ALRO

2025

ANNUAL REPORT

Specialists in the metal of the future.

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2025 Annual Report

Financial and operational highlights for the year 2025

ALRO Group

Indicator	2025	2024
Primary aluminium production (tonnes)	262,289	248,059
Processed aluminium production (tonnes)	133,407	120,049
Primary aluminium sales (tonnes)	81,430	77,260
Processed aluminium sales (tonnes)	129,244	119,205
Sales (RON '000)	3,895,743	3,408,037
EBITDA[1] (RON '000)	219,134	344,645
EBITDA margin (%)	6%	10%
Net result (RON '000)	-46,992	10,337
Adjusted Net Result[2] (RON '000)	11,565	15,312
Earnings per share (RON)	*-0.065*	*0.014*

ALRO S.A.

Indicator	2025	2024
Primary aluminium production (tonnes)	262,289	248,059
Processed aluminium production (tonnes)	99,053	87,687
Primary aluminium sales (tonnes)	115,460	113,960
Processed aluminium sales (tonnes)	96,087	87,739
Sales (RON '000)	3,645,334	3,202,739
EBITDA[1] (RON '000)	206,743	314,628
EBITDA margin (%)	6%	10%
Net result (RON '000)	-45,573	15,321
Adjusted Net Result[2] (RON '000)	31,035	19,319
Earnings per share (RON)	*-0.064*	*0.021*

[1] ***EBITDA:*** Earnings before interest, taxes, depreciation, amortization and impairment.

[2] ***Adjusted Net Result:*** represents the net result plus/(minus) non-current assets impairment, plus/(minus) the loss/ (gain) from derivative financial instruments for which hedge accounting was not applied, plus/ (minus) deferred tax.

2025 Annual Report

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CAUTIONARY STATEMENT

This Report is supplied to you solely for your information and may not be reproduced in any form, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, by any medium or for any purpose. Failure to comply with this restriction may constitute a violation of applicable securities laws.

Certain statements included within this Report may contain (and oral communications made by us or on our behalf may contain) forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management's plans, objectives and strategies for ALRO/ ALRO Group, such as planned expansions, investments or other projects, (c) targeted production volumes and costs, capacities or rates, start- up costs, cost reductions and profit objectives, (d) various expectations about future developments in ALRO/ ALRO Group's markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar statements.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward- looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized.

Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in ALRO/ ALRO Group's key markets and competition; and legislative, regulatory and political factors. No assurance can be given that such expectations will prove to have been correct.

ALRO/ ALRO Group disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Note 1: In this report, the terms "ALRO Group" and "the Group" are sometimes used for convenience where references are made to ALRO S.A. and its subsidiaries, in general, and the terms "Company" and "Parent-company" are sometimes used for convenience where references are made to ALRO S.A.

The financial statements included in this report are audited and present the individual and consolidated financial results of Alro and Alro Group that have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, which is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense. Starting 1 January 2024, the Group applied the requirements of the minimum tax on turnover (see Note 12), treating it entirely as income tax, whereas under IFRS Accounting Standards, the taxable profit component would be recognized as current income tax expense and the excess as an operating expense, resulting in a RON 6,380 thousand decrease in result before tax and income tax expense, with no impact on net result (2024: RON 5,759 thousand). The other exceptions do not impact the compliance of financial statements of the Group and Company with the IFRS Accounting Standards, as adopted by EU.

The indicators/ figures included in this report may be rounded to the nearest whole number and therefore minor differences may result from summing and comparison with exact figures mentioned in the financial statements.

Note 2: A list of all abbreviations and definitions used in this report can be found on page 73.

Letter to shareholders

Marian NĂSTASE,
Chairman

Marin CILIANU,
Chief Executive Officer

Dear readers and shareholders,

The year 2025 marked a truly special milestone for ALRO: we celebrated 60 years of continuous operations and 28 years since the Company's listing on the Bucharest Stock Exchange. Over the course of these six decades, ALRO has evolved alongside the industry, supported by dedicated people who understood the Company's strategic importance both for society and for the Romanian economy. To mark this anniversary, this year we achieved the highest production of processed products, increasing by 11% compared to last year, which we successfully placed on the market within the same year. The journey has not always been easy; however, regardless of the political context or the volatility of international markets, the ALRO team has continued to pursue excellence in the aluminium industry. This remarkable resilience is primarily due to our employees, who have passionately dedicated themselves to the Company's development and success.

However, the Company's performance also depends on the global context, which in recent years has been shaped by restrictive tariff policies, imbalances in international trade, unfavorable energy markets and unfair competition—factors that directly affect the future of the entire industry. Our competitive advantage, as one of the largest aluminium producers in Europe, is therefore at risk without the implementation of a coherent, pro-European industrial policy and the active support of key stakeholders in the political sector throughout the European Union, and especially in Romania. Encouraging consumer preference for products manufactured in Europe is essential, thereby contributing to the consolidation of a strong and sustainable industrial sector that generates added value and creates jobs at both local and regional levels.

We have successfully implemented our sustainability strategy for the 2021–2025 period, aligning our production systems with European environmental standards while maintaining the quality of our products and investing in both people and technology. Building on this solid foundation, we have developed and continued our 2025–2030 strategy, which outlines the next stage of

Letter to shareholders (cont.)

the Company's transformation: decarbonising production, using resources efficiently, and expanding circularity across the entire value chain. At the same time, we are strengthening our expansion plan in international markets by diversifying our product portfolio: of the total sales of RON 3.9 billion achieved in 2025, 82% were directed toward exports, confirming our global competitiveness. In this way, ALRO reaffirms its commitment as a responsible and innovative leader in the aluminium industry, generating sustainable value for employees, customers, and the community.

ALRO's achievements are the result of constant investment, sustained efforts, and the professionalism of our people, as well as strong partnerships and the trust we enjoy from our customers and the community. Through determination and responsibility, we continue to strengthen the Company's standards of excellence and demonstrate that ALRO remains a benchmark for performance, stability, and innovation in the aluminium industry. This evolution reflects the solidity of a journey built with rigor over the course of 60 years of activity.

Thank you for your support and for the trust you place in us!

Marian NĂSTASE,
Chairman of the Board of Directors

Marin CILIANU,
CEO

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Main events in the financial year 2025

ALRO GROUP – Main events in 2025

January – December 2025

Market Overview

Market evolution

In 2025, aluminium prices were driven by early-year tightness and later-year volatility, with inventory rebuilding easing but not eliminating underlying supply constraints.

LME 3-month aluminium prices hovered between USD 2,500/t and USD 2,600/t throughout the first half of the year, but then rallied steadily towards USD 2,900/t by end of the year. In Q4 2025, LME prices gained 8% QoQ on improved fundamentals, augmented fund flows into base metals and more favourable macro trends. Demand was stable in Q4 2025 with strength in packaging and electrical markets, while supply growth was limited by various constraints.

As for the **aluminium stocks in LME-monitored warehouses,** another indicator of demand/supply balance of the market, we witnessed in H1 2025 a marked contraction in LME aluminium inventories, falling to some of the lowest levels in recent years. In the second half of the year, inventories steadily from mid-year into late Q4, aided by increased deliveries into LME-registered warehouses and perhaps some strategic positioning by traders. However, the H2 2025 rebuild eased the acute tightness, but it did not reset the market back to a "comfortable" supply position, given that the inventories level at December 2025 remained 20% below the level seen in December 2024 and by 7% below of December 2023.

Supply Constraints and Structural Tightening

In 2025 the global aluminium market was generally tight and closer to balance than in the previous few years.

The supply tightening was largely driven by structural constraints within the industry. China, which accounts for ~60% of global aluminium output, has the government-imposed primary production cap (around 45 Mt). This cap limited the expansion of supply even as demand recovered to some extent. New smelter capacity additions in India and Indonesia were underway but not rapid enough in 2025 to dramatically increase global supply. Recycling increased significantly, which helped alleviate some pressure on primary supply, but can't fully substitute for new primary metal in all industrial applications.

Latest statistics from the World Bureau of Metal Statistics (WBMS) reveal a significant supply demand imbalance in the global primary aluminum market during the first 11 months of 2025, with a cumulative deficit of 1.5276 million tonnes. This structural gap underscores the industry's tightening fundamentals, and supply constraints are one major part of the explanation.

Global aluminium production continued to increase in the second half of 2025 compared both to H2 2024 and H1 2025. After a 1.1% YoY increase in 2H 2025 and 0.9% YoY increase in 4Q 2025, full year primary production was reported by International Aluminium Institute (IAI) at 73.8m metric tonnes, 1.1% up from 2024. Similar to 1H 2025, growth came mainly from China, with small contributions from Europe including Russia and rest of Asia. Percentagewise, a notable increase was registered by the primary aluminium output in South America (+1.9% YoY), but volumes are not that impressive. Primary production contracted in North America and Gulf area in 2025 overall.

Demand Dynamics and End-Use Sectors

In 2025, **China**'s aluminium demand remained stable with moderate growth, driven largely by new-economy sectors (like EVs and renewables) but offset by softness in several key sectors, including construction, consumer durables and packaging. High copper prices are reviving the discussion of aluminium substitution in appliances. The copper/aluminium price ratio has moved above 4:1, prompting renewed focus on aluminium replacing copper in certain end uses, particularly in household appliances such as air conditioners. The global battery storage market grew sharply in 2025, installations jumped ~43% YoY, with China being a major producer and exporter of battery cells for storage.

In **North America**, as trade tariffs have introduced uncertainty and elevated volatility, domestic FRP shipments in the US and Canada continue to flatten out. Shipments were broadly flat YoY and imports are down by around 1% YoY. 2025 was a very tumultuous year for the aluminium market. Early-year tariffs have helped shield domestic FRP mills from much of the short-term volatility but imports have also continued to flow in despite the now 50% duty rate, as the market is still reliant on those volumes to fill demand, even despite the recent cuts to the near-term outlook. Extrusion demand in North America has failed to live up to expectations throughout the year.

In **Europe**, the first half of 2025 brough some tactical moves for European FRP and extrusion producers, as customers seems to either replenish inventories or benefit of weaker period of LME and/or premiums, while demand remained on the weak side.

Going into 2026, according to CRU, distributors continue to place orders with European mills for sheet alloys and extrusions, while putting imported material on hold for the time being and the trend is building not only among distributors, but also among end customers, who are increasingly concerned about the potential effects and complexity of CBAM and therefore prefer European supply. However, this structural localization trend may prove short lived and could reverse as CBAM rules and pricing

Aluminium is 100% recyclable and can be reused indefinitely, which makes it a decarbonization vector for all the other industries where it is used

Main events in the financial year 2025 (continued)

implications become clearer and importers adjust accordingly, especially given the instability in FRP demand. Analysts expect market to adjust during H2 and a new equilibrium to be reached.

On the other hand, underlying demand hasn't improved dramatically. For the FRP market to gain momentum further in 2026, demand has to improve and be fundamentally driven by its core sectors, such as automotive, which underperformed in 2025. German car production rebounded 17.0% yoy in December, lifting full year 2025 production to +2.2% yoy, although it remains well below pre COVID levels.

As for the major **macro developments** that influenced the aluminium market, last year, despite macroeconomic volatility and tariff headwinds, the Eurozone avoided recession but there was no meaningful growth in 2025 either. Most importantly for FRP and extrusion demand, industry and construction have stabilised but continue to face relatively weak demand. By contrast, services have been much stronger, with the two speed European economy persisting through 2025.

In January, soft data remained consistent with modest expansion: the Composite PMI was unchanged at 51.5, while manufacturing edged higher towards the 50 and services eased slightly to 51.9. The Economic Sentiment Indicator (ESI) improved materially to 99.2, driven by stronger confidence in industry, services, retail trade and among consumers, with only construction marginally weaker.

Consumer conditions are improving, but cautiously. The euro area Consumer Confidence Indicator increased to 12.4 in January, yet remains below its long-term average and broadly similar to a year ago, suggesting households are still reluctant to fully normalise spending behaviour. For metals demand, this continues to favour more stable end markets, such as packaging, over discretionary-driven consumption.

On the industrial side, there are some signs of improvement in transport and automotive activity, but headwinds remain strong. According to CRU, Germany's truck toll mileage index rose 3.2% month on month in December (the strongest mom rise since March 2021) and was up 1.3% YoY. German car production rebounded 17.0% year on year in December, lifting full year 2025 production to +2.2% year on year, although output remains well below pre COVID levels.

According to the same source, registration data also point to a gradual normalisation. EU new car registrations rose for the sixth consecutive month, up 5.8% yoy in December, taking 2025 to +1.8% yoy overall, even if the volumes remain well below pre pandemic levels. For FRP and extrusion demand, the implication is that near term support is likely to come more from incremental improvements in industrial momentum and public led investment, rather than from a full, consumer driven spending or a rapid return to pre COVID automotive volumes.

Energy market updates

Compared to the previous year, the liquidity of the markets in Europe has shown signs of increase, but still remaining volatile and influenced by conflicts in Ukraine and in the Middle-East, but with a higher resilience than before.

The Romanian Market is in the price range of 565-575 lei/MWh for quantities with delivery in 2026, and the average base price on the day ahead market for 2025 is 544.98 RON/MWh.

The European markets have lower trading prices, with Hungary in the range of 105-107 EUR/MWh, respectively Germany with a higher volatility and trading prices between 87 – 89 EUR/MWh.

All of the markets are still highly influenced by the gas price, that traded around 27-32 EUR/MWh with delivery in 2026, due to the conflict in Iran and the EUA trading price that revolves around 70 - 90 EUR/EUA, therefore determined the Clean Spark Spread (the profitability of producing 1 MWh of electrical energy from natural gas sources and accounting for the cost of the carbon emission), that puts a toll on the marginal price.

Starting 1 July 2025, the end-consumers in Romania are no longer protected by the government ordinance 27/2022, therefore the prices are no longer capped for the electrical energy.

Green Certificates updates: during the Government meeting held on 27 March 2025 the Emergency Ordinance 20/2025 was approved regarding the establishment of a state aid scheme for exempting certain categories of end consumers from the application of Law no. 220/2008 on the establishment of the system for promoting the production of energy from renewable sources and published in the Official Gazette on 31 March. Through this ordinance, the exemption is extended until the year 2030 and ALRO continues to qualify for an 85% exemption.

Compensation scheme updates: also approved in the Government meeting of 27 March, 2025, and published in the Official Gazette on 31 March is Emergency Ordinance (OUG) 19/2025 for the amendment and completion of Government Emergency Ordinance no. 138/2022 regarding the establishment of a state aid scheme granted to enterprises in sectors considered to be at real risk of carbon leakage due to the significant indirect costs they effectively bear as a result of the pass-through of greenhouse gas emission costs in the price of electricity. This ordinance approves subsidy payment in maximum two instalments per year. The Law approving Government Emergency Ordinance No. 55/2025 for the amendment and supplementation of Government Emergency Ordinance No. 115/2011 was adopted by Senate on 10 November 2025, with the Chamber of Deputies adopting it on 25 March 2026 and is currently sent back to the Parliament for re-examination, for procedure details in the promulgation process. The amendments strengthen the support of the scheme beneficiaries through Romanian ETS indirect CO_2 compensation by assuring that the current 15% allocation to the Ministry of Energy for the companies with relocation risks will be at minimum effective annual support level of EUR 150 million, while keeping compliance with state-aid rules and the ETS Directive framework.

ALRO continues to meet all the eligibility criteria for both of the state aid schemes.

At European level, certain measures are being taken to support the local businesses. Among the most significant initiatives are the following:

On 26 February 2025, the Commission adopted the Communication on **The Clean Industrial Deal:** A joint roadmap for

Main events in the financial year 2025 (continued)

competitiveness and decarbonization ('Clean Industrial Deal') COM(2025) 85 final. The Clean Industrial Deal sets out actions to improve access to affordable energy, to boost demand and supply of clean tech products, to unlock public and private investments, to power the circular economy, to develop international partnerships and to secure skills and quality jobs for social fairness.

Also on 26 February 2025 the Commission adopted Action Plan for Affordable Energy. The action plan presents measures to lower energy bills in the short term, while accelerating the implementation of much-needed cost-saving structural reforms and strengthening our energy systems to mitigate future price shocks.

On 11 March 2025 the **Clean Industrial Deal State Aid Framework (CISAF)** was launched in the public consultation that sets out the conditions under which Member States can grant support for certain investments and objectives in line with EU State aid rules. Under the Framework, the Commission will authorize aid schemes introduced by Member States to boost clean industry, enabling the swift roll-out of individual aid. CISAF was adopted as of 25 June 2025, and remains in force until 31 December 2030 and its staff working document accompanying the Clean Industrial Deal State Aid Framework (CISAF) was published on 4 November 2025. The Section 4.5 of CISAF, introduces a temporary mechanism allowing Member States to reduce electricity costs for electro-intensive industries exposed to international competition. The measure aims to prevent relocation of production outside the EU due to persistently higher European electricity prices and requires beneficiaries to reinvest part of the support into decarbonization measures that lower system costs. By combining short-term price relief with mandatory green investments, Section 4.5 supports competitiveness while accelerating industrial electrification and contributing to long-term energy affordability.

On 19 March 2025 the Commission adopted the Communication on A European Steel and Metals Action Plan designed to strengthen the sector's competitiveness and safeguard the industry's future.

On 23 December 2025 Commission has adopted an amendment to the Guidelines on certain State aid measures in the context of the system for greenhouse gas emission allowance trading post-2021 ('ETS State aid Guidelines') to extend the list of eligible industrial sectors while increasing the maximum aid intensity from 75% to 80% for sectors already eligible, in recognition of their heightened carbon leakage risk. At the same time, large beneficiaries are required to contribute to the green transition, including by investing part of the aid in projects that help reduce electricity system costs. In addition, the amendments update the regional CO_2 emission factors and geographic areas applicable for the 2026–2030 period, based on the latest available data, and introduce the possibility for Member States to apply a gradual transition where the reduction in the applicable maximum regional emission factor compared to the 2021–2025 period would otherwise be particularly significant.

Main events Alro Group 2025

April 2025

Annual General Meeting of Shareholders

ALRO (ALR, Premium segment): On 29 April 2025, ALRO's Ordinary ("AGSM") General Shareholders' Meeting took place. During the meeting, among the items that were approved by the shareholders, such as the Annual Report for 2024, the Remuneration report for 2024, as well as the Budget for 2025, the Investment plan for 2025 and the Activity program for 2025.

ALUM (BBGA, AeRO segment): ALUM held its Ordinary General Shareholders' Meeting on 30 April 2025. Some of the business and administrative items included in the meeting's agenda and subsequently voted for, were: the Directors' Report and the financial statements for 2024, the Income and Expense Budget, the Investment Plan and the Activity Program for 2025.

Commissioning of a cutting saw for aluminium plates

ALRO announced the commissioning of another cutting saw for aluminium plates, following a RON 8 million investment. The new cutting saw enables ALRO to offer aluminium plates tailored to specific technical requirements, reduce waste and improve efficiency, while supporting the increase in the output of high and very high value-added aluminium products. The commissioning of this equipment comes after another investment focused on developing ALRO's product range and capabilities, namely the CUTSMART SYSTEMS facility, inaugurated with a RON 13.7 million investment, as part of ALRO's strategic transition towards higher-value products and services, offering customers ready-to-use aluminium components instead of raw materials that require additional processing.

June 2025

ALRO's participation to the 55th International Paris Airshow Le Bourget

In June 2025, Alro took place in the International Paris Air Show is organized by SIAE (Salon International de l'Aéronautique et de l'Espace), a subsidiary of the French Aerospace Industries Association (GIFAS). It is the largest event in the industry, bringing together stakeholders from around the world. The event embodies excellence, innovation, and international cooperation in the aerospace sector. It is a tradition for Alro to participate in this great fair in order to promote itself globally and attract new business partnerships.

Alro's 60th anniversary

On 30 June 2025, Alro celebrated 60 years of uninterrupted activity since the first batch of Romanian aluminium produced at the Aluminium Plant in Slatina. With an electrolytic aluminium output of 8,000 tons per year, exclusively of ingots at the

Main events in the financial year 2025 (continued)

time of its establishment, ALRO has now reached an output of about 370,000 tonnes per year. Since the time of its establishment, pursuing its clear development strategy, Alro and its subsidiaries have continuously expanded the production and have diversified the range of products by focusing on high and very high value-added aluminium products instead of the initial plain aluminium ingots. This progress has been driven by the consistent investments made over time in state-of-the-art technologies, which allowed the Group to strengthen the list of customers operating in competitive and sophisticated industries such as: aerospace, automotive and general engineering, and to become a major player in the aluminium market.

July 2025

Commissioning of a new electric furnace for aluminium alloy plates ageing

In July, Alro announced the commissioning of the aluminium alloy aging furnace with electric heating, following a total investment of RON 11.5 million. This advanced electric furnace will replace three gas-powered units, streamlining heat treatment operations in ALRO's Processed Aluminium Division. The project will optimize the heat treatment process (artificial aging) by enhancing the equipment efficiency and ensuring a more precise control of temperature and other critical parameters. This will result in a more efficient output of top quality high added-value aluminium.

28 years of listing on BSE

On 15 July 2025, Alro celebrated 28 years of being listed on the Bucharest Stock Exchange during an event . On 16 October 1997 – two years after the reopening of the stock exchange – ALRO's shares (BVB: ALR) were listed on the BVB's Regulated Market, making the company one of the longest continuously listed issuers, which has contributed since then to the image of the capital market, and standing as an example in terms of stability of a company.

October 2025

Seoul, South Korea

Alro participated in Seoul ADEX as an exhibitor, where Alro team held strategic meetings with its long term partners, as well as with new clients.

November 2025

Polytechnic University of Bucharest – Alro presence among future specialists and innovators

In November 2025, Alro participated as an exhibitor with MaterialFEST UPB. The event gathered students, professors and industry representatives and offered networking opportunities and information exchange. By its presence, Alro outlined its interest to support the young professionals and for the innovation regarding the technologies of materials.

We were also present with PoliJOBS UPB as an exhibitor, where Alro addressed to students and graduates by introducing its working environment and the career opportunities.

December 2025

Aerospace and Defense Meetings Torino

In December 2025, Alro participated as an exhibitor with the Aerospace and Defence Meetings Torino. By introducting its aluminium products, Alro aimed at promoting new business opportunities and at demonstrating its capacities to fulfill the high standards of the aerospatial sector.

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General information

ALRO S.A.

Company	ALRO S.A.
Company's address	116 Pitesti Street, Slatina, Olt County
Telephone number	+40 249 431 901
Fax number	+40 249 437 500
Registration number in the Trade Register	J1991000008282*
Fiscal code	RO1515374
Class, type, number and main features of the financial instruments issued by the company	Registered dematerialised and ordinary shares
Subscribed share capital, fully paid up	RON 356,889,567.5
The European Unique Identifier (EUID)	ROONRC.J1991000008282
Legal Entity Identifier (LEI) Code	5493008G6W6SORM2JG98
Organised market on which shares and stocks are traded	Bucharest Stock Exchange: Regulated Market (market symbol: ALR)
Total market value for each class of shares	Premium Tier Category 1,067,099,806.8[1] RON

ALRO Group – entities (as of 31 December 2025)

Company	Parent	Shareholding (%)
ALRO S.A.	Vimetco PLC	54.19
Alum S.A.	ALRO S.A.	99.40
Conef S.A.	ALRO S.A.	99.97
Vimetco Extrusion SRL	ALRO S.A.	100.00
Vimetco Trading SRL	ALRO S.A.	100.00
Stocare Energie Slatina SA	ALRO S.A.	99.00
CCGT Power Isalnita SA	Associate of Alro S.A.	40.10
Stocare Energie Tulcea SA	Associate of Alum S.A.	19.88

*Calculated based on the BSE quotation available on 31 December 2025 - the last day of 2025 when ALRO's shares were traded (713,779,135 shares * 1.495 RON/ share)*

Overview

Information about the Group

ALRO S.A. together with its subsidiaries (''ALRO Group'' or ''the Group'') is one of the largest vertically integrated aluminium producers in Europe, measured by production capacity.

ALRO ("the Company" or "the Parent-company") was established in 1961 under the form of a joint-stock commercial company following the Romanian Government Decision no. 30 of 14 January 1991 on the establishment of commercial companies in the non-ferrous metallurgy sector. The Company's administrative and managerial offices are located in Romania.

The Company was registered under the trade name "ALRO S.A." and has been listed on the Bucharest Stock Exchange ("BSE") since 16 October 1997. The Company's shares are traded on BSE under the symbol "ALR".

The major shareholder of ALRO S.A. is Vimetco PLC (Republic of Cyprus), which holds 54.19% of the Company's share capital. Vimetco PLC is a public limited company and the registered office of Vimetco PLC is at Navarinou, 18, Navarino Business Centre, Agios Andreas, 1100, Nicosia, Cyprus. The Company's ultimate controlling entity is Maxon Limited (Bermuda).

ALRO Group included the following companies at 31 December 2025:

Alro – manufacturer of aluminium – primary & processed ("FRPs") products (a company listed on the Bucharest Stock Exchange, Premium Tier Category);

Alum – producer of alumina (a company listed on BSE, ATS market, AeRo Category);

Vimetco Extrusion – extrusion business line;

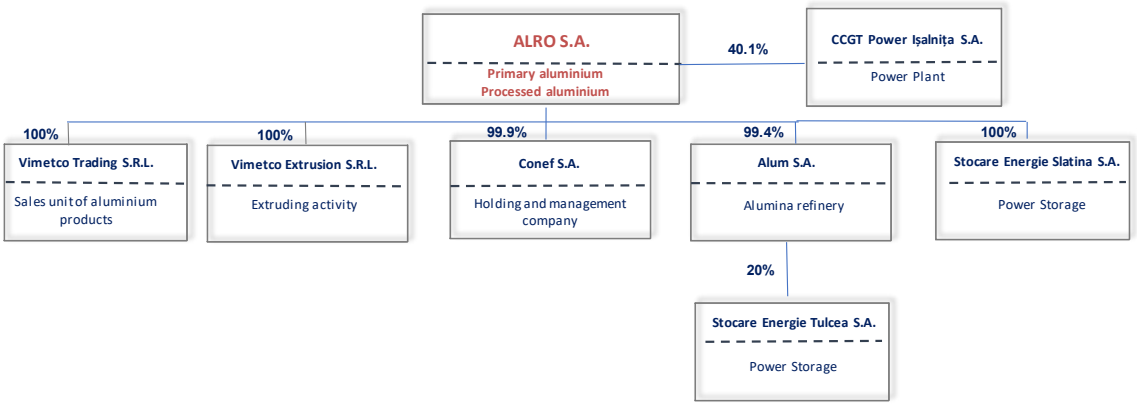
Conef – holding and management company;

Vimetco Trading – aluminium products sales company;

CCGT Power Isalnita SA – associate, electricity plant;

Stocare Energie Tulcea S.A. – associate of Alum, power plant and energy storage facility;

Stocare Energie Slatina S.A. – subsidiary of Alro, power plant and energy storage facility;



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The Group is vertically-integrated, with its operations being organized, for management purposes, in three segments:

Alumina, Primary Aluminium and Processed Aluminium. In this way, the resources are efficiently allocated and the segment performance is properly evaluated, while being the basis on which the Group reports information to its management.

Alumina segment consists of the Group's alumina production operations, which is the main raw material for aluminium smelting. This segment includes ALUM, where the refining operations are currently idled due to market conditions, while Alum acts like an agent of alumina acquisition for Alro.

The Primary Aluminium segment manufactures primary aluminium products such as wire rod, slabs and billets and mainly includes the Anodes section, the Electrolysis section, the Casting House and the Eco Recycling Facility.

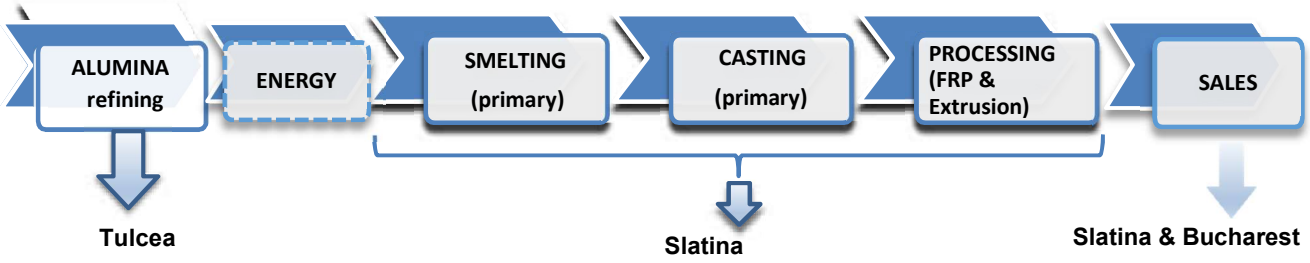
Processed Aluminium segment develops flat rolled products ("FRPs") such as plates, sheets, coils and strips, and extruded products.

Both smelting and processing mills are located in Slatina, while the alumina refinery is located in Tulcea Romania (Europe).

In the latest years, the Group has made a step towards diversification into the **energy** field by entering a joint venture arrangement with a power producer and forming CCGT Power Isalnita S.A.

In 2025, it founded founding two power storage companies in Tulcea (Stocare Energie Tulcea SA) and Slatina (Stocare Energie SA), respectively. These projects are yet in incipient stages.

The following chart shows the vertical flow of the Group's upstream and downstream divisions:



Alro receives alumina through ALUM, which negotiates it in the market for Alro, as long as the market prices are lower than its own cost of production.

	Function	*Capacities @ 31 December 2025*
Tulcea	Alumina refinery	600,000 tpa of alumina (temporarily idled)
Slatina	Smelting and Casting	265,000 tpa of electrolytic aluminium (4 of 6 potrooms currently idle) 112,000 tpa of recycled aluminium 313,000 tpa primary cast aluminium
Slatina	Processing	100,000 tpa of cold and hot FRPs and 35,000 tpa of extruded profiles

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In respect of ALRO, the Company is structured in **two divisions**:

The Primary Aluminium Division includes the Company's primary aluminium internal division, and comprises the anodes and electrolysis sections, the cast house, an Eco-recycling facility, repairs and spare part production units, road and rail transportation and other ancillary sections. After investing in modernizing its equipment and in new technology throughout the years, ALRO reached a production capacity of 265,000 tpa of electrolytic aluminium (out of which 180,000 tpa have been idle since 2022 by strategic decision). The Eco-Recycling has a smelting capacity of 112,000 tpa, and the Cast-House has a capacity of 313,000 tpa. At the same time, all necessary anodes for the electrolysis of alumina are internally produced.

The Processed Aluminium Division (FRP): the Group's facilities generally have a capacity of 100,000 tpa of FRPs (that depends on the specific product range produced at any one time) and 35,000 tpa of extruded products.

ALRO produces a diversified range of products, as detailed below:

- aluminium and aluminium alloy wire rod;
- aluminium and aluminium alloy billets;
- aluminium and aluminium alloy slabs;
- aluminium and aluminium alloy plates (heat treated and not heat treated);
- aluminium and aluminium alloy plates (heat treated and non heat treated) tailored to customers' specific formats, particularly targeting end uses from aerospace and general engineering sectors;
- aluminium and aluminium alloy sheets, coils and strips;
- aluminium alloy cladded sheets, coils and strips.

In 2025 we continued with the product portfolio expansion and made important steps in:

- internal qualification of 7475 T7351 plates – first trials delivered to Alro customers;
- internal qualification of the following plates for defense industry: 5083 H131, 7039 T651, 2519 T87. We performed ballistic tests with good results for 5083 H131 to an external laboratory and for 7039 T651 ballistic tests are scheduled for March 2026;
- regular deliveries of 2219 alloys to various service centres and OEMs, after successful qualification;
- regular deliveries for 2024 O cladded and non cladded sheets after successful internal qualification.

ALRO produces value added primary aluminium products for its customers and part of the primary aluminium production is also used as raw material by the processed aluminium facilities (the rolling mill). The Company sells aluminium alloys billets to its subsidiary, Vimetco Extrusion, that further produces extruded products.

Sales and market presence

ALRO Group is well positioned across multiple international industrial markets, with a strategic focus on increasing penetration in sophisticated sectors such as aerospace, automotive, marine, and construction. This is achieved through the development of high-value VHVAPs that command premium positioning. To meet the rigorous technical and manufacturing requirements of these industries, ALRO has made sustained investments in property, plant, equipment, and specialized expertise—an approach that continues to strengthen its product portfolio.

New clients, new markets, cient mix optimization

Our sales during 2025 have concentrated on expanding our presence in the overseas markets, primarily North America (in particular US and Mexico) but also in the Asian markets, especially in India, Vietnam and South Korea.

We have enriched our clients portfolio, thanks to new deals concluded with players in the distribution and processing market in aerospace & defence business, despite the geopolitical uncertainties and increased market volatility. Most of the deals concluded in the first half of 2025 have turned into new partnerships with regular orders and deliveries and substantial potential to be unlocked on a medium and long term horizon. While our clients portfolio structure has not witnessed any major changes throughout last year, we have succeeded in increasing our footprint in the aerospace and defence sectors, thanks to the new contracts concluded either with OEMs or their tiers and enabled suppliers in the supply chain from Israel, India, South-East and East Asia.

Our developments in the European markets have also contributed to a better structure of our clients portfolio, with a special emphasis on the plate business development and optimization on the sheets&coils business, by targeting markets much closer to our production facility, from a geographical standpoint.

Products/sales mix improvement

In 2025 we have had our best sales mix so far, with the very high and high value added products share in total FRP sales up 4.5% vs 2024, to a total share of 64%. The plates sales have also increased to 71% from total FRP sales, while sheets and coils sales have decreased to 29%. Heat treated plates in total plates sales have reached a new level of 82%, with the remaining percentage of 18% being represented by sales of non-heat treated alloys.

Pricing/competitors

From a pricing perspective, 2025 was a very challenging year, considering that:

- in the US we were impacted twice (first in March and then in June) by the new import tariffs imposed by the Trump administration, 25% and 50% respectively. Despite these barriers, our sales continued throughout the entire year;

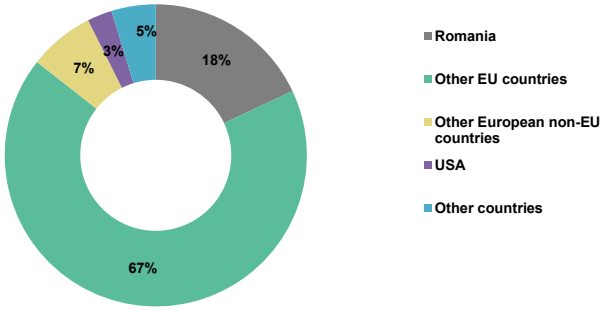
- in the Asian markets we are still competing against major Chinese & Russian mills (generally speaking for non-aerospace or military projects), with much lower prices. Product and services quality have made the difference and new deals were secured despite the tight competition;

- in Europe (and mainly EU markets), we can say that probably

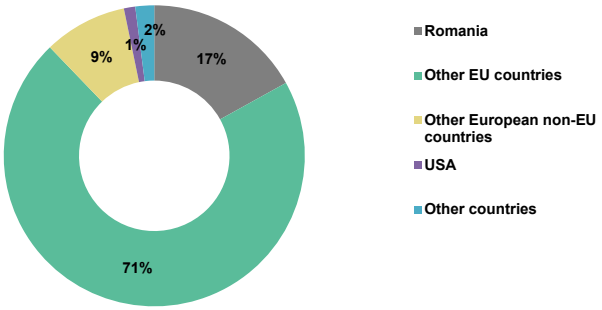
2025 was the most challenging one and competition between Alro and several main European rolling mills was extremely tight in our attempt to increase our market share. Conversions remained almost at the same level as in 2024, while the sales price have improved, helped by the appreciation of the LME quotation.

Alro boosts to be one significant exporter of Romania, with an impressive percentage of 82% of its sales being delivered outside the country. The geographical distribution of Alro group sales shows a significant presence in Europe (including non-EU countries and the Romanian market).

Alro Group Sales by geographical location 2025 (RON th)



Alro Group Sales by geographical location 2024 (RON th)



Alro's Marketing Department is fully committed to promoting the company's products by anticipating market trends and supporting the Sales division in delivering value to Alro's clients. Through active participation in conferences and industry events, Alro aims to expand its client base, identify new business opportunities, and promote its existing product portfolio. In 2025, Alro increased its involvement in global fairs and events, participating both as an exhibitor and as a visitor, including:

- Aero India 2025, where it participated in February 2025. Thus is a biennial air show and aviation exhibition held India, organised by the Defence Exhibition Organisation, Ministry of Defence.
- Adriatic Sea Defense and Aerospace in Zagreb, Croatia, in April 2025. This is the international tri service Defence, Aerospace and Security exhibition, which takes place every two years in order to gather the whole offer and demand of the domains. Alro as a visitor pursued the consolidation of the relationships with NATO partners and regional partnerships.
- Feindef 2025, in May 2025, in Madrid, Spain. The International Defence and Security Exhibition of Spain, FEINDEF, is a biennial event organized by the Feindef Foundation and institutionally supported by the Ministry of Defence. Alro as a visitor pursued the increase of its awareness in the Western Europe and positioning itself as a strategic supplier.
- Aerospace and Defence Meetings Central Europe – Rzeszow in May 2025, a matchmaking program for the aerospace & defense industries, BtoB meetings, high-level conferences and workshops.
- Paris Air Show - Salon International de l'Aéronautique et de l'Espace du Bourget, in June 2025, the International Paris Air Show organized by SIAE, a subsidiary of the French Aerospace Industries Association (GIFAS). It is the largest event in the industry, bringing together stakeholders from around the world. The event embodies excellence, innovation, and international cooperation in the aerospace sector;
- IDEF International Defence Industry Fair Turkey, 22-27 Iulie, 17th edition, an internationally prestigious event showcasing the latest technological advances and products in the defense industry. Bringing together key leaders from the defense sector, IDEF serves as a platform for exploring future defense technologies and strengthening strategic partnerships.
- DSEI UK, 9 - 12 September 2025, a defense and security–focused exhibition that showcases various industry sectors, encourages collaboration, and features exhibitions, networking activities, and conference sessions — providing a unique platform for in-depth discussions and integrated solutions that address the complex challenges facing the defense and security sectors.
- Seoul ADEX, 20 – 24 October 2026, where the ALRO team engaged in strategic meetings with its long-term partners and new clients;
- Aerospace and Defense Meetings Torino, 2 - 4 December 2026: ALRO participated as an exhibitor at the Aerospace and Defense Meetings in Turin. By showcasing its aluminum products, ALRO aimed to promote new business relationships and demonstrate its capability to meet the high standards of the aerospace sector.

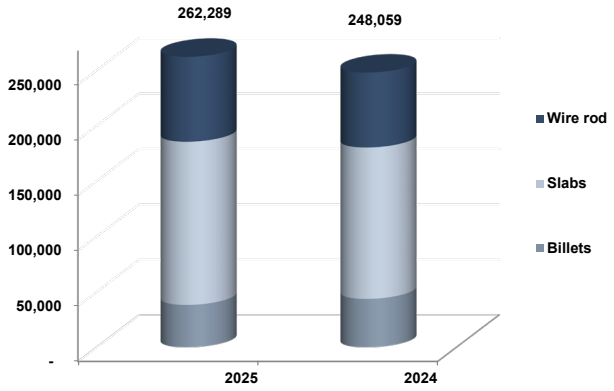
Alro's regular participation in major industry events—whether as an exhibitor or attendee—has been crucial for identifying and pursuing growth opportunities, particularly in the high value-added product segment. These engagements play a direct role in supporting our long-term strategy, which emphasizes product differentiation and maintaining market relevance. We remain focused on expanding our portfolio of advanced solutions to address the increasingly specific requirements of sectors such as aerospace and defense. Our efforts have yielded concrete results, including new business partnerships and ongoing technical and commercial discussions with a wide range of stakeholders, from OEMs and engineering firms to service centers and distributors. By staying agile in response to changing market conditions and evolving customer expectations, we continue to strengthen our global presence and cultivate resilient, long-term collaborations.

Production

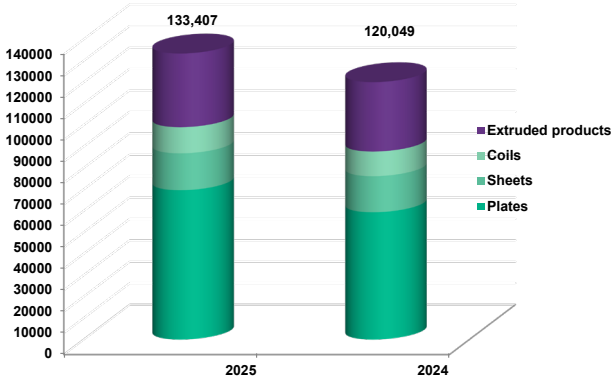
In 2025, Alro continued to surpass production volumes from the previous period, driven by sustained investments in its manufacturing processes, increased industry visibility, its reputation as a reliable high value-added producer and supplier, and the active involvement of the new management team in production operations. The company produced 72,690 tonnes of electrolytic aluminum in 2025, up from 68,252 tonnes in 2024, supporting the growth of its processed products output. Additionally, investments in eco-recycling capacity have begun to deliver tangible results, with liquid aluminum production from scrap rising to 106,595 tonnes in 2025, compared to 92,076 tonnes in 2024. As a result, Alro increased the availability of primary aluminum for both sales and further use in FRP production, from 248,059 tonnes in 2024 to 262,289 tonnes in 2025.

The FRP output (flat rolled aluminium products) was 11% higher in 2025 than in 2024. The 2025, production structure demonstrates strong overall expansion, growth across all product, categories, particularly strong performance in plates, stable diversification across product segments. This substantial growth was supported by large order volumes, reflecting customers' confidence in the company's ability to deliver high-quality products. This performance is a direct result of the strategic investment projects implemented by the Group.

Primary Aluminium Production (tonnes)



Processed Aluminium Production (tonnes)



The Group's subsidiaries hold several certifications. For example, ALRO is ISO 9001, ISO 14001, ISO 45001, ISO 50001 certified and has NADCAP certifications for non-destructive testing, laboratory tests and special processes, as well as EN 9100 certification for aerospace production, and the IATF 16949 certification for automotive industry, with its products being certified according to the applicable international standards for quality (e.g. CE Mark for products used in construction, Pressure Equipment Directive/2014.68/EU - acc AD2000 – Merkblatt, certification for the products used in the marine industry). For more information in this respect, please see the websites of ALRO and of each of the Group's subsidiaries.

In 2025, ALRO Group successfully passed all the third parties and customers audits:

Surveillance audits:

- Integrated system audit based on ISO 9001, ISO 14001, ISO 45001 standards, carried out by SRAC;
- Automotive audit, based on IATF 16949 standard, conducted by DQS GmbH;
- CE Marking audit (according to EN15088 standard), carried out by TUV-SUD;
- Audit for pressure vessels based on AD 2000 Merkblatt standard, carried out by TUV-SUD.

Recertification audits:

- Audit based on ISO 50001 standard, carried out by SRAC;
- AERO audit, according to SAE/AS 9100D/ EN 9100:2018 standard, conducted by DQS GmbH;
- Marine product audit, conducted by DNV;
- Nadcap audit for thermal treatments (including HT, conductivity and laboratory tests for which we maintained the "Supplier Merit" status;
- Audit based on Aluminium Stewardship Initiative (ASI) performance standard version 3.1, performed by DQS CFS;
- NADCAP audit for nondestructive testing (NDT UT) for which we maintained the "Supplier Merit" status.

Investments

The Investment Programme was approved by the General Shareholders' Meeting on 29 April 2025.

Alro investment achievements in 2025 included the completion of some projects that had been started prior to 2025 and also the commencement of new investments, with the following main objectives:

- Increasing ALRO SA profitability by ensuring the equipment necessary to diversify the range of value added products (cast plates and precision plates) corresponding as close as possible to the customers' requirements in terms of dimensions, thus adding value to the metal produced by ALRO prior to be marketed;
- Continuing the programs for improving the energy efficiency of the equipment and technological processes;
- Continuing the strategy for increasing the percentage of high value added products in the production mix, namely wire rod in ALRO Primary Aluminium Division

and flat rolled products in ALRO Processed Aluminium Division;

- Reducing the carbon print of the process activities in ALRO Processed Aluminium Division;
- Supporting the existing process and current production capacity by providing safe and reliable equipment/ operating conditions for the technological processes, in accordance with the maintenance schedules and standard regulations.

Amongst the major achievements, in 2025 the equipment was commissioned within the investment project called "Increasing the efficiency of aging operations by replacing its furnaces with a new aging furnace", which is directed towards increasing the energy efficiency and involved the purchase and installation of a CO_2 emission-free electrical furnace to replace three gas-fired furnaces. The new heat treatment furnace for artificial aging equipped with electric heating systems was commissioned and the acceptance tests were performed in June 2025. The start-up of the aging furnace for the specific heat treatments of aluminium products, powered by electricity without CO_2 emissions, allows ALRO SA to optimize the process of heat treatment (artificial aging) which the aluminium products undergo, through increased efficiency and a more precise control of temperature and other critical parameters, which will lead to a more efficient output of top quality high added value aluminium. Furthermore, this electrical aging furnace has replaced three outdated gas-fired furnaces, this being a significant step in increasing the energy efficiency of the technological processes and strengthening the Company's efforts to produce low carbon aluminium, suitable for future market requirements.

This project, together with the revamping of the induction furnace and installing a water cooling / recirculation system ("Improving the energy efficiency of the Repair and Spare Parts Section (SRPS)") which was commissioned in February 2025 and with the 50 smelter pots relined with AP12LE technology in the 2025, are part of Alro's constant effort of upgrading its industrial processes to improve its energy efficiency in accordance with the strategic goal of becoming a greener producer and providing sustainable products.

As a result of increasing its secondary aluminium production in order to improve the energy performance of the Company, ALRO started a new project in the Cast House, aiming to increase its melting capacity by installing a 60T furnace. This investment was implemented to provide greater flexibility in the melting process of scrap/ingots in the Cast House, thereby increasing the metal available to meet ALRO's customer requirements for aluminium wire and flat-rolled aluminium alloy products. Both products have high added value and are part of the product range on which ALRO's sales strategy focuses. Furthermore, this project, along with investments aimed at optimizing melting capacities in the Scrap Melting Facility and Cast House, by adapting furnaces to the quality of scrap available on the market, allows for more efficient segregation of different alloy types per furnace. This increases the total aluminium scrap melting capacity to over 100,000 tons per year and directly contributes to the company's alignment with circular economy objectives, carbon footprint reduction, and energy consumption efficiency.

Since February 2024, CCGT POWER IȘALNIȚA S.A. (SPV) has had a financing contract in place with the Ministry of Energy, in the framework key programme - Construction of combined cycle gas turbine (CCGT) electric capacities that can be adapted to run on hydrogen, necessary to achieve the transition from coal and to balance the network. The project benefits from funding from the Modernization Fund of the Romanian State and the value of the contract is EUR 253 m. The EPC (Engineering, Procurement & Construction) and LTSA (Long-term service agreement) contract award procedure for this project was restarted in March 2025 with quotations submittal deadline in January 2026. No offers were received by this term, and currently the SPV is contemplating ways to advance the project, increasingly aligning its strategy with the latest sustainability developments.

After implementing in 2024 the project "Long-term development of ALRO SA through achievement of sustainable investments" under the De Minimis Aid Scheme "Support for the implementation of the Program for the increasing of the industrial products competitiveness", in 2025 Alro received the last of the four payments totalling EUR 180,084.84, as per the financing contract 29 /RUC/MEAT/28.12.2023 concluded with the Ministry of Economy, Entrepreneurship and Tourism, as Administrator of the De Minimis Aid Scheme.

With the equipment procured under this project, namely: laboratory mill with grinder and pestle, milling cutter for non-ferrous metals, XRF spectrometer, X-ray diffractometer, modernization of the traction machine specific for analysis in the physico-chemical testing laboratory, calcination furnace for samples, Alro has considerably increased the capacity of its testing and calibration laboratories adding high-performance equipment in line with the requirements of the Community standards and provisions in the field of application.

Among other achievements to be noted, in 2025 the company has also upgraded the SCADA system on the billets casting machine (i.e. the Supervisory Control and Data Acquisition), as well as the software and process computers on the anode baking furnace CC4 in the Primary Division. In addition, the electric panels related to the roller gears on Hot Rolling Mill in the Processing Division were modernised, and the capacitor banks in both divisions were replaced in order to reduce the reactive energy consumption, all these actions being made in accordance with the continuous improvement programmes.

Projects for increasing the percentage of HVAPs and VHVAPs

Alro has remained focused on consolidating its position on the international markets, targeting new market segments and customers, by continuing the investments in technology that will bring the company closer to the end customers of our products, in terms of dimensional requirements, with Alro being thus able to offer tailored solutions for sophisticated industries. In this respect, in 2025, Alro continued the project "Development of ALRO product portfolio by purchasing a processing equipment for precision plates longitudinal cutting and milling". The equipment for milling precision plates was delivered in December 2025, while the other equipment is still in the manufacturing phase, with a scheduled delivery in Q2 2026. Additionally, in December, services for the execution of foundation works were contracted, with work set to begin in January 2026.

Two projects will bring additional benefits in terms of quality and process control for the Processing Division, namely the Double-Sided Conductivity Scan for Aluminium Plates commis-

sioned in June 2025 and the Ultrasonic Scanning System II, an ultrasonic non-destructive testing system that plays a key role in ensuring one of the most important requirements in the casting and hot rolling processes of aluminium and aluminium alloys plates, namely the repeatability of product quality.

In the Primary Aluminium Division, Alro has implemented the project called "Modification of the billets casting machine such that it can cast both billets and slabs" for increasing the slab production capacity in order to ensure the metal required for the production of flat-rolled products and for the development of the segment of cut-to-size products and precision plates demanded by customers. As a result of the implemented modification in November 2025, ALRO will have greater flexibility of this installation in the future, which will be able, depending on requirements, to produce both billets and slabs from soft–medium alloys (1xxx, 3xxx, 4xxx, 5xxx, 6xxx).

It also purchased a band saw for aluminium alloy slab cutting, another HVA/VHVA project aimed at providing the critical slab production capacities for the coming period so as to fulfil the objectives of ALRO's strategy of increasing the percentage of high value added products (flat rolled products) in the production mix and deliver the estimated production level. The equipment was delivered and installed in Q4 2025, with commissioning scheduled for Q1 2026.

Climate-change consideration from production and investments perspective

As part of Alro's strategy to secure its own energy production from sustainable resources, in 2023, Alro signed the sales, design and manufacturing contract for the investment project called "Increasing the energy efficiency of ALRO S.A. electricity supply system by installing a photovoltaic power plant in the parking lot of ALRO S.A., 116 Pitești Street", a project consisting in the installation of a photovoltaic power plant with a capacity of 1,460.5 kW on a carport structure and two electric charging stations on the Alro Primary Aluminium Division parking space. For the implementation of the project, in 2024, the Town Planning Certificate for PUZ was obtained and in May 2025, the Opportunity Permit was issued by the Slatina City Hall. The Opportunity Permit indicates all the permits that must be obtained and the studies that must be elaborated in order to obtain the PUZ. The procedure continues with the elaboration of the documentation to obtain the necessary permits and related studies. By the end of 2025, 5 permits and 3 studies out of a total of 26 requested remained to be obtained, with a completion deadline in 2026.

Based on the strategy of increasing the energy efficiency and maximizing the reuse of resources in order to become a greener, more sustainable aluminium producer, Alro continued the energy efficiency programmes in 2025 and commissioned the project "Improving the energy efficiency of the Repair and Spare Parts Section (SRPS) by upgrading the induction furnace and installing a water cooling / recirculation system" in February 2025. This improves the energy efficiency in this production department by using advanced, energy efficient equipment and increased recirculation of the industrial water, thus reducing both energy and water consumption.

In Conef, the procedure for obtaining the Environmental Permit for the CCGT project intended for domestic electricity production was completed, with the permit issued in July 2025. Additionally, in December 2025, the update of the Feasibility Study was finalized to support the next stages of project implementation from a technical, economic, and strategic perspective. In 2026, the process of obtaining the Technical Connection Permit (ATR) to the National Energy System is scheduled to begin.

As concerns Stocare Energie Slatina, namely the project „Efficient energy storage system equipped with batteries connected to the power grid" (BESS), in August 2025, the Town Planning Certificate was issued, and the Environmental Permit was obtained in December 2025. Additionally, the contract for the preparation of the Solution Study for the Connection to the National Energy System was signed; the study was completed and submitted to Transelectrica in December 2025 to obtain the Technical Connection Permit (ATR). In parallel, the update of the Feasibility Study was initiated.

RTA project (AP12LE – advanced low energy technology for electrolysis)

ALRO Group is committed to continue its energy efficiency programme as part of a safe, responsible and profitable business, one of the Group's major projects being the implementation of AP12LE technology over the next years, until all the smelter pots are relined with this advanced, low energy technology, which is being implemented in collaboration with Rio Tinto Aluminium Pechiney. The contract for this project was concluded in 2018 with Rio Tinto Aluminium Pechiney, the company who developed this technology and the AP12LE pot design is based on RTA "Brick Technology" approach and uses new relining materials, cathodes, busbar assemblies and slotted anodes. This innovative technology is expected to bring energy efficiency and environmental benefits to the electrolysis sector, the sector with the highest energy consumption of all ALRO processes and aims at reducing the specific energy consumption by approximately 300 kWh/tonne of aluminium, while maintaining the same level of pot production. In 2025, 32 pots were relined, as planned, bringing the total to 302 smelter pots since the beginning of this project.

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Procurement and Logistics ("PLD")

The first half of 2025 was characterized by a slow down of global economic growth, which also impacted commodity prices. Heightened trade tensions, international conflicts and rising U.S. tariffs contributed to the slowdown in global economic growth and impacted commodity markets. Trade policy uncertainty and climate change also posed challenges for commodity markets, disrupting supply chains and increasing volatility.

Cost reduction and strategy implemented in this respect

Prices of raw materials, although having recorded a small decrease compared to 2024, remained at high levels.

In 2025, our main objectives were:

- control of main raw materials prices and keeping a safe supply chain; the expenditures with main raw materials in 2025 (excluding alumina and aluminium ingots) were reduced by about 3% compared to 2025 budget, considering only the price difference;
-Alro's main reaction to high electric energy price is efficient recycling of aluminum scrap both internally generated and acquired from domestic and European suppliers. The acquisition price of aluminium scrap increased in 2025 vs 2024 by about 4% in terms of percentage of LME; and by 1.4% compared to the 2025 budget. In aggregate, with the investments in scrap processing, it means that Alro managed to secure a reliable and cost efficient alternative source of liquid metal;

-acquisition of 81,000 metric tonnes of aluminium ingots from the market to offset the impact of the temporary production shutdown of the 3 electrolysis lines.

- acquisition of 142,000 mt of Alumina from market to compensate for the suspension of ALUM's production activity;

-planning and scheduling in order to avoid stock outs or over stocks and where possible dual and/or multiple sourcing in order to improve supply assurance;

-to ensure the quality of goods and services.

Climate change considerations from the procurement perspective

Requirements by the Chinese Government, urging the magnesium sector to make technological upgrades for transforming the current set-up into a more eco-friendly one had a heavy impact on magnesium availability especially at the beginning of 2022 and also an extreme price increase. This impact on availability and price surge was due to the fact that China is a major player in worldwide magnesium production accounting for abt 85% of world production. According to China's Ministry of Industry and Information Technology, nonferrous sector CO_2 emissions must be reduced with 18%, between 2021-2025 and by 2025 abt. 4,000 non-ferrous metal furnaces must be upgraded to target a clean production, with an aim to meet carbon neutral goals by 2030. New projects to produce magnesium outside China are under analysis/ development (Australia, Romania), contributing to partial release from chinesse producers.

