through a secret ballot during the Ordinary General Meeting of Shareholders (AGO), with candidates proposed by shareholders.

The diversity of the Board of Directors allows for the harnessing of complementary skills, experience, and professional knowledge from various fields.

Members of the administrative and management bodies possess solid expertise in areas such as corporate governance, anti-corruption legislation, and risk management. These competencies are developed through collaboration with external experts, in accordance with best international practices. Their active involvement in overseeing and implementing standards of professional conduct demonstrates our commitment to integrity.

9.1.1 Description of processes for identifying and assessing significant impacts, risks, and opportunities

ESRS 2 IRO 1

The process of identifying and assessing risks

At Chimcomplex SA Borzești, professional conduct is a central pillar of our organizational culture, having a direct impact on the company's reputation, relationships with partners, and the communities in which we operate. We identify and assess significant impacts, risks, and opportunities through a systematic approach, which includes:

- 1. Risk register analysis:** We maintain an updated risk register, which includes aspects related to professional conduct, such as corruption, conflicts of interest, or ethical violations. This register is periodically reviewed to ensure compliance with local and international regulations.
- 2. Stakeholder consultation:** We collaborate with employees, partners, and communities to identify emerging issues related to professional conduct. These feedbacks are integrated into our risk management strategies.
- 3. Monitoring and internal audit:** The internal audit activity is conducted in accordance with the Global Internal Audit Standards, applicable in Romania. Based on these standards, we develop an annual and multi-annual audit plan, because of risk assessment and the audit universe. Therefore, the audit of ESG activities will be included in the audit plan, based on the assessment of identified ESG risks.

Identified risks

In the risk register, which we update annually, we have identified the following significant risks and opportunities related to professional conduct:

- Risk of corruption and bribery: The possibility of employees or partners engaging in illegal practices;
- Conflicts of interest: Situations that may affect the objectivity of decisions;
- Reputation: The impact on public trust and business partners in the event of ethical misconduct;

- Promoting an ethical organizational culture: Through training programs and awareness initiatives, we strengthen our position in the chemical industry;
- Certifications and international recognition: Implementing good practices in corporate governance creates opportunities for certification and collaboration with global partners

Prevention and management measures

To prevent and manage risks, within Chimcomplex SA Borzești, we implemented in the year 2024:

- **Strict compliance policies:** The Code of Conduct, communicated to all employees via email, supplemented by anti-corruption policies, and guidelines for gifts and sponsorships.

- **Whistleblowing channels:** Employees and partners can anonymously report any misconduct to a dedicated email address.
- **Continuous training programs:** Courses for all employees focused on ethics, legislation, and best practices

Through this approach, Chimcomplex SA Borzești identifies and manages risks and strengthens ethical practices in its business conduct.

In the process of identifying impacts, risks, and opportunities (IRO) related to professional conduct, we included all companies in the group, as well as the value chain.

Impacts, risks, and opportunities are identified and assessed as part of the materiality analysis process through internal workshops and consultation of other sources. The results are presented in the tables below.

Impact

Subtopic	Impact description	Position in the value chain	Time Horizon	Strategic approach
Organizational culture	Actual positive impact , through the development of a transparent organizational culture, as well as through the development and implementation of the Code of Ethics.	Own Operations	Short, medium and long term	At Chimcomplex, we have implemented the Code of Professional Ethics, and Business Conduct . We also organize meetings that facilitate the exchange of ideas, constructive feedback, promoting a culture of transparency and open dialogue within the company.
	Potential negative impact in the absence of diversity policies and the promotion of toxic leadership, which lead to distrust and a negative work environment.	Upstream, Own operations, Downstream	Short, medium and long term	
Whistleblower protection	Actual positive impact on whistleblower protection, through the implementation of Whistleblower Policies	Own Operations	Short, medium and long term	We have implemented the Internal Whistleblower Policy.
	Potential negative impact on employees and the work environment. Potential impact on employee motivation due to a possible lack of trust	Upstream, Own operations, Downstream	Short, medium and long term	
Management of supplier relationships	Actual positive impact through adherence to internal procedures in supplier relationships, including timely payments	Own Operations	Short, medium and long term	At Chimcomplex, we prioritize business ethics and prefer to collaborate with suppliers who support sustainability programs. Supplier relationships are managed according to the integrated quality and environmental management system, ISO 9001 and ISO 14001. Suppliers are selected and periodically evaluated based on criteria established for each procurement category, using questionnaires, evaluation sheets, and second-party audits.
	Potential negative impact through the adoption of unfair payment practices, hidden costs, and poor supplier management, which contribute to instability, supply delays, and strained partnerships, endangering the continuity of our business.	Upstream, Own operations, Downstream	Short, medium and long term	
Corruption and bribery	Actual positive impact ensured by adhering to internal codes and procedures regarding the prevention of corruption and bribery	Own Operations	Short, medium and long term	We have implemented a series of values and principles that guide our entire activity: Ethics and Integrity, Anti-competitive Practices, Anti-corruption Practices.
	Potential negative impact on our relationship with investors, regulatory authorities, and the government. Potential negative impact on our reputation	Own Operations	Short, medium and long term	

Risks/Opportunities

Subtopic	Description of risks/opportunities	Financial effect
Organizational culture	Opportunity: By promoting a positive and ethical organizational culture, we can attract top talent, enhance employee retention, and attract investors, which ultimately contributes to improved profitability.	Effect on financial performance Effect on cash flows Effect on asset value
	Risk: Encouraging a corporate culture that lacks ethics can lead to legal issues, talent loss, and deterioration of trust from clients and investors, resulting in financial crises.	Effect on financial performance Effect on cash flows
Whistleblower protection	Opportunity: By strongly protecting whistleblowers, we can improve regulatory compliance and build trust with stakeholders.	Effect on financial performance Effect on cash flows Effect on asset value
	Risk: Damage to our reputation and violation of legal requirements.	Effect on financial performance Effect on cash flows
Management of supplier relationships	Opportunity: By maintaining close relationships with suppliers, we can achieve more competitive pricing, improve product quality, and streamline supply chains, ultimately enhancing our profitability	Effect on financial performance Effect on cash flows Effect on asset value
	Risk: Poor supplier management practices can lead to operational delays, legal disputes, and higher costs due to unstable supply chains.	Effect on financial performance Effect on cash flows
Corruption and bribery	Opportunity: Maintaining a history free of corruption or bribery cases over the years contributes to building a strong reputation with clients and suppliers, which generates business opportunities.	Effect on financial performance Effect on cash flows Effect on asset value
	Reputational risks: Non-compliance with internal codes and procedures regarding the prevention of corruption and bribery can lead to the loss of relationships with suppliers and clients	Effect on financial performance Effect on cash flows

9.2 Governance and business practices

9.2.1 Corporate culture and policies regarding professional conduct and corporate culture

ESRS G1-1

Our corporate governance structure is based on transparency, accountability, and integrity, aiming to protect the interests of all stakeholders.

Corporate governance policies aim to ensure: transparent and sustainable value creation through the clear delineation of responsibilities, management processes, and continuous monitoring of the performance and efficiency of the Board of Directors, as well as appropriate decision-making processes regarding policy principles and controls.

At Chimcomplex SA Borzești, corporate culture is the foundation that supports sustainable development and long-term performance. The company establishes and promotes its values through:

- **Code of Conduct:** An essential document that defines the ethical and professional principles guiding the behavior of all employees, collaborators, and business partners.

- **Annual training sessions:** Dedicated to training employees on professional conduct and principles of integrity.

We promote corporate culture through transparency in communication, by periodically publishing sustainability reports and results regarding ethics and compliance.

We have implemented clear mechanisms for identifying, reporting, and investigating concerns related to illegal behavior or conduct contrary to the code of conduct:

- **Dedicated reporting channels:** We provide employees and internal and external stakeholders with an email address (whistleblower@chimcomplex.com) for anonymously reporting misconduct. In the reporting year 2024, there were no reports.
- **Clear investigation policies:** Each report is analyzed by a designated team that ensures confidentiality and objectivity in the investigation process.
- **Transparency in results:** We periodically communicate, in the annual sustainability report, the progress and conclusions of investigations, in compliance with applicable legislation.



