

2021-2022 SUSTAINABILITY REPORT

● [Adrem Invest](#)

● [Adrem Engineering](#)

● [Adrem Link](#)

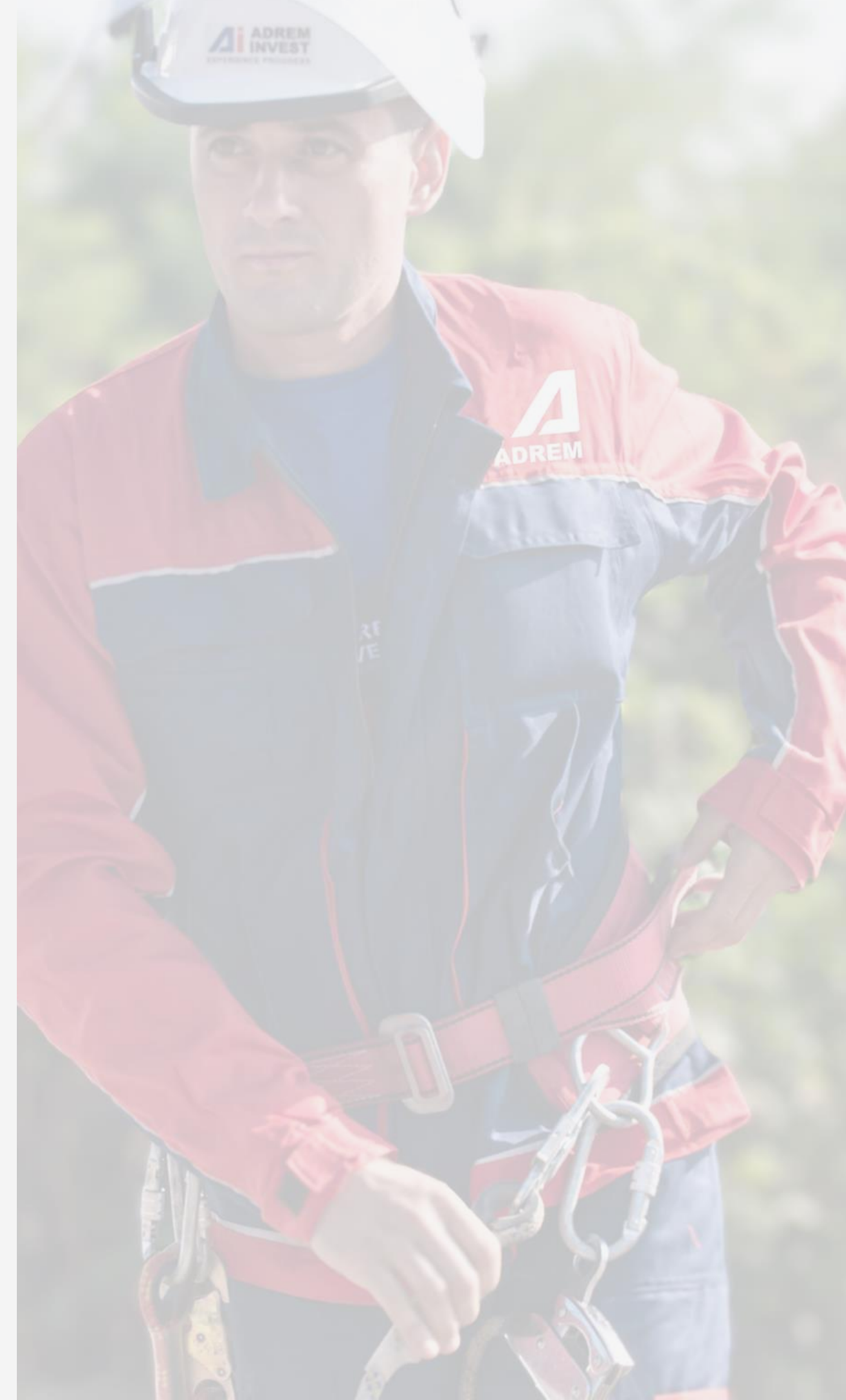


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The CEO's message



Dear partners,

We are hereby drawing up this report after a time of extremely dynamic developments in energy markets and policies, as well as the crises we have been through over the past two years, which have marked a historical turning point in the transition towards a sustainable future. The SARS-CoV-2 pandemic, the conflict in Ukraine and the energy crisis have led to significant changes in the relations in the international arena, while granting access to new energy sources and resources, as well as to new routes of energy transport. This is a clear indicator of why we should move on and to what we have to do in order to reach the climate goals set in the European Green Deal, as well as those in the REPowerEU, with strong emphasis on the concept of Environmental, Social and Governance (ESG) in the DNA of today's and tomorrow's companies, on the development of a sustainability culture, with a more responsible attitude towards the environment and towards the society we live in.

GRI 2-22

In 2022, Adrem celebrated 30 years of impact in the energy sector, during which we have built together a more modern industry, contributing to the energy transition and to changing the mindset regarding the concept of energy. I am grateful and confident, at the same time, at the idea that over the next 30 years we shall be setting the tone for a new force of change, and promoting an era in which the people and the resources of the planet hosting us may coexist in harmony. Presently, over 80% of the energy consumption at a global level comes from fossil fuels. The latest data reveals that, by the year 2050, unless measures are taken, significant and permanent changes shall affect climate. They shall lead, since 2100, to dramatic environmental changes and influence the way people are able to live on. The topic of energy education is extremely important to us and to the next generations as well, which is why it must be approached with priority and implemented on all social levels.

Over the past two years we have placed great emphasis on people, on our communities and on changing our colleagues' mindset in terms of energy transition. We have started a series of programmes aiming at promoting performance and developing new sets of skills that may enable us to meet the future and implemented various projects in order to create a safer, more efficient working environment.

The CEO's message

GRI 2-22 In the next period we aim at devising and implementing a strategy for the development of a sustainability culture at the level of the entire group, with emphasis upon integrating ESG and adopting environmental, social and governance criteria, along with financial ones.

ESG stands for a major change for any company. For a successful transition to occur, a solid transformation is necessary in terms of culture, as well as an authentic leadership harnessing people's energy. The mindset change is the most difficult to achieve, as it consists of three basic ingredients: belief, contribution and reward. Companies must take into consideration this paradigm change and view it as an opportunity to step into a future society, as a chance to exist and to cope with the technological revolution which involves the society into profound dynamics of the force of a hurricane, at the political, economic and social level. Moreover, it is necessary to reassess priorities, to adapt to change, to anticipate what things are going to change and, more importantly, how.

The journey to a clean, sustainable future is not going to be easy, but it is important to get everyone on board, especially at a time when the geopolitical fractures of energy and climate are so visible, as we feel them ourselves. Research shows that for the scenario "1.5 degrees by 2050" it is necessary to invest more than 150 trillion dollars, approximately 5% of the global yearly GDP, and for Romania, this would mean 15 billion euros invested every year in order to achieve energy transition. It is my belief that investments should first begin with ourselves, in the development and health of the people near us, in supporting the communities by means of education, inspiration and safety. It is time for our generation to act, to align and contribute together to this process, to reaching this goal. I count on your support and thank you for having been on our side over the last 30 years. Let us head together towards the following 30 years, with optimism, energy and gratitude.

We thank you and stand by your side!

Best regards,

Corneliu Bodea

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Over the past two years we have placed great emphasis on people, on our communities and on changing our colleagues' mindset in terms of energy transition.”

1

About the Adrem Group



About the Adrem Group



GRI 2-1 Adrem Group supports the transition towards renewable energy by providing dedicated solutions and services in the energy sector, by means of its three companies: Adrem Invest SRL, Adrem Engineering SRL and Adrem Link SRL (hereby referred to as AI, AE, AL and Adrem Group), each of them specialized in its market segment. Approximately 1.000 employees in 18 counties ensure the necessary expertise and skills in order to plan, develop and implement turnkey solutions, adapted to our clients' needs, with projects covering the entire country.

Adrem is a family business, set up in 1992 by brothers Adrian and Corneliu Bodea, who understood that Romanian industry needed technological innovation. Adrem Group is currently one of the largest private groups of companies providing energy services and the only one cooperating with all the main energy distribution operators in Romania.

GRI 2-6



The first of the three companies belonging to the Adrem Group, set up in 1992, Adrem Invest specialises in the development, digitalisation and maintenance of electrical grids and provides complete solutions for utility networks, including the administration of measurement groups and smart metering management.



Adrem supports the digitalisation of Romanian energy infrastructure, leading the local market in the field of industrial automation and performs all sorts of works ranging from complex entrepreneurship works to pieces of equipment developed within Adrem (over 3.000 own pieces of RTU equipment integrated in important projects).



Adrem Link uses its expertise in order to develop and provide solutions for a more efficient, smart consumption, with emphasis on green energy. These solutions are intended for both B2B and B2C segments – turnkey solutions for energy efficiency, photovoltaic systems, energy management for smart cities and solutions for smart lighting. Also, Adrem Link ensures the reading of electrical meters for its 1.4 million clients in the Oltenia region.

GRI 2-6

About the Adrem Group

GRI 2-7 Adrem Group employs approximately 1000 people in 18 work stations from Romania, as follows:

GRI 2-1

	Headquarters	Nature of ownership and legal form*	Shareholders*	Operational area*
				2021
Adrem Invest SRL	Bucharest, Sector 1, 20-22 Alexandrina Str., OFFICE 1, 3 rd floor, Ap. 6	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Argeş, Dolj, Gorj, Mehedinţi, Olt, Teleorman, Vâlcea, Bacău, Botoşani, Iasi, Neamţ, Suceava, Vaslui, Hunedoara, Timiş, Ilfov, Constanţa
Adrem Engineering SRL	Bucharest, Sector 1, 20-22 Alexandrina Str., OFFICE 2, 3 rd floor, Ap. 6	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Braşov
Adrem Link SRL	Bucharest, Sector 1, 20-22 Alexandrina Str., OFFICE 3, 3 rd floor, Ap. 6	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Argeş, Dolj, Gorj, Mehedinţi, Olt, Teleorman, Vâlcea

In 2022 the headquarters of all three companies of Adrem Group moved to the address Sector 1, 93-95 Emanoil Porumbaru Str., 3rd floor, Bucharest.

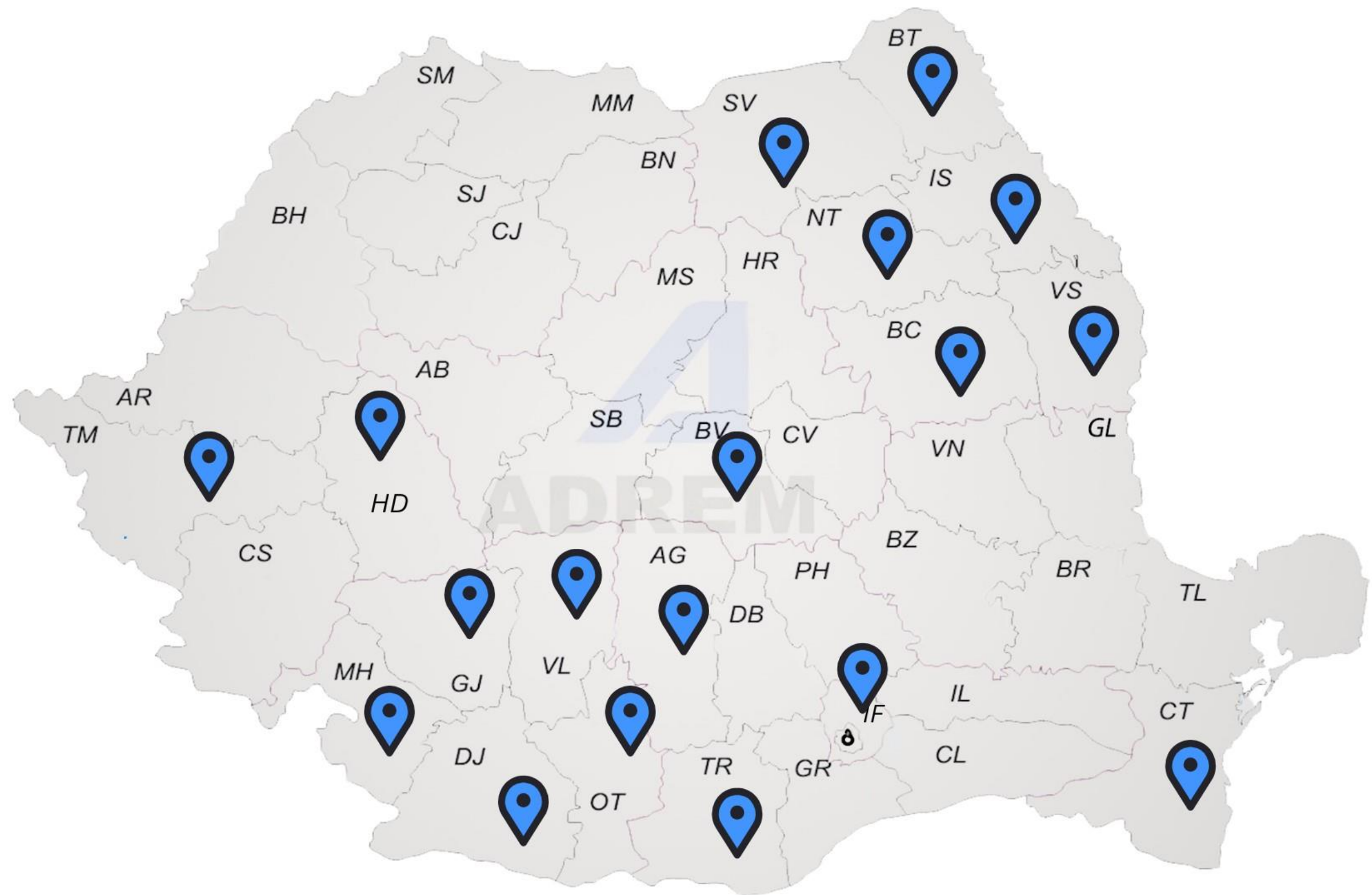
GRI 2-1

	Headquarters	Nature of ownership and legal form*	Shareholders*	Operational area*
				2022
Adrem Invest SRL	Bucharest, Sector 1, 93-95 Emanoil Porumbaru Str., 3 rd floor	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Argeş, Dolj, Gorj, Mehedinţi, Olt, Teleorman, Vâlcea, Bacău, Botoşani, Iasi, Neamţ, Suceava, Vaslui, Hunedoara, Timiş, Ilfov, Constanţa
Adrem Engineering SRL	Bucharest, Sector 1, 93-95 Emanoil Porumbaru Str., 3 rd floor	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Braşov
Adrem Link SRL	Bucharest, Sector 1, 93-95 Emanoil Porumbaru Str., 3 rd floor	Limited liability company with fully private capital	Adrem Energy Solutions S.A. – 100%	Romania: Argeş, Dolj, Gorj, Mehedinţi, Olt, Teleorman, Vâlcea

About the Adrem Group



GRI 2-1 The Adrem Group had work stations in 18 counties but carried out its operations throughout the country with the support of approximately 1000 employees.



About the Adrem Group



ISO certification

Adrem Invest and Adrem Engineering have implemented an integrated management system (quality, environment, Occupational Health and Safety) and Information security according to the following standards:

- SR EN ISO 9001 2015;
- SR EN ISO 14001 2015;
- SR EN ISO 45001 2018;
- SR EN ISO 27001 2013.

Adrem Link is certified according to the following standards:

- SR EN ISO 9001 2015;
- SR EN ISO 14001 2015.

Audit results of the Governance system

In line with the requirements of these standards, a yearly internal audit was set, for each department of the company.

External supervision or recertification audits are conducted by Lloyd's Register certification body. Supervision audits take place every 6 months for Adrem Invest, respectively once a year for Adrem Engineering and Adrem Link. Recertification audits are conducted after a full 3-year cycle and include all sections/departments of all companies.

No observations or non-compliance were reported following the external audits conducted between 2021 and 2022.



About the Adrem Group



Authorizations/ Certificates/ Approvals

Category	Type/class	Issuing entity	Type/ class/ subject	Comments	Valid till
Authorization	LIAE	ISC	2 nd degree laboratory of defectoscopy.	Re-issued in 2022, recertification every 4 years	2026
Authorization	LVM	BRML	Metrological verification laboratory	Issued in 2022 with yearly supervision	2024
Approval	Meters installation	BRML	Installation of measurement devices	Issued in 2022 with yearly supervision	2024
Approval	Meters repairing	BRML	Meters repairing	Issued in 2021 with yearly supervision	2023
Certificate	C1A	ANRE	Design of overhead or underground power lines with nominal voltages from 0.4kV to 20kV and transformer substations with rated higher voltage up to and including 20kV, medium voltage stations and the electrical part medium voltage of high voltage stations	Issued in 2018	2023
Approval	E2	ANRE	Execution of transformer stations, electrical stations and works on the electrical part of the power plants with any standardized nominal voltage	Issued in 2020	2025
Certificate	ISO 9001	Lloyds-Register-LRQA	Quality Management System	Issued in 2021 with yearly supervision	2024
Certificate	ISO 14001	Lloyds-Register-LRQA	Environmental Management System	Issued in 2021 with yearly supervision	2024
Certificate	ISO 27001	Lloyds-Register-LRQA	Information Security Management System	Issued in 2022 with yearly supervision	2024
Certificate	ISO 45001	Lloyds-Register-LRQA	Occupational Health and Safety Management System	Issued in 2021 with yearly supervision	2024
Authorization	PDIB	ANRE	Design of natural gas/biogas/biomethane installations with medium, reduced and low pressure	Issued in 2018	2023
Authorization	EDIB	ANRE	Execution of natural gas/biogas/biomethane installations with medium, reduced and low pressure	Issued in 2018	2023
Authorization		ISCIR	Installation, assembly, repair and maintenance, technical verifications for the use of: - Fuel consuming machines with P ≤400kW - Hot water boilers with P ≤ 400kW - Low pressure steam boilers with Q ≤0,6 t/h	Upgraded in 2019	Undetermined
Certificate		AGFR	Refrigeration equipment	Issued in 2019	20.12.2023

Adrem Invest

About the Adrem Group



	Category	Type/class	Issuing entity	Type/ class/ subject	Comments	Valid till
Adrem Engineering	Approval	E1	ANRE	Design of electrical stations and installations of the electrical part of the power plants	Issued in 2021	2026
	Approval	E2	ANRE	Execution of transformer stations, electrical stations and works on the electrical part of the power plants with any standardised nominal voltage	Issued in 2022	2027
	Certificate	ISO 9001	Lloyds-Register-LRQA	Quality Management System	Issued in 2022 with yearly supervision	2025
	Certificate	ISO 14001	Lloyds-Register-LRQA	Environmental Management System	Issued in 2022 with yearly supervision	2025
	Certificate	ISO 27001	Lloyds-Register-LRQA	Information Security Management System	Issued in 2022 with yearly supervision	2024
	Certificate	ISO 45001	Lloyds-Register-LRQA	Occupational Health and Safety Management System	Issued in 2022 with yearly supervision	2025
	Authorization	ET	ANRE	Execution of natural gas transport and distribution systems, closed distribution systems, as well as high pressure natural gas installations	Issued in 2022	2027
	Authorization	Railroad supplier	AFER	Design, installation, upgrading and major repair of SCADA systems	Upgraded in 2022 with yearly approval	2023
	Agreement	Technical design agreement	AFER	Design of a SCADA system	Issued in 2022	2023
	Agreement	C+M technical agreement	AFER	Design, installation, upgrading and major repair of SCADA systems	Issued in 2022	2023
Adrem Link	Certificate	ISO 9001	Lloyds-Register-LRQA	Quality Management System	Issued in 2022 with yearly supervision	2025
	Certificate	ISO 14001	Lloyds-Register-LRQA	Environmental Management System	Issued in 2022 with yearly supervision	2025
	Approval	E1	ANRE	Design of electrical stations and installations of the electrical part of the power plants	Issued in 2021	2026

About the Adrem Group

GRI 2-28 Adrem Group’s membership associations

GRI 2-28

The companies in the Adrem Group are also part of other organisations in their respective field of activity, namely:

2021	2022
<ul style="list-style-type: none">▪ The Romanian Energy Center (CRE)▪ The Romanian National Committee of the World Energy Council (CNR-CME)▪ The Romanian Association for High Voltage Work (A-LST-R)▪ APREL (the Association of Employers in the Romanian Electrotechnical Industry)▪ Romanian Business Leaders▪ The General Union of Romanian Industrial Workers (U.G.I.R.)	<ul style="list-style-type: none">▪ The Romanian Energy Center (CRE)▪ The Romanian National Committee of the World Energy Council (CNR-CME)▪ The Romanian Association for High Voltage Work (A-LST-R)▪ APREL (the Association of Employers in the Romanian Electrotechnical Industry)▪ Romanian Business Leaders▪ The General Union of Romanian Industrial Workers (U.G.I.R.)▪ ReThink România▪ CONAF: The National Confederation for Female Entrepreneurship

Corneliu Bodea, the CEO of the Adrem Group, is also chairman of the Romanian Energy Center and Vice chairman of CONAF. In 2022, Corneliu joined the think tank dedicated to the transformation of Romania – ReThink Romania – as well as CONAF – the first and only employers’ federation in Romania aiming at supporting and promoting female entrepreneurship.

Both in 2021 and in 2022, we attended some of the most important events dedicated to those activating in the energy industry, providing ample opportunities for free debate related to the situation and evolution of the energy sector in both national and regional context. Identifying issues and finding possible solutions by means of feedback and exchange of good practices with key stakeholders represent an important element of Adrem’s contribution to the positive impact on the energy market and on the communities in which it operates.

One of Adrem’s key partners, the Romanian Energy Center (CRE), represents the interests of the Romanian energy sector in Brussels and provides a communication platform to the representatives of energy companies, authorities and interested parties at a European level, within which Adrem’s CEO, Corneliu Bodea, holds the position of chairman ever since the year 2014.

Over these two years, Adrem Group has attended, by means of its representatives, several conferences and debates on energy topics, such as the Energy CEO Forum & Awards Gala, the ZF Power Summit and the Black Sea Forum.

Moreover, Corneliu Bodea has received recognition from five press publications for his achievements on the energy market over Adrem’s 30 years of entrepreneurship:

- Profit – the award “Three decades of managerial energy”
- The Diplomat Bucharest – The award “Energy Entrepreneurship Excellence Award”
- Financial Intelligence – The excellence award for 30 years of activity
- Energynomics – The award for the Manager of the Year
- Club Antreprenor – The award for 30 years of excellence in management and entrepreneurship.

Moreover, Adrem Group got the “Energy Entrepreneurship Award” at the Energy CEO Forum & Awards Gala 2022 organised by The Diplomat-Bucharest, as well as the “Energy efficiency” award from Energynomics.

About the Adrem Group



GRI 2-17 Collective knowledge of the highest governance body

GRI 2-17

At the same time, during the last two years, the CEO of the Adrem Group, through his participation in conferences on environmental and sustainability topics, brought to the fore the strategies for reducing carbon emissions and the responsible use of resources. He has also given interviews to various publications, thus helping to raise awareness of the challenges and opportunities related to sustainability in business.

Conferences:

- 2021 Forbes CEE Forum Conference – Forbes CEE Forum 2021, Corneliu Bodea (Adrem): "Green energy ensures sustainable development"
- 2021 Conference "ZF 23 years. Expansion ambitions. Corneliu Bodea, Adrem CEO: It is not an obligation to go outside the borders. Your obligation as an entrepreneur is the sustainability of business and the jobs created. You can be strong here"
- 2021 Debate "Fit for 55: Investments in innovations, the launching pad for European climate actions"
- 2021 Biz Days Conference Entrepreneurship Day "The new concern of entrepreneurs will be to obtain a responsible profit, not just a profit"
- 2021 – Video conference "Entrepreneurship without gender" / Corneliu Bodea, CEO Adrem and President CRE: "The Stock Exchange creates a partnership between investors and entrepreneurs"
- 2022 ZF AmCham Romania conference "Corporate governance: From buzzword to strategic pillar for sustainable development"
- 2022 – Corneliu Bodea ambassador of the "I believe in Romania" project

Interviews / opinion articles

- 2021 Agerpres opinion article "Why it is important to produce and use energy efficiently"
- 2021 Agerpres opinion article "The fight against climate change: from rescue action to the EU's main economic development mechanism"
- 2021 Agerpres opinion article "What effects does the fight against climate change have on Romanians"
- 2021 opinion article Republica "The society of irresponsible consumption is coming to an end. Somewhere a danger lurks"
- 2021 opinion article Republica "A company that does not take the concept of sustainability seriously risks disappearing in two to five years". Sustainable Romania
- 2021 Live discussion "Future Talks Transition to the green economy"



2

Adrem Group's Governance



Adrem Group's Governance

GRI 2-23 Adrem Goup's values and principles

GRI 2-23

Adrem Group's entire activity is based on the Vision, Mission and Values acquired by every employee and they clearly define our daily activity.

Vision

Adrem Group's vision is a world of balanced welfare achieved through work and technological progress, of people who trust and devote to mankind's ideals, which are an eternity old and always closer.

Mission

Adrem companies share a common mission: identifying the client's needs and providing them with the best solutions.

In its turn, each of the companies encompassed by Adrem Group is dedicated to its own mission, in close relation to the services it provides.

- Adrem Invest's main objective is safety in the operation of utility networks.
- Adrem Engineering aims at increasing the safety of energy infrastructure by developing and implementing comprehensive solutions, ranging from the development of entrepreneurship projects to the design of in-house equipment.
- Adrem Link's main objective is ensuring the consumers' safety and comfort, by developing products and solutions which increase efficiency and enable smart energy consumption.

Values

RIGOUR

We answer our clients' specific needs, in line with the meaning of our name in its Latin spelling "ad rem" by providing turnkey solutions and services. The success of a project

depends on attention to details, and every action is thoroughly examined.

RESPECT

Respect stands for a fundamental value in a competitive business environment. Adrem Group is guided by respect within the company, in our interactions with the public, as well as in any action involving our partners.

INVOLVEMENT

Every project is developed with commitment and dedication starting from the consultancy stage until its implementation and maintenance.

AMBITION

Perseverance and ambition define Adrem's working methods. We are constant in reaching our goals, we set ambitious objectives and it is our belief that this is one of the keys to our success.

RESPONSIBILITY

We are aware of the fact that each of Adrem's actions has got a direct effect upon our reputation on the market or on our relationship with clients, suppliers or partners. This is the reason why we ask our colleagues to show a sense of implicit responsibility, regardless of their actions, and treat every project as rigorously as possible.

Meeting deadlines, constantly high work standards and admitting to one's own mistakes are what we mean by responsibility.

These values have all been included in the Internal Regulation of each company in the Group, and so has the Code of Conduct, and employees are informed of the contents thereof ever since the induction stage.

Adrem Group's Governance

GRI 2-9 Governance structure and composition

The companies are owned by Adrem Energy Solutions S.A., a Romanian legal person, set up and operating in accordance with Romanian laws, with registered headquarters in Bucharest, 93-95 Emanoil Porumbaru Str., 3rd floor, sector 1, registered at the Trade Register Office under number J40/20431/2021.

Management is ensured by its Sole Shareholder, whose permanent representative is also the company's CEO, appointed according to the Decision issued by the Sole Shareholder, in virtue of the powers granted by law and by the Articles of incorporation. A CEO's responsibilities include:

- Setting the main directions for the company's development and activity;
- Approving yearly budgets;
- Appointing and dismissing managers and setting their remuneration;
- Overviewing the managers' activity and decisions and assessing reports;
- Drawing up the yearly activity report and implementing the Sole Shareholder's decisions.

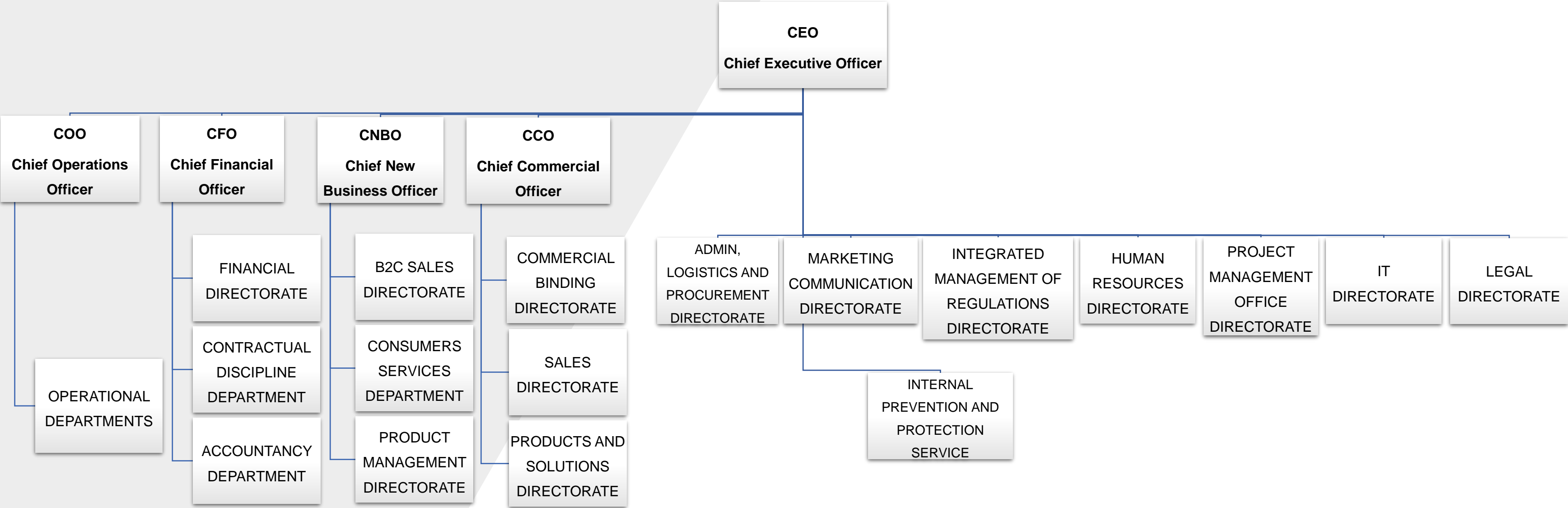
The executive and operational management of the Group's companies is exerted by the managers employed by each company, appointed over a limited 1-year period, as per the decision issued by the administrator's permanent representative. At the level of the Group, they form the management board team, with a consultative role in the decision-making process of the administrator's permanent representative.