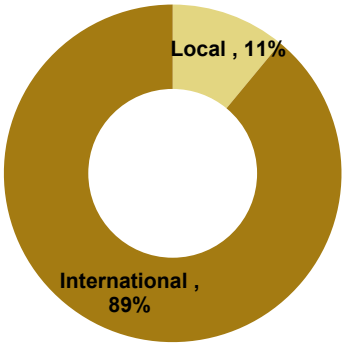
Aquisition of aluminium ingots has to be performed considering the exclusion of the coal-fired power smelter brands.

The impact of current geo-political context on procurement

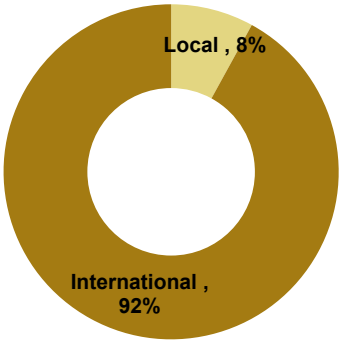
The main consequences of the actual geopolitical context are the inflated prices for main raw materials and all other auxiliary materials (metallurgical products, electrical and mechanical items, consumables and so on), the increase of lead time and also the high operating costs in Constanta Port.

Raw materials acquisition structure, including alumina, shows 11% coming from local market and the balance of 89% from overseas.

Acquisition structure for main raw materials (2025)



Acquisition structure for main raw materials (2024)



All raw materials ALRO purchases from domestic and/or foreign suppliers are in strict compliance with European Union (EU) safety and environmental protection legislation including, but not limited to, European Commission (EC) legislation No.1907/2006 (REACH) and EC legislation no. 1272/2008 (CLP).

Financial and economic review

ALRO GROUP

Financial review

Resilient Revenue Growth in a Volatile Market

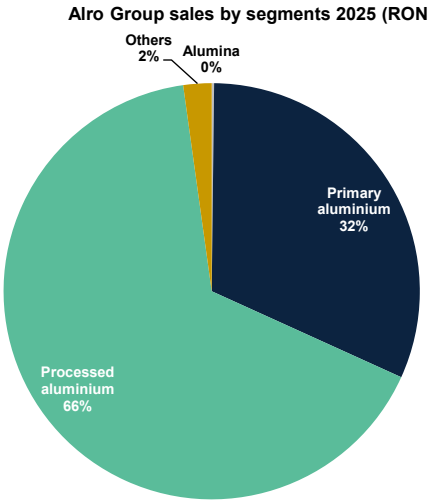
In 2025, Alro Group delivered strong top-line growth, with revenue increasing by 14% to RON 3,895,743 thousand compared to RON 3,408,037 thousand in 2024, with an emphasis on value added products (volumes of FRP sold are by 10% higher) and on the sustainable processes (a production of liquid aluminium by 16% higher, i.e. from recycled scrap instead of the energy intensive electrolytical aluminium). This performance reflects sustained demand across key markets, effective commercial strategy, improved sales volumes and pricing execution and strengthened customer relationships. The ability to grow revenue in a challenging macroeconomic and commodity environment demonstrates the Group's market positioning and operational continuity.

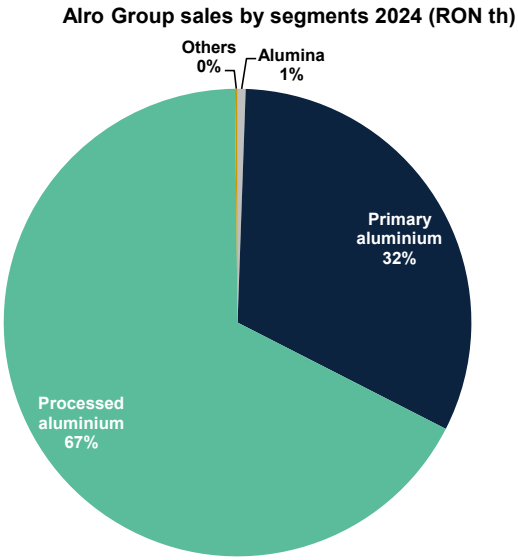
Solid Operational Activity Amid Margin Pressures

Gross result of the Group reached RON 155,384 thousand in 2025. While gross margin moderated to 4%, this reflects broader industry cost pressures rather than structural weaknesses. The Group successfully maintained production continuity, managed supply chain volatility, absorbed cost fluctuations while protecting market share. Importantly, revenue growth outpaced structural cost expansion, indicating a scalable operational platform.

In 2025, **sales** of aluminium products rose firmly, with processed aluminum products witnessing a 8.4% growth in sales volume and primary aluminum products experiencing a rise of 5.4% compared to 2024.

The Group sales structure was the following:





The **Cost of goods sold** increased by 16%, reflecting the high input costs that the Group must face (utilities and raw materials), and the **gross margin** was of 4% in 2025 compared to 5% in 2024.

Strengthened Underlying Operating Structure

General, administrative and selling expenses remained well controlled at RON 372,651 thousand, broadly in line with the prior year's RON 367,411 thousand. This stability demonstrates strong cost discipline, operational efficiency and effective overhead management. Although operating result was impacted by lower non-recurring operating income compared to 2024, the underlying cost base remains stable and well managed.

In 2025, the Group recognized government grants of RON 421,156 thousand representing the compensation to which the Group is entitled for the high electricity costs incurred during the reporting period, based on EU Emissions Trading Scheme (ETS) (in 2024: government grants of RON 302,382 thousand). However, these amounts are diminished by the difference between the estimate and the actual amount cashed for the prior year (RON 59,084 thousand in 2025 and RON 53,621 thousand in 2024). Further details are provided in **Note 8 Other operating income** to the Consolidated Financial Statements. Additionally, in 2024, the Group obtained revenues from the sale of carbon dioxide emission certificates of RON 195,948 thousand, not recurring in 2025.

In Alro Stand-alone figures, an Impairment of investments in subsidiaries of RON 67,895 thousand was recognized for the investment in Alum, following the Company assessment of the recoverability of financial investments as at 31 December 2025 that considered developments in the aluminium industry, the decrease in benchmark alumina prices, the continuing volatility in regional demand and pricing dynamics (please see further details in Note 16 *Investments in subsidiaries* to the Consolidated financial statements).

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EBIT decreased to RON 48,950 thousand in 2025 from RON 225,137 thousand in 2024, which can be attributed mainly to the lower operating income mentioned above.

The **financial result** in 2025 is improved: interest expenses decreased compared to the prior year by 5% reflecting lower interest rates and the **net foreign exchange** moved from a loss in 2024 to a gain of RON 65,845 thousand in 2025 due to the main currencies value in the end of the years.

The **result before tax** was negative, i.e. RON 23,829 thousand in 2025, from a positive one of and RON 29,277 thousand in 2024. The **Income tax** was RON 23,163 thousand for 2025 compared to an expense of RON 18,940 thousand for 2024 (further details are provided in Note 12 to the Consolidated financial statements).

Income tax: in 2025, the Current income tax included an amount of RON 6,380 thousand (in 2024: RON 5,759 thousand), representing the minimum turnover tax (IMCA). Under Law no. 296/2023, enacted in 2024, companies with an annual turnover exceeding EUR 50 million are required to pay a minimum tax of 1% of turnover if the calculated profit-based income tax is lower than this amount. At the same time, Alro was subject to the Additional Turnover Tax (ICAS) of 0.5%, applicable to entities operating in the oil and natural gas sectors, as per the provisions of Law No. 296/2023 and Law No. 290/2024, resulting in an expense of RON 18,833 thousand (2024: an expense of RON 17,185 thousand), recorded under Taxes other than income taxes within *General, administrative, and selling expenses* (see Note 7 to the Consolidated Financial Statements for 2025).

Bottom line, despite the fact that the core revenue generation strengthened materially, the expansion into new markets and new sofisticated products, the financial discipline and cost structure remaining stable and controlled, the Group recorded a net loss of RON 46,992 thousand in 2025 from a profit of RON 10,337 thousand in 2024. The adjusted net result for the period was positive, RON 11,565 thousand in 2025 (in 2024 positive RON 15,312 thousand). Alro Group obtained an EBITDA of RON 219,134 thousand in 2025 (RON 344,645 thousand in 2024).

As for the **Adjusted Net Result** at ALRO Group level, and for ALRO, respectively, the reconcilliations are detailed below:

ALRO GROUP

Description (RON th)	2025	2024
NET RESULT	**(46,992)**	**10,337**
Impairment of non-current assets	51,300	1
Plus/(minus) the loss/(gain) from derivative financial instruments that do not qualify for hedge accounting	(367)	-
Plus/(minus) deferred tax expense/ (income)	7,624	4,974
ADJUSTED NET RESULT	**11,565**	**15,312**

ALRO

Description (RON th)	2025	2024
NET RESULT	**(45,573)**	**15,321**
Plus/(minus) charge/(reversal) of investments impairment expense/ (income)	68,734	-
Plus/(minus) deferred tax expense/ (income)	7,874	3,998
ADJUSTED NET RESULT	**31,035**	**19,319**

ALRO GROUP

Description (RON th)	2025	2024
EBIT	**48,950**	**225,137**
Depreciation, amortisation and impairment	170,184	119,508
EBITDA from continuing operations	**219,134**	**344,645**

ALRO

Description (RON th)	2025	2024
EBIT	**39,730**	**217,703**
Depreciation, amortisation and impairment	167,013	96,925
EBITDA	**206,743**	**314,628**

Alro on a stand-alone basis recorded a turnover of RON 3,645,334 thousand in 2025 (higher than the RON 3,202,739 thousand for 2024), an EBIT of RON 39,730 thousand (in 2024 a positive EBIT of RON 217,703 thousand) and a net loss for the year of RON 45,573 thousand (compared to a net profit in 2024 of RON 15,321 thousand). The adjusted net result for Alro stand alone was RON 31,035 thousand for 2025 and RON 19,319 thousand for 2024, respectively. Alro alone obtained an EBITDA of RON 206,743 thousand in 2025 and RON 314,628 thousand in 2024.

The Group's total **assets** were RON 3,215,496 thousand as of 31 December 2025, compared to RON 3,247,654 thousand as of 31 December 2024. For Alro stand-alone, total assets amounted to RON 3,005,656 thousand at 31 December 2025, compared to RON 3,023,705 thousand at 31 December 2024.

The Group's **non-current** assets were RON 1,374,107 thousand as of 31 December 2025, compared to RON 1,438,038 thousand at 31 December 2024, with no significant movements on categories. For Alro stand-alone, non-current assets were RON 1,301,788 thousand at 31 December 2025, compared to RON 1,373,568 thousand at 31 December 2024.

The Group's **current assets** increased to RON 1,841,389 thousand at 31 December 2025, compared to RON 1,809,616 thousand at 31 December 2024. Similarly, Alro stand-alone reported RON 1,703,868 thousand at 31 December 2025, compared to RON 1,650,137 thousand at 31 December 2024, being the key driver of Group figures. At Group level, current assets were affected by:

- an increase in inventories to RON 959,447 thousand (2024: RON 877,180 thousand),
- an increase in trade receivables to RON 90,700 thousand (2024: RON 79,302 thousand), offset by:
- a decrease in cash and cash equivalents to RON 247,517 thousand (2024: RON 431,303 thousand).
- a increase in other current financial assets to RON 474,739 thousand (2024: RON 378,396 thousand), mainly compensation for energy costs booked in **Other current financial assets**, which is RON 421,156 thousand at 31 December 2025 and was RON 302,382 thousand at 31 December 2024. In December 2025, the Group collected RON 243,298 thousand as compensation for the electricity costs incurred in 2024 and recognized on an accrual basis as at 31 December 2024. Further details are provided in ***Notes 8 Other income*** and ***23 Other current financial assets*** to the Consolidated Financial Statements of Alro for 2025.

The Group's total liabilities were RON 2,253,005 thousand at 31 December 2025, compared to RON 2,237,115 thousand at 31 December 2024. For Alro stand-alone, total liabilities amounted to RON 2,170,387 thousand at 31 December 2025, compared to RON 2,141,804 thousand at 31 December 2024.

Non-current liabilities at Group level decreased significantly to RON 670,159 thousand (2024: RON 1,551,321 thousand), mainly due to the decrease in **bank and other loans, non-current**, which amounted to RON 573,501 thousand (2024: RON 1,452,321 thousand). At the same time, current liabilities increased to RON 1,582,846 thousand (2024: RON 685,794 thousand), primarily driven by the increase in **bank and other loans, current**, to RON 883,895 thousand (2024: RON 96,069 thousand), and an increase in **trade and other payables** to RON 554,643 thousand (2024: RON 443,242 thousand). At stand-alone level, non-current liabilities decreased to **RON 627,734 thousand** (2024: RON 1,497,878 thousand), while current liabilities increased to **RON 1,542,653 thousand** (2024: RON 643,926 thousand), reflecting the same structure of decrease in long-term loans and increase in short-term borrowings.

At 31 December 2025 the Parent Company classified an amount of RON 703,349 thousand representing loans with maturity in November 2026, from Bank and other loans, non-current, where they were included at 31 December 2024, to Bank and other loans, current. The Group intends to prolong these loans. Apart from this, the Group balance of loans decreased due to the repayment of instalments to banks according to schedules.

At 31 December 2025, the Group had the amount of RON 100,204 thousand undrawn and available from the borrowing facilities contracted with the banks (at 31 December 2024: RON 37,996 thousand), of which RON 54,317 thousand was available to the Parent Company. The Group had also an amount of RON 93,025 thousand unutilized and available from the non-cash facilities for letters of credit and letters of guarantee totaling RON 344,251 thousand (at 31 December 2024: RON 99,613 thousand from a total of RON 357,304 thousand).

According to the existing borrowing agreements, the Group is subject to certain restrictive covenants. These covenants require the Group, among other things, to refrain from paying dividends to its shareholders unless certain conditions are met, and to maintain a minimum or maximum level for certain financial ratios, including: debt service coverage ratio, net debt to EBITDA, net debt to equity, current ratio, net financial debt to shareholders equity, solvency ratio, interest cover ratio and total net leverage ratio that have to be reported at 30 June and 31 December each year. At 31 December 2025, the Group was in breach with one of the covenants in respect of several loans. The Group discussed the situation with the banks and received the necessary waivers before year end. Also, the Parent company was in breach with one of the covenants in respect of a loan for which the necessary waiver was received after the year end, so this loan was classified as due in less than one year. Further details are provided in Note 28 to the Consolidated financial statements.

In 2025, the net **cash** generated from **operating** activities was RON 12,126 thousand for Alro Group, compared to RON 423,092 thousand generated in 2024. For Alro stand-alone, the Company recorded net cash used in operating activities of RON 14,970 thousand in 2025, compared to RON 469,392 thousand generated in 2024. The significant decrease in operating cash flow in 2025 was mainly driven by changes in working capital, particularly the increase in inventories (to sustain the increased production and reflecting higher raw material costs), partially offset by favourable foreign exchange differences and lower interest paid compared to 2024.

The net **cash** used in **investing** activities amounted to RON 139,493 thousand in 2025, compared to RON 241,632 thousand in 2024, as the Group pursued its strategic objectives of diversification, quality, efficiency. The higher outflow in 2024 was mainly influenced by the investments in associates, which did not recur in 2025. At Alro stand-alone level, net cash used in investing activities was RON 125,990 thousand in 2025, compared to RON 231,286 thousand in 2024.

The net **cash** used in **financing** activities in 2025 was RON 56,419 thousand for the Group, compared to net cash generated of RON 43,717 thousand in 2024. For Alro stand-alone, net cash used in financing activities amounted to RON 45,628 thousand in 2025, compared to RON 24,933 thousand generated in 2024. Cash inflows from financing activities represent mainly proceeds from new loans, while outflows reflect the repayment of loans and leases. In 2024, financing cash flows were positively impacted by significant loan drawdowns, whereas in 2025 repayments exceeded new borrowings.

As of 31 December 2025, the Group reported **cash and cash equivalents** of RON 247,517 thousand, compared to RON 431,303 thousand at 31 December 2024. At Alro stand-alone level, cash and cash equivalents amounted to RON 236,732 thousand at 31 December 2025, compared to RON 423,320 thousand at 31 December 2024.

Alro GROUP Operational Overview

ALRO Group

In 2025, Alro Group maintained the reduced production level introduced in 2022, operating only 2 of its 6 electrolysis potrooms. The shortfall in primary aluminium was offset through market purchases of finished aluminium and by expanding scrap remelting operations. At the same time, the alumina refinery at Alum Tulcea continued to remain largely inactive, producing only limited volumes of hydrate and specialty alumina products.

In 2025, the Group further expanded its diversification efforts, focusing on greater integration in the electricity sector and reducing operating costs. In addition to the partnership initiated in 2023 with Complexul Energetic Oltenia SA for the development of a power plant, the Group established two new companies in 2025, namely:

• RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. (“SET”), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea;

• in 2025, Alro contributed RON 287 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 290 thousand. The Company is owned 99% by Alro S.A. and 1% by Conef S.A., with its registered office in Slatina.

The two Companies were founded on the purpose of developing facilities for energy storage in batteries, and power plant units.

Apart from this, in 2023, the ALRO Group decided to source both natural gas and electricity primarily through its related party, Vimetco Management Romania S.R.L. (VMR), in an effort to seek reliable and cost efficient purchasing of utilities. VMR had initially provided consultancy services within the group, but subsequently it expanded its scope to include the supply of natural gas and electricity, mainly to group entities but also to third parties. This integration has contributed to improved operational efficiency and better coordination of energy procurement within the group. Details are provided in *Note 16 Investments* and *Note 17 Investments in associates* to the ***Consolidated Financial Statements.***

ALRO

In 2025, Alro continued to strengthen its eco-recycling operations, steadily increasing the volume of aluminium produced from recycled scrap to 106,595 tonnes, up from 92,076 tonnes in 2024. The company nearly reached its full annual scrap recycling capacity of 112,000 tonnes, marking a significant accomplishment and reinforcing its commitment to sustainability and cost efficiency.

At the same time, electrolytic aluminium production rose slightly to support processed aluminium output, reaching 72,690 tonnes in 2025 compared to 68,252 tonnes in 2024, despite the company continuing to operate at a reduced smelting capacity of only two out of six electrolysis halls.

Alro sold 81,430 tonnes of primary aluminium to 3rd party clients in 2025 (in 2024: 77,260 tonnes), with an increase in wire rod by 8,545 tonnes (offset by a decrease in billets). On the processed aluminium side, it sold 96,087 tonnes of FRP being closer to its target of increasing the volumes and percentage of processed sales (in 2024: 87,739 tonnes FRP were sold, so the increase in 2025 was an organic one of 9.5%). The advancement was recorded mainly in plates (+8,216 tonnes), as pursued by the Company strategically.

The year 2025 opened with a continued upward trend in quoted aluminium prices (LME), building on the momentum observed in the previous year. Around mid-year, prices experienced a decline, but this was short-lived as the market quickly returned to an upward trajectory. The positive trend persisted through the remainder of the year, with prices surpassing USD 2,900 per tonne and reaching a peak of USD 2,990 per tonne on 31 December 2025 — the highest level recorded during the year.

The average LME 3-month seller quotation for 2025 stood at USD 2,639 per tonne, representing a 7% increase compared to the 2024 average of USD 2,457 per tonne.

Sales of **primary products**:

Demand for wire rod, both in Romania and across Central and Eastern Europe, began to strengthen in mid-January 2025 and continued to grow steadily each month thereafter. Demand remained particularly robust throughout Q1 to Q3 2025, enabling the Group to capitalize on its spot availability by significantly increasing product premiums at a time when most European competitors were sold out.

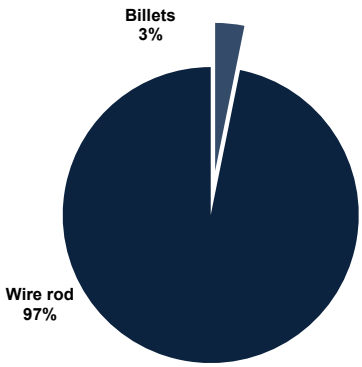
In Q4 2025, however, demand for wire rod softened compared to the first three quarters. The majority of wire rod sales were made on the Romanian market, with smaller volumes delivered to neighboring countries.

In contrast, demand for billets remained weak throughout 2025, with only a slight improvement in early July. Due to low premiums and high scrap costs, billet production was not economically viable, leading the Group to redirect metal resources toward higher value-added products. As a result, and also thanks to the reconversion of casting equipment in September 2025, billet sales declined.

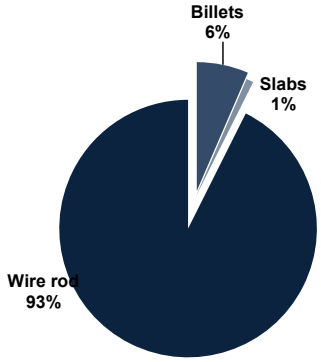
Additionally, in 2025 the Group decided to reduce slab sales and instead process the entire output internally, aiming to enhance overall profitability by increasing sales of flat rolled products. This strategic shift enabled the Group to optimize production capacity and focus on products with higher profit margins.

The structure of **primary aluminium** sales based on product types in 2025, compared to 2024 is presented below:

Revenues from sales of Primary aluminium 2025 (RON th)



Revenues from sales of Primary aluminium 2024 (RON th)



Processed Aluminium Segment – FRPs and extruded products

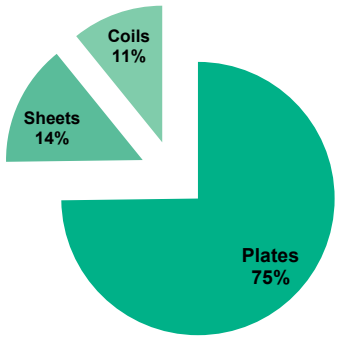
Flat-rolled products (FRPs)

In 2025, the **Processed Aluminum Division** recorded better sales and an improved sales mix compared to 2024, supported by the higher sales of plates and a gradual reduction of our sales for sheets and coils.

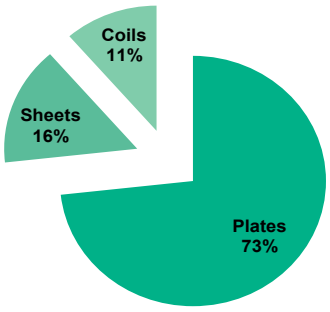
Despite of a much fragile and uncertain business environment in the US market, and a rather stagnant market for the aerospace applications (as long as the raw material is concerned), a better spread of business across geographical regions and stronger partnerships with Group's customers led to improved results. Throughout the year, a good level of incoming orders was secured from the overseas markets (primarily US, followed by Mexico, Canada, East & Southeast Asia), but also from the Western European markets, despite a much more challenging market environment, due to geopolitical uncertainties, increased price pressure from both European and non-European rolling mills and shorter leadtimes. In 2025, automotive activity remained generally weak and it reflected in lower sales of special products dedicated to this sector. The sales to the aerospace sector increased in 2025 as compared to 2024, being supported by long term cooperation of the Group with great names in the industry, as well as additional business developments, mainly in the Asian markets (India, Vietnam and South Korea) with OEMs, aerostructure manufacturers and various service centres and distributors. The new CutSmart System business line has strengthened the Group's market positioning, enabling it to capture additional market share and broaden its customer portfolio, by offering tailored higher value-added solutions and improved responsiveness to customers operating in these performance-critical industries. Sheets and coils business demand in Europe remained at low levels. However, through a more favorable production and sales mix, reflecting the effectiveness of our commercial strategy and adaptability to market conditions, the Group covered the available capacity by an increased level of orders for plates. The aluminium flat rolled products market has become increasingly challenging over the past year, shaped by a volatile geopolitical environment, a noticeable slowdown in automotive demand and, at the same time, a heightened price competition which has further intensified pressure on margins and commercial positioning. This has prompted the Group to rethink established approaches, explore new opportunities and adopt a more resilient strategy to navigate this demanding landscape.

The structure of processed aluminium sales based on product types in 2025, compared to 2024 is detailed below:

Revenues from sales of flat rolled products 2025 (RON th)



Revenues from sales of flat rolled products 2024 (RON th)



Extruded Products (VE)

The extrusion shop operated by Vimetco Extrusion ("VE") represents the largest extruder in Romania and a significant player in the Western European extrusion market. Starting September 2006, Vimetco Extrusion was organized as a separate subsidiary company of ALRO Group to focus on the Group's extrusion business. The company's administrative and managerial offices are in Romania, headquartered in 1, Milcov Street, Slatina, Olt County, Romania.

Through Vimetco Extrusion, the Group uses the billets produced by ALRO in its primary aluminium division. VE manufactures and sells a wide range of extruded profiles, such as aluminium bars, tubes, etc. Aluminium extrusion is a technique used to transform aluminium billets into objects with a defined cross- sectional profile for a wide range of uses. In the extrusion process, heated aluminium is forced through a die. Extrusions can be manufactured in many sizes and in almost any shape for which a die can be created. The extrusion process makes most of aluminium's unique combination of physical characteristics. Its formability allows it to be easily machined and cast, yet aluminium is one-third the density and stiffness of steel, so the resulting products offer strength and stability, particularly when alloyed with other metals.

Within extruded products, the Group considers its special products to be HVAPs and the machined, painted, and anodized or powder coated products to be VHVAPs. Vimetco Extrusion's products are used in various industries, such as transport, construction, different aluminium metal structures, photovoltaic panels. The Group's extruded products are also used in the building and interior design industries, with curtain-walling, ceilings, partitions, railings, and panels being some of the various aluminium applications. Also, extruded products are used in lighting, air conditioning/ ventilation systems, reflectors, and the photovoltaic energy industry.

Extruded Products

2025 was a difficult year marked by weak industrial demand, intense price competition, high interest rates, and ongoing global trade pressures that significantly impacted sales, pricing, production, and profitability.

In December 2025 demand suffered a strong contraction being given that companies closed the activity very early and limited the material income reception under the restrictions of inventories and very weak sales levels. In 2025, the Eurozone avoided recession despite macroeconomic headwinds, tariffs, and geopolitical instability, but it still failed to deliver a meaningful, broad-based recovery. According to European Aluminium Association and CRU, the evolution of the European extrusion market was assessed at 0.3% increase compared to previous year.

After a weak market demand registered in 2024, the year 2025 started as a challenging period governed by political uncertainty generated by the US tariffs imposed on the imports for steel and aluminium products, encouraging a reduced visibility for business stability. Vimetco Extrusion as a leading international player made all the efforts to reduce the impact on internal activity and to spread the risk among several industries and companies focusing on ensuring full capacity occupancy with the appropriate product mix.

In Standard profiles industry, business development and order placement have been driven almost exclusively by price, supported by the producers' continuous efforts and struggle to ensure utilization of their available capacities, which have remained far too high compared to the weak market demand. Also, in 2025 Vimetco Extrusion faced heavy price pressure from Turkey, Poland, Bulgaria, Greece and China. Solar industry registered an exceptional expansion in 2022 and 2023; growth flattened in 2024 and decreased in 2025, first year-on-year decline in nearly a decade, with installations falling slightly from 2024 levels, solar deployment fell by 0.7 %, from 65.6 GW installed in 2024, to 65.1 GW installed in 2025,. However, in June solar became the single largest source of EU power for the first time. The current downturn is driven primarily by the rooftop segment, where the aluminium profiles are used, particularly residential solar systems. The investments in solar installations are postponed following lowering electricity price trends and weakened support frameworks. In many cases, aluminium rooftop solar incentives have been withdrawn or scaled back without effective alternatives, resulting in a short rush and sudden market decline. On the other hand, steel is becoming an increasingly attractive alternative to aluminium in mounting systems, especially for ground-mounted installations, thanks to its similar performance characteristics and more competitive pricing. Additional to industry related challenges, for European manufacturers also Chinese imports of aluminium parts affected the orders volumes.

Building and Construction activity has been relatively weak and project-driven, with a stable but downward trend. Although there are signs of recovery in the Eurozone, regional trends remain uneven, and encouraging feedback is mostly limited to individual special projects. To strengthen its position in this unstable and highly competitive market, Vimetco Extrusion has invested in developing competitive advantages by installing a CNC machine, aiming to shorten the procurement chain and enhance cooperation with existing customers. Automotive demand continues to struggle, leaving some extruders with available capacity and increasing the competition in other market segments.

As part of our long-term commitment to quality and operational excellence, Vimetco Extrusion has initiated and successfully passed the AS9100 certification process — a key standard for the aerospace, military, and defence industries. This strategic step reflects Vimetco Extrusion focus on strengthening our quality management system and aligning with the highest industry standards. In line with latest geopolitical dynamics and increasing demand in defence-related sectors, this certification positions us to unlock new business opportunities and better serve customers in high-reliability industries. Vimetco Extrusion products portfolio was extended, both with new industries as well as new geographical territories (Israel, Mexic), as a result of intensive efforts in implementing Vimetco Extrusion sales strategy that focus on business development.

Despite the general market context, VE sales volumes for 2025 registered a slight increase compared to 2024, i.e. by 5%, however without reaching the targeted product mix. Vimetco Extrusion sold 33,157 tonnes of extruded products in 2025 and 31,466 tonnes in 2024.

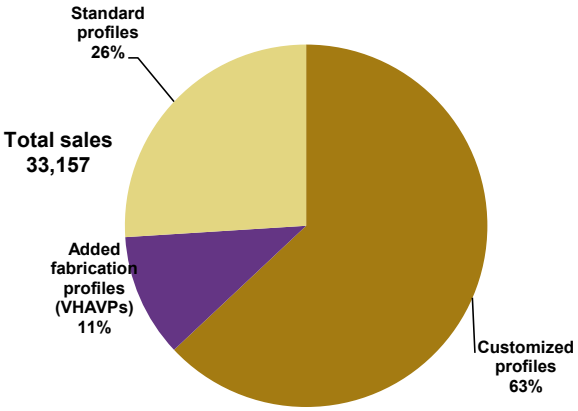
Vimetco Extrusion is expanding the focus to new geographical areas and products, developing advanced alloys like 6101B and 6061. The goal is to develop the military, defence, and electrical (busbar) sectors, creating new opportunities for growth and innovation. Quality Management System of Vimetco Extrusion has been prepared starting 2025 to comply with the requirements of AS9100 standard for the certification needed to access Aerospace and Defence industry market. Vimetco Extrusion has successfully passed the AS9100 audit and received the certification.

By diversifying products and services, Vimetco Extrusion continues its growth strategy ensuring high unique selling advantages that provides a strong position on the market, differentiated from the competitors. Targeted approach of different markets as a continuous effort of product range development with complex requirements and tailor-made design – used in various industries. VE development strategy is targeting increase of the value-added products and high value-added products: the

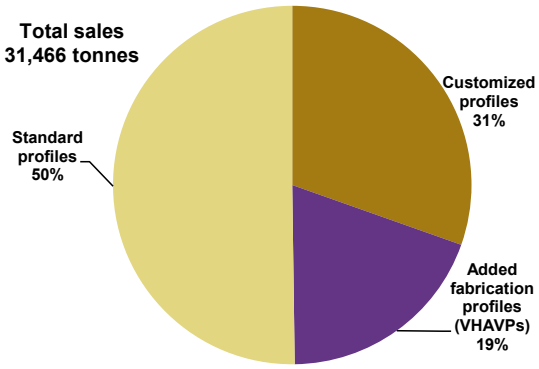
newest welded products – tail lifts platforms for trucks are in expanding stage, scaffolding structures made from 6082 profiles solar assembled parts, solar hook systems, advertising panels profiles, construction beams, aluminium hinges, telescopic columns, professional cleaning trolleys, hi-tech loudspeakers.

The structure of extruded products sales based on product types in 2025 compared to 2024, is detailed below:

Extruded products: sales structure in 2025 (RON th)



Extruded products: sales structure in 2024 (RON th)



Vimetco Extrusion Executive Management is composed of Mr Igor Higer – General Director, Mrs. Stefania Yaksan – Finance and HR Director, Mrs. Loredana Achim – Production Director, Mr. Vladislav Lychkouski – Purchasing Director, Mrs. Loredana Iacob – Sales Director, Mr. Daniel Ion – IT Director, Mr. Bazhanau Daniil- Technic and Investment Director.

At the date of this Report, Vimetco Extrusion Board of Directors is composed of three members: Mr Igor Higer (Chairman), Mr. Ovidiu Goran (Member), Mr Per Lyngaa (Member).

Vimetco Extrusion remains the main supplier for the most important names in the distribution field in terms of standard profiles and customized products and for important end-users.

ALUM

ALUM refinery is located in Tulcea, Romania, and has a production capacity of 600,000 tonnes of alumina per year, being the sole alumina producer in Romania and one of the largest in Central and Eastern Europe. During its usual production process, the refinery uses bauxite to produce it into alumina at its own plant in Tulcea. While primarily supplying alumina to the Group, ALUM sells its by-product, i.e. aluminium hydrate and other alumina special products (including calcined alumina with different granulations, alumina “low soda,” and alpha-alumina) to third party customers.

In August 2022 the Group management decided the temporarily shut down the production of alumina until the production and input cost of Alum were to be reasonable enough to allow for an efficient business. Since August 2022, Alum has been procuring Alumina from the market for Alro.

In 2025, the alumina production in Alum was still suspended. Maintenance works were continued to ensure the equipment and installations were ready for restarting and the research activity in the installations within the project financed from European funds. Also, we are constantly monitoring the red mud lake in order to comply with the provisions of the Environmental Permit. In this period, Alum paid all its debts in due time and incurred minimum operational expenditures.

In February 2025, the Company Alum, contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. (“SET”), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Company Alum, with its registered office in Tulcea. The company was founded with the purpose of developing a battery energy storage facility.

ReActiv project finalized: „Industrial Residue Activation for sustainable cement production”:

ReActiv project, 01.10.2020 – 30.04.2025, where ALUM was one of the industrial partners together with 6 other international companies in the alumina industry and 14 academic partners, was coordinated by Lafarge Center De Recherche by SAS. ReActiv project aimed to create a novel sustainable symbiotic value chain, linking the by-product of the alumina production industry and the cement production industry. Bauxite residue (BR) is the main by-product of the alumina sector, with approximately 7 million tonnes per year being obtained in the EU, while recycling capacities are below 200 thousand tonnes per year. The ReActiv project aimed to modify the properties of bauxite residue turning it into an active material used to obtain new cements with a low CO_2 fooprint. Between 2020 - 2024 the company collected non-refundable funds in the amount of EUR 145,622 (out of the total of EUR 171,320). In May 2025 the last progress report was submitted and in June, in Athens, the final meeting of the members of the Reactiv project consortium took place.

ALUM has been listed on the BSE on the ATS segment, AeRO category, BBGA symbol since May 2015 and is governed in a unitary system. The Board members are elected based on the vote of shareholders under OGSM and by full compliance with the legal requirements in force.

At the date of this report, ALUM's Executive Management is composed of Mr Gigi Pirlog - CEO and Mrs Mihaela Duralia, CFO. ALUM's Board of Directors is composed of five members: Mrs. Genoveva Nastase (Chairman), Mr. Igor Higer (member and Vice-Chairman), Mr. Razvan-Sebastian Pop (Member), Mrs. Mihaela Duralia (Member) and Mr. Ioan Popa (Member).

CONEF S.A.

Conef is a joint-stock company established based on GD no. 30/1991. The company's shares are not traded on a regulated market, Conef being a closed-end company. The share capital is of RON 6,692 thousand, representing 2,676,661 ordinary nominative shares with a nominal value of RON 2.50, fully paid in by the shareholders.

At the end of 2018, ALRO's majority shareholder of that time, Vimetco N.V. together with the shareholder Conef S.A. carried out an accelerated private placement offer for a package of ALRO shares, representing a cumulative percentage of 33.77% of the share capital of the issuer. Following this operation, Conef S.A. disposed of its entire shareholding in ALRO.

ALRO's vertical integration project aimed at securing the electricity required for its own operations is envisaged to be developed through the Group's subsidiary, Conef SA, by means of a dedicated electricity generation source located within ALRO's industrial platform in Slatina, ensuring a high degree of operational independence from the national electricity transmission system. The project consists of the construction and commissioning of a gas-fired combined cycle power plant (CCGT) with an installed capacity of approximately 470 MW (±10%), incorporating Best Available Techniques (BAT) and designed to operate primarily on natural gas, while being hydrogen-ready, with the technical capability to use hydrogen blends in line with available gas turbine technologies. The implementation of this project will enhance the security, efficiency, and predictability of ALRO's electricity supply, while also supporting the stability of the national power system and the integration of renewable energy sources, particularly in the South-West Oltenia region, by providing a reliable and flexible backup solution during periods of low renewable generation. At the same time, the project will contribute to Romania's national objectives regarding the diversification and balancing of the energy mix and the decarbonization of the industrial sector, by facilitating the gradual replacement of coal-based electricity generation with lower-emission natural gas-based capacity and enabling a future transition to green fuels at minimal additional cost.

The Executive Management of Conef is provided by Mr. Marian Nastase – CEO, Mr. Serghei Catrinescu – Deputy CEO. The Board of Directors of Conef is composed by 3 members (Mrs. Alina Rusanu – Chairman, Mr. Ovidiu Balu – Vice-Chairman and Mr. Dragos Voncu - member).

Vimetco Trading SRL

Vimetco Trading S.R.L. is a company organized under the Romanian law and was incorporated in 2008, with its headquarters in Bucharest. The company mainly provides sales agent services for the benefit of Alro S.A., which consist of various actions such as: negotiation activities with potential customers, monitoring the execution of sales contracts, fulfilling any other necessary actions in connection with the preparation and execution of sales contracts.

The executive management of Vimetco Trading is provided by two directors (Mr. Marian Nastase and Mrs. Svetlana Pinzari) and one General Manager (Mr. Florin Verboncu).

Other related parties

ALRO has a fully operational Fire Brigade inside the production facility and its own healthcare office. ALRO has benefited from substantial support from its affiliated companies Rivergate Fire and Centrul Rivergate, such as administrative services, security and fire prevention during the past years. These entities are on full alert 24/7.

Other information

- the Group is not dependent on a client or a group of clients due to its diversified portfolio customer base;
- in 2025, the Group did not buy or hold its shares;
- in 2025 no mergers or reorganizations took place;
- in 2025, there were no other increases or decreases of the shares held in affiliated entities, except as mentioned in Note 16 and Note 17 to the Consolidated Financial Statements for 2025, namely:
    - In February 2025, the Group's subsidiary, Alum S.A., contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea.
    - In June 2025, Alro contributed RON 89 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 90 thousand. The Company is owned 99% by Alro S.A. and 1% by Conef S.A., with its registered office in Slatina. Subsequently, the share capital of the company was increased by RON 200 thousand, of which RON 198 thousand from Alro and RON 2 thousand from Conef.
- the equipment status ensures safe operation and the achievement of the proposed objectives, with no problems related to the ownership of the Parent-Company or other Group's subsidiaries tangible assets;
- by upgrading its production machines and equipment, the Parent-Company and/or other Group's subsidiaries are technically and technologically similar to the main aluminium producers in the international market.

Other information in accordance with FSA Regulation no. 5/2018 - Financial Instruments and Investments Sector

Analysis of the trends or events that might have an impact over the Group and/ or Company's current activity

As of 31 December 2025, the Parent-Company and subsidiaries were parties to various litigations or legal proceedings arising in the ordinary course of their business, in which they are either defendants or plaintiffs. The Group Companies are not involved in any litigation or court proceedings and are unaware of any actions of a judicial, arbitral, or administrative nature that could reasonably be expected to materially and adversely affect the Group's business, financial condition, or results of operations.

EU-ETS Compensation Scheme

The Emergency Ordinance (OUG) 19/2025 for the amendment and completion of Government Emergency Ordinance no. 138/2022 regarding the establishment of a state aid scheme granted to enterprises in sectors considered to be at real risk of carbon leakage due to the significant indirect costs they effectively bear as a result of the pass-through of greenhouse gas emission costs in the price of electricity was approved in the Government meeting of 27 March, 2025, and published in the Official Gazette on 31 March. This ordinance approves subsidy payment in maximum two instalments per year.

RES support (Renewable Energy Sources) reduction for energy-intensive users

On the Government meeting held on 27 March, 2025 was approved the Emergency Ordinance 20/2025 regarding the establishment of a state aid scheme for exempting certain categories of end consumers from the application of Law no. 220/2008 on the establishment of the system for promoting the production of energy from renewable sources and published in the Official Gazette on 31 March. Through this ordinance, the exemption is extended until the year 2030 and ALRO continues to qualify for an 85% exemption.

ALRO continues to meet all the eligibility criteria for both of the state aid schemes.

CBAM Legislation

Regulation (EU) 2023/956 establishes a Carbon Border Adjustment Mechanism to the European Commission, which has led to imports of master alloys from non-EU countries.

At the same time, letters were sent to EU representatives, including by the European Aluminium Association, making several requests, such as: adapting the CBAM requirements to current market requirements, creating a clear emissions monitoring system, which should help aluminium producers adapt to the new regulations.

In 2025, in the field of environmental legislation on intra- and extra-community shipments of scrap, ALRO continued the implementation of the new "Regulation (EU) 2024/1157 on shipments of waste, amending Regulations (EU) No. 1257/2013 and (EU) 2020/1056 and repealing Regulation (EC) No. 1013/2006", as well as the "Commission Delegated Regulation (EU) 2024/2571 supplementing Regulation (EU) 2024/1157 by establishing the information to be provided in the certificate confirming the completion of a subsequent intermediate or non-intermediate recovery operation or a subsequent intermediate or non-intermediate disposal operation.

In December 2025 ALRO obtained the license through which it acquired the status of "Authorized CBAM Declarant".

Other relevant regulatory updates

Sustainability

The provisions of the Sustainability legislation are applicable to ALRO Group. Starting the year 2024, we conform to the new European legislation, namely the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards; Directive EU 2022/2464 of the European Parliament and of the Council dated 14.12.2022, which is transposed in the national legislation by the Order of the Minister of Public Finance no. 85/2024 that regulates some aspects regarding the sustainability reporting and amends and completes:

- The accounting regulations regarding individual annual financial statements and consolidated annual financial statements, approved by Order of the Minister of Public Finance no. 1802/2014.

- Minister of Finance no. 2844/2016 for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards.

At the same time, under the same context, we abide by the EU Regulation no. 2020/852 regarding a framework to facilitate the sustainable investments.

The Sustainability Report of Alro Group for the year 2025 was prepared in accordance with the Order by Ministry of Public Finance no. 85/2024. This Sustainability Report represents Appendix 1 to ALRO Annual Report 2025, and is available for the public to consult on the Company's website, Sustainability section, and Sustainability Reports Subsection: https://www.alro.ro/en/sustainability/sustainability-reports"Sustainability Reports | ALRO.

Changes with impact on share capital and on the Group's management

Changes in the Board of Directors and Executive Management within ALRO Group

During the reporting year, the following changes took place within the Board or in the management structure of the Group:

In **ALUM**, in February 2025, following the resignations from the Board of Directors of Mr. Gheorghe Dobra and Mr. Marin Cilianu, Mrs. Genoveva Nastase was appointed as interim director and chairman of the Board of Directors and Mr. Răzvan-Sebastian Pop as interim director. Further, the Ordinary General Shareholders Meeting, in March 2025, appointed Mrs. Genoveva Nastase and Mr. Răzvan-Sebastian Pop as directors, for mandate valid until August 2027. Also, Mr. Gigi Pîrlog was appointed as General Manager of the Company for a four-year mandate valid from the appointment date, following the expiration of the mandate of the former general manager.

At the date of this report, ALUM's Executive Management is composed of Mr. Gigi Pirlog - CEO and Mrs. Mihaela Duralia, CFO. ALUM's Board of Directors is composed of five members: Mrs. Genoveva Nastase (Chairman), Mr. Igor Higer (member and Vice-Chairman), Mr. Razvan-Sebastian Pop (Member), Mrs. Mihaela Duralia (Member) and Mr. Ioan Popa (Member).

Other information regarding ALRO and ALRO Group

ALRO, governed in a unitary system aligns its activity with the global corporate governance best practices and has three committees in place to sustain and complete its activity, i.e. the Audit Committee – with powers delegated by the General Shareholders Meeting, Remuneration and Nominations Committees and Risk and Sustainability Committee. These three committees inform regularly the Board of the adequacies and effectiveness of the specific requirements outlined in the Committee's terms of reference.

During the reporting period, the Group's companies did not face the situation of not being able to meet their financial obligations.

In 2025 there were no amendments regarding the share owner rights.

Related Party transactions

The Group and the Company enter under normal terms of business, into certain transactions with shareholders, companies under common control, directors and management. The transactions between the related parties are based on mutual agreements, are not secured, and the management considers such transactions to be under normal terms. According to the current legislation, starting with 2026, the transactions with the related parties have to be publicly reported immediately after conclusion, to the market and on the Company's website when these exceed 5% of the net asset value, individually or cumulated with similar transactions concluded in the last 12 months, if these transactions are not assessed by the Company as being in the ordinary course of business, under normal business terms. If, according to a procedure to be drafted and implemented by the Company, those transactions are assessed as concluded in the ordinary course of business, they will be reported in an aggregate form in the Annual Report of the respective year. During the year 2026, the Company intends to adopt such assessment procedure, as stipulated by the legislation in force. Until the adoption of the procedure, all relevant related party transactions over the 5% threshold are publicly reported.

The balances of acquisitions, debts and receivables (if applicable) regarding significant transactions with related parties on 31 December 2025 are presented in the Consolidated and separate financial statements for 2025 for Alro and its subsidiaries. Regarding the nature of these transactions, they refer to goods sold and services rendered by the Group or acquired by the Group, if the case, from related parties. These are Vimetco PLC, Paval Holding SRL, Alum S.A., Vimetco Extrusion SRL, Conef S.A., Vimetco Trading SRL, Stocare Energie Slatina S.A., Vimetco Management Romania SRL, Vimetco Power Romania SRL, Centrul Rivergate SRL, Rivergate Fire SRL, CCGT Power Isalnita S.A., Stocare Energie Tulcea S.A.

For more information, about significant transactions with related parties as defined by IAS 24 Reporting Transactions with Related Parties under IFRS Accounting Standards, please see *Note 35 Related party transactions* of Alro *Consolidated and separate financial statements for 2025*.

Corporate governance

Corporate Social Responsibility

Corporate Social Responsibility represents the management commitment materialized in several processes, policies, procedures, actions, and initiatives that represent an integrated part of the Group's business strategy. The business contributes to developing a sustainable and performing society in every area. The concept of corporate social responsibility also refers to the companies' involvement in solving some of the communities' problems where it operates.

The benefits of implementing the social responsibility management system are:

- it demonstrates commitment to business ethics and social responsibility;
- it protects the corporate brand;
- it enhances reputation as a responsible corporation;
- Consumers' confidence and positive perception by investors;
- Better employee engagement;
- Contributes to the development of an organizational culture based on involvement and responsibility;
- A proper working environment, safe and fair; it promotes the principles of professional ethics;
- Improved working conditions;
- Commercial risk management mitigation;
- Differentiation from other global competitors.

ALRO Group is actively involved in communities' lives by engaging in corporate responsibility programs, from providing social assistance or goods for events following natural disasters to education, sports, and health programs. The Group's management believes in the sustainable development of society, being constantly concerned with improving and developing partnerships and sponsorships, promoting and encouraging CSR practices and principles, protecting the environment, and contributing to the well-being of the community members.

The Group has a policy that constantly identifies individuals interested in its activities, recognizes their legal rights, and encourages their cooperation with the companies within the Group to create wealth and jobs and ensure the sustainability of a financially sound enterprise. ALRO publishes a CSR Report each year, which details all the actions and measures implemented for the community. Partnerships, donations, and sponsorships are some of the main interaction with the community. Based on the existing internal procedure available at each company level, we have established a transparent and non-discriminatory system for selecting and granting sponsorships.

The Group is aware of the critical role in the communities in which it activates, so it acts with the responsibility to positively influence them through its operations ALRO has a decisive role in the community's economic, social, cultural, and sports life.

Moreover, ALRO, the Parent-Company, due to its economic and financial potential and because it is the only producer of aluminium and aluminium alloys in Romania, is a representative company not only for the area in which it activates, but for the

entire Romanian industry. ALRO is an example of how technical and financial management are blended with the one related to environmental protection and stakeholder management.

At the same time, the Group is responsible for the safety of its products and customers. ALRO Group contributes to the Romanian capital growth and the development of the national economy while ensuring a large number of jobs. ALRO is also a significant contributor to local and national budgets.

In 2025, ALRO continued to contribute and provide support in various humanitarian, social and educational actions and activities. These sponsorships were achieved through partnerships with associations and foundations, with activities in the health, educational and social-humanitarian fields.

The other Group subsidiaries are actively involved, as well, in the activity and welfare of the communities in which they operate.

Human resources development

The Group encourages and promotes projects aimed to ensure the personal and professional development of its employees, as well as the communities in which they operate. Commercial relations with local suppliers are supported and encouraged within the Group, contributing to their development.

The Company has implemented annual employee performance assessments to track specific indicators of employee activity, and subsequently, those with outstanding performances can be encouraged and rewarded. ALRO Group promotes values such as the accountability of own actions, respect between team members, the priority of the common interest, appeal to honour, creative initiative, the right to a second chance, and continuous professional and personal development.

At Group level, it aims to develop and implement a culture and business accountability regarding both environmental responsibility and the community. The Group's management considers that implementing healthy principles of sustainable development and a firm corporate social responsibility policy is meant to generate long-term positive and sustainable results. In this way, the Group can get in the position to generate "win-win" situations for the entire organization and its shareholders, the environment, and, finally, the communities in which it operates.

Moreover, internal safety and health audits are performed daily at ALRO's level. ALRO's position is to show mutual respect for the dignity of the other and not tolerate any form of abusive behaviour, harassment, threat, or violence. Employees are welcomed and encouraged to report any irregularities, abuses, or violations to their supervisor, management, HR, or specific communication channel for whistle blowing. ALRO undertakes to respect the principles of national and international legal requirements of human rights as stipulated in the Labor Law, European Convention on Human Rights, Universal Declaration of Human Rights, Declaration of the International Labor Organization on fundamental principles and rights at work, the United Nations Global Compact and the UN Guiding Principles on Business and Human Rights.

When it is profitable and the economic conditions allow it, ALRO contributes to local communities directly by sponsorships.

Despite the current difficult situation facing the society, ALUM proves to be an active partner of the local community, getting involved in various social activities in the area, acting on several directions:

- In order to maintain a close and continuous relationship with the local community in which ALUM operates, a series of internal procedures have been developed: for the development of the mechanism regarding the resolution of petitions (procedure for the resolution of petitions), the organization of hearings, as well as the procedure regarding the relationship with mass media. In this way, the Company shows its openness to listening and solving the problems of the community and/or other interested parties (citizens, employees, local authorities, collaborating companies, etc.). The society is involved in education, training and other activities of social utility.
- Company-wide policies and codes have been reviewed and/or developed. These were brought to the attention of all employees (and were training in this regard) and other interested parties (by publishing on the company's website), so as to show that we respect the highest standards of ethics and integrity, we respect human rights, we treat everyone with respect and dignity, without direct or indirect discrimination.
- At the level of the Local Social Partnership Development Committee (CLDPS), ALUM has 2 representatives (one full member and one alternate). To support actions to support educational institutions and professional training at the local level, the company was actively involved in establishing and approving the annual activity plans in school and professional education (for the school year 2024-2025);
- ALUM participated, through its representatives, as evaluators in the professional qualification certification exams of the post-graduated and vocational education graduates within the Technological High School "Henri Coandă" from Tulcea, for level 5 (post-graduated): electronics & thermo-energy specializations, also for level 4 (vocational education): technical training as electromechanics & automation.

Vimetco Extrusion in its turn offers sponsorships and donations for humanitarian purposes, when possible. In 2025 it donated to support EngiNeerds for the participation at international premier event between 18-20 July 2025- The Chicago Robotics Invitational Premier Event.

In July 2025, as part of our ongoing commitment to social responsibility and community support, a donation was made in collaboration with Slatina Municipality to repair the roof of an apartment building that had been completely damaged by a fire.

The end of the year has brought a new collaboration with Slatina Diocese, a humanitarian partnership for Christmas. There were organized internal campaigns for donations of presents which brought smiles on the faces of children from the villages of Proaspeți and Curtișoara, Olt County.

ALRO Group training policy

The professional training of the employees is carried out based on the annual professional training program approved by the ALRO management. Its main objective is to increase professional skills to improve employees' individual and team performance.

In 2025, the professional training of the employees was carried out according to the Annual Training Program. The training activity within the Group is based on:

- Annual programs for professional development;
- Operational procedures on professional development, competencies, awareness and training, certifications, and professional assessments;
- Collective Labor Agreement;
- Human resources – specialized organizational structure within the Parent-Company and each subsidiary.

Continuous professional training of ALRO Group's employees is carried out based on the annual training programs, which consist of a diverse range of implementation ways:

For workers, in 2025, qualification and requalification courses were organized, programs that allow the establishment, at the organizational level, of a reserve of qualified personnel in deficient trades and the provision of sections with specialized technologist staff.

Thus, qualification courses were organized for the professions of smelter and caster. Similarly, great attention was paid to the ISCIR authorization of the operator for exercising the professions of crane machinist and fork lifter, NDT and UT operators' authorization, and electricians' ANRE authorization.

In July 2025, the employees who participated in the EMBA program, organized in collaboration with ASEBUSS Bucharest, successfully passed the graduation exam of this postgraduate program.

ALRO employees mainly participated in programs in the following areas:

- In September 2025, three employees from Processed Aluminium participated in the Aluminium Rolling Technology program, organized in collaboration with Innoval Technology LTD;

- Employees working in the production of aluminum and aluminum alloy products intended for the automotive industry have participated in the training program "CORE Tools SPC" – according to the IATF 16949 Standard;

- In the first semester, for employees in the maintenance and repair field, a course on "Hydraulic Systems Operation" and a course on "Vibration Analysis" were organized.

- Employees from the Production, Financial, HR and Mechano-Energetic Departments participate in the Data Analyst course.

- For employees in the production sections, English language courses were organized.

- Courses were organized in the fields of finance and accounting, human resources (the new REVISAL), occupational health and safety, waste management, etc.

- Professional training sessions were held regarding policies, procedures, and regulations in the field of sustainability (Code of Ethics and Conduct, Human Rights Policy, CSR Policy, Equal Opportunity and Non-Discrimination, Procedure for Handling Requests, Notifications, and Complaints, Cybersecurity Policy, etc.);

Vimetco Extrusion also places significant emphasis on human resource development. Vimetco Extrusion places significant emphasis on human resource development. For digitalization point, the first part of the year was a statement for the use of Info devices in the plant where employees are currently making their holiday request, can print their pay slips, request various certificates. At company level, the annual training plan approved was conceived based on the improvement of knowledge, to be up to date with the legal requirements and most importantly to strengthen the team. The professional training of the employees is carried out with external suppliers of training and also internal trainers.

At company level, the annual training plan approved for 2025 was conceived based on the improvement of knowledge, to be up to date with the legal requirements and new authorizations. For production workers, the focus has been on qualification and re-qualification courses mainly for crane operators, forklift drivers and welders' recertification.

In the second half of the year, a significant component of the production training plan focused on the Packing Department. New internal work instructions were developed in alignment with the newly installed equipment. Additionally, at the end of the year, the equipment supplier delivered external training sessions for both the Packing Department and the Maintenance Team.

This year, the Safety Department continued to strengthen workplace protection by organizing external First Aid training, delivered to a crossdepartmental group of employees from both TESA and Production.

New sessions of internal training regarding HSE and Emergency responsiveness and preparedness were held for different departments.

TESA employees participated in training sessions across various fields, including finance, finance for non-finance and project management, to stay current with legal requirements and benefit from specialized programs that provide access to the latest information and financial practices.