At Chimcomplex SA Borzești, we have adopted a **series of policies and standards** to ensure effective governance, including:

- **Anti-Corruption Policy:** Details about this policy are presented in ESRs G1-3 - Prevention and detection of corruption and bribery.
- **Diversity and Inclusion Policy:** We promote a diverse and inclusive work environment, ensuring that all employees are treated with respect and dignity. This policy is detailed in ESRs S1-1 - Policies related to our own workforce.
- **Remuneration Policy:** Aiming to ensure long-term performance. This policy is described in ESRs2 GOV-3 - Integration of sustainability-related performance into incentive systems.
- **Whistleblower Policy:** Details about this policy are presented below.
- **Code of Professional Ethics and Business Conduct:** Details about this code are presented below.
- **GDPR Policy:** Details about this policy are presented below.
- **Sustainable Development Policy:** Details about this policy are presented below.
- **Sustainable Procurement Policy:** Details about this policy are presented below.

1. *GDPR Policy*

The purpose of this policy is to regulate how Chimcomplex SA Borzești processes the personal data of individuals (clients, employees, suppliers, etc.) in compliance with applicable legislation. We are committed to protecting this data, respecting the fundamental rights of data subjects, including the right to privacy and data protection.

The policy applies regardless of the method of data collection, processing, or storage (electronic, paper, or other media). The responsibility for data protection lies with the company, employees, collaborators, and service providers who process data on behalf of the group. The policy must be applied in conjunction with other group policies, and in cases where stricter policies exist, those will take precedence.

The policy is periodically reviewed to ensure compliance with current legislation.

2. *Sustainable Development Policy*

Among the priority actions of the sustainable development strategy at Chimcomplex SA Borzești, which relate to corporate culture, are:

- Sustainable development in the supply chain/ communication with suppliers;
- Compliance with legal provisions and prevention of corruption;
- Increasing customer and stakeholder satisfaction in relation to their requirements and expectations.



3. Sustainable Procurement Policy

Chimcomplex SA Borzești is committed to integrating sustainability principles into its procurement processes, adhering to national and international legislation, as well as sustainable development requirements. The main objective is to optimize economic, social, and environmental impacts in relationships with suppliers, considering global challenges such as climate change, depletion of natural resources, and the circular economy.

4. Code of Professional Ethics and Business Conduct

The Code of Professional Ethics and Business Conduct establishes a set of standards that apply equally to all—namely, the members of the Board of Directors, directors, managers, and our employees. These rules do not cover and cannot anticipate all the aspects that might arise, but they establish the basic principles that apply in conducting our professional activities.

The main aspects addressed within the policy are:

- **Compliance with Competition Law:** We are committed to adhering to the principles and rules of free and fair competition.
- **Anti-corruption:** A zero-tolerance policy towards bribery and corruption is a central aspect of the corporate culture.
- **Conflict of Interest:** We take active measures to avoid conflicts of interest.
- **Anti-money Laundering and Trade Sanctions:** Implementing anti-money laundering measures is essential.
- **Responsible Use of Company Assets:** Employees are responsible for the proper use and protection of company assets.
- **Occupational Health and Safety:** Ensuring a safe and healthy work environment is a fundamental value.
- **Sustainability and Environmental Protection:** We are actively involved in sustainable development.

- **Human Rights and Equal Employment Opportunities:** Respecting human rights and promoting equal opportunities are priorities.
- **Employee Relations:** We promote a work environment based on respect and fairness.
- **Personal Data Protection and Information Security:** Adhering to high standards of data protection is important.
- **Trade Secrets and Insider Information:** Protecting confidential information is essential.
- **Accounting, Reporting, and Taxes:** Accuracy and correctness in accounting records are imperative.

At Chimcomplex SA Borzești, we are committed to strictly adhering to the ethical principles and values that continuously define and shape the company's identity and organizational culture. These values are as follows:

- **Loyalty** - We are devoted to the organization, shareholders, and community to achieve the assumed objectives.
- **Honesty** - We are honest with ourselves, our partners, and our colleagues.
- **Trust and Ethics** - We are trustworthy partners in our relationships with authorities, collaborators, and other stakeholders. We know, acknowledge, and respect social values and ethical principles of conduct.
- **Safety** - Health and safety at work are priorities to provide a safe working environment for all employees, contractors, and visitors.
- **Integrity** - We demonstrate consistency between our actions and values, principles, and legal rules.
- **Responsibility** - We fulfill our obligations and take responsibility for our actions.

The individuals at Chimcomplex SA Borzești at the highest level, responsible for implementing policies regarding professional conduct and corporate culture, are the operations directors at both sites.

9.3 Anti-corruption and fair competition

9.3.1 Prevention and detection of corruption and bribery

ESRS G1-3

In the company and in our dealings with business partners, we prohibit and condemn any form of corruption, bribery, fraud, nepotism, abuse of power, or blackmail, and we eliminate any personal interest or conflict of interest from our operations. The company's vision is to effectively communicate these values and principles, both internally and externally, to prevent non-compliance and to find solutions through an internal monitoring and control procedure.

At Chimcomplex SA Borzești, we monitor the level of training of all personnel in business ethics, as well as the risks related to conflicts of interest that may arise in the company's activities.

To ensure the monitoring of all situations that could affect organizational ethics and integrity, we have integrated sustainability into our management systems and implemented a set of values and principles that guide our activities: ethics and integrity, anti-competitive policy, anti-corruption policy.

In our activities, we promote both compliance with applicable legal regulations and adherence to ethical principles and standards in all aspects of work, from daily interactions with colleagues, clients, and business partners to decision-making in important situations.

The Business Ethics Code establishes safeguards for combating money laundering.

Through our employees, representatives, and collaborators, we verify the identity of clients and, if necessary, the beneficiaries, applying continuous monitoring of the business relationship based on a risk assessment.



Employees are required to immediately report to the National Office for Prevention and Control of Money Laundering any suspicion related to operations that might aim at money laundering or terrorism financing.

We provide annual training to staff and implement rules and procedures tailored to the volume and specifics of activities, ensuring the retention of client identification data and operations in accordance with legal deadlines. The company ensures that individuals involved in financial decisions and operations are subject to effective monitoring and control systems to guarantee compliance with legal obligations.

As part of the governance policies of Chimcomplex SA Borzești, we have adopted and implemented **an Anti-Corruption Policy**. Through this policy, the company commits to preventing all forms of corruption and bribery. This policy includes strict rules regarding gifts and hospitality, as well as mechanisms for reporting incidents of corruption.

Additionally, at Chimcomplex SA Borzești, we monitor the level of business ethics training for all personnel, as well as the **risk of conflicts of interest** that may arise in the company's activities. In this regard, we are committed to conducting regular training for employees on the code of conduct, anti-corruption policy, and other ethical aspects.

The anti-competitive practice implemented within the company is essential for ensuring a free and fair market, benefiting both consumers and the economy as a whole.

In the year 2024, **100% of the positions exposed to risk were covered by training programs**.

During the financial year 2024, we provided internal training courses to our own workers who are exposed to risk concerning the anti-corruption policy. For these risk-exposed positions, training is mandatory, but Chimcomplex also offered voluntary training to an additional 48 of our own workers regarding anti-corruption rules. The details of the training conducted throughout the year are as follows:

	Risk positions	Managers	AMSB ¹³
Training coverage			
Total	31	11	5
Total receiving training	31	11	5
Computer-based training	2 hours	2 hours	2 hours
Frequency			
How often is training necessary	Anually	Anually	Anually
Topics covered			
Anti-corruption Rules	x	x	x
Anti-corruption Policy	x	x	x

At the level of Chimcomplex, there were no integrity incidents during the year 2024, nor any complaints in this regard. There were no reports related to corruption at the group level during the reporting year.