Adrem Group's Governance



GRI 2-9 The functional structure of the companies within the Adrem Group is presented in the figure below:



Adrem Group's Governance



GRI 2-9 The managers run the companies' daily activities and operations, and their functional responsibilities and attributions include the management of the Group's activities and internal processes, ensuring the Group's compliance with the applicable legislation, policies and regulations. Also, they constantly report all relevant aspects related to the activities within the Group to the CEO.

GRI 2-14 The overview of all the material topics described in the report, including those pertaining to the management of the organisation's impact upon the economy, the environment and people themselves, the sustainability is included on the agenda approached during each board meetings and is part of the daily activities and management processes of each company in the Adrem Group. Throughout the sustainability reporting process, the results of each stage are validated by the board management team.

GRI 2-1	Company	Shareholders	Administrators	CEO
	Adrem Invest SRL	Adrem Energy Solutions S.A. – 100%	Dovema Engineering SRL	Corneliu Bodea (Dovema representative)
	Adrem Engineering SRL	Adrem Energy Solutions SA – 100%	Dovema Engineering SRL	Corneliu Bodea (Dovema representative)
	Adrem Link SRL	Adrem Energy Solutions SA – 100%	Dovema Engineering SRL	Corneliu Bodea (Dovema representative)

GRI 2-29 Our partners' involvement in the business relationship with the stakeholders is based on the principles of coherence, clarity and transparency, as trust is essential in developing the Group's specific activities. Our operations are influenced by the following stakeholders:

- Our employees, whom we treat as family members;

- Our partners and clients, to whom we are more than a supplier of technology and services, but rather a long-term, valuable partner;
- The local authorities in the counties where we conduct our activities, given our strong belief in a transparent cooperation between the public and the private sector;
- The communities where we conduct our activities, given our awareness of the importance of social responsibility;
- The trade unions, given our respect for the employees' rights and a relationship characterised by trust and honesty.

At the end of the year 2022 Adrem Group has got the same shareholders' structure.



Adrem Group's Governance



GRI 2-10 Nomination and selection of the highest governance body

The decisions regarding the activity of the companies within the Adrem Group are made in the General Shareholders' Meeting, held in accordance with the provisions of Law number 31/1990 on trading companies. The majority of votes, as well as a favourable position of the members of the management team are necessary. The General Shareholders' Assembly consists of the founding members of the Adrem Group.

GRI 2-11 Chair of the highest governance body

After consulting with the management team, the CEO's role is to guide the organisation in view of achieving its strategic objectives. They supervise and control the activity of the companies in the Adrem Group in accordance with the current organizational charts, by acting in a cautious and transparent manner to their superior interest and avoiding situations wherein their personal or professional interests go against the Group's superior interest. The members are held to declare any conflict of interest and restrain from interfering in such decisions or debates regarding various topics and transactions which may become a conflict of interest. Such transactions must be approached with due caution and total transparency.

GRI 2-12 The Role of the highest governance body in overseeing the management of impacts

In the year 2021, Adrem Invest and Adrem Engineering implemented an Integrated Management System (SMI) in terms of quality, environment and Occupational Health and Safety (SSM) in accordance with standards such as SR EN ISO 9001:2015, SR EN ISO 14001:2015, SR EN ISO 45001:2018, SR EN ISO 27001:2013.

Adrem Link has implemented a quality and environment system, in accordance with SR EN ISO 9001:2015, SR EN ISO 14001:2015.

Adrem Group commits to continually improve its products and services, prevent pollution by promoting a policy of reducing the negative impact its activities may have over the environment, constantly act in the direction of conforming with the legal and regulating provisions, as well as any other requirements identified by the organisation, including those pertaining to the environment.

In order to reach the company's environmental objectives/ aims, the management team takes into consideration:

- An analysis of the competition, the opportunities of improving current activities;
- The resources which are necessary for reaching the respective objectives;
- Identifying hazards and assessing risks;
- Identifying various environmental aspects, in order to reduce the negative impact upon the environment;
- Complying with the legal requirements or those pertaining to other fields;
- The staff's need to be trained and made aware of the SMI;
- Constantly improving performance in the field of SMI.

Following the risk analysis conducted at the level of the company we were able to identify and rank the most significant environmental aspects and assess the related impact. The main activities affecting the environment are:

- administrative activities conducted at the headquarters;
- road transport;
- operational activities.

Fuel consumption is monitored at the level of each organisation/department, with limited amounts of fuel available for each car. Every year each car is subject to a technical inspection, in order to keep emissions in compliance with the current regulations.

Adrem Group's Governance



GRI 2-12 In the Group's headquarters only domestic water is used, retrieved from the utility network (with water dispensers which include hygiene filters to make water drinkable) discharged in the sewage system. The amounts of water used are also monitored, in order to meet the objectives that we have set, namely maintaining a variation of $\pm 3\%$ water/employee. No incidents have been recorded leading to the pollution of surface water or of the groundwater as a result of the activities conducted at the client's location.

The companies in the Group provide services which have no major consequences in terms of climate change. Each month we monitor the consumption of resources (water, power, fuel and natural gas), as well as the amount of generated and harnessed waste.

At the level of each company there have been identified the risks and opportunities in the fields of Occupational Health and Safety (SSM), respectively the environment, the effects of the companies' activities of the staff's health and security, and the ways they should be approached.

The following main hazards have been identified:

- emissions of harmful substances;
- possible emergency situations (fires, explosions);
- possible accidents with serious consequences.

In the field of SSM we have assessed the hazards related to the occupational health and safety for each position, the result being the design of a plan of prevention and protection, which comprises a set of technical, management and sanitary measures which ensured the maintenance of the company's risk level at a favourable rate. We have also taken measures against the spread of the COVID 19 pandemic. We have also appointed people to be responsible for different aspects and set deadlines for the implementation of the suggested measures.

In 2021 and 2022 the SSM policy implemented by the group reached its objectives by:

- 100% workers' training for all three stages (introduction, workplace and regular training);
- Implementing the prevention and protection plan;
- An increased number of internal and on the field SSM and SU (emergency situations) controls;
- Conducting awareness campaigns on SSM and SU in all of the Group's operational regions, along with the Communication Department.

In 2021, no instances of cases have occurred which met the necessary criteria for determining the existence of occupational diseases.

In 2022, according to the requirements of the standards SR EN ISO 9001:2015, SR EN ISO 14001:2015, SR EN ISO 45001:2018 and SR EN ISO 27001:2013 we set a yearly schedule of internal audits which includes every department of our companies. The external supervision or recertification audits are carried out by the certifying organisation Lloyd's Register every six months, and at the end of a full 3-year cycle all the departments of all Adrem companies are audited.

Each year Adrem Group reports statistics related to the waste generated by the company's activities to the National Environment Agency.

GRI 2-12

Adrem Group's Governance



GRI 2-13

Delegation of responsibility for managing impacts

At the level of each company there is a management team, consisting of the business line manager (the Operations Department) and the directors of every department. The managers constitute the operational governance body, skilled in the fields: financial, operational, internal processes, human resource, communication and marketing, procurement, legal, sales and development.

The Administrator empowers the business line managers and the directors of each department. The management team is coordinated by the CEO. It manages the companies' daily activities and operations and has got a consultative role in the CEO's decision-making process. The activity of the management team is constantly guided by the following principles of corporate governance:

- **LEADERSHIP** – The CEO runs the company in view of complying with the short-term and long-term business objectives;
- **PROFESSIONALISM** – The management team holds an appropriate mix of skills, experience and independence, which enables members to fulfil their tasks and responsibilities in an effective manner;
- **RESPONSIBILITY** – On regular basis the administrator informs the shareholders and other stakeholders related to the group's performance in reaching its business objectives and fulfilling its responsibilities;
- **SUSTAINABILITY** – the company follows an ethical business model which it shares with all the stakeholders;
- **INTEGRITY** – both the administrator and the management team run the company with integrity, in order to conduct business in an equitable and transparent manner, that stands the test of the stakeholders.

GRI 2-15

Conflicts of interest

According to the Organisation and Functioning Regulation of the management board related to the conflicts of interest, the following aspects are stipulated:

- The members of the management team shall act in good faith to the benefit of the Group without promoting their own interests or those of a third party. They shall strive to avoid any situations in which their professional or personal interests may make it difficult to act to the Group's superior interest.
- At the beginning of each session of the management board, the members are held to declare any actual conflict of interest and restrain from making any recommendations, discussions and debates related to the aspects and transitions related to such conflict of interest. Such transactions must be approached with due caution and total transparency.

Evaluation of the performance of the highest governance body GRI 2-18

We cannot make public the data on remuneration policies as a result of constraints related to the confidentiality of this data, according to the contracts concluded between the company and top management.

In 2021 and 2022, the performance of board members was not assessed in terms of impact on the economy, the environment and people. Adrem's top management intends to explore the opportunity to develop such evaluation processes in the coming period.

Adrem Group's Governance



GRI 2-16

Communication of critical concerns

Ever since the beginning of the sanitary crisis caused by COVID-19, Adrem has started a crisis unit in order to closely monitor any risks that may occur as a result of our operational activities, that may have a negative impact on our employees, clients and members of the communities we work in. As recommended by the competent authorities and in light of the permanent cooperation with the operational manager and the field teams we have implemented a series of preventive measures consisting of:

- drawing up specific guides for each company (Adrem Invest, Adrem Engineering and Adrem Link);
- ensuring permanent individual training;
- endowing each department and each employee with protection products and equipment (masks, gloves, overalls, disinfectants);
- limiting direct client interaction.

We have also increased the frequency of internal communications directed to our employees in order to keep them permanently informed of the authorities' decisions, work regulations in our company and preventive conduct. In 2021 and 2022 no complaints have been received on the topic of the company's activities within the context of the sanitary crisis.

GRI 2-23

Statement on sustainable development strategy

Our activity is guided by the 17 goals of sustainable development goals defined by the UN in Agenda 2030. The products and services we provide impact the following 5 goals: Quality education, Gender equality, Clean and affordable energy, Decent work and economic growth and Responsible consumption and production.

GRI 2-23

<div>4</div> <div>QUALITY EDUCATION</div> <div></div>	<div>SDG 4 – QUALITY EDUCATION</div> <div>Access to high-quality education generates positive effects in the long term on the society. We contribute to the development of education programs, training for the labor market, the encouragement of initiative and innovation and lifelong learning through opportunities of instruction and professional development for our employees.</div> <div><ul style="list-style-type: none">• We support the local communities through investments in education programs;• We support the new talents;• We develop our relationship with the employees.</div>
<div>5</div> <div>GENDER EQUALITY</div> <div></div>	<div>SDG 5 – GENDER EQUALITY</div> <div>Gender equality is a fundamental principle of the developed democratic societies, based on rights and equal access to resources. The gender differences should not influence at all the access to positions, the remuneration mechanism or constitute a basis for discriminatory treatment of people. Adrem respects its employees' dignity and life quality and implements this principle at the level of organizational culture.</div> <div><ul style="list-style-type: none">• We want to keep a balance between the number of employed women and men ;• We support women's employment in the managerial structures.</div>
<div>7</div> <div>AFFORDABLE AND CLEAN ENERGY</div> <div></div>	<div>SDG 7 – AFFORDABLE AND CLEAN ENERGY</div> <div>By encouraging the renewable energy and innovation in the sector, our company maintains its technological progress and, at the same time, mitigates the effects of the climatic changes.</div> <div><ul style="list-style-type: none">• Diversified service offer, including the promotion of the sources of renewable energy;• We support the technological progress and investments.</div>
<div>8</div> <div>DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div>SDG 8 – DECENT WORK AND ECONOMIC GROWTH</div> <div>The promotion of a supported, open and sustainable economic growth, of the full and productive employment and decent work conditions for everybody.</div> <div><ul style="list-style-type: none">• Ethics and responsibility;• Corporate governance;• We support the employees' development.</div>
<div>12</div> <div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div></div>	<div>SDG 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>The impact upon the environment is of great importance for the position we assume in the society, therefore we observe the environmental protection rules and establish sustainable consumption patterns.</div> <div>We actively engage in the reduction of the environmental footprint.</div>

Adrem Group's Governance



GRI 2-22 **Statement on sustainable development strategy**

Through our CSR policy, developed in 2022, our efforts to promote responsible social practises focus on the following key domains:



Operational safety – our employees’ health and security are our priority:

- Safety in conducting our activities,
- Prevention of work accidents,
- Risk management.



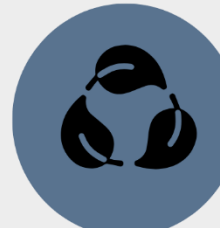
Education – we have a responsibility towards our own employees and towards the generations which represent the future:

- We support our employees’ permanent professional and personal development,
- We get involved in training the future professionals in our industry,
- We promote education for a sustainable lifestyle.



Community development – we support the local communities in which we operate:

- We respond to the community’s emergency situations,
- We act to improve the impact of our products and services,
- We contribute to creating an environment of equal opportunities.



Sustainability – We promote energy efficiency, sustainable development and we contribute to environmental protection:

- We commit to constantly improving the company’s products and services,
- Our business partnerships reflect our commitment to sustainability,
- We contribute to the development of a sustainability culture.

In 2022 we also designed the sponsorship policy which defines the Group’s approach in terms of granting sponsorships. The purpose of this policy is to ensure the transparency and fairness of the sponsorship process in view of establishing strong partnerships that may help us in reaching our CSR objectives. Also, the current policy ensures that the process takes place in the best possible conditions of integrity and zero tolerance towards corruption, fraud and money laundering, and protects the company against any aspects that may bring prejudice or attract legal sanctions, thus reducing its prestige or affecting the financial results of the Adrem Group either on the short or long term.

We support the stakeholders who share our vision and values for the future and with whom we can increase the impact of our actions in the following key sectors: health and safety, education, community development and sustainability, as presented in the CSR policy. This is why every year we offer sponsorships to those organisations, projects and actions that have the necessary know-how and resources to get to their target groups, with positive impact on their community or that may bring a positive, long-term change to their beneficiaries.

For the year 2023 our priority is to design and implement a strategy for the development of a sustainability culture at the level of the Adrem Group, and for the integration of various criteria related to the environment, society and governance, along with the financial ones in making economic decisions.

In order to ensure the understanding of the concept of Sustainable Development at all levels of our organisation and activities, every year we design a plan of internal communication, which is part of our communication strategy dedicated to raising employees’ awareness of the significance and importance of a sustainable approach to all our operations. The main ambassadors of the messages from the action plan are the very representatives of top management, who approach the employees in their target group by using a variety of channels for internal communication at a set frequency, both online and offline, as well as a variety of addressing methods, such as case studies, interactive meetings and progress reporting.

Adrem Group's Governance



GRI 2-24

Policy commitments

The implementation of anti-corruption policies, by means of internal regulations (the employees Ethical business conduct, The internal regulations), the regular training of our employees in this direction and encouraging them to identify and report such acts are bound to lead to the elimination of corruption and therefore to the economic growth of the local communities in our operational areas.

According to the definition of Adrem's Ethical Business Conduct, corruption acts imply an either active or passive abuse in view of obtaining private financial advantages or other type of benefits. Adrem implements a policy of zero tolerance towards corruption acts, one of our objectives being that each employee become familiar with this policy, in order to identify and prevent any situation that could constitute an abuse, and with the steps they must take in order to have a correct professional conduct.

The Adrem's employees' Ethical business conduct, distributed to all team coordinators and managers in the Adrem Group and made available on the internal intranet platform, Adrem Group created and shared an effective instrument of informing and raising awareness of the organisation's anti-corruption policy. This document defines corruption acts and provides a series of questions to guide the employees in case a business partner offers them a present or a service that go against Adrem's work principles. It encourages employees to identify any instance of abuse, to act preventively and to comply with the rule of not accepting or requesting favours, presents or any type of constraint, blackmail, fraud or intimidation, not even the most subtle ones.

Adrem's internal regulation stipulates that "receiving money or other undue benefits in return for the activities provided as part of the regular job description" constitutes a serious disciplinary offence that is bound to lead to the termination of the work contract on disciplinary grounds.

There has been no record of an external interested party or employee reporting corruption acts, bribery or any other deed that may be seen as an abuse in view of obtaining private financial advantages or other types of benefits.

GRI 2-27

Compliance with laws and regulations

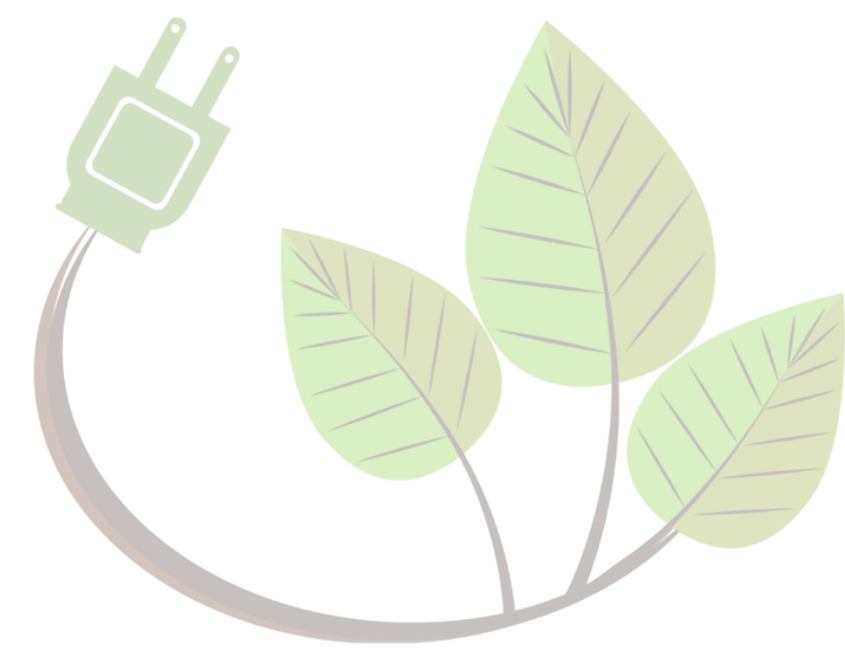
We manage compliance with the legal requirements and regulations by constantly identifying new laws and regulations, selecting the applicable ones and permanently informing the managers about the changes in the relevant legislation.

At the level of the Group, it is drawn up and updated as many times as necessary a Book of compliance with obligations, which includes the legal requirements (in terms of the environment, SSM/SU /specific requirements) with which the organisation must or chooses to comply in view of its contractual relations.

At the level of the Group, compliance assessment reports are prepared every three months (obligations are updated as often as necessary), which consist of parallels drawn between the results of internal monitoring and measurement and the norms imposed by the relevant legislation.

The staff is trained related to the compliance obligations and the assessment reports in accordance with the Training programmes which consist of specific topics.

No fines or non-monetary sanctions have been applied for having failed to comply with the relevant legislation and/or regulations.



Adrem Group's Governance

GRI 3-3

An effective system of governance and risk management

This is a highly important impact for the successful implementation of our business strategy. Based on our expertise and on the increasing complexity of our activities we have started and refined a system of corporate governance that may stand for a clear operational reflection of our business objectives, policies and regulations at all levels of the organisation.

GRI 2-23

The integrated management system and the processes thereof

Adrem Invest and Adrem Engineering have implemented an Integrated Management System (Quality, Environment, Occupational Health and Safety and Information Security) in accordance with the following standards:

- SR EN ISO 9001 2015
- SR EN ISO 14001 2015
- SR EN ISO 45001 2018
- SR EN ISO 27001 2013

Adrem Link is licenced in accordance with the following standards:

- SR EN ISO 9001 2015
- SR EN ISO 14001 2015.

Adrem Group operates based on the principles of integrated management, to ensure increased efficiency and adaptability. The implementation of the Integrated Management System (SMI) implies several stages.

For the implementation of the standards, it is necessary to define the processes which constitute the requirements thereof. The input and output information used in each process are determined by means of:

GRI 3-3

- The succession and interaction of processes;
- The control of the efficiency of the processes by setting and applying the criteria and methods which ensure the functioning of the process;
- The identification of the necessary resources and of the availability thereof;
- The setting of such objectives that may ensure an effective functioning, control and monitoring/measurement of the process;
- The assignment of various responsibilities related to the process;
- The analysis and treatment of risks and opportunities;
- The assessment of processes and the implementation of the necessary changes in order to achieve the intended results.

Adrem Group's Governance

GRI 2-24

The integrated management system and the processes thereof

In order for an organisation to function in an EFFECTIVE way, all the processes must be determined and run in close correlation. This PROCESS-BASED APPROACH implied the application of an entire set of processes, while taking into consideration their interactions, as well as an interactive management style in view of achieving the intended result.

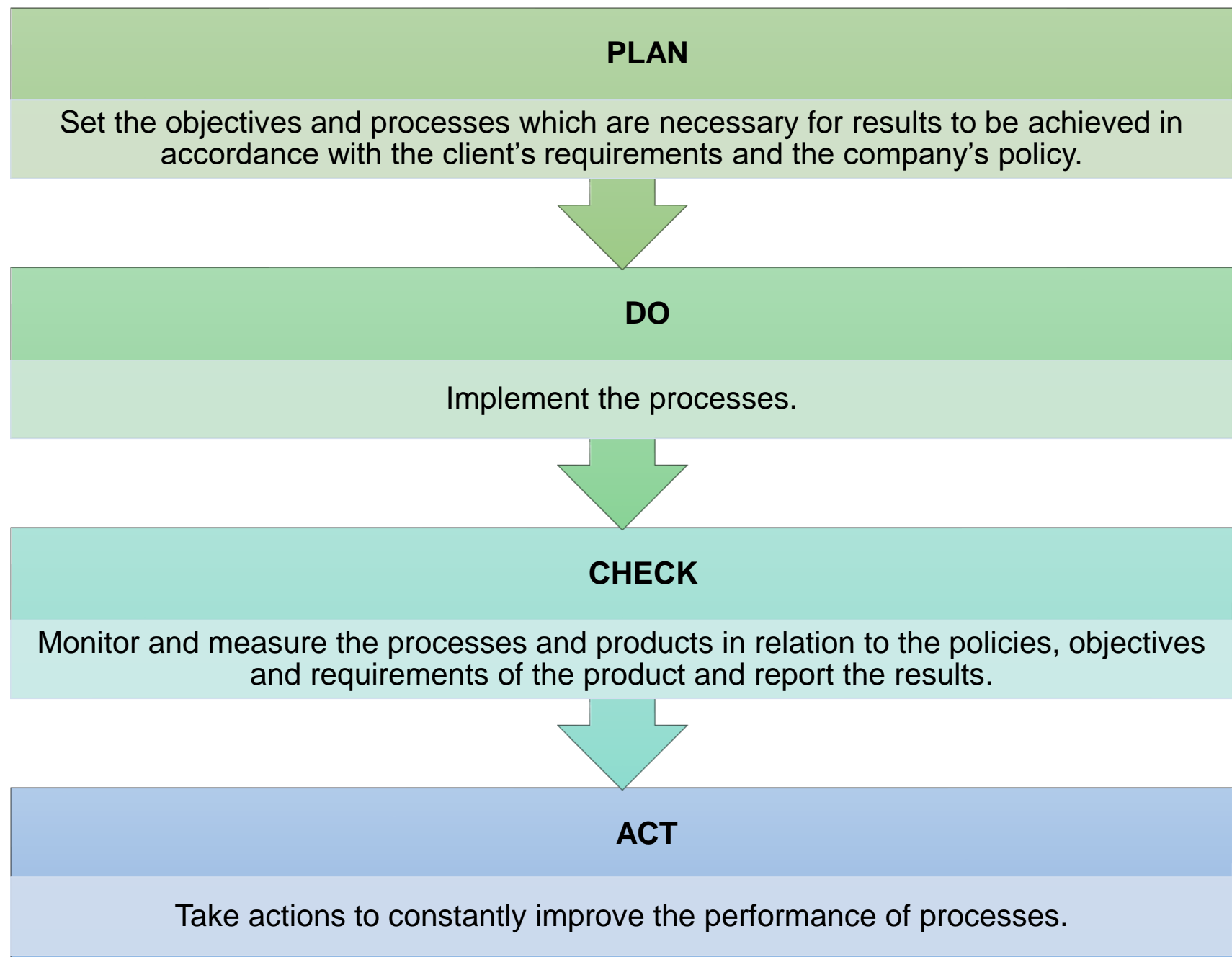
The use of this approach implicitly involves:

- Understanding and meeting requirements,
- Considering processes in terms of value added,
- Achieving good results in terms of performance and efficiency,
- Constantly improving processes by means of objective measures.

The integrated management system involves commitment at all levels and functions of the organisation, under the leadership of the top management. The top management effectively treats the associated risks and opportunities by including integrated management in the processes of the organisation, strategic directions and decision-making, in line with other priorities.

The organisations apply the PDCA cycle – Plan – Do – Check – Act

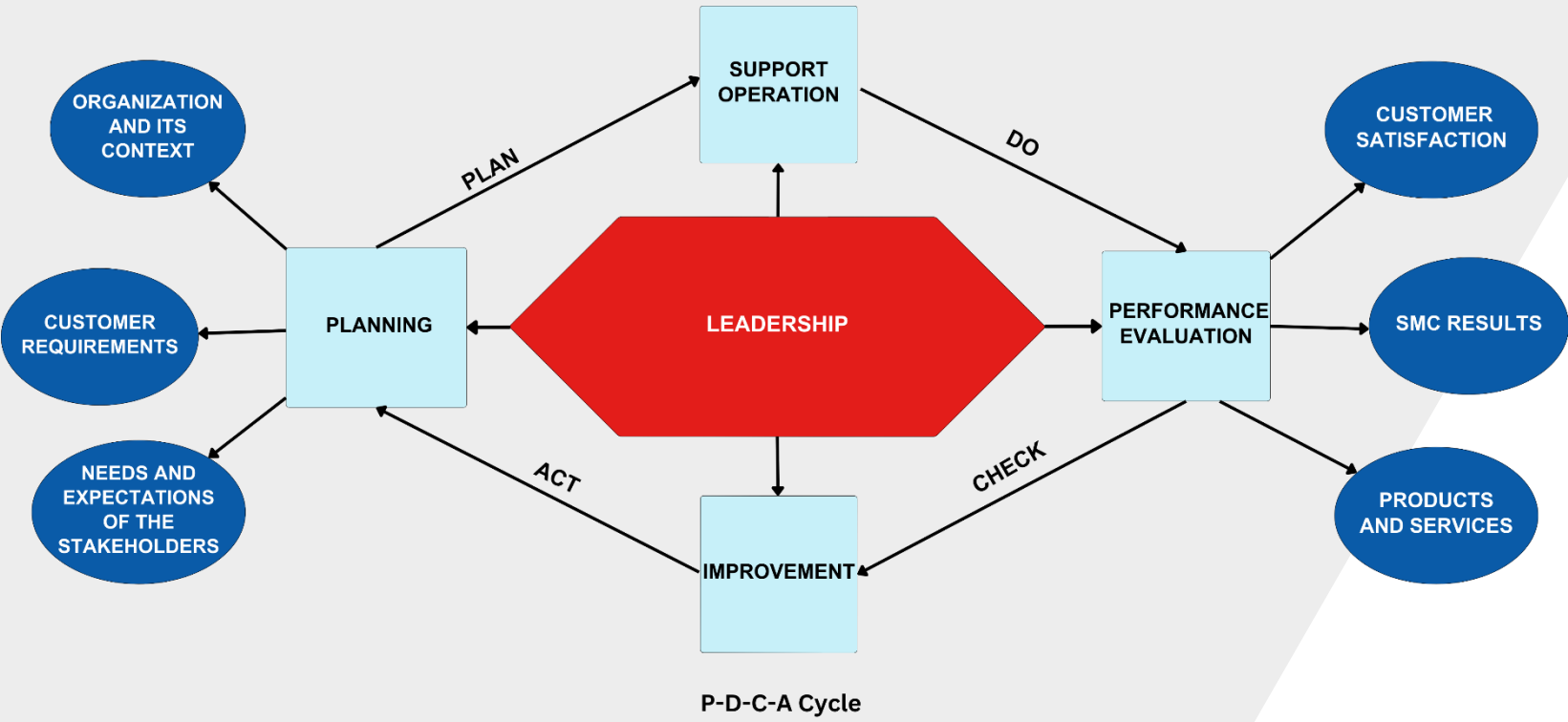
GRI 2-24



Adrem Group's Governance



GRI 2-24



The SMI processes conducted within the organisations fall into the following categories: **GRI 2-25** planning, support, operation, performance assessment and improvement processes.

It is aimed to permanently improve the management processes and system as a whole by taking into account the following principles:

	FOCUS ON THE CLIENT
	LEADERSHIP
	STAFF COMMITMENT
	PROCESS-BASED APPROACH
	IMPROVEMENT
	EVIDENCE BASED DECISION-MAKING
	MANAGING RELATIONS WITH STAKEHOLDERS

A process-based approach enables a careful planning of processes and of their interactions. The PDCA cycle allows the company to ensure that the processes are correctly managed, that they are allotted the necessary resources and that the improvement opportunities are identified and used accordingly.