Security remained a key organizational priority this year. Within the IT Department, two specialists participated in external development programs, each attending a dedicated course. In the first half of the year, one specialist completed the *Specialist in Information Systems Security Procedures and Tools* training, aligned with ISO/IEC 27001:2022. In the second half, another specialist attended the *Cyber Security Specialist* course, further strengthening our internal security capabilities In addition, an internal Cyber Security training was developed and delivered to all employees with computer access—across both TESA and Production—further reinforcing our organization-wide awareness and adherence to security best practices.

2025 has been the year when we started a new project, a collaboration with our long-term partner, for training through European Funds. During the second half of the year, three training sessions were delivered for a cross-departmental group of employees. The project will continue into 2026, further expanding its impact across the organization.

In order to be aligned with the new certifications, there were trained externally and are currently certified to perform internal audits, three employees for AS9100.

Anticipated professional training

Alro pays increased attention to the training of future new employees while still in school, having numerous support projects and collaborations with various educational and training institutions, in this respect.

Alro has active partnership with the Slatina Metallurgical High

School for the vocational school, partnership with the National University of Science and Technology Politechnica Bucharest and the University of Craiova.

As part of its workforce pre-training programs in qualifications and specializations relevant to the company's field of activity, as well as its recruitment and selection programs, ALRO participated in career events and job fairs organized by the National University of Science and Technology Politehnica Bucharest:

- In March, ALRO took part in EnergyFEST, an event organized by the Faculty of Energetics at UNSTP Bucharest, dedicated to professionals in the energy industry. This provided an opportunity to interact with students – future specialists – as well as representatives of the educational institutions within the university campus.
- In November 2025, ALRO participated in the 2nd edition of Material Fest, organized by the Faculty of Science and Engineering of Materials at UNSTP Bucharest. On this occasion, the ALRO Light Alloy Processing Laboratory was inaugurated. The laboratory, developed in partnership with the faculty, is part of the university's strategy to strengthen infrastructure for applied research and innovation.
- Also in November 2025, ALRO participated in the 8th edition of the POLIJOBS Career Fair, organized by the National University of Science and Technology, Bucharest.

The company's participation strengthens the connection between academia and industry, an essential partnership for training future generations of specialists in a complex and strategic technological field.

- In 2025, site visits for students were organized at the headquarters of the two factories, in collaboration with the Faculty of Science and Engineering of Materials Bucharest, Faculty of Energetics Bucharest, Faculty of Mechanics and Mechatronics Bucharest, Faculty of Mechanics and Technology Pitesti, and Faculty of Sciences Craiova (Physics and Chemistry departments).

Through participation in these events, ALRO seeks future aluminum engineers – young professionals who are passionate, motivated, and prepared to carry forward the industrial tradition begun nearly six decades ago and to contribute to the development of a modern, sustainable, and innovation-driven industry.

Starting in June of this year, a total of 19 students from these educational institutions completed their specialized internships at ALRO.

ALRO also continues to collaborate with the Slatina Metallurgical Technological High School and has established partnerships for the practical training of students attending vocational school, in the fields of machinery and equipment mechanics and low-voltage electrician.

Through these partnerships, ALRO has become an active part of the professional training and qualification process, providing qualified personnel, workshops, and space for practical courses, as well as logistics and equipment, so that students can obtain and apply the skills necessary to fulfill their chosen qualifications.

In this first semester, VE was present at different meaningful events for HR, destined to create awareness and visibility:

- Top Employers 2025
- Magnetico – Meaningful HR Policies
- Resource by OLX – HR conference
- Ascendis Conference - Competencies for the Future: Leadership and Digitalization.

In April 2025 Vimetco Extrusion was present at the Polifest Bucharest – a three-day career fair event for students at Politehnica University.

Subsequent events

In 2026, the Group entered into several derivative contracts to secure its sales prices for 21,400 tonnes of aluminium to be delivered in 2026. Further details are provided in Note 39 to the Financial Statements.

CCGT POWER ISALNITA S.A. (SPV): The procedure for awarding the EPC (Engineering, Procurement, and Construction) and LTSA (Long-Term Service Agreement) contracts for this project was resumed in March 2025, and the deadline for submitting bids was extended to 30 January 2026. No bids were received by this date. The company is currently evaluating the appropriate next steps for continuing the project, including the analysis of opportunities to improve and update it in the context of its strategy to diversify into the energy field and to access funding available under the Modernisation Fund.

In the context of the conflict in the Middle East, an increase in market volatility has been recorded, along with pressure on oil prices, as the conflict has led major producers to reduce production. It is estimated that these events could affect activities across various sectors of the economy and may result in further increases in energy prices in Europe, as well as an increased risk of supply chain disruptions. The Group and the Company have no direct exposure to related parties and/or key customers or key suppliers in this region. The Group and the Company consider these events to be subsequent events after the reporting date that do not adjust the figures presented in the 2025 Financial Statements.

The Law approving Government Emergency Ordinance No. 55/2025 for the amendment and supplementation of Government Emergency Ordinance No. 115/2011 was adopted by Senate on 10 November 2025, with the Chamber of Deputies adopting it on 25 March 2026 and is currently sent back to the Parliament for re-examination, for procedure details in the promulgation process. The amendments strengthen the support of the scheme beneficiaries through Romanian ETS indirect CO_2 compensation by assuring that the current 15% allocation to the Ministry of Energy for the companies with relocation risks will be at minimum effective annual support level of EUR 150 million, while keeping compliance with state-aid rules and the ETS Directive framework.

There were no other material subsequent events that could have a significant impact on these financial statements.

Comply-or-Explain Statement (CES)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
			A: GOVERNING BODIES				
A: GOVERNING BODIES	**A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.**	A.1., 1	The Board should have an internal regulation that formalises and clearly states its roles and responsibilities. The articles of association, Board's internal regulation and other internal regulations should clearly delineate the roles and competencies among the Board, general meeting of shareholders (GMS) and executive management.	√			
A: GOVERNING BODIES	**A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.**	A.1., 2	Board's internal regulation should include, among others, the Board's responsibilities as well as fiduciary duties of directors to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, its shareholders and taking into account the interests of other stakeholders in line with legal requirements.	√			
A: GOVERNING BODIES	**A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.**	A.1., 3	To sustain the Company's long-term viability and success, the Board should: ·Oversee the development and approve the Company's strategy and ensure that it also integrates sustainability aspects, including environmental and social (E&S) considerations and climate-related risks and opportunities; ·Appoint and dismiss CEO and other executives to whom executive management responsibilities were delegated (called executive management) and ensure their succession planning; ·Oversee the management performance, management role in addressing material sustainability risks and opportunities and align the remuneration of executive management with the long-term interests and sustainability of the Company, according to the provisions of the Company's remuneration policy; ·Ensure there is a sound framework for internal controls and risk management; ·Ensure that the Company has in place procedures to enable effective communication with shareholders and other stakeholders.	√			
A: GOVERNING BODIES	**A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.**	A.1., 4	Duration of appointment of Board and executive management should be set clearly and should, to the extent possible, foster stability and predictability.	√			
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 1	The Board should have at least five members.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 2	The Board should have in place a policy on Board and executive management diversity and should ensure that diversity requirements in terms of gender, age, experiences and skills are incorporated in the Nomination Policy.	√			
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 3	The Board should develop a Board profile which specifies the desired characteristics and traits of its members including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to Board responsibilities in the context of the needs of the Board and its committees and their exercise of the Board's strategic and oversight roles. The Board profile can be part of the Nomination Policy.	√			
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 4	The majority of the members of the Board should be non-executives. At least a third of the Board members should be independent. Each independent member of the Board should submit a declaration regarding his/her independence at the time of his/her nomination for election or re-election as well as when any change in his/her status arises, as per the criteria of independence defined in law and in Appendix A to the Code.		√		The Company believes that the current composition of the Board of Directors results from the nomination and voting process in which the Company's shareholders participate in, accordance with the legal and statutory provisions. The Board of Directors believes that the current structure fully meets the needs of the Company.
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 5	The Nomination and Remuneration Committee (or the entire Board if there is no Nomination and Remuneration Committee) should assess whether the directors can be considered independent under the factors taken into account, by examining whether there are any business or other personal relationships that could materially affect the independence and objectivity of the director and his/her ability to act in the best interests of the Company, its shareholders and stakeholders.	√			
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 6	The positions of Chairperson and Chief Executive Officer (CEO) are recommended to be held by different individuals.	√			
A: GOVERNING BODIES	**A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.**	A.2., 7	If the Chairperson and CEO functions are performed by the same person, it is recommended that the Board appoints an independent Vice-Chairperson.				Not applicable, the Company complies with principle A.2.6

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.**	A.3., 1	The Company should develop and disclose a board nomination policy ("Nomination Policy") that should define the processes and procedures for the nomination, election or replacement of a director. The Nomination Policy, approved by the competent governance body, shall describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from members of the Board, including in relation to the board profile, independence and diversity.	√			
A: GOVERNING BODIES	**A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.**	A.3., 2	The Board, through its Nomination and Remuneration Committee, if established, should monitor the nomination process of candidates for the position of Board member.	√			
A: GOVERNING BODIES	**A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.**	A.3., 3	The Company should disclose to shareholders information on the experiences and CV of the director candidates that they require to make an informed decision on the appointment or reappointment of the directors including the following: ·candidates' professional commitments and engagements, including executive and non-executive positions in companies, public authorities, not-for-profit bodies or other organisations; ·any existing or potential conflicts of interest including whether they have business, family or other relationships that could affect their performance as directors on the Board; ·which shareholder or member of the Board proposed each candidate for the Board positions.		√		Information regarding the candidates' experience and CV is based mainly on the proposals made by the persons entitled to this, according to applicable legislation, and on the data provided, in good faith, by the candidates.
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 1	The Board shall establish an Audit Committee to enhance its oversight capability over the financial reporting, internal control framework, internal and external audit processes, and compliance with applicable laws and regulations. Where a separate risk management committee is not required by law or already established, the Audit Committee will also include oversight responsibilities for the efficiency of the risk management framework.	√			
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 2	The Audit Committee is recommended to be composed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Audit Committee, as a whole, should have competencies relevant to the Company's area of operations. The Committee and its members should comply with the applicable national and European legislation.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 3	The Boards of Premium Tier companies should set up a Nomination and Remuneration Committee formed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Board may also establish a separate Nomination Committee and a separate Remuneration Committee if the Board composition accommodates it and if this is justified given the Company's size and complexity of its business and governance structures.		√		The Company has established a Remuneration and Nomination Committee under the Board of Directors, consisting of three non-executive members, two of whom are independent, but the Chairman of the Committee is the Chairman of the Board of Directors. The Company believes that the current composition of the Remuneration and Nomination Committee fully meets the needs of the Company.
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 4	In addition to its specific responsibilities as provided under this Code, the Nomination and Remuneration Committee should: i.Review and recommend to the Board the size and composition of the Board and lead the development and ongoing review of the Board profile; ii.Identify individuals qualified to become Board members and members of the executive management, if requested; evaluate the candidates for executive management roles; evaluate the candidates proposed by the shareholders or by Board members for a director role and inform the GMS accordingly; iii.Make recommendations to the Board concerning committee appointments (other than the Nomination and Remuneration Committee); iv.Coordinate an annual evaluation of the Board, directors and committees in line with provisions set out in Principle A.5.; v.Assist the Board in fulfilling its responsibilities related to the Company's remuneration policy; vi.Assist the Board in the development of the succession plans for executive management, as well as the emergency succession plans and CEO search process, as required; vii.Oversee the administration of the Company's compensation and benefits plans.	√			
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 5	The role and responsibilities of Board committees should be defined in separate internal regulation (operating regulations) and disclosed on the Company's website. If the Company chooses not to establish any of the Board committees not required by law, the corresponding tasks and responsibilities shall be done by the Board and should be adequately stated in the Board's internal regulation.	√			
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 6	The evaluation of independence for the members of the committees, including when the members of the committees are appointed by the GMS, shall be carried out according to the same procedure applicable to the independent members of the Board.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.**	A.4., 7	The chairpersons of the Audit Committee and Nomination and Remuneration Committee should not be the Chairperson of the Board or of any other committee, unless this is justified by the size of the Board.			√	The Company believes that the current management structure of the Committees ideally reflects the needs of the Board of Directors, as well as the resources at its disposal.
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 1	The Board Chairperson is primarily responsible for ensuring that the Board functions properly. The Board's internal regulation should contain the role and responsibilities of the Board Chairperson and the Board Chairperson, at a minimum, should: •Determine the agenda of the Board meetings, chair such meetings and ensure that minutes are kept of such meetings; •Ensure the Board receives accurate, timely, useful, succinct information to enable the Board to make sound decisions; •Ensure the Board has sufficient time for consultation and decision-making; •Enable the Committees to function properly and that there is effective communication with Board committees, including actionable, insightful reports of committees back to the full Board; •Ensure the performance of the Board is evaluated and discussed at least once a year and disclosed as per provision D.1.3; •Ensure that the Board has proper working relationship with the executive management. The CEO and the Chairman of the Board (if positions are held by different individuals) shall meet regularly; •Address and manage internal disputes and conflicts of interest concerning Board members.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 2	The Board should meet as often as necessary but not less than six (6) times a year.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 3	The Board can request to designate the Corporate Secretary who should assist the Board in complying with its obligations under law, Board internal regulation and other policies. The Corporate Secretary should be a senior officer in the Company tasked with assisting the Board and its committees in organising their activities, in preparing for the meetings, annual Board and committee performance evaluation and director training programs, if the case.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 4	The Board should clearly define the rights and responsibilities, scope of authority and other issues related to the Corporate Secretary.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 5	The Board and its committees should develop and approve an annual internal work plan identifying topics to address during the year before the end of the previous year. The plan should take into account decisions that need to be proposed to the GMS, reporting by management and internal control functions, the required frequency of Board and Committee meetings, and should be reviewed by the Chairperson, assisted by the Corporate Secretary.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 6	The Board should conduct an annual evaluation of the composition, activity and dynamics of the Board and its committees, individually and as a whole, and which should be coordinated by the Nomination and the Remuneration Committee.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 7	The Nomination and Remuneration Committee should share the results of the Board evaluation with the whole Board and should then set follow up actions, if any, including professional development and training plans for the Board to fill gaps.	√			
A: GOVERNING BODIES	**A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.**	A.5., 8	The Board's internal regulation should require Company orientation (induction) programmes for newly appointed directors, ensured by internal staff of the Company. The Board's internal regulation can also include references for ongoing director education program, if needed. The implementation of any orientation and ongoing trainings programmes for directors (as per the Board decision) is made under the oversight of the Nomination and Remuneration Committee, with the support of the Corporate Secretary. Based on the results of the annual board evaluation, the Nomination and Remuneration Committee jointly with the Board Chairperson shall develop professional development programmes focusing on the areas where capacity should be built among Board members.	√			
A: GOVERNING BODIES	**A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.**	A.6., 1	Executive management should run the Company and be accountable to the Board. Division of responsibilities between the Board and the executive management and between different members of the executive management should be clearly articulated in the Company's by-laws and the internal regulations of the Company.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	**A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.**	A.6., 2	When Board Chairperson and CEO roles are exercised by one individual, the different responsibilities of the Board Chairperson and CEO should be clearly defined and distinguished in the Company by-laws.				Not applicable, the Company complies with principle A.2.6
A: GOVERNING BODIES	**A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.**	A.6., 3	The Board should ensure that the executive management is comprised of persons with adequate knowledge, skills, diversity and experience to support successful Company performance and that there are measures in place to provide for the orderly succession of executive management.	√			
A: GOVERNING BODIES	**A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.**	A.6., 4	The Board, with the support of the Nomination and Remuneration Committee, should annually evaluate executive management's performance, the effectiveness of its cooperation with the Board, including the information provided to the Board.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK							
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 1	The Board determines the nature and extent of the risks the Company is willing to take necessary for the achievement of Company's strategic objectives (i.e., the Company's risk appetite) and should ensure there are clear structures, policies and procedures in place that identify, evaluate, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The Board should explain in the annual report the mechanisms and processes in place to identify and manage risks.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 2	The Board should adopt a formal risk management policy, to ensure accurate, complete and timely identification, measurement and reporting of risks, adequate and feasible risk control measures as well as integration of an E&S risks into the risk management framework in support of the Company's strategy implementation.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 3	The Board and Audit Committee should understand emerging information technology and artificial intelligence-related changes so to mitigate cybersecurity risks. Time should be given to the AI risks and opportunities and cybersecurity on Board agenda to ensure understanding of cyber protection.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 4	The Company is recommended to establish a risk management function responsible for ensuring accurate, complete and timely identification of the risks, ensuring that adequate and feasible risk control measures are in place and monitoring the risk management procedures. The risk management function, through the Chief Risk Officer (CRO), where present, should have a direct communication and functional reporting to the Board and Audit Committee (if there is no separate Risk Committee).	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 5	The Board with the assistance from the Audit Committee should at least annually assess the adequacy and effectiveness of Company's risk management and internal control framework (including operational and compliance controls) and make relevant recommendations. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if they are required by applicable legislation, to the Audit Committee, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and submission of relevant reports to the Board.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.**	B.1., 6	The Company should develop and make available on a free of charge basis on the Company's website a whistle-blowing mechanism which would enable employees and stakeholders to make reports about suspected breaches or wrongdoings as per the applicable legislation in place.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.**	B.2., 1	In addition to its responsibilities mentioned in legislation and elsewhere in the Code, the Audit Committee should: ·Review the Company's internal controls and risk management frameworks; ·Oversee the development and application of the Company's policies on conflicts of interests and related party transactions; ·Ensure independence and review the effectiveness of the Company's internal audit function and make a recommendation to the Board; ·Oversee the internal audit function; ·Oversee the preparation of sustainability-related reports and information included in them, unless this task is assigned to another committee; ·Oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements and internal regulations of the Company (like the procedures for reporting breaches of the law or the Company's Code of Conduct), unless this task is assigned to another committee.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.**	B.2., 2	Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by regular (at least annual) or ad-hoc reports to the Board.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.**	B.2., 3	The Audit Committee should monitor the independence and objectivity of the external auditor. The Committee should approve a policy on the provision of permitted non-audit services by the external auditor in line with legal requirements and enforce implementation of that policy. Committee's findings regarding the independence of the external auditor should be disclosed in the annual report.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.**	B.2., 4	The Audit Committee should discuss the annual audit work plan with the external auditor covering the scope and materiality of the activities to be audited. The audit committee should meet the external auditor as needed to discuss issues identified and to monitor the quality of the services provided.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.**	B.3., 1	The Board should ensure that the internal audit has the authority, resources and procedures adequate to assist the Board in ensuring effectiveness and efficiency of the Company's risk management and internal control framework.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.**	B.3., 2	To ensure fulfillment of the core functions of the internal audit function, the head of the function should be appointed by and report functionally directly to the Board via the Audit Committee, who shall be tasked with approving his/her appointment and dismissal. This is without prejudice to administrative reporting to the CEO and sharing information with the Company's executive management, in line with legal requirements and professional standards.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.**	B.3., 3	The internal audit function should be established in line with applicable legal requirements and industry standards (e.g., Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant matters shall be regulated in separate internal audit's internal regulation approved by the Board, following the recommendation of the Audit Committee.	√			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	**B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.**	B.3., 4	The Audit Committee should agree an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor implementation of recommendations of the internal audit and provide necessary guidance.	√			
C: PERFORMANCE, MOTIVATION AND REWARD							
C: PERFORMANCE, MOTIVATION AND REWARD	**C.1. Members of the Board shall receive remuneration corresponding to the volume and weight of powers and their responsibilities, rather than the performance of management or the Company. The structure and amount of director's remuneration should enable the Company to attract, retain and motivate the competent and qualified directors.**	C.1., 1	Board members should receive remuneration, as per the Remuneration Policy of the Company. Members who also serve on Board committees should receive additional remuneration for this work. But in no circumstances should the remuneration be linked to the number of board or committee meetings.	√			
C: PERFORMANCE, MOTIVATION AND REWARD	**C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.**	C.2., 1	The Board should determine the annual remuneration of the executive management, based on the recommendations of the Nomination and Remuneration Committee and in accordance with the Company's remuneration policy. The remuneration policy should be prepared in accordance with the relevant legal requirements.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
C: PERFORMANCE, MOTIVATION AND REWARD	**C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.**	C.2., 2	Levels of remuneration for executive management members and key performance indicators taken into account when determining variable (performance-based) part of the remuneration should be set in advance and be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment within which the Company operates, and the pay and conditions of employees within the Company. In particular, they should include indicators related to non-financial performance and appropriate sustainability objectives.	√			
C: PERFORMANCE, MOTIVATION AND REWARD	**C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.**	C.2., 3	Company's shares and/or share purchase options should represent a significant part (e.g., not less than 10%) of the executive management member's total variable remuneration.			√	For the time being, the provisions of the Remuneration Policy regarding long-term incentives consisting of shares and options are under analysis and review and have not become applicable
D: DISCLOSURE AND INVESTOR RELATIONS							
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 1	The Company should make sure to provide accurate, complete and timely financial and operational information, including quarterly, half-yearly and annual reports, as well as current reports. Companies should ensure all relevant information is easily accessible to investors, including through the Company website and other public information sources, as the case may be.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 2	The Company is recommended to have an Investor Relations (IR) function and should appoint a dedicated person in charge of IR function. The contact details of the person or persons charged of the IR function shall be available on the Company's website. The IR function will report directly to the CEO/CFO, underscoring its significance within the Company's hierarchy and emphasizing its central role in managing and communicating the Company's capital market engagements and status. The Company should organise induction and regular training/courses, if needed, for the IR function, tailored to its specific needs and responsibilities.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The Company should include on its corporate website a dedicated Investor Relations section, with all relevant information of interest for investors, available both in Romanian and English.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •List of current members of the Board, Board's Committees and executive management, providing an up-to-date information on independence status , professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), other professional commitments, including executive and non-executive Board positions in companies, not-for-profit institutions and state institutions; relationship with shareholders holding at least 5% of the voting rights/ shares issued by the Company; the duration of the appointment of the members of the Board, the Committees and the executive management, specifying the date from which they were appointed.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •Current reports and periodic reports (quarterly, semi-annual and annual reports).	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •Information related to GMS: the agenda, supporting materials and the decisions taken; procedure for running the GMS; the Nomination Policy; candidates' professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), as well as any other information presented at A.3.3; communication channel(s) for shareholders to address questions; answers to shareholders' questions related to the agenda; declarations of independence for board candidates and evaluations made by Nomination and Remuneration Committee/Board for candidates, including their compliance with independence criteria.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •Information on Board evaluation, made as per Provision A.5.7, including evaluation criteria and process, as well as a summary result of the evaluation and actions that have been or will be undertaken as a result of the evaluation.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 3	The company should include on its Investor Relations section: •Corporate policies, among which code of conduct, dividend policy, remuneration policy, forecast policy, policy for communication with investors, the corporate social responsibility (CSR)/sponsorship policy, policy for related parties' transactions, policy for diversity, equity and inclusion, and whistleblowing policy (if not already part of the Code of Conduct).	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 4	The Company should organise at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the Company website at the time of the meetings/conference calls.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 5	The Company should disclose the material and reportable non-financial and sustainability issues with emphasis on the disclosure of environmental, social and governance (ESG) issues of its business and operations in line with the recognized standard of sustainability reporting. The Company's sustainability statements shall be disclosed on its website.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.**	D.1., 6	The Company should have a CSR/sponsorship policy to guide the activity in the area of supporting CSR activities and sponsorship.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 1	The Company should have a dividend policy as a set of directions the Company intends to follow regarding the distribution of net profit.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 2	The procedure for running the GMS should not restrict the participation of shareholders in GMS and the exercise of their rights. Amendments of the procedure for running the GMS should take effect, at the earliest, as of the next GMS.	√			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 3	The external auditors should attend the shareholders' meetings where their reports are presented, in order to respond to shareholders' questions.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 4	The Board should present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, as per the related information included in the annual report.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 5	The Company should stimulate engagement with shareholders and investors by: •Encouraging active shareholder participation in GMS, like ensuring conditions for virtual participation. •Holding regular briefings and updates for investors, especially during significant corporate events. •Establishing channels for shareholders to provide feedback and ask questions, ensuring responses are timely and comprehensive.	√			
D: DISCLOSURE AND INVESTOR RELATIONS	**D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.**	D.2., 6	Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairperson of the Board. Accredited journalists may also participate in the GMS, unless the Chairperson decides otherwise.	√			
E: SUSTAINABILITY AND STAKEHOLDERS							
E: SUSTAINABILITY AND STAKEHOLDERS	**E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.**	E.1., 1	The Board should ensure that sustainability, environmental and social considerations are integrated in the Company's strategy and operations, risk management and remuneration practices and shall oversee this integration. A specialised sustainability committee or one of the standing committees of the Board shall assist the Board with these tasks.	√			
E: SUSTAINABILITY AND STAKEHOLDERS	**E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.**	E.1., 2	The Board should ensure that Company's operations run according to the national and international E&S standards and Company's E&S policies are consistent with its long-term objectives. In particular, the Company shall have internal acts relating to its responsibilities for environmental and social issues and policies and procedures that enable it to identify material factors and assess the impact on the Company's activities.	√			
E: SUSTAINABILITY AND STAKEHOLDERS	**E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.**	E.1., 3	Whenever a decision to be approved by the Board has potential material and negative E&S impact, the Board should receive from the executive management (i) an analysis on how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) proposal of the measures to mitigate negative E&S impacts.	√			

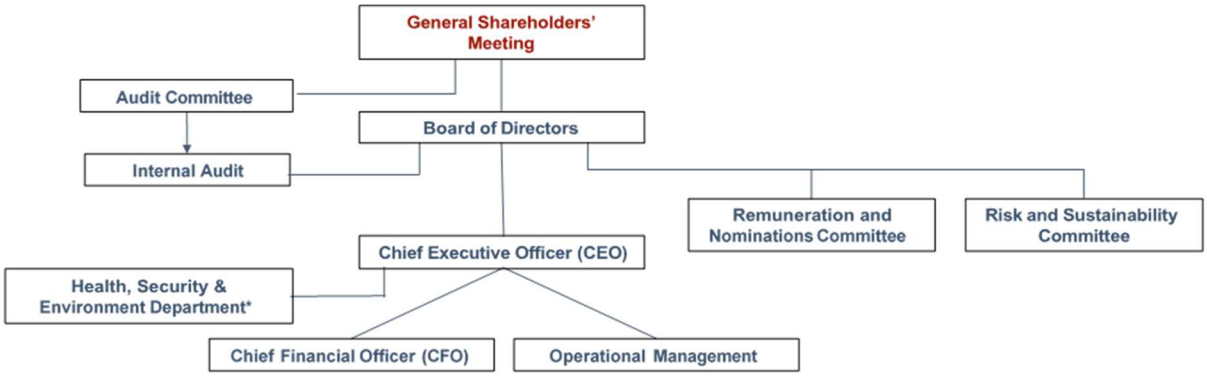
This is a free translation from the original Romanian binding version

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
E: SUSTAINABILITY AND STAKEHOLDERS	**E.2. The Company should have in place a process for identifying the stakeholders affected by Company's operations. The Board should take into consideration stakeholders' interests and ensure there is active communication between the Company and its stakeholders.**	E.2., 1	The Board should ensure that there is a formal stakeholder identification process for Company's stakeholders including investors, creditors, clients, employees and suppliers, as well as targeted approaches for engaging with its priority stakeholders.	√			
E: SUSTAINABILITY AND STAKEHOLDERS	**E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.**	E.3., 1	The Board should develop a purpose statement and a vision statement as well as articulate Company's values, so the entire organisation understands the Company's strategic direction.	√			
E: SUSTAINABILITY AND STAKEHOLDERS	**E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.**	E.3., 2	The Board should adopt a Code of Conduct for Board members, executive management and Company employees, with clear provisions aimed at preventing and sanctioning fraud and bribery. The Board should not permit any waiver of any ethics requirement by any director, executive manager or employee.	√			
E: SUSTAINABILITY AND STAKEHOLDERS	**E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.**	E.3., 3	The Board should ensure that the Code of Conduct policies are integrated into Company's practices and incorporated into the onboarding process for new hires. The Board should ensure the efficient implementation and monitoring of compliance with the Code of Conduct and periodically review it.	√			

Corporate governance structures updates

General presentation

During the reporting period, the Company had the following corporate governance structures: Board of Directors and Executive Management, Audit Committee, Remuneration and Nominations Committee, Risk and Sustainability Committee, ruling structures that represent the interests of the Group, of the Parent-company and its shareholders and is responsible for the overall management of the business.



Notes:

* From an operational point of view, this function is directly subordinated to the CEO

←- - - The Audit Committee supervises the Internal Audit Team

In 2025, the Board of Alro held 20 meetings that were attended by all Board members except for: Mr. Marinel Burduja who participated in 15 meetings, Mr. Vasile Iuga and Mr. Voicu Cheta who participated, each, in 18 meetings, Mr. Igor Higer who participated in 17 meetings and Mr. Gheorghe Dobra and Mr. Marian Nastase who attended 19 sessions, each.

The Audit Committee (consisting of: Mr. Vasile Iuga, Mr. Adrian Manaicu and Mr. Dorel Paraschiv) met in 11 meetings in 2025, which were attended by 3 out of 3 members.

The Remuneration and Nominations Committee (consisting of: Mr. Marian Nastase, Vasile Iuga, Mr. Marinel Burduja) met in 4 meetings attended by 3 out of 3 members.

The Risk and Sustainability Committee (consisting of: Mr. Vasile Iuga, Mr. Marinel Burduja, Mrs. Svetlana Pinzari, Mr. Adrian Fercu and Mr. Darius Paval) met in 5 meeting attended by 5 out of 5 members.

General Shareholders' Meeting is convened by the Board and held at the Company's headquarters or in another place announced by the convening notice, at least once a year, not later than four months after the end of the financial year, or whenever is needed. This can be convened at the request of shareholders representing at least 5% of the share capital, in which GSM shall be convened within not more than 30 days and will meet in less than 60 days from the date of the received request. The meeting date will not be earlier than 30 days from the published notice in the Romanian Official Gazette. The notice must be published in the Romanian Official Gazette, Part IV, and in one wide circulation newspaper from Romania. In exceptional circumstances, when it is in the Company's interest, the Board can convene EGSM. The convening notice will be sent to the BSE and FSA, following the capital market regulations. The convening notice will also be available on the company website, in the section "Investor Relations - Shareholder Meeting", together with any explicative document related to the items included on the GSM's agenda, such as the annual financial statements, the Board's annual report and the proposal to distribute dividends etc. are made available to shareholders at the Company's headquarters and on the website with at least 30 days before the GSM takes place and these documents are approved.

Planning the General Shareholders' Meeting - the Chairman of the Board usually leads GSM; in certain situations, the Chairman may appoint another person to lead the meeting. The meeting's chairman will nominate a secretary, and the attending shareholders will vote on the Chairman's proposal. The meeting's secretary verifies the fulfilment of the formalities required by the law for holding the GSM and prepares the minutes of the meeting. The Chairman signs the minutes of the meeting, and the secretary represents the proof of the fulfilment of the formalities of the convening notice; they mention the date and the place of the GSM, shareholders' request, the shareholders' statements made within the GSM. To be opposable to third parties, GSM decisions will be filed within 15 days from their approval at the Trade Registry to be included within the register and published in the Romanian Official Gazette, Part IV. Decisions will be published at the same time on the Company's website.

GSM decisions are sent to BSE and FSA within 24 hours of approval, following the capital market regulations. Moreover, these decisions are available on the Company's website, within the section "Investor Relations - Shareholders Meeting."

The main responsibilities of the General Shareholders' Meeting are:

- approves or amends the Company's financial statements, after having analysed the Board of Directors and the financial auditors' reports;
- approves the profit's allotment, under the law stipulations;
- appoints and dismisses the directors;
- settles the directors' remuneration for the current financial year;
- settles the general limit of the remunerations granted by the Board of Directors to the directors appointed with specific positions and to the managers;
- rules over the liability of the directors;
- appoints and dismisses the financial auditor of the Company and rules over the minimum duration of the financial audit contract;
- approves the income and expenses budget and, if applicable, the activity program for the next financial year;
- decides the pledging, renting, or dissolution of one or more of the company units;
- fulfils any other responsibility deemed by the law to be its duty.

Extraordinary General Shareholders Meeting is held at the Company's headquarters or in another place announced through the convening notice, whenever it is necessary for a decision regarding:

- the change of the Company's legal status;
- the change of the main scope of business;
- the merger with other companies or the split-off of the Company;
- the dissolution of the Company;
- the increase of its share capital;
- the decrease of its share capital or its replenishment by issuing new shares;
- the issue of bonds;
- the conversion of a class of bonds into a different class or in shares;
- the conversion of the nominative shares into bearer stock shares or of the bearer stock shares into nominative shares;
- the conversion of the shares from one class into another;
- the approval of the conclusion of legal documents by which assets in the Company's patrimony, whose value exceeds half of the Company's assets book value as of the date of concluding the legal document, are alienated, rented, exchanged or encumbered under pledge, or by which assets whose value exceeds the above value are acquired;
- the approval of the conclusion of documents by which assets in the category of non-current assets of the Company, whose value exceeds, separately or jointly, during a fiscal year, 20% of the aggregate non-current assets less the accounts receivable, are acquired, alienated, exchanged or encumbered under pledge;
- the approval of the conclusion of documents by which tangible assets are rented for a period exceeding one year, whose value, separately or jointly, as to the same co- contractor or related or person acting together, exceeds 20% of the value of total non-current assets less the accounts receivables at the date of concluding the legal document, as well as the associations for a period exceeding one year, exceeding the same value;
- the approval of the conclusion of legal documents by which a director or a manager alienates or acquires assets to or from the Company, with a value exceeding 10% of the company net assets value as well as legal documents regarding the renting or leasing of such assets;
- the approval of the organisation and operation by-laws of the Board of Directors;
- the approval of the establishment or dissolution of secondary offices-branches, agencies, representative offices or

other similar offices having no legal personality;

- the appointment and dismissal of the members of the Audit Committee, the approval of the Audit Committee's terms of reference, the establishment of the mandate duration and the remuneration of the Audit Committee's members;
- any other responsibility deemed by the law to be its duty.

Shareholders - rights and obligations

The current legislation adequately protects the rights of the Company's minority shareholders in force. Shareholders have the right to obtain relevant information about the Company on time and a periodical basis. They have the right to be informed about the decisions regarding the changes of any kind occurring in the Company to understand how these may affect their rights. Each share subscribed and paid in by shareholders gives them the right to vote in the GSM, the right to elect and be elected in the management bodies, and the right to participate in the distribution of profits according to the Company's Articles of Association to the legal provisions.

Also, several critical decisions are exercised by the shareholders, such as:

- Summoning of the GSM: shareholders representing at least 5% of the share capital have the right to request the convocation of GSM, a situation in which the GSM will be convened not later than 30 days and will take place in less than 60 days from date of the request;
- Adding new items on GSM agenda: one or more shareholders representing, individually or collectively, at least 5% of the Company's share capital have the right to introduce new items on the GSM agenda (each new item will be accompanied by a rationale or by a decision draft proposed for resolution by the GSM) and to present decision drafts for the points included or proposed to be included on the GSM agenda, within 15 days from the day when the convocation was published in the Romanian Official Gazette;
- GSM participation: Company's practice is to promote the participation of its shareholders in the GSM actively and they are invited to address questions on issues to be discussed during such meetings. Shareholders may attend the General Shareholders' Meeting in person, by correspondence or through a representative having a mandate.

The mandate can be: (i) special, using a particular mandate model that will be provided by the Company or (ii) general, valid for maximum of three years, which allows their representative to vote on all issues under discussion within the Company's General Shareholders' Meeting or several companies identified in the mandate, including as regards acts of disposal, on the condition that the shareholder grant the mandate, as a client, to a lawyer or an intermediate - financial investment services companies authorised by FSA, credit institutions authorised by the National Bank of Romania, in accordance with the applicable banks' regulations, as well as similar entities authorised in EU member or non-member states to perform financial investment services. Shareholders registered in the shareholders' register may vote by correspondence before the GSM meeting, using the voting form used for the correspondence voting provided at the Company's headquarters and/ or on the company website. More information can be found in the Company Procedures o regarding the exercising of voting rights by shareholders in GSM;

Shareholders' questions: The Company's shareholders, no matter the number of shares held, have the right to send written questions to the Company headquarters regarding the GSM agenda. The questions shall be submitted or sent in an enclosed envelope to the Company's registered office so that the Registration Office of the Company may record them, at least seven calendar days before the date of the meeting, with the following specification written in capital letters "FOR THE ORDINARY AND/ OR EXTRAORDINARY GENERAL SHAREHOLDERS MEETING AS OF_____/ _____/.

To be able to identify the shareholder capacity of the person who has sent the questions or making proposals to supplement the agenda, the legal representatives of the Company may ask the respective person to present some documents supporting his/ her identity, and the statement of account proving the shareholder capacity and the number of shares held, issued by the Central Depository or, as applicable, by participants providing custody services. More information regarding the documentation necessary to exercise this right might be obtained from the Regulations regarding the exercise of voting rights by shareholders within the GSM or addressing questions to the Investors Relations responsible person. Any sensitive information of the Company that may lead to loss or a competitive disadvantage to the Company will be avoided when the responses are communicated to protect the shareholders' interest.

Agreements between shareholders

In respect of the agreements between shareholders known by the Company and which can lead to restrictions in securities and/ or voting rights transfer, we mention that as of 31 December 2025, ALRO did not have pledged shares in the lending banks with which it signed loan agreements (31 December 2024: nil).

Shareholders

ALRO Group is permanently developing and adapting its corporate governance guidelines to the latest regulations and best practices. In this way, it will benefit from new opportunities that could occur and may generate benefits for the Group and the Company. Therefore, the management considers that a transparent decision-making process based on clear rules ensures an efficient administration of operations and enhances the confidence of shareholders and third parties interested in the Group's activity. Moreover, this type of organisation contributes to protecting the shareholders' rights. This means an improvement of the Group's overall performance, which is reflected in time, both in positive signals from the market and in more accessible access to financing facilities.

ALRO adheres to and complies with a significant part of the provisions stipulated in the new Corporate Governance Code issued by BSE. Code requirements are more comprehensive than the legal requirements for listed companies. This report also includes the *Apply or comply statement.* The Code contains the explanations for the provisions of the BSE Code, where it did not comply with the requirements.

ALUM is listed on the secondary market, ATS segment – AeRO – however, it applies the same best practices when it comes to corporate governance rules and complies with all the regulations in force for listed companies on BSE.

Responsibilities of the Board of Directors

The ***Board of Directors*** represents the highest forum in respect of the Company's management and along with its executive directors ensures the smooth running of day-to-day operations and is directly involved in the strategic decisions that have a direct impact on the Company's activities. The members of the Board are in a permanent dialogue with the executive directors and are taking into consideration the interests of the Company, its shareholders and the interests of the Company's employees.

The Board of Directors has to keep the public informed at least about:

- the role and obligations of the Board;
- the Board's structure, mentioning the number of administrators (executive and non-executive, independent members);
- the manner of appointment of the Board members and the procedure of electing them;
- the prerogatives and responsibilities of each corporate governance structure;
- the Board and Executive Management members' remuneration policy;
- the manner of appointment and the procedure of electing the members for the Audit Committee, Remuneration and Nominations Committee, Risk and Sustainability Committee.

The Board current structure ensures that a balance between executive and non-executive members is maintained. The Board of Directors has several members that guarantee the efficiency of its ability to oversee, analyse, and evaluate the work of managers and the fair treatment of shareholders. Moreover, the Company considers the independence of its members, applying the evaluation criteria established by the Corporate Governance Code. Thus, during 2025, ALRO's Board had at least two independent members, and since December 2020, the Board of Directors of ALRO counts three independent members.

Nevertheless, the decision-making process remains a collective responsibility of the Board, which will be held responsible for all decisions made while carrying out its competencies. The Board is responsible for reviewing relevant documents to achieve the Company's main scope of the business, except the ones required by law and statutory for GSM or the Company's Management.

The election of Board members is made through a formal, rigorous, and transparent procedure, and it is based on the recommendations made by the Remuneration and Nominations Committee. The Company publishes on its website the CVs of the candidates proposed for being elected as Directors and the qualifications they hold. Also, information on personal and professional qualifications for current members of the Board and Executive Management can be found on the Company's website, www.alro.ro.

Every time a Board member is nominated, GSM aims to ensure a balanced structure of the management body, in line with the Company's activity. As a principle, the nomination of a Board members takes into consideration the graduation of long-term higher education studies, as well as one or more from the following personal and/ or professional qualifications:

- holding a technical qualification in the field in which the Company activates;
- significant management experience, no matter the field in which it was obtained;
- economic education, specialisation or training classes;
- practical communication skills;
- ability to contribute to the Company's development strategies;
- good moral conduct.

The Board of Directors activates following the Company's Articles of Association, the Rules of Organization and Operation of the Board and other internal policies for the consultative Committees. The Board meets at least once every month or whenever the situation requires it. The agenda of these meetings complies with the role and obligations of the Board of Directors following the law and the Articles of Association.

The main competences of the Board of Directors are:

- enforces the decisions taken by the GSM;
- decides the main activity and development directions of the Company;
- determines the accounting and financial control system and approves financial planning;
- endorses the Company's annual financial statements;
- submits to the financial auditor with at least one month before the day scheduled for the GSM, the annual financial statements for the previous financial year, together with the Board's report and the supporting documents;
- annually submits for the approval of the OGSM, within four months from the closing of the financial year, the report regarding the activity of the company and the financial statements for the previous year;
- annually submits for the approval of the OGSM the revenues and expenditure budget and the activity programme for the following financial year, if the case;
- approves the signing of any legal documents on behalf of the Company, except for those that need, as per the compulsory provisions of the law and the company's articles of association, the approval of the GSM, and except for those that the CEO, acting alone or together with the CFO, may sign without the approval of the Board of Directors, as per the limits settled by the provisions of the articles of association or by the Board of Director's decision;
- approves the change of the registered office of the Company;
- approves the change of the Company's secondary scope of business;
- establishes the additional remuneration of the Directors in charge with specific positions, as well as the executive directors' remuneration, within the general limit approved by the OGSM;

- approves the organisational structure and the internal rules and regulations of the Company;
- appoints and dismisses the CEO and the CFO;
- establishes how the activity of the CEO and the CFO is organised;
- supervises the activity of the CEO and the CFO;
- organises the internal audit activity;
- establishes the Company's marketing strategy and tactics;
- approves the investment plan of the Company;
- decides concerning the market on which the securities issued by the Company shall be quoted and decides over the private independent authorised to hold the registry of the shares issued by the Company;
- submits the request for opening the insolvency procedure of the Company;
- decides on any other issues within its competence.

The Biography of the Board's members

The Board of Directors represents both the interests of the Company and of its shareholders and is responsible for the overall management of the Company.

At 31 December 2025, ALRO's Board of Directors consisted of 11 members and its structure is as described below:

BOARD OF DIRECTORS	RELEVANT EXPERIENCE AND SKILLS	OTHER PROFESSIONAL COMMITMENTS
Marian-Daniel NĂSTASE Birth year: 1972 Date of first appointment: November 2002 Reappointed: April 2023 Term of office expires in: April 2027 ***Position held within the Company*:*** Chairman and Non-Executive Member of the Board of Directors since April 2019 **Member in other Committees within the Company** Chairman of the Remuneration & Nominations Committee since August 2019	Marian Năstase graduated from the Academy of Economic Studies in Bucharest where he majored in foreign trade and subsequently obtained an INSEAD Diploma for Board members. Marian Năstase has extensive experience in financial consulting and auditing. He has worked at Deloitte & Touche in Romania, amongst other advisory firms. In 2002, Marian Năstase joined ALRO as the Executive Director in charge of all financial affairs of the Company. Mr. Năstase was subsequently appointed as Vimetco Country Manager Romania and his current mandate covers all Vimetco Group's operations in aluminium, natural gas and electric power in the country.	Marian Năstase is Board or Management member within the following companies: Vimetco PLC, Vimetco Management Romania SRL, Vimetco Trading SRL, Everwide Industrial Ltd and he is the Chairman of the Association of Big Industrial Energy Consumers Romania (ABIEC).
Svetlana PÎNZARI Birth year: 1961 Date of first appointment: March 2018 Reappointed: April 2023 Term of office expires in: April 2027 *Position held within the Company*:* Vice-President since November 2019 and Non-Executive Member of the Board of Directors since April 2019 **Member in other Committees within the Company** Member of the Risk and Sustainability Committee since May 2022	Svetlana Pînzari graduated from Columbia University, New York where she majored in Economics. Ms. Pînzari performed an internship at International Monetary Fund and has large experience in banking. She held management positions for several commercial banks and for Central Bank being responsible for corporate governance, investments, treasury, and national payment system. She acted as Head of Assets and Liabilities Committee, member of Credit Committee and as a member of Board of Directors. She joined ALRO as Deputy Financial Director; in 2006 she was subsequently appointed as Chief Financial Officer of ALRO Group and as member of Board of Directors for ALRO and ALUM until 2013. She was responsible for budgeting, reporting, accounting and treasury. She is currently director of Vimetco Trading.	Svetlana Pînzari is Board or Management member within the following companies: Vimetco Trading SRL and Everwide Industrial Ltd.

Note the position held within the Company as per last mandate*

At 31 December 2025, ALRO's Board of Directors consisted of 11 members and its structure is as described below (cont.):

Gheorghe DOBRA Birth year: 1959 Date of first appointment: November 2003 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Non-Executive Member of the Board of Directors since September 2024 **Member in other Committees within the Company** N/A	Gheorghe Dobra, PhD, Executive MBA graduated from the Bucharest Polytechnic Institute, Romania in 1984 and joined ALRO where he passed through all stages of a successful professional career. Since 1993, Gheorghe Dobra is the Chief Executive Officer of ALRO until 26 September 2024. Mr. Dobra main achievements in the Company are: • successful privatization of the Company between 2000 - 2002; • increased the Company's economic and financial performance; • technical and technological upgrade to the highest international standards • increased high and very high added value production; • substantial investments in the environment, which led to improved working conditions and greening the whole company; • reduced costs, focusing on increasing energy efficiency; • re-engineering the organization with positive effects on business optimization; • ALRO accreditation as a supplier for the demanding market of aerospace and automotive industries; • increased the number of social programs for employees and the local community; • increased the Company's creditworthiness on aluminium international market; • vertical integration of production cycles within the Group.	
Vasile IUGA Year of birth: 1954 Date of first appointment: April 2019 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Independent Non-Executive Member of the Board of Directors since April 2019 **Member in other Committees within the Company** Chairman of the Audit Committee since April 2019 Member of the Remuneration & Nominations Committee since August 2019 Chairman of the Risk and Sustainability Committee since March 2020	Vasile Iuga is one of the most experienced business consultants in Romania, with over 35 years of extensive experience in the implementation of International Accounting Standards, financial audit, evaluation and business restructuring, corporate governance, in takeovers, mergers, business acquisitions, privatisations and strategic consultancy, in energy, finance, industry and capital markets, in Romania and Eastern Europe. Before, he worked for 12 years in the aeronautical industry, as testing engineer. He is a graduate of The Faculty of Aerospace Engineering of Politehnica University of Bucharest. He also attended executive trainings with Harvard Business School, INSEAD Paris and IMD Lausanne. Vasile Iuga began his consulting career in PwC Romania in 1991, where a long period of time (2004-2016) was Country Managing Partner for Romania, being the first local appointed Managing Partner in Central and Eastern Europe in PwC. He acted in PwC until 2016, last position held being member in the Management Board of PwC for Central and Eastern Europe for 12 years. Following retirement from PwC, Mr. Iuga served as Board member and member of the Audit Committee in a number of high profile international businesses including EIB. Mr. Iuga is a member of a number of professional bodies: Association of Chartered Certified Accountants from UK, The Chamber of Financial Auditors of Romania (CAFR), and The National Association of Authorized Romanian Valuers (ANEVAR). In 2012, in acknowledgement of his contribution to the development of entrepreneurship in Romania and the important role in development of the professional services in Romania, Vasile Iuga was awarded the title of Professor Honoris Causa from Babes-Bolyai University in Cluj-Napoca, Romania.	Vasile Iuga is an independent member of the Board of Directors of Patria Bank S.A. and Moldindconbank.

Note the position held within the Company as per last mandate*

At 31 December 2025, ALRO's Board of Directors consisted of 11 members and its structure is as described below (cont.):

Marinel BURDUJA Year of birth: 1953 Date of first appointment: April 2019 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Independent Non-Executive Member of the Board of Directors since April 2019 **Member in other Committees within the Company** Member of the Remuneration & Nominations Committee since August 2019 Member of the Risk and Sustainability Committee since March 2020	Marinel Marinel Burduja graduated the Academy of Economic Studies, Faculty of International Business and Economics in 1976. Moreover, in 1982, Mr. Burduja obtained an international law degree from the Faculty of Law of the University in Bucharest. Mr. Burduja is a banker with an extensive experience and a prodigious career. Marinel Burduja was the mayor of Piatra Neamt municipality (in 1990) and the first president of the Romanian Federation of Municipalities, member of the Romanian Parliament and Vice-President of the Foreign Policy Commission (during 1990 - 1991), and in banking field Mr. Burduja held for 25 years several positions as an Executive Board member in prestigious institutions such as the Romanian Foreign Trade Bank, ABN-AMRO, Credit Anstalt, Raiffeisen Bank. Mr. Burduja has been a collaborating professor of the Romanian Banking Institute (RBI) and is a member of the Institute of International Finance (IIF) and a member of the Romanian Businessmen Association (AOAR). He has been the President of the Lauder-Reut Friendship Forum in Romania, currently being a member of this institution, too.	N/A
Adrian FERCU Year of birth: 1976 Date of first appointment: April 2023 Reappointed: N/A Term of office expires in: April 2027 **Position held within the Company*:** Non-Executive Member of the Board of Directors since April 2023 **Member in other Committees within the Company** Member of the Risk and Sustainability Committee since May 2023	Adrian Fercu is currently Management Consultant with Dedeman and Head of Capital Markets with Paval Holding. In 2019, he joined Dedeman/Paval Holding, with main responsibilities in financial investments (capital markets, private equity and portfolio management). He worked for several years in various banks such as RBS Bank, ABN-AMRO Bank, BRD, UniCredit, where he held positions of Account Manager, Branch Manager and Regional Director. Adrian Fercu graduated from Al. I. Cuza University in Iași, Faculty of Economic Studies, with Bachelor's degree in Finance and Banking.	Adrian Fercu is also a non- executive member of the Board of Directors with Cemacon SA and Vrancart SA.
Darius PAVĂL Year of birth: 2000 Date of first appointment: April 2023 Reappointed: N/A Term of office expires in: April 2027 **Position held within the Company*:** Non-Executive Member of the Board of Directors since April 2023 **Member in other Committees within the Company** Member of the Risk and Sustainability Committee since May 2023	Darius Pavăl graduated from The American School in Switzerland (TASIS) in 2019 and subsequently, in 2022, from Bayes Business School (Cass) at the University of London, specializing in business management, digital innovation & entrepreneurship. In 2023 he obtained his master's degree in entrepreneurship from UCL School of Management. He has been involved in various activities across multiple departments at Dedeman since 2020. Currently, he is actively involved in the company's development and improvement projects.	Darius Pavăl is also a non-executive member of the Board of Directors with Cemacon SA.

Note the position held within the Company as per last mandate*

At 31 December 2025, ALRO's Board of Directors consisted of 11 members and its structure is as described below (cont.):

Voicu CHEȚA Year of birth: 1981 Date of first appointment: April 2019 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Non-Executive Member of the Board of Directors since April 2019 **Member in other Committees within the Company** N/A	Voicu Cheța is a lawyer at the Bucharest Bar Association with a legal experience of over 15 years. His speciality practises covers various areas such as high-value commercial litigation, commercial arbitration, insolvency and restructuring, labour relations, public procurement, administrative litigation, debt recovery and corporate law. In the field of legal advice and representation before law and arbitration courts, he has gained an overall view and proven competences to approach commercial legal relationships in a manner that ensures their correlation with the needs of economic activity.	Voicu Cheța is board member within the following companies: Med Life SA, Compania Nationala Administratia Canalelor Navigabile S.A and Societatea Nationala a Sarii SA.
Genoveva NĂSTASE Year of birth: 1975 Date of first appointment: April 2022 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Executive Member of the Board of Directors since April 2022 **Member in other Committees within the Company** N/A	Genoveva Năstase graduated from the Academy of Economic Studies Faculty of Commerce in 1999. She also graduated with the Executive MBA organized by ASEBUSS in partnership with Kennesaw State University, Atlanta, USA, in 2018. Genoveva Năstase has extensive experience in corporate finance, financial modelling & reporting and financial analysis, working previously at Deloitte & Touche in Romania and some other advisory boutique companies. Genoveva Năstase has been working with the ALRO Group since 2002, covering the financial affairs of the Group companies from a Deputy CFO position till 2013 and then from a CFO position till today.	Genoveva Nastase is Chairman of the Board of Directors of Alum S.A.

Note the position held within the Company as per last mandate*

At 31 December 2025, ALRO's Board of Directors consisted of 11 members and its structure is as described below (cont.):

Igor HIGER Year of birth: 1978 Date of first appointment: April 2022 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Non-Executive Member of the Board of Directors since April 2022 **Member in other Committees within the Company** N/A	Mr. Higer has a wide multicultural international experience in several industries. From 2005 up to present including, Mr. Higer was focusing on business development and strategy advise to ALRO and companies comprising Vimetco Group but acting also as managing partner for projects in the areas of manufacturing, mining and real estate in various countries worldwide, including Israel and Romania. In 2007, Mr. Higer was appointed Chairman of the Board in Vimetco Extrusion. Starting 2009 he was appointed as CEO of the company, having as main achievements: • Overall increase company's financial and economic performance; • Technological upgrade in accordance with highest international standards; • Development of new markets with emphasize on production of very high added value products; • Significant investments related to environment which have led to improved working conditions; • Cost reduction actions with focus on increasing efficiency for energy and raw material consumption; • Boost social responsibility programs for both employees and local community; • Increase company's creditworthiness on the international aluminum market.	Mr. Igor Higer is a Vice-President of the Board of Directors of Alum SA, a President of the Board of Directors of Vimetco Extrusion and a Director with Vimetco Power Romania.
Dragoș-Adrian VONCU Year of birth: 1974 Date of first appointment: April 2022 Reappointed: April 2023 Term of office expires in: April 2027 **Position held within the Company*:** Non-executive Member of the Board of Directors since April 2022 **Member in other Committees within the Company** N/A	Mr. Voncu has been working with the Company since November 2003, holding the position of Legal Manager, except for the period between June 2009 and August 2011, when he served as Legal Manager of Vimetco Management Romania. During the period from August 2011 to February 2014 Mr. Voncu practiced as an independent lawyer. Currently, Mr. Voncu also holds the positions of secretary of the Board of Directors, Audit Committee, Remunerations and Nominations Committee and Risk and Sustainability Committee and of Legal Manager within Alro, Alum and Vimetco Management Romania. Previously, Mr. Voncu was a member of the board of directors of Sierra Mineral and sole director of Global Aluminium Ltd., Centrul Rivergate S.R.L. and Conef. Mr Voncu is a member of the Bucharest Bar since 2011. He graduated from the University of Craiova, Faculty of Law, in 1997 and attended the Romanian-American School of Business (ASEBUSS), in partnership with Kennesaw State University, US, where he obtained an Executive Master of Business Administration degree (EMBA) in 2018.	He is the titular lawyer for "Dragoș-Adrian Voncu" Individual Law Office. He is the Legal Manager within Alum and Vimetco Management Romania and the secretary of Alum and SES Board of Directors. Mr. Voncu is a member of the Board of Directors of Conef SA.