¹³ Administrative, management and supervisory bodies.

9.3.2 Confirmed cases of corruption or bribery

ESRS G1-4

Following rigorous internal checks, for the professional activity conducted in 2024, we confirm that there were no incidents related to **corruption, conflicts of interest, fraud, money laundering, or anti-competitive practices.**

This demonstrates the company's ongoing commitment to ethics, integrity, and information security.

Incidents	Status	Summary of remediation actions
There were none	NA	NA

9.4 Supplier management

9.4.1 Management of supplier relationships

ESRS G1-2

Throughout the supply, production, and commercialization chain of chemical products, at Chimcomplex SA Borzești, we continuously communicate with suppliers and clients to ensure compliance with legal requirements in force at the national and European levels, as well as other requirements they may have. Across the supply chain, activities are conducted in accordance with the following principles: non-discrimination, equal treatment, mutual recognition, transparency, proportionality, efficiency in the use of capital funds, and accountability.

Fair treatment of suppliers is supported by the Human Rights Policy, which is extensively applied to relationships with them, thus ensuring respect for the fundamental principles of human rights and dignity throughout the entire supply chain.

Supplier relationships are standardized within the Integrated Management System for both sites (Onești and Rm. Vâlcea). The current process procedure establishes a set of rules and responsibilities regarding the procurement of raw materials, packaging, consumables, technical and industrial equipment, spare parts, and services to ensure that all purchased products and services comply with specified legislative, technical, quality, environmental, and sustainability requirements.

Approach to supply chain-associated risks

To manage and mitigate risks associated with the supply chain, Chimcomplex SA Borzești operates based on implemented **procedures (Unique Procurement Procedure) and processes that are in line with current legislation**, conducted ethically, environmentally friendly, socially responsible, and economically efficient.

Chimcomplex strongly supports the national economy by sourcing from local suppliers. Despite the collapse of Romanian industry and the disappearance of essential factories for the entire procurement chain in the chemical sector, the company manages to counteract this decline by reintegrating 22.50% of the turnover generated by procurement activities back into the domestic market. This performance underscores Chimcomplex's commitment to supporting local production, despite an increasingly challenging economic environment.

Diversifying suppliers to reduce supply risks is part of the business strategy.

Chimcomplex **has good local and regional integration in the supply chain** with minimal logistics costs.

Supplier selection in the context of risk assessment

Understanding supplier risk is a crucial factor in deciding whether and how we conduct business with a particular supplier. The procurement process involves risk analysis across several categories: environmental and social, financial-banking, legal, and operational. Risk alerts help us implement a preventive risk management process.





Additionally, we ensure that parties sanctioned by the European Union or international organizations, such as the United Nations, are not accepted as procurement partners.

New suppliers undergo a thorough analysis before starting collaboration to identify any associated risks. Existing suppliers, especially those considered strategic or with a significant impact on our operations, are continuously monitored and evaluated. This ongoing evaluation process allows for the proactive identification of potential issues and the timely adoption of preventive or corrective measures, thereby ensuring a safe, responsible, and compliant supply chain with legal and ethical requirements.

The general risk analysis of procurement is an integral part of the procurement strategy, which is periodically reviewed and presented to the board of directors. Through this approach, we ensure that decisions regarding the selection and management of suppliers are aligned with the organization's strategic objectives and comply with corporate governance standards.

Our suppliers are carefully selected based on criteria established for each procurement category and are periodically evaluated through questionnaires, evaluation forms, and internal and/or external audits. Supplier prequalification is part of the pre-contractual activities in which Chimcomplex SA Borzești collects information from a potential supplier to assess compliance with our internal requirements. The purpose of the prequalification process is to examine potential suppliers before contracting them or during the bidding phase to ensure that only those suppliers who meet our standards are considered for future collaboration. After prequalification, the Procurement Department, together with business representatives, selects the best suppliers based on a predefined set of commercial, legal, HSSE (Health, Safety, Security, Environment), and technical criteria during a bidding process.

Sustainability aspects

Working together with our suppliers, we define joint initiatives to consistently reduce carbon emissions in the supply chain and contribute to meeting the commitments of the Paris Agreement.

We are committed to reviewing supply chain policies and processes to include selection and evaluation criteria based on sustainability, conducting sustainability audits, and assessing sustainability risks in our relationship with suppliers. Additionally, at Chimcomplex, we have implemented the Sustainable Procurement Charter, which all company suppliers must adhere to, and this serves as an important selection and evaluation criterion.

In 2024, we actively and intensively engaged with all the company's suppliers regarding sustainable procurement practices. For all suppliers invited to respond to the 'Sustainability Questionnaire,' awareness sessions will be organized to help them understand how to complete it and why Chimcomplex SA Borzești needs this information.

We take responsibility not only for our products but also for the entire supply chain.

The main requirements for suppliers are:

- Integrating sustainability commitments into procurement contracts.
- Using high-performance technologies and raw materials with a reduced carbon footprint.
- Reducing emissions and waste in the production process.
- Promoting a safe working environment and respecting human rights.
- Adhering to business ethics.

Annual objectives for sustainable procurement:

- Training suppliers on sustainability (min 50% in 2024 – achieved 52%).
- Evaluating suppliers through audits and interviews (min. 6 audits in 2024 – achieved 9 second-party audits, 20 by 2030).
- Efficient management of raw material expenses (max. 40% of production value – achieved 44.2% for the year 2024, including costs of raw materials and electricity).

Chimcomplex aims to achieve climate neutrality in the supply chain by 2050 by promoting sustainable practices and collaborating with suppliers who adhere to these principles.

These aspects are specified in the **Sustainable Procurement Policy**.

Sustainable procurement is based on the optimal identification and management of economic, social, and environmental impacts within the supplier network.

In the year 2024, with the desire to ensure knowledge and adherence to sustainable development throughout the entire procurement value chain at Chimcomplex SA Borzești, we undertook the following actions:

- We developed and sent, between March and June 2024, to 269 suppliers (199 from the domestic market and 70 from the foreign market) a Self-assessment Questionnaire regarding suppliers' activities – sustainable procurement, which aimed to train and verify compliance in terms of sustainability. Besides the Self-assessment Questionnaire, we also sent the "Sustainable Procurement Charter for Suppliers" of Chimcomplex SA Borzești, informing suppliers about the principles of sustainable procurement and inviting them to join us in the compliance effort by signing the document. Suppliers of raw materials, materials, products, and services were questioned, representing a source of continuous improvement in terms of sustainability, both for us as a client and for the companies themselves.
- Between July and December 2024, nine important suppliers of raw materials and services were audited by sending an audit questionnaire and conducting online interviews. The level of compliance with sustainability principles and requirements was assessed, and audit reports were prepared and sent to those audited

Specifically, we conducted 9 sustainability audits and assessments with suppliers regarding their approach to the environment, social responsibility, labor, and human rights (e.g., employee health and safety, working conditions, social dialogue, career management and professional training, child labor, forced labor and human trafficking, diversity, discrimination and harassment, human rights), ethics, and supply chain.

We aim to continuously increase the number of sustainability assessments of suppliers (internal assessments and/or EcoVadis).

Preventing delays in making payments

The policy for preventing delays in payments to suppliers has led to the automation of invoice verification and their payment due dates through the company's ERP software, eliminating manual handling of this operation and human errors related to meeting payment deadlines.

9.4.2 Payment practices

ESRS G1-6

According to the contractual provisions regarding payment terms, payments to our suppliers are made in accordance with the agreements individually concluded with each partner, with the standard payment term being 30 days.

We are committed to monitoring and adhering to the payment conditions with suppliers.

Thus, in 2024, there were no delays compared to the contractual terms agreed upon by the parties. The average time required for paying an invoice from the date on which the contractual or statutory payment term begins to be calculated is 15 days.

Our standard payment terms for our main categories of suppliers, based on the negotiated contract, are a maximum of 30 days, and the percentage of our payments within these standard terms is 83%. There are no ongoing legal actions related to delayed payments.