GRI 2-25

Risk-based thinking enables the identification of the factors that may negatively influence processes and stray the Integrated Management System from the planned results. It also allows the company to conduct preventive controls in order to minimise negative impacts and make the most of the existing opportunities. Thus, in an ever more complex and dynamic environment, constant compliance with the requirements and careful consideration of current needs and future expectations stand for a challenge to the organisation. In order to reach these objectives, the organisations are ready to adopt various forms of improvement, along with corrections and constant improvement, such as sudden changes, innovation and restructuring.

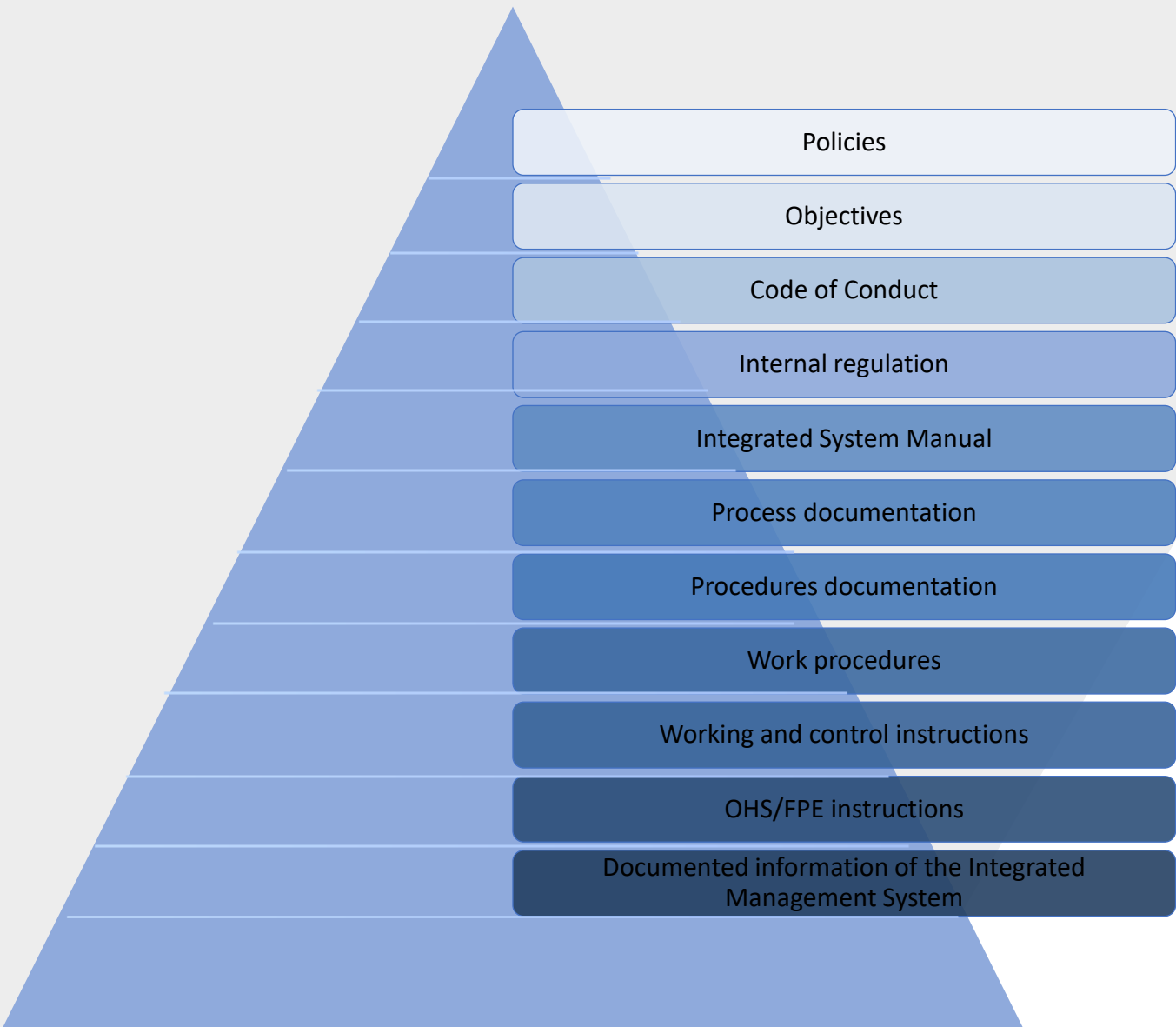
Adrem Group aims at maintaining:

- its capacity to regularly provide products and services that meet the legal and client's requirements and the applicable regulations;
- an increased level of customer satisfaction;
- a careful consideration of the risks and opportunities associated to the context and to its objectives;
- its capacity to comply with the specified requirements of the quality management system.

Adrem Group's Governance



GRI 2-25 The documentation of Adrem's Integrated Management System materialises in:



The highest-level governance has set, implemented and has been maintaining a SMI policy which:

- Corresponds to the purpose and context of the organisation and supports its strategic direction. It includes the nature, amplitude and impact of its activities, products and services on the environment;

- Ensures a proper framework for setting SMI objectives;
- Includes the commitment to complying with the applicable requirements;
- Includes the commitment to constantly improve the Integrated Management System for environmental protection and pollution prevention, and to consult and involve the workers and their representatives.

The SMI policy is drawn by the CEO, while the department directors draw policies for their respective processes.

The policies are:

- made available and kept as documented information for our employees, partners or any third party and they can be accessed from the company's website and/or server/internal intranet, while the policies referring to the processes of each department can be found on the server;
- conveyed, understood and applied at the level of each organisation;
- made available for the relevant stakeholders, upon request;
- in accordance with the context, the needs of our customers and other relevant stakeholders, the organisational strategy and mandatory obligations.

Adrem Group has set strategic and specific objectives for each line of business and for each department.

The Labour Code is the document which regulates work relations, the way control is conducted as for how regulations are applied in the field of work relations, as well as the relevant labour provisions.

The department of Human Resources aims to ensure that the rights and responsibilities of each employer and employee are complied with, by informing each of the parties of any changes that may have occurred within the organisation/ at the level of the Labour Code, etc.

Adrem Group's Governance



GRI 2-25 In 2021- 2022, efficient internal communication was conducted by means of various information methods, such as: SMS, telephone calls, emails, WhatsApp groups, Microsoft Teams meetings, small group meetings, couriers, etc.

The collective bargaining constitutes a convention concluded between the employer and the representative of the trade union (employees) setting the work conditions, remuneration and other rights and obligations which stem from work relations. The main purpose is to permanently communicate with our employees in order to be informed as to their needs and to ensure a work environment that is suitable for a long-term personal and professional development.

The internal regulation, drawn in accordance with the current legislation, defines the framework of collaboration between the Companies and their employees, as well as the rights and obligations of the two parties. Employees are informed of this document and become familiar with the contents thereof ever since the beginning of the employment contract.

GRI 2-23 At the level of Adrem Group it is applied the Ethical business conduct, which, along with the Internal Regulations, ensures respect for human and employee rights defined according to international conventions in the fields, regarding:

- The elimination of any type of discrimination, the provision of equal opportunities and acceptance of diversity at every stage, starting from the recruitment process until collaboration ends,
- The avoidance of any form of forced labour or child employment,
- The avoidance of any form of corruption.

Adrem's Ethical business conduct constituted an effective instrument of informing and raising our employees' awareness of human rights, in view of preventing and combatting any violation of these fundamental principles.

GRI 2-24 The organisations ensure that the persons they control are properly informed of the documents referring to the Integrated Management System by means of the regular staff training.

The documented information is included in the Yearly training programmes as individual topics.

The highest-level governance assigned responsibilities and authority for each relevant role in the organisation. They were mentioned in the job descriptions in order to be fully understood within the organisation. Responsibilities and authority have been assigned for:

- Maintaining the Integrated Management System, and for knowing and controlling the performance thereof;
- Providing the output elements intended for the processes which take place within the organisation;
- The highest-level governance to follow and adapt to the performance of the integrated management system and to the identified improvement opportunities;
- Promoting the focus on the client at the level of the entire organisation;
- Maintaining the integrity of the SMI when planning and implementing changes thereof.

Adrem Group's Governance



GRI 2-26 **Mechanisms for seeking advice and raising concerns**

At the level of the Adrem Group there is a Complaint resolution procedure, enabling any person in the communities where we conduct our activities, as well as any of our own employees, to inform us or require the resolution of any possible negative situations impacts that may occur as a result of our activity. Any message received at the complaint section on the Adrem website, on the email address office@adrem.ro, by land mail or telephone calls is registered and solved in accordance with the internal procedures.

In 2021, over 50% of the requests involving Adrem Invest could be solved by our clients, energy distributors, and they referred to services provided by other energy companies, requested service offers or other things outside the area of our activities. Over 80% of the claims received on Adrem Link were requests for service offers (reading, self-reading or services provided as part of the “Casa Verde (Green House)” programme. All the 33% of claims referring to Adrem’s activity itself were solved.

It is worth mentioning the fact that in the first half of 2021 no claims have been received related to the activity of our field teams within the context of the sanitary crisis.

At the beginning of 2022 we updated the Complaint resolution procedure and included a monitoring component for cases which reoccur within 6 months from the original complaint. For those situations which require retraining the employee, the Regulations Integrated Management Department verifies the state of affairs during the internal audits.

In 2022, following the increasing number of photovoltaic systems for B2C customers, the number of complaints was 12% higher than in 2021, but 97.4% of them were solved and closed.

Apart from the Complaint resolution procedure, Adrem is currently working on developing a strategy for whistleblower system.



Adrem Group's Governance



Risk Management

GRI 3-3

The companies of Adrem Group have established a systematic approach in terms of considering risks, rather than taking preventive actions. Risk-based thinking creates the framework for these risks to be identified, taken into consideration and controlled.

By using risk-based thinking, risk consideration is integrated in the system itself, and preventive actions became part of risk-based thinking. The actions taken to prevent or mitigate unwanted effects by means of a timely identification and proper measures become proactive rather than reactive.

Risk consideration within the entire system and processes thereof increases the likelihood of meeting objectives, profit is more consistent and the customers can be confident about receiving the product or service they have required.

Risk-based thinking:

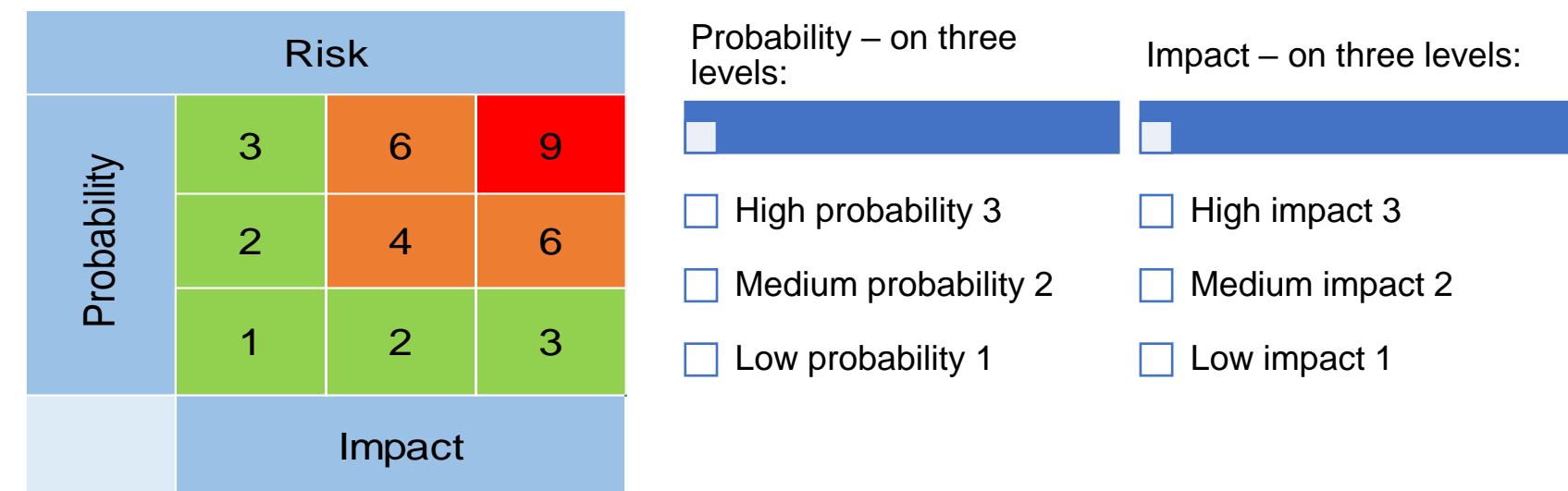
- Improves leadership,
- Sets a proactive improvement culture,
- Helps comply with the existing legislation,
- Ensures high-quality products and services,
- Increases customers' confidence and satisfaction.

Adrem Group aims at constantly taking into consideration the risks and opportunities associated with its context and objectives, both from the point of view of the external environment (political, financial, ethical, legal, regulatory) and from that of the internal environment (employees, operations, etc).

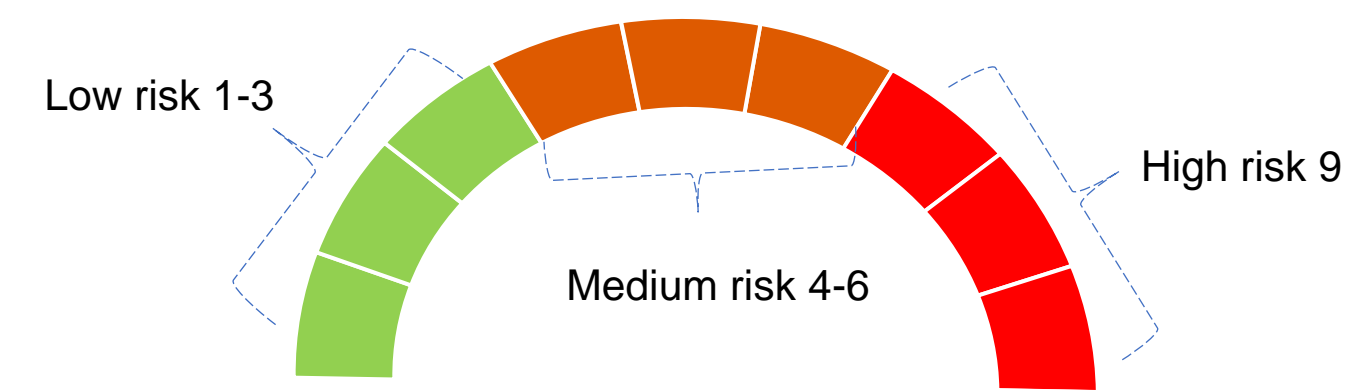
GRI 3-3

In order to support this idea, in risk analysis we use the probability and impact matrix, which is a technique that combines the two elements of risk by providing an overview thereof.

The table below shows the matrix with its two components:



The result of combining these elements consists of a 3-row, 3-column matrix. The intersection of each row with each column represents a certain level of risk. In such matrix there can be identified three risk categories:



Adrem Group's Governance



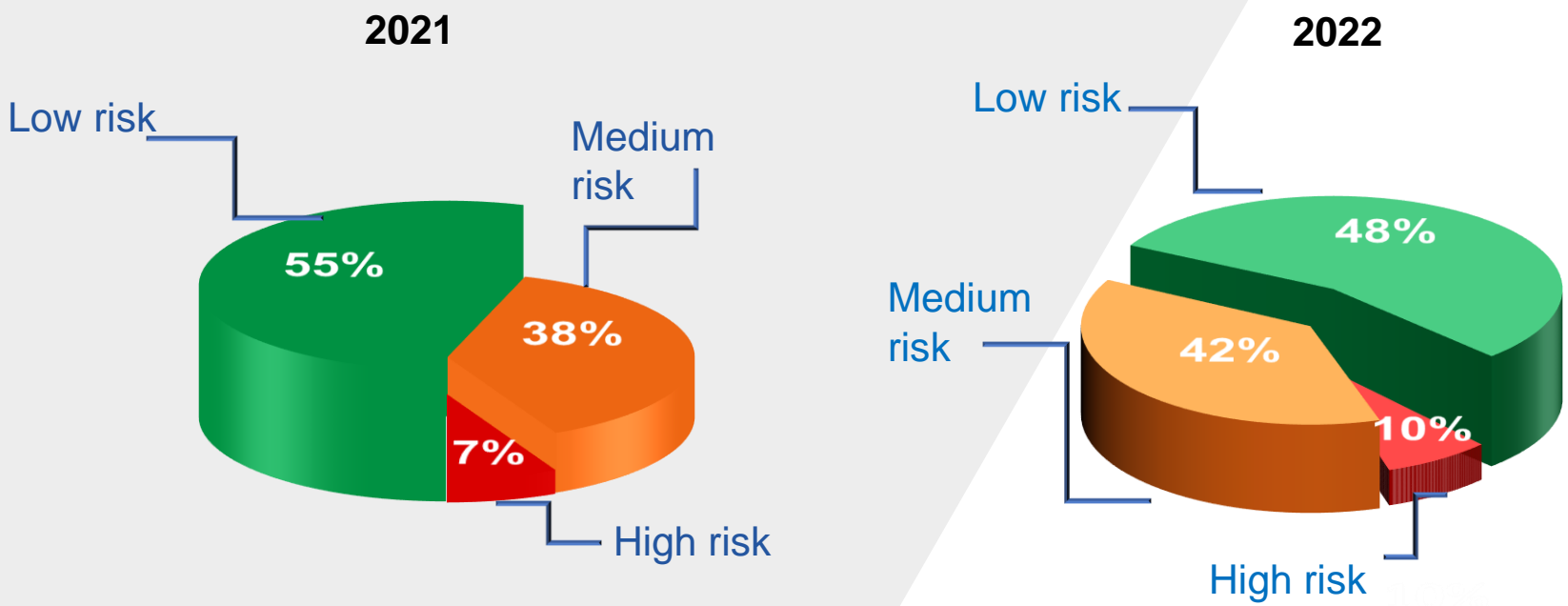
GRI 3-3 The Adrem companies have been providing services in the energy sector and has identified no potentially negative effects that may lead to the application of the Prudence Principle. We shall be paying close attention to any developments in the energy sector that may impose the use of the Prudence Principle. The management of risks and opportunities is described in the operational procedures, and each department has identified all the specific risks and the way they can be controlled, mitigated or eliminated. In order to ensure the sustainable development of each field of activity and to mitigate risks, various instruments are at our disposal, which can be used at a high level of performance. These instruments are described in detail in the sections referring to the quality of services, professional training, environmental protection and good governance.

The main reasons behind the increase of high and medium risks in 2022 as compared to 2021 were:

GRI 3-3

Even if a risk management system is not yet in place referring to climate change, we intend to run this process over the course of the year 2024, and include these aspects in the following report.

Adrem Group risk structure analysis:



The energy crisis;

Increased inflation, leading to a higher number of requests for better salaries;

A volatile external market (the conflict between Russia and Ukraine, the sanitary crisis generated by the COVID-19 pandemic, emergency situations);

Higher prices for raw materials, along with a shortage thereof;

A higher energy price on the free market despite various offsetting and limiting measures.

As for the proportion of lower risks, it entered a downward trend due to the actions taken by the company: SSM actions, internal audits, etc.

Adrem Group's Governance



Ethical Business Conduct

GRI 3-3

The topic of ethical business conduct is an impact that affects the internal and external environment of the organization in a variety of possible ways and we constantly focus on it through policies, rules and continuous monitoring.

Adrem Group has zero tolerance for any form of corruption and has included this topic in both the Ethical Business Conduct, which describes the standards of professionalism expected from employees, and the Internal Regulations – a mandatory document specifying the rights and obligations of the employees and the employer and the way of carrying out the activity.

The Ethical Business Conduct of Adrem Group describes a set of rules, principles and values that are accepted and that guide our behaviour within the organization. The document defines employee conduct based on:

- Tolerance and diversity
- Anti-Corruption
- Avoiding conflicts of interest
- Customer privacy
- Relationship with stakeholders.

Incidents of corruption, according to the Adrem Ethical Business Conduct, entail an abuse, either active or passive, in order to achieve private financial advantages or other benefits. Adrem has a zero-tolerance policy for acts of corruption, and one of our aims is for every employee to be aware of this policy, to be able to detect and prevent any circumstance that may represent an abuse, and to be aware of the actions to take for proper professional conduct.

GRI 3-3

Adrem Group developed and disseminated an information and awareness tool about the organization's anti-corruption policy through the Ethical Business Conduct for Employees. It defines acts of corruption and provides a series of questions to help employees in cases when any representative of a business partner offers a gift or a service that is not in accordance with the working principles in Adrem. The Adrem Ethical Business Conduct encourages employees to recognise situations of abuse, to act preventively, and to follow the rule of not accepting or seeking favours, gifts, or any type of constraint, blackmail, fraud, or intimidation, especially those that may assume more subtle forms.

According to the Ethical Business Conduct, Adrem does not accept any kind of discrimination based on gender, ethnicity, socioeconomic status, political affiliation, religion, or any other factor, and strongly condemns any stigmatising attitude or behaviour that might have a detrimental impact on an employee's professional, psychological, and emotional well-being.

The Ethical Business Conduct has been distributed to all team coordinators and managers within the organisation, is permanently available on the intranet platform, and is part of the new employee introduction programme.

At the same time, Adrem's internal regulations prohibits "receiving money or other undue benefits for activities performed within the scope of work duties" and classifies this act as a serious disciplinary offence punishable by disciplinary termination of the employment contract.

Instances of non-compliance with the ethical business conduct

In 2021, a single complaint proved to be unfounded was registered for Adrem Engineering, and in 2022, no complaint regarding ethical business conduct was registered within the Adrem Group.

Adrem Group's Governance



GRI 3-3

Economic Performance

The Adrem Group's economic performance is a key dimension of influence that impacts a large part of its stakeholders. In this regard, we create the business plan and strategies for each of the targeted business objectives.

We prioritised employee health and business continuity in 2021, the second year of the health crisis and the start of the energy crisis. The market environment raised challenges in the relationship with Adrem's suppliers and partners, but we stayed committed to the commitments we made to our customers and did our best to help local communities. We continued to undertake key initiatives at the Group level, such as Digital Transformation, the digitalization of the industry being one of the three primary goals of the fight against climate change, as well as decarbonization and decentralisation of the energy sector.

În continuare, în 2021, adăugat la acest mediu nefavorabil, am resimțit și impactul unei investiții anterioare într-o altă companie care s-a dovedit în cele din urmă neprofitabilă. Iesirea din această investiție a fost una care a lăsat urme semnificative în rezultatul financiar ale anului 2021.

Furthermore, in 2021, we felt the impact of a previous investment in a different company that eventually proved unsuccessful, which contributed to the unfavourable atmosphere. The withdrawal from this investment left major traces on the 2021 financial results.

The fact that in 2021 we managed to maintain our turnover at almost the same level compared to the previous year is proof of our ability, formed over time, to withstand crisis situations and to recover later through adapted and diversified strategies. We focused on the efficiency of the business and even in this unfavourable context we managed to have very good results at the operational level.

We are proud to be able to say that we contributed by significantly participating in the Iași-Ungheni gas pipeline project, where we provided the entire automation component. Thus, part of the energy security of the Republic of Moldova was achieved through the work of Adrem engineers.

GRI 3-3

The recognition obtained by securing a refinancing of 12.35 million Euros through a private issuance of bonds subscribed by Credit Value Investment (CVI), an investment fund manager active in the CEE region, at the beginning of 2022, is deeper indication of the strong performance in 2021.

Going forward, we succeeded in diversifying sources of income through activities begun in 2021 to broaden the markets we address, as well as by a direct orientation towards green energy projects, resulting in a considerable rise in turnover in 2022. We contributed to a greener economic environment in Romania by participating in the "Casa Verde" and "Electric-Up" programmes as authorised installers. We produced an excellent outcome in 2022 as a result of our ongoing business simplification efforts, providing us with a firm basis and positioning us favourably for the future.

The year 2022 represented a significant milestone in Adrem's history: 30 years of operation, during which we assessed our beneficial influence in the energy business and in the community with the support of the 1000 people who joined us throughout time in all operating areas. During these 30 years, we have contributed over 250 million lei to the community, offered 3 million lei in sponsorships, cooperated with over 6200 Romanian companies and paid over 400 million lei in salaries.

Throughout this period, it has been clearer than ever that we have what is known as an extremely robust "core-business" that not only helps us pass all of the tests, but also sets the tone for solid development in the future.

Our actions related to economic performance are audited by an external company, Ecovis Romania SRL, in accordance with the legal requirements in force.

Adrem Group's Governance



Economic Performance

GRI 201-1 Direct economic value generated and distributed:

REVENUES	2021	2022
Adrem Invest	116,228,791	122,099,570
Adrem Engineering	59,423,283	62,356,014
Adrem Link	19,977,339	25,239,511
TOTAL	195,629,413	209,695,095
OPERATING COSTS	2021	2022
Adrem Invest	79,413,789	70,018,288
Adrem Engineering	47,530,53	43,964,266
Adrem Link	7,287,198	7,714,272
TOTAL	134,231,740	121,696,826
EMPLOYEE WAGES AND BENEFITS	2021	2022
Adrem Invest	40,160,432	41,020,812
Adrem Engineering	8,669,626	6,087,318
Adrem Link	10,334,940	13,022,746
TOTAL	59,164,998	60,130,876
PAYMENTS TO PROVIDERS OF CAPITAL	2021	2022
Adrem Invest	61,941,995	4,306,948
Adrem Engineering	1,378,429	944,89
Adrem Link	561,621	537,332
TOTAL	63,882,045	5,789,170

PAYMENTS TO STATE GOVERNMENT	2021	2022
Adrem Invest	13,446,412	12,614,494
Adrem Engineering	3,337,503	7,792,124
Adrem Link	3,797,309	5,000,690
TOTAL	20,581,224	25,407,308
COMMUNITY INVESTMENTS	2021	2022
Adrem Invest	252,658	345,188
Adrem Engineering	35	24,445
Adrem Link	36,973	156,445
TOTAL	324,63	526,078
RETAINED ECONOMIC VALUE (Revenues-Costs)	2021	2022
Adrem Invest	(65,540,083)	6,408,334
Adrem Engineering	1,809,475	11,335,095
Adrem Link	1,756,607	3,808,716
TOTAL	(61,974,001)	21,552,145

The calculation method:

Revenues = total revenues without VAT, from the according to balance sheet
 Employee wages and benefits = wages and allowances according to balance sheet
 Payments to providers of capital = interest costs and bank fees plus the cost of exiting an investment of the Group
 Operating costs = all costs not included above except employer taxes
 Payments to state government = Payable VAT, profit tax, penalties and employer taxes recorded as payables in the respective period
 Community investments = donations and sponsorships registered during the period
 Retained economic value = the net profit of the respective period

The values expressed are in lei.

Adrem Group's Governance

GRI 201-1

Economic Performance

	Adrem Invest		Adrem Engineering		Adrem Link	
	2021	2022	2021	2022	2021	2022
Average number of employees	554	565	57	6	188	239
Number of customers	185	193	35	56	28	20
Number of invoices issued:	6359	6227	257	308	99	82
Net turnover						
Turnover from Electricity Services	109.736.574	107.745.008	55.347.772,50	48.035.985,00	859.084	286.791
Turnover from Sales of Materials	1.153.256	258.619	366.841,61	6.143.927,00	1.286.724	510.038
Turnover from Rent Income	20.704	-	-	-	-	-
Turnover from Meter Readings	-	0	-	-	17.501.127	23.978.049
Total:	110.910.534	108.003.627	55.714.614	54.179.912	19.646.935	24.774.878
Total capitalization broken down in terms of debt and equity						
Asset Structure:						
Intangible assets	203.982	192.466	25.674	1.237.806	6.509	265
Tangible assets	4.128.587	10.452.426	252.859	357.117	7.004	340.065
Financial assets	2.322.098	1.141.331	960.042	5.000	-	-
Current assets	45.573.929	60.002.599	49.655.319	51.136.350	12.429.246	10.637.127
Accrued expenses	257.578	268.157	1.657.867	1.112.786	2.685	4.638
Total:	52.486.174	72.056.979	52.551.761	53.849.059	12.445.444	10.982.095
Liability Structure:						
Equity	(52.862.024)	(31.453.689)	583.682	11.918.777	1.477.831	5.286.547
Debts	103.455.736	101.087.193	51.149.368	41.839.985	10.637.999	5.337.076
Provisions	1.892.462	2.423.475	818.711	90.297	329.614	358.472
Advance income	-	-	-	-	-	-
Total:	52.486.174,00	72.056.979,00	52.551.761	53.849.059	12.445.444	10.982.095
Financial assistance received from government	2021	2022	2021	2022	2021	2022
Amount	0	0	0	0	0	0

GRI 201-4

Adrem Group's Governance



Anti-Corruption

GRI 3-3

Corruption, in all its manifestations, from theft to nepotism and bribery, has a direct impact on economic development, market competitiveness and transparency, equal opportunity and access to the labour market, as well as detrimental consequences on people's health. Adrem Group maintains a zero-tolerance policy for any act of corruption perpetrated by any of its employees or representatives, regardless of their role or position within the organisation.