Note the position held within the Company as per last mandate*

ALRO's executive management structure

The executive management of ALRO has delegated powers from the Board of Directors and is legally representing the Company, being responsible for managing the daily operations. The Executive Management term is of four years.

Marin Cilianu (1965) – Chief Executive Officer

Marin CILIANU, PhD., Executive EMBA, was appointed as Chief Executive Officer of Alro in September 2024 for a mandate until 31 July 2027.

Mr. Cilianu graduated from the Faculty of Materials Science at the Polytechnic University of Bucharest and holds a PhD obtained in 2004 with the thesis "Magnetohydrodynamic Phenomena in Industrial Molten Electrolytes". He also earned an Executive MBA from ASSEBUS & Washington University. Marin CILIANU joined Alro in 1994 and, throughout his tenure, he has held key positions, contributing significantly to the company's development by modernizing production processes, coordinating projects for ALRO to become a supplier to the aerospace industry, managing investment activities, and organizing operations for the company's subsidiaries in Romania and abroad. Marin CILIANU is a co-author of several patents and has presented papers at both national and international conferences. Additionally, he was a non-executive member of the Board of Directors of Alum Tulcea until February 2025.

Genoveva Năstase (1975) - Chief Financial Officer

Genoveva NĂSTASE graduated from the Executive MBA organized by ASEBUSS in partnership with Kennesaw State University, Atlanta, USA, and is the CFO of Vimetco Management Romania and worked as Deputy Finance Director for ALRO for over seven years, from 2002 until 2009.

Genoveva NĂSTASE has extensive corporate finance experience, financial modelling, financial analysis, and reporting. Genoveva NĂSTASE's mandate as Chief Financial Officer of the Company was extended in February 2025.

Other information required by the Code

Within the Statement regarding the conformity with the Code, the management of the Company states that, during 2025, an assessment of the Board members was conducted by the Chairman of the Remuneration and Nominations Committee (see the Statement regarding the conformity with the Code, section A.8.):

In 2025, the Board of Directors met in 20 meetings (2024: 23 meetings), during which decisions were adopted concerning mainly the following:

- Approval of contracts that are within the Board's competency;
- Adopting the executive management reports;
- Acknowledgment of the main economic and financial indicators of the Company;
- Adopting the Company's organisational structural changes;
- OGSM and EGSM convocation following the terms of the Articles of Association
- Approval of the Annual Report for 2024, including the financial statements for 2024 etc.

For these Board meetings, the quorum required by law as stipulated in the Company's Articles of Association was met, and the average participation rate was 94% (2024: 96%).

ALRO's Committees

ALRO has in place a one-tier system and three committees, i.e. the Audit Committee – with powers delegated by the General Shareholders Meeting, Remuneration and Nominations Committee and Risk and Sustainability Committee – designated by the Board of Directors.

Audit Committee

Annual General Shareholders Meeting held on 23 March 2018 approved by Decision no. 584/23.03.2018 the setup of the Audit Committee and by decision no. 587/23.03.2018 approved this Committee's Terms of reference. Subsequently, during the General Shareholders Meeting held on 21 January 2020 the Decision no. 653/21.01.2020, and also Decision no. 703 and 704 for 28 April 2022 and Decision no. 732 from 25 April 2023, updated the Audit Committee's Terms of reference and the composition of the Audit Committee is as follows: Vasile IUGA (Chairman – Independent Member), Adrian MANAICU (Member) and Dorel PARASCHIV (Independent Member).

The Audit Committee is a committee elected by the Extraordinary General Shareholders Meeting of ALRO. It has powers delegated to it under the Articles of Incorporation and the applicable legislation and standards.

Among the Audit Committee's duties are:

- Financial reporting – the Committee's members shall issue an opinion on the management's actions and judgments, monitor the integrity and reliability of the financial information, review the reports from the external and internal auditors as appropriate, etc.
- External audit - the Committee shall oversee the Company's relations with the external auditors. It shall consider and make recommendations to the Board on their appointment, reappointment, or removal to annually assess the qualification, expertise, resources, independence, objectivity, and effectiveness of the external auditors and the external audit process, etc.

- Internal audit - The Internal Audit performs an annual assessment of the internal control system to determine the effectiveness and scope of the internal audit function and the adequacy of risk management. It also assesses the management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and relevant reports are being submitted to the Board. The Internal Audit reports to the Board. The Audit Committee reviews periodic reports on the results of the internal auditors' work, considers the material findings of their investigations, examines management's response, etc.
- Risk and internal controls - review the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non- financial risks. These risks include financial reporting, internal control, and risk management. The Committee receives reports from management and the external and internal auditors on the effectiveness and integrity of those systems to review the Company's procedures for detecting fraud and whistleblowing. It also has to ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control, or such other issues, etc.

The Committee regularly files reports to the Board on all matters within its duties and responsibilities. Moreover, Committee should file reports, mainly where there are matters for which it considers that actions or improvements are required, including recommendations as to the steps to be taken.

Remuneration and Nominations Committee

The Remuneration and Nominations Committee has powers delegated by the Board of Directors. It is composed of three of the Board's non-executive members, out of which two of them have to be independent members and the Chairman of the Board has to be one of the members. The composition of ALRO's Remuneration and Nominations Committee is Marian NĂSTASE (Chairman), Vasile IUGA (Member), and Marinel BURDUJA (Member).

Among the Remuneration and Nominations Committee's duties are:

- Obtain independent legal or independent professional advice at the Company's expense and secure the attendance of external experts with relevant experience and expertise if it considers this necessary;
- Determine and recommend to the Board the strategy and policy for the remuneration of the Board members, of the Executive Management and the Senior Management;
- Approve the design of, and determine targets for, any performance-related pay schemes operated by the Company, determine the relevance to achieve the performance of events not foreseen, or of factors not taken into account when setting the performance targets, and approve the payments made under such schemes;
- Establish guiding criteria for Board membership;
- Perform other tasks concerning the nomination or removal of members of the Board, as may be delegated by the latter etc.

Risk and Sustainability Committee

The Risk and Sustainability Committee is elected by ALRO's Board of Directors and has powers delegated by it. Among the Committee's main objectives are:

- Overseeing and making recommendations to the Board regarding the Company's general risk management policy, and
- Assisting the Board in reviewing the adequacy, effectiveness, and compliance of the Company's risk management policies.

The composition of ALRO's Risk and Sustainability Committee is Vasile IUGA (Chairman), Svetlana Pînzari (Member), Adrian Fercu (Member), Marinel BURDUJA (Member) and Darius Pavăl (Member).

The general areas covered by the Risk and Sustainability Committee's duties are:

- **Risk management** - Review any periodic risk management reports prepared by the executive management and present to the Board at least semi-annually the overall assessment results, review and monitor the operational contingency planning and assurance processes within the Company to ensure all material risks and critical systems and processes are identified and that appropriate contingency plans are in place and are effective, liaise with the Audit Committee on risk management processes for the identification and management of material financial risks, as these are the responsibility of the Audit Committee etc.
- **Sustainability** - Identify the strategic risks to business continuity in the medium and long run. Contribute to the business strategy development in the short, medium, and long run, proposing adequate measures and actions from a risk and sustainability perspective. Identify any other key factor that may endanger the development of the Company's business and operations due to the dynamic evolutions of different elements with impact on the Company's activity, etc.
- **Health, Safety, Environment and Social Responsibility** Review and monitor the processes in place designed to ensure compliance with all Company Health, Safety, Environment, and Social Responsibility Policies and Standards. Monitor the adequacy of safety, environment, and Social Responsibility reporting systems for actual or potential incidents, breaches, and trends. Oversee the preparation by the executive management of the environmental protection plan within the Company, which is designed to ensure that all material environmental risks are addressed by plans appropriately developed and implemented etc.

Risk management and internal control system

The management of the risk to which the Group is exposed

According to the BSE's Code of Corporate Governance adopted by the Company and the Group, ALRO Group meets the requirements of:

- Transparency, financial reporting, risk management and internal audit;
- Having Board members with the necessary professional training or a significant and relevant managerial experience, allowing them to analyse the overall financial position of the Company and the Group;
- Risk management processes and corporate governance, ensuring that these mechanisms are functional and effective.

The Board members support, coordinate, and actively improve the risk management system through continuous and direct monitoring. The risk management is conducted under policies approved by the Board. The treasury department identifies, evaluates, and hedges financial risks in close collaboration with the operational units of the Group. The Board provides written principles for overall risk management and written policies covering specific areas such as currency risk, interest rate risk, credit risk, and price risk.

At the same time, risk management is an integral part of the decision-making process within the Parent-company, ALRO. Each major project or the implementation of a new strategy or direction (respectively regarding the investments area or, for example, changing the production mix) involves organising meetings with the Company's top management and the Group engaged in the respective project.

These meetings aim to examine these decisions from all points of view and, implicitly, assess the risks associated with them and determine whether the expected results to be obtained after implementing a new project will be beneficial for the Group's business model. Moreover, third-party experts' opinions are considered (e.g. internal audit and/or external consultants, depending on the situation). They are subsequently used for making the final decisions so that the final verdict is based on a comprehensive and objective analysis.

The Group's risk management system goals seek to secure the daily operations and provide economic value-added in the medium and long term. This is possible by effectively managing the risks the Group companies are exposed to and estimating their potential impact on cash flows by meeting the limits set by management regarding the risk appetite.

The Group and the Company activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group and the Company overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group and the Company financial performance. The Group and the Company may use derivative financial instruments to hedge certain risk exposures.

The Audit and Risk&Sustainability Committees carry out risk management throughout the organisation. Please see the other relevant sections dedicated to these committees' duties in this respect.

Operational & Commercial risks

The Group's results depend on the market for primary aluminium, a highly cyclical commodity affected by global demand, international environment political factors, and supply conditions. The price of aluminium has historically been volatile and subject to wide fluctuations in response to relatively minor changes in supply and demand, market uncertainty, the overall performance of global and regional economies, currency fluctuations, and speculative actions. In addition to the Primary Aluminium market, the Group's results depend on the flat rolled aluminium market. Moreover, the primary and processed aluminium market is global and highly competitive.

Also, the Group is vertically integrated and has a diverse and complex portfolio of assets, production capacities, inventories. The Parent-company, ALRO, ALUM, VE are particularly exposed to risks related to the safety of production processes and event risks like explosions, strategic equipment failure, etc. Thus, analyses are performed, incidence scenarios are developed and, afterward, safety plans are set in case of occurrence. For the strategic equipment spare parts, inventories were made. In the case of unforeseen events, the Group can resume operations as quickly as possible, and thus, the inherent losses in such situations are minimised.

In addition to these safety measures and plans, the Group has an active insurance policy that covers both the material damage for equipment and inventories and any possible losses resulting from equipment failures, which could lead to the interruption of the operations for a specific time.

Capital risk management

The Group and the Company's objectives when managing capital are to safeguard the Group and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure so as to reduce the cost of capital.

The capital structure of the Group and the Company consists of debt, which includes the ***Total borrowings and leases*** disclosed in Note 28, net of ***Cash and cash equivalents,*** as disclosed in Note 25 (adjusted) and shareholders' equity (see Note 36).

The Group and the Company management reviews the capital structure on a regular basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Market risk

The Group and the Company's activities expose them primarily to the financial risks of changes in commodity prices, energy prices, foreign currency exchange rates and interest rates. The Group and the Company are naturally hedged through the price of ingots and scrap material. The Group and the Company may enter into a variety of contracts for derivative financial instruments to manage their exposure to market prices, such as:

- commodity options to protect Group and Company cash flows from the adverse impact of falling aluminium prices;

- swaps to manage the needs of clients for fixed prices and the associated commodity price risks resulting from quotations of aluminium based on the London Metal Exchange price for High Grade Aluminium.

The Group is exposed to market risk through the prices of traded products and the variations in cash flows generated by its activities: refining alumina, obtaining primary and processed aluminium, and extruded products. Therefore, this is a significant risk for the Group and Company and should be considered a strategic component in determining the Group's and Company's risk profile, due to its effects directly visible in the Group's cash flows, respectively of the Parent-company. Consequently, this risk is closely monitored and analysed. Reports that supervise the cash flows evolution are prepared regularly, so sufficient liquidities are permanently provided for the everyday running of operations.

When considered appropriate and economically efficient, ALRO may use hedging to reduce the level of exposure against market risk; it does not contract or trade derivative financial instruments for speculative purposes. When such contracts are concluded, derivative financial instruments are monitored and measured monthly at fair value. For further details, please see ***Note 36 – Risk management***, included in the Consolidated Financial Statements at 31 December 2025.

Foreign currency risk

By considering the nature of the activities carried out, the Group and the Parent Company are subject to foreign currency risk. These risks refer to exposure to the volatility of the functional currency against other currencies such as USD and EUR (a share of the aluminium sales are denominated in USD or EUR, while a large part of the operating costs depends on the functional currency, RON). Foreign currency risk results from future commercial transactions of receivables and liabilities. Thus, the effect of foreign currency risk on cash flows and the correlation with the aluminium price on the international markets are constantly monitored. In this way, it is possible to hedge the anticipated cash-flows in foreign currencies to the extent that the market allows doing this with reasonable costs within the limits of the available trading lines. Considering the net exporter position of the Company, any depreciation of the local currency against USD and EUR is beneficial for the business.

The Group and the Company operate internationally and undertake certain transactions denominated in foreign currencies. Hence, the Group and the Company are exposed to foreign exchange risk arising from various currency fluctuations against the reporting currency, primarily with respect to the EUR and USD. Exchange rate exposures are analyzed and managed by natural hedge with transactions in foreign currencies by utilising spot or forward foreign exchange contracts or other types of derivatives. The risk management policy used by the Group and the Company is to hedge between 0 and 50% of anticipated cash flows in USD and EUR (Romanian sales and purchases) by practicing an active hedging policy and thus covering a variable percentage based on the market opinions regarding future exchange rates correlated with the net exporter position of the Company, as far as the Management considers it appropriate and the market allows this at reasonable costs.

The Group's exposure to currency risk results from:

- highly probable future transactions (sales/ purchases) denominated in foreign currency;
- firm commitments denominated in foreign currency, and
- monetary items (mainly trade receivables, payables, and borrowings) denominated in foreign currency.

No foreign exchange options contracts were entered into in 2025, and no option contract was outstanding. For further details, please see Note 36 – ***Risk management*** of the Consolidated and Separate Financial Statements for the year ended 31 December 2025.

Interest rate risk

The Group and Company are also exposed to interest rate risk through its operations and financing agreements. Therefore, the volatility of interest rates such as EURIBOR, or ROBOR and CME Term SOFR (see Note 28 of Consolidated Financial Statements) can generate variations of cash flow resources needed to make interest payments related to liabilities contracted by the Group. These interest rate risks are constantly monitored and quantified.

The Group has no significant interest-bearing assets, revenues, and cash flows being substantially independent of changes in market interest rates.

Commodity price risk

Commodity price risk is the risk that the Group and the Company's future earnings could be adversely impacted by changes in the market price of aluminium, but also of its main inputs such as energy. The Group and the Company's internal policy is to manage the identified commodity price risk by natural hedge when possible. Also, the Company can enter for a part of the remaining quantity at risk into derivative contracts such as aluminium swap agreements and ratio-collar transactions on aluminium, when there are favourable market conditions. Commodity price risk receives special attention from the Group's management having strategic importance in the Group's risk profile because it directly impacts the short and medium-term liquidity of the Group and/ or the Company.

Commodity price risk is analysed in detail; its effects are constantly monitored and quantified. Thus, the potential adverse impact can be decreased for achieving the Group's medium and long-term goals.

Credit risk

The credit risk refers to the risk that the counterparty might default on its contractual obligations, resulting in financial losses for the Group. To minimise this risk, the Company sells most of its accounts receivable to financial institutions through non- recourse factoring.

ALRO Group has adopted a prudential policy, and it trades only when the potential risk of financial losses resulting from non- fulfilment of the contractual obligations is mitigated. Sales cover the credit risk against non-recourse factoring, and the Group trades only with reliable counterparties and guarantees such as a letter of credit, promissory note, or cheque. Furthermore, the accounts receivable consists of many clients from different industries and geographic areas. The credit risk exposure is controlled through limits imposed on each client, analysed and submitted to the Group's management approval, and monitored daily by a dedicated department. The Group permanently assesses their credit risk based on the clients' financial performance and their payment history.

Concerning the assets from derivative instruments, the maximum exposure to the credit risk is represented by the fair value at the reporting date.

The Corporate Finance Department manages the credit risk resulting from the transactions with banks and financial institutions. Excess liquidity is invested only with approved banks and credit lines and limits assigned to each counterparty. The counterparty credit limits are annually reviewed by management and may be updated during the year. The limits are set to minimise the concentration risk and thus to decrease the possible financial losses from default by the counterparty. It is estimated that there is no significant exposure from failing to settle the contractual obligations by counterparties regarding financial instruments.

Liquidity risk

Considering the current business environment, the Group and the Company monitor the liquidity risk. The operational and financial cash inflows and outflows are being monitored and analysed monthly and, in some cases, daily to notice any unexpected change in the Group liquidity immediately. Based on this analysis, the management can make the best decisions on the financing necessities for the Group and Company to have the necessary capital to meet all current and future financial obligations and ensure their solvability.

Prudent liquidity risk management implies maintaining sufficient cash and tradable values financing availability with an adequate amount from committed credit facilities. The management regularly monitors rolling forecasts of liquidity reserves of the Company.

Taxation

Current income tax

The current tax payable is based on the taxable profit realised during the year. The taxable profit differs from the retained profit within the consolidated statement of profit or loss because of the revenues or expenses items taxable or deductible in some years and because of things that are never taxable or deductible.

Effective 1 January 2024, Law No. 296/2023 was enacted, requiring entities with a turnover exceeding EUR 50 million in the previous year and a calculated profit tax lower than 1% of their turnover to pay income tax at the higher amount, determined as 1% of turnover based on a prescribed formula (minimum turnover tax). As a result, the Group recognized an additional tax expense representing the excess of the minimum turnover tax over the corporate income tax that would otherwise have been payable under the standard profit tax regime, in the amount of RON 6,380 thousand (2024: RON 5,759 thousand) presented under the line item Effect of minimum turnover tax. Meanwhile, Alro was subject to the Additional Turnover Tax (ICAS) of 0.5%, applicable to entities operating in the oil and natural gas sectors, as per the provisions of Law No. 296/2023 and Law No. 290/2024, resulting in an expense of RON 18,833 thousand (2024: an expense of RON 17,185 thousand), recorded under Taxes other than income taxes within General, administrative, and selling expenses (see Note 7).

The Group's and the Company's current income tax liability is determined using tax rates applied according to the legislation in force during the reporting period.

Deferred tax

Deferred tax is recognised based on temporary differences between the book value of assets and liabilities in the consolidated financial statements and the corresponding tax bases used to calculate taxable profit. Liabilities regarding deferred tax are generally recognised for all temporary taxable differences.

Deferred tax assets are generally recognised for all deductible temporary differences as far as it is probable that taxable profits will be available, against which the deferred tax receivables can be used. Deferred income tax assets or liabilities are not recognised if the temporary difference is generated by the initial recognition of goodwill or from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, does not affect the accounting profit, nor the taxable profit (tax loss).

Concerning investments in subsidiaries and associates, and interests in joint participation, deferred income tax liabilities are recognised as taxable temporary differences, except where the Group/ Company can control the restatement of the temporary difference and, probably, the temporary difference will not be restated in the predictable future. Deferred tax assets resulting from temporarily deductible differences associated with such investments and interests are recognised only if it is probable that there will be sufficient taxable profits for which to use the benefits of the temporary differences and they are expected to be restated in the predictable future.

The carrying value of the assets to which the deferred tax is applied is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to fully or partly recover the assets. Deferred tax assets and liabilities are measured at the tax rate presumed to be applicable in the period when the recovery of the liability or the realisation of the asset is estimated, based on the tax rates (and on the tax laws) that are effective or will be effective until the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences in terms of what tax is expected to arise from how the Group foresees to recover or deduct the accounting value of assets and liabilities at the end of the reporting period.

Annual current and deferred tax

Annual current and deferred tax are recognised in the consolidated statement of profit or loss unless they relate to items that are recognised in other comprehensive income or directly in equity. The annual current and deferred tax are also recognised in other comprehensive income, respectively in equity.

For further details, please see ***Note 12 – Income Tax*** of the Consolidated and Separate Financial Statements for 2025.

Internal control system

The Group's and the Company's internal control system aims to ensure compliance with the regulations in force, the flawless operation of the internal activity, following the decisions made by the management. It also contributes to the effectiveness of the processes, the efficient use of resources, prevention, and control of the risk of failing to achieve its set goals.

Internal control is applicable through operations performed by the Group and/or Company before, during and after the operations are performed. The internal audit aims to achieve at least the following goals:

- compliance with the regulations in force;
- implementation of the decisions made by the management;
- the proper operation of the internal activity; • the reliability of the financial information;
- the effectiveness of operations;
- the efficient use of resources;
- the prevention and control of risks to achieve the goals set.

Since 2018, the Company has had an Audit Committee, a committee elected by the EGSM of ALRO. The Audit Committee has powers delegated to it under the Articles of Incorporation and the applicable legislation and standards. The Audit Committee is made of three members, elected by the EGSM, and comprises at least two members that must be independent of the Company.

In 2025, the Audit Committee had the following objectives:

- to ensure that the interests of shareholders are properly protected concerning financial reporting and internal and external audit control;
- to inform the Board about the results of the statutory audit and to explain the way that statutory audit contributed to the integrity of the financial report process and what was the role of the Audit Committee in this process;
- to monitor the financial reporting process and to make recommendations or proposals for assuring its integrity;
- to monitor the effectiveness of the quality internal control systems and Company's risk management system and the internal audit regarding the Company's financial reporting, without breaking its independency;
- to monitor the statutory audit of the annual financial statements and the consolidated annual financial statements, especially their performance taking into consideration the findings and conclusions of the competent authorities;
- to evaluate and to monitor the independence of the financial auditors or the companies of audit according to the applicable legislation and especially the opportunity for receiving by the Company of some services that are not audit services;
- to be responsible for the procedure for the election of the financial auditor or of the audit company and to recommend to the Board of Directors and the Shareholders Meeting the financial auditor/ the audit company to be appointed;
- to analyse and evaluate the effectiveness of the Company's internal control policies and procedures for the identification, assessment and reporting of risks and to perform its valuation at least once per year;
- to review conflicts of interests in transactions of the Company and its subsidiaries with related parties;
- to evaluate the efficiency of the internal control system and risk management system;
- to monitor the application of statutory and generally accepted internal auditing standards. The Audit Committee should receive and evaluate the reports of the internal audit; to ensure the fulfilment of the core functions of the Internal audit function, it should report functionally to the Board via the Audit Committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, the Internal Audit should report directly to the chief executive officer, while remaining independent and informing the Audit Committee on a monthly basis about the activities which involved management interaction;
- to make periodical (at least annually) or ad-hoc reports to be submitted to the Board, subsequently to any reviews or analyses that have to be made by the Audit Committee;
- to present to the Board an opinion regarding the Company's transactions with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the Company.

The Group and the Company implemented an internal control system that includes various activities to prevent and detect unexpected events and risks, any potential fraud attempts, errors or omissions, damage, non-compliance, unauthorised transactions, incorrect or misleading financial reporting, activities that may negatively affect the Group's and/ or the Company's corporate brand, etc.

Through its internal procedures and regulations, which represent the basis for an integrated internal control system, the Group, and the Company have sought to include all relevant operations and activities that take place to ensure that:

- all its operations are conducted under the law in force for each area in which it operates and following the internal organisation and operation rules;
- controls are implemented to prevent, identify and solve in more efficient way frauds, errors, or omissions that may have significant consequences over the Group's and/or Company's activity;
- an organisational culture exists and is maintained concerning the risk of fraud or error. The employees are aware that providing misleading or wrong information can have severe consequences in the effective administration of daily operations.

Therefore, internal control procedures are designed:

- on one hand, to ensure the compliance of the Group's and Company's activity and the staff conduct with the framework of applicable laws, values, norms, and internal regulations of the Company and the Group's, respectively, and
- on the other hand, to verify the accuracy of reported financial, accounting and management information so that it can correctly reflect the Group's and Company's activity and position.

Internal control is also performed by the finance and internal financial control department, following the accounting policy manual, by monitoring, through a periodical program of reviews, the compliance with these accounting procedures and policies, with the applicable financial reporting standards, the awareness of and compliance with the financial accounting regulations, thus ensuring the accuracy and completeness of the accounting records through monitoring the presentation in the annual financial statements of quality information to answer to the needs of their users. An important role is also assigned to the internal audit, which, by its operating methodologies, ensures that the internal regulations regarding the risks associated with the different structures within the Group and the Company are complied with and are working.

Therefore, an internal control environment is the basis of an

effective control system. It must be based on transparent methodologies, values, ethical principles, and measures for each employee's responsibility, authority, skills level, and duties. The entire internal control system has the final goal of identifying and assessing the process and compliance risks to be prevented, mitigated, or considered acceptable, depending on the current risk policy. All these procedures and activities that are the basis of an internal control system are constantly reviewed and improved to meet the business needs and not become obsolete. All these internal control processes and verifications are supported by appropriate documentation and contain a clear description of all key control activities that have been implemented and performed.

Both the Company's Management and the internal audit department are structures within the Group responsible for the efficient evaluation and implementation of the internal control system.

Within the Group, both in the Parent-company, ALRO, and at the level of each subsidiary separately, the accurate accounting and reporting rules are applied to ensure the same treatment for the same types of transactions/ business-related activities. Depending on the evolution of the business and existing legislation, these rules/ accounting treatments are updated to ensure compliance with legal requirements and their relevance for the conducted operations. Moreover, the Group and the Company have separate departments for accounting reporting/ financial control, so there is a clear separation of roles and responsibilities to have the 'four eyes' principle and a different input for operations and authorisation of transactions.

Moreover, Management has constantly tried to use integrated reporting software and to have automated processes as much as possible, to reduce the risk of manual record-keeping, where the risk of error is higher. Setting standards at Group's level for preparing the annual, half-year, and quarterly financial statements also represents a crucial internal audit system component.

Internal audit

Since December 2023, Alro has had an external company as internal auditor of Alro, currently appointed for a 3-year mandate. The internal audit activity is regulated by the Guide on the Implementation of International Internal Audit Standards (Ghidul privind Implementarea Standardelor Internaţionale de Audit Intern, "the Guide") issued by CAFR in order to contribute to maintaining high quality standards for the organization, management and practice of internal audit missions by financial auditors, members of CAFR, who coordinate internal audit activities, as well as those who are part of the internal audit mission teams. The internal audit company reports directly to the Board of Directors of ALRO and its activity is coordinated by the Audit Committee of Alro.

Management fair reward and motivation

Remuneration policy

In 2025, the remuneration of the Board members and/ or Executive Management was in line with the strategy and with the long-term interests of the Group and Company, and it was directly linked to the members' responsibilities and with the time spent performing their functions.

ALRO has in place a Remuneration and Nominations Committee which has powers delegated by the Board of Directors and is composed of three of the Board's non-executive members, out of which two of them are independent members and the Chairman of the Board has to be one of the members. The set-up of this committee represents another example of best governance practices implemented by the Company with the main objective to protect shareholders' interests concerning the remuneration of the Board members, Executive Management (i.e. the managers having the right, according to the Bylaw, to represent the Company) and Senior Management (heads of divisions directly subordinated to the General Manager) by ensuring that the Company maintains and adheres to a remuneration strategy and policy that attracts and retains individuals of the highest quality, including as part of a succession planning for all the key functions of the organization, while at the same time avoiding the risk of overpayment.

Starting 2021, the Company drafted a Remuneration Policy in line with the provisions of the Directive 2017/828 of the European Parliament and of the Council of 17 May 2017 amending the Directive 2007/36/EC regarding the encouragement of longterm shareholder engagement. Also, this Policy follows Law no. 158/2020, which modifies Law 24/2017. Law 158/2020 indicates that a Company shall establish the modality of remunerating its directors through a remuneration policy regarding Directors. Companies are obliged to submit the remuneration policy for the approval of the Ordinary General Meeting of Shareholders, as such is provided by art. 111 of the Companies' Law no. 31/1990 as republished and further amended the remuneration of Directors being paid by the Company only following the remuneration policy being approved under these circumstances. Law 158/2020 imposes to the issuers of Romanian securities to observe these mandatory provisions no later than 12 months from the effective date of Law 158/2020.

On 25 April 2023, the GSM of Alro SA approved the Remuneration Policy as proposed by the Board of Directors of Alro. The Remuneration Policy applies to the Directors and Management of the Company, it is subject to approval by the GSM whenever a significant amendment is proposed to it, and in any case, at least once in 4 years.

According to the Remuneration Policy, the remunerations are established as follows:

- The remuneration due to the members of the Board of Directors is a fixed amount established anually in the General Shareholders' Meeting, at the latest during the annual GSM. The Company may pay additional remuneration to the members of the Board of Directors on the basis of the GSM for the members of the Board Committees (a gross monthly amount) and for the chairmen of the Board Committees (a gross monthly amount);
- The remuneration of the Management ia a fixed part that is paid monthly and a variable amount that is established by the Board of Directors.

Remuneration report

ALRO Group aims to gradually align to the corporate governance best practices in respect of Board of Directors' remuneration making in this way a step forward to its investors' expectations.

All the remuneration proposals for the Board members are being made by the Board of Directors and subsequently submitted for GSM's approval. The remuneration proposals for the Executives are made by the Remuneration & Nominations Committee and subsequently submitted for approval to the Board of Directors. For further details, please see also the *Comply-or-Explain Statement (CES), section C.1.*

In line with the applicable legislation requirements, starting 2021, the Company has prepared a Remuneration Report outlining all

the benefits and compensation granted to Directors and Managers. This Remuneration Report has to be submitted to the Annual General Shareholders' Meeting's approval (consultative vote). More details regarding this Remuneration Report are available in a separate document attached to this Annual Report and available on the Company's website.

Compliance with Whistleblower Legislation

Alro has an internal procedure regarding the handling of requests, complaints, and reports that was revised to comply with the requirements of Directive (EU) No. 1937/2019 – on the protection of persons who report breaches of Union law, and Law No. 361/2022 – the whistleblower protection law. By this procedure, channels are created and made available for whistleblowers to submit reports: on ALRO's website and intranet, informational pages are created regarding how reports can be made and the steps that will follow a report (complaint).

The channels made available to whistleblowers are as follows:

•A report collection form on the website/intranet pages;

•An automated phone line (telephone robot) for receiving complaints (0349.880.551);

•A dedicated e-mail address (sesizari@alro.ro);

•Specially created mailboxes at the company's gates for receiving complaints;

•Reports can also be sent by mail to ALRO's address: Str. Piteşti, No. 116, Slatina;

•Reports can also be made in person to the person designated by ALRO to receive reports and initiate the subsequent actions for resolving the reports.

In 2025, no reports were registered on the reporting channels regarding violations of legislation or internal procedures.

Diversity

The Group supports diversity inside the Company and inside its subsidiaries concerning the administrative, executive management, and supervisory bodies, in respect of the age, gender or education, and professional experience.

The percentage of women in the total number of ALRO employees was around 22% in 2025 (2024: 21%). Even if this seems to be a small one at first sight, this is in line with the average for the aluminium industry and the activities carried out within ALRO production facilities. This percentage is not the result of any discriminatory policy. On the contrary, ALRO provides equal chances without discrimination for both females and males, but the attractiveness of the metallurgical industry, in general, is modest for women. However, there are departments within ALRO, such as finance, human resources, and commercial where the number of women is equal, or even higher than the number of men in the total number of employees.

Moreover, ALRO's Board has two female members, and ALRO's CFO, the Marketing Director and the Deputy HR Director are women. Furthermore, around 26% of middle management positions are held by women. Additionally, within the Company, the persons holding executive positions are between 33 and 65, and their education and professional experience differ (i.e. engineering, economy, finance, law, etc.). Still, it is relevant for the position held.

Adding value through investor relations

Investor Relations Activities

During 2025, the Group has communicated with stakeholders through several press releases and participated in press conferences or meetings with investors, analysts, media, and specialized events.

Alro organizes conference calls with investors and analysts to present the annual, quarterly and half-year results. These conference calls are conducted four times a year, after the annual, half-year, and quarterly results. These conference calls represent another step forward by ALRO to interact more with investors, analysts, and other stakeholders interested in the Company's results and activity. The dates when these conferences are held are included and announced through the annual financial calendar published on the Company's website and sent simultaneously to BSE and FSA. All interested parties in the Company's activity and updates are welcome to participate. Also, ALRO's representatives participate in at least one event dedicated to investors (institutional and/ or individual investors) organized in Romania or abroad.

Starting 2007, ALRO has reported to the capital markets consolidated financial statements prepared under the Ministry of Public Finance Order no. 2844/2016, with subsequent amendment, which gives the financial reports a higher level of transparency and comparability from one period to another and with its peers, the other international companies in the aluminium industry. ALRO also publishes consolidated financial statements quarterly and separate financial statements for the annual and half-year results.

ALRO prepares its consolidated and separate financial statements following the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, which is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense. Starting 1 January 2024, the Group applied the requirements of the minimum tax on turnover (see Note 12), treating it entirely as income tax, whereas under IFRS Accounting Standards, the taxable profit component would be recognized as current income tax expense and the excess as an operating expense, resulting in a RON 6,380 thousand decrease in result before tax and income tax expense, with no impact on net result (2024: RON 5,759 thousand). The other exceptions do not impact the compliance of financial statements of the Group and Company with the IFRS Accounting Standards, as adopted by EU.

ALRO aims to ensure a permanent dialogue with third parties. Thus, it publishes in real-time, immediately after sending any price- sensitive information to BSE and FSA, such as the Company's financial reports, press releases, and all other relevant information for shareholders, analysts, investors, and other stakeholders on the Company's website within the Investors Relations section.

ALRO publishes press releases about its investments, sustainability, and corporate social responsibility initiatives, activities to reduce the Company's environmental footprint, and other actions and/ or partnerships with the local communities, aiming to create a positive impact on them.

Sustainable development and Corporate Social Responsibility (CSR)

Sustainable development

The constant involvement in environmental protection activities is part of the Group's long-term development strategy. The Group permanently monitors its environmental footprint and takes the necessary measures to comply with the specific environmental rules. Also, besides the particular investments in environmental protection programs, the Group uses modern technologies in line with the requirements in this field.

The Group holds in Romania the following environmental permits:

• ALRO holds an Integrated Environmental Permit for the primary aluminum sector, as well as an Environmental Permit for processed aluminum. ALRO also holds other Permits related to water management, Greenhouse gas emissions, for both Primary and Processed aluminium);

• ALUM holds the Integrated Environmental Authorisation, permanently under monitoring and reporting obligations. It also has other authorisations, certifications, attestations, and accreditations;

• Vimetco Extrusion holds an environmental permit which is renewed when substantive changes occur under the environmental legislation.

At the same time, the environmental protection investment programs allowed ALRO to obtain ISO 14001 certification for environmental protection management. Investments in energy efficiency place ALRO at the top of aluminium producers with the lowest specific consumption rates in the European Union. On their return, ALRO's subsidiaries hold more certificates, among which we mention the following:

ALUM

ALUM holds the Integrated Environmental Authorisation, permanently under monitoring and reporting obligations. It also has other authorisations, certifications, attestations, and accreditations, recertified in October 2025, such as:

• certificate for quality management system according to SR EN ISO 9001:2015

• certificate for environmental management system according to SR EN ISO 14001: 2015

• certificate for occupational health and safety management according to SR EN ISO 45001:2023

• energy management system certificate according to SR EN ISO 50001: 2019;

Starting Q3 2024, ALUM started the definition and implementation within SMI (Quality - Environment - OSH - Energy) of the standards: SA 8000:2014 Social responsibility management system and SR EN ISO/IEC 27001:2023 - Information technology, cyber security and privacy protection - Information security management systems and alignment with the standards: ISO 55001:2024 - Asset management — Asset management system, SR EN ISO/ IEC 17025:2018 - General requirements for the competence of testing and calibration laboratories and Aluminum Stewardship Initiative (ASI) – Performance Standard V3 (2022).

Vimetco Extrusion

Quality Management audits

In 2025, both recertification audits and surveillance audits were successfully completed, as follows:

• Surveillance audit for the certification of the Quality Management System in accordance with ISO 9001:2015;

• Certification audit for the Quality Management System in accordance with AS9100, applicable to the aerospace and defense industry;

• Surveillance audit for the certification of the Environmental Management System in accordance with ISO 14001:2015;

• Factory recertification for "Aluminium products and aluminium alloys for structural applications in construction" in accordance with EN 15088 (UKCA Mark – CE marking for the United Kingdom);

• Surveillance audit for the certification of "Aluminium products and aluminium alloys for structural applications in construction" in accordance with EN 15088 (CE Mark – European market);

• Surveillance audit for factory certification according to ASI – Aluminium Stewardship Initiative.

Surveillance audits in Vimetco Extrusion for the certification of the welding department activities:

"Quality requirements for fusion welding of metallic materials – Part 2: Comprehensive quality requirements" in accordance with ISO 3834-2:2021;

Execution of steel structures and aluminium structures – Part 3: Technical requirements for aluminium structures, in accordance with EN 1090-1:2009+A1:2011 and EN 1090-3:2019.

Within the ALRO Group, initiatives to reduce energy consumption have been implemented and are ongoing across the entire production chain. For instance, ALRO operates a production facility that uses aluminium scrap, which is currently being expanded, representing an additional way to lower energy consumption while actively contributing to scrap reduction. In addition, ALRO has significantly improved its CO_2 emissions performance in the electrolysis division, which is the largest contributor to CO_2 emissions in primary aluminium production. Following the completion of the AP12LE project, ALRO aims to rank among the world's top ten aluminium producers (excluding China) in terms of energy efficiency in electrolysis.

Currently, the Group is not involved in lawsuits concerning the impact of its activities on the environment and does not expect such situations that might include any violation of environmental protection legislation.

Additionally, the management takes permanent measures within the entire Group to prevent significant accidents involving dan-

gerous substances. Therefore, the Group monitors the implementation of the measures that lead to the elimination of the risks of events, which could harm the environment and agrees on the response action plan, if the case.

Environmental responsibility

Creating value by operating a sustainable and long-term business represents one of ALRO Group's development strategy's fundamental pillars. Being aware of its environmental impact, the Group has continuously monitored its carbon footprint and implemented specific measures to become a green factory, innovative and sustainable with near to zero emissions and waste.

Aluminium can be considered a decarbonization vector for other industries due to its unique properties and potential uses. One of the main advantages of aluminium is that it is lightweight yet strong, making it an ideal material for transportation. Using aluminium instead of heavier materials such as steel can reduce the weight of vehicles and airplanes, which in turn reduces their fuel consumption and associated carbon emissions.

In addition to the transportation sector, aluminium can be used as a decarbonization vector in other industries, such as construction and packaging. In construction, aluminium can be used as a lightweight and durable material for building facades, roofs, and other structural elements. In packaging, aluminium can be used as an alternative to plastic, which is a significant contributor to plastic pollution and carbon emissions.

Furthermore, aluminium is highly recyclable, which makes it a sustainable material choice. Recycling aluminium requires significantly less energy than producing new aluminium from bauxite ore, and it can be recycled indefinitely without losing its properties. By using recycled aluminium instead of new aluminium, the carbon footprint of the material can be significantly reduced.

Overall, the unique properties of aluminium and its potential uses in various industries make it a promising decarbonization vector that can contribute to reducing carbon emissions and combating climate change.

ALRO Group's major environmental goals are:

• compliance with the environmental law adopted under the European requirements and strict compliance with all legal regulations in force;

• continuous improvement of activities, processes, products, and environmental performance;

• preparation for emergencies and the ability to respond, organize and conduct simulation drills for incidents involving classified substances;

• prevent pollution and reduce its environmental impact through investments, organizational measures, maintenance, repairs, and technological changes;

• continuous monitoring of environmental aspects of the production activity through weekly environmental programs.

Following the European Commission decision 2016/1032 as of 13 June 2016, establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and the Council, for the non-ferrous metals industries, ALRO Integrated Environmental Permit was last revised April 2024. Currently, ALRO is in the process of reviewing the Integrated Environmental Permit, due to completion of modernization investments in the Cast-House and Waste melting plant.

Therefore, ALRO follows the most stringent requirements regarding emissions, using the best available techniques for the aluminium industry. A relevant example is that ALRO started using baked anodes with low sulphur content to comply with BAT 69 and BAT 69 (a) requirements. This circular economy creates new economic opportunities and stimulates the long-term competitiveness of the Group.

Following the same direction of increasing efficiency and lowering its impact on the environment, the Group continued to increase the amount of recycled and re-melted aluminium scrap in the Eco-Recycling Facility and the Cast-House.

The Group is allocating significant resources to minimize the environmental footprint, identifying the best solutions for capitalizing on by-products and waste in all the companies. Aluminium can be recycled indefinitely without losing its properties. Thus, it can be used repeatedly for the same purpose; the Group is focused on promoting the principles of the circular economy to create new economic opportunities and stimulate the long-term competitiveness of the Group.

For greenhouse gas emission monitors 2021-2030, ALRO has implemented the following European regulations:

- **Commission Implementing Regulation (EU) 2020/2085** amending and correcting Implementing Regulation (EU) 2018/2066 on the monitoring and reporting of greenhouse gas emissions according to Directive 2003/87/ EC of the European Parliament and the Council;
- **Commission Implementing Regulation (EU) 2018/2066** on the monitoring and reporting of greenhouse gas emissions according to Directive 2003/87/ EC of the European Parliament and the Council and amending Commission Regulation (EU) No 601/2012;
- **Commission Delegated Regulation (EU) 2019/331** determining transitional Union-wide rules for harmonised free allocation of emission allowances according to Article 10a of Directive 2003/87/EC of the European Parliament and the Council.

ALRO has obtained approval from the National Agency for Environmental Protection for the new Monitoring Plans 2021-2030 related to the new GHG Permits. These are uploaded on the EC's platform using the EU Declaration tool.

ALRO complied with all air emissions requirements Commission implementing decision (EU) 2016/1032 establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and the Council, for the non-ferrous metals industries.

Moreover, ALRO is monitoring the planning methodology for the fourth monitoring period of the EU ETS for 2021-2030 for ALRO Primary and ALRO Processed Divisions requested by EC.

The ALRO Group consistently implements measures to

operate in accordance with the highest environmental standards applicable to its activities. Another key objective is environmental protection and the well-being of the communities in which the Group operates. Accordingly, management has continued to invest in the modernization and efficiency of its operations by implementing several measures, such as:

• monitoring emissions on the premises and in the production;

• promoting an organizational culture and an environmental protection mindset among employees, including specific training seminars (water production, storage, treatment, and distribution training; waste management training; environmentally responsible training, etc.); efficient waste management; ensuring the protection of human settlements and improving ecosystems.

The Group carries out a risk identification activity that considers environmental aspects and impacts and the attributes of each job, and simulations are performed to test the response capacity of employees in case of possible accidents.

On annual basis, a reputational risk assessment is performed in the supplier evaluation process, which consists of verifying the information regarding the possible legal problems or conflicts in which the evaluated supplier is involved. If the supplier has a legal history of incidents and actions in court, including violations of environmental legislation, these issues will be considered reputational risks.

Starting 2017, ALRO Group published, in addition to the Annual Report, a Sustainability Report. For the reporting period The Sustainability Report was prepared in accordance with the provisions of the EU Commission Delegated Regulation 2023/2772 (CSRD Reporting) and follows the structure of the ESRS reporting requirements in four distinct sections, namely: General Information, Environment, Social, and Governance. This report describes how ALRO Group performs, monitors and achieves the most important environmental, social and corporate governance issues. The Sustainability Report enhances the information provided on the Group, Parent-Company, and its main subsidiaries' actions realised in the sustainability area in the same transparent manner as the Annual Report and adds value to shareholders, other stakeholders and the communities in which the Group and its subsidiaries operate. The Sustainability Report for the year 2025 has been prepared on a consolidated level, including the parent company, ALRO, and all its subsidiaries. ALRO, as the parent company of a Group preparing consolidated financial statements, is the only entity within the Group falling within the scope of the CSRD ("Corporate Sustainability Reporting Directive"), as transposed by Order of the Ministry of Public Finance no. 85/2024, on an individual basis for the 2025 financial year, given its status as a listed company and public interest entity. The other companies within ALRO Group do not have an individual reporting obligation for the 2025 financial year, as they do not meet the reporting criteria. In accordance with ESRS 1, paragraph 62, "where the reporting undertaking is a parent undertaking required to prepare consolidated financial statements, the sustainability statement shall be prepared for the Group." Accordingly, ALRO, as a listed parent company of a large group, is required to prepare a consolidated sustainability statement, which forms part of the Consolidated Annual Report for the 2025 financial year. The consolidation of sustainability information follows the same principles as those applied for financial consolidation, unless otherwise specified. The complete list of subsidiaries of ALRO Group is disclosed in the chapter Group Overview of the 2025 Annual Report, page 12.

This Sustainability Report represents Annex 1 to the Annual Report for the year 2025 and is available for the public to consult on the Company's website, Sustainability Section, and Sustainability Reports Subsection.

In addition, the Group has a Sustainability Strategy, which represents the Group's commitment to reducing the negative impacts generated by its activities and its concern with creating a future for new generations. The pillars of Sustainability on which this strategy is based are: Safeguarding our Future, initiating a Healthy, fostered and prepared workforce, Creating Value for our Community and Responsible and Sustainable Business.

Climate change refers to the long-term changes in the Earth's climate, including temperature, precipitation, and sea levels, as a result of human activities such as burning fossil fuels, deforestation, and industrial processes. The impacts of climate change are widespread and diverse, affecting natural systems, human societies, and the global economy in various ways. The impacts of climate change are far-reaching and require urgent action to mitigate and adapt to its effects.

Due to the growing concern on this topic, which is an actual subject for the current context, ALRO and ALRO Group set out to adapt their activity to align with the transition to a cleaner society. That supports, in fact, the management of a responsible and sustainable business model with a real concern for reducing carbon emissions but also obtaining economic benefits for local communities and the national economy. We are aware of the Group's potential impact on the environment; therefore, we continuously monitor emissions and implement specific measures given our strategy to become a green, innovative and sustainable factory with zero untreated emissions and waste deposited in the dump.

Therefore, since 20 years ago, ALRO has made significant investments in energy efficiency for the purchase of state-of-the-art equipment that has allowed a considerable decrease in the electricity consumption rates, an increase in the amount of recycled aluminium and a reduction in greenhouse gas (GHG) emissions intensity. At the same time, these investments have allowed high and very high value-added aluminium products to manufacture, so ALRO has become a member of the exclusive club of world aluminium producers that deliver products for the aerospace industry.

At present, ALRO and ALRO Group companies are giving even more importance to projects that can positively impact the environment, sustainable development projects or circular economy in the context of the European Green Deal, which aims to achieve climate neutrality by 2050. ALRO's reference project, AP12LE, which was launched in 2018, represents a new design of the electrolysis pot with low energy consumption that will allow ALRO to reduce the amount of electricity needed to produce primary aluminium. After completing this project, ALRO will be one of the largest aluminium producers worldwide, excluding China, from the energy efficiency perspective in the electrolysis department, according to studies published by third parties. Over the years, we have conducted various energy audits that have helped us improve our energy performance management. More information can be found in ALRO Group's Sustainability Report, available on the ALRO and ALUM websites.

In addition, we aim to improve communication on climate change risks and opportunities. We are analyzing the work of international organizations that have developed principles and criteria

for monitoring the measures implemented and the progress made in this area. We are aware of the importance of this topic in the stakeholder agenda and the complexity of the areas involved in closely monitoring all related implications; an additional corporate governance structure has been created at ALRO's level by setting up a Risk and Sustainability Committee. Climate risks and the organization's definition of a coordinated strategy at the Group level are priorities. Within the Group, several scenarios are analyzed to ensure the activity of the Group's companies sustainably and responsibly. Efficient carbon management of ALRO is one of our priorities directly affecting climate change mitigation and responsible resource management.

Also, starting with 2021, based on Article 8 of this EU Regulation 852/2020, ALRO Group included in its consolidated Sustainability Report how and to what extent its activities are considered eligible in line with the EU Taxonomy requirements. The European Commission established within specific Delegated Acts (Disclosures Delegated Regulation (EU) 2021/2178 and EU Climate Delegated Act 2139/2021) how to establish eligibility and alignment of economic activities and how to report to comply with EU Taxonomy requirements.

Starting 2023, the Group analyzes to what extent will can report the alignment with the technical screening criteria according to the EU Climate Delegated 2139/2021. The Group's management is aware of the implications of these new reporting requirements and has initiated internal steps to ensure compliance with EU Regulation 852/2020.

In 2022, ALRO received the necessary favorable opinion from the Environmental Fund Administration, taking into account the provisions of Ordinance no. 2/2021 on waste disposal pursuant to art. 14 and 40 letter b), for:

• updated technical projects for the closure and post-closure monitoring of the non-hazardous industrial waste landfills ALRO Primary and ALRO Processed, with addresses at 116 Pitești Street and 1 Milcov Street, Slatina, Olt County;

• quarterly graphs with the explanation/detailing of the amounts regarding the funding of the funds up to the values established by the updated technical projects for the closure and post-closure monitoring.

In 2022, ALRO completed the SIATD application of the Environmental Fund Administration for the reception of aluminum scrap for recovery under Regulation (EC) No. 1157/2024 on the transport of scrap. Transports are registered in the ROAFM online application.

Furthermore, starting December 2024, ALRO implemented the model of the final recovery certificate of scrap, which is mentioned in Commission Regulation (EU) 2024/2571 and which supplements Regulation (EU) 2024/1157 on the shipment of waste. It specifies the details that must be included in the certificate attesting the completion of the final recovery operations of the received aluminum scrap. Documents drawn up in accordance with the aforementioned regulations are verified by the National Environmental Guard.

In 2025, ALRO published on The International EPD System, at the dedicate website www.envirodec.com, the Environmental Product Declaration (EPD) for two ALRO products (Aluminium Wire and Aluminium Hard Plate 7xxx). These are valid until 20.01.2030. They are based on the related LCA (Life Cycle Assessment) and the data in the EPDs have been validated by an external verifier.

In 2025, ALRO prepared 4 CBAM reports in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism to the European Commission, which led to imports of pre-alloys from non-EU countries.

At the same time, during 2025, ALRO provided its customers with Scope 1 and Scope 2 emissions, calculated in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism to the European Commission, resulting from the sale of products delivered outside the EU and returned processed in the EU. In addition, in 2025, ALRO provided its customers with GHG Intensity values, which are based on data validated by external verifiers for process emissions.

In 2025, ALRO calculated and published, for the first time, the CCF (Carbon Corporate Footprint) for the year 2024.

For the environmental permits governing ALRO's activities (Primary + Processed), the annual environmental endorsements were requested and obtained, in accordance with Art. 16 paragraph (2^4) and (2^5) of Government Emergency Ordinance No. 195/2005 on environmental protection, as subsequently amended and supplemented.

In the 2025, a total of 156 inspections were carried out by the Commissioners of the National Environmental Guard - Olt County Commissariat within the ALRO Primary and ALRO Processed, all of which were completed without contraventions and sanctions.

During the same period, a mixed control was carried out by ISU Olt, GNM - CJ Olt and APM Olt, about ALRO's compliance with the SEVESO III Directive, which was completed without contraventions and sanctions.

Shareholders' information

General information

ALRO S.A. shares have been listed on the Bucharest Stock Exchange, Premium Tier Category under the ticker symbol "ALR" since October 1997.

Total market value for ALRO as of 31 December 2025 is RON 1,067,099,806.8[1] (calculated based on the BSE quotation available on 31 December 2025 - the last day of 2025 when ALRO's shares were traded: 713,779,135 shares*1.495 RON/ share).

ALRO S.A owns 99.40% of ALUM S.A. shares, which is listed on Bucharest Stock Exchange since December 1997 on RASDAQ and migrated towards the ATS segment, AeRO category in May 2015. Its shares are traded under the symbol "BBGA".

Exchange rates and LME 3M

2025

Average USD per RON 4.4645

End of period USD per RON 4.3417

Average EUR per RON 5.0431

End of period EUR per RON 5.0985

LME 3 month-quotation average in 2025: 2,639.5 USD/tonne

2024

Average USD per RON 4.5975

End of period USD per RON 4.7768

Average EUR per RON 4.9746

End of period EUR per RON 4.9741

LME 3 month-quotation average in 2024: 2,457 USD/tonne.

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Outlook for 2026 onwards

Looking ahead to 2026, aluminium seems to enjoy a bullish momentum. In January, it reached a multi-year high breaking above USD 3,300/t and some analysts are projecting it could reach a price target of $4,000 per metric ton this year. However, there still several threats that could cause volatility and even price corrections. The major risk factors are:

• Macro and cyclical weakness: weaker global manufacturing activity and economic slowdown in 2026 could dampen demand and cap price gains.

• Inventory & supply gains: rising inventories or accelerated supply outside China (e.g. increased Indonesian production) could temper price increases.

However, the supportive factors seem to outweigh the negatives:

• Market deficit potential: several analysts expect the global aluminium market to be in deficit in 2026.

• Other supply constraints: besides the 45 million tonne annual capacity cap that China is approaching, European regulatory changes like the Carbon Border Adjustment Mechanism (CBAM) may further restrict scrap and production flows, supporting prices.

• Demand growth: demand from energy transition sector remains a mid-term supportive factor.

Overall, most forecasts and market specialists seem to agree that aluminium prices are most likely to stay firm or trend upward in 2026.

Sales and production

We expect the demand to remain strong for wire rod (for the cable industry), while the automotive to continue to impact our sales of billets and also our clad and non-clad materials. 2026 should mark the year of business consolidation – in aerospace and defence – through materializing several tenders with reputable OEMs, as well as new business developments that were in the pipeline for the past 2-3 years. Market volatility (higher LME quotations, impact of the CBAM tax in the ingot premium – bullish effect), more aggressive competition in both European and non-European markets, but also improved demand is what we estimate for the coming year.

In 2026, Alro envisages to mark its presence at prestigious international gatherings, such as:

• Black Sea Defense, Aerospace and Security International Exhibition (BSDA): between 13-15 May, ALRO will participate as an exhibitor at the Black Sea Defense, Aerospace and Security International Exhibition. This opportunity strengthens ALRO's presence in the defence and aerospace sectors and allows the company to showcase its advanced aluminium solutions to key industry stakeholders;

• Farnborough International Airshow: between 20-24 July 2026, ALRO will exhibit at the Farnborough International Airshow, offering an opportunity for the sales and marketing team to strengthen existing partnerships and develop new business relationships;

• Aluminium Exhibition Düsseldorf: between 6-8 October 2026, ALRO will exhibit at Aluminium Exhibition Düsseldorf. This opportunity strengthens ALRO's presence in the aluminium industry and enables engagement with long-term partners and potential new clients.

Investments

In 2026, the Company remains faithful to its sustainable development strategy, therefore, ALRO's Investment Program will include investments absolutely necessary to ensure the capacity and technical conditions useful for supporting ALRO's strategy of increasing value-added production and reducing the carbon footprint of its technological activities and the dependence on the electricity supply of technological processes, by continuously decreasing energy consumption, as well as to increase the reliability of critical production equipment.

Looking ahead, Alro Group is focused on:

- Restoring gross margins through operational optimization
- Further strengthening cost efficiency
- Maintaining disciplined financial management
- Leveraging revenue growth to enhance profitability

With a solid revenue base, improved foreign exchange performance, and disciplined overhead management, the Group is well positioned to capitalize on improving market conditions.

The Group's management is closely monitoring the evolution of the current context in order to take all necessary measures to adapt and improve its performance in real time, while keeping investors and the interested public informed of the latest developments in its activity.