APPENDIX



APPENDIX-REPORT ACCORDING TO ARTICLE 8 OF REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL("TAXONOMY REGULATION")

10.1 INTRODUCTION

The taxonomy reporting has been prepared at the level of the Chimcomplex group. This section presents the key performance indicators provided for in Article 8 of the EU Taxonomy, Regulation (EU) 2020/852, and the associated delegated regulations.

The information complies with the simplified reporting requirements under Article 8 of the Taxonomy Regulation and Article 10(2) of Article 8 of the Commission Delegated Regulation (EU) 2021/2178 and its subsequent amending acts, Delegated Regulation (EU) 2021/2139, Delegated Regulation (EU) 2022/1214, Delegated Regulation (EU) 2023/2485, Delegated Regulation (EU) 2023/2486, and Delegated Regulation (EU) 2024/3215.

This regulation defines the criteria and standards necessary to classify sustainable investments, thereby facilitating the allocation of financial resources towards projects and economic activities that contribute to achieving sustainability and environmental protection goals. The EU Taxonomy is a classification system that establishes six environmental objectives:

- Climate Change Mitigation.
- Climate Change Adaptation.
- Sustainable Use and Protection of Water and Marine Resources.
- Transition to a Circular Economy.
- Pollution Prevention and Control.
- Protection and Restoration of Biodiversity and Ecosystems.

10.2 Article 8 Regulation on taxonomy

The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy and represents an important step toward achieving carbon neutrality by 2050, in line with EU objectives, as the Taxonomy serves as a classification system for sustainable economic activities.

In the following section, Chimcomplex, as a non-financial enterprise, presents the share of turnover, capital expenditures (CAPEX), and operational expenditures (OPEX) for the reporting period from January 1, 2024, to December 31, 2024, which are associated with eligible economic activities and have the potential for alignment with the taxonomy. For alignment, activities must substantially contribute to one of the environmental objectives and must not cause significant harm to the other five environmental objective:

- Climate Change Mitigation.
- Climate Change Adaptation.
- Sustainable Use and Protection of Water and Marine Resources.
- Transition to a Circular Economy.
- Pollution Prevention and Control.
- Protection and Restoration of Biodiversity and Ecosystems.

In accordance with Article 8 of the Taxonomy Regulation and Article 10(2) of the Delegated Act (Commission Delegated Regulation (EU) 2021/2178) and its subsequent amending acts, the performance of Chimcomplex for the year 2024 is presented.

10.3 Our Results

General Presentation

Art. 8 (2) of the Taxonomy Regulation combined

The table below presents the proportion of economic activities that are eligible and aligned with the Taxonomy (based on total turnover, capital expenditures (CapEx), and operational expenditures (OpEx) for the financial year 2024.



Chimcomplex		Eligibility - Financial Year 2024		Alignment - Financial Year 2024
KPIs ¹⁴	Total (RON)	Eligible and Aligned Activities (A1) (%)	Eligible but Not Aligned Activities (A2) (%)	Non-eligible Activities (B) (%)
Turnover	1,502,687,570	-	46.10	53.90
Capital Expenditures (CAPEX)	87,979,576	-	63.07	36.93
Operational Expenditures (OPEX)	1,293,568,430	-	67.27	32.73

¹⁴ În scopul prezentului raport, cifra de afaceri, cheltuielile de capital și operaționale aparțin .CHIMCOMPLEX SA BORZESTI..



Definitions

An **eligible** economic activity is one that matches the description of one of the activities defined in Regulation EU 2020/852 and its associated delegated regulations, regardless of whether the economic activity meets all the technical screening criteria provided

An economic activity is aligned with the taxonomy if it meets the following requirements:

- The activity makes a substantial contribution to one of the six environmental objectives by meeting the evaluation criteria defined for that economic activity.
- The activity does not significantly harm (DNSH) any of the other five environmental objectives.
- The activity is conducted in compliance with minimum safeguards, which apply to all economic activities and mainly refer to human rights and social and labor standards.
- The activity meets the technical screening criteria established by the EU and listed in the delegated acts. Eligibility and alignment with the EU taxonomy must be reported financially as percentages of a company's total revenue, total capital expenditures (CapEx), and selected operational expenditures (OpEx).

A **non-eligible** economic activity for the Taxonomy refers to any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

10.4 Description of Activities

We have examined all the economic activities carried out by Chimcomplex to identify those that are eligible and aligned in accordance with Annexes I and II of the Climate Delegated Act. Our activities contribute to climate change mitigation.

Economic activities eligible for taxonomy

The main activity of Chimcomplex, according to the CAEN classification, is 2013 - Manufacture of other inorganic basic chemicals (production of chlor-alkali and inorganic chlorides) and 2014 - Manufacture of other organic basic chemicals. The largest share of the company's revenue in the year 2024, according to the CAEN classification, is 2014 - Manufacture of other organic basic chemicals, mainly: polyether polyols, oxo alcohols, alkylamines, and other chemicals, including services and technical assistance and their commercialization domestically and for export.

The core production of the Group is structured across two locations: the Chemical Platform - Râmnicu Vâlcea Branch and the Chemical Platform Onești.

In accordance with the reporting requirements for the financial year 2024, eight eligible activities have been identified and assessed for compliance for Chimcomplex in accordance with the Taxonomy Regulation (EU) (2020/852) and subsequent delegated acts.



The identified eligible activities carried out by Chimcomplex are listed below:

- Activity 3.13: Manufacture of chlorine.
- Activity 3.17: Manufacture of plastics in primary forms.
- Activity 4.1: Electricity generation using solar photovoltaic technology.
- Activity 4.30: High-efficiency co-generation of heat /cool and power from fossil gaseous fuels.
- Activity 4.31: Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system.
- Activity 6.2: Freight rail transport.
- Activity 6.6: Freight transport services by road.
- Activity 7.2: Renovation of existing buildings.

Activity 3.13: Manufacture of chlorine

The manufacturing of chlorine is carried out at both locations in the brine electrolysis plants with ion-exchange membranes, producing chlorine as the main product alongside sodium hydroxide (lye) and hydrogen. The phases of the technological process (identical at both locations) are:

- Primary purification of brine.
- Polishing filtration of brine.
- Secondary purification of brine.
- Electrolysis of ultrapure brine in an electrolysis unit consisting of 6 electrolyzers, where, from the ultrapure aqueous solution of NaCl, under the action of electric current, the electrochemical production of chlorine, sodium hydroxide, and hydrogen occurs.
- Circulation of catholyte.
- Anolyte treatment.
- Chlorine cooling.
- Chlorine drying.
- Compression and distribution of dry gaseous chlorine.
- Dechlorination of residual gases.
- Cooling - compression of hydrogen.

In 2024, at Onești, operations were mostly conducted with 3-4 electrolyzers, producing 60,994.26 tons of electrolytic chlorine, while at Rm. Vâlcea, 5 electrolyzers were used to produce 88,081.69 tons of electrolytic chlorine.

The electrolytic chlorine was used as a semi-finished product in the production of the following finished products: Liquid chlorine, Hydrochloric acid, Sodium hypochlorite, Ferric chloride, Calcium chloride, Propylene glycol, Special polyols, Flexible polyols, Polymeric polyols, Rigid polyols, Pure dichloropropane, Drinking water, Demineralized water.

Activity 3.17: Manufacture of plastics in primary forms

Onești Site: The POLIEPOXIDES Project (resins based on epichlorohydrin) aims to produce 26,000 tons per year of epichlorohydrin, of which approximately 15,000 tons per year will be processed into 24,000 tons per year of epoxy resins. Various types of epoxy resins can be produced, depending on the desired viscosity, density, and epoxy equivalent. Thus, the parameters of the technological process can be adjusted according to market demands. The proposed project is highly profitable and aligns with global concerns regarding the use of renewable resources and the circular economy.