This topic has a direct impact on our internal stakeholders - employees and management – as well as our external stakeholders - customers, central and local authorities, suppliers. Any possible accusations or convictions for acts of corruption would cause moral damages to employees and lead to the termination of employment contracts. Adrem's reputation in the market would be seriously affected, considering that we are among the main service providers for the energy sector and the only one working with all the main distribution operators. Termination of ongoing contracts, exclusion from certain consortia/partnerships (including international ones), loss of eligibility to participate in tenders and projects, and loss of the right to provide some services are some of the significant consequences we could experience.

GRI 205-2

Anti-corruption as a rule of conduct and obligation of employees is addressed in the Internal Regulations and in the Collective Bargaining (CB), and the Ethical Business Conduct develops anti-corruption as an organizational value and contributes to the information and awareness of employees. All these documents are brought to the attention of the employees already during the induction programme, immediately after employment.

Corruption is defined in the internal regulations of Adrem Invest, Adrem Link, and Adrem Engineering as serious disciplinary offence, which may result in the sanction of disciplinary termination of the employment contract and prohibits, among other things, falsification of work reports, theft or embezzlement of material goods, receiving or giving money or other undeserved goods.

The Adrem Business Ethical Conduct, which is permanently available on the company's intranet, defines corruption as an abuse, active or passive, in order to obtain private financial advantages or other benefits, by using the position or influence that an employee has within the company or in relation to business partners, in order to satisfy personal or group interests. It provides examples of the most obvious incidents of corruption and provides a simple guide of questions to help employees identify such situations and know what steps need to be taken to ensure appropriate professional conduct. Employees are encouraged under the Business Ethical Conduct to behave with caution and not accept or demand favours, gifts, any form of blackmail, fraud, or threats. Users have two email accounts that can be used by internal staff (suport.hr@adrem.ro) or other stakeholders (sesizari@adrem.ro) to report any potential non-compliance issues.

There were no reports of corruption on these communication channels in 2021 or 2022.

Corruption is defined as a set of immoral, illegal activities carried out by both public officials and various groups and/or private organisations in order to obtain personal or group interests by means of constraint, such as blackmail, bribery, buying influence, or fraud.

Corruption can be one of the main impacts in economic and social development, it hinders innovation, decreases the competitiveness and efficiency of the business environment. Therefore, it is essential to be aware of this, identify and prevent incidents of corruption.

We believe in fair competition and the spirit of "fair-play", thus we have created an ethical business model, based on integrity and legal compliance, which we share with our stakeholders.

Adrem Group's Governance

Anti-Corruption

GRI 3-3

As a result, we have implemented an Integrated Management System, a tool that incorporates all the processes within the Group, such as quality, environment & safety at work management, operational control or risk assessment, with the role of preventing non-compliances. The pillars that guide us - Involvement, Responsibility, Respect, Ambition and Rigor – assist us in cultivating long-term trust in business relationships and enhancing the reputation of Adrem Group companies.

Our policy and commitments are founded on internal regulations and the Ethical Business Conduct, which are documents undertaken by the Management and are binding on all Group companies. The policy of zero tolerance for bribery, fraud, theft, and other forms of corruption is clearly stated in the Internal Regulations and the Ethical Business Conduct, and one of our goals is to ensure that every employee is aware of this policy in order to prevent potential abuse, as well as the steps to follow for proper professional conduct.

The procedures implemented at the Group level serve to protect employees while also assisting the company in standardising work processes and planning strategically.

All transactions on behalf of the companies are conducted at the management level in accordance with the internal regulations, standards and legislation in force.

In 2021, Adrem Group did not register any case of corruption involving its employees or business partners.

In 2022, the company's approach, values and ethical principles have remained consistent and aligned with the best practices in the field of compliance. In this regard, we remind that we still maintain the existing Ethical Business Conduct, whose general provisions continue to define the manner and attention the companies treat with and respect the main ethical values by:

- Protecting individual rights,

- Preventing conflict of interest,
- Complying with the law,
- Ensuring data privacy.

As a rule, we do NOT claim any benefits for starting, negotiating or conducting business relations with our partners.

Ethical behaviour is essential to establishing a good reputation, building and maintaining the trust of our business partners, customers and stakeholders.

Quality means ensuring compliance when you are not being supervised and under these conditions it is not an action but a habit.

Confirmed incidents of corruption and actions taken

GRI 205-3

In 2021 and 2022, Adrem Group did not register any case of corruption involving its employees or business partners of the group.

Adrem Group's Governance



Non-Discrimination

GRI 3-3

One of the impacts identified refers to discrimination in the organizational environment, and at the level of Adrem Group there is a plan with specific actions of a permanent and, when necessary, corrective nature that targets all the dimensions under which situations of discrimination may occur.

According to Adrem Group's vision the diversity that each employee brings is precious, because it contributes not only to knowledge, but also to the development of a business that operates at a local, regional and international level. The principles of professional ethics we believe in lead us to ensure a working environment where communication is based on mutual respect, tolerance and appreciation of cultural, religious and social diversity.

We encourage equal opportunity and a collaborative work environment so that our team gets stronger as we grow together.

Discrimination is defined as any difference, exclusion, restriction or preference based on criteria of race, nationality, ethnicity, language, religion, social category, beliefs, sex/gender, sexual orientation, age, disability, chronic non-contagious disease, HIV infection, belonging to a disadvantaged category, as well as any other criterion that has the purpose or effect of restricting, removing the recognition, use or exercise, under conditions of equality, of human rights and fundamental freedoms or rights recognized by law, in the political, economic, social and cultural sector or in any other areas of public life.

The non-discrimination component has a direct impact on management, employees, suppliers and local authorities throughout Adrem Group's business locations.

Adrem's Internal Regulations include a chapter dedicated to the rules regarding compliance with the principle of non-discrimination and the removal of any form of violation of dignity. The organization's labour relations are built on the principles of consensuality and good faith.

GRI 3-3

The non-discrimination policy is critical to maintaining a socially peaceful environment in the company. Within it, the following are forbidden:

- Any direct or indirect discrimination against an employee,
- The threat,
- Offending,
- Verbal or physical aggression,
- Sexual harassment.

Thus, any discrimination against other Group employees will be sanctioned up to dismissal on disciplinary grounds, in compliance with applicable legal provisions.

According to the Ethical Business Conduct, Adrem does not tolerate in any way discrimination based on gender, ethnic, social, political affiliation, religion or any other factor and strongly condemns any stigmatizing attitude or behaviour that might have a detrimental impact on an employee's professional, psychological, and emotional well-being.

In the recruitment and evaluation processes and throughout the relationship between the employee and the company, Adrem relates to candidates and its employees from the perspective of their skills and performance, without applying any unfair treatment to people belonging to different social categories.

We want the relationships we build within and outside of the company to reflect our openness to multiculturalism and diversity, as well as our appreciation for what we can learn from our colleagues from diverse backgrounds. We also want an organisational climate in which work is done solely on the basis of performance.

Non-Discrimination

GRI 3-3 In order to report any situations of discrimination, an e-mail address (suport.hr@adrem.ro) has been created that can be used by employees to report possible situations of non-compliance. Adrem's external stakeholders can communicate any discriminatory situation using the e-mail address: sesizari@adrem.ro. In 2021 and 2022, no notification of discrimination actions was registered on these communication channels.

GRI 406-1 Incidents of discrimination and corrective actions taken

In 2021, a complaint from a former employee of the company was registered with the National Council for Combating Discrimination (CNCD) for Adrem Engineering. Consequently, the CNCD opened an investigation in which our company cooperated in all aspects and transparently provided all requested documents and information. The investigation was completed with a decision of the Board of Directors of the CNCD which held that there is NO discrimination and the notification of the former employee of Adrem does not meet the constitutive elements of discrimination.

In 2022, Adrem did not register any case of discrimination involving the Group's employees or business partners.

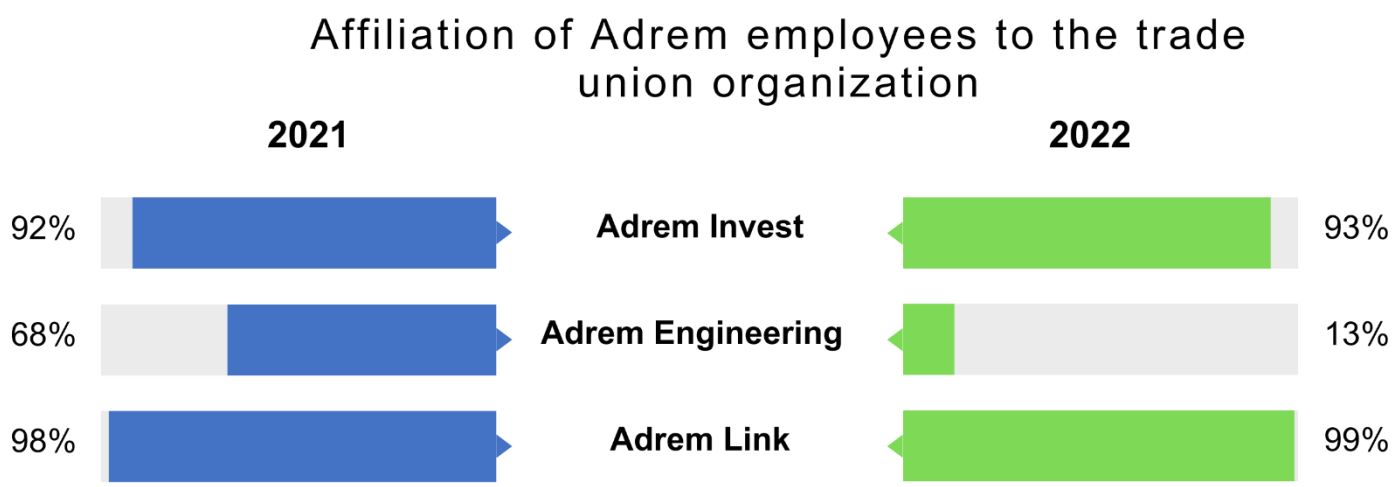
GRI 3-3 Freedom of Association and Collective Bargaining

Given the nature of the Group's activity, the freedom of association and collective bargaining has an impact of interest not only for the Group's employees, but also for the companies Adrem Group is in contractual relations with.

We pay special attention to the relationship with the "Sindicatul lucrătorilor din electricitate Oltenia" (Oltenia Electricity Workers' Union), which makes possible the dialogue, knowing the expectations of the employees, addressing and debating important

issues and negotiating appropriate solutions on an equal footing. The measures regarding salary increases and the payment of additional benefits, as well as organizational changes of Adrem are the subject of negotiations with the union. According to the provisions of the trade union law, decisions and actions regarding employment must be agreed with the unions, who are informed of them at least 30 days in advance .

Affiliation to the trade union organization is uniformly and easily accessible to all Adrem Group employees, regardless of the field of activity, location of activity or other individual characteristics of the position held within the Group.



Adrem evaluates its suppliers only on the basis of quality and occupational health and safety criteria and does not currently have the means to evaluate them on the respect of freedom of association and collective bargaining.

3

Employees



Employees

GRI 3-3 The Adrem Group's primary resource in all of its operations is represented by its employees, which also has a fundamental influence on how we think about and focus the resources required for a safe and high-performance work environment.

GRI 2-23 Adrem Group has a relationship with its employees that reflects the principles established in the Universal Declaration of Human Rights (issued by the United Nations), as well as the principles of Fundamental Labour Rights, formulated by the International Labour Organization.

Thus, the fundamental rights at work formulated by the International Labour Organization (ILO) can be found in all the basic internal documents of Adrem Group:

► **Elimination of all forms of forced or compulsory labour**

The Internal Regulations state the following: "The employment contract (EC) is concluded based on the consent of the parties, in written form. It is registered, before the start of the activity, in the general register of employees."

► **Effective abolition of child labour**

Within the Collective Bargaining (CB) it is specified that "for employment, staff must be at least 16 years old."

► **Elimination of discrimination in employment**

Adrem hires staff only based on the qualities and skills required for the position without any form of discrimination against them. The evaluation of employees is carried out, according to the Internal Regulations, "according to the degree of achievement of the performance indicators, general and specific to each position.". Moreover, the Professional Evaluation Procedure specifically mentions the right of each employee "to equal opportunity and treatment".

We evaluate our actions through internal audit processes and collaborate with state institutions to take all necessary steps in the field of work, labour relations and the health and safety of our colleagues. In 2021 and 2022 there were no major changes in our management approach.

Regarding the provision of human rights, the Adrem Group's activity is based on the following documents:



Moreover, an e-mail address suport.hr@adrem.ro has been created for reporting any abuses of employee rights, corruption acts, discrimination, etc. which employees can use to report any circumstances of non-compliance.

GRI 2-23

Employees

GRI 2-24
GRI 3-3

► **Prevention of human rights abuses**

The employees have internal reporting procedures at their disposal they can use to report any violations of these rights to their superior and/or the Human Resources Division.

Also, in relation to the members of the communities we operate within, in order to ensure that the rights of the end consumer of our products/services are complied with, we provide a tool for permanent communication with Adrem, through a dedicated email address (sesizari@adrem.ro) where all notifications/complaints received from outside the company are analysed and dealt with according to internal procedures.

► **Contestation of the performance assessment**

If an employee does not agree with the results obtained after the evaluation, she/he has the possibility to verbally challenge the evaluation to the direct superior (evaluator) in order to clarify it. If the employee does not agree with the outcome of the appeal, she/he can appeal in writing to the evaluator's superior.

If the outcome of the appeal is different, the change to the initial assessment will be uploaded to the server in the shared file designated for the performance assessment process on the assessment of the following month.

If it is found that the evaluation was not correct, the employee will be notified, and the Human Resources Department will implement the corrections after the employee is informed on the changes.

► **Relationship with stakeholders**

In 2021 and 2022, thanks to the GEO 114/2018 ordinance that had an impact on the companies Adrem Invest and Adrem Engineering, employees were granted facilities such as: reduction of the social insurance contribution owed by the employee (CAS) from 25%

to 21.25 %, the exemption from the payment of the health insurance contribution owed by the employee (CASS) and the income tax.

The Adrem Link company does not fall within the facilities of the GEO 114/2018 ordinance, which leads to the application and payment of several taxes to the state such as CAS (25%), CASS (10%) and income tax (10%).

All these fees and taxes are paid directly by the employer for each employee individually.

The only obligation of the employer to the state budget is the labour insurance contribution (CAM), amounting to 2.25% and not included in the calculation of the gross salary.

HR documents processed	2021	2022
Adrem Invest	1197	1813
Adrem Engineering	141	242
Adrem Link	349	956

Complaints for failure to comply with the provisions of the labour code	2021	2022
Adrem Invest	0	0
Adrem Engineering	0	0
Adrem Link	0	0

Fines for failure to comply with the provisions of the labour code	2021	2022
Adrem Invest	0	0
Adrem Engineering	0	0
Adrem Link	0	1*

*ITM (Labour Authority) sanctions for failure to report a work incident on time

Employees

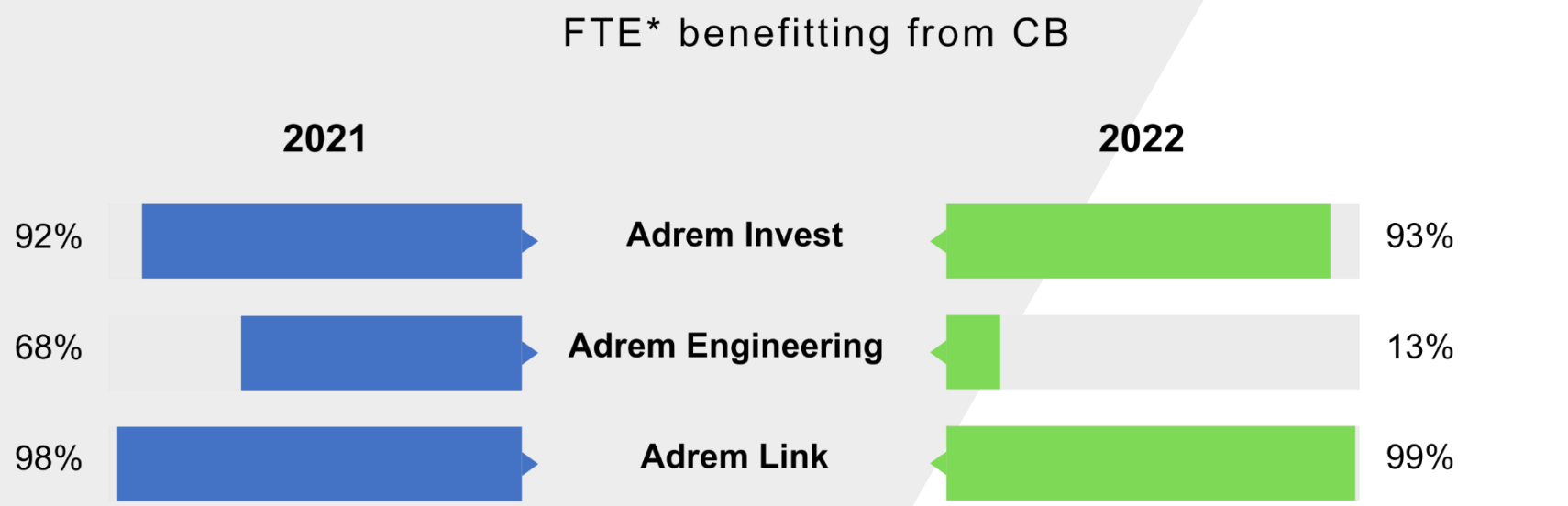
GRI 2-30

The collective bargaining

Collective bargaining stands for an agreement concluded between the employers and the trade union representatives (employees) establishing the work conditions, wages and other rights and obligations implied by the work relations. The main objectives are proper communication with our employees, exploring their needs and ensuring a work environment that may favour their long-term professional and personal development.

In terms of human relations, Adrem Group has developed three fundamental regulations referring to the main stages in our employees' professional activity: recruitment, training and performance assessment.

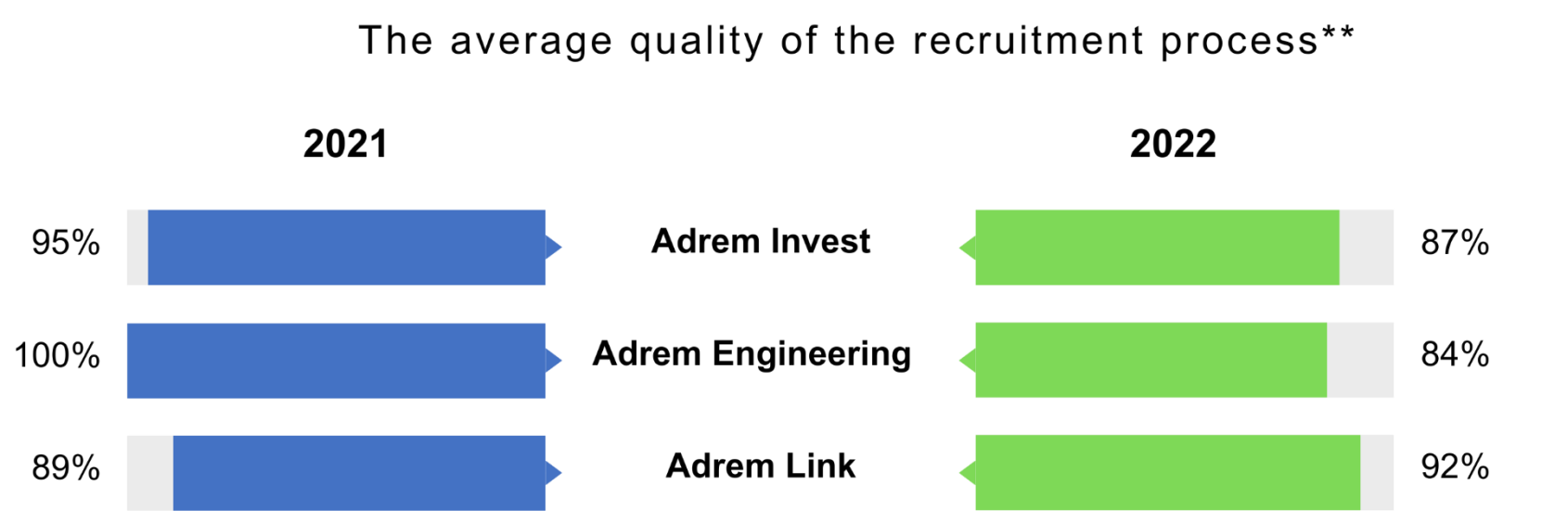
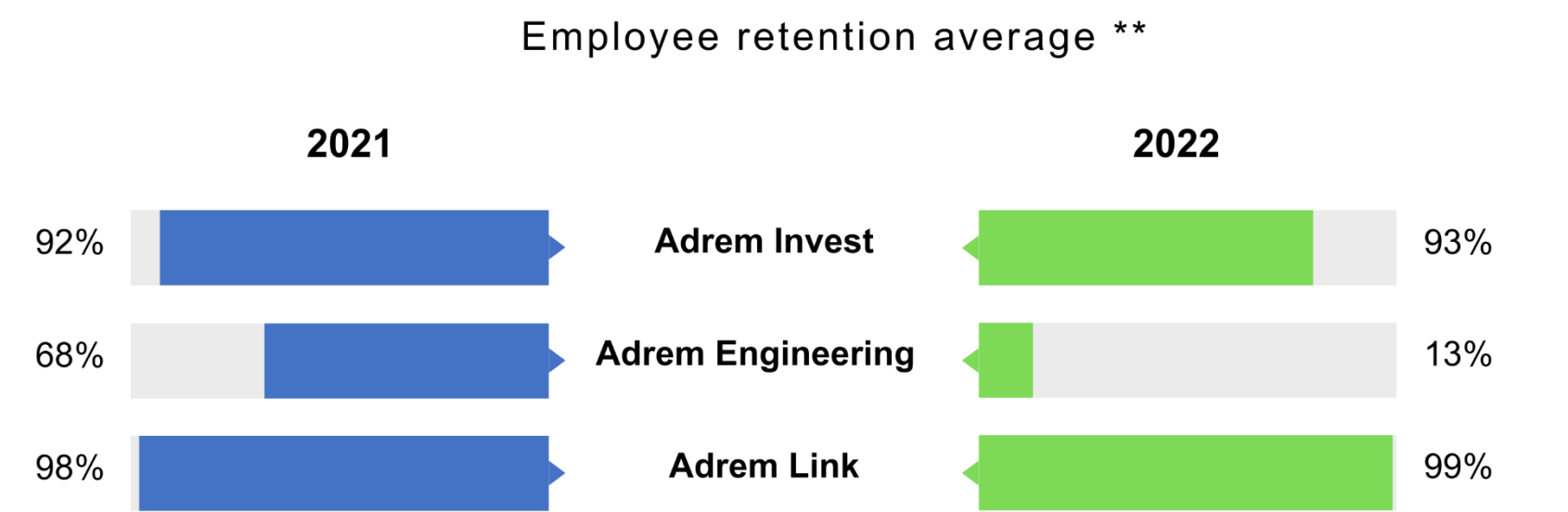
All employees in the Adrem Group are employed on a full-time basis (*FTE – Full-Time Employees) and they benefit from collective bargaining (CB).



Recruiting and staff selection

GRI 3-3

The main objective is finding the most qualified staff, sharing the values of the company. During the recruiting process, the company first assesses the existing employees in order to identify those who are experienced and skilled enough for the respective position. If there are no appropriate candidates for the respective position within the company, we outsource the services to an external recruitment agency.

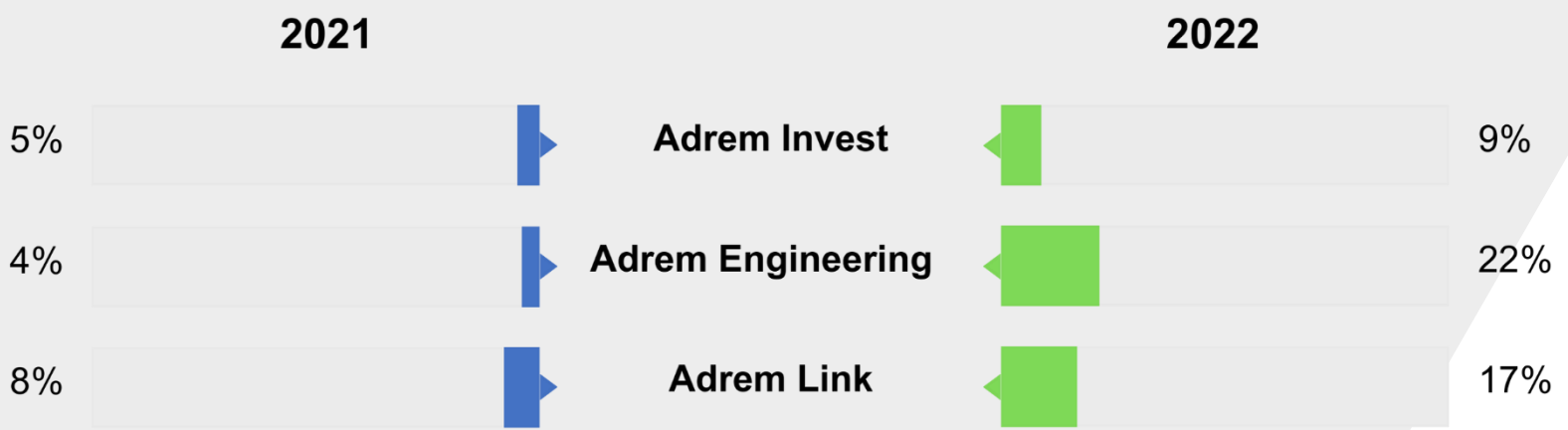


Employees

GRI 3-3

Recruiting and staff selection

The average staff turnover**



**The fact that the inflation rate has become alarmingly high put pressure on the employees, as well as on the employers. The employees' purchasing power has dropped (lower quality of the recruitment process), and the employers have had to raise wages in order to prevent staff turnover and promote employee retention, which reached the maximum level in 2022, for all 3 companies in the Group.

GRI 3-3

Training and education

In accordance with the CB, Adrem must provide employee with at least one course of professional development every two years.

The purpose is to contribute to the development of the employees' level of knowledge and professional skills, thus improving their performance. Every year, a professional training plan is drawn including external, as well as internal courses. The human resource manager monitors the application of this plan in accordance with his job obligation to find and hold the training courses listed in the training schedule.

Courses taken	2021	2022
Adrem Invest	224 people took specific training courses	176 people took specific training courses
Adrem Engineering	68 people took specific training courses	0
Adrem Link	11 people took specific training courses	1 person took specific training courses
Workshops	170 people	150 people

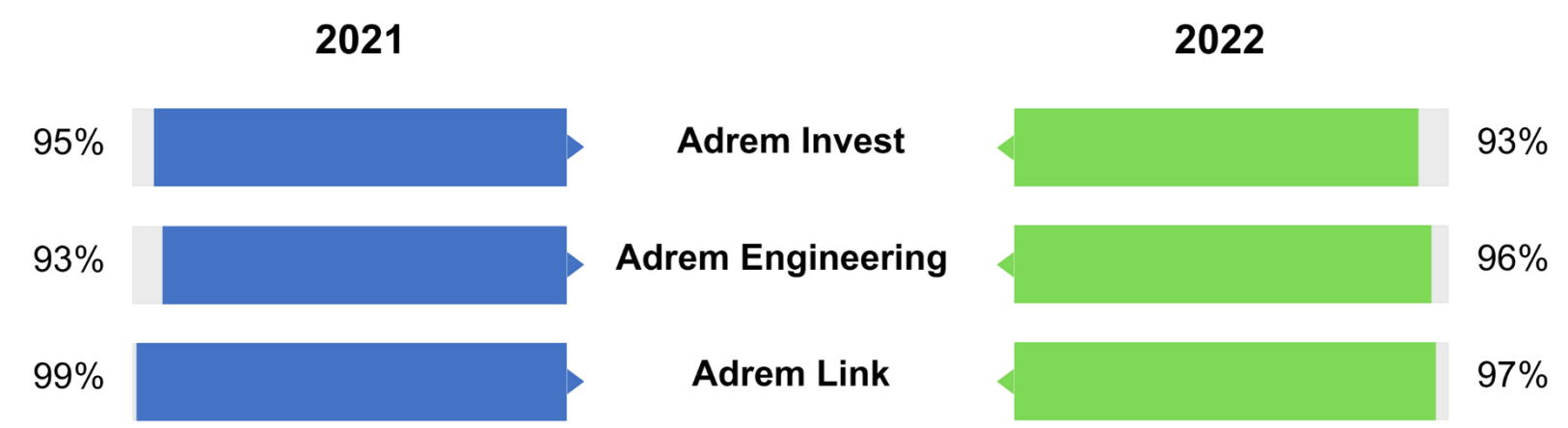
Assessing performance

GRI 404-3

The main objectives of the "Staff performance assessment" procedure are to facilitate the employees' acknowledgement of the performance level they can reach and to encourage them to conduct their activity at 100% potential, both in terms of quality and quantity.

The employees' performance and achievements are monitored every month by the Human Resource Department by means of department reports.

Assessment average



Employees

GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Full-time employees benefit from various advantages whether or not they work as per a limited or unlimited employment contract. Fractional employees do not benefit from such advantages.

Adrem Group offers a series of benefits to its employees, regardless of their type of employment contract (permanent or limited). Wages benefits are determined in accordance with the collective bargaining concluded in trade union negotiations.