2026 Financial Calendar

EVENT	DATE
Trading Update Q4 2025	27 January 2026
Closed period 28 January - 27 February 2026	28 January 2026
Publication of 2025 Preliminary Annual Financial Results	27 February 2026
Trading Update Q1 2026	21 April 2026
Publication of the Annual Report for the year ended 31 December 2025	28 April 2026
Closed period 29 April - 29 May 2026	29 April 2026
Conference Call for 2025 Annual Results proposed for shareholders' approval	30 April 2026
Publication of the Quarterly Report for the first quarter of 2026 i.e. 1 January - 31 March 2026 *("Quarter I 2026")*	29 May 2026
Annual General Shareholders Meeting ("GSM") for the approval of 2025 Annual Report	29 May 2026
Quarter I 2026 Results Conference Call	3 June 2026
Trading Update Q2 2026	20 July 2026
Closed period 31 July - 31 August 2026	31 July 2026
Publication of the Half-Year Report for the six-month period ending 30 June 2026 i.e. 1 January - 30 June 2026 ("2026 Half-Year")	31 August 2026
2026 Half-Year Results Conference Call	1 September 2026
Trading Update Q3 2026	20 October 2026
Closed period 28 October - 27 November 2026	28 October 2026
Publication of the Quarterly Report for the third quarter 2026 i.e. 1 January - 30 September 2026 ("Quarter III 2026")	27 November 2026
Quarter III 2026 Results Conference Call	3 December 2026

Contact details

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Abbreviations and definitions used in this report

ANRE	The National Authority for Energy Regulations (Autoritatea Nationala de Reglementare in domeniul Energiei)
ASI	Aluminium Stewardship Initiative
ATS	Alternative trading system on BSE
BAT	Best Available Techniques
BR	Bauxite Residue
BSE	Bucharest Stock Exchange
CAFR	Chamber of Financial Auditors of Romania (Camera Auditorilor Financiari din Romania)
CBAM	Carbon Border Adjustment Mechanism
CfD	Contracts for Difference
CME	Chicago Mercantile Exchange
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, amortization and impairment
ECB	European Central Bank
EGSM	Extraordinary General Shareholders Meeting
EIU	Energy-intensive users
EO	Emergency Ordinance
EU ETS	European Union's Emissions Trading System
EUID	The European Unique Identifier
FED	Federal Reserve
FRP	Flat Rolled Product
FSA	Financial Supervisory Authority, Romania
GD	Government Decision
GHG	Greenhouse gas emissions
GSM	General Shareholders Meeting
H1/H2	Half-year
HVAPs	High value added products
IAI	International Aluminium Association
IATF	International Automotive Task Force
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
LEI code	Legal Entity Identifier
LME	Refers to LME 3 months (LME-London Metal Exchange)
MACEE	The Centralized energy acquisition mechanism (Mecanismul de achizitie centralizata de energie electrica)
NADCAP	National Aerospace and Defense Contractor Accrediation Program of Performance Review Institute
OEM	Original Equipment Manufacturer
OGSM	Ordinary General Shareholders Meeting
OPCOM	The Operator of Energy and Gas Market (Operatorul Pietei de Energie Electrica si de Gaze Naturale "Opcom" SA)
PCB	Printed circuit board
PMI	A purchasing managers index
PPA	Power Purchase Agreement
Q1/Q2/Q3/Q4	Quarter 1/Quarter 2/Quarter 3/Quarter 4
RTA	Rio Tinto Aluminium Pechiney
SMM	Shanghai Metals Market
SRPS	Repair and Spare Parts Section
TPA	Tonnes per annum
U.K.	United Kingdom
U.S.	United States of America
VAT	Value Added Tax
VHVAPs	Very high value added products

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Consolidated and separate financial statements
for the year ended 31 December 2025

Alro S.A. and its subsidiaries

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Consolidated and separate statements of profit or loss and other comprehensive income for the year ended 31 December 2025

in RON '000,
except stated otherwise

	Note	Alro Group 2025	Alro Group 2024	Alro 2025	Alro 2024
Revenue from contracts with customers	5	3,895,743	3,408,037	3,645,334	3,202,739
Cost of goods sold		-3,740,359	-3,231,134	-3,527,852	-3,081,222
Gross result		**155,384**	**176,903**	**117,482**	**121,517**
General, administrative and selling expenses	7	-372,651	-367,411	-350,854	-313,205
Impairment of investments	16	-	-	-68,734	-
Other operating income	8	378,711	472,470	378,911	439,519
Other operating expenses	9	-112,494	-56,825	-37,075	-30,128
Operating result (EBIT)		**48,950**	**225,137**	**39,730**	**217,703**
Interest expenses	10	-118,847	-125,560	-115,771	-122,990
Gains from derivative financial instruments, net		367	-	-	-
Other financial income	11	9,073	6,135	8,837	5,168
Other financial costs	11	-31,623	-35,027	-30,304	-32,803
Net foreign exchange gains / (losses)		65,845	-41,108	66,037	-40,906
Share of result of associates		2,406	-300	2,412	-300
Result before income taxes		**-23,829**	**29,277**	**-29,059**	**25,872**
Income tax	12	-23,163	-18,940	-16,514	-10,551
Result for the period		**-46,992**	**10,337**	**-45,573**	**15,321**
Other comprehensive income / (expense), net of tax:					
Items that will not be reclassified subsequently to profit or loss:					
Remeasurements of post-employment benefit obligations		-1,246	-2,893	-1,261	-3,310
Income tax on items that will not be reclassified		190	482	202	530
Other comprehensive income / (expense) for the period, net of tax		**-1,056**	**-2,411**	**-1,059**	**-2,780**
Total comprehensive income / (expense) for the period		**-48,048**	**7,926**	**-46,632**	**12,541**
Result attributable to:					
Shareholders of Alro S.A.		**-46,558**	**10,324**	**-45,573**	**15,321**
Non-controlling interest		**-434**	**13**	**-**	**-**
		-46,992	10,337		
Total comprehensive income / (expense) attributable to:					
Shareholders of Alro S.A.		**-47,614**	**7,912**	**-46,632**	**12,541**
Non-controlling interest		**-434**	**14**	**-**	**-**
Total comprehensive income / (expense) for the period		-48,048	7,926		
Earnings / (losses) per share					
Basic and diluted (RON)	13	-0.065	0.014	-0.064	0.021

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

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Consolidated and separate statements of financial position as at 31 December 2025

in RON '000

	Note	Alro Group 31 December 2025	Alro Group 31 December 2024	Alro 31 December 2025	Alro 31 December 2024
Assets					
Non-current assets					
Property, plant and equipment	14	888,767	919,667	764,439	732,266
Investment properties	14	509	541	3,215	3,705
Intangible assets	15	3,231	3,386	2,393	3,001
Investments in subsidiaries	16	-	-	75,731	144,178
Equity accounted investments	17	218,626	216,202	218,615	216,202
Goodwill	18	15,834	15,834	-	-
Right-of-use assets	19	13,507	6,945	11,167	5,438
Deferred tax asset	12	83,417	90,851	78,892	86,564
Other non-current financial assets	20	150,216	184,612	147,336	182,214
Total non-current assets		**1,374,107**	**1,438,038**	**1,301,788**	**1,373,568**
Current assets					
Inventories	21	959,447	877,180	796,145	705,678
Trade receivables, net	22	90,700	79,302	127,748	86,076
Current income tax receivable		65	229	-	-
Other current financial assets	23	474,739	378,396	452,440	351,789
Other current non-financial assets	24	32,428	43,151	54,803	83,274
Derivative financial instruments asset, current		367	-	-	-
Restricted cash	25	36,126	55	36,000	-
Cash and cash equivalents	25	247,517	431,303	236,732	423,320
Total current assets		**1,841,389**	**1,809,616**	**1,703,868**	**1,650,137**
Total assets		**3,215,496**	**3,247,654**	**3,005,656**	**3,023,705**

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These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

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Consolidated and separate statements of financial position as at 31 December 2025 - continued

in RON '000

	Note	Alro Group		Alro	
		31 December 2025	31 December 2024	31 December 2025	31 December 2024
Shareholders' Equity and Liabilities					
Shareholders' equity					
Share capital	26	370,037	370,037	370,037	370,037
Share premium		86,351	86,351	86,351	86,351
Other reserves	27	376,103	376,103	306,191	306,191
Retained earnings		176,484	167,216	118,263	104,001
Result for the period		-46,558	10,324	-45,573	15,321
Equity attributable to shareholders of Alro S.A.		**962,417**	**1,010,031**	**835,269**	**881,901**
Non-controlling interest		74	508	-	-
Total shareholders' equity		**962,491**	**1,010,539**	**835,269**	**881,901**
Non-current liabilities					
Bank and other loans, non-current	28	573,501	1,452,321	568,132	1,441,947
Leases, non-current	28	8,747	3,853	7,752	3,495
Provisions, non-current	29	26,136	26,057	3,032	2,901
Post-employment benefit obligations	30	30,565	28,275	28,779	26,686
Government grants, non-current portion	31	29,191	33,294	19,321	22,125
Other non-current financial liabilities	32	2,019	7,521	718	724
Total non-current liabilities		**670,159**	**1,551,321**	**627,734**	**1,497,878**
Current liabilities					
Bank and other loans, current	28	883,895	96,069	878,638	83,848
Leases, current	28	3,668	2,400	3,054	1,995
Provisions, current	29	35,510	28,796	35,381	28,257
Trade and other payables	33	554,643	443,242	533,122	428,521
Contract liabilities	5	37,610	39,161	36,651	38,609
Current income taxes payable		4,632	8,486	2,876	6,553
Government grants, current portion	31	4,752	4,752	3,454	3,454
Other current liabilities	34	58,136	62,888	49,477	52,689
Total current liabilities		**1,582,846**	**685,794**	**1,542,653**	**643,926**
Total liabilities		**2,253,005**	**2,237,115**	**2,170,387**	**2,141,804**
Total shareholders' equity and liabilities		**3,215,496**	**3,247,654**	**3,005,656**	**3,023,705**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

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Consolidated statement of changes in shareholders' equity for the year ended 31 December 2025 - Alro Group

	Share capital	Share premium	Other reserves
Balance at 1 January 2024	**370,037**	**86,351**	**375,866**
Result for the period	-	-	-
Other comprehensive income / (expense)			
Remeasurements of post-employment benefits	-	-	-
Deferred tax on benefits remeasurement	-	-	-
Other comprehensive income / (expense)	**-**	**-**	**-**
Total comprehensive income / (expense)	**-**	**-**	**-**
Appropriation of prior year result	-	-	237
Balance at 31 December 2024	**370,037**	**86,351**	**376,103**
Balance at 1 January 2025	**370,037**	**86,351**	**376,103**
Result for the period	-	-	-
Other comprehensive income / (expense)			
Remeasurements of post-employment benefits	-	-	-
Deferred tax on benefits remeasurement	-	-	-
Other comprehensive income / (expense)	**-**	**-**	**-**
Total comprehensive income / (expense)	**-**	**-**	**-**
Appropriation of prior year result	-	-	-
Balance at 31 December 2025	**370,037**	**86,351**	**376,103**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

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Retained earnings	Result for the period	Attributable to shareholders of Alro S.A.	Non-controlling interests	Total shareholders' equity
730,129	**-560,264**	**1,002,119**	**494**	**1,002,613**
-	10,324	**10,324**	13	**10,337**
-2,894	-	**-2,894**	1	**-2,893**
482	-	**482**	-	**482**
-2,412	**-**	**-2,412**	**1**	**-2,411**
-2,412	**10,324**	**7,912**	**14**	**7,926**
-560,501	560,264	**-**	-	**-**
167,216	**10,324**	**1,010,031**	**508**	**1,010,539**
167,216	**10,324**	**1,010,031**	**508**	**1,010,539**
-	-46,558	**-46,558**	-434	**-46,992**
-1,246	-	**-1,246**	-	**-1,246**
190	-	**190**	-	**190**
-1,056	**-**	**-1,056**	**-**	**-1,056**
-1,056	**-46,558**	**-47,614**	**-434**	**-48,048**
10,324	-10,324	-	-	**-**
176,484	**-46,558**	**962,417**	**74**	**962,491**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

Separate statement of changes in shareholders' equity for the year ended 31 December 2025 - Alro

	Share capital	Share premium	Other reserves
Balance at 1 January 2024	**370,037**	**86,351**	**306,191**
Result for the period	-	-	-
Other comprehensive income / (expense)			
Remeasurements of post-employment benefits	-	-	-
Deferred tax on benefits remeasurement	-	-	-
Other comprehensive income / (expense)	**-**	**-**	**-**
Total comprehensive income / (expense)	**-**	**-**	**-**
Appropriation of prior year result	-	-	-
Balance at 31 December 2024	**370,037**	**86,351**	**306,191**
Balance at 1 January 2025	**370,037**	**86,351**	**306,191**
Result for the period	-	-	-
Other comprehensive income / (expense)			
Remeasurements of post-employment benefits	-	-	-
Deferred tax on benefits remeasurement	-	-	-
Other comprehensive income / (expense)	**-**	**-**	**-**
Total comprehensive income / (expense)	**-**	**-**	**-**
Appropriation of prior year result	-	-	-
Balance at 31 December 2025	**370,037**	**86,351**	**306,191**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

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Retained earnings	Result for the period	Total
645,897	**-539,116**	**869,360**
-	15,321	**15,321**
-3,310	-	**-3,310**
530	-	**530**
-2,780	-	**-2,780**
-2,780	**15,321**	**12,541**
-539,116	539,116	-
104,001	**15,321**	**881,901**
104,001	**15,321**	**881,901**
-	-45,573	**-45,573**
-1,261	-	**-1,261**
202	-	**202**
-1,059	-	**-1,059**
-1,059	**-45,573**	**-46,632**
15,321	-15,321	-
118,263	**-45,573**	**835,269**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

Consolidated and separate statements of cash flows for the year ended 31 December 2025

in RON '000

	Note	Alro Group 2025	Alro Group 2024	Alro 2025	Alro 2024
Cash flow from operating activities					
Result before income taxes		-23,829	29,277	-29,059	25,872
Adjustments for:					
Depreciation and amortisation		118,884	119,507	98,279	96,925
Impairment of investments in subsidiaries		-	-	68,734	-
Impairment of property, plant and equipment	9, 14	51,300	1	-	-
Movement in provisions		6,714	20,942	7,124	24,900
Change in allowance for impairment of inventory	21	11,605	-63,801	601	-59,814
Change in allowance for expected credit losses of trade receivables	7	808	84	18,997	332
Losses/(gains) on disposal of property, plant and equipment	9	809	1,241	360	384
Loss on disposal of intangible assets	9, 15	-	9	-	
Share of result of associates		-2,406	300	-2,413	300
Net foreign exchange (gains)/ losses on loans revaluation	28	-46,718	35,200	-46,385	35,126
Interest income	11	-9,042	-5,693	-8,806	-5,118
Interest expense	10	118,847	125,560	115,771	122,990
Dividend income	11	-31	-15	-31	-15
Gain/loss on derivative instruments at fair value through profit or loss		-367	-	-	
Changes in working capital:					
Change in inventories		-89,462	68,849	-89,493	48,848
Change in trade receivables and other assets		-122,227	39,477	-157,228	86,037
Change in trade and other payables		115,965	218,321	118,825	253,106
Income taxes (paid)/received		-19,229	-36,641	-12,317	-31,998
Interest paid	28	-99,495	-129,526	-97,929	-128,483
Net cash generated from / (used in) operating activities		**12,126**	**423,092**	**-14,970**	**469,392**
Cash flow from investing activities					
Purchase of property, plant and equipment and intangible assets, net		-147,713	-134,318	-131,345	-95,403
Government grants received	31	723	7,272	723	172
Proceeds from sale of property, plant and equipment		2,554	1,428	8	45
Acquisition of subsidiary	16	-		-287	-
Acquisition of associates	17	-18	-108,233	-	-108,233
Dividends received		31	15	31	15
Change in restricted cash and collateral deposits		-71	-13,241	-	-33,000
Interest received		5,001	5,445	4,880	5,118
Net cash used in investing activities		**-139,493**	**-241,632**	**-125,990**	**-231,286**
Cash flow from financing activities					
Proceeds from loans	28	72,815	615,806	71,467	584,833
Repayment of loans and leases	28	-129,234	-572,089	-117,095	-559,900
Net cash from / (used in) financing activities		**-56,419**	**43,717**	**-45,628**	**24,933**
Net change in cash and cash equivalents		**-183,786**	**225,177**	**-186,588**	**263,039**
Cash and cash equivalents at beginning of period		**431,303**	**206,126**	**423,320**	**160,281**
Cash and cash equivalents at end of period	25	**247,517**	**431,303**	**236,732**	**423,320**

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 27 April 2026.

in RON '000, except stated otherwise

1. Organisation and nature of business

Alro S.A. (the Company or the Parent Company) is a joint stock company that was established in 1961 in Romania, and is one of the largest vertically integrated aluminium producers in Europe, by production capacity. The shares of Alro S.A. are traded on the Bucharest Stock Exchange under the symbol *ALR*.

The Company's administrative and managerial offices are located in Romania, with the headquarters in 116, Pitesti Street, Slatina, Olt County.

The majority shareholder of Alro S.A. is Vimetco PLC, a private limited liability company registered under the laws of Cyprus, based in Navarinou 18, Navarino Business Centre, Agios Andreas, 1100, Nicosia, Cyprus. The company is ultimately controlled by Maxon Limited (Bermuda).

Alro S.A. and its subsidiaries (collectively referred to as the Group) form a vertically integrated producer of primary and processed aluminium products: Alro casts aluminium into primary products that are sold or processed as higher value added products (flat rolled or extruded) within Alro or Vimetco Extrusion facilities. The Group has its customers primarily in Central and Eastern Europe. Due to the high power and natural gas prices, currently Alro works with 2 out of 6 of its electrolysis potrooms. Since August 2022 Alum has not produced alumina by itself, as the production was temporarily ceased; instead, it procures alumina from the market at better prices as an agent for Alro. In September 2023, Alro started investing in the electricity business by forming a partnership with CCGT Power Isalnita S.A. ("CCGT Power"), where it holds a 40.1% interest. In February 2025, the Group's subsidiary, Alum S.A., contributed to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET") where it holds a 20% interest and in June 2025, Alro contributed to the establishment of a joint-stock company named Stocare Energie Slatina S.A. ("SES") where it holds a 99% interest (see Note 16 and Note 17 for details).

The structure of Alro Group and details about its subsidiaries are presented in Note 16.

Alro is listed on the Bucharest Stock Exchange. The prices per share during the years 2025 and 2024 were within the following ranges:

	2025	2024
- minimum price (RON/share)	1.4	1.36
- maximum price (RON/share)	1.78	1.63
- average price (RON/share)	1.57	1.49

The evolution of the average number of the Group's and Company's employees was as follows:

	Alro Group		Alro	
	2025	2024	2025	2024
Average number of employees, of which:	2,773	2,666	2,253	2,104
Production staff	2,020	1,939	1,664	1,548
General and administration staff	753	727	589	556

2. Basis of preparation

Statement of compliance

These consolidated and separate financial statements of Alro and its subsidiaries (further named "Financial statements") have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments ("OMFP 2844/2016"), for the approval of the Accounting regulation in accordance with the International Financial Reporting Standards (IFRS Accounting standards) applicable to the companies whose real shares are accepted for transaction on a regulated market*.

**OMFP 2844/2016, with subsequent amendments, is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense. Starting 1 January 2024, the Group applied the requirements of the minimum tax on turnover (see Note 12), treating it entirely as income tax, whereas under IFRS Accounting Standards, the taxable profit component would be recognized as current income tax expense and the excess as an operating expense, resulting in a RON 6,380 thousand decrease in result before tax and income tax expense, with no impact on net result (2024: RON 5,759 thousand). The other exceptions do not impact the compliance of financial statements of the Group and Company with the IFRS Accounting Standards, as adopted by EU.*

The financial statements of Alro Group are available in hard copy at the Parent Company's premises, upon request. They are also available on the website of the Parent Company www.alro.ro within the applicable legal time frame.

Basis of preparation

The financial statements have been prepared on the historical cost basis except for the financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Going concern

The consolidated financial statements of Alro Group have been prepared on a going concern basis, which assumes that the Group will continue its operations in the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

From an operational perspective, Alro Group achieved growth in revenues, sales volumes and production in 2025, supported by strong sales performance, particularly for plates and wire rod products, as well as by the upward trend of the LME aluminium quotation. The Group ended the year with a turnover of RON 3,895,743 thousand, representing a 14% increase compared to 2024. However, the bottom line result was affected by several factors, including lower non-core operating income due mainly to the absence of sales of emission rights (unlike 2024), impairments of non-current assets and financial assets recognized during the year, and higher raw material, utility and financing costs. In these circumstances, the Group recorded a consolidated net loss of RON 46,992 thousand, compared to a consolidated net profit of RON 10,337 thousand in 2024, while registering positive net cash generated from operating activities of RON 12,126 thousand (2024: RON 423,092 thousand).

As at 31 December 2025, the Group had total loans amounting to RON 703,349 thousand, which fall due in November 2026. Management intends to extend these facilities. A refinancing and consolidation strategy for the outstanding debt is currently being prepared. Preliminary discussions have been initiated with leading banks on the local market, and one or more coordinating banks are expected to be appointed to structure and execute the refinancing transaction(s). Based on the discussions held to date, the Group's long-standing relationships with its financing banks, its track record as a listed issuer and established industrial operator, as well as the underlying asset base and business prospects, management is confident that the facilities will be successfully extended or refinanced prior to maturity. The intended refinancing aims to ensure an adequate maturity profile, maintain financial flexibility and support the Group's operational and investment plans, thereby preserving a stable liquidity position.

The Group has implemented prudent liquidity risk management policies, including maintaining sufficient cash balances and access to committed credit facilities. Management regularly monitors rolling forecasts of liquidity reserves and cash flow projections. Operational measures implemented to strengthen liquidity and efficiency included efficient sourcing of key raw materials, optimization of procurement processes and inventory levels, enhancement of the sales mix, with a focus on high value-added products, development of new product lines and consolidation of partnerships with both existing and new customers in Romania and across European markets. The Group also continued its strategic investment programme focused on energy efficiency and process modernisation, as well as its commitment to sustainability, including the use of a high percentage of recycled aluminium in production. These measures are expected to support medium- and long-term competitiveness and cash flow generation.

Management has prepared detailed cash flow forecasts and liquidity projections covering at least the next 12 months from the reporting date. These forecasts take into account current and expected market conditions, reasonably possible changes in trading performance, projected aluminium prices, energy costs and financing costs. The projections were prepared under a prudent scenario, including the assumption that the suspended production activities within ALUM remain on hold until 2028. As at the date of these financial statements, no decision has been made regarding the resumption of the suspended activities, as this will depend on the evolution and stabilization of market conditions. The forecasts indicate that the Group is expected to return to profitability in the following periods and to generate sufficient operating cash flows to meet its obligations as they fall due.

Notwithstanding the challenges and uncertainties related to market volatility, energy prices and the refinancing of borrowings maturing in 2026, management believes that the measures undertaken, the ongoing refinancing process, the Group's operational adaptability and the projected future performance provide a reasonable basis to conclude that the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, management has concluded that there are no material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern, and the consolidated financial statements have been prepared on a going concern basis.

Climate change

In preparing the Consolidated and Separate Financial Statements, management has considered that these considerations did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that climate change is not expected to have a significant impact on the Group's going concern assessment as of 31 December 2025, nor the viability of the Group over the next five years. The following specific points were considered:

Current Impact

The Group has a significant impact on the environment, both through the GHG Scope 1 emissions generated by the production process and through the GHG Scope 2 emissions generated by the consumption of purchased electricity from non-renewable sources.

In particular, most of the Group's operations generate GHG emissions through combustion, and some of them result from the technological process that requires the use of raw materials or materials containing carbon, such as calcined petroleum coke, green anodes, baked anodes, etc. The production of electrolytic aluminium and alumina is the most energy-intensive activity of the Group.

Climate Strategy

Creating value by operating a sustainable and long-term business represents one of Alro Group's development strategy's fundamental pillars. Being aware of its environmental impact, the Group has continuously monitored its carbon footprint and implemented specific measures to become a green factory, innovative and sustainable.

The EU regulation mandating carbon neutrality by 2050 and intermediate targets by 2030 have certain impacts on Alro Group's operations and future plans. This implies a fundamental shift towards decarbonisation, necessitating changes in production processes, energy sourcing, and emissions management. The Group is in the process to reassess its operational strategies, possibly restructuring its supply chain, optimizing energy efficiency, and implementing sustainable practices throughout its operations to align with the regulatory requirements.

Achieving Alro's carbon emissions goals will likely require some long-term investments. Transitioning to cleaner energy sources, upgrading equipment and infrastructure, implementing carbon capture technologies, and investing in research and development for sustainable practices will incur significant costs. These investments are essential for Alro Group to adapt to the changing regulatory landscape, remain competitive, and mitigate the risks associated with non-compliance penalties and reputational damage.

Alro has identified three scopes to reduce the intensity of the greenhouse gases emissions and reach the climate neutrality goal by 2050, as follows:

1. *Decarbonisation of electric power* – over 60% of the CO_2 emissions resulting from aluminium production are generated by the electric power production consumed during the electrolysis process. Production of low carbon electric energy and implementation of the Carbon Capture Utilization and Storage (CCUS) offer the most important opportunity to reduce the emissions at nearly zero by 2050.

2. *Direct emissions* – emissions from fuel combustion represent approximately 43.07% of the emissions generated during the process. The electrification, fuel transition to green hydrogen and CCUS offer the most credible ways. The process emissions represent 56.93% (mostly from the consumption of anodes in the electrolysis section) and require new technologies, such as inert anodes, which are not expected to be available before 2035.

3. *Recycling and resources optimization* – increase of the recycled aluminium utilization ratio for certain special alloys, as well as other progresses in resource efficiency by 2050, would reduce the requirement of primary aluminium, which, in its turn, would reduce the CO_2 emissions, being a second measure after the decarbonisation of electric power.

Alro's Investment Program for the coming years comprises investment projects, which are necessary for achieving the quantity of metal in line with the new business model adopted by the Company and in accordance with the needs of ALRO business plan and it focusses on the following objectives:

- Reducing the carbon print of the process activities in Alro Processed Aluminium Division;
- Continuing the programs for improving the energy efficiency of the equipment and technological processes;
- Increase Alro profitability by ensuring the equipment necessary to diversify the range of value-added products (cast plates and precision plates) and manufacture complex products corresponding as close as possible to the customers' requirements in terms of dimensions, thus adding the highest possible value to the metal produced by Alro prior to be marketed;
- Continue the strategy for the increase of the percentage of high value-added products in the production mix, namely of the flat rolled products in Alro Processed Aluminium Division;
- Supporting the existing process and current production capacity by providing safe and reliable equipment / operating conditions for the technological processes, in accordance with the maintenance schedules and standard regulations.

As part of its commitment to reduce the environmental footprint, the Group has already made or plans to make such investments in order to support, during a transition period, the decarbonization of existing industrial assets. Some of these investments are grouped below into two main categories, namely Energy efficiency activities and Sustainable energy supply, respectively.

Energy efficiency activities

In 2025, the Group continued the energy efficiency activities and implemented the following:

Reconditioning of smelter pots based on AP12LE technology

In 2025, Alro continued to upgrade its electrolysis pots by using the AP12LE technology, which is an advanced technology that leads to high energy efficiency (energy consumption reduction value 9,892 MWh/ year). During 2025, a total of 50 electrolysis pots were

commissioned (in 2024: 37 electrolysis pots), bringing the total to 302 smelter pots reconditioned using the new low-energy technology since the start of the project with RioTinto AP in 2018 and Alro will continue to invest in its energy efficiency programmes.

By doing this, ALRO significantly improved its CO_2 emissions status within its electrolysis (which represents the division with the highest CO_2 emissions for producing primary aluminium). It aims to situate within the first ten worldwide aluminium producers (except China) from an energy efficiency perspective for the electrolysis area after it finalizes the implementation of the AP12LE project.

Increased capacity in the Eco Recycling Facility

The Group has continued to work on its plan of increasing the use of liquid aluminium in its production, i.e. melt scrap aluminium. In the Eco-Recycling Facility, since two new furnaces for melting aluminium waste were commissioned in June 2023, alongside with other operational and technological improvements, and thus the recycling capacity was increased from 35,000 tonnes to 112,000 tonnes per annum. As a result of these investments, Alro is taking an important step into a low-emission world. The specific electricity consumption of the aluminium scrap recycling process is only 5% of that required for the production of electrolytic aluminum, which has a positive impact on total production costs. Aluminium can also be recycled indefinitely without losing its properties, making it an ideal metal for the lowcarbon and circular economy.

Other investments to reducing the carbon footprint

In 2025 the Group commissioned the new electric furnace for aluminium alloy plates aging purchased from a renowned manufacturer of furnaces for the aluminium industry. This advanced electric furnace will replace three gas-powered units, streamlining heat treatment operations in ALRO's Processed Aluminium Division, thus marking a significant step toward the Group's goal of becoming a more environmentally friendly producer, supplying low carbon aluminium, suitable for market requirements. The project will optimize the heat treatment process (artificial aging) by enhancing the equipment efficiency and ensuring a more precise control of temperature and other critical parameters. This will result in a more efficient output of top quality high added-value aluminium. The development did not result in a re-estimate of the useful economic life (UEL) of the replaced gas-powered units, nor did it trigger an impairment assessment.

Sustainable energy supply

The Group has also made significant progress in delivering domestic renewable energy projects and in 2024 it started and in 2025 continued, the implementation of the following:

CCGT project to develop a plant of energy production

The Group has taken further steps to develop a plant of renewable energy production. In September 2023, a new company CCGT Power Isalnita SA was registered, with Complexul Energetic Oltenia holding an interest of 59.9% and Alro SA holding 40.1% of the shareholders equity. The new established company will build a 850 MW natural gas power plant which will replace two old coal-fired installations, each with the capacity of 315 MW, owned by Complexul Energetic Oltenia. The total project value was initially estimated at EUR 506 million, out of which EUR 253 million will be financed by the Modernisation Fund, a new financing tool that contributes to the objectives of the European Green Deal by supporting a socially just transition to a green economy. This initiative may give rise to Research and development costs in future that might be capitalized on the Statement of Financial Position, or expensed, in line with the accounting policies.

Construction of a photovoltaic system

In order to provide its own production of energy from sustainable sources, the Group started to analyse the possibility of installing its own renewable energy production capacities and for this purpose, in 2023 the Group started the procedures for the construction of a photovoltaic system consisting in the installation of a 1500 KW photovoltaic power plant and two electrical charging stations. The Group will use the entire amount of energy produced, which will contribute to the increase in the percentage of green energy used in technological processes and reduction of their carbon impact, thus promoting the production aluminium with reduced CO_2 emissions.

Positive impact of aluminium industry on many other industries

Aluminium alone is strong, durable, flexible, lightweight, corrosion, resistant and infinitely recyclable. Industries such as the aeronautics and automotive are using aluminium parts for their products. The Group is a supplier of aluminium for these industries, and thus contributes to these industries' achieving their environment targets of lower carbon emissions and lower energy and fuel consumption. The impact of climate change and compliance regulations is deemed to result in good prospects for the aluminium industry that will be translated in additional sales and revenues for the Group.

Effects of Climate-related matters in the estimation of future cash flows

The Group's future cash flow assumptions aims to align with the EU's decarbonization objectives to ensure financial viability and sustainability. This involves incorporating the costs associated with carbon reduction measures, potential regulatory compliance costs, and opportunities for revenue generation from sustainable initiatives.

Alro plans significant investment projects included in the business plan and cash flow forecasts to ensure a balanced products structure, the quantitative increase of high and very high value-added products, having in mind the new challenges the Company is facing

due to the reduction of produced electrolytic metal, while targeting also the reduction of the carbon print related to Alro technological activities. The CAPEX plan of Alro includes projects, such as:

- Continue the strategy for the increase of the percentage of high value added products by increasing the heat treatment capacity aluminium alloy plates/sheets;
- Increase ALRO SA profitability by ensuring the equipment necessary to diversify the range of value-added products (cast plates and precision plates);
- Optimise the scrap remelting operation in the Eco Recycling Workshop by modernising remelting equipment and adapting installed capacities to the type and volumes of scrap/ingots processed;
- Investments in upgrading the production equipment aimed at increasing the production capacity and energy efficiency, including repair of smelter pots using the AP12LE low energy solution;
- Extension of the Gas Treatment Station in the Cast House so as to comply with the BAT requirements estimated to be implemented following the amendment of the current Best Available Techniques Reference Document;
- Increasing the energy efficiency of ALRO S.A.'s electricity supply system by installing a photovoltaic plant in ALRO S.A parking area.

Climate change effects on impairment, useful life of assets and other key assumptions

Alro carefully considers the effects of EU decarbonization regulations on impairment assessments, useful life of assets, and other key assumptions. Changes in regulatory requirements and market dynamics resulting from decarbonization efforts may impact the value and longevity of Alro's assets. This necessitates periodic reviews and adjustments to impairment tests, taking into account factors, such as: technological advancements, regulatory compliance costs, and shifts towards sustainable products. Additionally, Alro reassess assumptions related to depreciation schedules, maintenance costs, and asset retirement obligations to accurately reflect the evolving regulatory environment and its implications for the company's financial performance and sustainability.

The Group invested in increasing the capacity of the Eco-Recycling business, consequently the current version of the business plan takes into account the use of recycled aluminum to a bigger extent, while keeping only two out of five electrolysis halls in operation over the entire forecast period. Production of liquid aluminium doubled in 2024, reached almost its capacity limit in 2025 for 106,596 tonnes, with an anticipated increase of about 7% in 2026–2027.The Group spends more on acquiring scrap from the market over the entire forecast horizon. This is part of the Group's efforts to recycle and optimize resources, also by increasing the recycled aluminum utilization ratio for our products, to reduce the need of primary aluminum and therefore reduce the CO_2 emissions.

Climate considerations are also included in the impairment calculations directly by estimating the CO_2 certificates. Indirectly, the expected effect of climate change is included in the estimated energy prices consumed during the production process, together with the calculation of compensation income. See more details on compensation income and CO_2 certificates in the section *Other operating income* in the Note 8.

Regulations regarding air pollution

The Group is impacted by the increased regulatory environment in the EU regarding air pollution. The Group, as a heavy industry participant, is affected by the cap-and-trade scheme for greenhouse gas emissions implemented at the level of EU, and the use of best available techniques (BAT). European Commission has proposed a comprehensive set of amendments of the existing emissions trading system (EU ETS), whose outcome should be a global reduction in the concerned sectors by 43% until 2030, compared to the 2005 levels.

On one side, the Group is allotted a certain number of emission rights per annum, in accordance with the provisions of ETS legislation. The accounting policies for emission rights can be found in the Material accounting policies note (Note 4.1) under the subheading Emission rights. Any potential liability resulting from the necessity to buy emissions certificates is taken into consideration in the Group's business plans and scenarios. With the prices of emission certificates being volatile, the impact from such liability on the Group's results cannot be ascertained. A provision for CO_2 certificates of RON 23,292 thousand recognised as at 31 December 2025 (31 December 2024: RON 11,463 thousand) (for more details, see also Note 29 *Provisions*)

On the other side, the Group is indirectly impacted by the same greenhouse gas emission scheme in the sense that such costs of the electricity producers are included in the final electricity price that the Group has to pay. Due to the volatility of the certificates prices, the electricity rates might reach significantly high levels. That is why the Group monitors, anticipates and takes into consideration all the possible circumstances in order to balance its activities as an integrated group and reduce the quantitative impact of such liabilities, such as the decision to close production units temporarily until the electricity and emission certificates prices return to an acceptable level, and to buy metal from the market. However, the impact of these costs is reduced by the government grants, which are recognised as income in the current financial year, to match them with the related costs which they are intended to compensate. The accounting policies for government grants can be found in the ***Material accounting policies*** note (Note 4.1) under the subheading *Government grants*. The details on the legislation applicable in this respect and the resulting income are presented in the Note 8 *Other operating income*.

Starting 2026, the importers requirement to buy Carbon Border Adjustment Mechanism (CBAM) certificates to cover greenhouse gas emissions footprint will be also implemented, and the price of CBAM certificates shall be linked with the EU ETS carbon prices. Thus, CBAM represents a supplementary cost substantiated by the export on the EU market. The EU's CBAM is the EU's tool to put a fair price on the carbon emitted during the production of carbon intensive goods that are entering the EU, and to encourage cleaner industrial production in non-EU countries. Another essential element is the data on embodied emissions. These must be calculated according to the methodology provided for in the recently issued EU Regulations in this regard and will have to be verified by an accredited verifier when submitting the annual declaration. At the same time, the European Commission has put forward proposals to extend the

scope of the CBAM which could include, by 2028, downstream steel and aluminium products, as well as additional anti-circumvention measures, with an impact on supply chain planning. In 2025, the Parent Company prepared and posted all quarterly reports on the commission's website, in December 2025 obtaining the license through which it acquires the status of "Authorized CBAM Declarant". As at 31 December 2025, CBAM was not expected to have a material direct financial impact on the Group other than compliance and implementation efforts, and therefore no specific provision was recognised in this respect. Going forward, given the evolving rules and possible future extension of scope, the impact is difficult to determine at this stage. Management continues to monitor the implementation and possible future extension of CBAM and its potential effect on the Group's operations and supply chain.

Except for the provisions for CO_2 certificates, the management of the Group considers that there are no other provisions to be constitute in order to meet environmental compliance regulations as at 31 December 2025.

Functional and presentation currency

The functional currency of the Parent Company is the Romanian leu (RON). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency and translated in the presentation currency.

The rates applied in translating foreign currencies to RON were as follows:

These financial statements are presented in RON thousand, rounded to the nearest unit.

	31 December 2025	31 December 2024
USD exchange rate at the end of the period**	4.3417 USD/RON	4.7768 USD/RON
	2025	**2024**
USD average exchange rate***	4.4645 USD/RON	4.5975 USD/RON

**) as communicated by the National Bank of Romania

***) computed as an average of the daily exchange rates communicated by the National Bank of Romania

3. Application of the new and revised international financial reporting standards

Following below are the new standards, amendments and interpretations to existing standards adopted starting 1 January 2025 and their effect in the preparation of the Group and the Company financial statements for the year ended 31 December 2025.

Standards and interpretations effective in 2025 that the Group have applied to these financial statements:

The Group and the Company have adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2025:

- *IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments).* The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The adoption of the standard had no effect on the Group and the Company.

Standards issued in 2025, but not yet effective and not early adopted

- *IFRS 18 Presentation and Disclosure in Financial Statements* (issued on 9 April 2024). The standard will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. IFRS 18 was issued to improve reporting of financial performance and introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and the notes. IFRS 18 will replace IAS 1 with many of the other existing principles in IAS 1 being retained, with limited changes. IFRS 18 will not impact the

recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss. In addition, there are consequential amendments to other accounting standards. Management expects that the adoption of IFRS 18 will impact consolidated financial statements, primarily in the form of enhanced disclosures and revised presentation formats. While the overall financial position and results of operations will not change, the increased level of detail and transparency will provide users with more comprehensive and useful information.

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures* (issued on 9 May 2024), not yet adopted by the EU. IFRS 19 is effective for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted. The new standard allows subsidiaries that do not have public accountability and whose parent companies prepare consolidated financial statements under IFRS to apply IFRS 19, which enables subsidiaries to maintain only one set of accounting records and reduces their disclosure requirements, addressing the issue of disproportionate disclosures. The directors anticipate that the application of this new standard might contribute to the reduction of the Group's and the Company's cost of preparing financial statements for subsidiaries while maintaining the usefulness of the information for users.

- *Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures*, completing its planned catch-up work on the Standard (issued on 21 August 2025), not yet adopted by the EU. The amendments simplify reporting for eligible subsidiaries by reducing disclosure requirements related to standards and amendments issued between February 2021 and May 2024, including:

- IFRS 18 – Presentation and Disclosure in Financial Statements;

- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7);

- International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12);

- Lack of Exchangeability (Amendments to IAS 21);

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

The amendments are effective for annual reporting periods beginning on or after 1 January 2027 and the directors anticipate that the application of this new standard might contribute to the reduction of the Group's cost of preparing financial statements for subsidiaries while maintaining the usefulness of the information for users.

- *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)* (issued on 30 May 2024). The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice for derecognizing financial liabilities settled using electronic payment systems before the settlement date. They also provide additional guidance on classifying financial assets with ESG-linked features, non-recourse loans, and contractually linked instruments. Furthermore, the amendments require additional disclosures for financial instruments with contingent features and equity instruments classified at fair value through OCI. The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and are not expected to affect financial statements.

- *Amendment: Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7* (issued on 18 December 2024). The amendments provide guidance on the classification and measurement of contracts where electricity pricing is influenced by weather-dependent factors, such as solar or wind energy. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures. The amendments include: clarifying the application of the 'own-use' requirements, permitting hedge accounting if these contracts are used as hedging instruments and adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The amendments are effective beginning on or after 1 January 2026 and are not expected to affect financial statements.

- *Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency* (issued on 13 November 2025), not yet adopted by the EU. The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position. An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements. The directors do not anticipate that the application of the amendments in the future will have an impact on the Group's or Company's financial statements.

- *Annual Improvements to IFRS Accounting Standards-Volume 11* (issued on 18 July 2024), which addressed narrow-scope amendments, clarifications, corrections, and refinements to several standards, such as IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. Volume 11 annual improve-

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ments are limited to changes that either clarify the wording in the standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. These amendments are mandatory for financial years beginning on or after 1 January 2026 with earlier application permitted and their implementation are not expected to have a material impact on the Group's or the Company's financial position or performance.

There were no other new standards or amendments to existing standards issued in 2025.

4. Accounting policies, judgements, estimates and assumptions

4.1 Material accounting policies

The main accounting policies are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognized in other comprehensive income and accumulated in equity, the amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRS Accounting Standards, as adopted by EU). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

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The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets are recognized and measured in accordance with IAS 12 *Income Taxes* and liabilities related to employee benefit commitments are recognized and measured in accordance with IAS 19 *Employee Benefits*;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If the above mentioned difference is negative, the excess is recognized in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS Accounting Standards, as adopted by EU.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9 *Financial Instruments*, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognized for goodwill

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is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Investment in associates and joint ventures

The group holds an interest in an associate, CCGT Power Isalnita SA ("CCGT Power").

The financial statements of CCGT Power are prepared for the same reporting period as the Group. The accounting policies of the company is aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investee after the date of acquisition.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The Group's investment in its associate is accounted for using the equity method.

The aggregate of the Group's share of profit or loss of the associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

Under the equity method, the investment in associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within '*Share of result in associate*' in the statement of profit or loss.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Fair value measurement

The Group and the Company measure financial instruments such as derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by

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using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group or the Company expects to be entitled in exchange for those goods or services

Sales of goods

Under IFRS 15, revenue is recognized when a customer obtains control of the goods. The Group and the Company deliver goods (mainly aluminium products, alumina, bauxite) under contractual terms based on internationally accepted delivery conditions (INCOTERMS).

The Group and the Company recognize revenue at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Variable consideration

Some contracts with customers provide volume rebates, financial discounts, price concessions or a right of return for quality claims.

Under IFRS 15, variable consideration is required to be estimated at contract inception. Revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. As a consequence, for those contracts for which the Group and the Company are unable to make a reasonable estimate of return, revenue is expected to be recognized sooner than when the return period lapses or a reasonable estimate can be made. To estimate the variable consideration to which it will be entitled, the Group and the Company applied the expected value method. At the same time, the cases of quality claims (rights of return) are isolated and historically immaterial in such a way that, at the year end, the Group and the Company estimate that such reversals are unlikely.

Rendering of services

The Group and the Company perform sundry services occasionally and as a non core business. Revenue is measured at the expected value of the consideration received or receivable. Under IFRS 15, the total consideration in the service contracts is allocated to all services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group and the Company sell the services in separate transactions. Based on the Group and the Company's assessment, the allocated value based on the stand-alone selling prices of the services, and the stand-alone prices of the services are broadly similar.

Principal versus agent considerations

Under IFRS 15, the assessment is based on whether the Group and the Company control the specific goods before transferring them to the end customer, rather than whether they have exposure to significant risks and rewards associated with the sale of goods.

The Group and Company have concluded that they are the principal in all of their revenue arrangements since they are the primary obligor in all the revenue arrangements, have pricing latitude and are also exposed to inventory.

With some of the clients, the Group and the Company have arrangements by which the client brings in the material (aluminium), and the Group/Company melts it and processes it into final products, for selling it back to the same client. The clients pays a specific processing fee for this service. The performance obligation is the smelting and processing, and the Group/Company do not have possession of the metal while it is on its premises. The Group/Company recognize revenue when the processing is completed and the metal is returned to the client.

The recognition and measurement requirements in IFRS 15 are also applicable for recognition and measurement of any gains or losses on disposal of non-financial assets (such as items of property and equipment and intangible assets), when that disposal is not in the ordinary course of business.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognized at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's and Company's obligation.

Contract liabilities

Amounts received from customers in advance of goods delivery or service performance are recognized by the Group and the Company as liabilities on the Statement of Financial Position as Contract liabilities, until the Group or the Company actually transfers control of the goods delivered to the client or performs the contracted service.

Leasing

The Group and Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as licenses, small items of office equipments, etc.). For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
-The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
-A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group or the Company incur an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset, as follows:

	Alro Group	Alro
Land	1 - 5 years	1 - 5 years
Plant and machinery	1 - 5 years	1 - 5 years
Equipment and vehicles	1 - 7 years	1 - 7 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use asset is depreciated over the estimated useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group and the Company applies IAS 36 *Impairment of assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the *Impairment of tangible and intangible assets* policy below.

The Group and Company as lessor

The Group and Company enter into lease agreements as a lessor with respect to some of their investment properties.

Leases for which the Group or the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's or Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's and Company's net investment outstanding in respect of the leases.

Foreign currencies

In preparing the consolidated financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date and included as foreign exchange difference. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise except for:
- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

For the purpose of presenting the financial statements in RON, the assets and liabilities of the foreign operations whose functional currencies are different than RON, are translated at the exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rate for the periods presented. Equity items are translated at their historical exchange rates. Exchange differences arising on the translation are recognized in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are de-recognized but they are not reclassified to profit or loss.

Employee benefits

The Group and Company, in the normal course of business, make payments on behalf of its employees for pensions, health care and unemployment cover. The cost of these payments is charged to profit or loss in the same period as the related salary cost.

The Group and the Company award their employees with some retirement benefits according to the Collective Labour Agreement. For this defined benefit retirement plan, the cost of providing benefits is determined using the Projected Unit Credit Method, with

actuarial valuations being carried out at each reporting period. The remeasurement comprising actuarial gains and losses is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability. Defined benefit costs are categorized as follows:

- Service costs (comprising current service cost, past service cost, as well as gain and losses on curtailments and settlements), included in profit or loss line item “Cost of goods sold” or “General and administrative expenses” within personnel costs.
- Net interest expense, included in profit or loss within interest expense.
- Remeasurement.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s and Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The fiscal losses generated by the Romanian Group companies before 31 December 2023 can be carried forward for 7 years and recovered within a limit of 70% of the related taxable profits. The annual tax loss generated starting with 2024, will be recovered at a rate of 70% of taxable profits obtained in the next 5 consecutive years.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognized in the consolidated profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive

income or directly in equity, respectively.

Starting from 1 January 2024, according to the provisions of Law no. 296/2023 and amendments to the Fiscal Code, legal entities with a turnover exceeding 50,000,000 EUR in the previous year are required to pay additional taxes on turnover. In this context, for the year 2024, the following were introduced:

• *Minimum turnover tax (IMCA)*: applicable to taxpayers exceeding the mentioned turnover threshold and whose profit tax is lower than the minimum tax set by fiscal regulations. IMCA is set at 1% of turnover. Through OMF 89/24.12.2025, the tax rate was reduced from 1% to 0.5%, this change will apply from 01.01.2026.
• *Additional turnover tax (ICAS)*: owed by legal entities operating in the oil and natural gas sectors, according to CAEN codes established by OMF no. 5433/2023, and exceeding the 50,000,000 EUR turnover threshold. ICAS is set at 0.5% of turnover. Through OMF 89/24.12.2025, the application period of ICAS was extended until 31.12.2026, the tax rate remaining 0.5% of the tax base.

For the year 2025, according to the provisions of Law 290/2024, the obligation to pay the Additional Turnover Tax (ICAS) remains, but the turnover threshold of 50,000,000 EUR is eliminated.

In the case of entities operating in the oil and natural gas sectors, they are not subject to the IMCA rules, but are required to pay ICAS according to Article 18^3 of the Fiscal Code (respectively Article 46^2 in 2025), alongside the profit tax regulated by Article 13 of the Fiscal Code. This additional tax obligation is applicable for the period from 1 January 2024 to 31 December 2026.

In this context, ALRO, as a major taxpayer, has the CAEN secondary activity code 3522 – "Distribution of gaseous fuels through pipelines" and provides services as an operator of a closed natural gas distribution system to gas suppliers, who are users of this distribution system. Given these aspects, ALRO is subject to the provisions of Article 46^2 of the Fiscal Code and is obligated to pay the additional turnover tax (ICAS).

According to OMFP no. 2844/2016, with subsequent amendments, the minimum turnover tax (IMCA) is assimilated to the profit tax, while the additional turnover tax (ICAS) is assimilated to an operational expense, which is an exception from IFRS Accounting Standards as adopted by EU (see Note 2 Basis of preparation).

Value added tax (VAT)

Revenues, expenses and assets are recognised net of VAT except:
- Where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable;
- When receivables and payables are stated with the amount of sales tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at their cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group and Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's and Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated.

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Depreciation is recognized so as to write off the cost less their residual values over the following useful lives, using the straight-line method:

	2025	2024
Buildings and special constructions	2 - 60 years	1 - 60 years
Plant and machinery	1 - 35 years	1 - 35 years
Equipment and vehicles	1 - 25 years	1 - 25 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In particular, the Group and the Company consider the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group and the Company determine whether climate-related legislation and regulations might impose additional energy efficiency requirements on the Group's buildings and office properties, their impact on the useful life or residual values and on financial forecasts used for the purpose of impairment testing.

Depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in consolidated profit or loss at the date of the derecognition.

Investment properties

The Company's investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost, less any accumulated depreciation and any accumulated impairment losses.

Depreciation is recognized so as to write off the cost less their residual values over their useful lives, using the straight-line method. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period of derecognition.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Company accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accu-

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mulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets are amortized over a period between 3 years (for software) and 50 years (for concessions).

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in consolidated profit or loss when the asset is derecognized.

Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Temporarily idle property, plant and equipment, including assets placed in conservation, are assessed for impairment in accordance with IAS 36 at the level of the relevant cash-generating unit (CGU), if these assets do not generate largely independent cash inflows. Any impairment loss is recognized only if the recoverable amount of the CGU is lower than its carrying amount. Such assets continue to be included in the CGU and are subsequently reviewed for possible reversal of impairment in line with the Group's future operational plans.

Inventories

Inventories are stated at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials: purchase cost on a first in, first out basis;
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing cost, determined on weighted average basis.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Provisions

Provisions are recognized when the Group and Company have a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Decommissioning liability

Decommissioning costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognized when the Group and Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in consolidated and separate profit or loss.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets

For purposes of subsequent measurement financial assets are classified into the following specified categories: amortised cost and fair value through profit or loss (FVTPL).

- *Debt instruments at amortised cost* for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the solely payments of principal and interest (SPPI) criterion. This category includes the Group and Company's Trade and other receivables and Long-term loans receivable. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- *Financial assets at FVPL* include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Financial assets mandatory at FVTPL represent trade receivables of the Group/Company covered by factoring contracts that were not yet sold to the factor at the reporting date.

Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Company have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. More information about the Group's provision matrix is disclosed in Note 36.

Trade receivables of the Group / Company are generally on terms of 30 to 90 days. The Group / Company considers a financial asset in default when contractual payments are past due beyond these terms. However, in certain cases, the Group/Company may also consider a financial asset to be in default when internal or external information indicates that the Group/Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group/Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when they transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Group and Company recognise their retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, they continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

Investments in subsidiaries

In the separate unconsolidated financial statements investments in subsidiaries are stated at historical cost less accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position and statement of cash flows comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

Financial liabilities

Financial liabilities are classified as either *Financial liabilities at FVTPL* or *Other financial liabilities*.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group and the Company manage together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 Financial Instruments permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the Gains (losses) from derivative financial instruments, net or Other financial gains/(losses), net. Fair value is determined in the manner described in Note 36.

Other financial liabilities

Other financial liabilities (including borrowings) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group and Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with IFRS 9 Financial Instruments; and
- the amount initially recognized less, where appropriate, cumulative amortisation recognized in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Derivative financial instruments

The Group and Company enter into a variety of derivative financial instruments to manage its exposure to market risk and foreign exchange rate risk, including foreign exchange forward or option contracts, swaps and options to manage the commodity prices risks associated with sales of aluminium based on the London Metal Exchange price for High Grade Aluminium ("LME"). The Group/Company uses similar financial instruments, when necessary, to hedge the price risk of production input, such as electricity.

Further details of derivative financial instruments are disclosed in Note 36. Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Related parties

Parties are considered related when other party, either through ownership, contractual rights, family relationship or otherwise, has the ability to control or significantly influence the other party.

Government grants

Government grants are recognised once there is reasonable assurance that the Group and the Company will comply with the con-

ditions attached to them and that the grants will be received. They are recognised in the profit or loss over the periods necessary to match them with the related costs which they are intended to compensate, and are disclosed under Other operating income. Government grants that are receivable as a compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group and Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

Government grant received as a compensation for indirect emissions is recognized once the applicable legislation comes into force and the Group and the Company has legal or constructive rights to receive the government grant and all the conditions are fulfilled. The measurement of the maximum compensation income for each period is made in accordance with the published formula. The Group's and the Company's attributable proportion of compensation in relation to the capped total annual compensation budget is further estimated with reference to the CO_2 certificates under compensation based on the Group's and Company's actual output for the period. The number of certificates for the rest of beneficiaries to the state aid scheme used in calculating the Group's and the Company's proportion is estimated based on the prior year figure, adjusted to the extent possible, with available market data.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight - line basis over the expected lives of the related assets.

Emission rights

The Group and Company recognise the deficit in emission certificates in the consolidated and separate financial statements based on the net liability method. Under this method only those liabilities that are expected to result from exceeding the emission certificates quotas granted are recognized.

The Group and Company estimate their annual emission volumes at the end of each reporting period and recognise the total estimated additional liability for the expected excess of emission volumes at the fair value of additional units to be purchased or penalties to be incurred under the national legislation. The additional net liability is recognized in profit or loss based on unit of production method under the category Other operating expenses in the Income Statement, on one side, and in Provisions, current on the Statement of Financial Position, on the other side.

In case the Group and the Company estimate utilization of less than the allocated emission certificates any potential income from the sale of unused emission certificates is recognized only on actual sale of those certificates.

Operating segments

An operating segment is a component of the Group and Company that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the Group's and Company's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which distinctive financial information is available. Segment information is presented in respect of the Group's and Company's business and geographical segments and is determined based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments (other than investment property) and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Group's and Company's headquarters) and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Dividends

Dividends are recorded as a liability in the Group and Company's financial statements in the period in which they are approved by the Company's shareholders and reflected in a corresponding diminution of shareholders' equity.

As per the Order of the Minister of Public Finances no. 3067/2018 on completing certain accounting regulations, the quarterly distribution of profit to shareholders is made on an optional basis, during the financial period, within the limits of the quarterly achieved net accounting profit, plus potential carried forward profits and amounts from reserves available for this purpose, less any loss carried forward from previous years and amounts placed in reserves as per the legal or statutory requirements.