The project consists of six main units. These units are:

1. Gas hydrochloric acid synthesis unit - HCl unit.
2. Crude glycerin distillation unit - GLY purification unit.
3. Epichlorohydrin synthesis - ECH unit.
4. Epoxy resin synthesis - ERP unit.
5. Brine purification unit - BPP unit.
6. Waste incineration unit - WIP unit.

In 2024, Chimcomplex submitted a funding request to the Ministry of Finance under Government Decision 300 for the project: ESTABLISHMENT OF A NEW POLIEPOXIDES PRODUCTION UNIT WITHIN CHIMCOMPLEX SA. Additionally, expenses were incurred for consultancy services related to fund application documentation and market research, totaling 2,010,500 lei.

Rm. Vâlcea Site:

1. The existing polyether polyol production facilities at the Rm. Vâlcea site, with the main technological phases being: dosing of raw materials; degassing; heating of the reaction mass; dosing of propylene oxide; completion of the reaction; degassing and cooling; storage and conditioning, produced in 2024: Flexible polyols, Polymeric polyols, Special polyols, Rigid polyols.
2. A funding project was submitted to AFM-PNRR – **"Polyurethane Foam Recycling Plant at CHIMCOMPLEX S.A. Borzești, Râmnicu Vâlcea Branch."**

The recycling capacity is 1000 tons per year.

In 2024, expenses were recorded for consultancy services related to documentation preparation for funding, feasibility studies, land registry works, construction fees, and others amounting to 909,686.73 lei.

The project involves the purchase and commissioning of a modern plant for recovering plastic products such as polyurethanes through chemical recycling, using an optimized acidolysis technology. Acidolysis recycling involves breaking down the polyurethane matrix by reacting with inorganic acids, carboxylic acids, or acid anhydrides. For the decomposition of polyurethanes for recycling purposes, mono or dicarboxylic acids are used. Therefore, the process used in the new facility involves the reaction of a mixture consisting of 40% polyurethane, 13% carboxylic acid, 37% polyol, 6% additives, and 4% catalyst. Chemical recycling methods produce a recovered polyol (a complex liquid mixture of compounds with OH groups) that can be used in the production of polyurethane foams mixed with fresh polyol.

Activity 4.1: Electricity generation using solar photovoltaic technology

In 2024, projects were submitted to the Modernization Fund (Supporting investments in new electricity generation capacities from renewable sources related to the project call for applicants from the private sector, within 'Key Program 1' Renewable Energy Sources and Energy Storage) for Onești, Râmnicu Vâlcea, and Dej (a working point of Chimcomplex).



1. Installation of a photovoltaic power plant at Chimcomplex S.A. Borzești – Onești: 14 MW for self-consumption without storage
2. Implementation of a photovoltaic power plant at CHIMCOMPLEX SA Borzești - Râmnicu Vâlcea: 4.6 MW for self-consumption and 1 MWh storage
3. Installation of a photovoltaic power plant at Chimcomplex S.A. Borzești – Dej 1: 2.1 MW production and 0.5 MWh storage
4. Installation of a photovoltaic power plant at Chimcomplex S.A. Borzești – Dej 2: 29.95 MW for self-consumption and 1 MWh storage

Activity 4.30: High-efficiency co-generation of heat /cool and power from fossil gaseous fuels.

COGENERATION PLANTS

The simultaneous production of steam and electricity through cogeneration is a current and technically-economically validated option for utilizing primary energy resources (natural gas). Involvement of excess hydrogen in cogeneration is a beneficial solution for integrating a specific local resource.

At the **Onești site**, there are two cogeneration plants:

Cogeneration I

Year of commissioning: 2009

Cogeneration involves the simultaneous production of electricity and heat by burning natural gas in a high-pressure gas turbine and low-pressure natural gas together with hydrogen in the recovery boiler.

The main equipment has the following technical specifications:

- 1 Taurus 70 gas turbine manufactured by Solar, with a capacity of 7.5 MW;
- 1 electric generator with a capacity of 9000 KVA, 6 KV;
- 1 steam recovery boiler – Astebo, with a capacity of 25 t/h;
- 1 gas compressor – Enerproject type, with a capacity of 2800 Nm³/h, 22 barg, 125 Kwe.

Plant capacity:

- Electric power: 7.38 MW h/h
- Steam: 25 t/h - 16.68 MW
- Hot water: 1.411 MWht/h
- Raw materials: natural gas – 3200 m³/h and
 - Hydrogen: 3000 Nmc/h (the caloric equivalent of natural gases – 910 m³/h, part of the 3200 m³/h).

In the year 2024, Cogeneration I operated according to needs, producing: 50,292 MWh of electricity and 80,217 Gcal of thermal energy.

Cogeneration II

Year of commissioning: 2015

Cogeneration in this plant involves the simultaneous production of electricity and heat by burning natural gas in a high-pressure gas turbine. The main equipment has the following technical specifications:

- 1 gas turbine (GT) of 7.68 MW, GPB80D, Kawasaki
- 1 electric generator of 9800 KVA, 6.3KV
- 1 steam recovery boiler - HRSG of 16 t/h, 16 bar, 250°C



- 1 gas compressor type EGSI-S-50/300 WA
- 1 air compressor type ASK40, Kaeser
- Medium and low voltage electric station
- Internal services transformer
- SCADA system for cogeneration plant control.
- Plant capacity
- Net power: 7.68 MW at 10° C.
- Net capacity: 15.92 t/h /16 barg/ 250° C – 11.7 MW.

In the year 2024, this plant was in conservation.

At the Rm. Vâlcea site, two cogeneration plants were completed and commissioned:

1. High-efficiency cogeneration plant 49 MWe

The high-efficiency cogeneration plant produces:

- Electrical energy: minimum 42.39 MWe, maximum 49 MWe;
- Thermal energy in the form of steam at 16 bar and 280 °C: minimum 68.1 MWth, maximum 69.45 MWth;
- Thermal energy in the form of hot water, pressure 14 bar, temperature min. 70 °C, max. 90 °C: maximum possible from the recovery of residual heat from the chimney

The high-efficiency cogeneration plant of 49 MW is installed outdoors, on isolated reinforced concrete foundations. It consists of new modular (container-type) constructions, single-story, which include a control room, electrical equipment rooms (self-service transformers, power installation for CHP supply, medium voltage station, etc.), locker rooms, and sanitary facilities.

The utilities required for the technological process of the 49 MW high-efficiency cogeneration plant include demineralized water, decanted water, potable water, instrument air, process air, nitrogen, and methane gas. These are supplied from the networks of CHIMCOMPLEX SA Borzești - Râmnicu Vâlcea Branch.

The plant has chimneys for the exhaust gases from the three steam recovery boilers. Each chimney is equipped with a continuous emission monitoring system.

The thermal energy in the form of steam produced by the 49 MW high-efficiency cogeneration plant is entirely consumed internally in its own industrial processes.

The electrical energy produced by the 49 MW high-efficiency cogeneration plant is entirely consumed internally in its own industrial processes. The cogeneration plant is connected to the main consumer – the Membrane Electrolysis 34 MWh, as well as to the other consumers connected via SRA2 – 7 MWh, SRA3 - 5 MWh, SRA4 - 7 MWh, and Station 3 – 2 MWh.

In the year 2024, the 49 MW cogeneration plant produced: 84,065.786 MWh of electrical energy and 86,110.2125 Gcal of thermal energy.

2. High-efficiency cogeneration plant 8 MWe

The high-efficiency cogeneration plant of 8 MWe (trigeneration) produces:

- Electrical energy: max. 8 MWe;
- Thermal energy in the form of steam at 13 bar + hot water: 9.5 MWth;
- Thermal energy in the form of chilled water at 5°C: 7,449 MWh/year

The trigeneration plant with a maximum of 8 MWe consists of the following main equipment:

- Gas turbine;
- Electric generator;
- Gas compressor;
- Steam recovery boiler;
- Absorption chiller.