- A monthly performance bonus (different amounts for each position)
- A birthday gift ticket
- Easter and Christmas bonuses (different amounts for each position)
- A women's day gift ticket
- A children's day gift ticket
- Reimbursement of holiday tickets
- Meal tickets
- A work celebration bonus for uninterrupted work in the same company for 10 years or more
- No more than 5 days of bonus holiday entitlement depending on the accumulated years of service
- Payment of a third free day on Easter
- Payment of a free day on the 8th of March for female employees
- Marriage bonus
- Birth or adoption bonus

- Financial support for the family in the event of the employee's demise
- Financial support for the demise of a 1st degree relative of the employee that was taken care of by the employee
- Lower fares for medical subscriptions for Regina Maria network
- Retiring employees receive, upon retirement, along with their last wage, an extra bonus depending on the accumulated years of service in the same company, as follows:
 - ✓ 1 gross wage for those employed for less than 5 years
 - ✓ 2 gross wages for those employed between 5 and 10 years
 - ✓ 3 gross wages for those employed between 10 and 20 years
 - ✓ 4 gross wages for those employed for at least 20 years

These benefits apply for any employee, regardless of his region.

Employees

GRI 2-7

Staff structure

Adrem Group's staff structure is the following:

Active employees as of the 31st of December 2021 - Adrem Invest					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Muntenia + Main headquarters	0	0	29	44	73
Dobrogea	0	3	1	25	29
Moldavia	0	0	5	82	87
Transylvania	0	0	0	1	1
Oltenia	0	2	41	334	377
Banat	0	8	1	16	25
Total	0	13	77	502	592

Active employees as of the 31st of December 2021 - Adrem Engineering					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Main headquarters	0	0	17	34	51
Oltenia	0	0	0	6	6
Transylvania	0	0	2	16	18
Total	0	0	19	56	75

GRI 2-7

Active employees as of the 31st of December 2022 - Adrem Invest					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Muntenia + Main headquarters	0	3	45	58	106
Dobrogea	0	1	1	20	22
Moldavia	0	9	5	66	80
Transylvania	0	0	1	2	3
Oltenia	1	4	40	316	361
Banat	0	4	1	18	23
Total	1	21	93	480	595

Active employees as of the 31st of December 2022 - Adrem Engineering					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Main headquarters	0	0	4	17	21
Oltenia	0	0	0	5	5
Transylvania	0	0	0	13	13
Total	0	0	4	35	39

Employees

GRI 2-7

Staff structure

Adrem Group's staff structure is the following:

Active employees as of the 31st of December 2021 - Adrem Link					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Main headquarters	0	0	0	3	3
Oltenia	2	23	38	125	188
Transylvania	0	0	1	0	1
Total	2	23	39	128	192

Active employees as of the 31st of December 2022 - Adrem Link					Total
Type of Contract	Temporary employees		Permanent employees		
Gender	Female	Male	Female	Male	
Main headquarters	0	0	0	2	2
Oltenia	12	84	36	115	247
Transylvania	0	0	0	0	0
Total	12	84	36	117	249

New employee hires and employee turnover

GRI 401-1

Ever since their first day at work, all employees follow the induction programme and learn about the following internal norms:

- The internal regulation
- The new employee's guide which presents common information which may prove useful to any new employee
- The internal induction programme
- The ethical business conduct (included in the Induction programme).

The legislative change stipulating that electrical/gas counters should be read every 6 months instead of 3 led to a higher number of reading workers in Adrem Link.

The regional distribution of new employees				Total
2021	Adrem Invest	Adrem Engineering	Adrem Link	
Muntenia + Main headquarters	11	8	0	19
Dobrogea	8	0	0	8
Moldavia	11	0	0	11
Transylvania	0	0	0	0
Oltenia	18	0	30	48
Banat	1	0	0	1
Total	49	8	30	87

Employees

GRI 401-1 New employee hires and employee turnover

GRI 401-1

The regional distribution of new employees				Total
2022	Adrem Invest	Adrem Engineering	Adrem Link	
Muntenia + Main headquarters	63	17	1	81
Dobrogea	2	0	0	2
Moldavia	18	0	0	18
Transylvania	3	6	0	9
Oltenia	43	4	143	190
Banat	9	0	0	9
Total	138	27	144	309

The gender distribution of new employees				Total
2021	Adrem Invest	Adrem Engineering	Adrem Link	
Female	9	4	2	15
Male	40	4	28	72
Total	49	8	30	87

The gender distribution of new employees				Total
2022	Adrem Invest	Adrem Engineering	Adrem Link	
Female	31	4	17	52
Male	107	23	127	257
Total	138	27	144	309

The age distribution of new employees				Total
2021	Adrem Invest	Adrem Engineering	Adrem Link	
≤30 years old	9	1	8	18
Between 31 and 50 years old	25	4	18	47
≥ 51 years old	15	3	4	22
Total	49	8	30	87

The age distribution of new employees				Total
2022	Adrem Invest	Adrem Engineering	Adrem Link	
≤30 years old	29	6	44	79
Between 31 and 50 years old	79	17	64	160
≥ 51 years old	30	4	36	70
Total	138	27	144	309

Employees



GRI 401-1 New employee hires and employee turnover

GRI 401-1

The regional distribution of left employees							
2021	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
Muntenia + Main headquarters	20	5	5	0	0	0	30
Dobrogea	14	2	0	0	0	0	16
Moldavia	16	2	0	0	0	0	18
Transylvania	0	0	8	1	0	0	9
Oltenia	17	17	0	0	32	13	79
Banat	2	1	0	0	0	0	3
Total	69	27	13	1	32	13	155

The regional distribution of left employees							
2022	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
Muntenia + Main headquarters	31	2	45	3	2	0	83
Dobrogea	7	2	0	0	0	0	9
Moldavia	22	3	0	0	0	0	25
Transylvania	1	0	11	0	1	0	13
Oltenia	36	21	5	0	76	8	146
Banat	4	7	0	0	0	0	11
Total	101	35	61	3	79	8	287

The gender distribution of left employees							
2021	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
Female	4	4	4	0	4	5	21
Male	65	23	9	1	28	8	134
Total	69	27	13	1	32	13	155

The gender distribution of left employees							
2022	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
Female	13	2	19	1	9	1	45
Male	88	33	42	2	70	7	242
Total	101	35	61	3	79	8	287

Employees



GRI 401-1 New employee hires and employee turnover

The age distribution of left employees							
2021	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
≤30 years old	10	0	8	0	8	3	29
Between 31 and 50 years old	35	7	4	1	18	0	65
≥ 51 years old	24	20	1	0	6	10	61
Total	69	27	13	1	32	13	155

The age distribution of left employees							
2022	Adrem Invest		Adrem Engineering		Adrem Link		Total
Type of leaving	Voluntary	Involuntary	Voluntary	Involuntary	Voluntary	Involuntary	
≤30 years old	20	1	10	0	18	1	50
Between 31 and 50 years old	47	9	38	1	41	3	139
≥ 51 years old	34	25	13	2	20	4	98
Total	101	35	61	3	79	8	287

Parental leave

GRI 401-3

Parental leave (PL) is granted to both natural and adoptive parents or legal tutors, if they have obtained taxable income over the past 2 years before the child was born, adopted or placed under their tutorship.

2021	Employees on PL		Employees returning from PL		Active employees after 12 months		Employees who can benefit from a PL*	
Gender	F	M	F	M	F	M	F	M
Adrem Invest	3	5	0	3	0	2	0	11
Adrem Engineering	1	0	0	0	0	0	0	0
Adrem Link	0	0	0	0	0	0	0	1

* All employees' children aged less than 2 years old were taken into consideration. The report refers to employees who were active as of the 31st of December 2021.

2022	Employees on PL		Employees returning from PL		Active employees after 12 months		Employees who can benefit from a PL*	
Gender	F	M	F	M	F	M	F	M
Adrem Invest	3	4	1	2	0	1	0	15
Adrem Engineering	0	0	1	0	1	0	0	0
Adrem Link	0	1	0	0	0	0	1	4

* All employees' children aged less than 2 years old were taken into consideration. The report refers to employees who were active as of the 31st of December 2022.

Employees



GRI 401-3 Parental leave

Year	Company	Return to work rate*		Retention rate after returning from PL**	
	Gender	F	M	F	M
2021	Adrem Invest	0%	60%	0%	40%
	Adrem Engineering	0%	0%	0%	0%
	Adrem Link	0%	0%	0%	0%
2022	Adrem Invest	33%	50%	0%	25%
	Adrem Engineering	0%	0%	0%	0%
	Adrem Link	0%	0%	0%	0%

* PL Return to work rate = (The total number of employees returning from PL)/ (The total number of employees who were bound to return) x 100.

** Retention rate after returning from PL (The total number of employees still employed 12 months after returning from PL)/(The total number of employees returning from parental leave over the previous reporting period(s)) x 100

Employees eligible for retirement over the next 5 to 10 years

EU15

The situation of Employees eligible for retirement over the next 5 to 10 years is the

Employees eligible for retirement over the next 5 years in Adrem Invest						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Muntenia + Main headquarters	0	1	1	1	0	1
Dobrogea	0	0	1	0	0	2
Moldavia	0	1	0	0	0	6
Transylvania	0	0	0	0	0	0
Oltenia	0	6	3	2	0	8
Banat	0	0	0	0	0	0
Total	0	8	5	3	0	17

Employees eligible for retirement over the next 5 years in Adrem Invest						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Muntenia + Main headquarters	0	1	1	0	0	1
Dobrogea	0	0	1	0	0	2
Moldavia	0	1	0	0	0	3
Transylvania	0	0	0	0	0	0
Oltenia	0	2	5	1	0	2
Banat	0	0	0	0	0	0
Total	0	4	7	1	0	8

Employees

EU15

Employees eligible for retirement over the next 5 to 10 years

EU15

Employees eligible for retirement over the next 10 years in Adrem Invest						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Muntenia + Main headquarters	3	4	7	5	0	8
Dobrogea	0	0	1	0	0	4
Moldavia	0	4	1	0	0	30
Transylvania	0	1	0	0	0	0
Oltenia	1	15	21	10	0	126
Banat	0	1	1	0	0	5
Total	4	25	31	15	0	173

Employees eligible for retirement over the next 10 years in Adrem Invest						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Muntenia + Main headquarters	1	1	6	4	0	3
Dobrogea	0	0	1	0	0	2
Moldavia	0	2	1	0	0	14
Transylvania	0	0	0	0	0	0
Oltenia	1	4	15	7	0	38
Banat	0	1	0	0	0	1
Total	2	8	23	11	0	58

Employees eligible for retirement over the next 5 years in Adrem Engineering						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	1	1	0	3	0	0
Transylvania	0	0	0	0	0	3
Oltenia	0	0	0	0	0	0
Total	1	1	0	3	0	3

Employees eligible for retirement over the next 5 years in Adrem Engineering						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	0	0	0	0	0	0
Transylvania	0	0	0	0	0	1
Oltenia	0	0	0	0	0	0
Total	0	0	0	0	0	1

Employees

EU15

Employees eligible for retirement over the next 5 to 10 years

EU15

Employees eligible for retirement over the next 10 years in Adrem Engineering						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	1	4	1	6	0	0
Transylvania	0	2	0	0	0	0
Oltenia	0	1	0	0	0	4
Total	1	7	1	6	0	4

Employees eligible for retirement over the next 10 years in Adrem Engineering						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	0	2	0	2	0	0
Transylvania	0	0	0	0	0	1
Oltenia	0	0	0	0	0	0
Total	0	2	0	2	0	1

Employees eligible for retirement over the next 5 years in Adrem Link						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Oltenia	0	1	0	0	1	6
Total	0	1	0	0	1	6

Employees eligible for retirement over the next 5 years in Adrem Link						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Oltenia	0		0	0	3	4
Total	0	0	0	0	3	4

Employees

EU15 Employees eligible for retirement over the next 5 to 10 years

Employees eligible for retirement over the next 10 years in Adrem Link						
2021	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	0	2	0	0	0	0
Oltenia	1	3	0	0	23	58
Total	1	5	0	0	23	58

Employees eligible for retirement over the next 10 years in Adrem Link						
2022	Management		TCA staff		Execution	
Gender	Female	Male	Female	Male	Female	Male
Main headquarters	0	1	0	0	0	0
Oltenia	0	0	0	0	15	33
Total	0	0	0	0	15	33

Retiring employees receive, upon retirement, along with their last wage, an extra bonus depending on the accumulated years of service in the same company, as follows:

- 1 gross wage they had during the retirement month for those employed for less than 5 years
- 2 gross wages they had during the retirement month for those employed between 5 and 10 years
- 3 gross wages they had during the retirement month for those employed between 10 and 20 years
- 4 gross wages they had during the retirement month for those employed for at least 20 years.

GRI 3-3 Labor/ Management Relations

Adrem Group applies a clear regulatory framework to labor relations, in accordance with the applicable legislation. This framework provides our employees with clear, predictable perspectives of professional development. The topic of "labor relations" has got a direct impact upon Adrem Group's management, employees and suppliers.

Minimum notice periods regarding operational changes

In accordance with the Collective Employment Agreement (CEB), all companies of the Adrem Group inform their employees, from the very beginning, the conditions of the notice periods to be given by the contracting parties, as well as the duration thereof. After thorough consideration of each possibility for each case/employee, the Group informs the employees of significant operational changes in accordance with the provisions of the CEB. After the drawing of the official documents, should the contract be terminated, the notice period is the one stipulated by the Labour Code, and, implicitly, by the Collective Bargaining, namely 20 workdays for execution positions and 45 workdays for management positions.

According to the CEB, "if, after having consulted the trade unions, the Employer decides to collectively fire employees, he has to inform the Territorial Labour Inspectorate at least 30 calendar days before issuing the termination decisions."

According to the Internal Regulation, "any change of the main elements of the employment contract requires an addendum to be drawn and signed, within 20 days of the occurrence thereof."

GRI 3-3 **Occupational Health and Safety**

Occupational Health and Safety stand for a topic with significant impact to which we allot significant consideration and resources.

GRI 403-1 **Occupational health and safety management system**

Within the Adrem Group the occupational health and safety management system is implemented in accordance with the requirements of the ISO 45001:2018 international standard and of Law 319/2006.

Adrem Group commits to:

- Preventing the occurrence of accidents and diseases by identifying and assessing risks in order to determine the necessary measures to be taken for their mitigation up to the elimination of risks;
- Conducting our activities at least in accordance with the applicable legal requirements, as well as with the Occupational Health and Safety ones adopted by the organisation;
- Monitoring, measuring and analysing these processes;
- Implementing the necessary measures in order to achieve the planned results;
- Consulting with and committing employees by means of their representatives.

Both in 2021 and in 2022, Adrem Group has allotted money for PPE (Personal Protective Equipment), hygiene and sanitary materials, medical investigations, internal and external training sessions, internal and external licencing, as well as for the improvement of communication with each department by means of OHS campaigns taking place throughout the year.

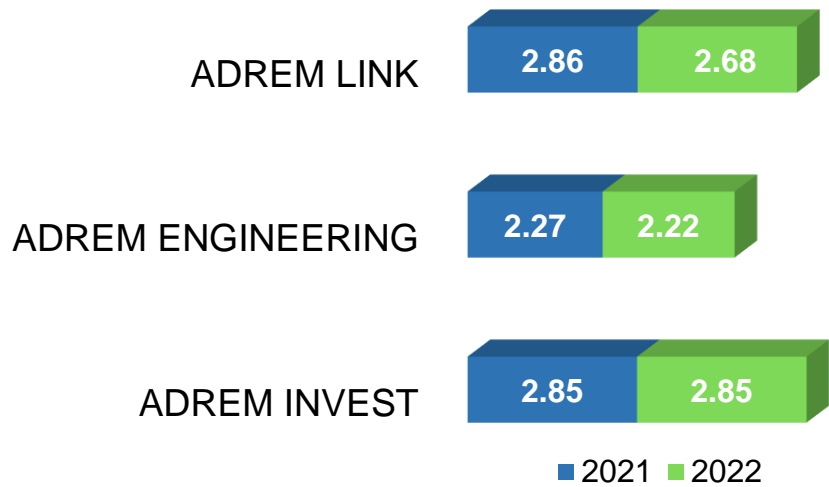
Over the past 2 years, 100% of the Group’s employees have been covered by our OHS management system, in accordance with Law 319/2006 and with the international OHS standard ISO 45001:2018.

Hazard identification, risk assessment, and incident investigation GRI 403-2

Hazard identification and incident investigation for the positions within Adrem Group was conducted by applying the method recommended by the National Research Institute of Occupational Safety and approved by the Ministry of Labour and Social Solidarity in 1993, in accordance with article 7 paragraph 4 letter a of Law 319/2006 providing for Occupational Health and Safety.

Adrem Group has supplied personal protective equipment (PPE) appropriate to the risks workers may be exposed to. Examples of PPE: overalls, electro-insulating boots and protective shoes to wear against mechanic risks, protective headsets with face shields against the effect of electric arcs, gloves, face masks, etc.

The activities of Adrem Group are characterised by a low to medium level of risk in terms of accidents and occupational diseases in accordance with the global levels of risk calculated at the level of each entity within the Group, which fall beneath the acceptability limit of 3.5 – according to the method recommended by the N.I.R.D.E.P. (National Institute for Research and Development in Environmental Protection) for the assessment of risks of accidents and occupational diseases for each position, approved by the Ministry of Labour and Social Solidarity in 1996.



Employees

Occupational Health and Safety

GRI 403-2 The events investigated within the Group in accordance with Law 319/2006 are reported to the territorial labour inspectorates of the counties in which they occurred. All work events are made known to the Group's employees and improvements are made and corrective measures are taken by revising risk assessments, as well as the prevention and protection plan, aiming at implementing them.

In 2021 we made a detailed description of the actions in the labour procedures Near Miss and Stop Work in the event of identifying an imminent danger and imposing work cease by any person. In 2022 we aimed at implementing these actions in the operational centres in the labour procedures Near Miss and Stop Work in the event of identifying an imminent danger and imposing work cease by any person, exempt from any responsibility should a conclusion be reached, that work should not have stopped. Specific situations of the type Stop Work and Near Miss have been identified and they have been discussed during the internal training sessions.

Also in 2021, at the level of Adrem Group, in the context of the SARS-CoV-2 pandemic, we have implemented a plan for preventing occupational diseases, establishing several protection rules against diseases, such as:

- Reassessment of the risk of diseases in the context of pandemic;
- Preparation of the prevention and protection plan, including preventive and protective measures to limit the spread of the SARS-CoV-2 virus – the compulsory use of a mask, compliance with the hygiene and sanitary measures and home isolation if specific symptoms occur;
- Staff training related to the measures that can be taken to limit the spread of the SARS-CoV-2 infection;
- The provision of disinfectants and single-use protective masks, as well as protective gloves and overalls for employees who had to go inside a customer's residence;
- Teleworking according to current legislation;
- Employee selection at the entrance of the headquarters by measuring body temperature;
- Frequent hand washing;

- The cleaning and disinfection of the surfaces with which more than one employee come in contact.

GRI 403-2

Occupational health services

GRI 403-3

The preventive and protective activities are organised in a specialised internal service, which employs dedicated staff, trained in accordance with the legal requirements, and in an external department of prevention and protection.

Those who work in the departments of prevention and protection, along with both employers' and employees' representatives identify the professional risks in the field of OHS and prepare the Prevention and Protection Plan which puts forth various measures for mitigating the identified risks.

Regular medical check-ups aim at preventing diseases and at treating potential pathologies in a timely fashion, if identified by medical investigations. Regular check-ups are conducted in accordance with the current legislation and are offered to our employees at least once a year, on the basis of contracts concluded with the best medical clinics.

Worker participation, consultation, and communication on occupational health and safety

GRI 403-4

Within Adrem Group it is organised a Committee for Occupational Health and Safety (COHS), the structure of which is in accordance with the provisions of Law 319/200016. The committee convenes every trimester or as often as necessary in order to identify solutions and to establish action plans to reach the company's goals.

All workers are involved in this activity and are informed of the topics under debate within the COHS. They can also suggest other topics to be approached, through their representatives.

Employees

Occupational Health and Safety

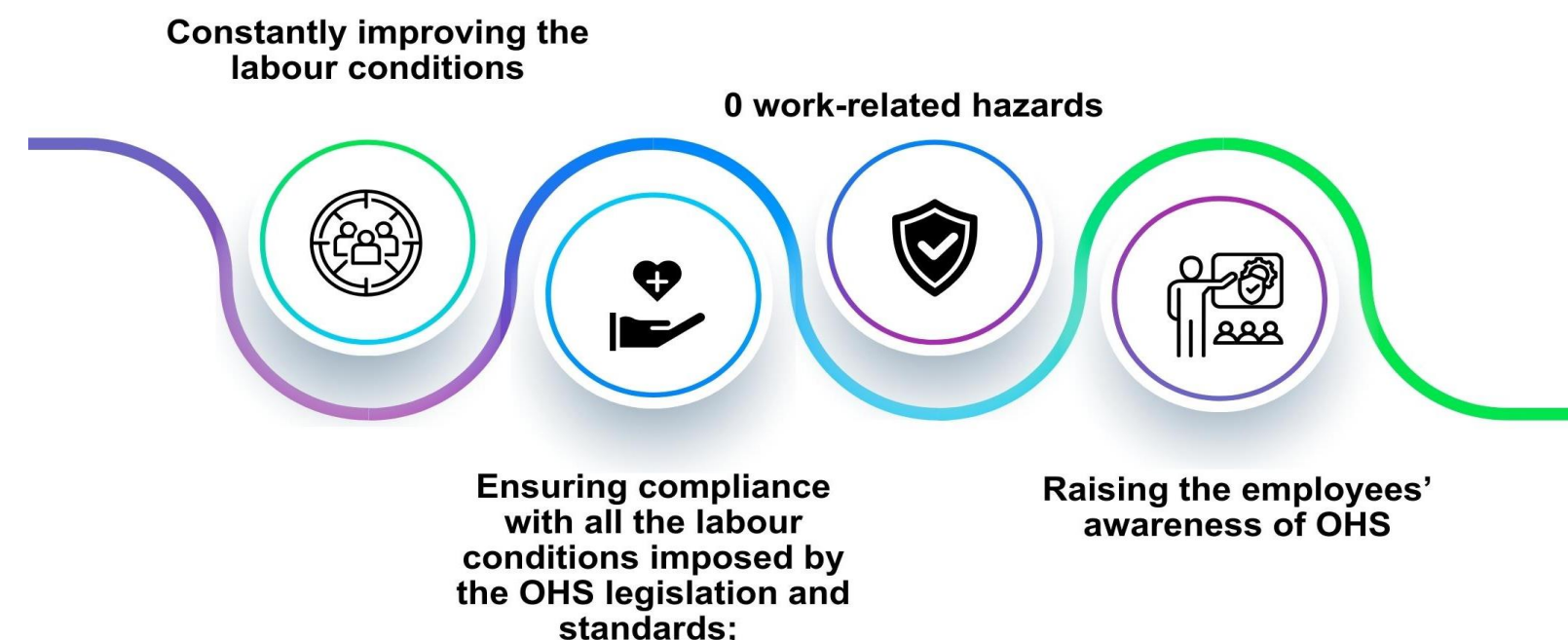
GRI 403-4 At the level of the Group, the COHS functions in accordance with the COHS Organisation and Functioning Regulation, prepared as per Law 319/2006, and which stipulates all the attributions of the committee.

In order to ensure the employees' involvement in the preparation and application of the decision in the field of work protection according to the organisational and functional structure, within Adrem Group exists a Committee for Occupational Health and Safety (COHS), consisting of the employees' representatives with specific responsibilities and the employer or their legal representative.

The COHS has got the following main duties:

- analysing, approving and making suggestions related to the policies in the field of occupational health and safety and to the Prevention and Protection Plan in accordance with the Internal Regulation and with the Organisation and Functioning Regulation;
- overseeing the implementation of the prevention and protection plan, including the allocation of the means which are necessary for the achievement of the provisions therein and for their effectiveness in view of improving work conditions;
- ensuring that the company's objectives in terms of occupational health and safety are measurable and in accordance with the specific policies.

The main goals are:



GRI 403-4

Worker training on occupational health and safety

GRI 403-5

On the first day at work our employees are trained in the field of OHS with general introductive notions, such as:

- ✓ The applicable OHS legislation;
- ✓ The consequences of non-compliance with the legislation;
- ✓ The prevention and protection plan, first aid measures, the use of fire extinguishers and the evacuation of workers;
- ✓ Specific OHS instructions;
- ✓ Practical demonstrations.

Employees

Occupational Health and Safety

GRI 403-5 These are followed, on the 2nd and 3rd day, by training in the field of emergency situations and workplace training, consisting of topics such as:

- ✓ The applicable Emergency situations legislation;
- ✓ The company's own instructions for Emergency situations;
- ✓ The evacuation plan;
- ✓ Means of intervention in Emergency situations and the use of fire extinguishers;
- ✓ Practical demonstrations.

Within Adrem Group regular training sessions are organised, enabling our employees to learn about the dangers and risks at which they are exposed, the specific instructions at the basis of their activity and the appropriate first aid measures. Additional regular training sessions approach topics such as the prevention of workplace accidents. Some are also organised if serious non-compliances are identified.

Regular training sessions are also held for the internal certification of the staff conducting specific professional activities: electricians, riggers, lifting equipment operators, crane operators, plumbers, etc.

In 2021, the regular training sessions also included the topic of preventing the spread of the SARS-CoV-2 virus.

Both in 2021 and in 2022, Adrem Group continued the OHS campaign “Your dear ones are counting on you!” designed along with our Communication Department, consisting of the preparation of guides of good practices at the workplace, follow-up meetings were organised with the team coordinators in each region and video presentations were sent on a regular basis, describing the correct ways of working and the experiences of those employees who have been appointed to be Adrem's OHS Ambassadors.

Promotion of worker health

GRI 403-6

Adrem pays special attention to its employees' health by ensuring regular medical investigations, as well as those upon hiring. The internal licencing of our employees also includes additional medical investigations.

These are all conducted in accordance with the charts of professional risk factors which are specific to each job at least once a year or following a non-working period that is longer than 6 months.

The contracts concluded with specialised clinics include care pack services which consist of price reductions, depending on the investigations requested by our employees.

In 2021 we piloted the first mental health actions for our employees in the context of the Covid-19 pandemic, offering specialised psychological and medical support, provided by a team of psychotherapists. We organised the first online workshops with Adrem Link's counter readers – the most vulnerable category of workers, given their direct interaction with customers – followed by the electricians in Adrem Invest who had recovered from difficult manifestations of the disease and had long Covid symptoms.

During workshops, the employees had the opportunity to request specialised support and received specific advice for some of the most frequent issues – sleep disorders, anxiety and depression, body's reactions to hazard, the relationship with their children in the context of the sanitary crisis. The informative materials prepared and presented during the workshop were adapted to the specifics of our employees' professional activities. After each workshop the team of psychotherapists provided Adrem's management team with recommendations related to the identified risks.

We have carried on building the foundations of a culture of mental health by weekly information bulletins sent to our employees in an internal newsletter or on the intranet.

Employees



Occupational Health and Safety

GRI 403-6 Consisting of specialised articles (written by the team of psychotherapists who have partnered with Adrem), and of self-assessment psychological tests to identify depression, anxiety, burnout, etc. Between January and July 2021, the partnership we have concluded has provided our employees with the opportunity to benefit from psychotherapeutic services at a fixed price, negotiated by our company.

During the second half of the year we have conducted an internal campaign in order to raise awareness of the importance of getting vaccinated against Covid-19, called “Tell me true!”, with the following motto: No fear, no prejudice, no myths, encouraging our employees to only select information pertaining to the vaccination process from safe, official sources. Adrem’s policy has been not to force our employees to get vaccinated, but to give them easy access to reliable sources, in order for them to make an informed decision. The information was sent weekly through our main communication channels.

Also, along with our partner, Regina Maria Health Network, we organised an online workshop held by medical staff on the topic of Covid-19 vaccination. More than 20% of the unvaccinated employees attending the respective workshop on a voluntary basis later expressed their decision to get vaccinated. This was seen as an extremely favourable result, given the fact that vaccination was a highly sensitive topic, and that, at the level of the society as a whole, the unvaccinated people were still very reluctant. .

GRI 403-7 **Prevention and mitigation of occupational health and safety impacts directly linked by business relationships**

The Group’s care for OHS is part of its professional ethics system and leads to excellent business results. Wherever we conduct our activity, we implement technical and ethical standards for the workplace safety and for the employees’ occupational health and safety.

We have close connections with the business environment in which we work in, and the impact of OHS on the activities and services provided to the interested parties is

significant. Therefore, we get familiar with our customers’ procedures and instructions by concluding work conventions which stipulate that we take it upon ourselves to comply with the customer’s regulations.

In 2021 and 2022 we have carried on our campaign “Your loved ones are counting on you!”, launched at the internal level in 2020, in view of informing and raising awareness of workplace safety and the prevention of Covid-19. In 2021 we have extended the project outside the Adrem Group, on social media platforms, in order to convey our message to people other than our employees, throughout the industry. Some of the main actions include:

1. Organising a drawing competition “You are your child’s hero” for our employees’ children;
2. Appointing Adrem Ambassadors for occupational safety among our employees. They shot inspirational video messages (viewed approximately 1.000 times), taken during field work, in order to emphasize the importance of wearing protective equipment and of complying with the work protocol;
3. Preparing guides of good practices for project managers, from the point of view of the norms of occupational safety;
4. Providing all Adrem headquarters with information materials;
5. Informative sessions held every two weeks, by means of our internal channels – information related to the development of the campaign, results, new actions and follow-up;
6. Informing Adrem’s main customers of the measures we intend to take in order to protect our workers’ life and health and avoid non-compliance.

For 2023 we intend to organise training sessions for the provision of first aid measures, focusing on those employees who work in the operational departments, in order for them to develop practical skills which they can apply in life and death situations.