The settlement of potential differences resulting from dividends distribution during the year is to be made after the approval of annual financial statements, and the payment of potential differences resulting from such settlement must be made within the legally set timeframe. Any excess dividends distributed and paid during the financial period will be paid back by the shareholders to the Company within the legally set timeframe.

4.2 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the

reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below. The Group and the Company based their assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group and Company. Such changes are reflected in the assumptions when they occur.

Judgements

Determining the lease term of contracts with renewal and termination options

The Group and the Company determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group and the Company have several lease contracts that include extension and termination options. The Group and the Company apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, they consider all relevant factors that create an economic incentive for them to exercise either the renewal or termination. At 31 December 2025 the carrying amount of the right-of-use assets for which the Group and the Company estimated that will exercise the extension option is RON 5,989 thousand for the Group and RON 6,137 thousand for the Company (2024: RON 1,617 thousand for the Group and RON 1,808 thousand for the Company). Refer to Note 19.

Government grants - compensation for CO_2 emission indirect cost

Significant judgement is required when determining the timing and value for the recognition of government grants related to income. The management carefully evaluates whether the conditions associated with the grants are met, irrespectively if the cash was actually received during the reporting period, and it also determines whether the grants compensate expenses already incurred or future costs. Consequently, the grants could be recognized as income in the current financial year, to match them with the related costs which they are intended to compensate, or on a receipts basis, only if no basis existed for allocating the grant to periods other than the one in which it was received. In addition, if a government grant may become receivable by the Group or the Company as compensation for expenses or losses incurred in a previous period, such a grant is recognised in profit or loss of the period in which it becomes receivable, with disclosure to ensure that its effect is clearly understood. As mentioned above in Note 4.1, the attributable proportion of compensation to the Group and the Company in relation to the total annual compensation budget is estimated. In 2025 estimation was done primarily by reference to the actual allocation pattern observed under the scheme, including the amounts effectively paid during the most recent period and the share of those amounts received by the Group and the Company. In assessing the expected participation in the total annual compensation, management also considered the historical allocation trend, while the total annual compensation budget is assessed by reference to the legal framework applicable to the relevant compensation year, including, where relevant, legislative developments enacted before the financial statements are authorised for issue that provide additional evidence regarding the annual funding level and payment mechanics of the existing compensation scheme. As result of clarification of the funding mechanism for the compensation scheme introduced by Law adopted in March 2026 (see note 8 and 39), the predictability of the scheme improved and a more reliable estimate can be done in current year, the judgement referring mainly with the attributable portion of compensation annual budget and the applicability of the legislation for the 2025 compensation scheme.

Debt modifications and extinguishments

Significant judgment is required when determining the accounting treatment of the changes to the existing borrowing arrangements. The management carefully evaluates whether the new modifications to the contractual terms of loans are substantial different from the terms of the original debts by making qualitative analysis (change in the basis of interest calculation, such as moving from fixed to floating rate, a significant extension in the term of the debt), as well as quantitative analysis (‘the 10% test’). The management also considers whether these changes relate to a loan offered by a group of lenders (a syndicated loan) or a loan from a single borrower and make further assessments: whether there is a single loan or multiple loans, whether there is a change in the lead lender etc. If the conclusions are that there are substantial modifications to the debt, the amended loan should be accounted for as an extinguishment to the debt, otherwise the amended loan should be treated as a modification of the respective loan. See also Note 28.

Estimates and assumptions

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on a discounted cash flow projections model, on available data from binding sales transactions, conducted at arm’s length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from budgets prepared by the Group and Company and do not include restructuring activities that the Group and Company are not yet committed to or significant future investments that will enhance the asset’s performance of the CGU being

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tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Notes 14, 16 and 18.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group and Company established provisions, when necessary, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the Group and Company and the responsible tax authority. Such differences in interpretation may arise for a wide variety of issues depending on the conditions prevailing in that context.

Deferred tax assets are recognised for carried forward tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details are disclosed in Note 12.

At 31 December 2025, the Group has RON 282,798 thousand (2024: RON 265,318 thousand) of fiscal losses for which no deferred tax was recognized. These losses relate mainly to Alum, and may not be used to offset taxable income elsewhere in the Group. Given the uncertainties surrounding the timing and amounts of future taxable profits available to offset tax losses, the Group has determined that it cannot recognise deferred tax assets on some of the tax losses carried forward. If the Group was able to recognise all unrecognised deferred tax assets, profit and equity would increase by RON 45,248 thousand at 31 December 2025 (2024: RON 42,451 thousand). Further details on taxes are disclosed in Note 12.

The legislation on additional turnover taxes is recent, and interpreting the new provisions may be uncertain, especially in the case of regulations applicable to the oil and gas sector. In the absence of a detailed guide or an established practice in applying Article 18^3 (respectively Article 46^2 starting in 2025) of the Fiscal Code, there is a risk that the tax authorities' interpretations may differ from those applied by the Company. In this context, following the application of the ICAS provisions, ALRO recognized in 2025 an expense of RON 18,833 thousand (in 2024: RON 17,185 thousand), recorded under *Taxes other than income taxes* within operating expenses. The amount owed was calculated based on the fiscal provisions in effect at the reporting date, however, future interpretations by the competent authorities or legislative changes may impact the Company's tax obligations.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 36 for further disclosures.

Provision for rehabilitation

The Group and the Company have recognized a provision for the rehabilitation of the premises where they deposit scrap from production. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, inflation rates, effective costs of works to be performed and the expected timing of these costs. See Note 29 for further details.

Defined benefit plans

The cost of the defined benefit plans and the present value of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, personnel turnover and longevity. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Additional information is disclosed in Note 30.

Estimating the incremental borrowing rate

If the Group and the Company cannot readily determine the interest rate implicit in the lease, they use their incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group and the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group and the Company 'would have to pay', which requires

estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions). Refer to Note 19.

Provision for expected credit losses of trade receivables

The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the customer from the date the credit was initially granted up to the reporting date and adjusted for forward looking factors specific to the debtors and the economic environment. Separately, the Group make individual assessment for old and significant receivables. For these receivables, if forecast economic conditions are expected to deteriorate over the next year which can lead to a possibility of default, the historical default rate is adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the expected credit loss and the forecasts for individually assessed receivables are a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 22, Note 23 and Note 36.

Other accounting judgements

The management uses critical accounting judgements also for the provisions and allowances for receivables and inventories, impairment of financial assets and contingent liabilities (Refer to notes 21, 22, 36 and 37).

5. Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers, including intra-group sales:

Segments	Alumina	Primary aluminium	Processed aluminium	Others	2025 Total
Type of good or service					
Sale of alumina	4,728	-	-	-	**4,728**
Sale of primary aluminium	-	1,602,651	-	-	**1,602,651**
Sale of processed aluminium	-	-	2,574,991	-	**2,574,991**
Other revenues and services performed	2,493	-	452	97,454	**100,399**
Total revenue from contracts with customers	**7,221**	**1,602,651**	**2,575,443**	**97,454**	**4,282,769**

Segments	Alumina	Primary aluminium	Processed aluminium	Others	2024 Total
Type of good or service					
Sale of alumina	63,622	-	-	-	**63,622**
Sale of primary aluminium	-	1,462,867	-	-	**1,462,867**
Sale of processed aluminium	-	-	2,296,220	-	**2,296,220**
Other revenues and services performed	6,077	-	536	17,837	**24,450**
Total revenue from contracts with customers	**69,699**	**1,462,867**	**2,296,756**	**17,837**	**3,847,159**

The Group's revenue increased mainly due to the Processed Aluminium segment, where demand rose for high-margin products such as plates and extruded items, as well as the Primary segment as a result of increase in wire rod demand, further supported by the upward trend in LME prices. Revenue in the Alumina segment, including intra-group sales, declined compared to 2024, as the plant became a sales agent starting March 2024 and since than, has invoiced Alro only a commission for intermediated transactions. The category *Other revenues* includes revenues from the resale on the free market, of the electricity that the Group had in surplus during 2025.

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Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information in Note 6:

Revenue	Alumina	Primary aluminium	Processed aluminium	Others	2025 Total
Revenue from contracts with customers	7,221	1,602,651	2,575,443	97,454	**4,282,769**
Intra-group transactions	-	-371,851	-3,202	-11,973	**-387,026**
Total Group revenue (Note 6)	**7,221**	**1,230,800**	**2,572,241**	**85,481**	**3,895,743**

Revenue	Alumina	Primary aluminium	Processed aluminium	Others	2024 Total
Revenue from contracts with customers	69,699	1,462,867	2,296,756	17,837	**3,847,159**
Intra-group transactions	-50,765	-373,685	-3,011	-11,661	**-439,122**
Total Group revenue (Note 6)	**18,934**	**1,089,182**	**2,293,745**	**6,176**	**3,408,037**

Transactions between operating segments are based on transfer prices that are set in a manner similar to transactions with third parties. For the way the Group monitors the performance of its segments, please see Note 6.

As regards the Parent Company alone, this is organised into two divisions: primary aluminium division which manufactures and sells primary aluminium products like wire rod, slabs, billets and ingots and the processed aluminium division, which develops and sells flat rolled products such as sheets, plates and coils. The Company revenues from contracts with customers of primary products, including intra-group sales, were of RON 1,602,651 thousand and the revenues from Processed products of the Company only were of RON 1,945,229 thousand in 2025 (RON 1,462,867 thousand for Primary aluminium products and the revenues from Processed products of the Company only were of RON 1,722,454 thousand in 2024).

Contract liabilities

In 2025, the Group and the Company recognized the amount of RON 38,734 thousand and RON 38,268 thousand, respectively, existing at 31 December 2024 under *Contract liabilities* as revenue from performance obligations satisfied (RON 39,161 thousand at the Group level and RON 38,609 thousand at the Company level balance as of 31 December 2024). The balance of RON 37,610 thousand and RON 36,651 thousand, respectively, existing at 31 December 2025 under *Contract liabilities* will be recognized in 2026 from performance obligations that will be satisfied.

6. Segment information

For management purposes, the Group is organized on a vertically integrated basis into three segments: alumina, primary aluminium and processed aluminium. For the purpose of resource allocation and assessment of segment performance the segments are the basis on which the Group reports its segment information to the chief operating decision maker. The alumina segment located in Tulcea, Romania, has its own alumina production temporarily suspended since August 2022 and replaced with alumina procured from the market for the Group needs, acting as a sales agent for Alro. The Primary aluminium division manufactures primary aluminium products like wire rod, slabs, billets and ingots. Most of the slabs are used in the Processed aluminium segment to manufacture flat rolled products, such as sheets, plates, coils that are further sold to external clients. The Primary aluminium segment include also some sales of aluminium finished products (such as billets and wire rod to group and external companies), which are processed out of the metal brought in by the client, and for which revenue is recognized only at the level of a processing fee. Additionally, the Processed segment of the Group includes the extrusion plant in Slatina, which makes extruded aluminium products out of the billets mostly acquired from the Parent company. Both the Primary and Processed aluminium divisions are located in Slatina, Romania. No operating segments have been aggregated to form the above reportable operating segments. The Other segment includes income and expenses not related to core activities, such as sales and cost of sales of energy and other merchandise, which increased significantly in 2025, as well as other non-recurrent income and expenses (please see the explanation below for other operating income and expenses).

Segment revenues and expenses are directly attributable to the relevant segments; joint expenses are allocated to the business segments on a reasonable basis. The income, expenses and result per segments include the transfers between business segments.

In order to have a better visibility on the operational and financial performance of the Group segments, to be able to benefit from its synergies as an integrated group, the Management monitors the segments results whereby the inter-segment transactions are reported at their cost. For the purpose of this note, the inter-segment transfers of the alumina segment represented by deliveries of raw material, and also the transfers of the aluminium segments, consisting of slabs transfered by Alro to its own processing division and billets transferred to the Vimetco Extrusion extruding plant, are reflected at their complete cost, regardless of the fact whether they are within the same entity or not.

The management monitors interest income and expense on a net basis.

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Alro Group revenues and results for the year 2025 and 2024 by segment were as follows:

	Alumina	Primary aluminium	Processed aluminium	Others	Inter-segment operations	Total
2025						
Sales to external customers	7,221	1,230,800	2,572,241	85,481	-	**3,895,743**
Inter-segment transfers	-	1,954,770	3,202	11,973	-1,969,945	**-**
Total sales revenues	**7,221**	**3,185,570**	**2,575,443**	**97,454**	**-1,969,945**	**3,895,743**
Cost of goods sold	-6,076	-3,105,541	-2,512,773	-82,828	1,966,859	**-3,740,359**
Segment results (gross profit)	**1,145**	**80,029**	**62,670**	**14,626**	**-3,086**	**155,384**
General, administrative and selling expenses	-11,519	-193,177	-181,595	-20,811	34,451	**-372,651**
Other operating income	23,849	226,813	195,834	-16,213	-51,572	**378,711**
Other operating expenses	-84,978	-12,141	-3,081	-95,659	83,365	**-112,494**
Operating result (EBIT)	**-71,503**	**101,524**	**73,828**	**-118,057**	**63,158**	**48,950**
Total depreciation, amortisation and impairment	56,139	67,881	48,000	68,825	-70,661	**170,184**
EBITDA	**-15,364**	**169,405**	**121,828**	**-49,232**	**-7,503**	**219,134**
Interest and other finance costs, net						**-138,624**
Net foreign exchange gains / (losses)						**65,845**
Result before income taxes						**-23,829**
2024						
Sales to external customers	18,934	1,089,182	2,293,745	6,176	-	**3,408,037**
Inter-segment transfers	46,147	1,849,613	3,011	11,661	-1,910,432	**-**
Total sales revenues	**65,081**	**2,938,795**	**2,296,756**	**17,837**	**-1,910,432**	**3,408,037**
Cost of goods sold	-59,887	-2,861,212	-2,206,175	-10,389	1,906,529	**-3,231,134**
Segment results (gross profit)	**5,194**	**77,583**	**90,581**	**7,448**	**-3,903**	**176,903**
General, administrative and selling expenses	-15,170	-189,095	-165,920	-16,505	19,279	**367,411**
Other operating income	12,912	133,237	172,658	188,724	-35,061	**472,470**
Other operating expenses	-30,814	-15,187	-6,975	-17,528	13,679	**-56,825**
Operating result (EBIT)	**-27,878**	**6,538**	**90,344**	**162,139**	**-6,006**	**225,137**
Total depreciation, amortisation and impairment	7,361	66,046	47,853	80	-1,832	**119,508**
EBITDA	**-20,517**	**72,584**	**138,197**	**162,219**	**-7,838**	**344,645**
Interest and other finance costs, net						**-154,752**
Net foreign exchange gains / (losses)						**-41,108**
Result before income taxes						**29,277**

In 2025, by optimizing its sales and production mix for greater efficiency, the Group achieved a 13% increase in the sales volume of wire rod from primary aluminium products and also sales of processed aluminium products grew by around 8%, with more slabs used internally to support the expansion of higher value-added production. However, compared to the same period of the previous year, this was not reflected in a higher gross result, which was significantly affected by the continued global increase in the costs of raw materials, electricity, and natural gas. In the category *Other operating income* the Group recognized an accrual of RON 421,156 thousand for the compensation of energy costs recorded in 2025, based on the EU Emissions Trading Scheme (ETS), netted of by the difference between the 2024 estimation and actual amount received of RON 59,084 thousand; in 2024: RON 302,382 thousand, netted of by the difference between the 2023 estimation and actual amount received of RON 53,621 thousand (see also Note 8). The compensation allocated based on the electricity costs incurred directly and indirectly, through the raw materials produced by one segment and transferred to another segment, such as aluminum metal, increased compared to the same period of the previous year for the Primary Aluminium segment, as a result of higher wire rod production, and also increased slightly for the Processed Aluminium segment, due to the use of a higher quantity of aluminium slabs, ingots and scrap purchased from the market.

Additionally, the category *Other operating income* includes sundry income generated from non-core activities. Where the costs and income cannot be allocated to a specific segment, they are included in the column *Others*. Also, in 2024 this category includes revenues of RON 195,948 thousand from the sale of CO_2 emission certificates by the Group (see also note 8). No such amounts were recognized in 2025.

As at 31 December 2025, having in view the current market conditions and volatilities, which triggered uncertainties related to the short-term prospects of its upstream investments, the decrease in benchmark alumina prices compared to previous periods, continued volatility in regional demand and pricing dynamics, as well as updated forecasts reflecting current market expectations, an impairment charge of RON 67,895 thousand was recognized for the investment in Alum in Alro's books being allocated on *Other operating expenses* category in the column *Others* of Alro Group consolidated results and subsequently eliminated in the Inter-segment operations column. See also Note 16.
Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories,

property, plant and equipment and intangible assets, net of allowances for impairment. While most of such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities and consist principally of trade payables, wages and taxes payable and accrued liabilities. Segment assets and liabilities do not include deferred income taxes, borrowings, financial liabilities and other un-allocatable items.

Segment assets and liabilities at 31 December 2025 and 31 December 2024, respectively, were as follows:

Alro Group	Alumina	Primary aluminium	Processed aluminium	Others	Inter-segment balances	Total
31 December 2025						
Total assets	107,125	1,239,647	1,139,841	912,865	-183,982	**3,215,496**
Total liabilities	77,171	530,643	238,219	1,527,645	-120,673	**2,253,005**
Capital expenditure	200	101,449	42,818	436	-	**144,903**
Accumulated Impairment of property, plant and equipment	-134,530	-566	-20,044	-	-	**-155,140**
31 December 2024						
Total assets	179,387	1,071,195	1,064,250	1,162,901	-230,079	**3,247,654**
Total liabilities	77,012	473,714	205,042	1,572,853	-91,506	**2,237,115**
Capital expenditure	313	67,091	72,525	190	-	**140,119**
Accumulated Impairment of property, plant and equipment	-84,255	-566	-20,394	-	-	**-105,215**

As at 31 December 2025, the total assets representing *Others* include mainly the Company's investments in subsidiaries and associates of RON 294,346 thousand (as at 31 December 2024: RON 360,380 thousand) (for details, see Notes 16 and 17), cash and restricted cash and other non-current financial assets of RON 420,068 thousand (as at 31 December 2024: RON 605,534 thousand), administrative buildings of RON 38,709 thousand (as at 31 December 2024: RON 39,858 thousand), deferred tax asset of RON 78,892 thousand (as at 31 December 2024: RON 86,564 thousand) and when applicable, derivative financial instruments.

As at 31 December 2025, the total liabilities representing *Others* include mainly the Company's borrowings and leases of RON 1,457,576 thousand (as at 31 December 2024: RON 1,531,285 thousand), post-employment benefit obligations and provisions of RON 67,192 thousand (as at 31 December 2024: RON 57,844 thousand), and, when applicable, dividends.

Inter-segment operations include intercompany eliminations.

The following table shows the distribution of the Group and the Company sales by geographical location of the customer:

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Romania	700,962	577,762	1,034,278	917,178
Other EU countries	2,633,850	2,414,775	2,063,623	1,890,432
Other European non-EU countries	272,928	305,056	259,430	287,489
USA	103,235	41,531	103,235	41,531
Other countries	184,768	68,913	184,768	66,109
Total	**3,895,743**	**3,408,037**	**3,645,334**	**3,202,739**

7. General, administrative and selling expenses

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Staff costs	-159,864	-146,164	-112,039	-102,421
Third party services	-72,616	-65,926	-103,631	-81,247
Consulting and audit	-46,026	-64,844	-36,936	-54,936
Consumables	-8,509	-9,629	-8,055	-8,964
Taxes other than income taxes	-31,897	-28,452	-30,500	-27,239
Depreciation and amortisation	-6,499	-5,556	-5,146	-4,251
Insurance	-12,217	-11,151	-9,986	-8,950
Marketing and public relations	-4,766	-6,165	-3,258	-3,792
Travelling	-4,436	-3,025	-1,095	-821
Research and development costs	-17,099	-19,689	-15,301	-14,670
Other	-7,914	-6,726	-5,910	-5,582
Change in allowance for expected credit losses of trade receivables	-808	-84	-18,997	-332
Total	**-372,651**	**-367,411**	**-350,854**	**-313,205**

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In 2025, the category *Staff costs* increased compared to the same period of previous year, mainly due to salary increases as a result of the negotiations of the Collective Labour Contract and due to bonuses in recognition of the strong revenue performance achieved during the year (see Note 29 *Provisions*).

Third-party services category includes mainly advisory services, security, logistics, administrative services and other third party services contracted by the Group to operate in the ordinary course of the business. In 2025, at the Company level, this category also includes commissions of RON 21,060 thousand for the acquisition of alumina by Alum as Alro's purchasing agent starting March 2024 (in 2024: RON 10,517 thousand).

The Group and the Company incur *Consulting and audit costs* that include mainly legal, technical and financial consulting, as well as audits for various projects or for compliance with regulatory requirements.

Effective as of 1 January 2024, Law No. 296/2023 came into force in Romania, requiring legal entities carrying out activities in the oil and natural gas sectors – as defined by the NACE codes set out in Order of the Ministry of Finance (OMF) No. 5433/2023, as supplemented by Law No. 290/2024 – to pay an additional turnover tax of 0.5%, calculated based on a specific formula provided by the legislation. This obligation applies throughout 2025, without the previously applicable condition of a minimum turnover of EUR 50,000,000. In 2025, the Parent Company calculated this specific turnover tax and recognized an expense of RON 18,833 thousand, which was included under *Taxes other than income taxes* (in 2024: RON 17,185 thousand).

At Company level, the category *Change in allowance for expected credit losses of trade receivables* includes an impairment adjustment of RON 18,213 thousand (31 December 2024: nil) recognized as at 31 December 2025 in accordance with IFRS 9, related to advance payments made to the subsidiary Alum for the acquisition of alumina in previous years (see also Note 24).

8. Other operating income

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Rental income	790	656	3,924	3,838
Government grants	367,319	253,379	366,565	250,715
Income from sale of emission rights	-	195,948	-	167,116
Income from unused provision reversals	1,592	6,770	1,592	3,357
Income from claims and penalties	5,490	12,349	5,737	12,423
Other income	3,520	3,368	1,093	2,070
Total other operating income	**378,711**	**472,470**	**378,911**	**439,519**

In 2025, the Group and the Company recognized *Government grants* of RON 421,156 thousand at the Group level and RON 420,000 thousand at the Company level, representing compensation to which the Group and the Company are entitled for the high electricity costs incurred during the reporting period (in 2024 the Group recognized government grants of RON 302,382 thousand and the Company RON 300,000 thousand). In December 2025, the Group received RON 243,298 thousand and the Company RON 242,616 thousand as compensation for 2024 indirect emissions costs, resulting in lower amounts than the ones registered by the Group and the Company as an estimate on 31 December 2024 (see also Note 23 Other current financial assets). The difference of RON 59,084 thousand at the Group level and RON 57,384 thousand at the Company level between the amounts accrued as at 31 December 2024 and the amounts actually received in December 2025 were accounted for as a reduction of income from Government grants in 2025 (2024: the difference of RON 53,621 thousand at the Group level and RON 52,960 thousand at the Company level between the amounts accrued as at 31 December 2023 and the amounts actually received in 2024). In 2025, the amounts recognized were higher than in 2024, reflecting the impact of the legislative changes adopted on 25 March 2026 through the Law approving Government Emergency Ordinance no. 55/2025, which clarified the funding mechanism of the indirect CO_2 compensation scheme and provided greater visibility over the annual level of compensation (see also Note 39). The compensation scheme is part of Europe and Romania's plans to sustain large energy-consuming enterprises for high electricity prices resulting from their indirect emission costs, in accordance with the EU Emissions Trading Scheme (ETS).

In addition, the category *Government grants* includes RON 4,826 thousand at the Group level and RON 3,527 thousand at the Company level (in 2024: RON 4,395 thousand at the Group level and RON 3,454 thousand at the Company level) representing government grants received during the period 2013 - 2025 for the investment in equipment intended for the production activity, as well as for purchasing of equipment for research and development activities within the Group. The grants are recognized as income linearly during the useful life of the equipment for which they were received. For further details, see also Note 31 *Government grants*.

In 2024, the Group and the Company sold CO_2 emission certificates of RON 195,948 thousand and RON 167,116 thousand, respectively. The related income was recognized under *Income from the sale of emission rights* and reflects the surplus of certificates generated as a result of energy efficiency investments made in recent years. No such amounts were recognised in 2025.

In 2024, in the category I*ncome from unused provisions reversals* was included RON 6,770 thousand at the Group level and RON 3,357 thousand at the Company level representing the reversal of unused management compensation provision recognised by the Parent Company.

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An amount of RON 3,730 thousand is included in the category *Income from claims and penalties* during the year 2025, representing an insurance indemnity received for a piece of equipment which was damaged during a fire incident that took place in 2024 in the Primary aluminium division (in 2024: income from penalties of RON 5,751 thousand charged to one of equipment supplier for non-fulfillment of contractual conditions and also income from penalities of RON 5,616 thousand recorded by the Parent Company resulting from a fiscal inspection which was carried out by the relevant tax authorities starting July 2023, for which their cancellation was approved according the Government Emergency Ordinance no. 107/4.09.2024).

In 2025, the Group reclassified RON 2,451 thousand of the 2024 comparative figures, previously shown as *Rental income* to *Other income.*

9. Other operating expenses

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Idle plants depreciation expenses	-14,752	-18,696	-12,141	-15,187
Net (loss)/ gain on disposal of property, plant and equipment	-809	-1,250	-360	-384
Impairment of property, plant and equipment	-51,300	-1	-	-
Claims, fines and penalties	-145	-62	-	-
Non-productive costs	-10,461	-11,904	-	-
Other expenses	-35,027	-24,912	-24,574	-14,557
Total other operating expenses	**-112,494**	**-56,825**	**-37,075**	**-30,128**

Idle plants depreciation expenses represent the depreciation incurred by the Group on temporarily idled production facilities, mainly caused by the suspension of the operation of 3 electrolysis halls and the alumina plant in Tulcea in 2022.

The category *Non-productive costs* represents the costs recorded by the subsidiary Alum after the cessation of alumina production in August 2022.

In 2025, the category *Other expenses* included RON 23,292 thousand recognized by the Parent Company as a provison for CO_2 certificates needed to be acquired for the year 2025 (2024: RON 11,463 thousand) (see also Note 29 *Provisions*). The higher provision recognized in 2025 compared to 2024 was primarily due to increased EU ETS prices and the necessity to acquire more CO_2 certificates.

As at 31 December 2025, following an impairment review of property, plant and equipment, the Group's subsidiary Alum recognised an impairment loss of RON 51,300 thousand (2024: nil), as the recoverable amount of assets was assessed to be below their carrying value (see also Note 14).

10. Interest expenses

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Interest expense	-118,847	-125,560	-115,771	-122,990
Total	**-118,847**	**-125,560**	**-115,771**	**-122,990**

Interest expense decreased in 2025 as compared to 2024, mainly due to lower SOFR and EURIBOR benchmark interest rates and also due to the decrease of the loans balance of the Group.

Interest expense includes the amount of RON 17,814 thousand for the Group and the Company (in 2024: RON 18,946 thousand for Group and RON 18,932 thousand for Company) representing transaction costs on loans, which are recognized during the period as interest expense based on the effective interest rate method. The cash effectively paid as transaction costs in 2025 for loans taken or extended was of RON 11,373 thousand for the Group and the Company and it is included in the Statement of cash flows under *Interest paid* (in 2024: RON 23,588 thousand were paid for the Group and the Company).

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11. Other financial costs and income

	Alro Group		Alro	
Other financial income	**2025**	**2024**	**2025**	**2024**
Interest income	9,042	5,693	8,806	5,118
Dividend income	31	15	31	15
Other financial gains	-	427	-	35
Total	**9,073**	**6,135**	**8,837**	**5,168**
Other financial costs				
Bank commissions	-6,602	-8,763	-5,896	-7,390
Commissions paid in relation with factoring agreements	-25,021	-26,264	-24,408	-25,413
Total	**-31,623**	**-35,027**	**-30,304**	**-32,803**

Under *Bank commissions* are included mainly commissions paid by the Group for the extension of non-cash facilities, as well as the comissions paid for guarantees issued in the name and on behalf of the state for the Group's facilities (2025: RON 1,741 thousand; 2024: RON 2,007 thousand). For more details, see note 28 *Borrowings and leases*. This category also includes the commissions paid by the Company for letters of guarantee (2025: RON 1,497 thousand; 2024: RON 1,784 thousand)

12. Income tax

Income tax recognized in the profit or loss:

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Current tax				
Current tax expense in respect of the current year	-15,539	-13,966	-8,640	-6,553
Deferred tax				
Origination and reversal of temporary differences	15,414	11,422	15,164	12,398
Utilisation of previously recognised tax losses	-23,038	-16,396	-23,038	-16,396
Total income taxes	**-23,163**	**-18,940**	**-16,514**	**-10,551**

The total annual tax can be reconciled with the accounting result as follows:

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Result before tax	-23,829	29,277	-29,059	25,872
Expected average income tax rate	17.3%	16.0%	16.0%	16.0%
Income tax calculated at the expected average tax rate	4,120	-4,686	4,649	-4,140
Effect of revenue exempted from taxation	1,323	512	1,234	474
Effect of non-deductible expenses	-7,783	-8,005	-7,041	-6,570
Effect of minimum turnover tax	-6,380	-5,759	-	-
Current year tax losses not recognised as deferred tax assets	-2,797	-211	-	-
Deductible temporary difference not recognised as deferred tax assets	-11,646	-791	-15,356	-315
Income tax recognized in profit or loss	**-23,163**	**-18,940**	**-16,514**	**-10,551**

The average tax rate for the Company is the tax rate applicable to it in accordance with the legislation in force. The average tax rate for the Group is the average of the tax rates payable by the companies in Romania on taxable profits under tax law, which is 16% in Romania, weighted by the accounting results of each Group company. Thus, the expected weighted average income tax rate for the Group is affected by the statutory income tax rates and regulations in effect and on the mix of pre-tax results of its subsidiaries which can vary year to year.

Effective 1 January 2024, Law No. 296/2023 was enacted, requiring entities with a turnover exceeding EUR 50 million in the previous year and a calculated profit tax lower than 1% of their turnover to pay income tax at the higher amount, determined as 1% of turnover based on a prescribed formula (minimum turnover tax). As a result, the Group recognized an additional tax expense representing the excess of the minimum turnover tax over the corporate income tax that would otherwise have been payable under the standard profit tax regime, in the amount of RON 6,380 thousand (2024: RON 5,759 thousand) presented under the line item Effect of minimum turnover tax. Meanwhile, Alro was subject to the Additional Turnover Tax (ICAS) of 0.5%, applicable to entities operating in the oil and natural gas sectors, as per the provisions of Law No. 296/2023 and Law No. 290/2024, resulting in an expense of RON 18,833 thousand (2024: an expense of RON 17,185 thousand), recorded under T*axes other than income taxes* within *General, administrative, and selling expenses* (see Note 7).

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According to the Romanian Fiscal Code, which transposes the EU Directive no. 2016/1164, issued in 2016, the exceeding borrowing costs including interest, expenses for obtaining finance and leasing, capitalized interest and foreign exchange losses above a threshold of EUR 1,000,000 per annum are deductible only up to the level of 30% of calculated fiscal EBITDA. As at 31 December 2025 the Group and the Company have a balance of RON 397,484 thousand (2024: RON 317,769 thousand) of unused exceeding borrowing costs from prior years that can be carried forward indefinitely and deduct in the future up to 30% of yearly fiscal EBITDA. As a result, the Group and the Company recognized an amount of RON 63,597 thousand (31 December 2024: RON 50,843 thousand at the Group level and the Company level) as deferred tax assets in relation to these exceeding borrowing costs.

Analysis of deferred tax of Alro Group for the years ended 31 December 2025 and 2024 is as follows:

31 December 2025

	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Translation adjustment	Closing balance
Property, plant and equipment	-8,818	1,272	-	-	-7,546
Inventories	4,681	-8	-	-	4,673
Trade receivables and other current assets	3,912	132	-	-	4,044
Borrowings	51,144	12,754	-	-	63,898
Provisions	8,776	1,087	-	-	9,863
Retirement benefits obligations	4,525	176	190	-	4,891
Deferred tax from fiscal loss	26,631	-23,037	-	-	3,594
Deferred tax assets/(liabilities)	**90,851**	**-7,624**	**190**	**-**	**83,417**

31 December 2024

	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Translation adjustment	Closing balance
Property, plant and equipment	-10,374	1,556	-	-	-8,818
Inventories	13,975	-9,294	-	-	4,681
Trade receivables and other current assets	3,901	11	-	-	3,912
Borrowings	33,486	17,658	-	-	51,144
Provisions	6,680	2,096	-	-	8,776
Retirement benefits obligations	4,648	-605	482	-	4,525
Deferred tax from fiscal loss	43,027	-16,396	-	-	26,631
Deferred tax assets/(liabilities)	**95,343**	**-4,974**	**482**	**-**	**90,851**

The analysis of deferred tax of the Company for the years ended 31 December 2025 and 2024 is presented below:

31 December 2025

	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Translation adjustment	Closing balance
Property, plant and equipment	-7,983	1,040	-	-	-6,943
Investment properties	240	-1	-	-	239
Inventories	4,017	-49	-	-	3,968
Trade receivables and other current assets	3,260	126	-	-	3,386
Borrowings	51,144	12,754	-	-	63,898
Provisions	4,985	1,161	-	-	6,146
Retirement benefits obligations	4,270	133	202	-	4,605
Deferred tax from fiscal loss	26,631	-23,038	-		3,593
Deferred tax assets/(liabilities)	**86,564**	**-7,874**	**202**	**-**	**78,892**

31 December 2024

	Opening balance	Recognized in profit or loss	Recognized in other comprehensive income	Translation adjustment	Closing balance
Property, plant and equipment	-8,791	808	-	-	-7,983
Investment properties	240	-	-	-	240
Inventories	13,587	-9,570	-	-	4,017
Trade receivables and other current assets	3,207	53	-	-	3,260
Borrowings	33,486	17,658	-	-	51,144
Provisions	981	4,004	-	-	4,985
Retirement benefits obligations	4,295	-555	530	-	4,270
Deferred tax from fiscal loss	43,027	-16,396			26,631
Deferred tax assets / (liabilities)	**90,032**	**-3,998**	**530**	**-**	**86,564**

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As at 31 December 2025, for an amount of RON 22,451 thousand of fiscal losses of Alro (31 December 2024: RON 166,444 thousand), the management believed there would be sufficient taxable profits in the future against which these fiscal losses could be used, therefore an amount of RON 3,593 thousand (2024: RON 26,631 thousand) was recognised as deferred tax assets in the consolidated financial statements of the Group as at 31 December 2025.

Tax effect of fiscal losses and their expiration is as follows:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Within 1 year	-	-	-	-
1 - 2 years	-	-	-	-
2 - 5 years	3,593	-	3,593	-
More than 5 years	-	26,631	-	26,631
Total	**3,593**	**26,631**	**3,593**	**26,631**

Until 31 December 2023 the tax losses in Romania could have been carried forward and used against future taxable profits for a period of maximum 7 years. Starting 1 January 2024, the utilization of fiscal losses carried forward from prior years, for the purpose of calculating the current fiscal year's result, is limited to a period of 5 years and only up to 70% of the taxable profits generated in the period. However, losses carried forward prior to 2024 are eligible for utilization at the same 70% rate against taxable profits, spread over a 7-year period.

The Company has recognized in total a deferred tax asset of RON 78,892 thousand originated from fiscal losses and deductible temporary differences (31 December 2024: RON 86,564 thousand).

The Group did not recognise deferred income tax assets in respect of losses amounting to RON 282,798 thousand (31 December 2024: RON 265,318 thousand) as they have arisen in subsidiaries that have been loss-making, they may not be used to offset taxable profits elsewhere in the Group, and there are no other tax planning opportunities or other evidence of recoverability in the near future. The tax effect and expiration of unrecognized tax losses for continued operations is presented in the table below:

Tax loss expiring

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Within 1 year	1,652	-	-	-
1 - 2 years	174	-	-	-
2 - 5 years	43,422	25,753	-	-
More than 5 years	-	16,698	-	-
Total	**45,248**	**42,451**	**-**	**-**

The Group's and the Company's current income taxes receivable and payable are the following:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Current income tax receivable	65	229	-	-
Current income taxes payable	4,632	8,486	2,876	6,553

Global minimum Tax

Alro and its subsidiaries, being part of Vimetco Group, a multinational enterprise group are within the scope of the OECD Pillar Two model legislation, which was enacted in Romania, the jurisdiction in which Alro and subsidiaries are incorporated. Law no. 431/2023, published on 5 January 2024, transposes the provisions of Directive (EU) 2022/2523 to introduce into the Romanian legislation a complex system of rules for an effective minimum taxation of 15% for multinational enterprise groups and large-scale domestic groups with annual consolidated revenues of at least EUR 750 million in at least two of the four previous financial years. The law applies in respect of financial years beginning on or after 31 December 2023, except for the UTPR, which applies in respect of financial years beginning on or after 31 December 2024.

Under the legislation, the group is liable to pay a top-up tax for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. In applying this law, the provisions of the Global Anti-Base Erosion (GloBE) Model Rules (Pillar Two),

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as issued by the OECD, are considered, including the Administrative Guidance on GloBE Rules and the Safe Harbour and Penalty Relief Rules. These documents, along with any future OECD amendments or guidance, serve as key references for interpretation.

Transitional CbCR Safe Harbour. To simplify compliance, the Transitional Country-by-Country Reporting (CbCR) Safe Harbour allows MNEs to avoid detailed GloBE calculations in a jurisdiction if they meet any of the following criteria:
1.Revenue and Profit Threshold – Total revenue is less than EUR 10 million, and profit (loss) before income tax is less than EUR 1 million in that jurisdiction;
2.Simplified ETR Test – The jurisdiction's Simplified ETR meets or exceeds the Transition Rate;
3.Substance-based Exclusion – Profit (loss) before tax is equal to or below the Substance-based Income Exclusion under the GloBE Rules.

Routine Profits Test. Under the Transitional CbCR Safe Harbour, the Routine Profits Test is satisfied where the Profit (Loss) Before Tax for the jurisdiction does not exceed the Substance-based Income Exclusion under the GloBE Rules. Where a jurisdiction reports a loss or zero profit before tax, this test is considered to be met.

Simplified ETR Calculation. The Effective Tax Rate (ETR) for a jurisdiction is determined by dividing the total Simplified Covered Taxes by the total Profit (Loss) Before Tax, based on the CbC Report and financial accounts. Covered Taxes include the current tax expense reported in the financial accounts of each entity, including both paid and accrued income taxes. Profit (Loss) Before Tax is the amount reported in the Country-by-Country Report (CbCR).

For the Romanian jurisdiction, based on the CbC Report and financial accounts for the year ended 31 December 2025, the constituent entities reported an aggregate loss before income tax of RON 90,395 thousand (2024: profit before tax of RON 59,971 thousand). Accordingly, as the Romanian jurisdiction is in an overall loss position, it meets the Routine Profits Test under the Transitional CbCR Safe Harbour and, therefore, no domestic top-up tax is expected to arise in Romania for the financial year 2025 under the Pillar Two framework (2024: the ETR was 40% and since this exceeded the 15% minimum threshold, no top-up tax liability arose). The table below presents the simplified ETR calculation for all Vimetco subsidiaries operating in the Romanian jurisdiction for the year 2025:

	Alro	Alum	Vimetco Extrusion	Conef	Vimetco Trading	Stocare Energie Slatina S.A.	Others Subsidiaries	Total
Profit / (loss) before income tax	-29,059	-73,067	-12,246	-839	2,701	-83	22,198	-90,395
Total Income tax expense	-16,514	584	-6,451	-	-519	-	-5,072	-27,972
Resulting effective tax rate	**-57%**	**1%**	**-53%**	**0%**	**19%**	**0%**	**23%**	**-31%**

The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

13. Earnings per share

	Alro Group		Alro	
	2025	2024	2025	2024
Net result attributable to the owners of the Entity	-46,558	10,324	-45,573	15,321
Weighted average number of ordinary shares	713,779,135	713,779,135	713,779,135	713,779,135
Basic and diluted earnings / (losses) per share (RON/ share)	-0.065	0.014	-0.064	0.021

Basic EPS is calculated by dividing the profit/loss for the reporting period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the reporting period.

Basic and diluted per share data are the same as there are no dilutive securities.

No dividends were declared in 2025 and 2024 by the Parent company relating to the year 2024 and 2023, respectively.

At 31 December 2025, the Parent Company does not have outstanding dividends payable (31 December 2024: nil).

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14. Property, plant and equipment

Alro Group

	Land	Buildings and special construction	Plant and machinery	Equipment and vehicles	Capital assets in progress	Advances for fixed assets	Total
Cost							
Balance at 1 January 2024	**97,372**	**753,059**	**2,385,207**	**441,604**	**76,935**	**18,439**	**3,772,616**
Additions	-	94	7,231	13,723	85,414	32,056	**138,518**
Disposals	-	-2,859	-51,903	-8,267	-	-	**-63,029**
Transfer between categories*	-	12,425	64,420	41,558	-92,895	-25,508	**-**
Transfer from other categories**	-	-	-	743	-	-	**743**
Balance at 31 December 2024	**97,372**	**762,719**	**2,404,955**	**489,361**	**69,454**	**24,987**	**3,848,848**
Additions	58	59	4,965	13,248	110,143	15,106	**143,579**
Disposals	-16	-1,412	-23,038	-11,521	-500	-698	**-37,185**
Transfer between categories*	-	3,544	107,734	15,403	-106,626	-20,055	**-**
Balance at 31 December 2025	**97,414**	**764,910**	**2,494,616**	**506,491**	**72,471**	**19,340**	**3,955,242**
Accumulated depreciation							
Balance at 1 January 2024	**-**	**-552,040**	**-1,863,590**	**-348,079**	**-**	**-**	**-2,763,709**
Depreciation expense	-	-10,256	-83,773	-21,287	-	-	**-115,316**
Eliminated on disposal	-	101	49,053	6,447	-	-	**55,601**
Transfer from other categories**	-	-	-	-542	-	-	**-542**
Balance at 31 December 2024	**-**	**-562,195**	**-1,898,310**	**-363,461**	**-**	**-**	**-2,823,966**
Depreciation expense	-	-10,052	-86,467	-21,852	-	-	**-118,371**
Eliminated on disposal	-	37	22,676	8,289	-	-	**31,002**
Balance at 31 December 2025	**-**	**-572,210**	**-1,962,090**	**-377,035**	**-**	**-**	**-2,911,335**
Impairment allowance							
Balance at 1 January 2024	**-**	**-36,229**	**-44,716**	**-24,605**	**-1,753**	**-**	**-107,303**
Impairment losses recognized in profit or loss	-	-	-1	-	-	-	**-1**
Disposals	-	15	2,074	-	-	-	**2,089**
Balance at 31 December 2024	**-**	**-36,214**	**-42,643**	**-24,605**	**-1,753**	**-**	**-105,215**
Impairment losses recognized in profit or loss	-25,760	-2,896	-8,117	-830	-13,697	-	**-51,300**
Disposals	-	380	995	-	-	-	**1,375**
Balance at 31 December 2025	**-25,760**	**-38,730**	**-49,765**	**-25,435**	**-15,450**	**-**	**-155,140**
Net book value							
Balance at 31 December 2024	**97,372**	**164,310**	**464,002**	**101,295**	**67,701**	**24,987**	**919,667**
Balance at 31 December 2025	**71,654**	**153,970**	**482,761**	**104,021**	**57,021**	**19,340**	**888,767**

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Alro

	Land	Buildings and special construction	Plant and machinery	Equipment and vehicles	Capital assets in progress	Advances for fixed assets	Total
Cost							
Balance at 1 January 2024	**63,596**	**561,270**	**2,087,928**	**291,572**	**54,173**	**10,735**	**3,069,274**
Additions	-	46	7,231	1,088	66,816	24,797	**99,978**
Transfer between categories*	-	12,040	63,940	7,189	-69,166	-14,003	**-**
Transfer from other categories**	-	-	-	743	-	-	**743**
Disposals	-	-3	-38,861	-3,634	-	-	**-42,498**
Balance at 31 December 2024	**63,596**	**573,353**	**2,120,238**	**296,958**	**51,823**	**21,529**	**3,127,497**
Additions	-	59	4,965	1,294	107,297	14,616	**128,231**
Transfer between categories*	-	3,323	107,734	12,488	-103,490	-20,055	**-**
Disposals	-	-38	-21,683	-1,702	-	-	**-23,423**
Balance at 31 December 2025	**63,596**	**576,697**	**2,211,254**	**309,038**	**55,630**	**16,090**	**3,232,305**
Accumulated depreciation							
Balance at 1 January 2024	**-**	**-408,609**	**-1,645,915**	**-272,177**	**-**	**-**	**-2,326,701**
Depreciation expense	-	-8,061	-80,215	-3,865	-	-	**-92,141**
Transfer from other categories**	-	-	-	-542	-	-	**-542**
Eliminated on disposals of assets	-	2	38,159	3,616	-	-	**41,777**
Balance at 31 December 2024	**-**	**-416,668**	**-1,687,971**	**-272,968**	**-**	**-**	**-2,377,607**
Depreciation expense	-	-8,425	-83,156	-4,114	-	-	**-95,697**
Transfer between categories*	-	-	11	-11	-	-	**-**
Eliminated on disposals of assets	-	27	21,323	1,702	-	-	**23,052**
Balance at 31 December 2024	**-**	**-425,066**	**-1,749,795**	**-275,391**	**-**	**-**	**-2,450,252**
Impairment allowance							
Balance at 1 January 2024	**-**	**-12,144**	**-4,023**	**-1,750**	**-**	**-**	**-17,917**
Disposals	-	-	293	-	-	-	**293**
Balance at 31 December 2024	**-**	**-12,144**	**-3,730**	**-1,750**		**-**	**-17,624**
Disposals	-	10	-	-	-	-	**10**
Balance at 31 December 2025	**-**	**-12,134**	**-3,730**	**-1,750**	**-**	**-**	**-17,614**
Net book value							
Balance at 31 December 2024	**63,596**	**144,541**	**428,537**	**22,240**	**51,823**	**21,529**	**732,266**
Balance at 31 December 2025	**63,596**	**139,497**	**457,729**	**31,897**	**55,630**	**16,090**	**764,439**

**Transfer between categories represent the value of the capital assets that were previously in progress and that were received and placed into operation during the reporting period.*

***Transfer from other categories included in 2024 the classification by the Group and the Company from the category of Rights of use assets of some fixed assets for which the leasing contracts ended, and the risks and benefits of the property right over these fixed assets have been transferred to the Group and the Company.*

The following projects were implemented in 2025 to enhance operational efficiency, sustainability and high value-added production:

Throughout the year 2025, the Group continued to invest in its programs to increase energy efficiency, which include the reconditioning of electrolysis pots, by modernizing another 50 pots using the innovative AL12LE technology (during the year 2024: 37 pots). As part of this program, an addition of RON 49,663 thousand was recorded in 2025 (2024: RON 31,695 thousand). AP12LE (Aluminium Pechiney 120 kA Low-Energy) represents a last generation technology developed by Rio Tinto Aluminum Pechiney. The objective of this project is to reduce the energy consumption of the electrolysis pots by approximately 300 kWh/ton of aluminum, while maintaining the production capacity. The program will continue in the following years until all pots are aligned with the new technology.

During the same year, the Group commissioned the new electric furnace for aluminium alloy plates aging, for which an amount of RON 11,600 thousand was invested by 31 December 2025. This advanced electric furnace will replace three gas-powered units, stream-

lining heat treatment operations in ALRO's Processed Aluminium Division, thus marking a significant step toward the Group's goal of becoming a more environmentally friendly producer, supplying low carbon aluminium, suitable for market requirements. The project will optimize the heat treatment process (artificial aging) by enhancing the equipment efficiency and ensuring a more precise control of temperature and other critical parameters. This will result in a more efficient output of top quality high added-value aluminium.

In 2025, the Group also commissioned part of the investment project initiated in 2023, specifically the acquisition of a double-sided conductivity scanner for aluminum plates, for which an amount of RON 4,635 thousand was incurred up to the reporting date. This asset represents one component of the project, with further related acquisitions to follow. The benefits derived from this investment are aligned with the Group's strategy to enhance operational safety and increase the share of high value-added production (particularly aerospace products) in the overall production mix.

At the same time, in 2025, the Group put into operation the investment commenced in 2023, consisting in purchasing an immersion ultrasound control system in order to check the internal structure of the aluminium alloy plates designed mainly for the aerospace production, in order to increase the control capacity and ensure the safety of the aluminium alloy plates checking process. Following the implementation of this project, the share of high value-added production (mainly aerospace products) in the total estimated hot-rolled output is expected to increase. The amount spent for this investment project until 31 December 2025 was of RON 6,735 thousand.

The net book value of the Property, plant and equipment of the Group includes the amount of RON 10,051 thousand, of which RON 9,683 thousand at Company level, representing borrowing costs capitalized in accordance with IAS 23 Borrowing costs (2024: RON 11,395 thousand for the Group and RON 10,977 thousand for the Company). The borrowing costs consist of interest and transaction costs that the Group and the Company incur in relation to the contracted loans. During the year 2025 and 2024 no borrowing costs were capitalized under Property, plant and equipment of the Group and the Company.

Under *Investment property* are included two buildings rented by the Parent Company to related parties.

Information regarding investment property

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Net book value	509	541	3,215	3,705
Fair value	3,964	2,850	58,249	51,537

At 31 December 2025 and 2024 the fair value of the rented buildings was based on the valuation performed by an independent appraiser that holds the necessary qualifications and experience for measuring such properties. The fair value was determined using the cost approach by estimating the cost of development of similar buildings, subject to adjustments for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence and economic (external) obsolescence and this is included on the 3rd level of the fair value measurement hierarchy.

	Alro Group		Alro	
	2025	2024	2025	2024
Depreciation expense	45	30	475	335
Income from rental	277	274	2,717	2,685

Other information regarding property, plant and equipment

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
The net book value of the property, plant and equipment pledged to secure the borrowings	727,505	695,348	684,076	646,070
Gross book value of assets that are fully depreciated (cost)	927,923	933,086	695,318	705,143
Net book value of idle assets	36,872	57,185	34,228	46,250
Depreciation expense included in the Cost of goods sold during the reporting period	87,675	85,387	72,600	69,185

Impairment tests for property, plant and equipment

The Group and the Company performs its annual impairment test in the end of the financial year and when circumstances indicate that the carrying value may be impaired. As a result of the several factors, such as increasing prices and scarce availability of energy products and other raw materials with a negative impact on the production costs, a test of the property, plant and equipment of Alro and Alum was carried out as at 31 December 2025. The results of the impairment tests performed are presented further below.

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Alro

As the result of the impairment test performed at Alro, the recoverable value of its property, plant and equipment was higher than their net book value, so no impairment expense was recognized.

The recovery value of the cash generating unit (CGU) Alro was determined based on a fair value of CGU less costs to sell calculation by using future cash flows extracted from budgets estimated by the management of the company. The cash flows in perpetuity beyond this period were extrapolated by using a growth rate of 2.0% per annum (2024: 2.0% per annum), in line with forecast inflation. The assumed average EBITDA margin for the next five years is 12.7%, gradually increasing to a stable level of 17.5% by the fifth year. This represents a decrease of the margin for the next 5 years, but an increase for terminal year comparing to previous year's assumptions, which projected a margin of 13.2% for the next five years, but a margin of 16.9% thereafter and remaining constant at this level indefinitely. The downward revision in estimated EBITDA is primarily attributed to the stabilization of energy, alumina, and other raw material prices compared to the previous year. A significant impact over the positive forecasts for EBITDA has the estimated income from government grant following the adoption by the Romanian Government of Emergency Ordinance no. 138/12.10.2022, which transposes the EU Guideline for the period 2021-2030 regarding the compensation of indirect emissions costs embedded in the electricity price for 2021 - 2030 published in October 2022. Following its approval in 2022, the Group has now much more predictability for the energy compensation to be received on an annual basis. Major inputs for the calculation of compensation income, such as primary aluminium production, percentage of aid intensity, CO_2 emission factor can be assessed with a degree of certainty based on management production plans and known public information, while other major input, such as CO_2 certificate price was forecasted with reference to known market and forecast data platforms. The average yearly compensation budget is capped to a certain amount allocated to all the companies in the energy intensive industries targeted by this state aid and the Company estimates its annual attributable compensation in relation to this capped annual budget based on the past experience and best estimates. Management presumed in its forecasts that the EU ETS Compensation Scheme will continue after 2030 and / or the Company can maintain its competitiveness and level of profitability by other means, taking into account the evolution of the aluminum market.

The key assumptions for the cash-generating unit Alro are:

	2025	2024
Discount rate	13.40%	11.70%
Growth rate, average of next five years	6.80%	8.26%
EBITDA margin, average of next five years	12.70%	13.18%
EBITDA margin, terminal value	17.50%	16.95%

The following table shows the amount up to which the key assumptions used would need to change individually for the estimated recoverable amount to be equal to the carrying amount:

	2025	2024
Discount rate	26.07%	24.07%
Growth rate, average of next five years	-2.33%	-1.75%
EBITDA margin, average of next five years	8.94%	8.61%
EBITDA margin, terminal value	6.75%	6.64%

Other significant key estimates used by management in the impairment assessment are represented by LME quotations used in the forecasts of sales revenues and the amount of income from government compensation for indirect emission costs. A 26% reduction in the forecasted LME quotations in combination with a 26% decrease in the forecasted income from compensation for indirect emission would result in the recoverable amount to be equal to the carrying amount (2024: a 32% reduction in the forecasted LME quotations and 32% decrease in the forecasted income from compensation for indirect emission). The Company has taken steps to reduce its reliance on LME and compensation income by enhancing scrap remelting capacities in the Eco Recycling Workshop. This development aligns the cost of raw materials with LME fluctuations, mitigating exposure to volatile LME prices. Additionally, the Company has implemented energy efficiency programs, modernization initiatives, and a strategic focus on value-added products, further reducing susceptibility to LME price variations.

Alum

As a result of the impairment review performed by Alum as at 31 December 2025, it was determined that the recoverable value of the cash-generating unit (CGU) Alum was lower than its carrying amount and, consequently, an impairment loss of RON 51,300 thousand was recognized in the consolidated financial statements (31 December 2024: no impairment was recognized).

The recoverable amount of the CGU Alum was determined based on a fair value less costs to sell approach, using a discounted cash flow model derived from the business plan approved by management for the period 2026–2030. The business plan assumes the continuation of Alum's agency activity for Alro during 2026–2027, consisting of purchasing alumina from the market and supplying it to Alro, while carrying out the necessary preparation works for the restart of production. Beginning in 2028, the plan envisages the resumption of alumina production and the sale of alumina and alumina-based products on the market. The terminal value was determined using a long-term growth rate of 2% consistent with management's expectations regarding the stabilization of market conditions and the sustainable operation of the refinery beyond the explicit forecast period. The key assumptions applied in the model include forecasted alumina prices, production volumes, operating costs, capital expenditures required for restart, and a discount rate

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reflecting the risks specific to the CGU.