The fuel, namely natural gas and combustion air is introduced into the combustion chamber where combustion occurs. Before being introduced into the combustion chamber, the air is compressed using a compressor. The combustion gases resulting from the combustion chamber are fed into the gas turbine, which they drive. This, in turn, drives the electric generator that produces electrical energy. After expanding in the turbine, the combustion gases are directed to the recovery boiler, where they are cooled to the exhaust temperature at the chimney using cold water introduced into the boiler. Depending on the needs, the recovery boiler produces steam with various parameters, hot water, or both.

In the case of trigeneration plants, the hot water produced by the recovery boiler is used by an absorption chiller to produce chilled water.

In the year 2024, the production included: 27,623,898 MWh of electrical energy, 33,691.8696 Gcal of thermal energy, and 884.84 Gcal of chilled water.

Activity 4.31: Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system

The project was submitted under the PNRR for *high-efficiency gas cogeneration, flexible, in the district heating sector of Râmnicu Vâlcea.*





The general objective of the project is to establish a flexible and high-efficiency gas production capacity of 108 MWe / 89.1 MWt for the cogeneration of electrical and thermal energy (CHP) to supply thermal energy to the residents of Rm. Vâlcea.

In the year 2024, expenses were recorded for consultancy: Purchases in SEAT amounting to 86,817.67 lei.

Activity 6.2. Freight rail transport

Chimcomplex has as a support activity at both sites the freight rail transport (raw materials and finished products) on the industrial railways, from and to the point where the trains are taken over by national rail transport companies, namely to Borzești Station for the Onești site and to Râureni Station for the Rm. Vâlcea site.

On the internal railways, we operate diesel-electric locomotives (1 only at Onești) and diesel-hydraulic locomotives (2 units) at Onești and (2 units) at Rm. Vâlcea.

Activity 6.6. Freight transport services by road.

Chimcomplex has, as a support activity at both sites, the road freight transport (raw materials and finished products), internally and on national roads and highways in Romania, from Chimcomplex (either the Onești site or the Rm. Vâlcea site) to the client or supplier.

For carrying out this activity, we have in operation:

At Onești: 1 N1 utility vehicle (purchased in 2023) and 1 N3 utility vehicle (purchased in 2016),

At Rm. Vâlcea: 1 N3 utility vehicle (purchased in 2022), which in 2024 was used only for internal freight transport.

Activity 7.2 Renovation of existing buildings

In the year 2024, renovation activities took place at the Tarcău Training Center (expenses reimbursed by Chimcomplex) consisting of partial works (only initiated, not completed) in: construction, plumbing, heating installations, and electrical installations.

Assessment of activities regarding alignment.

The results regarding the alignment of activities with the taxonomy were obtained following DNSH (Do No Significant Harm) assessments and evaluations regarding compliance with the minimum safeguards for the identified eligible activities.



The results regarding the alignment of activities with the taxonomy were obtained by following these steps:

- DNSH assessment for eligible activities
- Assessment of compliance with minimum social safeguards
- Climate risk and vulnerability assessment study of activities

The DNSH assessment was developed and documented in detail in documents related to this report, which are available in the records of Chimcomplex and can be consulted upon request. The table below indicates the environmental objective (**Climate Change Mitigation**) for which the activities qualify as eligible and contains a summary of the alignment assessment. The table below summarizes the results of the aforementioned analyses, thus containing the summary of the alignment evaluation.

Eligible economic activity	Environmental objective	Aligned	Substantial contribution	Compliance with requirements	
				DNSH	Compliance with minimum social safeguards requirements *
Activity 3.13 Manufacture of chlorine	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	Yes	
	Circular Economy		-	N/A	
	Pollution Prevention and Control		-	Yes	
	Biodiversity and ecosystems		-	Yes	
Activity 3.17 Manufacture of plastics in primary forms	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	Yes	
	Circular Economy		-	N/A	
	Pollution Prevention and Control		-	Yes	
	Biodiversity and ecosystems		-	Yes	
Activity 4.1 Electricity generation using solar photovoltaic technology;	Climate Change Mitigation	Nu	Yes	-	Yes
	Climate Change Adaptation		-	Nu	
	Water and marine resources		-	N/A	
	Circular Economy		-	Yes	
	Pollution Prevention and Control		-	N/A	
	Biodiversity and ecosystems		-	Yes	
Activity 4.30 High-efficiency co-generation of heat /cool and power from fossil gaseous fuels	Climate Change Mitigation	Nu	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	Yes	
	Circular Economy		-	N/A	
	Pollution Prevention and Control		-	Yes	
	Biodiversity and ecosystems		-	Yes	

Eligible economic activity	Environmental objective	Aligned	Substantial contribution	Compliance with requirements	
				DNSH	Compliance with minimum social safeguards requirements *
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	Yes	
	Circular Economy		-	N/A	
	Pollution Prevention and Control		-	Yes	
	Biodiversity and ecosystems		-	Yes	
Activity 6.2. Freight rail transport.	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	N/A	
	Circular Economy		-	Yes	
	Pollution Prevention and Control		-	No	
	Biodiversity and ecosystems		-	N/A	
Activity 6.6: Freight transport services by road	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	N/A	
	Circular Economy		-	Da	
	Pollution Prevention and Control		-	Da	
	Biodiversity and ecosystems		-	N/A	
Activity 7.2 Renovation of existing buildings	Climate Change Mitigation	No	No	-	Yes
	Climate Change Adaptation		-	No	
	Water and marine resources		-	No	
	Circular Economy		-	Yes	
	Pollution Prevention and Control		-	No	
	Biodiversity and ecosystems		-	N/A	

Legend

N/A – there are no technical requirements for this objective for DNSH analysis

Result of the verification of compliance with minimum social criteria

Chimcomplex carries out economic activities aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights (including gender equality and child labor exploitation, as well as the principles and rights set out in the eight fundamental conventions identified in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights).

Summary - Compliance with minimum social criteria		Result
Commitment to respecting human rights		Yes
Human rights reflected in operational policies and procedures and embedded throughout the organization		Yes
Background check process regarding non-compliance with human rights to identify, prevent, and mitigate the impact on human rights in operations and the supply chain		Yes
Grievance mechanism (including legal rights to take action in court)		Yes
External communication about how the impact on human rights is addressed		Yes
Identification and remediation of negative impacts on human rights through legitimate processes		Yes
Health and Safety Policy		Yes
Policy on labor practices		Yes
Policies that set standards for responsible business conduct:	GDPR – Processing of personal data	Yes
	Anti-Corruption Policy	
	Whistleblowing mechanism/procedure	
	There are a series of safeguards, and in addition, the procurement procedure for ESG products and services is being developed to align with the Directive on Corporate Sustainability Due Diligence in the process of transposition	
	Employees have the right to voluntarily organize into trade unions to facilitate collective bargaining, inform and consult employees, ensure occupational health and safety, etc. Following the process of informing employees, they have not organized to appoint employee representatives, and as a result, we do not have employee representatives.	

Conclusion on eligibility and alignment assessment

In the case of Chimcomplex, **8 activities are eligible** concerning the taxonomy, as they correspond to the description of activities defined in Regulation EU 2020/852 and the associated delegated regulations.

Regarding the assessment of **the alignment of activities with the taxonomy**, it was found that:

- Only one activity - the production of electricity using photovoltaic solar technology - contributes substantially to climate change mitigation without harming the other 5 environmental objectives.
- All 8 eligible activities do not harm 4 out of the 5 environmental objectives (DNSH): Water and marine resources, Circular economy, Pollution prevention and control, Biodiversity and ecosystems. The main reason these activities do not harm the objective of Climate Change Adaptation is the lack of a climate risk assessment and a climate vulnerability study based on global warming scenarios. We aim to develop this study for the next reporting period.
- All 8 eligible activities meet the minimum social criteria.

Therefore, according to the analysis conducted, for the reporting period from 01.01.2024 to 31.12.2024, no activity is aligned with the taxonomy according to Article 17 of Regulation (EU) 2020/852 and subsequent delegated acts.