Employees

Occupational Health and Safety

GRI 403-8 **Workers covered by an occupational health and safety management system**

All Group’s employees are 100% covered by the OHS management system, which is both internally and externally audited (by the group’s customers and by the Lloyd’s Register Certification Body in accordance with SR EN ISO45001:2018).

In 2021, we have assessed some of the group’s subcontractors in terms of OHS, and we have continued our assessment in 2022. We also intend to do so in 2023. Assessments included the internal and external auditing processes. Subcontractors’ assessment shall be documented in the Procedure of procurement and assessment of suppliers.

For the execution contracts, Adrem concluded conventions with its subcontractors in terms of OHS, ES (Emergency situations) and the Environment, setting requirements imposed both by Adrem and by our customers, which they must acquire. In accordance with the requirements of the existing contracts, all reports related to OHS are drawn by the companies employing the respective workers. In 2021 and 2022 no work accidents have been recorded by our subcontractors.

In 2021 we initiated the process of assessing our subcontractors in terms of OHS and carried on throughout 2022, in order to check how many workers employed by our subcontractors are included in an OHS management system, and how many events have been recorded by our subcontractors.

100% of those employed by the main service providers (subcontractors) of Adrem Group comply with the OHS management system stipulated by the SR EN ISO 45001:2018 standard. It is our intention to have their activity audited in view of compliance.

No workers outside the group have been excluded from the Group’s OHS management system.

Work-related injuries

At the level of Adrem Group no fatal injuries have occurred in 2021 and 2022, but some injuries have occurred, as follows:

GRI 403-9

Company	2021	2022
Adrem Invest	2 work-related injuries (43 days of incapacity for work)	2 work-related injuries (128 days of incapacity for work)
	Types of injuries: electrocution and heart diseases	Type of injuries: hitting and car accident
	Rate of work injuries = 1.86	Rate of work injuries = 1.83
Adrem Engineering	0 work-related injuries	0 work-related injuries 2 work-related injuries (201 days of incapacity for work)
Adrem Link	0 work-related injuries	Types of injuries: Dog bite and peroneum fracture Rate of work injuries = 4.55

The calculation of the rate of work-related injuries

Rate of work accidents = $\frac{\text{the number of work -related injuries}}{1800 \text{ hours} \times \text{total number of employees}} \times 1.000.000 \text{ hours}$

*1800 is the number of hours an employee works every calendar year minus the hours of annual leave, bank holidays and temporary incapacity for work.

Employees

Occupational Health and Safety

GRI 403-9 No workers have been excluded from the calculation of the rate of work -related injuries.

The main dangers likely to occur at the workplace for execution employees are those caused by electrocution, falling from a small height or from the same level, animal bites or insect bites

Workplace dangers/ Identification method

The assessment of accident and disease risks related to working within the Adrem Group was done by applying the method recommended by the National Institute for Research in Occupational Protection approved by the Ministry of Labour and Social Solidarity in 1993 and in accordance with the provisions of article 7 paragraph 4 letter a of Law 319/2006 on Occupational Health and Safety.

Actions taken to mitigate risks

The main risks leading to the occurrence of work accidents over the reported period were animal bites, falling from the same level, electrocution and heart diseases.

Risk mitigation measures

After the accidents a series of measures have been taken, including the use of an animal repellent device as often as necessary, retraining all employees and applying disciplinary sanctions for not using the existing personal protection equipment.

Work-related ill-health

GRI 403-10

No work-related ill-health cases have been recorded at the level of the Adrem Group over the reference period of the report.

Despite the lack of an audit system for the value chain, it is our intention to assess all subcontractors of the Group in terms of work-related ill-health in 2023.



Employees



GRI 3-3 Training and education

Among the identified impacts, employees' education and professional training play an important part, reflected in our initiatives and objectives.

Another internal project dedicated to our employees is the one consisting of cross-department workshops, launched in 2020 and carried out throughout 2021 and 2022. In order to improve the communication and collaboration between different departments, as well as to prevent any misunderstandings that may arise from an insufficient awareness of the other teams' activities, these regular workshops focused on:

- presentations of the teams and of their responsibilities,
- presentations of the work done in the respective department – activities/ provided services, ongoing projects, specific challenges and how they overcome them,
- Q&A sessions for the participants to clarify certain situations or ask for support on certain projects.

GRI 404-1 In 2021 we organised 7 workshops with our employees throughout the country, initiated either by the Communication Department or by different departments. Starting from the specifics of Adrem's operational activities, the workshops organised during the second half of the year focused on informing the employees related to the provisions of the European framework for the protection of personal data, their impact on our professional activities and our contractual obligations towards our main customers. Throughout the year 2021 approximately 170 employees attended the workshops in person

In 2022, starting from the business needs and the development strategy of Adrem Group, we resumed the workshops with strong emphasis on business support and on more effective work methods to be used by the Group's companies for common projects. Five online sessions have been organised, with approximately 150 employees participating.

All workshops have been recorded and are available on the intranet. The conclusions and materials presented during the workshops have been included in our internal newsletter.

Programs for upgrading employee skills and transition assistance programs

GRI 404-2

The development of Adrem's companies, the new business requirements and the technological progress have created in 2021 the proper context for launching the programme of Digital Transformation, through which we invested in cultivating our employees' performance, in creating a work environment that may eliminate ineffective operations and in developing new capabilities for future challenges.

The Electronic Signature is the first pilot project of Digital Transformation. At the level of Adrem Group, a digital application has been implemented leading to more effective signature flow, less waiting time, enhancing transparency and optimising stationary expenses.

After a series of online training organised along with our provider, all employees who have email addresses have started using an electronic signature since the second half of 2021 in the internal flows of document verification, for concluding contracts and for sending electronic documents to the central and local authorities, as requested.

In order to clarify the way employees are supposed to use electronic signature in internal processes and for concluding contracts, we upgraded the Contractual Disciplinary Procedure, sent to the employees in the target group through our main internal channels.

Along with the launching of the pilot project we initiated an ample campaign of internal communication, aiming at: 1) increasing the employees' engagement to adopting new software and 2) raising the employees' awareness by developing new means of communication.

Employees



Training and education

GRI 404-2 Some of the most important and deliverable actions have included:

- developing the concept of Ambassador of Digital Transformation in order to emphasise the strategic importance of the programme, thus presenting the project in a both operational and human light,
- twice a month communication sessions on our main channels (internal newsletter, intranet, SMS) related to the progress of the project, the news and benefits of Digital Transformation,
- presentation materials printed and distributed to our main headquarters, informative videos and different activations.

The impact of the communication campaign on the topic of Digital Transformation was measured by means of an online assessment questionnaire, according to which:

- ✓ 74% of responders claimed to be happy or very happy with the way they were informed of Digital Transformation,
- ✓ 83% of responders are familiar with the concept of Ambassador of Digital Transformation,
- ✓ approximately 80% of responders wanted information about Digital Transformation to be communicated on a weekly basis.

Within the context of political turmoil in the region and of the outbreak of the Ukrainian war in February 2022, the launching of the next pilot programmes has been rescheduled for 2023, given our emphasis on job and business stability for all employees.

Diversity and Equal Opportunity

GRI 3-3

Discrimination can create a hostile work environment, with negative effects upon business, whether it is bad reputation or low staff morale and productivity. Therefore, one of Adrem Group's priorities is to create a fair, equitable work environment, based on equal opportunities, diversity and inclusion.

For the following years Adrem Group intends to elaborate upon a policy related to equal opportunities and fair treatment of both men and women, playing the role of guiding the employees so that:

- Employees understand the meaning of concepts such as discrimination and harassment, their roles and responsibilities, as well as the procedures they must follow should they suspect any instances of harassment occur;
- Provisions be set for the application of the principle of equal opportunities in terms of employment, promotion, professional training, work conditions and wages;
- Employees become aware of the benefits of creating an inclusive, non-discriminatory society, wherein gender topics are integrated, by correcting attitudes and behavioural patterns that may lead to the exclusion and marginalisation of people of both sexes, in order to bring significant benefits to the lives of each man and woman and to eliminate all forms of discrimination and violence.

Employees



Diversity and Equal Opportunity

GRI 405-1

Age and gender distribution of top managers in Adrem Invest			Total
2021	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	11%	33%	44%
≥ 50 years old	56%	0%	56%
Total	66.7%	33.3%	100%

Age and gender distribution of top managers in Adrem Invest			Total
2022	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	25%	25%	50%
≥ 50 years old	50%	0%	50%
Total	75.0%	25.0%	100%

Age and gender distribution of top managers in Adrem Engineering			Total
2021	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	0%	0%	0%
≥ 50 years old	100%	0%	100%
Total	100.0%	0.0%	100%

Age and gender distribution of top managers in Adrem Engineering			Total
2022	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	0%	0%	0%
≥ 50 years old	100%	0%	100%
Total	100.0%	0.0%	100%

Age and gender distribution of top managers in Adrem Link			Total
2021	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	0%	0%	0%
≥ 50 years old	100%	0%	100%
Total	100.0%	0.0%	100%

Age and gender distribution of top managers in Adrem Link			Total
2022	Male	Female	
< 30 years old	0%	0%	0%
Between 30 and 50 years old	0%	0%	0%
≥ 50 years old	100%	0%	100%
Total	100.0%	0.0%	100%

GRI 405-1

Employees



Diversity and Equal Opportunity

GRI 405-1

Age and gender distribution of staff in Adrem Invest			Total
2021	Male	Female	
< 30 years old	4%	1%	5%
Between 30 and 50 years old	42%	8%	50%
≥ 50 years old	41%	5%	46%
Total	87.3%	12.7%	100%

Age and gender distribution of staff in Adrem Invest			Total
2022	Male	Female	
< 30 years old	5%	1%	6%
Between 30 and 50 years old	43%	10%	53%
≥ 50 years old	36%	5%	41%
Total	84.4%	15.6%	100%

Age and gender distribution of staff in Adrem Engineering			Total
2021	Male	Female	
< 30 years old	6%	1%	7%
Between 30 and 50 years old	46%	22%	68%
≥ 50 years old	20%	4%	25%
Total	72.5%	27.5%	100%

Age and gender distribution of staff in Adrem Engineering			Total
2022	Male	Female	
< 30 years old	6%	3%	9%
Between 30 and 50 years old	60%	9%	69%
≥ 50 years old	23%	0%	23%
Total	88.6%	11.4%	100%

Age and gender distribution of staff in Adrem Link			Total
2021	Male	Female	
< 30 years old	6%	0%	6%
Between 30 and 50 years old	36%	11%	47%
≥ 50 years old	36%	11%	47%
Total	78.4%	21.6%	100%

Age and gender distribution of staff in Adrem Link			Total
2022	Male	Female	
< 30 years old	13%	1%	14%
Between 30 and 50 years old	35%	8%	43%
≥ 50 years old	33%	10%	42%
Total	80.9%	19.1%	100%

GRI 405-1

Employees

Diversity and Equal Opportunity

GRI 405-2 Within Adrem Group, remuneration is set and can be different depending on the employees' level of professional expertise and concluded studies, and/or qualifications. The analysis below refers to the cities in which Adrem companies are located and which have the most employees/ the most developed line of business.

Gender-based difference of remuneration – Top Management – Adrem Invest		
	Male vs Female 2021	Male vs Female 2022
Bucharest	M > F cu 11%	M > F cu 11%
Oltenia	N/A	N/A

Gender-based difference of remuneration - Middle Management – Adrem Invest		
	Male vs Female 2021	Male vs Female 2022
Bucharest	N/A	M > F cu 15%
Oltenia	M = F	M = F

Gender-based difference of remuneration – Operations – Adrem Invest		
	Male vs Female 2021	Male vs Female 2022
Bucharest	M > F cu 4%	M > F cu 4%
Oltenia	M = F	M = F

Gender-based difference of remuneration – Top Management – Adrem Engineering		
	Male vs Female 2021	Male vs Female 2022
Bucharest	N/A	N/A
Transylvania	N/A	N/A

Gender-based difference of remuneration – Middle Management – Adrem Engineering		
	Male vs Female 2021	Male vs Female 2022
Bucharest	M > F cu 23%	M > F cu 23%
Transylvania	M > F cu 20%	M > F cu 20%

Gender-based difference of remuneration – Operations – Adrem Engineering		
	Male vs Female 2021	Male vs Female 2022
Bucharest	M < F cu 20%	M = F
Braşov	N/A	M = F

GRI 405-2

Employees

Diversity and Equal Opportunity

GRI 405-2

Gender-based difference of remuneration – Top Management – Adrem Link

	Male vs Female 2021	Male vs Female 2022
Bucharest	N/A	N/A
Craiova	N/A	N/A

Gender-based difference of remuneration – Middle Management – Adrem Link

	Male vs Female 2021	Male vs Female 2022
Bucharest	N/A	N/A
Craiova	M = F	M = F

Gender-based difference of remuneration – Operations – Adrem Link

	Male vs Female 2021	Male vs Female 2022
Bucharest	N/A	N/A
Craiova	M = F	M = F



4

Environment



Environment

GRI 3-3

Energy

Since Adrem Group offers services in the field of electricity, from the perspective of the Romanian legal framework , the activities carried out do not have significant consequences on the environment, but they have an impact that we monitor at different time intervals, depending on the specifics of the activity and the type of resources involved. Resource consumption, including electricity, is monitored monthly.

Within Adrem Group, we believe that caring for the environment is of great importance for the position we assume in society, and that is why we pay attention to how we use energy resources. We respect the rules of environmental protection, we comply with the laws and rules of the communities where we operate and we always consume resources carefully.

The "Energy" topic has a direct impact on Adrem's management, employees and suppliers.

The management at the highest level has defined the environmental policy in accordance with the reference standard SR EN ISO 14001:2015 as a tool leading the organization to improve its performance.

The Adrem Group's policy regarding the operation of the management system is committed to the establishment and periodic analysis of environmental improvement objectives related to the improvement of waste management, the prevention of emergency situations, corresponding to the nature and dimensions of the organization, aiming to reduce the degree of risk of accidents and reducing the impact on the environment.

Adrem Group is committed to continuously provide better products and services, to prevent pollution, promoting a policy of reducing the negative impact determined by the conduct of its activities on the environment, to act permanently to comply with legal and regulatory provisions as well as any other additional requirements recognized by the organization, including those related to the identified environmental topics. All staff related to each headquarters in the company are responsible for reducing electricity consumption.

GRI 3-3

An environmental training is carried out annually with all Directorates in the organization.

The objective of reducing electricity consumption within Adrem Group, is monitored. By reducing energy consumption, the company aligns itself with international efforts to reduce resource consumption and combat climate change by reducing the CO2 footprint. Furthermore, by promoting and developing energy efficiency services, we actively participate in reducing our customers' carbon footprint.

The evaluation of the effectiveness of our actions is carried out within the organization through internal audit, controls and external audit carried out by Lloyd's Register. Following the 2021 and 2022 audits, no non-compliances/ observations/ measures were identified that would lead to a change in the management approach, and the same objectives/ measures are kept.

Complaints within the organization are handled according to the internal procedure "Handling of Complaints". In 2021 and 2022, no complaints from customers were registered, on environmental topics.

Environment

Energy

GRI 302-1 Energy consumption within the organization

ADREM INVEST 2021				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	391499.39	6977.45	745637.55	516236.78
MWh/tonnes	391.50	6.98	745.64	5664.67
toe*	33.67	7.33	756.82	487.16
Total TOE =	1284.98			

* Tonnes of oil equivalent

ADREM ENGINEERING 2021				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	18637.00	733.23	31661.19	66713.90
MWh/tonnes	18.64	0.73	31.66	732.05
toe*	1.60	0.77	32.14	62.96
Total TOE =	97.47			

* Tonnes of oil equivalent

GRI 302-1

ADREM LINK 2021				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	13971.00	562.95	72270.32	64840.59
MWh/tonnes	13.97	0.56	72.27	711.50
toe*	1.20	0.59	73.35	61.19
Total TOE =	136.34			

* Tonnes of oil equivalent

ADREM INVEST 2022				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	239076.71	12355.65	743929.91	342321.49
MWh/tonnes	239.08	12.36	743.93	3756.29
toe*	20.56	12.97	755.09	323.04
Total TOE =	1111.66			

* Tonnes of oil equivalent

Environment

Energy

GRI 302-1 Energy consumption within the organization

ADREM ENGINEERING 2022				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	9857.80	3108.16	21361.70	29402.81
MWh/tonnes	9.86	3.11	21.36	322.64
toe*	0.85	3.26	21.68	27.75
Total TOE =	53.54			

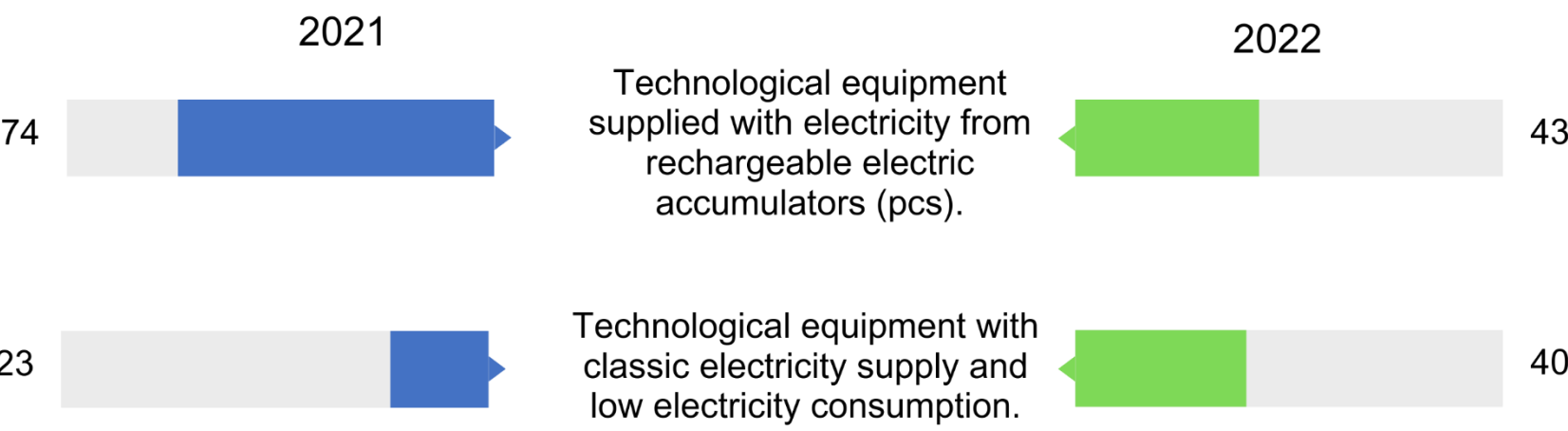
* Tonnes of oil equivalent

ADREM LINK 2022				
	ELECTRICITY (kwh)	FUELS (litres)		NATURAL GAS (cm)
		PETROL	DIESEL	
	9177.63	19506.12	89808.72	20207.91
MWh/tonnes	9.18	19.51	89.81	221.74
toe*	0.79	20.48	91.16	19.07
Total TOE =	131.50			

* Tonnes of oil equivalent

Having contracts with local energy suppliers such as CEZ and ENEL, we use renewable energy according to the energy labels sent by our suppliers.

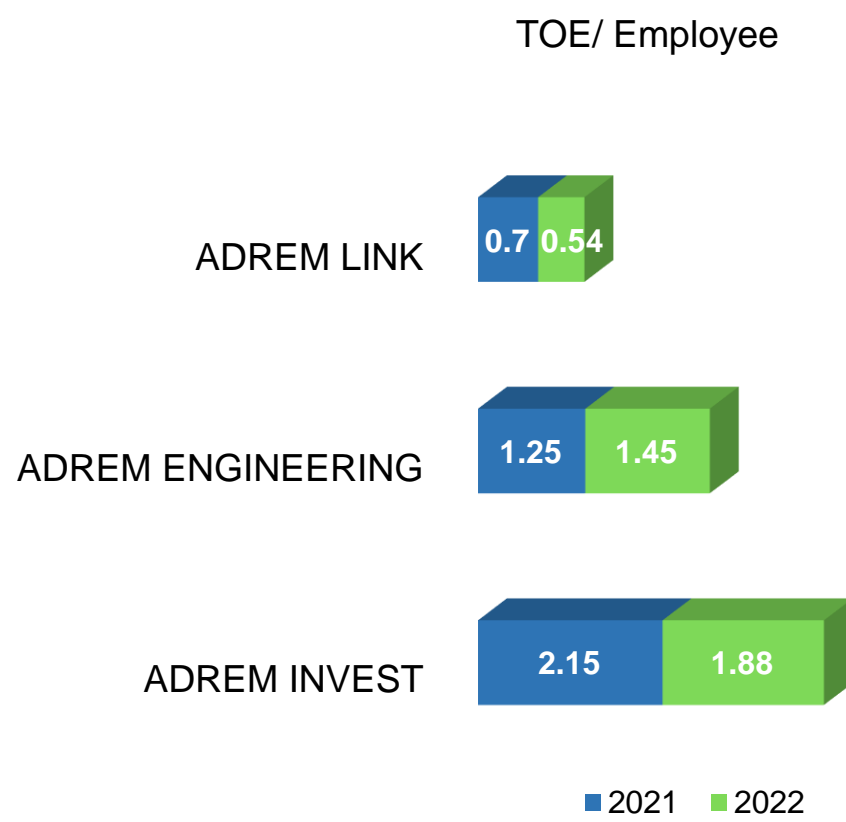
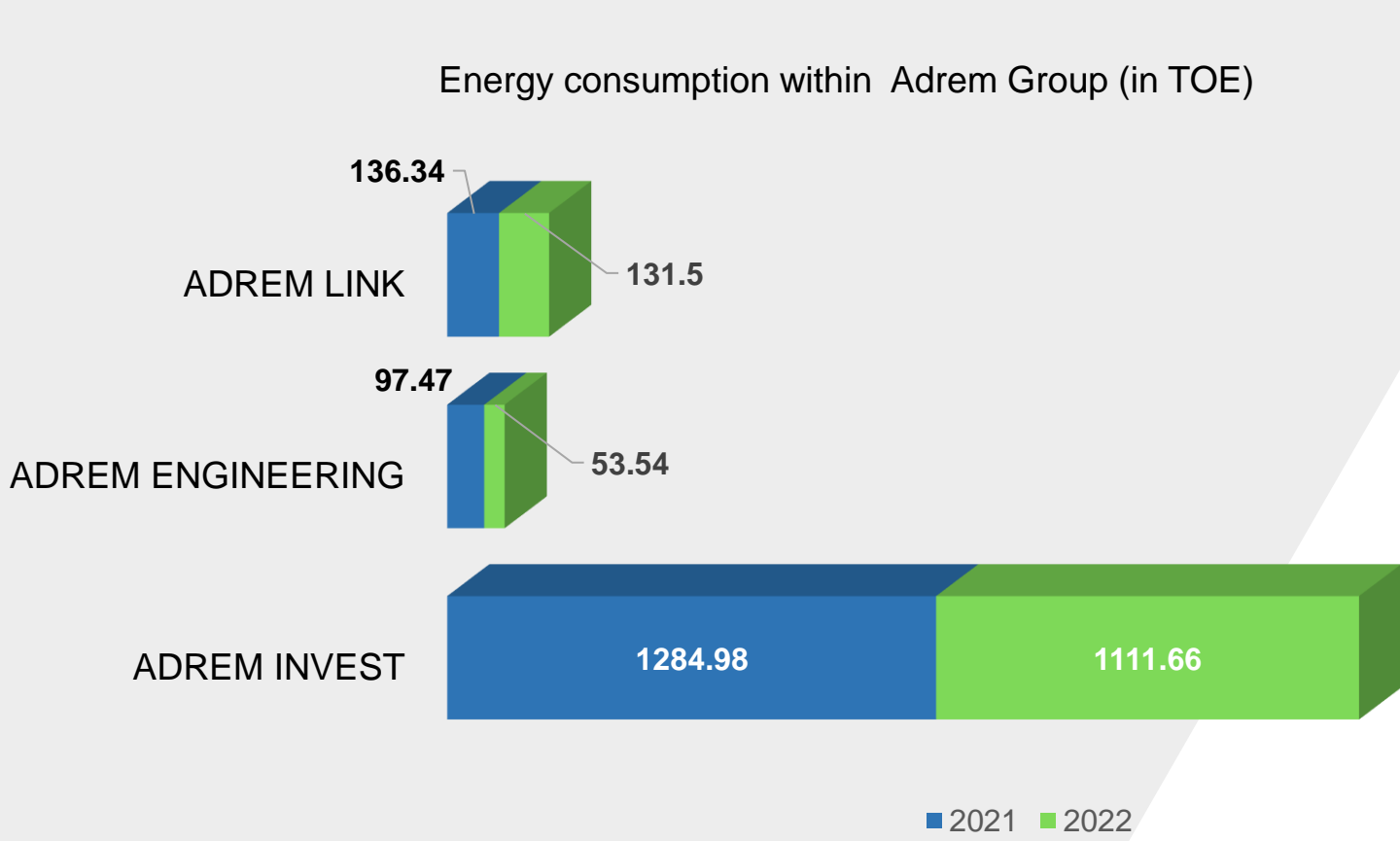
In the 2021/2022 reference period, in order to reduce electricity consumption, a process was started to renew technological equipment that required high electricity consumption, used in Adrem Invest's current activity. Thus, technological equipment with similar performance, but reduced electricity consumption, was purchased:



Environment

Energy

GRI 302-3 Energy intensity



Environment

GRI 3-3

Waste

GRI 3-3

Environmental safety is an important component of all the processes carried out in our companies, therefore from the design stage onward, we take into account the use of modern equipment, new techniques without pollution, with a low impact on the environment. We identify environmental issues, assess risks and impacts associated with them and legal requirements.

Adrem Group companies are committed to continuously improve their products and services, to prevent pollution by promoting policies that reduce the negative impact of their activities on the environment and to constantly act to comply with legal and regulatory requirements, as well as any additional requirements identified by the organization.

The organization pays particular attention to legislative changes and their implementation in the way waste is managed given the national environmental legislation constantly changing.

Environmental topics have a direct impact on the company (employees and management), but also on external stakeholders (local authorities and local communities).

The management of the Group defines the environmental policy in line with the reference standard SR EN ISO 14001 2015 as a tool to enhance the performance of the organization for the confidence and benefit of its clients.

Both the policy and the operational policy of the Adrem management system obliges the enterprise to improve waste management, prevent accidents, establish and periodically review environmental improvement objectives, appropriate to the nature and size of the organization, in order to reduce the risk of accidents and mitigate the impact on the environment.

The targets we are pursuing are to capitalize on the generated waste, taking into account the targets assumed by Ordinance no. 92/2021 on the waste regime, as follows:

- Maintaining a ratio of recycled waste (cardboard, plastic, cartridges, iron, aluminium, copper, textiles, wood, concrete scraps, paper packaging, hazardous packaging, mixed municipal) so that a kilo of capitalized waste/ a kilo of generated waste to be at least 50% per year *for waste types where at least 100 kg of waste are generated.

For the correct waste management, waste records are maintained according to HG no. 856/2002 (Government Ordinance) for each type of waste. Adrem has concluded contracts with authorized environmental companies for the collection (including transport) of generated waste.

Adrem employees are responsible for complying with the legal provisions in force as well as the environmental work instructions and for preventing environmental pollution or the occurrence of environmental accidents.

Based on the degree to which environmental objectives and targets were achieved, the number of non-compliances identified in the current activity as a result of inspections, environmental complaints, and the existence of environmental accidents, the analysis of the obtained environmental performance came to the following conclusion:

- there were no complaints related to environment
- there were no accidents or incidents related to the environment
- the periodical technical inspection schedules for the vehicles were observed and the contracts concluded with the authorized services regarding the maintenance of the vehicles were fulfilled
- suitable storage places for waste have been arranged
- authorised companies we have contracts with were able to recover the waste produced by the operations
- environmental requirements have been communicated to all service providers.

Environment

GRI 3-3

Waste

In 2021-2022, the program of measures following the assessment of the compliance with environmental legal requirements and other applicable requirements included the following topics:

- carrying out the measures laid-out in the management analysis meeting and the processing according to the legislation in force
- informing employees about the identified environmental topics and the applicable environmental legal requirements
- purchasing biodegradable products and services that are friendly to the environment, monitoring waste and consumption of natural resources.