The key assumptions for the cash-generating unit Alum are:

	2025	2024
Discount rate	15.00%	13.30%
Growth rate, average of next five years	N/A	N/A
EBITDA margin, average of next five years	N/A	N/A
EBITDA margin, terminal value	7.17%	8.05%

The following table shows the amount up to which the key assumptions used would need to change individually for the estimated recoverable amount to be equal to the carrying amount:

	2025	2024
Discount rate	12.05%	15.40%
Growth rate, average of next five years	N/A	N/A
EBITDA margin, average of next five years	N/A	N/A
EBITDA margin, terminal value	8.60%	7.20%

15. Intangible assets

Alro Group	Development expenses	Other intangibles	Total
Cost			
Balance at 1 January 2024	**4,368**	**37,614**	**41,982**
Additions	-	1,601	**1,601**
Disposals	-	-24	**-24**
Balance at 31 December 2024	**4,368**	**39,191**	**43,559**
Additions	-	1,324	**1,324**
Balance at 31 December 2025	**4,368**	**40,515**	**44,883**
Accumulated amortisation			
Balance at 1 January 2024	**-4,368**	**-34,737**	**-39,105**
			-
Amortisation expense	-	-1,083	**-1,083**
Eliminated on disposals of assets	-	15	**15**
Balance at 31 December 2024	**-4,368**	**-35,805**	**-40,173**
Amortisation expense	-	-1,479	**-1,479**
Balance at 31 December 2025	**-4,368**	**-37,284**	**-41,652**
Net book value			
Balance at 31 December 2024	**-**	**3,386**	**3,386**
Balance at 31 December 2025	**-**	**3,231**	**3,231**

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Alro	Development expenses	Other intangibles	Total
Cost			
Balance at 1 January 2024	**-**	**34,427**	**34,427**
Additions	-	1,226	**1,226**
Disposals	-	-13	**-13**
Balance at 31 December 2024	**-**	**35,640**	**35,640**
Additions	-	304	304
Balance at 31 December 2025	**-**	**35,944**	**35,944**
Accumulated amortisation			
Balance at 1 January 2024	**-**	**-31,920**	**-31,920**
Amortisation expense	-	-732	**-732**
Eliminated on disposals of assets	-	13	**13**
Balance at 31 December 2024	**-**	**-32,639**	**-32,639**
Amortisation expense	-	-912	**-912**
Balance at 31 December 2025	**-**	**-33,551**	**-33,551**
Net book value			
Balance at 31 December 2024	**-**	**3,001**	**3,001**
Balance at 31 December 2025	**-**	**2,393**	**2,393**

16. Investments in subsidiaries

The parent company **Alro** holds directly or indirectly the following investments in subsidiaries:

				31 December 2025	
Subsidiary	**Registered office**	**Shareholding***	**Votes****	**Equity**	**Net result**
Alum S.A.	82, Isaccei St., Tulcea, Tulcea County, Romania	99.40%	99.40%	29,954	-72,483
Vimetco Extrusion S.R.L.	1, Milcov St., Slatina, Olt County, Romania	100.00%	100.00%	121,405	-18,697
Conef S.A.	64, Splaiul Unirii, Sector 4, Bucharest, Romania	99.97%	99.97%	6,351	-839
Vimetco Trading S.R.L.	64, Splaiul Unirii, Sector 4, Bucharest, Romania	100.00%	100.00%	8,338	2,182
Stocare Energie Slatina S.A.	116, Pitesti Street, Slatina, Olt County, Romania	100.00%	100.00%	207	-83

				31 December 2024	
Subsidiary	**Registered office**	**Shareholding***	**Votes****	**Equity**	**Net result**
Alum S.A.	82, Isaccei St., Tulcea, Tulcea County, Romania	99.40%	99.40%	102,375	2,047
Vimetco Extrusion S.R.L.	1, Milcov St., Slatina, Olt County, Romania	100.00%	100.00%	140,161	-4,022
Conef S.A.	64, Splaiul Unirii, Sector 4, Bucharest, Romania	99.97%	99.97%	7,190	163
Vimetco Trading S.R.L.	64, Splaiul Unirii, Sector 4, Bucharest, Romania	100.00%	100.00%	6,156	1,347

* The shareholding represents the effective shareholding percentage of the Parent company in its subsidiaries (direct as well as indirect).
**The voting rights reported are those of the immediate Parent company or companies, where the immediate Parent company or companies are themselves controlled by Alro Group. Consequently, the voting rights reported above might differ significantly from the effective shareholding.

The equity and net result are determined according to the International Financial Reporting Standards and the accounting policies of the Group.

Subsidiaries

Alum S.A. Tulcea, (Alum) is a company set up under the Romanian law that was established in 1972. Alum is the only producer of calcinated alumina in Romania. Its main activity is the hydro-metallurgical processing of bauxite in order to obtain alumina (aluminium oxide), the main raw material used in aluminium production.

Alum is listed on the Bucharest Stock Exchange, the ATS market segment, AeRo category.

Vimetco Extrusion S.R.L. is a company set up under the Romanian law and its principal activity is the production of extruded aluminum products. The Company's administrative and managerial offices are located in Romania, with the headquarters in 1, Milcov Street, Slatina, Olt County, Romania.

Conef S.A. (Conef) is a company organized under the Romanian law that was set up in 1991. The main activity of the company (according to the company's deeds) is trading with oil, minerals, and chemical products, production of electricity.

Vimetco Trading S.R.L. is a company organized under the Romanian law and was incorporated in 2008. The company mainly provides sales agent services for the benefit of Alro S.A., which consist of various actions such as: negotiation activities with potential customers, monitoring the execution of sales contracts, fulfilling any other necessary actions in connection with the preparation and execution of sales contracts.

Stocare Energie Slatina S.A. In 2025, the Parent Company, contributed RON 287 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 290 thousand. The Company with its registered office in Slatina, is owned 99% by Alro S.A. and 1% by Conef S.A. The Company was founded on the purpose of developing facilities for energy storage in batteries, and power plant units.

The value of Alro's financial investments was:

	2025	2024
Cost		
Balance at 1 January	**586,708**	**586,708**
Additions	287	-
Balance at 31 December	**586,995**	**586,708**
Impairment allowance		
Balance at 1 January	**-442,530**	**-442,530**
Impairment loss of financial assets	-68,734	-
Balance at 31 December	**-511,264**	**-442,530**
Net book value		
Balance at 1 January	**144,178**	**144,178**
Balance at 31 December	**75,731**	**144,178**

The Company's investments in other companies in which it holds control over the financial and operational policies are accounted for at cost less the impairment.

Impairment tests for investments in subsidiaries

Considering the current market conditions and after analyzing the internal and external factors, an impairment test of the financial investments was performed by the Company for the purpose of its financial statement as at 31 December 2025. In the context of its year-end financial closing process, the Company carried out its annual assessment of the recoverability of financial investments as at 31 December 2025, taking into consideration relevant internal and external indicators. The assessment considered developments in the aluminium industry during the year, including the decrease in benchmark alumina prices compared to previous periods, continued volatility in regional demand and pricing dynamics, as well as updated forecasts reflecting current market expectations. In this context, the test resulted in the recognition in the separate financial statements of an impairment expense in amount of RON 67,895 thousand in Alum and an impairment loss of RON 839 thousand was recognised for the investment in Conef, following the decrease in its recoverable amount, determined by reference to its net asset value as at 31 December 2025 (12 months 2024: no impairment for the investment in Alum was recognized).

Alum

The recoverable value of the investment in Alum was determined based on its fair value less costs of disposal, estimated using a discounted cash flow (DCF) model. The valuation relies on financial projections prepared and approved by management for the period 2026–2030. The projected cash flows were discounted at a rate of 15% per annum, reflecting current market assessments of the time

value of money and the risks specific to the investment. Cash flows beyond the explicit forecast period were extrapolated using a long-term growth rate of 2.0% per annum. The projections reflect a phased operational approach, with Alum expected to continue its commercial intermediation activities in the short term, while completing the necessary preparation works for the restart of the refinery. The business plan assumes the reopening of production and the sale of alumina and alumina-based products starting in 2028. The main assumptions applied in the model include forecasted alumina prices, expected production volumes, operating costs, required capital expenditures and other industry-specific factors. The fair value measurement was categorized as Level 3 in the fair value hierarchy, as it is based on significant unobservable inputs.

Key assumptions:

	2025	2024
Discount rate	15.00%	13.30%
Growth rate, average of next five years	N/A	N/A
EBITDA margin, average of next five years	N/A	N/A
EBITDA margin, terminal value	7.17%	8.05%

The average growth rate and an average EBITDA margin for the next five years in its forecasts are not provided, because in recent period Alum has focused on reselling limited quantities of alumina to Alro. However, it plans to restart alumina production in 2028, leading to a significant increase in sales and profitability compared to the period before 2028. As a result, the figures for the years prior to 2028 are not representative of the overall trend, making an average calculation for the period irrelevant.

The estimated fair value of the investment in Alum was significantly lower than its carrying value and, accordingly, an impairment loss was recognised in the Company's financial statements for the year ended 31 December 2025 amounting to RON 67,895 thousand (2024: nil). The impairment is mainly attributable to the decrease in the estimated recoverable amount of the investment, driven by revised market assumptions, including lower projected alumina prices and the updated timeline regarding the restart of production activities. (2024: no impairment was recognised).

The changes in key assumptions used in the fair value estimation, taken in isolation, would result in the following amount of reversal/ (impairment) to the carrying value of investment in Alum:

	2025		2024	
Increase / Decrease	**+ 1%**	**- 1%**	**+ 1%**	**- 1%**
Discount rate	-10,900	13,500	-17,100	21,200
Growth rate, average of next five years	N/A	N/A	N/A	N/A
EBITDA margin, average of next five years	N/A	N/A	N/A	N/A
EBITDA margin, terminal value	35,300	-31,700	38,400	-38,400

Conef

An additional impairment loss of RON 839 thousand was recognised on Alro investment in Conef, as a result of the decrease of the recoverable value of the investment in Conef which was determined with reference to its net assets value as at 31 December 2025 (2024: no additional impairment was recognised).

There were no impairment indications identified for the investments in Vimetco Extrusion and Vimetco Trading, therefore no impairment test was performed as at 31 December 2025 on these investments.

The details of the acquisition cost of the Company's investments in subsidiaries as at 31 December 2025 are the following:

Name of subsidiary	Basic activity	No. of shares	Cost of purchase (RON/share)	Procentage of ownership / voting (%)	Cost of purchase(RON thousand)
Conef	- holding	2,675,914	24.604	99.97%	65,838
Vimetco Extrusion	- metalurgy industry of aluminium	2,189,320	10.00	100.00%	21,893
Alum	- production of alumina	72,355,909	5.95	99.40%	430,518
		6,052,951	5.60		33,896
		3,187,000	5.95		18,963
Vimetco Trading	- trade	100	156,000	100.00%	15,600
Stocare Energie Slatina	- electric energy storage	28,700	10.00	100.00%	287
Total					**586,995**

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The carrying amount of the Company's investments in subsidiaries as at 31 December 2025 and 31 December 2024 are presented in te table below:

Name of subsidiary	31 December 2025	31 December 2024
Conef	6,187	7,026
Vimetco Extrusion	21,893	21,893
Alum	31,764	99,659
Vimetco Trading	15,600	15,600
Stocare Energie Slatina	287	-
Total	**75,731**	**144,178**

All the entities mentioned above are incorporated in Romania.

17. Equity accounted investments

On 18 September 2023, CCGT Power Isalnița S.A. ("CCGT Power") was registered, with Complexul Energetic Oltenia holding a 59.9% stake and Alro S.A. holding 40.1% of the share capital. The company was established to develop and operate a Combined Cycle Gas Turbine (CCGT) power plant. The share capital of the CCGT Power by the end of 2024, was of RON 539,905 thousand (2024: RON 539,905 thousand) with Alro's contribution amounting to RON 216,502 thousand (2024: RON 216,502 thousand). Alro's equity participation is of RON equivalent of EUR 43,514 thousand representing 40,1% of the share capital of the new company to be contributed in cash and with a contribution of Complexul Energetic Oltenia of EUR 65,000 thousand representing 59.9% of share capital contributed in kind (land, tangible and intangible assets). Alro's contribution was financed in proportion of 15% with own funds and 85% with bank loan under a state guarantee.

The Group's interest in CCGT Power is accounted for using the equity method in the consolidated financial statements.

	2025	2024
Balance at 1 January	**216,202**	**108,269**
Additions	-	108,233
Share of results of associates	2,413	-300
Balance at 31 December	**218,615**	**216,202**

This partnership will offer ALRO the opportunity to diversify its business model. The security of supply for electricity is a must for the aluminium industry and will support the Group's long-term development plans in a challenging business environment.

As of the reporting date, CCGT Power continued the procedures for the implementation of project. Thus, since the contracting procedure for selecting the Engineering, Procurement, and Construction (EPC) and the Long-Term Service Agreement (LTSA) contractors commenced in 2024 was not completed due to potential suppliers being reluctant to submit bids, the dedicated management team and a Project Implementation Unit (PIU) revised the award documentation in the sense of making the technical requirements more flexible so as to ensure wider participation in the tender and genuine competition among bidders and to accelerate the award process in order to stay within the deadlines provided by the Modernization Fund Contract. The EPC and LTSA Award Procedure was consequently initiated again on 25 March 2025 with the revised tender specifications, the deadline for submitting bids or requests to participate being set at 30 January 2026, however no bids were received by this date. Consequently, in 2026 the company continued to analyse the appropriate steps for carrying the project forward while also assessing opportunities to improve it and enhance it, as the project is part of the CEO' restructuring plan for which in December 2025, Romania notified and amended restructuring plan with an increase of the restructuring aid from EUR 2.66 billion to EUR 2.86 billion and an extension of the restructuring period by three years until the end of 2029. On 27 February 2026, the European Commission has opened an in-depth investigation to assess whether Romania's proposed amendments to power company CE Oltenia's restructuring plan are in line with EU state aid rules.

In February 2025, the Group's subsidiary, Alum S.A., contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea. The Company was founded on the purpose of developing facilities for energy storage in batteries, and power plant units.

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18. Goodwill

	Alro Group	
Cost	**2025**	**2024**
Balance 1 January	57,098	57,098
Balance at 31 December	**57,098**	**57,098**
Impairment		
Balance 1 January	-41,264	-41,264
Balance at 31 December	**-41,264**	**-41,264**
Net book value		
Balance at 1 January	**15,834**	**15,834**
Balance at 31 December	**15,834**	**15,834**

The goodwill is allocated to the cash generating units at 31 December 2025 and 31 December 2024 as follows (after conversion into RON at the period end exchange rate):

	Alro Group	
	31 December 2025	**31 December 2024**
Alro Group	15,408	15,408
Vimetco Extrusion	426	426
Total	**15,834**	**15,834**

Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate the carrying value may be impaired.

Alro Group

In 2025, the recoverable amount of the cash-generating unit Alro Group was determined based on fair value less costs of disposal, estimated using discounted cash-flow techniques and applying a market-based measurement. This method requires eliminating all owner specific synergies from the cash-flow projections other than those synergies that any market participant would be able to realize. The fair value measurement was categorized as a Level 3 fair value measurement based on the inputs in the valuation technique used. As the result of the impairment test performed, no impairment was recognized on the goodwill allocated to Alro Group.

The cash flow projections were based on the business plan estimated by the directors covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

The key assumptions used in the estimation of the recoverable amount are set out in the following table. The values assigned to key assumptions and estimates used to measure the recoverable amount of the CGU Alro Group reflect past experience, are consistent with external sources of information and are based on management's expectations of market development. The production quantities were estimated based on past experience, represent management's best estimate of future production and reflect company's investment plans. Sales prices were based on the long-term aluminium prices derived from available industry and market sources. Operating costs were projected based on the historical performance and adjusted for the current market conditions and inflation.

Key assumptions	**31 December 2025**	**31 December 2024**
Discount rate, after-tax	13.4%	11.7%
Growth rate (average of next five years)	10.3%	6.9%
EBITDA margin (average of next five years)	11.1%	13.9%

The discount rate is the CGU weighted-average of the cost of equity of the CGU, i.e. 14.6% (in 2024: 13.0%), calculated based on the average unlevered betas of comparable companies within the industry and of a cost of debt after tax of 5.5% (in 2024: 6.5%), using the CGU's debt leverage of 12.4% (in 2024: 20.6%).

Growth rates during the next five years are based on published industry research, directors' future expectations of economic and market conditions, the result of capital investments and anticipated efficiency improvements. The growth rate beyond the five-year period was assumed in line with the forecasted inflation, namely 2.0% (at 31 December 2024: 2.0%).

EBITDA margin is the average margin as a percentage of revenue over the five-year forecast period. It is based on the average levels experienced over the past years, with adjustments made to reflect the expected future sales volumes and price fluctuations.

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The variation of EBITDA comparing to last year is due to the fact that the Company has now a better predictability for the energy compensation to be received on an annual basis following the adoption by the Romanian Government of Emergency Ordinance no. 138/12.10.2022, which transposes the EU Guideline for the period 2021-2030 regarding the compensation of indirect emissions costs embedded in the electricity price for 2021- 2030 published in October 2022.

The most sensitive key assumptions used in impairment test of CGU Alro Group are the discount rate and EBITDA margin. An increase of the discount rate to 23.39% and a decrease of EBITDA margin to 8.6% applicated separately, would cause the estimated recoverable amount to be equal to the carrying amount (31 December 2024: increase to 22.19% and decrease to 10.0% respectively). Another significant key estimates used by management in the impairment assessment are represented by LME quotations used in the forecasts of sales revenues and the amount of income from government compensation for indirect emission costs. A 25% reduction in the forecasted LME quotations in combination with a 25% decrease in the forecasted income from compensation for indirect emission at Group level, would result in the recoverable amount to be equal to the carrying amount (2024: a 34% reduction in the forecasted LME quotations in combination with a 34% decrease in the forecasted income from compensation).

19. Right-of-use assets

The Group and the Company have leasing contracts for various items of plant, machinery, vehicles and other equipment with terms of up to 7 years. There are several lease contracts that include extension and termination options for which management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Generally, the Group and the Company are restricted from assigning and subleasing the leased assets.

The Group and the Company also have certain leases with lease terms of 12 months or less and low value leases. The Group and the Company apply the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Categories of right-of-use assets

Alro Group	Equipment	Vehicles	Other	Total right-of-use assets
Cost				
Balance at 1 January 2024	**3,239**	**8,388**	**6,690**	**18,317**
Additions	-	1,700	1,324	3,024
Disposals	-	-493	-4,689	-5,182
Transfers to other categories*	-	-743	-	-743
Balance at 31 December 2024	**3,239**	**8,852**	**3,325**	**15,416**
Additions	1,347	7,871	621	9,839
Disposals	-	-2,414	-	-2,414
Balance at 31 December 2025	**4,586**	**14,309**	**3,946**	**22,841**
Accumulated amortisation				
Balance at 1 January 2024	**-1,649**	**-4,113**	**-2,865**	**-8,627**
Amortisation expense	-362	-1,939	-479	-2,780
Eliminated on disposals of assets	-	491	1,903	2,394
Transfers to other categories*	-	542	-	542
Balance at 31 December 2024	**-2,011**	**-5,019**	**-1,441**	**-8,471**
Amortisation expense	-402	-2,355	-512	-3,269
Eliminated on disposals of assets	-	2,406	-	2,406
Balance at 31 December 2025	**-2,413**	**-4,968**	**-1,953**	**-9,334**
Net book value				
Balance at 31 December 2024	**1,228**	**3,833**	**1,884**	**6,945**
Balance at 31 December 2025	**2,173**	**9,341**	**1,993**	**13,507**

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Alro	Equipment	Vehicles	Other	Total right-of-use assets
Cost				
Balance at 1 January 2024	**-**	**7,592**	**2,571**	**10,163**
Additions	-	1,563	1,324	**2,887**
Transfers to other categories*	-	-743	-	**-743**
Disposals	-	-408	-1,133	**-1,541**
Balance at 31 December 2024	**-**	**8,004**	**2,762**	**10,766**
Additions	-	7,871	621	**8,492**
Disposals	-	-2,363	-	**-2,363**
Balance at 31 December 2025	**-**	**13,512**	**3,383**	**16,895**
Accumulated amortisation				
Balance at 1 January 2024	**-**	**-3,603**	**-1,610**	**-5,213**
Amortisation expense	-	-1,719	-477	**-2,196**
Eliminated on disposals of assets	-	406	1,133	**1,539**
Transfers to other categories*	-	542	-	**542**
Balance at 31 December 2024	**-**	**-4,374**	**-954**	**-5,328**
Amortisation expense	-	-2,204	-550	**-2,754**
Eliminated on disposals of assets	-	2,354	-	**2,354**
Balance at 31 December 2025	**-**	**-4,224**	**-1,504**	**-5,728**
Net book value				
Balance at 31 December 2024	**-**	**3,630**	**1,808**	**5,438**
Balance at 31 December 2025	**-**	**9,288**	**1,879**	**11,167**

The following amounts were recognised in profit or loss, following the application of IFRS 16:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Depreciation expense of right-of-use assets	3,269	2,780	2,754	2,196
Interest on lease liabilities	376	206	327	164
Expenses related to short-term leases	30	112	-	-
Expenses related to leases of low-value assets	627	426	379	260
Total amounts recognised in profit or loss	**4,302**	**3,524**	**3,460**	**2,620**

**In 2024 transfers to other categories include the classification by the Company and the Group from the category of rights-of-use assets to Property, Plant and Equipment of some fixed assets for which the leasing contracts have been finalized, and the risks and benefits of the property right over these fixed assets have been transferred to the Company and the Group.*

20. Other non-current financial assets

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Collateral deposits	146,164	181,243	146,164	181,243
Other non-current assets	4,052	3,369	1,172	971
Total	**150,216**	**184,612**	**147,336**	**182,214**

At 31 December 2025 and 31 December 2024, *Collateral deposits* represent cash pledged to a bank until December 2028 for a loan of RON 400,000 thousand contracted in December 2024 by the Parent Company and for two credit facilities of EUR 22,000 thousand and EUR 15,000 thousand concluded by Parent Company for supporting the investment in CCGT Power Isalnita S.A. Company, having maturity in November 2031, as well as for two non-cash facilities, one of RON 46,000 thousand until February 2027 and the other of RON 168,000 thousand, until January 2027. At 31 December 2025, RON 36,000 thousand representing a collateral deposit for a loan with the

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maturity in November 2026 was reclassified from Other non-current financial assets, where this had been presented at 31 December 2024, to Restricted cash, due to the maturity of the deposit, which is shorter than 1 year. For further details please see also Note 28 *Borrowings and leases* and Note 25 *Cash and cash equivalents*.

Other non-current financial assets include the cash deposits, according to the environmental regulations, on the requirement of the Environmental Fund Management, during the period of service of the waste landfills, representing the equivalent value of the costs for the closure works and after-closure monitoring of the Group's waste dumps, as well as the environmental financial guarantee, that prove that the Group has enough financial resources to cover the potential costs which occur during the waste deposit activity.

21. Inventories

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Raw and auxiliary materials	408,623	372,416	325,584	279,887
Work in progress	187,306	210,972	131,622	155,462
Finished goods	403,250	321,919	364,644	295,433
Less: allowance for obsolescence	-39,732	-28,127	-25,705	-25,104
Total	**959,447**	**877,180**	**796,145**	**705,678**

In the category *Raw and auxiliary materials* are included: at Alro, alumina, aluminium ingots and aluminium scrap purchased from the market and other raw and auxiliary materials needed for aluminium production and, at the Group level, also the bauxite on stock at Alum. The category *Finished goods* includes Alro's finished goods of aluminium and extruded products.

As at 31 December 2025, despite a much more challenging market environment, due to geopolitical uncertainties, increased price pressure, thanks to the continuous optimization of the sales mix throughout the year reflecting a consolidation of our market position in aerospace, defence and general engineering sectors, a good level of incoming orders was secured from the overseas markets, but also from the European markets, and that increase in demand, led to more deliveries in January 2026, especially for processed products and aluminum wire rod, resulting in an increase in the inventory of finished products compared to 31 December 2024, as presented above.

The value of inventories pledged for securing the Group's and the Company's borrowings amounts to RON 857,508 thousand for the Group and RON 796,145 thousand for the Company (at 31 December 2024: RON 762,385 thousand for the Group and RON 705,873 thousand for the Company).

During 2025, at the Group level, an amount of RON 3,568,913 thousand (2024: RON 3,162,844 thousand) and, at the Company level, an amount of RON 3,369,197 thousand (2024: RON 3,002,800 thousand) were recognised as *Cost of goods sold*.

The movement in adjustments for the impairment of inventories is the following:

	Alro Group		Alro	
	2025	2024	2025	2024
Balance at beginning of the year	-28,127	-91,928	-25,104	-84,918
(Charge) to cost of goods sold	-14,103	-284	-3,099	-284
Reversal to cost of goods sold	2,198	24,639	2,198	23,189
Utilization	300	39,446	300	36,909
Balance at end of the year	**-39,732**	**-28,127**	**-25,705**	**-25,104**

In 2024, the Group and the Company reversed RON 39,446 thousand and RON 36,909 thousand, respectively, of a previous inventory write-down as of 31 December 2023, since the relevant goods were sold during the year 2024. Additionally, the Group and the Company recognised a reversal of RON 24,639 thousand and RON 23,189 thousand, respectively, related to the adjustment of work in progress to its net realizable value, mainly due to the decrease in the cost of raw materials.

The carrying amount of inventories measured at the lower of cost and net realisable value:

	Alro Group		Alro	
	2025	2024	2025	2024
Work in progress	169,642	192,273	118,144	139,786
Finished goods	397,972	317,526	359,668	291,040

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22. Trade receivables, net

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Foreign trade receivables	85,257	71,791	73,779	54,800
Domestic trade receivables	30,957	32,217	75,129	51,652
Allowance for expected credit losses of trade receivables	-25,514	-24,706	-21,160	-20,376
Total	**90,700**	**79,302**	**127,748**	**86,076**

The concentration of credit risk is limited due to the fact that the customer portfolios of the Group and of the Company are large and unrelated.

As at 31 December 2025, the highest 5 trade receivables of the Group accounted for nearly 38% of the net trade receivables (at 31 December 2024: nearly 35%). In 2025, one client individually accounted for more than 5% of the Group's turnover, with 7% of the Group's turnover (in 2024: one client individually accounted for more than 5% of the Group's turnover, with 7%).

As concerns the Company, the top 5 outstanding balances at 31 December 2025 accounted for 70% of the total receivables, with its subsidiaries representing 39% of them (at 31 December 2024: 63%, with its subsidiaries representing 37% of them). Please refer to Note 35 for details about related parties balances. Apart from Group companies, three 3rd party clients accounted individually for more than 5% of the outstanding balance at 31 December 2025, totaling 28% (at 31 December 2024, two 3rd party clients accounted individually for more than 5% of the outstanding balance, totaling 17% of it). In respect of revenues, in 2025, 3 clients accounted individually for more than 5% of the Company's turnover, of which the top client was a subsidiary, with 10% of the Company's revenues (in 2024: 2 clients accounted individually for more than 5% of the revenues, of which the top client was a subsidiary, with 12% of the Company's turnover).

The Company and its subsidiaries sell significant trade receivables under the existing factoring agreements on a non-recourse basis, so that the risks and rewards related to the receivables are substantially transferred to a factor and as a result the transferred amount at the transfer date is derecognized, and the factoring fees and related finance costs are recognized at the payment date. Amounts available under factoring agreements:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Factoring ceiling amounts, of which:	937,938	767,116	896,941	731,472
Factoring amounts utilized	367,115	322,945	347,248	312,624

The Group and the Company have established a provision matrix that is based on the Group's and Company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, if any. The Group and the Company also assess impairment loss individually if there is evidence of significant increases in credit risk at an individual level. More information is disclosed in Note 36.

Accordingly, the Group and the Company's management believes that there is no further credit provision required in excess of the allowance for expected credit losses for trade receivables already provided for.

Movement in the allowance for doubtful trade receivables is as follows:

	Alro Group		Alro	
	2025	2024	2025	2024
Balance at beginning of the year	-24,706	-24,622	-20,376	-20,044
Charge in the current year	-901	-406	-784	-332
Release in the current year	93	322	-	-
Balance at end of the year	**-25,514**	**-24,706**	**-21,160**	**-20,376**

In 2025 and 2024, the *Allowance for expected credit losses* of trade receivables includes the allowance of RON 19,919 thousand in relation to the amounts receivable for penalties charged to some suppliers of electricity for the early cancellation of the contracts.

A part of the Group receivables (RON 53,156 thousand at 31 December 2025 and RON 42,470 thousand at 31 December 2024) and of the Company's (RON 101,573 thousand at 31 December 2025 and RON 70,645 thousand at 31 December 2024) are pledged to secure the loans obtained from banks.

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23. Other current financial assets

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Government grants receivable	421,156	302,382	420,000	300,000
VAT recoverable	48,854	42,735	28,032	20,070
Other current financial assets	4,850	33,403	4,408	31,722
Allowance for sundry doubtful debtors	-121	-124	-	-3
Total	**474,739**	**378,396**	**452,440**	**351,789**

Movement in allowance for sundry debtors is as follows:

	Alro Group		Alro	
	2025	2024	2025	2024
Balance at beginning of the year	-124	-124	-3	-3
Release / (charge) in the current year	3	-	3	-
Balance at end of the year	**-121**	**-124**	**-**	**-3**

Government grants receivable represent accrual of compensation for the high electricity prices resulting from the indirect emission costs under the EU Emission Trading Scheme (ETS). As per European and Romanian regulations, the Group is entitled to receive the aforesaid compensations for the electricity costs incurred during the production process. In December 2025, the Group collected RON 243,298 thousand and the Company RON 242,616 thousand, as compensation for the electricity costs incurred in 2024 and recognized on an accrual basis as at 31 December 2024. At 31 December 2025 the outstanding balance represents the compensation for 2025, of RON 421,156 thousand, recognized on an accrual basis. For further details, please see also *Note 8 Other operating income.*

At 31 December 2025, the category *Other current financial assets* decreased compared to the beginning of the year, as the taxes due to the State Budget by the Group were offset with the turnover tax receivable outstanding as of 31 December 2024 amounting to RON 25,542 thousand.

24. Other current non-financial assets

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Advances to suppliers	23,167	33,548	64,724	74,391
Prepayments	9,261	9,603	8,292	8,883
Allowance for expected credit losses of advances to suppliers	-	-	-18,213	-
Total	**32,428**	**43,151**	**54,803**	**83,274**

At Group level, the category *Advances to suppliers* includes an amount of RON 20,054 thousand paid to suppliers for the acquisition of gas and electricity related to January 2026 (31 December 2024: RON 28,099 thousand). At Company level, this category also contains advances granted to the subsidiary Alum for the acquisition of alumina of RON 42,497 thousand (31 December 2024: RON 42,497 thousand), for which an impairment adjustment of RON 18,213 thousand (31 December 2024: nil) was recognized at 31 December 2025, following a forward-looking recoverability assessment performed in accordance with IFRS 9, based on management's best estimate of future cash inflows expected to be generated by Alum and available for settlement of this exposure. The assessment was performed using a probability-weighted discounted cash flow approach, reflecting the timing of expected recoveries and the risks associated with the underlying assumptions at the reporting date. These advances are eliminated at the consolidation level as part of the intercompany balances elimination process.

At 31 December 2025, the category *Prepayments* includes commissions of RON 1,989 thousand at the Group and the Company level, which were paid for the non-cash facilities as well as for the value of undrawn loans until the date of 31 December 2025 (2024: RON 3,813 thousand). See also Note 28 *Borrowings and leases*.

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25. Cash and cash equivalents

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Cash at banks in RON	201,699	375,663	197,318	370,470
Cash at banks in other currencies	45,756	55,572	39,401	52,826
Petty cash and cash equivalents	62	68	13	24
Total	**247,517**	**431,303**	**236,732**	**423,320**

At 31 December 2025 and 31 December 2024, a great part of cash was held in current accounts opened with reputable private banks in Romania or with State owned banks.

A part of the Group's and the Company's bank accounts (RON 236,719 thousand as at 31 December 2025 and RON 423,296 thousand as of 31 December 2024) are pledged to guarantee the borrowings from banks.

Restricted cash

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Restricted cash	36,126	55	36,000	-
Total	**36,126**	**55**	**36,000**	**-**

As at 31 December 2025 the restricted cash of the Company and the Group included RON 36,000 thousand representing a collateral deposit for a revolving facility of RON 180,000 thousand, maturing in November 2026. At 31 December 2024, this collateral deposit had been classified as *Other non-current financial assets* (refer to Notes 20 and 28 as well).

26. Share capital

The share capital of the Parent Company issued and paid in has the following structure as at 31 December 2025 and 2024 (values recorded with the Trade Registry):

31 December 2025			
	Number of shares	Nominal value (RON 000)	%
Vimetco PLC	386,795,344	193,399	54.19
Paval Holding S.R.L.	165,679,915	82,834	23.21
Fondul Proprietatea	72,884,714	36,438	10.21
Fondul de Pensii NN	31,500,000	15,739	4.41
Fondul de Pensii AZT Viitorul tau	22,076,265	11,028	3.09
Others	34,842,897	17,452	4.89
Total	**713,779,135**	**356,890**	**100.00**

31 December 2024			
	Number of shares	Nominal value (RON 000)	%
Vimetco PLC	386,795,344	193,399	54.19
Paval Holding S.R.L.	165,679,915	82,834	23.21
Fondul Proprietatea	72,884,714	36,438	10.21
Fondul de Pensii NN	31,500,000	15,739	4.41
Fondul de Pensii Allianz	22,076,265	11,028	3.09
Others	34,842,897	17,452	4.89
Total	**713,779,135**	**356,890**	**100.00**

At 31 December 2025, the major shareholder of Alro S.A. was Vimetco PLC, Cyprus.

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The nominal value of each share is RON 0.5 (2024: RON 0.5). Each ordinary share carries one vote per share and carries the right to dividends.

The difference between the nominal value and the value of RON 370,037 thousand reported in the Statement of Financial Position of Alro as of 31 December 2025 and 2024, is represented by hyperinflation adjustments that were booked in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies until 31 December 2003, less the amount of these adjustments utilized for covering the accounting loss carried forward in accordance with the approval of the General Shareholders' Meeting held in 2014.

27. Other reserves

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Legal reserve	91,931	92,168	71,378	71,378
Other reserves	284,172	283,935	234,813	234,813
Total	**376,103**	**376,103**	**306,191**	**306,191**

The legal reserve is made up to 20% of the issued and paid shared capital of the Romanian Companies, according to the regulations in force, it is not distributable and its utilization is strictly regulated by the laws.

Other reserves include mainly amounts that were generated by fiscal facilities obtained during 2001 - 2003, by profit distribution to the development fund done until 2000 and by the application of IAS 29.

28. Borrowings and leases

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Long-term borrowings				
Long-term bank loans	1,457,396	1,548,390	1,446,770	1,525,795
Less: Short-term portion of long-term bank loans	-883,895	-96,069	-878,638	-83,848
Bank loans, non-current	**573,501**	**1,452,321**	**568,132**	**1,441,947**
Leases, non-current	8,747	3,853	7,752	3,495
Total long-term borrowings and leases	**582,248**	**1,456,174**	**575,884**	**1,445,442**
Short-term borrowings				
Short-term portion of long-term bank loans	883,895	96,069	878,638	83,848
Bank loans, current	883,895	96,069	878,638	83,848
Short-term loans, total	**883,895**	**96,069**	**878,638**	**83,848**
Leases, current	3,668	2,400	3,054	1,995
Total short-term borrowings and leases	**887,563**	**98,469**	**881,692**	**85,843**
Total borrowings and leases	**1,469,811**	**1,554,643**	**1,457,576**	**1,531,285**

The bank borrowings of the Group and the Company will mature until 2031. Their related interest rates ranged between 4.28% for EUR and 9% for RON in 2025, both at Group and Company level (in 2024: between 4.60% for EUR and 8.97% for USD at Group level, and between 5.18% for EUR and 8.97% for USD at Company level).

In December 2024, the Parent Company obtained a CAPEX loan of USD 40,000 thousand from a commercial bank. The loan has a 7-year maturity, including a 2-year grace period for installment payments, withdrawing during the same period the amount of RON 71,652 thousand (equivalent to USD 15,000 thousand). In 2025, the Parent Company fulfilled the conditions set out in the loan agreement for the second installment, so that in April 2025 it received the amount of RON 54,851 thousand (equivalent to USD 12,500 thousand).

In December 2025 one of the Group subsidiary signed the extension until January 2028 of a revolving faciliy of EUR 9,000 thousand from a commercial bank and its conversion to RON 45,887 thousand. At 31 December 2025, the Group had the entire amount of RON available from this facility (at 31 December 2024, it had RON 37,675 thousand).

At 31 December 2025, the Group had the amount of RON 100,204 thousand undrawn and available from the borrowing facilities

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contracted with the banks (at 31 December 2024: RON 37,996 thousand), of which RON 54,317 thousand was available to the Parent Company. The Group had also an amount of RON 93,025 thousand unutilized and available from the non-cash facilities for letters of credit and letters of guarantee totaling RON 344,251 thousand (at 31 December 2024: RON 99,613 thousand from a total of RON 357,304 thousand).

According to the existing borrowing agreements, the Group is subject to certain restrictive covenants. These covenants require the Group, among other things, to refrain from paying dividends to its shareholders unless certain conditions are met, and to maintain a minimum or maximum level for certain financial ratios, including: debt service coverage ratio, net debt to EBITDA, net debt to equity, current ratio, net financial debt to shareholders equity, solvency ratio, interest cover ratio and total net leverage ratio that have to be reported at 30 June and 31 December each year. At 31 December 2025, the Group was in breach with certain covenants in respect of several loans. The Group discussed the situation with the banks and received the necessary waivers until 31 December 2025. The Group and the Parent company were in breach with one of the covenants in respect of a loan for which the necessary waiver was received subsequent to the year end, so a part of this loan, amounting to RON 70,742 thousand, was classified as due in less than one year.

At 31 December 2025 the Parent Company classified an amount of RON 703,349 thousand representing loans with maturity in November 2026, from Bank and other loans, non-current, where they were included at 31 December 2024, to Bank and other loans, current. The Group intends to prolong these loans.

The Group and the Company borrowings and leases are secured with accounts receivable amounting to RON 53,156 thousand for the Group and RON 101,573 thousand for the Company (at 31 December 2024: RON 42,470 thousand for the Group and RON 70,645 thousand for the Company) (see Note 22), with their current accounts opened with banks (see Note 25), with collateral deposits of RON 182,164 thousand for the Group and the Company (at 31 December 2024: RON 181,243 thousand) (see Notes 20 and 25), with property, plant and equipment (land, buildings, equipment) with a net book value of RON 717,236 thousand for the Group and RON 670,185 thousand for the Company (including for lease contracts) (2024: RON 696,577 thousand for the Group and RON 646,070 thousand for the Company) (see Notes 14 and 19), and with inventories of RON 857,508 thousand for the Group and RON 796,145 thousand for the Company (2024: RON 762,385 thousand for the Group and RON 705,678 thousand for the Company) (see Note 21), with a letter of guarantee issued in the name and account of the State in favour of the lending banks for 80% of the RON 400,000 thousand signed in December 2024 and also with letters of guarantee issued in the name and account of the State, as follows: in favour of the lending banks for 80% of the RON 400,000 thousand signed in December 2024; in favour of the lending State bank for 80% of the non-cash facilities of RON 168,000 thousand and RON 46,000 thousand, respectively, as well as 70% of a RON 180,000 thousand loan; guarantees from the Romanian State for 80% of the EUR 15,000 thousand and EUR 22,000 thousand loans, signed in November 2023.

The Group has estimated that the fair value of the borrowings and the leases equals their carrying amount, mainly due to the fact that most of bank loans have variable interest and have been recently contracted. Their fair value belongs to the level 3 of the fair value measurement hierarchy.

The minimum lease payments for leases are set out below:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Lease instalments falling due:				
Within 1 year	7,009	2,560	3,470	2,138
1 to 5 years	17,936	4,014	8,330	3,652
Total lease instalments	**24,945**	**6,574**	**11,800**	**5,790**
Less: future finance charges	12,530	321	994	300
Present value of lease obligations	**12,415**	**6,253**	**10,806**	**5,490**
Thereof:				
Short-term lease obligation (less than 1 year)	3,668	2,400	3,054	1,995
Long-term lease obligations (1 to 5 years)	8,747	3,853	7,752	3,495

Changes in liabilities arising from financing activities of Alro Group:

	Bank and other loans	Leases	Dividends payable
Balance at 1 January 2025	1,548,390	6,253	6
New contracts	66,189	9,839	-
Cash outflows	-125,568	-3,666	-
Interest expense	115,131	376	-
Interest and transaction costs for loans paid	-99,117	-376	-
Transaction costs for loans	-922	-	-
Translation differences	-46,707	-11	-
Balance at 31 December 2025	**1,457,396**	**12,415**	**6**

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Changes in liabilities arising from financing activities of Alro:

	Bank and other loans	Leases	Dividends payable
Balance at 1 January 2025	**1,525,795**	**5,490**	**-**
New contracts	66,189	8,492	-
Cash outflows	-113,937	-3,158	-
Interest expense	113,614	327	-
Interest and transaction costs for loans paid	-97,602	-327	-
Transaction costs for loans	-922	-	-
Translation differences	-46,367	-18	-
Balance at 31 December 2025	**1,446,770**	**10,806**	**-**

Changes in liabilities arising from financing activities of Alro Group:

	Bank and other loans	Leases	Dividends payable
Balance at 1 January 2024	**1,474,795**	**8,745**	**6**
New contracts	615,806	3,023	-
Cash outflows	-569,219	-2,870	-
Interest expense	122,236	206	-
Interest and transaction costs for loans paid	-129,320	-206	-
Transaction costs for loans not drawn down	-1,130	-	-
Disposal related to leases contract	-	-2,623	
Translation differences	35,222	-22	-
Balance at 31 December 2024	**1,548,390**	**6,253**	**6**

Changes in liabilities arising from financing activities of Alro:

	Bank and other loans	Leases	Dividends payable
Balance at 1 January 2024	**1,471,808**	**4,757**	**-**
New contracts	584,833	2,886	-
Cash outflows	-557,765	-2,135	-
Interest expense	121,224	164	-
Interest and transaction costs for loans paid	-128,319	-164	-
Transaction costs for loans not drawn down during the period	-1,130	-	-
Translation differences	35,144	-18	-
Balance at 31 December 2024	**1,525,795**	**5,490**	**-**

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29. Provisions

Alro Group

	Provision for litigation	Provision for employee remuneration	Provision for land restoration	Provisions for fine, penalties and other	Total
Balance at 1 January 2024	**-**	**6,770**	**27,216**	**1,084**	**35,070**
Increase through income statement	1,523	18,456	-	12,856	**32,835**
Unwinding of discount	-	-	1,511	-	**1,511**
Utilisation of provisions	-	-4,051	-	-1,072	**-5,123**
Reversal of provisions	-	-6,770	-2,670	-	**-9,440**
Balance at 31 December 2024	**1,523**	**14,405**	**26,057**	**12,868**	**54,853**
Thereof:					
Current	1,523	14,405	-	12,868	**28,796**
Non-current	-	-	26,057	-	**26,057**
Increase through income statement	-	12,088	-	23,408	**35,496**
Unwinding of discount	-	-	1,530	-	**1,530**
Utilisation of provisions	-1,494	-14,327	-	-10,814	**-26,635**
Reversal of provisions	-29	-78	-1,451	-2,040	**-3,598**
Balance at 31 December 2025	**-**	**12,088**	**26,136**	**23,422**	**61,646**
Thereof:					
Current	-	12,088	-	23,422	**35,510**
Non-current	-	-	26,136	-	**26,136**

Alro

	Provision for litigation	Provision for employee remuneration	Provision for land restoration	Provisions for fine, penalties and other	Total
Balance at 1 January 2024	-	3,357	2,776	-	**6,133**
Increase through income statement	1,523	18,456	-	12,329	**32,308**
Unwinding of discount	-	-	125	-	**125**
Utilisation of provisions	-	-4,051	-	-	**-4,051**
Reversal of provisions	-	-3,357	-	-	**-3,357**
Balance at 31 December 2024	**1,523**	**14,405**	**2,901**	**12,329**	**31,158**
Thereof:					
Current	1,523	14,405	-	12,329	**28,257**
Non-current	-	-	2,901	-	**2,901**
Increase through income statement	-	12,088	-	23,292	**35,380**
Unwinding of discount	-	-	131	-	**131**
Utilisation of provisions	-1,494	-14,327	-	-10,814	**-26,635**
Reversal of provisions	-29	-78	-	-1,514	**-1,621**
Balance at 31 December 2025	**-**	**12,088**	**3,032**	**23,293**	**38,413**
Thereof:					
Current	-	12,088	-	23,293	**35,381**
Non-current	-	-	3,032	-	**3,032**

The provisions for employee remuneration are recognized by the Group in accordance with the Collective Labour Agreements and with GSM decisions regarding the Directors' remuneration (see also Note 7 *General, administrative and selling expenses*). The exact amount and timing of the remuneration will be established after the approval of the financial statements for the year 2025. In 2025, the Group and the Company used a provision of RON 14,327 thousand for remuneration of staff and management (in 2024, the Group and the Company used a provision of RON 4,051 thousand for remuneration of staff and management recognized in December 2023).

As at 31 December 2025, the category *Provisions for fine, penalties and other* included a provision of RON 23,292 thousand which was recognized by the Parent Company for CO_2 certificates needed to be acquired for the year 2025 in accordance with the legal requirements (31 December 2024: a provision of RON 11,463 thousand which was recognized by the Parent Company for CO2 certificates needed to be acquired for the year 2024) (see also Note 9 *Other operating expenses*).

The *Provision for land restoration* is related to the rehabilitation of the premises where the Company and one of its subsidiaries deposit residue from production. According to the environment regulations, the land underneath the waste deposits must be restored until a certain date specified by specific authorisations. The provisions are based on the estimation of expenses necessary to perform the restoration works at the time when they are expected to be incurred, discounted to their present value at 31 December 2025 and are related to: the red mud lake in Tulcea: RON 23,104 thousand and the cost recognized by the Parent Company for the rehabilitation of the locations on which it deposits industrial waste in Slatina: RON 3,032 thousand (31 December 2024: the red mud lake

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in Tulcea: RON 23,156 thousand and the cost recognized by the Parent Company for the rehabilitation of the locations on which it deposits industrial waste in Slatina: RON 2,901 thousand). The Group estimates that the costs would be incurred in 5 - 36 years' time (31 December 2024: 5 - 37 years' time) and calculates the provisions using the DCF method based on the following assumptions: estimated range of cost: RON 64 – RON 145 per square meter and discount rates of 4.51% - 6.47% (31 December 2024: RON 64 – RON 145 per square meter and discount rates of 4.51% - 6.04%).

30. Employee benefits

The Group and the Company recognized employment benefits expenses representing salaries and other staff costs as follows:

	Alro Group		Alro	
	2025	2024	2025	2024
Salaries and other staff costs	432,436	393,396	339,915	301,581

Defined contribution plans

The employees of the Group and the Company are members of the state-managed retirement benefit plans in the country where the Group and the Company are operating (Romania) and they can subscribe also to private pension funds. The Group and the Company contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group and the Company with respect to the retirement benefit plan is to make the specified contributions during the period of employment of the respective employees.

The Group and the Company have an arrangement in place to make payments to an optional defined contribution plan for the post-employment benefit of a part of their employees that have rendered service to the Group and the Company during the period. The defined contribution plan is managed by a separate entity and the contribution made by the Group and the Company is in the form of fixed amounts per employee, paid monthly. The Group and the Company recognized the liability undiscounted (accrued expense) at the reporting date after deducting any contribution already paid, and the expense incurred during the year, the Group's and the Company's legal and constructive obligation being limited to the amounts that it contributes to the fund.

Contributions to defined contribution plans

	Alro Group		Alro	
	2025	2024	2025	2024
Social insurance costs and other taxes	2,256	2,343	2,256	2,343
Other defined contribution pension plans	2,651	2,543	2,532	2,255

Defined benefit plans - post-employment benefits

According to the collective labour agreements, when retiring due to age or illness, the employees benefit from a retirement bonus which is computed based on the number of years of work.

The most recent actuarial valuations of the benefit plan and the present value of the defined benefit obligation were carried out at 31 December 2025 by an independent actuarial specialist. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	31 December 2025	31 December 2024
Discount rate (%)	6.40	6.90
Estimated salary increase rate (%)	4.50	4.20
Estimated inflation rate (%)	3.00	2.70

Amounts recognised in profit or loss in respect of these defined benefit plans are as follows:

	Alro Group		Alro	
	2025	2024	2025	2024
Current service cost	2,181	2,161	2,018	1,896
Interest cost on obligation	1,810	1,606	1,699	1,476
Total expense	**3,991**	**3,767**	**3,717**	**3,372**

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The expense on current service cost for the year is included in the statement of profit or loss and other comprehensive income as *Cost of goods sold* (2025: RON 1,330 thousand, 2024: RON 1,363 thousand for Group and 2025: RON 1,297 thousand, 2024: RON 1,304 thousand for Company) and *Administrative expenses* (2025: RON 851 thousand, 2024: RON 798 thousand for Group and for Company 2025: RON 721 thousand, 2024: RON 592 thousand), and interest cost on obligation as *Interest expense*.

The movement in the present value of the defined benefits obligation was the following:

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Balance at 1 January	**28,275**	**29,048**	**26,686**	**26,845**
Included in profit or loss:				
Current service cost	2,181	2,161	2,018	1,896
Past service cost	-	-510	-	-
Interest cost on obligation	1,810	1,606	1,699	1,476
Included in other comprehensive income:				
Actuarial changes arising from changes in demographic assumptions	-243	-195	-239	-201
Actuarial changes arising from changes in financial assumptions	1,872	-2,139	1,894	-1,975
Actuarial changes arising from changes in experience adjustments	-383	5,227	-394	5,486
Benefits paid	-2,947	-6,923	-2,885	-6,841
Balance at 31 December	**30,565**	**28,275**	**28,779**	**26,686**

Significant actuarial assumptions for the determination of defined benefit obligation are: discount rate, estimated salary increase rate and estimated inflation rate. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant:

Defined benefit obligation change

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Discount rate +1%	-1,912	-1,757	-1,781	-1,631
Discount rate -1%	2,149	1,966	2,003	1,827
Estimated salary increase rate +1%	2,220	2,024	2,072	1,882
Estimated salary increase rate -1%	-2,004	-1,834	-1,868	-1,704
Longevity +1 year	-150	-131	-141	-119
Longevity -1 year	170	146	161	135
Employee turnover rate +0.5%	-178	-158	-162	-143
Employee turnover rate -0.5%	182	158	167	145

The sensitivity analysis above has been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The Group expects to make a payment of RON 5,406 thousand from the defined benefit obligation in the next financial year, of which RON 5,192 thousand are related to the Company (at 31 December 2024 the estimations were of RON 4,409 thousand for the Group and RON 4,363 thousand for the Company).

The weighted average duration of defined benefit obligation is 14.8 years for Alro, 12.5 years for Alum and 9.7 years for Vimetco Extrusion (in 2024: 15.1 years for Alro, 13.1 years for Alum, 10.8 years for Vimetco Extrusion).

The following information relates to the maturity profile of the undiscounted defined benefit obligation at 31 December 2025:

Alro Group

Maturity analysis of defined benefit payments	**Retirement benefits**	**Death-in-service benefits**	**Total**
Within 1 year	4,767	639	**5,406**
1 - 2 years	2,917	674	**3,591**
2 - 5 years	10,029	2,222	**12,251**
5 - 10 years	16,527	3,861	**20,388**
Over 10 years	61,044	8,687	**69,731**

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Alro

Maturity analysis of defined benefit payments	Retirement benefits	Death-in-service benefits	Total
Within 1 year	4,594	598	**5,192**
1 - 2 years	2,889	631	**3,520**
2 - 5 years	9,698	2,070	**11,768**
5 - 10 years	14,546	3,597	**18,143**
Over 10 years	57,633	8,414	**66,047**

31. Government grants

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Balance at 1 January	**38,046**	**35,169**	**25,579**	**28,861**
Received during the year	723	7,272	723	172
Released to the statement of profit or loss	-4,826	-4,395	-3,527	-3,454
Balance at 31 December	**33,943**	**38,046**	**22,775**	**25,579**
Thereof:				
Current	4,752	4,752	3,454	3,454
Non-current	29,191	33,294	19,321	22,125

In October 2024, a subsidiary of the Group received a grant of RON 7,100 thousand (equivalent of EUR 1.43 million) from Innovation Norway, the Norwegian government's official trade representative abroad. The grant represents non-refundable financing for a project worth more than RON 31,818 thousand (equivalent of EUR 6.4 million), namely "Extruded Aluminum Profiles automatic packaging line" through which it purchased an automatic packaging line for finished products, an investment that will lead to a reduction in CO_2 emissions and in the amount of waste generated in the production process. The government grant received during the year will be recognized as income on a straight line basis during the useful life of the equipment once they are placed into operation (i.e. 15 years).

Income released to the Statement of profit or loss of RON 4,826 thousand for the Group (2024: RON 4,395 thousand) and RON 3,527 thousand for the Company (2024: RON 3,454 thousand) represent the portion recognized as income during the year from subsidies received in previous years for production equipment.

The income recognized during the year in the Statement of profit or loss and other comprehensive income of the Group and the Company is included in the category *Other operating income* (refer to Note 8).

As at 31 December 2025 there are no contingent liabilities attached to these grants.

32. Other non-current financial liabilities

	Alro Group		Alro	
	31 December 2025	**31 December 20241**	**31 December 2022**	**31 December 2021**
Other non-current financial liabilities	2,019	7,521	718	724
Total	**2,019**	**7,521**	**718**	**724**

At 31 December 2025 the category *Other non-current financial liabilities* contains the long-term part of a trade liability owed by a subsidiary of the Group to an investment supplier for the acquisition of an extrusion plant (31 December 2025: RON 1,344 thousand; 31 December 2024: RON 6,768 thousand). The short-term part of RON 5,376 thousand is included under the category *Trade and other payables*. The whole liability is payable in 5 installments, until the end of March 2027, and it bears interest.

33. Trade and other payables

	Alro Group		Alro	
	31 December 2025	**31 December 2024**	**31 December 2025**	**31 December 2024**
Foreign trade and other payables	323,631	253,648	297,200	238,024
Domestic trade and other payables	132,723	100,970	138,743	104,691
Accrued trade and other payables	98,289	88,624	97,179	85,806
Total	**554,643**	**443,242**	**533,122**	**428,521**

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Domestic trade payables are liabilities towards suppliers located in the countries where the Group operates (in Romania).

At 31 December 2025 Foreign trade and other payables increased compared to 31 December 2024, mainly due to higher purchases of aluminium ingots and aluminium scrap. This trend reflects the Group's shift toward an efficient alternative to electrolytic aluminum production, supported by investments in expanding the remelting capacities at the Eco-Recycling Facility. It represents a significant step toward a low-emission future, aligned with the Group's current business model.

34. Other current liabilities

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Wages and social security taxes	47,779	42,716	40,583	33,167
Dividends payable	6	6	-	-
VAT payable	1,357	294	-	-
Other	8,994	19,872	8,894	19,522
Total	**58,136**	**62,888**	**49,477**	**52,689**

In 2025, the Parent company recognized an amount of RON 18,833 thousand as specific turnover tax for entities that conduct activities in the oil and natural gas sectors, under certain conditions, from which at 31 December 2025 it still had to pay the amount of RON 3,995 thousand included under the category *Other* (31 December 2024 RON 17,185 thousand). For more details, see Note 7.

35. Related party transactions

The Group and the Company enter under normal terms of business, into certain transactions with shareholders, companies under common control, directors and management. The transactions between the related parties are based on mutual agreements and are not secured.