10.5 Turnover, CAPEX, and OPEX

For Chimcomplex, the total amounts (KPI) were defined and calculated as follows:

Key performance indicators ("Indicators") include Turnover, CAPEX, and OPEX. For the reporting period of 2024, the indicators must be disclosed for both activities eligible/aligned with the taxonomy and for those that are not eligible.

We determine the taxonomy-eligible indicators in accordance with legal requirements and describe our accounting policy in this regard as follows:

- **Turnover**

Definition - The share of taxonomy-eligible/aligned economic activities in our total turnover was calculated as the portion of net turnover derived from products and services associated with taxonomy-eligible/aligned economic activities (numerator) divided by the net turnover (denominator), in each case for the financial year from January 1, 2024, to December 31, 2024.

Net turnover is presented in the Financial Statements as of 31.12.2024, section Individual statement of profit or loss and other comprehensive income for the year ended 31.12.2024.

- **KPI CapEx**

Definition - The CapEx KPI is defined as the taxonomy-eligible/aligned CapEx (numerator) divided by the total CapEx.

Total capital expenditures are presented in the Financial Statements as of 31.12.2024, in the section Explanatory Notes to the Individual Financial Statements for the year ended 31.12.2024 and represent expenses related to tangible assets under construction and advances granted for tangible assets.

- **KPI OpEx**

Definition - The OpEx KPI is defined as OpEx (numerator) eligible/aligned for taxonomy divided by total OpEx.

Total OpEx represents total operating expenses from which are subtracted: value adjustments regarding fixed assets and current assets, fixed asset revaluation expenses, expenses regarding provisions adjustments and other operating expenses.



Company KPI Indicators Turnover

Fiscal Year	Year 2024			Criteria for substantial contribution						DNSH Criteria					Minimum safeguards	Proportion of turnover aligned with the taxonomy (A.1.) or eligible under the taxonomy (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity	
	Code	Turnover	Proportion of Turnover, Year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
Economic activities																			
Text		RON	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	enabling	transition
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
There are no taxonomy-aligned activities																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1).																			
0																			
0%																			
Enabling activities																			
0																			
0%																			
Transitional activities																			
0																			
0%																			
A.2 Taxonomy-eligible activities, but not environmentally sustainable (non-taxonomy-aligned activities)																			
Text		RON	%	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)									
Manufacture of chlorine	CCM CCA 3.13	37,488,308	2.49%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Manufacture of plastics in primary forms	CCM CCA 3.17	655,188,688.85	43.60%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Electricity generation using solar photovoltaic technology.	CM CCA 4.1	0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
High-efficiency co-generation of heat /cool and power from fossil gaseous fuels	CCM CCA 4.30	0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM CCA 4.31	0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Rail freight transport	CCM CCA 6.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Freight transport services by road	CCM CCA 6.6	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Renovation of existing buildings	CCM CCA 7.2	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Turnover of taxonomy-eligible activities, but not environmentally sustainable (non-taxonomy-aligned activities) (A.2)		692,676,997	46.10%														0%		
A. Turnover of taxonomy-eligible activities (A.1+A.2)		692,676,997	46.10%														0%		
B. Taxonomy non eligible activities																			
Turnover of non-taxonomy-eligible activities																			
802,854,945																			
53.90%																			
TOTAL (A+B)																			
1,502,687,570																			
100%																			

OpEx

Exercițiul financiar	Anul 2024			Criterii privind contribuția substanțială						Criterii DNSH					Minimum safeguards	Proportion of turnover aligned with the taxonomy (A.1.) or eligible under the taxonomy (A.2.) turnover, year 2023	Category enabling activity	Category transitional activity	
	Code	OpEx	Proportion of Turnover, Year 2024	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy					Biodiversity
Economic activities		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	%	enabling	transition
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OpEx related to environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0%														%		
Enabling activities		0	0%														%	enabling	
Transitional activities		0	0%														%		transition
A.2 Taxonomy-eligible activities, but not environmentally sustainable (non-taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Manufacture of chlorine	CCM CCA 3.13	19,161,308	1.48%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Manufacture of plastics in primary forms	CCM CCA 3.17	726,737,983	56.18%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Electricity generation using solar photovoltaic technology	CM CCA 4.1	-	0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
High-efficiency co-generation of heat /cool and power from fossil gaseous fuels	CCM CCA 4.30	102,638,929	7.93%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM CCA 4.31	-	0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
Freight rail transport.	CCM CCA 6.2	12,540,861	0.97%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Freight transport services by road.	CCM CCA 6.6	167,501	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
OpEx related to taxonomy-eligible activities, but not environmentally sustainable (non-taxonomy-aligned activities) (A.2)		861,246,582	67.27%																
A. OpEx related to taxonomy-eligible activities (A.1+A.2)		861,246,582	67.27%																
B. Taxonomy non eligible activities																			
OpEx related to non-taxonomy-eligible activities		419,027,023	32.73%																
TOTAL		1,280,273,605	100%																

Abbreviations used in tables:

Y:Yes, N:Nu, EL: Taxonomy Eligible, N/EL: Taxonomy Ineligible

Activities related to nuclear energy and fossil gases

The text refers to compliance with Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022, which amends Delegated Regulation (EU) 2021/2139 regarding economic activities in certain energy sectors, as well as Delegated Regulation (EU) 2021/2178 concerning the disclosure of specific information related to those economic activities. Information related to activities in the nuclear and fossil gas sectors is to be presented in table form, **using the templates provided in Annex XII of the Regulation.**



Activities related to nuclear energy and fossil gases

Nr.	Activities related to fossil gases	
1.	The enterprise engages in, finances, or is exposed to activities related to the research, development, demonstration, and implementation of innovative power generation facilities that produce energy from nuclear processes with minimal waste generated from the fuel cycle	NO
2.	The enterprise carries out, finances, or is involved in the construction and safe operation of new nuclear facilities for the production of electricity or process heat, including for purposes related to district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3.	The enterprise engages in, finances, or is exposed to the safe operation of existing nuclear facilities that produce electricity or process heat, including for purposes related to district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
4.	The enterprise engages in, finances, or is exposed to the construction or operation of electricity generation facilities that produce electricity using gaseous fossil fuels.	NO
5.	The enterprise engages in, finances, or is exposed to the construction, refurbishment, and operation of facilities that combine the production of thermal energy for heating/cooling and electricity using gaseous fossil fuels.	NO
6.	The enterprise engages in, finances, or is exposed to the construction, refurbishment, and operation of facilities that produce thermal energy for heating/cooling using gaseous fossil fuels.	NO





We add value to natural resources for a better life

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LIMITED ASSURANCE REPORT
of the Independent Auditor on the Sustainability Report - Consolidated
for the financial year 2024
(free translation)

To the shareholders of Chimcomplex S.A. Borzesti

Conclusion of limited assurance

We conducted a limited assurance engagement on the Consolidated Sustainability Report ("*Consolidated Sustainability Reporting*") included in the annual report of Chimcomplex S.A. Borzesti (the "*Company*") together with its subsidiaries (the "*Group*"), as of December 31, 2024 and for the period from January 1, 2024 to December 31, 2024, prepared by the Company, with registered office in Strada Industriilor, nr 3, Onesti, Bacau County, Romania identified by the unique registration code 960322.

Based on the procedures we have carried out and the evidence we have obtained, we have not become aware of any aspect that would lead us to consider that the Group's consolidated sustainability reporting as at 31 December 2024 and for the period from 1 January 2024 to 31 December 2024 is not prepared, in all material respects, in accordance with the applicable legislative sustainability reporting framework set out in *the Order of the Minister of Public Finance no. 2844/2016, Chapter 7¹, sections 7¹.3 and 7¹.4*, including:

- compliance with the European Sustainability Reporting Standards ("*ESRS*"), including the fact that the process carried out by the Group to identify the information presented in the sustainability reporting (referred to as the "*Process*") is in accordance with the description set out in Chapter 1 included in the consolidated sustainability reporting, and
- compliance of the Taxonomy disclosures, detailed in Chapter 10 of the Enhanced Sustainability Reporting, with the applicable reporting requirements of Article 8 of Regulation (EU) No 852/2020 (the "*Taxonomy Regulation*").