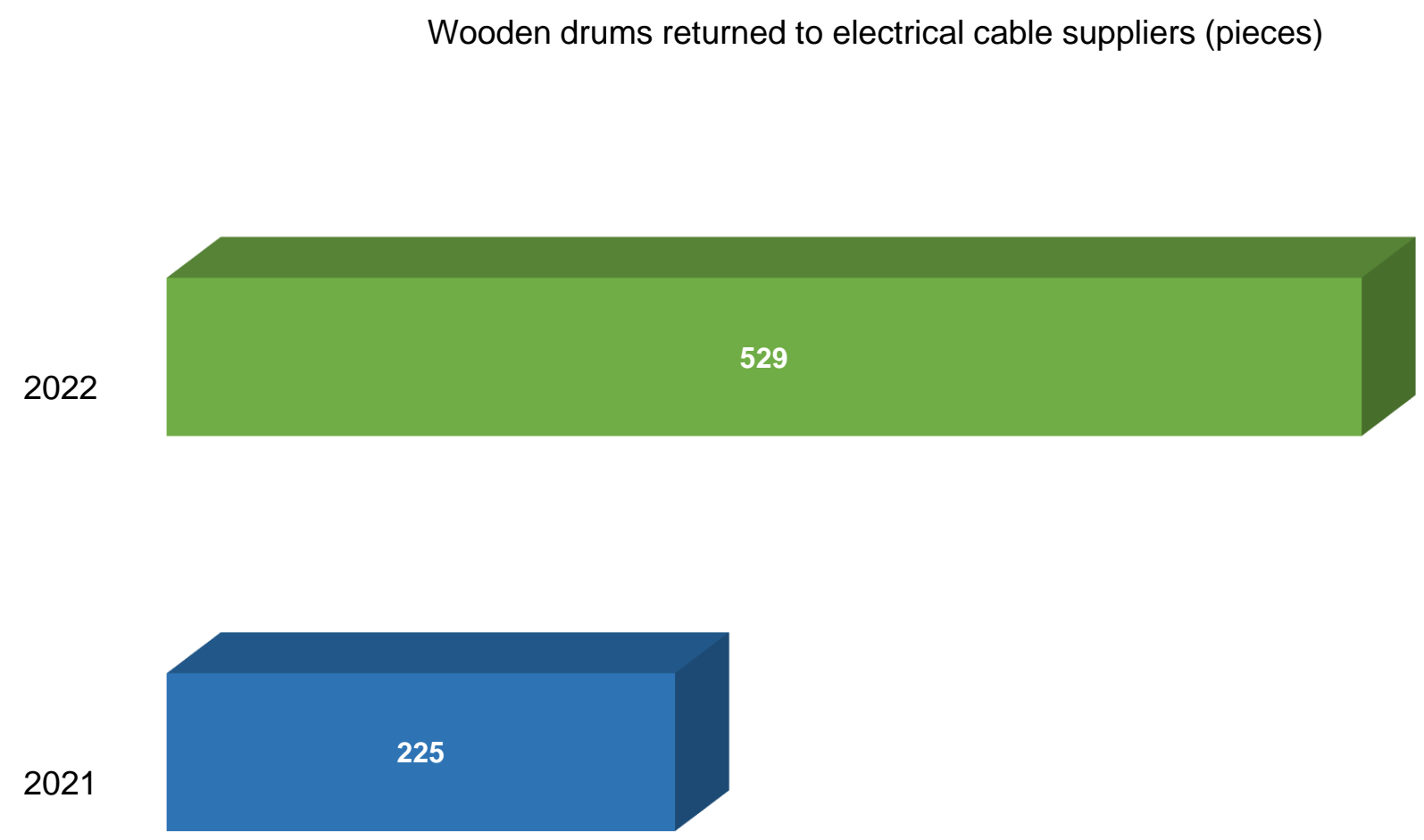
Adrem annually reports to the National Environment Agency the waste generated as a result of the activities carried out in the company.

The organization undertakes actions to protect environment by:

- ✓ reducing the amount of waste and selectively recycling it,
- ✓ decreasing the carbon footprint by reducing and recycling the amount of waste and decreasing the consumption of natural resources.

In order to reduce the amount of waste (wood) generated by Adrem Invest operations, during 2021/2022, it was taken the measure to return to the suppliers of electric cables, in order to reintroduce into the productive circuit, the wooden drums used in the delivery and storage of electric cables.

Statistically, the situation is as follows:



GRI 3-3

Environment

GRI 306-1 Waste generation and significant waste-related impacts

Environmental topics are identified at the level of Adrem Group, and their risks and effects are evaluated. The organization identified the following significant environmental topics:

- Emergency situations
- Generation of fire, including as a result of an earthquake
- Generation of construction waste as a result of an earthquake
- Waste generation
- 100% coverage of emergency situations identified with prevention and intervention plans
- Recovery/reduction of environmental damage in risk regime (simulations for incident cases)
- Staff training
- The collection and delivery of waste to authorized economic units.

The transformation of waste management is closely linked to EU waste legislation. The main legislative instrument in this area is the Waste Framework Directive presenting a hierarchy of waste management and starts with prevention, followed by preparation for reuse, recycling and recovery and ends with disposal. The organization aims to prevent as much as possible the generation of waste and to minimize the amount that ends up in landfills.

GRI 306-2 Management of significant waste-related impacts

In order to manage waste, the waste hierarchy presented by Law 211/2011 supplemented by Ordinance no. 92/2021 on the waste regime. Waste management is carried out without endangering human health and without harming the environment in particular without generating risks to air, water, soil, fauna and flora, without creating discomfort due to

odour and noise and without adversely affecting the landscape.

At the Adrem Group level, a waste management procedure is being established. Each sort of waste generated is collected separately in containers with labels identifying the type of waste in properly designated areas.

Each waste generator temporarily stores waste in marked, well-defined, specially arranged areas, complying with environmental protection rules.

Waste generated by the organisation is recovered or disposed of by approved companies. Adrem has entered into contracts for these operations only with companies that have environmental authorizations and guarantee waste recycling or destruction in compliance with the applicable regulatory standards.

In relation to the waste resulting from the activities carried out by the subcontractors, environmental agreements are concluded and subcontractor personnel are trained in order to manage waste and comply with the legislation in force.



Waste generated

2021 - Adrem Invest

GRI 306-3
GRI 306-5

Type of waste	Generated (kg)	Capitalized (kg)
Toner cartridges	7.7	7
Paper	648.27	999.5
Iron	774	713
Aluminium	6	6
Copper	91	91
Plastic products	117	166
Textile fibres	351	315
Wood	5370	4630
Concrete	130240	132940
Paper packaging	3375	3383
Hazardous packaging	0	0
Accumulators and batteries	302	265
Lead	87	140
Waste from Electrical and Electronic Equipment (WEEE)	8	4
Total	141376.97	143659.5
Capitalization degree	101.61%*	

* The remaining stocks from the previous year were also capitalized (2020)

2021 - Adrem Link

Type of waste	Generated (kg)	Capitalized (kg)
Cartridges	0	0
Paper	44	1
Accumulators and batteries	0.3	0
WEEE	0	0
Total	44.3	1
Capitalization degree	2%	

2021 - Adrem Engineering

GRI 306-3
GRI 306-5

Type of waste	Generated (kg)	Capitalized (kg)
Accumulators and batteries	21.00	0
WEEE	0	0
Plastic	0	0
Paper and cardboard	240	240
Total	261	240
Average	92%	



Waste generated

2022 - Adrem Invest

GRI 306-3
GRI 306-5

Type of waste	Generated (kg)	Capitalized (kg)
Toner cartridges	3.5	2.8
Paper	1051.82	879.52
Iron	336	347
Aluminium	118	120
Copper	4	4
Plastic products	297	303
Textile fibres	158	184
Wood	4822	4830
Concrete	231300	159300
Paper packaging	1175	1320
Hazardous packaging	10	27
Accumulators and batteries	418.6	321.5
Lead	122	0
WEEE	32	32
Total	239847.92	167670.82
Capitalization degree	69.91%	

2022 - Adrem Link

Type of waste	Generated (kg)	Capitalized (kg)
Cartridges	0	0
Paper	16	0
Accumulators and batteries	0	0
WEEE	0	0
Total	16	0
Capitalization degree	0%	

2022 - Adrem Engineering

GRI 306-3
GRI 306-5

Type of waste	Generated (kg)	Capitalized (kg)
Accumulators and batteries	0.10	0.00
WEEE	0	0
Plastic	0	0
Paper and cardboard	24	24
Total	24.10	24.00
Capitalization degree	100%	



Environment

GRI 306-4 Waste diverted from disposal

Waste generated by the organization is recovered or disposed of by companies authorized to perform these operations and there are contracts concluded for these operations only with companies that have environmental authorizations.

Degree of waste recovery



GRI 3-3 Environmental compliance

Compliance with legislation and regulations, standards and other requirements that refer to the environment stands for one of the organization's priorities.

At the organization level is prepared and updated the Register containing the obligations to comply with legal requirements and other environmental requirements, including all applicable environmental requirements at that time, indicating simultaneously the organizational entities responsible for each regulation and compliance report with legal requirements.

"Environmental compliance" has direct effects on management, employees, suppliers, central authorities and the local community.

GRI 3-3

Reports on compliance to legal requirements are updated quarterly at the Group level. Within them, the results obtained as a result of monitoring and measurement are compared with the values imposed by the environmental legislation applicable in the organization (according to the Obligations to comply with the legal requirements) and internal inspections are carried out in the organization to detect possible non-compliance situations, which can be visually observed in relation to the legal requirements and other environmental requirements (derived from the manner of compliance with the procedures/plans, from the adequacy of the allocated resources, from the knowledge of the responsibilities falling on the environmental line, etc.).

In order to establish environmental objectives/ targets, Adrem takes into account the following:

- the current and future needs of the organization and the market served
- the relevant findings of management analyses
- the performance of current processes and products
- the satisfaction level of the stakeholders
- the results of the self-assessments
- competitor analysis, opportunities to improve the company's activities
- the resources necessary to meet the objectives
- hazards identification and risk assessment
- identification of environmental topics, to reduce the negative impact on the environment
- compliance with legal and other requirements
- the need for staff training and awareness regarding IMS
- continuous improvement of performance in the field of IMS
- promotes process-based approach and risk-based thinking.

Environment

GRI 3-3

Environmental compliance

Our goal is to fully comply with the legal environmental requirements.

Following the audits/controls, it is determined the appropriate way of implementing the environmental requirements and planning of the working documents (if necessary) or the measures necessary to keep the risks under control in order to ensure an operation according to the imposed requirements. Examples of application methods:

- development/ revision of procedures and/or instructions, also of action plans for compliance with environmental requirements
- the inclusion in staff training and awareness programs of topics related to environmental requirements and the documents created by the organization in order to comply with them
- the designation of new responsibilities that are necessary for the practical implementation of some requirements of the environmental management system.

The evaluation of our actions' effectiveness regarding the compliance with legal requirements is carried out on internal audits, controls, inspections and third-party audits for surveillance/re-certification according to ISO 14001 2015.

Following the audits carried out in 2021 and 2022, there were no non-compliances identified that would lead to a change in the management approach, and the same measures are maintained.

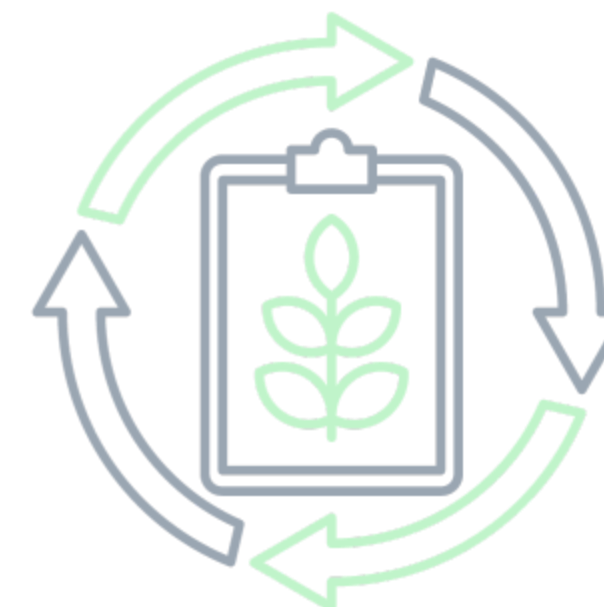
We have a positive impact on protecting the environment by ensuring compliance with current legislation.

Positive social impact is achieved by ensuring compliance with the legislation at the company level and increasing the awareness of local communities on the importance of environmental issues.

GRI 2-27

Compliance with laws and regulations

During the period 2021 - 2022, there were no significant fines and non-monetary sanctions for non-compliance with environmental legislation and/or regulations.



5

Local communities



Local communities

GRI 3-3

Local communities

On the long term, Adrem Group is committed to sustainable development and supporting Romania in the transition to a more responsible society in relation to people, environment, and the resources we use. The "Local Communities" topic has a direct impact on management, employees, local authorities, local communities and civil society, therefore we set out to support the development of the communities in which we operate with actions designed on three pillars: Education, Community Development and Sustainability.

In the field of education, it is very important for Adrem Group to support the training of future professionals in the energy industry to contribute to the development of the business environment, future entrepreneurs and future specialists in an industry that is transforming as a result of the energy transition. That is why, between 2021-2022, we have consolidated partnerships with associations such as the Romanian Energy Center, the Romanian National Committee of the World Energy Council, Romanian Business Leaders, the General Union of Industrialists from Romania (U.G.I.R.) and the Romanian Live Working Association (A-LST-R) and we initiated new partnerships with: Narada, CONAF: National Confederation for Female Entrepreneurship, Association for Values in Education, ReThink Romania, Viitor Plus Association and CMU – Regina Maria Foundation.



Operations with local community engagement, impact assessments, and development programs

GRI 413-1

In 2021, we joined the Narada organization, which provides a voice to all schools in Romania through the platform <https://hartaedu.ro/> dedicated to educational emergencies, where teachers, students, and parents can share their concerns and have them resolved with the assistance of companies. One of the alerts signalled on the platform, to which the Adrem Group decided to respond, was from the "Bărboși" secondary school in Hoceni commune, Vaslui county, asking for support for the replacement of the entire electrical installation in the premise. The installation - also used for heating the classrooms in winter, with electric radiators - became obsolete over time, endangering the lives of students and teachers in the lack of modernization works.

We believe that we must do all possible to provide children with normal learning conditions, in a school that meets their basic needs, their only concern being to develop themselves. That is why, with the assistance of our electrician colleagues, we intervened and replaced the electrical infrastructure, ensuring that all 150 students in the school are learning in excellent safety conditions today.

Also, in the field of education, starting January 2022 we joined our partner, the CEZ Group in Romania, in the "Apprentice Electrician" educational project and supported young people who are taking vocational training courses for the energy industry with specialized textbooks. We believe it is our responsibility to contribute to the education of future energy professionals, especially in light of the energy field's current scarcity of specialists.

The "Apprentice Electrician" program offers development workshops, extra-curricular activities, internships and employment opportunities in the energy sector for hundreds of students enrolled from seven counties of the Oltenia region (Argeș, Dolj, Gorj, Teleorman, Mehedinți, Olt and Vâlcea).

Local communities



GRI 413-1 Operations with local community engagement, impact assessments, and development programs

GRI 413-1

As part of the program, electrical laboratories were set up in high schools, performance scholarships were awarded to students and all conditions were provided to continue their training in the online environment when it was required by the restrictions imposed by the Covid-19 pandemic.

Considering Adrem's activity, performed with care and respect for the environment and the communities where we operate, we continued in 2021 the tradition of participating in the Oltenia Marathon organized by our partner, CEZ Group Romania, in a hybrid edition that was held online, but also physically, in Râmnicu Vâlcea. In the context of the health crisis and fears related to the spread of the virus, we encountered challenges in completing the Adrem team of competitors, but we managed to reach our goal.

Adrem continued to be one of the main sponsors of the event, and all the revenues collected on the 9th edition of the Marathon were directed to: Râmnicu Vâlcea Emergency Hospital - Department of Neonatology; The "Alex Tache" Foundation that builds the Nest House - a home for abandoned children; the "I want in the 9th grade" program of the World Vision Romania Foundation – for access to education of rural students.

In order to support the projects within the three pillars (Education, Community Development and Sustainability), in 2022 we redirected part of the profit tax to the organizations active in our key fields: the Association for Values in Education (support and improvement of the educational system in Romania) ; CMU Foundation – Regina Maria (develops sustainable and permanent projects in the field of health and education); The Viitor Plus Association (develops environmental education programs, social entrepreneurship, reforestation actions, reuse and recycling, volunteering for the environment, eco-tourism development and construction of solar panels). In addition, we offered sponsorships to the organization "Cercetașii României", for the organization of TEDx Youth at Drobeta Turnu Severin, and the County Association "Sportul pentru Toți"

Dâmbovița.

We continued to support the "Apprentice electrician" project in 2022 as well, and by joining us as a sponsoring partner, but also of other companies that supported this initiative and continue to do so, in 2022 the enrolled students and teachers also benefitted from other programs of personal development, internationally recognized, in addition to the workshops already included in the project, but also more technical training and internship opportunities. In the same year, the project was awarded with "Gold Recognition for Best Practices" in Community Investment from Community Index.

We have supported the delivery of The Duke of Edinburgh's International Award Romania program to the schools involved in the "Apprentice Electrician" program, thus offering the opportunity for students and adults to participate in the training. Financial education workshops were organized in high schools, specific actions through the Practice Club and an Adventure Camp for 30 apprentices and their mentors where the students learned the value of the team, the importance of having initiatives and represented the end of a new cycle in their apprentice life. Furthermore, the county managers of Adrem from Oltenia region represented our company at the opening of the year and program at the schools included in the project, where they encouraged the future professionals in our field.

During 2022, apprentice electricians accompanied the Adrem teams to a field work, with CEZ representatives, to practice and familiarize themselves with the field of energy directly on site.

Local communities

GRI 413-1 Operations with local community engagement, impact assessments, and development programs

Adrem Group is involved in supporting local communities both by sponsorships and direct participation of employees in the social and educational actions carried out by our partners and organized internally by us.

In 2022, we kept the partnership tradition at the Oltenia Marathon, the 10-year anniversary edition, where we participated as sponsors and with volunteers from Adrem employees who got involved in the physical and virtual races of the event. The passion for running turned into an opportunity to support the community we belong to and together we supported three social causes that generated positive change through: "Renaissance" Foundation - free Babeş-Papanicolau tests were offered in a diagnostic unit mobile; The Narada Organization – educational alerts registered in the HartaEdu.ro platform were resolved; Viitor Plus Association – photovoltaic panels were installed at a family, to provide a better home, powered by energy 100% from renewable sources.



6

Clients and suppliers



Clients and suppliers

Procurement Practices

GRI 3-3 Considering the importance of Adrem Group in the field in which it operates, it is considered essential to ensure the quality of the products and services offered. To that end, Adrem Group's Procurement Practices play an important role in the energy market, therefore it is fundamental to ensure products and services for our customers that meet the regulated quality standards.

Since our establishment, we have committed to our business partners, as well as to the communities we operate within, to contribute to the development and efficiency of the energy system, thus having an economic, social and environmental impact. Our efforts to promote social responsibility practices focus on the safety of our employees, education and the environment.

Adrem companies are based on the principles of integrated management, thus ensuring efficiency and adaptability. All processes within Adrem companies fall under the integrated management system.

Adrem Group has implemented within its companies the SR EN ISO 9001, SR EN ISO 14001 and SR ISO 45001 Certificates. The adherence to the principles of integrated management helps us to meet customer requirements at the highest level and also allows us to monitor and prevent possible non-compliances. The procurement procedures have a direct impact primarily on business partners, as non-alignment with regulated technical and quality standards can have consequences in the development of projects and implicitly on management and employees. The implementation of Procurement Procedures plays an important role in verifying the eligibility of the chosen suppliers, so that the projects managed by Adrem Group are in accordance with the commitments made.

Our Procurement practices are subject to internal audits (half-yearly) and external audits (yearly). Additionally, our procedure has defined Key Performance Indicators (KPI) to evaluate the efficiency of our activity. In the special case where deviations from any of the

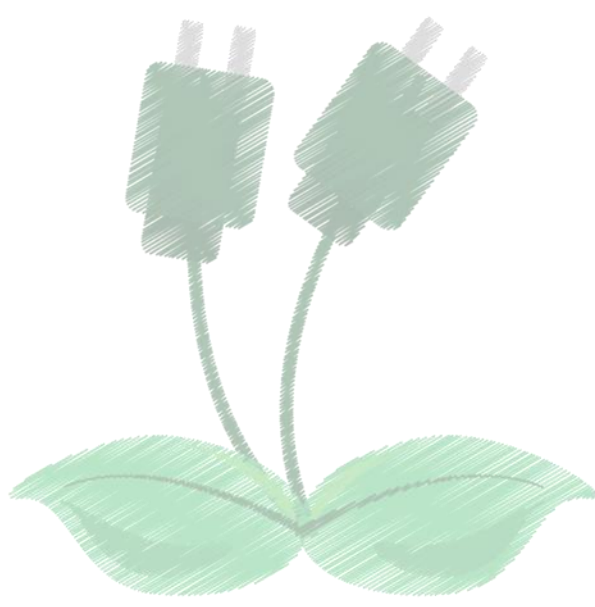
organizational procedures are found, corrective actions are taken to support the employees in solving the mentioned topics within a time limit.

All companies within Adrem Group apply the same Procurement Practices, and they are known by all employees of the organization. In 2022, we are equally concerned with the impact of our actions on the economy, the environment and the social environment, thus we maintain and constantly improve Procurement procedures/practices.

We note that the supply chain has responded positively to our demands and constant need to improve.

In the 2021-2022 reference period, following the audits carried out, no non-compliances were identified in the Procurement process.

GRI 3-3



Clients and suppliers



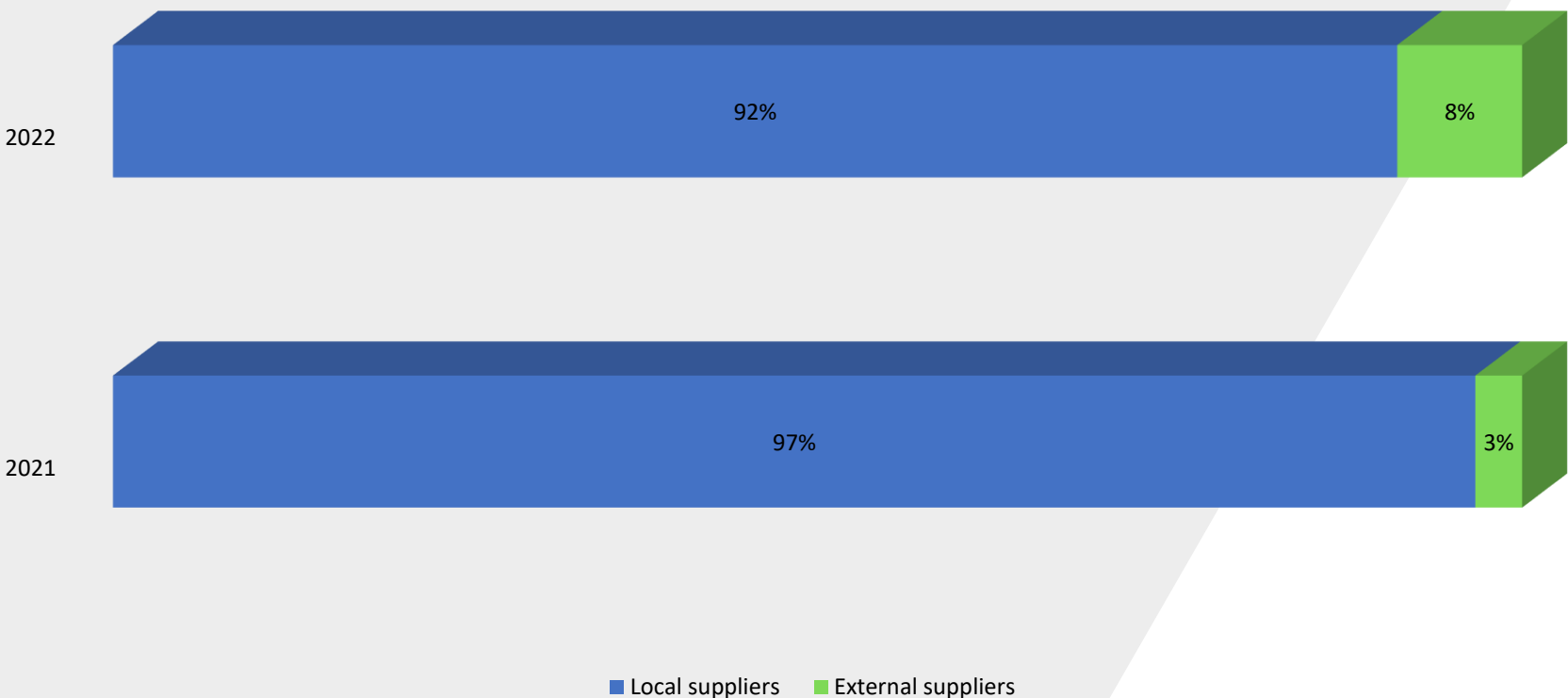
Procurement Practices

Customer Privacy

GRI 3-3

GRI 204-1

Proportion of spending on local suppliers



- a. In 2022, we can see a slightly increased share of external suppliers, as they were chosen following a selection process where we looked at financial profitability and production capacity.
- b. Both in 2021 and in 2022, local suppliers continued to represent over 90% of the total suppliers Adrem Group collaborates with. Adrem Group is constantly seeking to support the economic development of Romania.
- c. By local community and relevant operational locations, we mean the territory of Romania; By local suppliers we mean commercial companies registered on the territory of Romania, and by external suppliers we mean commercial companies registered outside the country.

Adrem Group has concluded that security breaches can lead to significant penalties being imposed by the authorities, as well as to low reputation among our customers and their own beneficiaries. Therefore, this topic is fundamental for the activities of the Group's companies. The company is implementing projects aimed at constantly improving the existing data protection policies, by running regular awareness campaigns both online and offline, informing the employees of the risks deriving from any failure to comply with GDPR regulations.

Given the evolution of digital technology, which profoundly impacts our private lives, the capacity to store and analyse large amounts of data in view of acquiring a deeper understanding and a more personal relationship with our customers and employees, the organisation has appointed a person responsible for the protection of personal data (DPO), who constantly ensures the existence of alternative measures of security, governance and proper risk management in order to prevent the illegal use of such data or other risks of breaching the security thereof.

The DPO is a point of contact with the National Supervisory Authority for Personal Data Processing (NSAPDP) and with the interested parties, who can notify any malfunctions in the processing of personal data or require to exert their GDPR rights.

The process of reviewing and improving process documentation is conducted on a permanent basis. Some of the most important objectives met by the DPO include:

- A detailed analysis of the personal data collected in processes throughout the organisation
- Upgraded/ improved procedures, work instructions, processes, so as to align them with GDPR provisions
- Norms and technical and organisation measures taken in view of securing information, in order to eliminate the risk of unauthorised access to personal data.

Clients and suppliers

GRI 3-3

Customer Privacy

The vision of Adrem Group consists of making decisions based of the identified risks, and making sure they do not materialise, thus ensuring a higher level of customer privacy. Our organisation ensures compliance with the principles of responsibility and transparency while proving its ability to take on such responsibility. Therefore, the Group has implemented a series of comprehensive, proportional governance measures that are likely to minimise the risk of breaching security and to support the protection of personal data.

The risks related to our customers' and employees' privacy, including the loss of their data and breaching of their privacy are managed in an effective, transparent way, given the policies, work instructions, procedures that the Group has in place related to the processing of personal data. Moreover, a series of internal policies and procedures are being implemented related to the notification of the interested person, data protection, correct data collection, guiding lines related to the storage of personal data, the procedure of reporting security breaches, as well as the consent of the interested person.

Adrem's website is constantly updated by introducing in the GDPR section new information related to the policies, definitions, DPO's contact information, the rights of the interested people, as well as other information or legal requirements required by the GDPR.

During the reference period, between 2021 and 2022, at the level of the Group there have been no records of substantiated complaints/ allegations nor of breaches of customer privacy.

GRI 418-1



GRI 418-1

Substantiated complaints concerning breaches of customer privacy and losses of customer data

The Personal Data Operator (PDO) within the Adrem Group daily monitors the email address protectiadatelor@adrem.ro in order to receive prompt information regarding any security breach within the system or any notifications/complaints made by our customers/employees.

7

About the report



About the report

GRI 2-2 This is the fourth sustainability report drawn by the ADREM Group (Adrem Invest SRL, Adrem Link SRL and Adrem Engineering SRL) for the period between the 1st of January 2021 and the 31st of December 2022.

The current report includes information related to Adrem GROUP's activity and the relevant indicators which describe the impact (both positive and negative) of our activities and business relations in economic, social and environmental terms and human rights.

The sustainability report is drawn in accordance with GRI Standards 2021 and complies with the requirements of EU Directive 2014/95 related to non-financial reporting, and with the transposition thereof in the Romanian legislation in the form of the Order of the Ministry of Public Finance number 1938/2016 and number 3456/2018 for the modification and completion of accountancy regulations. Throughout the reporting period we have been supported by our consultant, Fine Business Consulting SRL.

Thus, in order to identify the material topics presented in this report, we conducted a materiality analysis between February and March 2023, enabling us to identify the main types of impacts, both positive and negative. The materiality analysis was made in accordance with the directions stipulated in GRI 3: Material Topics 2021 Standard. This report has not been externally audited .

GRI 2-5

The fact that the presented information is relevant for only one company of the Adrem Group is mentioned in the respective section. The information referring to ADREM describes the activity of all the companies in the group.

GRI 2-2

Along the entire reporting process we took into account the reporting principles defined in the GRI Standards 2021:

- Accuracy = The organization shall report information that is correct and sufficiently detailed to allow an assessment of the organization's impacts.

- Balance = The organization shall report information in an unbiased way and provide a fair representation of the organization's negative and positive impacts.
- Clarity = The organization shall present information in a way that is accessible and understandable.
- Comparability = The organization shall select, compile, and report information consistently to enable an analysis of changes in the organization's impacts over time and an analysis of these impacts relative to those of other organizations.
- Completeness = The organization shall provide sufficient information to enable an assessment of the organization's impacts during the reporting period..
- Sustainability context = The organization shall report information about its impacts in the wider context of sustainable development.
- Timeliness = The organization shall report information on a regular schedule and make it available in time for information users to make decisions.
- Verifiability = The organization shall gather, record, compile, and analyze information in such a way that the information can be examined to establish its quality.

No information presented in our previous sustainability reports needs to be restated.

GRI 2-4

As set forth in the previous report, published in 2021, we hereby continue our biennial reporting of the results achieved by the Adrem Group in terms of sustainability.

GRI 2-3

For further information regarding our sustainability results feel free to contact us by using the email address sustenabilitate@adrem.ro.