Basis of the assurance conclusion

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) "*Assurance engagements other than audits or reviews of historical financial information*".

Our responsibilities under this standard are detailed in the "*Auditor's Responsibilities*" section of our report.

We are independent from the Group in accordance with *the International Code of Ethics for Professional Accountants (including the International Standards on Independence)* issued by the Council for International Ethical Standards for Accountants (IESBA Code), and the other relevant ethical requirements in Romania, including Law no. 162/2017 as amended, for our mission of ensuring sustainability reporting, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies *the International Standard on Quality Management 1* and, consequently, maintains an extensive quality management system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We consider that the evidence we have obtained is sufficient and adequate to provide a basis for our conclusion.

Highlighting some aspects

We draw attention to the information presented in Chapter I, point 1 "*General basis for the preparation of the sustainability report*" of the consolidated sustainability reporting, which describes the uncertainties and limitations encountered by the Group in the general context of the first application of the provisions *of the Order of the Minister of Public Finance no. 2844/2016, Chapter 7¹, sections 7¹.3 and 7¹.4* and, specifically, the difficulties encountered in the financial year 2024 in collecting the information necessary for the publication of certain data points identified in the same chapter. Our conclusion is not altered on this point.

Other aspects – comparative information

Our limited assurance engagement does not extend to information included in consolidated sustainability reporting relating to prior periods. Our conclusion is not altered on this point.

Other aspects

The sustainability reporting for 2024 was prepared by the Group in the context of the first application of the provisions of the Order of the Minister of Public Finance 2844/2016, Chapter 7¹, sections 7¹.3 and 7¹.4, a context characterized by uncertainties regarding the interpretation of laws and regulations, the use of material estimates, the absence of practices and frameworks established in particular for the assessment of double-materiality, as well as a system of internal control in the course of implementation. This allows us to understand the impact of the Group's activity on sustainability issues, as well as how these aspects influence the development of the Group's business, its performance and position. Sustainability issues include environmental, social and corporate governance issues.

Responsibilities for sustainability reporting - strengthened

The Group Directors are responsible for designing, implementing and maintaining a process for identifying the information included in sustainability reporting, in accordance with the ESRS, as well as for presenting this process in Chapter 1 of Sustainability Reporting.

This responsibility includes:

- understanding the context in which the Group's activities and business relationships are carried out and developing an understanding of the affected stakeholders;
- identifying current and potential impacts (both negative and positive) related to sustainability issues, as well as risks and opportunities that affect or are expected to affect the entity's financial position, financial performance, cash flows, access to financing or cost of capital in the short, medium or long term;
- assessing the extent to which the impacts, risks and opportunities identified in relation to sustainability issues are significant, by selecting and applying appropriate thresholds; And
- developing methodologies and formulating assumptions that are reasonable in the given circumstances.

The Group directors are also responsible for preparing the consolidated sustainability report, in accordance with the sustainability reporting framework provided by law, including:

- compliance with the European Sustainability Reporting Standards (ESRS);
- the preparation of Taxonomy disclosures in Chapter 10 of the Consolidated Sustainability Reporting in accordance with Article 8 of Regulation (EU) No 852/2020 (the 'Taxonomy Regulation');
- designing, implementing and maintaining those internal controls deemed necessary to enable sustainability reporting without material misstatement, either due to fraud or error; And
- selecting and applying appropriate sustainability reporting methods, as well as making assumptions and estimates about individual sustainability disclosures that are reasonable in the given circumstances.

The persons responsible for governance are responsible for overseeing the sustainability reporting process at group level.

Inherent limitations in the preparation of the sustainability report

In reporting forecasted information, in accordance with the European Sustainability Reporting Standards (ESRS), the Administrators must prepare this forecast information based on assumptions presented regarding events that may occur in the future and possible future actions of the Group. The actual outcome is likely to be different, as anticipated events do not always occur as expected.

In determining disclosures in consolidated sustainability reporting, the Administrators shall interpret undefined legal terms and other terms. These undefined legal terms and other terms may be interpreted differently, including as regards the legal conformity of their interpretation, and are therefore subject to uncertainty.

Auditor's responsibilities

Our objectives are to plan and carry out the assurance engagement in such a way as to obtain limited assurance on the extent to which the enhanced sustainability reporting is free from material misstatement, caused by either fraud or error, and to issue a limited assurance report that includes our conclusion.

Misstatements may be caused by either fraud or error and are considered material if it can reasonably be expected that they, individually or cumulatively, will influence user decisions taken on the basis of consolidated sustainability reporting as a whole.

As part of a limited assurance engagement under ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism throughout the engagement.

The procedures in a limited assurance engagement differ in nature and timing and are more restricted than those in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is significantly lower than the assurance that would have been obtained if a reasonable assurance engagement had been conducted.

Our responsibilities for enhanced sustainability reporting, in connection with the process, include:

- Obtaining an understanding of the process, but not for the purpose of drawing a conclusion on its effectiveness, including the outcome of the process;
- Design and carry out procedures to assess whether the process is consistent with the Group's description of the process as set out in Chapter 1 in the Consolidated Sustainability Reporting.

Our other responsibilities in relation to enhanced sustainability reporting include:

- Obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of sustainability reporting, but without evaluating the design of certain control activities, without obtaining evidence of their implementation or testing their operational effectiveness;
- Identification of information presentations in which material misstatements are likely to occur, caused by either fraud or error;
- Design and carry out procedures in response to disclosures in enhanced sustainability reporting, where material misstatements are likely to occur. The risk of not detecting material misrepresentation caused by fraud is higher than in the case of error, as fraud may involve complicity, falsification, intentional omissions, misrepresentation or circumvention of internal control.

Summary of the activity performed

A limited assurance engagement involves carrying out procedures to obtain evidence of enhanced sustainability reporting.

The nature, timing and extent of the procedures selected depend on professional judgement, including the identification of disclosures where material misstatements, caused by either fraud or error, are likely to occur in the enhanced sustainability reporting.

In carrying out our limited assurance mission, with respect to the Process, we:

- I gained an understanding of the process by:
 - conducting interviews to understand the sources of information used by management (e.g. stakeholder agreements, business plans and strategy documents); And
 - inspecting/examining the Group's internal documentation relating to its process; And
- We have assessed whether the evidence obtained as a result of our proceedings on the Panel process is consistent with the description of the process presented in Chapter 1.

In carrying out our limited assurance mission, with respect to enhanced sustainability reporting, we:

- We have gained an understanding of the Group's reporting processes relevant to the preparation of consolidated sustainability reporting;
- We have assessed whether the material information obtained through the process of identifying the information required to be disclosed in the sustainability reporting is included in the consolidated sustainability reporting;
- We assessed whether the structure and presentation of sustainability reporting are in line with the European Sustainability Reporting Standards (ESRS);
- We conducted interviews of relevant staff and analytical procedures on selected disclosures from the

- enhanced sustainability reporting;
- We have carried out substantive procedures based on a sample of selected disclosures from the consolidated sustainability reporting;
 - We obtained evidence on the methods of making significant estimates and forecasted information and on the way in which these methods were applied;
 - We have gained an understanding of the process of identifying Taxonomy-eligible economic activities aligned with the Taxonomy and the corresponding disclosures from the consolidated sustainability reporting.
 - Based on a selection, we compared information from the sustainability report with the corresponding presentations in the consolidated financial statements.

On behalf of: PKF Finconta SRL

Grigore Street, no. 37, Sector 1, Bucharest

Registered with the Authority for Public Supervision of the Statutory Audit Activity under the number FA32

Audit partner name: Florentina Susnea

Registered with the Authority for Public Oversight of the Statutory Audit Activity under number AF433

Bucharest, April 24, 2025