About the report

GRI 2-29
GRI 3-1

Identifying and prioritization of stakeholders

For the prioritization of the stakeholders, we have used the following assessment criteria for each category:

- Responsibility: all those connected to our organisation by means of contracts and/or legal or financial policies or operational regulations;
- Influence: all those habilitated to influence the organisation’s achieving of the set objectives. This includes people with both formal influence (decision makers) and informal influence, be it internal or external;
- Proximity: all those upon whom the organisation relies in its daily activities, as well as those who live close to the headquarters;
- Reliance: all those who rely most on our organisation, customers who count on the organisation’s products or services or suppliers to whom the organisation constitutes an important/major customer;
- Representativity: all those who represent key institutions with which our organisation interacts, as well as the representatives of trade unions, community leaders, local authorities, etc.

Each category of stakeholders has been assessed according to the criteria mentioned above and has been graded from 1 to 3, as follows:

- 1 low relevance
- 2 average relevance
- 3 high relevance.

In terms of value, the average constitutes the rank of the respective type of stakeholders, categorised as follows:

- Between 0 and 1.90 low relevance (Low)
- Between 1.90 and 2.50 average relevance (Average)
- Between 2.60 and 3.00 high relevance (High).

Categorii de stakeholder	Medie
Employees*	2,62
Local authorities	2,60
Financiers (banks/investment funds)	2,20
Customers (B2B and B2C)	2,08
Suppliers	2,06
Central Authorities	2,06
Mass Media	1,90
The local community (town halls, schools, hospitals, etc.)	1,66
The civil society (NGOs, research institutes, the academic environment, etc.)	1,38

*The category of „Employees” includes: stakeholders, top management, middle management, representatives of the trade union, employees..

Following the ranking process, the top management decided that each category of stakeholders is relevant. Therefore, all categories have been involved in consultations in order to determine the contents of the sustainability report.

About the report

GRI 2-29
GRI 3-1

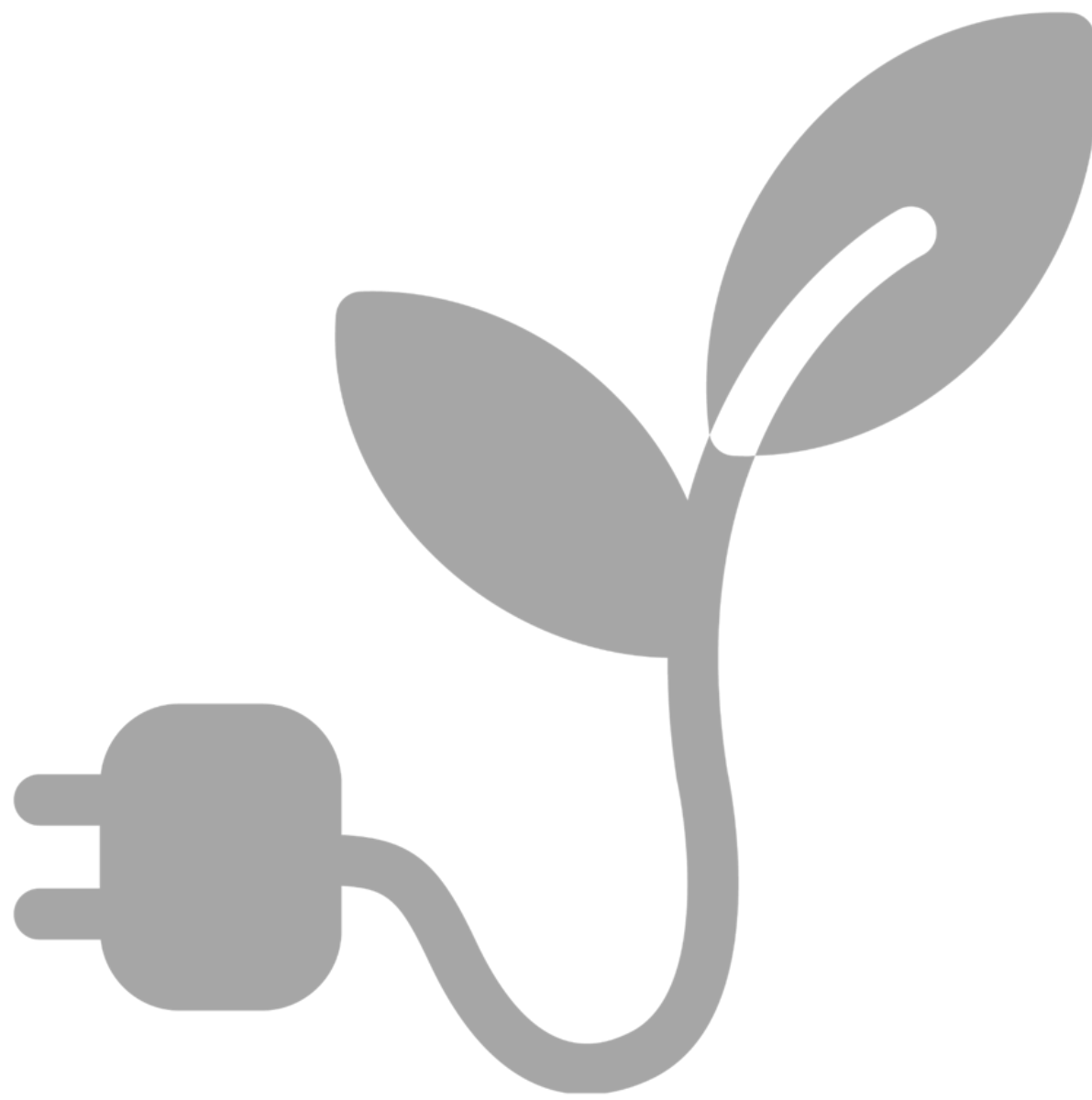
Identifying, prioritization and grouping positive and negative impacts into topics

In 2022 we started to identify various areas of impact, be it positive or negative, and, at a later stage, the potential impact for each line of business within the Adrem Group. These impacts have been submitted for both external and internal consultation with all the categories of stakeholders. This consultation has proven necessary in order to establish the relevance of impacts and to correctly classify them in terms of material topics.

The consultation method has had in common the sustainability questionnaire, an instrument used in the online campaign of obtaining the stakeholders' feedback. 1080 stakeholders in all the relevant categories have been invited to respond, and 125 of them have replied.

When filling in the questionnaire, the stakeholders have assessed both the positive and the negative impacts for the company's sustainability report and made their own suggestions which included topics of personal interest.

The sustainability questionnaire presented to the stakeholders during the meetings or in the online survey campaign has also given them the opportunity to signal various topics which may be relevant to them in domains pertaining to the economic, social, environmental and human rights. The results of the questionnaire revealed the following ranking of the importance of the topics suggested by the company to the stakeholders:



About the report

Identifying, prioritization and grouping positive and negative impacts into topics

Positive impacts

GRI Standards	Relevant topics following the ranking of positive impacts	Stakeholders' assessment average	Categories of stakeholders
GRI 403	Occupational Health and Safety	4,71	Local authorities, Employees [1], Suppliers
GRI 205	Anti-Corruption	4,63	Subcontractors, Mass-Media, Suppliers
GRI 404	Training and Education	4,63	Local authorities, the civil society, Suppliers
GRI 418	Customer privacy	4,62	Customers, Suppliers, Employees
GRI 406	Non-discrimination	4,61	Local authorities, Employees, the civil society
GRI 401	Employment	4,58	Employees, Customers, Suppliers
Adrem own disclosure	Ethical conduct	4,54	The civil society, Suppliers, Customers
GRI 306	Waste	4,53	Subcontractors, Employees, Suppliers
GRI 402	Labor / Management relations	4,52	Employees, Suppliers, Customers
GRI 413	Local communities	4,48	The civil society, Suppliers, Mass-Media
GRI 201	Economic performance	4,42	Local authorities, Suppliers, Subcontractors
Adrem own disclosure	Efficient Governance system	4,42	Subcontractors, Employees, Customers
GRI 302	Energy	4,42	The civil society, Subcontractors, Suppliers
Adrem own disclosure	Risk management	4,40	Subcontractors, the civil society, Suppliers
GRI 307	Environmental Compliance	4,40	Suppliers, Customers, Employees
GRI 405	Diversity and equal opportunity	4,40	The civil society, Customers, Suppliers
GRI 204	Procurement Practices	4,37	Subcontractors, Suppliers, Customers
GRI 407	Freedom of association and collective bargaining	4,35	Employees, the civil society, Customers

About the report

GRI 2-29
GRI 3-1

Identifying, prioritization and grouping positive and negative impacts into topics

GRI 2-29
GRI 3-1

Negative impacts

GRI Standards	Relevant topics following the ranking of negative impacts	Stakeholders' assessment average	Categories of stakeholders
GRI 403	Occupational Health and Safety	4,60	Local authorities, Others, Customers
Adrem own disclosure	Ethical conduct	4,53	Subcontractors, Employees, Customers
GRI 205	Anti-Corruption	4,53	Mass-Media, Others, Employees
GRI 406	Non-discrimination	4,50	Others, Employees, Customers
GRI 418	Customer Privacy	4,49	Customers, Suppliers, Employees
GRI 201	Economic performance	4,41	Suppliers, Employees, Customers
Adrem own disclosure	Efficient Governance system	4,36	Subcontractors, Suppliers, Employees
Adrem own disclosure	Risk management	4,30	Subcontractors, Suppliers, Employees
GRI 407	Freedom of association and collective bargaining	4,20	Others, Employees, Customers
GRI 302	Energy	4,06	Subcontractors, the civil society, Suppliers
GRI 401	Employment	3,95	Suppliers, Customers, Employees
GRI 404	Training and Education	3,93	Suppliers, the civil society, Others

GRI 3-2 The materiality analysis

GRI 3-2

GRI Standards	Materials domain	Positive impacts	Average grade granted	Can affect human rights
GRI-306	Waste	The protection of biodiversity by reducing the amount of waste and recycling them collectively.	4.77	NO
		The mitigation of the carbon footprint by reducing the amount of waste.		
		The mitigation of the consumption of natural resources by recycling waste.		
GRI-302	Energy	By reducing energy consumption, the company manages to align to the international efforts of reducing resource consumption and of combatting climate change by mitigating the carbon footprint.	4.71	NO
		By promoting and developing services of energy efficiency we take an active part in mitigating our customers' carbon footprint.		
Adrem own disclosure	Efficient Governance system	Good governance leads to significantly reducing issues related to the company's safety and performance. It also reduces useless expenses and generates economic performance.	4.71	NO
GRI-307	Environmental Compliance	We have a positive impact on the protection of the environment by ensuring compliance with the current legislation in force.	4.7	NO
		By ensuring compliance with the current legislation, the company contributes to raising awareness of the local communities of the importance of environmental issues.		
GRI 403	Occupational Health and Safety	Providing all employees with training courses in the field of occupational health and safety leads to a minimum rate of workplace incidents.	4.56	YES
		Providing new equipment and technology for the prevention of incidents.		
		All actions in the field of OHS ensure compliance with the employees' right to a decent workplace.		
GRI 405	Diversity and equal opportunity	An increased quality of the professional activities and management decisions by basing the recruiting/ promotion process on all categories of age, disability, race/ethnicity, gender, religion/ belief and culture or sexual preferences.	4.42	YES
		Access to work for all categories of employees.		
Adrem own disclosure	Ethical conduct	The implementation of conduct measures by adopting policies and procedures leads to the elimination of dishonest or discriminatory practices.	3.69	YES
GRI-204	Procurement Practices	Acquisitions from local producers support the economic development of the communities in the operational areas.	3.67	NO
		Acquiring products from local suppliers decreases the carbon footprint, by reducing the transport routes for the acquired products.		
		Vicinity of the operational area favours auditing/ controlling the compliance of the respective supplier's activity with the current legislation in force (human rights. OHS. environmental protection. etc.).		YES

About the report

GRI 3-2
The materiality analysis

GRI 3-2

Positive material impacts

GRI Standards	Materials domain	Positive impacts	Average grade granted	Can affect human rights
GRI 413	Local communities	The economic growth of the operational area by getting involved in various projects aiming at the development of the local communities (CSR activities).	3.35	NO
		Supporting the educational system by partnering with various educational institutions in view of training young employees (ex. the programme" Electricity apprentice").		
GRI-201	Economic performance	The economic growth of the operational area by means of the taxes paid by the company.	3.32	NO
		Ensuring a low unemployment rate in the operational communities.		
Adrem own disclosure	Risk management	Regular risk analyses and elaborate methods of risk assessment and control ensure the group's operational and financial safety of the entire group, as well as the employees'.	3.31	NO
		Effective risk management leads to improved performance, less loss, low operation costs and therefore higher profit, which, in its turn, generates higher resilience.		
GRI-205	Anti-Corruption	The implementation of anti-corruption practices, by means of internal regulations (the Employees' Code of Conduct, the Internal Regulation), regular training in this field and encouraging employees to identify and report such acts lead to the elimination of corruption and therefore to the economic growth of the local communities in our operational areas.	3.18	YES
GRI 401	Employment	By providing stable jobs, with generous benefits, we contribute to a reduced workforce migration.	3.03	NO
		Good, stable work conditions ensure a lower unemployment rate in our operational areas.		
GRI 404	Training and Education	Supporting our employees in acquiring knowledge in all fields contributes to the development of the human resource in the local communities.	2.87	YES
GRI 406	Non-discrimination	Increased level of satisfaction, involvement and loyalty towards the company.	2.86	YES
GRI 407	Freedom of association and collective bargaining	Salary and operational negotiations with the employees' representatives lead to transparent work relations, as they ensure the respect of the employees' rights.	2.83	YES
GRI 402	Labor / Management Relations	The increase of the company's prestige as a good employer by ensuring a high degree of employee engagement and by developing organisational culture.	2.73	NO
		Consultation with the employees' representatives in terms of work relations leads to stable jobs and to the respect of human and employee rights.		
GRI 418	Customer Privacy	The respect of our customers' rights is ensured by the protection of their personal data.	2.59	YES

Negative material impacts

GRI Standards	Materials domain	Negative impacts	Average grade granted	Can affect human rights
GRI 406	Non-discrimination	Discrimination can create a hostile work environment with negative effects on the business, be it a bad reputation or low employee morale and productivity.	4.75	YES
GRI-302	Energy	Given the specificity of our services, which require employees moving to the respective location we have a negative impact through the fuel consumption, as a non-renewable resource leading to the increasing the carbon footprint.	3.7	NO
		The entire energy industry is affected by the reduction of energy consumption, with a direct impact on its employees.		
GRI 404	Training and Education	Increased costs incurred by professional training, as well as the extended duration of courses leads to a temporary lack of staff, with a direct impact on the effectiveness of operational activities.	3.28	YES
Adrem own disclosure	Ethical conduct	Failing to comply with ethical conduct can lead to dysfunctionalities among employees or in their relations with the authorities and therefore to lower economic performance.	3.19	YES
GRI-205	Anti-Corruption	Corruption at the level of a company leads to financial damage, a deteriorated market reputation, and therefore to fewer business opportunities. In its turn, this leads to a lower employee morale and productivity, and thus to further loss of profit.	3.15	YES
Adrem own disclosure	Efficient Governance system	In the absence of an effective governance system, the organisation may make bad decisions and investments, along with its inability to repay credits or debts towards suppliers.	3.02	YES
GRI 201	Economic performance	Bad crediting conditions can hinder development and therefore decrease income tax paid by Adrem as well as salaries.	2.92	NO
		Low economic performance can lead to lower employees' salaries and less available jobs.		
		An increased unemployment rate in the operational communities.		
GRI 403	Occupational Health and Safety	Failing to comply with the occupational health and safety regulations leads to the unavailability of the workforce and to higher social expenses on treatments or hospitalisations.	2.79	YES
GRI 418	Customer Privacy	Security breaches can impose considerable fines from the authorities, as well as low reputation among the company's customers.	2.4	YES
Adrem own disclosure	Risk management	Failing to manage risks leads to the impossibility of anticipating potentially negative events that may affect the company that can mitigate, prevent or reduce potential prejudice.	2.28	NO
GRI 407	Freedom of association and collective bargaining	Discontent can arise among our employees and suppliers, leading to the impossibility of conducting our activities in optimal conditions.	2.15	YES
GRI 401	Employment	The need to create a specialised body of professionals in the energy field puts pressure on vocational education.	2.03	NO

About the report

GRI 3-2 **The materiality analysis**

Although the legislation in Romania stipulates the protection of human rights as well as the rights of the employees, Adrem developed within the internal documents (Internal regulations, Ethical business conduct, etc) a governance system meant to provide a healthy environment suitable for personal and professional development. The topic is presented in detail in chapter no. 3 – Employees.

Historically, the topic GRI 307 - Environmental Compliance was material for Adrem and we report on it under the disclosure GRI 2-27.

In order to represent the evolution of impacts in our first cycles of reporting, the following table has been created:

GRI Standards	Material topics	Reported between 2019 - 2020	Reported between 2021 - 2022
GRI 201	Economic Performance	YES	YES
GRI 204	Procurement Practices	YES	YES
GRI 205	Anti-Corruption	YES	YES
GRI 302	Energy	YES	YES
GRI 306	Waste	YES	YES
GRI 307	Environmental Compliance	YES	YES (GRI 2-27)
GRI 401	Employment	YES	YES
GRI 402	Labor / Management Relations	YES	YES
GRI 403	Occupational Health and Safety	YES	YES
GRI 404	Training and Education	NO	YES
GRI 405	Diversity and equal opportunity	NO	YES
GRI 406	Non-discrimination	YES	YES
GRI 407	Freedom of association and collective bargaining	NO	YES
GRI 413	Local communities	YES	YES
GRI 418	Customer privacy	YES	YES
Adrem own disclosure	Efficient Governance system	NO	YES
Adrem own disclosure	Risk management	NO	YES
Adrem own disclosure	Ethical conduct	NO	YES



Annexes



Annex 1 – GRI content index



Statement of use	Adrem Group has reported in accordance with the GRI Standards for the period 1st of January 2021 - 31st of December 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI

CONTENT INDEX

ESSENTIALS SERVICE

2023

For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report. The service was performed on the English version of the report.

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	6-8, 18	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	2-2 Entities included in the organization’s sustainability reporting	6, 90				
	2-3 Reporting period, frequency and contact point	90				
	2-4 Restatements of information	90				
	2-5 External assurance	90				
	2-6 Activities, value chain and other business relationships	6				
	2-7 Employees	7, 47-48				
	2-8 Workers who are not employees	-	GRI 2-8	Not applicable	The Adrem Group does not use the services of non-employee workers, as all activities are carried out by employees with an employment contract, in accordance with current legislation.	
	2-9 Governance structure and composition	16-18				
	2-10 Nomination and selection of the highest governance body	19				
	2-11 Chair of the highest governance body	19				
	2-12 Role of the highest governance body in overseeing the management of impacts	19-20				
	2-13 Delegation of responsibility for managing impacts	21				
	2-14 Role of the highest governance body in sustainability reporting	18				
	2-15 Conflicts of interest	21				
	2-16 Communication of critical concerns	22				
	2-17 Collective knowledge of the highest governance body	13, 23				
	2-18 Evaluation of the performance of the highest governance body	21	GRI 2-18	Information unavailable/ incomplete	In 2021 and 2022, the performance of the board members was not evaluated in terms of the impact on the economy, the environment and people. The Adrem Top Management aims to analyze the opportunity to develop such evaluation processes in the next period	
	2-19 Remuneration policies		GRI 2-19	Privacy constraints	We cannot make public the data on remuneration policies as a result of constraints related to the confidentiality of this data, according to the contracts concluded between the company and top management	
	2-20 Process to determine remuneration		GRI 2-20	Privacy constraints		
	2-21 Annual total compensation ratio		Omission			

Annex 1 – GRI content index



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			
			REQUIREMENT(S) OMITTED		REASON	EXPLANATION
General disclosures						
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	3-4, 22-23				N/A
	2-23 Policy commitments	15, 22, 25, 29, 42				
	2-24 Embedding policy commitments	24, 26-27, 29, 43				
	2-25 Processes to remediate negative impacts	27-29				
	2-26 Mechanisms for seeking advice and raising concerns	30				
	2-27 Compliance with laws and regulations	24, 80				
	2-28 Membership associations	12				
	2-29 Approach to stakeholder engagement	18, 91-94				
	2-30 Collective bargaining agreements	40, 44				
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	91 - 94	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	95 - 98				
Economic performance						
GRI 3: Material Topics 2021	3-3 Management of material topics	34				N/A
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	35-36				N/A
	201-4 Financial assistance received from government	36				N/A
Procurement practices						
GRI 3: Material Topics 2021	3-3 Management of material topics	86				N/A
GRI 204: Procurement practices - 2016	204-1 Proportion of spending on local suppliers	87				N/A
Anti-corruption						
GRI 3: Material Topics 2021	3-3 Management of material topics	37				N/A
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	37				N/A
	205-3 Confirmed incidents of corruption and actions taken	38				N/A
Energy						
GRI 3: Material Topics 2021	3-3 Management of material topics	70				N/A
GRI 302: Energy 2016	302-1 Energy consumption within the organization	71-72				N/A
	302-3 Energy intensity	73				N/A
Waste						
GRI 3: Material Topics 2021	3-3 Management of material topics	74 - 75				N/A
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	76				N/A
	306-2 Management of significant waste-related impacts	76				N/A
	306-3 Waste generated	77 -78				N/A
	306-4 Waste diverted from disposal	79				N/A
	306-5 Waste directed to disposal	77 -78				N/A

Annex 1 – GRI content index



GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION	
Environmental Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	79 - 80				N/A
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	80				N/A
Employment						
GRI 3: Material Topics 2021	3-3 Management of material topics	42-44				N/A
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	48 - 51				N/A
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	46				N/A
GRI 401: Employment 2016	401-3 Parental leave	51 - 52				N/A
GRI G4 Electric Utilities Sector Disclosures	EU15 Employees eligible for retirement over the next 5 to 10 years	52 - 55				N/A
Labor / Management relations						
GRI 3: Material Topics 2021	3-3 Management of material topics	55				N/A
GRI 402: Labor / Management Relations 2016	402-1 Minimum notice periods regarding operational changes	55				N/A
Occupational health and safety						
GRI 3: Material Topics 2021	3-3 Management of material topics	56				N/A
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	56				N/A
	403-2 Hazard identification, risk assessment, and incident investigation	56-57				N/A
	403-3 Occupational health services	57				N/A
	403-4 Worker participation, consultation, and communication on occupational health and safety	57-58				N/A
	403-5 Worker training on occupational health and safety	58 - 59				N/A
	403-6 Promotion of worker health	59 - 60				N/A
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	60				N/A
	403-8 Workers covered by an occupational health and safety management system	61				N/A
	403-9 Work-related injuries	61 - 62				N/A
	403-10 Work-related ill health	62				N/A
Training and education						
GRI 3: Material Topics 2021	3-3 Management of material topics	45, 63				N/A
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	63				N/A
	404-2 Programs for upgrading employee skills and transition assistance programs	63 -64				N/A
	404-3 Percentage of employees receiving regular performance and career development reviews	45				N/A

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			
			REQUIREMENT(S) OMITTED		REASON	EXPLANATION
Diversity and equal opportunity						
GRI 3: Material Topics 2021	3-3 Management of material topics	64				N/A
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	65 - 66				N/A
	405-2 Ratio of basic salary and remuneration of women to men	67 - 68				N/A
Non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	39-40				N/A
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	40				N/A
Freedom of association and collective bargaining						
GRI 3: Material Topics 2021	3-3 Management of material topics	40				N/A
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	40	GRI 407-1	Information unavailable/ incomplete	Adrem evaluates its suppliers only on the basis of quality and occupational health and safety criteria and does not currently have the means to evaluate them on the respect of freedom of association and collective bargaining	N/A
Local communities						
GRI 3: Material Topics 2021	3-3 Management of material topics	82				N/A
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	82 - 84				N/A
Customer Privacy						
GRI 3: Material Topics 2021	3-3 Management of material topics	87 - 88				N/A
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	88				N/A
Risk Management						
GRI 3: Material Topics 2021	3-3 Management of material topics	31-32				N/A
Adrem own disclosure: Risk Management	Analysis of the risk structure of the Adrem group	32				N/A
Ethical Conduct						
GRI 3: Material Topics 2021	3-3 Management of material topics	33				N/A
Adrem own disclosure: Ethical Conduct	Cases of violation of ethical conduct	33				N/A
Efficient Governance system						
GRI 3: Material Topics 2021	3-3 Management of material topics	25-29				N/A
Adrem own disclosure: Efficient Governance system	Audit results of the governance system	9				N/A

Annex 2 – Glossary



Abbreviation	Term	Definition
AE	Adrem Engineering SRL	
AGFR	The Romanian General Association of refrigeration	http://www.agfro.ro/
AI	Adrem Invest SRL	
AL	Adrem Link SRL	
A-LST-R	Romanian Association for Working under Tension	https://ugir-1903.ro/en/index.php
ANRE	National Energy Regulatory Authority	www.anre.ro
APREL	Romanian Patronat Association of the Electrotechnical Industry	https://www.aprel.ro/
B2B	Business to business	The exchange of products, services or information between businesses
B2C	Business to client	The exchange of products, services or information between businesses and consumers
BRML	Romanian Bureau of Legal Metrology	https://www.brml.ro/
CAS	Social security contribution	
CASS	Health insurance contribution	
CBA	Collective bargaining agreement	The collective bargaining agreement is the agreement concluded in writing between the employer or the employing organization, on one hand, and employees, represented by trade unions or otherwise provided by law, on the other hand, which establishes clauses concerning working conditions, payment, as well as other rights and obligations arising from the labor relations.
CCO	Chief Operational Officer	
CEO	Chief Executive Officer	
CFO	Chief Financial Officer	
CNBO	Chief New Business Officer	
CNCD	National Council for Combating Discrimination	
CNR-CME	World Energy Council - Romanian National Committee	https://cnr-cme.ro/en/home/
COHS	Committee on Occupational Health and Safety	It aims to ensure the involvement of employees in the development and implementation of decisions in the field of occupational safety.
CONAF	National Confederation for Female Entrepreneurship	https://conaf.ro/
CRE	The Romanian Energy Center	https://www.crenerg.org/
CSR	Corporate Social Responsibility	
CVI	Credit Value Investment	
DPO	Data Processor Officer	Person responsible for data protection that ensures compliance with the provisions of the GDPR within the organization
ESG	Environmental, Social and Governance	
FTE	Full-time equivalent	Measures the total amount of full-time employees working at any one organisation
GDP	Gross Domestic Product	
GDPR	General Data Protection Regulation	The General Data Protection Regulation is a European Union regulation on information privacy in the European Union and the European Economic Area.
GRI		
IEC (EC)	Individual employment contract	The Individual employment contract is the contract under which a natural person, called an employee, undertakes to perform work for and under the authority of an employer, natural or legal person, in exchange for a remuneration called a salary
ISC	State Inspectorate of Construction	https://isc.gov.ro/IC_B.html
ISCIR	State Inspection for the Control of Boilers, Pressure Vessels and Lifting Installations	https://iscir.ro/

Annex 2 – Glossary

Abbreviation	Term	Definition
ISO 14001	SR EN ISO 14001 2015	Standard of the International Organization for Standardization establishing an environmental management system.
ISO 27001	SR EN ISO 27001 2013	Standard of the International Organization for Standardization establishing a management system for information security and demonstrating the commitment to the protection of processed data, business continuity and compliance with national and international legislation in the field.
ISO 45001	SR EN ISO 45001 2018	Standard of the International Organization for Standardization establishing an occupational health and safety management system
ISO 9001	SR EN ISO 9001 2015	Standard of the International Organization for Standardization establishing the Quality Management System that defines how an organization operates to meet the requirements of customers and stakeholders.
IT	Information Technology	
KPI	Key Performance Indicators	
N.I.R.D.E.P.	The National Research and Development Institute of Occupational Safety	http://www.inpm.ro/index.php?language=en
NSAPDP	The National Supervisory Authority For Personal Data Processing	
PL	Parental leave	
PPE	Personal Protective Equipment	Personal Protective Equipment (PPE) includes any type of equipment that is intended to be used by workers in order to protect them from occupational health and safety hazards.
RBL	Romanian Business Leaders	https://www.rbls.ro/
ReThink România	Rethink România	https://rethinkromania.ro/
SDG	Sustainable Development Goal	The sustainable development goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call for action to end poverty, protect the planet and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs, defined in the 2030 UN Agenda, are integrated - they admit that the action in one area will affect the results in another and that the development must balance social, economic and environmental sustainability (www.sdg.un.org).
SMI	Integrated Management System	
SMS	Short Message Service	
SSM (OHS)	Occupational Health and Safety	Set of activities aimed at ensuring the optimal conditions in the development of the working process, defense of health, bodily integrity and life of workers and other persons engaged in the working process.
toe	Tonne of oil equivalent	
U.G.I.R.	General Union of Romanian Industrialists	https://ugir-1903.ro/en/index.php
	EU Green Deal	The European Green Deal, approved in 2020, is a set of policy initiatives by the European Commission with the overarching aim of making the European Union climate neutral in 2050.
	Sustainability	Meeting the needs of the present without compromising the ability of future generations to meet their own needs.
	Stakeholders	Stakeholders are individuals or groups that have interests that are affected or could be affected by an organization's activities.
	GRI Standards	The sustainability reporting standard of the Global Reporting Initiative. (https://www.globalreporting.org/Pages/default.aspx)
	Impact	Effect the organization has or could have on the economy, environment, and people, including on their human rights, which in turn can indicate its contribution (negative or positive) to sustainable development. Impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, and reversible or irreversible.



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