The main related parties with whom the Group and the Company had transactions during the period are:

Related party	
Vimetco PLC	Major shareholder
Paval Holding SRL	Significant shareholder
Alum S.A.	Subsidiary
Vimetco Extrusion SRL	Subsidiary
Conef S.A.	Subsidiary
Vimetco Trading SRL	Subsidiary
Stocare Energie Slatina S.A.	Subsidiary - newly established in June 2025
Vimetco Management Romania SRL	Common control
Vimetco Power Romania SRL	Common control
Centrul Rivergate SRL	Common control
Rivergate Fire SRL	Common control
CCGT Power Isalnita S.A.	Associate
Stocare Energie Tulcea S.A.	Associate - newly established in February 2025

Group transactions are eliminated on consolidation.
The primary related party transactions are described below:

Sales of goods and services:

	Alro Group		Alro	
	2025	2024	2025	2024
Subsidiaries	-	-	385,668	386,689
Companies under common control	75,642	966	75,542	889
Total goods and services provided to related parties	**75,642**	**966**	**461,210**	**387,578**

The category *Sales of goods and services* mainly includes income obtained by the Parent Company from the sale of billets to its subsidiary Vimetco Extrusion in the amount of RON 371,851 thousand (2024: RON 373,685 thousand) and from electricity sold to one of its related parties in the amount of RON 74,693 thousand (2024:nil). In line with its strategy to secure electricity supply at competitive and stable costs, the Company concluded a supply contract covering its anticipated consumption for the next period. To take advantage of favorable contractual terms and ensure supply continuity, a higher quantity was contracted, with the surplus electricity being resold to a related entity through a bilateral arrangement. This category includes also renting office space and various administrative services provided to companies under common control.

Goods and services purchased from related parties:

	Alro Group		Alro	
	2025	2024	2025	2024
Subsidiaries	-	-	-49,370	-84,615
Companies under common control	-210,315	-256,258	-196,490	-242,427
Total goods and services purchased from related parties	**-210,315**	**-256,258**	**-245,860**	**-327,042**

The purchases from related parties include agent services for acquisitions of alumina provided by the subsidiary Alum to the Parent Company of RON 21,060 thousand during 2025 (in 2024: agent services of RON 10,517 thousand and acquisitions of alumina of RON 50,765 thousand), as starting March 2024 Alum became Alro's purchasing agent for alumina. The purchases also include acquisitions of gas and electricity for the production process by the Group companies from their related party Vimetco Management Romania (during 2025 RON 130,517 thousand at the Group level and RON 126,717 thousand at the Company level; during 2024: RON 162,966 thousand at the Group level and RON 160,733 thousand at the Company level). Since 2023, Alro Group has sourced part of its energy needs from Vimetco Management Romania, which continued its consultancy activity while expanding into electricity and natural gas supply, mainly to group entities.

Additionally, the companies within the Group received services of a supportive nature from other entities under common control, such as advisory services, security, logistics and administrative services.

The following balances were outstanding at 31 December 2025 and 31 December 2024:

Trade and other accounts receivable:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Subsidiaries	-	-	96,629	76,072
Companies under common control	31,344	13,719	27,416	9,870
Allowance for doubtful receivables	-3,445	-3,462	-18,262	-49
Total trade and other accounts receivable from related parties	**27,899**	**10,257**	**105,783**	**85,893**
- non-current	-	-	-	-
- current	27,899	10,257	105,783	85,893

Trade and other accounts payable:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Subsidiaries	-	-	15,197	13,294
Vimetco PLC	117	-	117	-
Companies under common control	28,644	30,065	27,065	28,350
Total trade and other accounts payable to related parties	**28,761**	**30,065**	**42,379**	**41,644**

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Management compensation

The total compensation of the Group and the Company's key management personnel included in General, administrative and selling expenses in the Statement of Profit or Loss and other Comprehensive Income amounts to RON 22,396 thousand (2024: RON 19,932 thousand) at Group level and to RON 17,458 thousand (2024: RON 11,844 thousand) at Company level, respectively, while the expense for determined contribution plan (social contributions) was RON 5,464 thousand for 2025 for the Group (2024: RON 4,833 thousand), and RON 4,277 thousand in 2025 for the Company (2024: RON 2,858 thousand).

Key management personnel transactions

A number of key management personnel, or their close family members, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the period. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-related companies.

The transactions concluded between the Group and the related parties were as follows:

Goods and services purchased from entities controlled by key management personnel or their close family members

		Alro Group		Alro	
		2025	2024	2025	2024
Management services	a)	2,432	4,470	-	-
Project management and production consulting services	b)	1,375	2,149	-	-
HORECA services	c)	103	334	49	39
Total		**3,910**	**6,953**	**49**	**39**

Goods sold to entities controlled by key management personnel or their close family members

		Alro Group		Alro	
		2025	2024	2025	2024
Sales of aluminium products	b)	4,796	2,826	-	-
Total		**4,796**	**2,826**	**-**	**-**

Outstanding balances		Alro Group		Alro	
Trade payables		**31 December 2025**	**31 December 2024**	**31 December 2025**	**31 December 2024**
Project management and technical consulting services	b)	53	602	-	-
HORECA services	**c)**	8	6	**5**	**6**
Total		**61**	**608**	**5**	**6**

	Alro Group		Alro	
Outstanding balances	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Trade receivables	186	236	-	-

a) The Group uses management services of one of its directors in relation to the management of a subsidiary. Amounts are billed under normal market terms and conditions.

b) The Group uses technical consulting services of one of its directors appointed in 2024, in relation to project management and the production of a subsidiary. With the same company, the Group sold aluminium products. Amounts are billed under normal market terms and conditions.

c) The Group uses HORECA services occasionally, based on necessity, from a company controlled by a close family member of one of its directors. Services are performed and charged at market rates.

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36. Risk management

The Group and the Company activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group and the Company overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group and the Company financial performance. The Group and the Company may use derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Group and the Company Treasury under policies approved by the Board of Directors. The Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group and Company's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Capital risk management

The Group and the Company's objectives when managing capital are to safeguard the Group and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure so as to reduce the cost of capital.

The capital structure of the Group and the Company consists of debt, which includes the borrowings disclosed in Note 28, net of Cash and cash equivalents as disclosed in Note 25, adjusted as below mentioned and shareholders' equity.

The Group and the Company management reviews the capital structure on a regular basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistently with other companies in the industry, the Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated and separate statement of financial position) less cash and cash equivalents. Total capital is computed as total equity as shown in the consolidated and separate statement of financial position plus net debt.

	Alro Group		Alro	
	31 December 2025	**31 December 2024**	**31 December 2025**	**31 December 2024**
Total borrowings (Note 28)	1,469,811	1,554,643	1,457,576	1,531,285
Less: cash and cash equivalents (Note 25), adjusted*	-401,246	-584,111	-390,461	-576,128
Net debt	**1,068,565**	**970,532**	**1,067,115**	**955,157**
Total shareholders' equity	**962,491**	**1,010,539**	**835,269**	**881,901**
Total capital	**2,031,056**	**1,981,071**	**1,902,384**	**1,837,058**
Gearing ratio	53%	49%	56%	52%

**The cash and cash equivalents* are adjusted to include collateral deposits of RON 153,729 thousand as at 31 December 2025 (RON 36,000 thousand presented within *Restricted cash* and RON 117,729 thousand within *Other non-current financial assets*) and RON 152,808 thousand as at 31 December 2024, pledged for outstanding borrowings and classified based on maturity. These amounts do not include collateral deposits related to non-cash facilities of RON 28,435 thousand as at 31 December 2025 and 31 December 2024, which are presented as collateral deposits in Note 20 *Other non-current financial assets*.

Market risk

The Group and the Company's activities expose them primarily to the financial risks of changes in commodity prices, energy prices, foreign currency exchange rates and interest rates. The Group and the Company may enter into a variety of contracts for derivative financial instruments to manage their exposure to market prices, such as:

- commodity options to protect Group and Company cash flows from the adverse impact of falling aluminium prices.
- swaps to manage the needs of clients for fixed prices and the associated commodity price risks resulting from quotations of aluminium based on the London Metal Exchange price for High Grade Aluminium;

In 2025, Vimetco Extrusion concluded a few fixed to floating swap contracts with specialized traders for a total quantity of 975 tonnes of aluminium, whereby it assured a fixed price for the aluminium that will be sold to clients during H2 2025 and H1 2026. The outstanding contracts at 31 December 2025 have a value of 367 k RON (2024: nil), and they are classified as Derivative financial instruments asset current, in the Statement of Financial Position. The settled contracts amount of RON 236 thousand was included in

Other financial income in the Statement of profit or loss, while the change in fair value, of RON 367 thousand was included as Gains from derivative financial instruments, net in the Statement of Profit or Loss.

Foreign currency risk management

The Group and the Company operate internationally and undertake certain transactions denominated in foreign currencies. Hence, the Group and the Company are exposed to foreign exchange risk arising from various currency fluctuations against the reporting currency, primarily with respect to the EUR and USD. Exchange rate exposures are analyzed and managed by natural hedge with transactions in foreign currencies by utilising spot or forward foreign exchange contracts or other types of derivatives. The risk management policy used by the Group and the Company is to hedge between 0 and 50% of anticipated cash flows in USD and EUR (Romanian sales and purchases) by practicing an active hedging policy and thus covering a variable percentage based on the market opinions regarding future exchange rates correlated with the net exporter position of the Company, as far as the Management considers it appropriate and the market allows this at reasonable costs.

The Group and the Company's foreign currency exposure results from:

- highly probable forecast transactions (sales/purchases) denominated in foreign currencies;
- firm commitments denominated in foreign currencies; and
- monetary items (mainly trade receivables, trade payables and borrowings) denominated in foreign currencies.

The carrying amount of the Group and the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

Alro Group

Currency of denomination	EUR	USD	Other	Total
Functional currency	**RON**	**RON**	**RON**	**RON**
31 December 2025				
Total monetary assets	36,821	67,810	44	**104,675**
Total monetary liabilities	456,323	829,929	147	**1,286,399**
31 December 2024				
Total monetary assets	37,638	63,776	60	**101,474**
Total monetary liabilities	469,327	785,473	169	**1,254,969**

Alro

Currency of denomination	EUR	USD	Other	Total
Functional currency	**RON**	**RON**	**RON**	**RON**
31 December 2025				
Total monetary assets	19,375	67,159	28	**86,562**
Total monetary liabilities	417,679	829,907	147	**1,247,733**
31 December 2024				
Total monetary assets	18,168	63,517	24	**81,709**
Total monetary liabilities	430,371	785,449	169	**1,215,989**

Foreign currency sensitivity

The Group and the Company are mainly exposed to the fluctuation of RON/USD and RON/EUR exchange rates. The aluminium market, in which the Group operates, is strongly linked to the US dollar. The Group's and the Company's sales are denominated in the USD, and this fact provides for a natural hedge for the liabilities in USD that the Group and the Company have. The following table details the Group and the Company's sensitivity as an impact of a 10% increase/ (decrease) in these currencies against the corresponding functional currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% increase/ (decrease) in foreign currency rate. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency.
An appreciation / (depreciation) by 10% of the RON against EUR and USD as indicated below at 31 December would increase / (decrease) profit or loss and equity by the amounts shown below (excluding the impact on income tax).

	Alro Group		Alro	
Currency of denomination	EUR	USD	EUR	USD
Functional currency	RON	RON	RON	RON
Change of exchange rate	+/- 10%	+/- 10%	+/- 10%	+/- 10%
31 December 2025				
Profit or loss	41,950 [1)]	76,212[2)]	39,830[1)]	76,275[2)]
Other equity	-	-	-	-
31 December 2024				
Profit or loss	43,169[1)]	72,170[2)]	41,220 [1)]	72,193[2)]
Other equity	-	-	-	-

[1)] This is mainly attributable to the exposure outstanding on EUR denominated borrowings and trade payables at the end of the period.
[2)] This is mainly attributable to the exposure outstanding on short-term and long-term USD denominated borrowings at the end of the period.

Interest rate risk management

The Group and the Company's interest rate risk arises mainly from loans taken. Borrowings received at floating rates expose the Group and the Company to cash flow interest rate risk. Borrowings received at fixed rates expose the Group and the Company to fair value interest rate risk. The interest rates on the Group and the Company's existing credit facilities are based on the London Interbank Offered Rate ("LIBOR") and starting 1 July 2023 on the CME Term SOFR for USD borrowings, on EURIBOR for borrowings in EUR and on ROBOR (Romanian Interbank Offered Rate) for RON borrowings. The Group and the Company borrowings are contracted at floating interest rates.

The Group and the Company's main interest bearing liabilities are detailed in the liquidity risk management section of this Note.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for EUR, USD and RON denominated loans received and borrowings granted at the balance sheet date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's result for 2025 would decrease/increase by RON 14,756 thousand (2024: RON 15,748 thousand) and the Company's result would decrease/increase by RON 14,633 thousand (2024: RON 15,514 thousand), excluding the impact on income tax.

During the year ended 31 December 2025, all interest-bearing borrowings of the Group and the Company were subject to variable interest rates. No fixed-rate borrowings were held during the period.

Commodity price risk

Commodity price risk is the risk that the Group and the Company's future earnings will be adversely impacted by changes in the market price of aluminium, but also of its main inputs such as energy. The Group and the Company's internal policy is to manage the identified commodity price risk by natural hedge when possible and also for a part of the remaining quantity at risk by entering into derivative contracts such as aluminium swap agreements and ratio-collar transactions on aluminium, when market conditions are favourable.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group is exposed to credit risk from its operating activities, primarily trade receivables (see also Note 22) and from its financing activities, including deposits and cash at banks and financial institutions (see also Notes 20 and 25).

Trade receivables

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. In order for the Group and Company to minimize the credit risk, the major part of the receivables are immediately sold to banks by factoring transactions on a non-recourse basis. For a small part of the receivables, which is not covered by factoring contracts, the financial quality of the debtors is permanently monitored, and the Group and the Company exposure from the concluded transactions is spread amongst approved counterparties. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Management. Ongoing credit evaluation is performed on the

financial condition of accounts receivable and credit history of debtors and, where appropriate, credit risk insurance is required. For the Group and the Company's concentration risk, refer to Note 22.

The credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix. This provision matrix is initially based on the Group's historical observed default rates, adjusted for forward-looking factors specific to the debtors and the economic environment, if any. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. As the Group has trade receivables with term payments due within a relatively short time, the determination of forward looking economic scenarios may be less significant given that over the credit risk exposure period a significant change in economic conditions may be unlikely, and historical loss rates might be an appropriate basis for the estimate of expected future losses.

The methodology used by the Group to measuring expected credit losses for trade receivables could be described as follows:
- determine the period over which the observed historical loss rates are appropriate. The Group selected for this purpose the 5 previous periods ending 31 December 2024, 30 September 2024, 30 June 2024, 31 March 2024 and 31 December 2023 for capturing data;
- collect data on trade receivables and group them by their past due status at each of the period under analysis;
- analyze the evolution of these balances after a period of 9 months and determine what amounts from each group outstanding is still unpaid in order to determine the proportion of balances in each past-due category that was ultimately not collected;
- determine the weighted average loss rate (%) per past due status for all the 5 periods under analysis;
- this rate will be applied to determine the impairment loss on gross trade receivables as at 31 December 2025.

Additionally, there are trade receivables from 3rd parties or related parties for which the Group made individual assessments, presented below. For details, please refer to the Note 22 and Note 35.

The following table details the risk profile of trade receivables based on the Group and Company's provision matrix. As the Group and Company's historical credit loss experience do not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group and Company's different customer segments.

Alro Group

Trade receivables			**31 December 2025**
Terms	**Gross carrying amount**	**Expected credit losses**	**Expected credit loss rate (%)**
Current (not past due)	72,822	-	0.00%
1-30 days past due	14,298	-	0.00%
31-60 days past due	821	-	0.00%
61-90 days past due	377	-14	3.71%
91-180 days past due	1,880	-	0.00%
More than 180 days past due	2,462	-1,946	79.04%
Total pool	**92,660**	**-1,960**	
Individually assessed receivables	23,554	-23,554	
Total	116,214	-25,514	

Trade receivables			**31 December 2024**
Terms	**Gross carrying amount**	**Expected credit losses**	**Expected credit loss rate (%)**
Current (not past due)	67,697	-	0.00%
1-30 days past due	9,834	-16	0.16%
31-60 days past due	958	-	0.00%
61-90 days past due	665	-14	2.11%
91-180 days past due	24	-2	8.33%
More than 180 days past due	1,270	-1,114	87.72%
Total pool	**80,448**	**-1,146**	
Individually assessed receivables	23,560	-23,560	
Total	**104,008**	**-24,706**	

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Alro

Trade receivables **31 December 2025**

Terms	Gross carrying amount	Expected credit losses	Expected credit loss rate (%)
Current (not past due)	98,836	-	0.00%
1-30 days past due	24,023	-	0.00%
31-60 days past due	721	-	0.00%
61-90 days past due	476	-	0.00%
91-180 days past due	2,471	-	0.00%
More than 180 days past due	1,316	-1,001	76.06%
Total pool	**127,843**	**-1,001**	
Individually assessed receivables	21,065	-20,159	
Total	**148,908**	**-21,160**	

Trade receivables **31 December 2024**

Terms	Gross carrying amount	Expected credit losses	Expected credit loss rate (%)
Current (not past due)	78,488	-	0.00%
1-30 days past due	5,489	-	0.00%
31-60 days past due	951	-	0.00%
61-90 days past due	616	-	0.00%
91-180 days past due	-	-	0.00%
More than 180 days past due	318	-217	68.24%
Total pool	**85,862**	**-217**	
Individually assessed receivables	20,590	-20,159	
Total	**106,452**	**-20,376**	

Financial instruments and cash deposits

Credit risk from transactions with banks and financial institutions is managed by the Corporate Finance department. Investment of surplus funds is done only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate the potential for financial loss through counterparty failure. No material exposure is considered to exist by virtue of the possible non performance by the counterparties in respect of financial instruments.

Liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of Directors, which has set up an appropriate liquidity risk management framework for the Group and the Company's short-, medium- and long-term funding and liquidity requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 28 is a listing of additional undrawn facilities that the Borrowings has at its disposal to further reduce liquidity risk. The following tables detail the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

Alro Group	within 1 year	1 to 5 years	after 5 years	Total
31 December 2025				
Borrowings (principal and expected future interest payments)	1,011,160	635,705	41,142	**1,688,007**
Trade and other monetary payables	619,430	-	-	**619,430**
Total	**1,630,590**	**635,705**	**41,142**	**2,307,437**
31 December 2024				
Borrowings (principal and expected future interest payments)	215,896	1,549,336	104,912	**1,870,144**
Trade and other monetary payables	522,137	-	-	**522,137**
Total	**738,033**	**1,549,336**	**104,912**	**2,392,281**

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Alro	within 1 year	1 to 5 years	after 5 years	Total
31 December 2025				
Borrowings (principal and expected future interest payments)	1,002,364	620,730	41,142	**1,664,236**
Trade and other monetary payables	586,193	-	-	**586,193**
Total	**1,588,557**	**620,730**	**41,142**	**2,250,429**
31 December 2024				
Borrowings (principal and expected future interest payments)	203,253	1,538,600	104,912	**1,846,765**
Trade and other monetary payables	488,487	-	-	**488,487**
Total	**691,740**	**1,538,600**	**104,912**	**2,335,252**

Categories of financial instruments

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial assets				
At amortised cost				
Cash and bank balances	283,643	431,358	272,732	423,320
Receivables and other financial assets	689,517	631,363	702,185	609,132
Fair value through profit or loss (FVTPL)				
Designated as at FVTPL	26,203	10,947	25,339	10,947
Designated as at FVTPL (derivative financial instruments)	367	-	-	-
Total financial assets	**999,730**	**1,073,668**	**1,000,256**	**1,043,399**

Financial assets designated at FVTPL represent trade receivables covered by factoring contracts that were not yet sold to the factor at the reporting date. These are used within the business' model to manage the financial assets with the objective of realising cashflows mainly through the sale of the assets, therefore they are classified as at fair value through profit or loss, and are subsequently measured at fair value. Their fair value measurement is classified within Level 2 of the fair value measurement hierarchy. Net gains and losses, if any, are recognised in profit or loss. Due to the very short term between their issuance and the settlement, their cost is a fair approximate of their fair value, and the gain or loss on disposal is nil.

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Financial liabilities				
Fair value through profit or loss (FVTPL):				
Designated as at FVTPL (derivative financial instruments)	-	-	-	-
Amortised cost:				
Trade and other payables	614,798	513,651	583,317	481,934
Long-term borrowings and leases	582,248	1,456,174	575,884	1,445,442
Short-term borrowings and leases	887,563	98,469	881,692	85,843
Total financial liabilities	**2,084,609**	**2,068,294**	**2,040,893**	**2,013,219**

There were no reclassifications between the categories of financial assets during 2025 and 2024.

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

• The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
• The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
• The fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, the fair value of financial instruments is determined by using valuation techniques. The Group and the Company use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. The fair value of the fixed-to-floating swap contracts on energy is determined by using forward quotations from publicly available platforms and exchange rates forecasts provided

by internationally reputed data providers.

Below is presented an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

• Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
• Level 2 fair value measurements are those derived from valuation techniques containing inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
• Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Company do not have level 3 financial instruments.

There were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments.

The Management consider that the fair values of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their carrying amounts largely due to the short term maturities, low transaction costs of these instruments as of financial position date, and for the long-term borrowings due to the fact that they have variable interest and the bank margins are similar with those for the recently contracted bank loans.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables;
- Other current and non-current financial assets;
- Cash and cash equivalents;
- Trade and other payables;
- Borrowings and leases.

37. Commitments and contingencies

Commitments

Investment commitments

As at 31 December 2025, the Group's and the Company's commitments pertaining to the investments for the year 2026 amounted to RON 47,224 thousand (31 December 2024: RON 56,007 thousand at the Group level and to RON 55,496 thousand at the Company level).

Raw material and utilities purchase contracts

As at 31 December 2025, the Group and the Company had contracts for purchases of raw materials, other consumables and utilities of RON 2,095,490 thousand (31 December 2024: RON 1,216,013 thousand) for the Group and RON 1,986,353 thousand (31 December 2024: RON 1,235,335 thousand) for the Company.

The Parent Company has investment property consisting of an extruded aluminium production hall rented to one of its subsidiaries. In 2022 the agreement was extended until 2032 and contains clauses regarding the increase of rented area and a fixed rent payment in EUR. In 2023 an addendum was issued for a supplementary area, with the rent payment increase accordingly. Additionally, the Parent Company has investment property consisting of a building rented to one of its related parties. In 2024 the agreement was exteded until 2029.

Rental income recognized by the Group and the Company in 2025 was of RON 277 thousand (in 2024: RON 274 thousand) at Group level and RON 2,718 thousand at Company level (2024: RON 2,685 thousand).

Future minimum lease payments receivable under non-cancellable leases of the Group and the Company as at 31 December 2025 and 31 December 2024, respectively, are presented by maturities below:

	Alro Group		Alro	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Within 1 year	281	274	2,752	2,684
1 to 5 years	842	1,096	10,725	10,737
After 5 years	-	-	4,941	7,231
Total	**1,123**	**1,370**	**18,418**	**20,652**

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Litigations

As at 31 December 2025 the Group was subject to a number of lawsuits resulting from the normal course of the business. The Management believes that these actions will not have a significant impact on the financial performance and financial position of the Group.

Taxation

Starting 2019, a subsidiary of the Group was subject to fiscal audit from the National Agency for Fiscal Administration related to income tax and VAT transactions regarding the period 2014-2018. The fiscal inspection was finalized in 2021 and the tax authorities concluded a report with a net effect of RON 19,643 thousand, which the subsidiary recognized as an expense in a first stage and paid it within the legal time frame. Subsequently, the Group's subsidiary filed a tax appeal to the National Agency for Fiscal Administration against the Fiscal Inspection Report, which was rejected by the National Agency for Fiscal Administration. Subsequently, a fiscal expertise was performed by an independent expert appointed by the Court. In November 2023 the Court ruled in favor of the subsidiary by ordering a refund of RON 18,213 thousand, out of the total of RON 19,643 thousand that was the subject of the tax assessment. The National Agency for Fiscal Administration filed the appeal against this decision and the file was submitted to the High Court of Cassation and Justice. The case was sent back to the previous Court for re-trial and is pending in front of Constanta Appeal Court.

In 2023, the Parent Company of the Group was subject to a fiscal audit by the National Agency for Fiscal Administration for the years 2016-2021. The audit was finalized in January 2024, resulting in additional charges, interest and penalties amounting to RON 20,919 thousand, which were recognized as an expense in 2023. The Company paid additional taxes imposed of RON 15,303 thousand in 2024, while for the remaining penalties, it applied for and it was approved their cancellation in October 2024, as allowed by the Government Emergency Ordinance no. 107/4.09.2024. In December 2024, the Company filed a lawsuit to Court of Law, to recover the remaining amounts paid and the cancellation of the tax decisions and the case is pending in front of Craiova Court of Appeal.

At 31 December 2025, two subsidiaries of the Group were subject to fiscal audits by the National Agency for Fiscal Administration relating to income tax and VAT transactions for the periods 2018–2023 and 2019–2021, respectively. At the date of approval of these consolidated financial statements, the fiscal inspections had not been completed. Management assessed these matters and, based on the information available at the reporting date, concluded that no additional liability for taxes, penalties, or interest should be recognised as at 31 December 2025. As the inspections are still ongoing, the final outcomes cannot currently be anticipated, and a reliable estimate of any potential exposure cannot be made.

38. Auditor's fee

This note shows the total remuneration payable by the Group and the Company, excluding VAT, to our principal auditors, Ernst & Young Assurance Services SRL for the financial years mentioned below.

	Alro Group		Alro	
	2025	**2024**	**2025**	**2024**
Audit expenses	985	1,041	832	757
Other assurance services	553	221	533	211
Total	**1,538**	**1,262**	**1,365**	**968**

39. Events after the reporting date

In January 2026, the Parent Company drew drawn the last installment of RON 54,415 thousand (equivalent to USD 12,500 thousand) from the CAPEX loan contracted in December 2024 (refer to note 28).

During the first months of 2026, the Group entered into several transactions with a financial institution, consisting of 100% collar Asian options by taking long positions on put options and short positions on call options for a quantity of 21,400 tonnes of aluminium, defending at the minimum the budgeted level starting with March 2026.

CCGT POWER ISALNITA S.A. (SPV): The procedure for awarding the EPC (Engineering, Procurement, and Construction) and LTSA (Long-Term Service Agreement) contracts for this project was resumed in March 2025, and the deadline for submitting bids was extended to 30 January 2026. No bids were received by this date. The company is currently evaluating the appropriate next steps for continuing the project, including the analysis of opportunities to improve and update it in the context of its strategy to diversify into the energy field and to access funding available under the Modernisation Fund.

In the context of the conflict in the Middle East, an increase in market volatility has been recorded, along with pressure on oil and natural gas prices, as the conflict has led major producers to reduce production. It is estimated that these events could affect activities

across various sectors of the economy and may result in further increases in energy prices in Europe, as well as an increased risk of supply chain disruptions. The Group and the Company have no direct exposure to related parties and/or key customers or key suppliers in the conflict zone. The Group and the Company consider these events to be subsequent events after the reporting date that do not adjust the figures presented in the 2025 Financial Statements.

On 25 March 2026, the Romanian Parliament adopted the law approving Government Emergency Ordinance no. 55/2025 for the amendment and supplementation of Government Emergency Ordinance no. 115/2011, following its prior adoption by the Senate on 10 November 2025. In April 2026 the law was sent back to the Parliament for re-examination. The re-examination was requested only to resolve some procedural details in the promulgation process and therefore, the Law is considered substantially enacted in March 2026. The Law further clarifies the funding mechanism and allocation of ETS auction revenues and enhances the predictability of the indirect CO_2 compensation scheme. In particular, the amendments strengthen the support for beneficiaries by introducing a mechanism to supplement the existing 15% allocation up to a minimum effective annual support level of EUR 150 million and to ensure payment of any shortfall to beneficiaries by 15 December, while remaining compliant with state-aid rules and the ETS Directive framework. This legislative development clarifies aspects of the existing legal framework and provides additional evidence of conditions existing at the reporting date, and therefore it was considered an adjusting subsequent event. The improved predictability of the scheme supported a more reliable estimate of the compensation and has therefore been considered in estimating and recognising the related compensation income in the 2025 financial statements.

There were no other material subsequent events that could have a significant impact on these financial statements.

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Statement of the Persons in Charge

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Statement of the Persons in Charge

Pursuant to the legal stipulations of the Regulation no. 5/2018 issued by the Financial Supervisory Authority (FSA) for issuers and operations with securities, the Management of the Group and of the Company states that:

1. We confirm to the best of our knowledge that the consolidated and separate financial statements of Alro and its subsidiaries ("the financial statements"), prepared in accordance with the applicable accounting standards give a true and fair view of the financial position, financial performance and cash flows of the Group and of the Company for the year ended 31 December 2025;

2. We confirm that the electronic format of the financial statements mentioned above for the financial year ended 31 December 2025 is prepared in accordance with the requirements of the Commission Delegated Regulation (EU) 2018/815 dated 17 December 2018 that completes the Directive no. 2004/109/CE of the European Parliament and of the Council concerning the technical regulation standards regarding the specification of a unique electronic reporting format (ESEF Regulation);

3. The Consolidated Directors Report for 2025 gives a true and fair view of the development and the performance of the Group and of the Company, as well as a description of the main risks and uncertainties associated with the expected development of the Group and of the Company and the Consolidated Sustainability Report, included in Annex 1 to the Consolidated Directors Report is prepared in accordance with the sustainability reporting standards stated under article 29b of Directive 2013/34/EU and with the clarifications adopted in line with article 8 paragraph (4) of EU Regulation 2020/852.

The Board of Directors represents the interests of the Group, of the Parent-company and of its shareholders and is responsible for the overall management of the Group and of the Company.

At the date of this report, the Board of Directors of the Parent-company consists of 11 members as follows:

1.	Marian-Daniel Nastase	Chairman
2.	Svetlana Pinzari	Vice-President
3.	Gheorghe Dobra	Member
4.	Vasile Iuga	Member
5.	Marinel Burduja	Member
6.	Adrian Fercu	Member
7.	Darius Pavăl	Member
8.	Voicu Cheta	Member
9.	Genoveva Nastase	Member
10.	Igor Higer	Member
11.	Dragos-Adrian Voncu	Member

The consolidated financial statements of Alro and its subsidiaries and the separate financial statements of Alro for the year ended 31 December 2025 are audited.

Chairman of the Board of Directors

Marian Daniel Nastase

CEO

Marin Cilianu

CFO

Genoveva Nastase

27 April 2026

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ALRO S.A.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of ALRO S.A. (the Company) and its subsidiaries (together referred to as "the Group") with official head office in Pitesti, 116 Street, Slatina, Olt county, Romania, identified by sole fiscal registration number 1515374, which comprise the consolidated and separate statements of financial position as at December 31, 2025, the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in shareholders' equity and the consolidated and separate statements of cash flows for the year then ended and notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company as at December 31, 2025, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards ("IFRS"), with all subsequent amendments.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 ("Regulation (EU) No. 537/2014") and Law 162/2017 („Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audit of financial statements of public interest entities, together with the ethical requirements that are relevant to the audit of the financial statements of public interest entities in Romania, including Regulation (EU) No. 537/2014 and Law 162/2017 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the consolidated and separate financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Description of each key audit matter and our procedures performed to address the matter

Key audit matter	How our audit addressed the key audit matter
Impairment testing of investments in subsidiaries in the separate financial statements The Company's disclosures about investments in subsidiaries, including the related impairment, are included in Note 16.	
Investments in subsidiaries are significant to our audit because of the magnitude of the balance sheet position as at 31 December 2025 (carrying value of investments in subsidiaries is RON 75.7 million in the separate statement of financial position, after recording an accumulated impairment of RON 511 million). The assessment of the recoverability of the carrying value of investments requires management to apply significant judgements and estimates in assessing whether any indicators of impairment or of reversal of impairment exist and in measuring any such impairment adjustment. An impairment assessment also involves consideration of various sources of information, including factors related to the economic environment and industry specific factors. As of 31 December 2025, considering the economic environment evolution and the results of the analysis of internal and external indicators, the Company's management performed an impairment test for the investments in subsidiaries in its annual financial reporting process. As result of the impairment test performed as of 31 December 2025, an additional impairment charge of RON 67.9 million for the investment in Alum and of RON 0.8 million for the investment in Conef was recorded.	Our audit procedures included, among others: a) we involved our internal valuation specialists to assist us in: ➢ evaluating the key assumptions and methodologies used by the Company for the impairment testing of investments in subsidiaries (e.g. checked the mathematical accuracy of the model and its conformity with the requirements of the International Financial Reporting Standards, discount rates used for discounting future cash flows for each investment, macroeconomic assumptions); ➢ evaluating the competence, capabilities and objectivity of the external valuator; b) we evaluated the sensitivity analysis of the investments' recoverable amounts to changes in the significant assumptions made by management (such as discount rate and EBITDA margin) and analysed the consistency of other assumptions made in the impairment test (such as expected sales prices, production/sales volumes versus capacity, material and utilities costs) with the general and industry-specific economic environment, relevant available market information and the business plans of the Group; c) we assessed the consideration of the current energy prices evolution impact in the cash flow models;

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Given the judgements and estimates used by the management in the determination of future cash flow projections and uncertainties regarding current economic environment, this is considered a key audit matter.	d) we evaluated the management's assessment of impairment indicators for investments in subsidiaries by considering whether the assessment covered all significant investments for which impairment indicators could have existed at the end of the reporting period as well as management's assessment of the recoverability of the carrying value of investments for which triggering events were identified. e) we assessed the historical accuracy of management's budgets and forecasts by comparing them to actual performance. f) we further assessed the adequacy of the Company's disclosures about impairment of investments in subsidiaries.

Impairment testing of property, plant and equipment in the consolidated financial statements and in the separate financial statements Alro Group's disclosures about property, plant and equipment, including the related impairment, are included in Note 14	
The property, plant and equipment of Alro Group are significant to our audit because of the magnitude of the balance sheet position as of 31 December 2025 (amounting to RON 889 million in the consolidated statement of financial position and respectively RON 764 million in the separate statement of financial position). Under IFRS Accounting Standards, an entity is required to assess, at least at each reporting date, whether impairment indicators exist and, if they exist, an impairment test is required. As of 31 December 2025, as a result of several factors, such as increasing prices and scarce availability of energy products and other raw materials with a negative impact on the production costs, the Group management performed an impairment test for the property, plant and equipment of Alro and Alum, which resulted as follows: ➢ for Alro, the recoverable value of the property, plant and equipment was higher than their carrying value, therefore no impairment adjustments were required for the property, plant and equipment;	Our audit procedures included, among others: a) we analysed and evaluated the management's assessment of the existence of impairment indicators; b) we involved our internal valuation specialists to assist us: ➢ in evaluating the key assumptions and methodologies used by Group for the impairment testing of property, plant and equipment (e.g. checked the mathematical accuracy of the model and its conformity with the requirements of the International Financial Reporting Standards, discount rates used for discounting future cash flows for the companies in the Group, macroeconomic assumptions); ➢ evaluation of the competence, capabilities and objectivity of the external valuator; c) we compared the assumptions used within the future cash flow models to approved budgets and business plans which considered also the current energy prices evolution impact on the future cash flow;

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➢ for Alum, it was determined that the recoverable value of property, plant and equipment was lower than its carrying amount and, consequently, an impairment charge of RON 51.3 million was recognized as at 31 December 2025. The assessment of the recoverability of the carrying value of property plant and equipment requires management to apply significant judgements and estimates in determining the main assumptions used in the impairment test such as discount rate, growth rate and EBITDA margin, as well as expected income from government compensations for indirect emission costs embedded in the electricity price. Due to the uncertainty of forecasting and discounting future cash flows, the level of judgements involved and the significance of the Group's property plant and equipment as at 31 December 2025, this audit area is considered a key audit matter.	d) we evaluated the sensitivity analysis of the cash generating units' recoverable amounts to changes in the significant assumptions made by management (such as discount rate, growth rate, EBITDA margin, LME quotations and expected income from government compensations for indirect emission costs embedded in the electricity price) and analysed the consistency of other assumptions made in the impairment test (such as expected sales prices, production/sales volumes vs. capacity, materials and utilities cost and administrative expenses and net capital investments) with the general and industry-specific economic environment, relevant available market information and the business plans of the two entities; e) we assessed the historical accuracy of management's budgets and forecasts by comparing them to actual performance; f) we further assessed the adequacy of Group's disclosures about Impairment testing of property, plant and equipment.

Other information

The other information comprises the Annual report, which includes the Directors' Consolidated Report, as well as the Remuneration Report, but does not include the consolidated and separate financial statements and our auditors' report thereon. Management is responsible for the other information.

Our audit opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with the Order of the Minister of Public Finance no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated and separate financial statements, management is responsible for assessing the Company's and respectively the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company, respectively the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company, respectively, to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of audit work for the purposes of the group audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

Reporting on Information Other than the Consolidated and Separate Financial Statements and Our Auditors' Report Thereon

In addition to our reporting responsibilities according to ISAs described in section "Other information", with respect to the Consolidated Directors' Report and Remuneration Report, we have read these reports and report that:

a) in the Consolidated Directors' Report we have not identified information which is not consistent, in all material respects, with the information presented in the accompanying consolidated and separate financial statements as at December 31, 2025;
b) the Consolidated Directors' Report, except the sustainability statement which is subject to a separate assurance reporting, includes, in all material respects, the required information according to the provisions of the Ministry of Public Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments, Annex 1 articles 15 – 19 and 26-27;
c) based on our knowledge and understanding concerning the Group and its environment gained during our audit of the financial statements as at December 31, 2025, we have not identified information included in the Consolidated Directors' Report (excluding the Consolidated Sustainability Report which is subject to a separate assurance reporting) that contains a material misstatement of fact.
d) the Remuneration Report identified above includes, in all material respects, the required information according to the provisions of article 107 (1) and (2) from Law 24/2017 on issuers of financial instruments and market operations.

Other requirements on content of auditor's report in compliance with Regulation (EU) No. 537/2014 of the European Parliament and of the Council

Appointment and Approval of Auditor

We were appointed as auditors of the Company by the General Meeting of Shareholders on 17 July 2025 to audit the consolidated and separate financial statements for the financial year end December 31, 2025. Total uninterrupted engagement period, including previous renewals (extension of the period for which we were originally appointed) and reappointments for the statutory auditor, has lasted for twelve years, covering the financial periods ended December 31, 2013 till December 31, 2025.

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Consistency with Additional Report to the Audit Committee

Our audit opinion on the consolidated and separate financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 23 April 2026.

Provision of Non-audit Services

No prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided by us to the Company and we remain independent from the Group in conducting the audit.
In addition to statutory audit services and services disclosed in the annual report and in the financial statements, no other services which were provided by us to the Company, and its controlled undertakings.

Report on the compliance of the electronic format of the consolidated and separate financial statements, included in the annual consolidated and separate report with the requirements of the ESEF Regulation

We have performed a reasonable assurance engagement on the compliance of the electronic format of the consolidated and separate financial statements of ALRO S.A. (the Company) and its subsidiaries (together referred to as "the Group") for the year ended 31 December 2025, included in the attached electronic file „5493008G6W6SORM2JG98-2025-12-31_EN.zip"(identified with the key bb948ebee75537eb88e2795b9bccd6fd8a07d29f207fefa519753078986f4f8c) with the requirements of the Commission Delegated Regulation (EU) 2019 /815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation). Our opinion is expressed only in relation to the electronic format of the consolidated and separate financial statements and does not extend to the other information included in the annual report.

Description of the subject matter and the applicable criteria

The Management has prepared electronic format of consolidated and separate financial statements of the Company for the year ended 31 December 2025 in accordance and to comply with ESEF Regulation requirements. The requirements for the preparation of the consolidated and separate financial statements in ESEF format are specified in the ESEF Regulation and represent, in our opinion, applicable criteria for us to express an opinion providing reasonable assurance.

Responsibilities of the Management and Those Charged with Governance

The Management of the Company is responsible for the compliance with the requirements of the ESEF Regulation in the preparation of the electronic format of the consolidated and separate financial statements in XHTML format. Such responsibility includes the selection and application of appropriate iXBRL tags using the taxonomy specified in the ESEF Regulation, ensuring consistency between the human-readable layer of electronic format of the consolidated and separate financial statements and the audited consolidated and separate financial statements. The responsibility of Company's Management also includes the design, implementation and maintenance of such internal control as determined is necessary to enable the preparation of the consolidated and separate financial statements in ESEF format that are free from any material non-compliance with the ESEF Regulation. Those charged with governance are responsible for overseeing the financial reporting process for the preparation of consolidated and separate financial statements of the Company, including the application of the ESEF Regulation.

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Auditor's Responsibility

Our responsibility is to express an opinion providing reasonable assurance on the compliance of the electronic format of the consolidated and separate financial statements with the requirements of the ESEF Regulation.

We have performed a reasonable assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (revised)). This standard requires that we comply with ethical requirements, plan and perform our engagement to obtain reasonable assurance about whether the electronic format of the consolidated and separate financial statements of the Company is prepared, in all material respects, in accordance with the applicable criteria, specified above. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material non-compliance with the requirements of the ESEF Regulation, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but it is not guaranteed that the assurance engagement conducted in accordance with ISAE 3000 (revised) will always detect material non-compliance with the requirements when it exists.

Our Independence and Quality Management

We apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, which requires that we design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have maintained our independence and confirm that we have met the ethical and independence requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code).

Summary of procedures performed

The objective of the procedures that we have planned and performed was to obtain reasonable assurance that the electronic format of the consolidated and separate financial statements is prepared, in all material respects, in accordance with the requirements of ESEF Regulation. When conducting our assessment of the compliance with the requirements of the ESEF Regulation of the electronic (XHTML) reporting format of the consolidated and separate financial statements of the Company, we have maintained professional skepticism and applied professional judgement. We have also:

- obtained an understanding of the internal control and the processes related to the application of the ESEF Regulation in respect of the consolidated and separate financial statements of the Company, including the preparation of the consolidated and separate financial statements of the Company in XHTML format and its tagging in machine readable language (iXBR);
- tested the validity of the applied XHTML format;
- checked whether the human-readable layer of electronic format of the consolidated and separate financial statements (XHTML) corresponds to the audited consolidated and separate financial statements;
- assessed the completeness of the tagging of information in the consolidated and separate financial statements while using the machine-readable language (iXBRL) under the requirements of the ESEF Regulation;

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- assessed the appropriateness of the applied iXBRL tags selected from the core taxonomy and the creation of extensions to the elements in the extended taxonomy specified in the ESEF Regulation when there were no suitable elements in the core taxonomy;
- evaluated the anchoring of the taxonomy extensions to the elements in the extended taxonomy specified by the ESEF Regulation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion on the compliance of the electronic format of the consolidated and separate financial statements with the requirements of the ESEF Regulation

Based on the procedures performed, in our opinion, the electronic format of the consolidated and separate financial statements of the Company for the year ended 31 December 2025 is prepared, in all material respects, in accordance with the requirements of ESEF Regulation.

On behalf of,
Ernst & Young Assurance Services SRL
15-17, Ion Mihalache Blvd., floor 21, Bucharest, Romania
Registered in the electronic Public Register under No. FA77

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Firma de audit: ERNST & YOUNG ASSURANCE SERVICES S.R.L.
Registrul Public Electronic: FA77

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Auditor financiar: Cojocaru Iuliana Verona
Registru Public Electronic: AF1568

Name of the Auditor / Partner: Verona Cojocaru
Registered in the electronic Public Register under No. AF1568

Bucharest, Romania
27 April 2026

ALRO
Future, essentially

ANNEX 1 of Annual Report ALRO 2025

SUSTAINABILITY REPORT

ALRO Group 2025

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The Sustainability Report for the year 2025 has been prepared in accordance with the provisions of Commission Delegated Regulation (EU) 2023/2772 (CSRD Reporting) and follows the structure of the European Sustainability Reporting Standards (ESRS) requirements, organized into four distinct sections: General Information, ***Environment***, ***Social***, and ***Governance***. Information regarding the list of ESRS disclosure requirements included in this Sustainability Report is presented in **Annex 1 – List of material reporting requirements**, on *page 64*. In preparing this report, ALRO Group benefited from the support of an external consultant, Sustainability Lens SRL.

I.1. ESRS 2 General disclosures

I.1.1. Basis for preparation

I.1.1.1. [BP-1] General basis for the preparation of the sustainability treatment

The Sustainability Report for the year 2025 has been prepared on a consolidated level, including the parent company, ALRO, and all its subsidiaries. ALRO, as the parent company of a Group preparing consolidated financial statements, is the only entity within the Group falling within the scope of the CSRD ("Corporate Sustainability Reporting Directive"), as transposed by Order of the Ministry of Public Finance no. 85/2024, on an individual basis for the 2025 financial year, given its status as a listed company and public interest entity. The other companies within ALRO Group do not have an individual reporting obligation for the 2025 financial year, as they do not meet the reporting criteria. In accordance with ESRS 1, paragraph 62, "where the reporting undertaking is a parent undertaking required to prepare consolidated financial statements, the sustainability statement shall be prepared for the Group." Accordingly, ALRO, as a listed parent company of a large group, is required to prepare a consolidated sustainability statement, which forms part of the Consolidated Annual Report for the 2025 financial year. The consolidation of sustainability information follows the same principles as those applied for financial consolidation, unless otherwise specified. The complete list of subsidiaries of ALRO Group is disclosed in the chapter Group Overview of the 2025 Annual Report, page 12.

This report represents the ninth Sustainability Report of ALRO Group (the first seven being voluntary reports) and the second Sustainability Report prepared in accordance with CSRD ("Corporate Sustainability Reporting Directive") and the European Sustainability Reporting Standards (ESRS). ALRO Group presents a comprehensive overview of its sustainability initiatives and the impacts that the Group has or may have on the environment and people (inside-out perspective), as well as the risks and opportunities that have or may have a significant influence on its financial performance (outside-in perspective).

This Sustainability Report covers the period 1 January – 31 December 2025.

The assessment of impacts, risks and opportunities (IRO) has been extended to both the Group's own operations and its upstream and downstream value chain. The Group's policies and actions apply to the value chain for all material topics, and this is explicitly stated in the relevant thematic standards.

Currently, reported indicators do not include upstream and/or downstream value chain data, except for ESRS E1-6 – Scope 3 GHG emissions. In all other cases, indicator data refers exclusively to the Group's own operations. For water consumption, as this topic is material only for own operations, certain information related to value chain actions and targets is voluntarily disclosed to provide additional transparency.

ALRO has not omitted any information corresponding to intellectual property, know-how, or the results of innovation, in accordance with *ESRS 1, Section 7.7 – Classified and sensitive information, nor has it applied any*

exemptions regarding imminent developments or matters under negotiation, as provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

The accounting policies applicable to sustainability reporting have been applied consistently throughout the 2025 financial year and are described in detail in the 2025 Integrated Annual Report. ALRO Group periodically reviews the assumptions, estimates and judgements used, considering experience gained in implementing accounting policies, developments in sustainability reporting regulations and other relevant factors. Any changes in the collection or presentation of sustainability information will be reflected in the financial period in which the change occurs. Additional information on critical assumptions, estimates and judgements is disclosed in the quantitative data sections of this sustainability statement.

I.1.1.2. [BP-2] Disclosures in relation to specific circumstances

Group has adopted the short-, medium- and long-term time horizons as defined in ESRS 1, Section 6.4, *Definition of short, medium and long term for reporting purposes*. Accordingly, the short term is defined as up to one year (consistent with the 2025 financial reporting period), the medium term extends from the end of the short-term period up to five years, and the long term covers a period exceeding five years. These time horizons have been applied consistently throughout the reporting process. The indicator reported for the upstream and downstream value chain relates exclusively to Scope 3 greenhouse gas (GHG) emissions. This represents the sole metric used to reflect impacts across the value chain, in accordance with the established reporting standards. Scope 3 GHG emissions have been estimated in line with the GHG Protocol, using indirect sources such as sectoral average data or other relevant information sources that reflect value chain activities. These estimates are based on standardised methodologies that enable the assessment of the indirect impacts of the Company's activities.

Scope 3 emissions estimates have been prepared with a level of accuracy considered appropriate under the GHG Protocol. However, as they rely on indirect sources and industry-average data, a certain degree of uncertainty is associated with these estimates. The level of accuracy is clearly disclosed in this Sustainability Report under the E1-6 disclosure requirement of ESRS E1.

In order to enhance the reliability of Scope 3 emissions data, the Group intends to strengthen collaboration with suppliers and other value chain actors, with the aim of increasing the use of primary data sources rather than relying solely on generic industry emission factors. The implementation of such initiatives is planned over the next five years, with the objective of reducing uncertainty and improving the quality of future reporting. The measures and assumptions applied are disclosed in this report in accordance with the requirements of ESRS E1, reflecting the Group's commitment to transparent and robust reporting on its contribution to climate change.

At the level of each section presenting a thematic standard, information regarding estimates, uncertainties, assumptions and calculation methodologies for the reported indicators is disclosed, where applicable.

Although ALRO Group exceeds the threshold of 750 employees, it qualifies for the extended transitional provisions introduced by the **Quick Fix Delegated Act**, which apply the provisions of paragraph 17 of ESRS 1 to all wave 1 undertakings, in accordance with Appendix C to ESRS 1.

Changes in the preparation or presentation of sustainability information

In preparing the 2024 and 2025 Sustainability Reports, ALRO Group used the Implementation Guidance issued by the European Financial Reporting Advisory Group (EFRAG), including IG 3 *List of Data Points*.

Ex: The methodology for categorising SoC substances and reporting quantities by hazard classes has been revised in accordance with the information presented in *Section ESRS E2-5*.

Errors in the reporting of prior periods

- [E1-5] Table on Energy Consumption and Energy Mix (in MWh) for the year 2024;
- [E5-4] Table on Numerical Information regarding Resource Inputs (Consumption) [kg] for the year 2024.

Presentation of information by cross-references

The list of reporting requirements addressed through cross-references is presented below:

LIST OF DISCLOSURE REQUIREMENTS REPORTED BY REFERENCE		REPORTING SECTION
ESRS 2 BP-1 pct.5 b)(i)	Indication of subsidiaries included in consolidation that are exempt from individual or consolidated reporting	Chapter "Group Overview", sub-chapter "Group structure as at 31 December 2025" of the **2025 Annual Report**, page 12
ESRS 2 BP-2 10 b) and c)	Indicators that include value chain data	**E1-6** under **ESRS E1,** page 114
ESRS 2 GOV-1	ALRO organisational structure	"ALRO Group Overview", 2025 Annual Report, page 50
	Role of the administrative, management and supervisory bodies (shareholding)	Chapter "Board of Directors' Responsibilities", sub-chapter "Overview as at 31 December 2025" of the 2025 Annual Report, page 53
ESRS 2, SBM-1, 40 (b)	Breakdown of total revenues by segments in accordance with IFRS 8 Operating Segments, as presented in the financial statements	Note 5 "Revenue from contracts with customers" to the consolidated financial statements, **2025 Annual Report**
SBM-3 48 b)	regarding how impacts affect people and the environment and the Group's connection to them	**ESRS E1,** page 84 **ESRS E2**, page 134 **ESRS E3**, page 167 **ESRS E5**, page 185 **ESRS S1**, page 212 **ESRS S2**, page 257 **ESRS S3**, page 276 **ESRS G1**, page 298
MDR-P 65 c), d), e), f) from ESRS E1.	regarding ALRO/ALUM Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety	**ESRS E5**, page 187
	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
MDR-P 65 c), d), e), f) from ESRS E2	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
	regarding ALRO/ALUM Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety	**ESRS E5**, page 187
MDR-P 65 c), d), e), f) from ESRS E3	regarding ALRO/ALUM Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety	**ESRS E5**, page 187
	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308

LIST OF DISCLOSURE REQUIREMENTS REPORTED BY REFERENCE		REPORTING SECTION
MDR-P 65 c), d), e), f) from ESRS E5	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
MDR-P 65 c), d), e), f) from ESRS S1	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
	regarding the Statement on Combating Modern Slavery	**ESRS G1**, page 308
MDR-P 65 c), d), e), f) from ESRS S2	regarding the Human Rights Policy	**ESRS S1**, page 220
	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
MDR-P 65 c), d), e), f) from ESRS S3	regarding the Supplier Code of Conduct	**ESRS S2**, page 263
	regarding the Corporate Social Responsibility Policy	**ESRS G1**, page 308
	regarding the Human Rights Policy	**ESRS S1**, page 220
MDR-P 65 c), d), e), f) from ESRS G1	regarding the Supplier Code of Conduct	**ESRS S2**, page 263
	regarding the Supplier Assessment and Monitoring Procedure	**ESRS S2**, page 265
	regarding the Human Rights Policy	**ESRS S1**, page 220

The Sustainability Report for the period 1 January – 31 December 2025, included in the Integrated Annual Management Report, has been subject to a limited assurance engagement performed by the Group's statutory auditor, Ernst & Young Assurance Services S.R.L., in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

A description of the assurance activities performed by the external auditor is available in the limited assurance report, presented on *page 322* of this Sustainability Report.

I.1.2. Governance

I.1.2.1 [GOV-1] The role of the administrative, management and supervisory bodies

I.1.2.1.1. The composition and diversity of the administrative, management and supervisory bodies

As a listed company on the Bucharest Stock Exchange (BVB), ALRO has adopted the corporate governance rules, in accordance with the BVB Corporate Governance Code. The status of compliance with the Bucharest Stock Exchange's Corporate Governance Code can be found in the Statement on compliance or non-compliance with the provisions of the BVB Corporate Governance Code (the "apply or explain" Statement), included in the annual report. For other Group companies, their size and internal organization, as well as the nature, scale and complexity of their activities were considered in the design and implementation of governance arrangements.

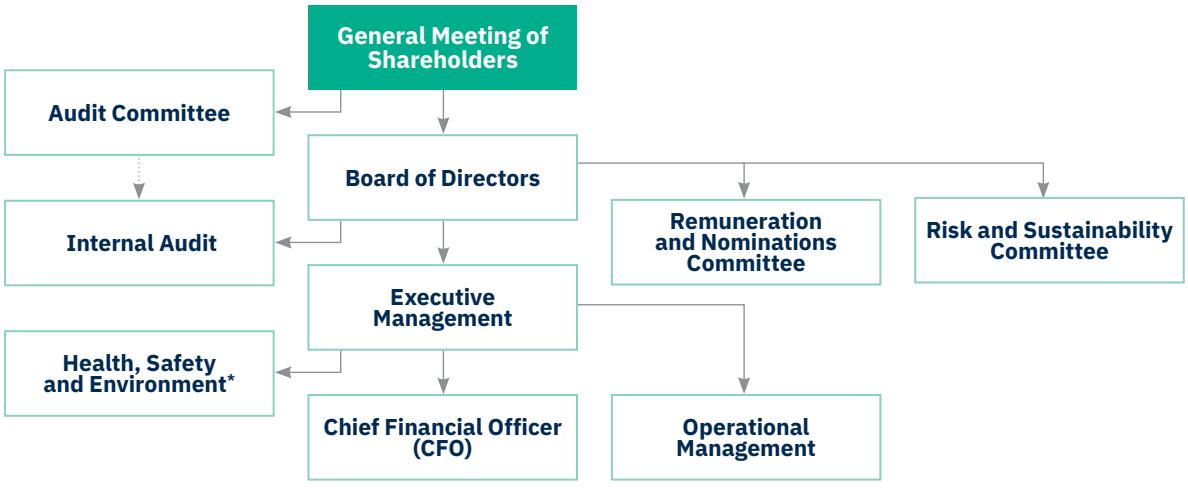
The effective implementation of an internal governance structure that promotes fairness, transparency and accountability at the level of each company is the foundation for ALRO Group's business development. In order to achieve its objectives, business ethics is a key factor that substantially contributes to the Group's evolution and progress on all three sustainability pillars: environmental, social and governance.

ALRO's internal governance represents the internal framework applicable for the entire Group. The Group is governed in a unitary system and has four levels of management:

- General Meeting of Shareholders ("GSM");
- The Board of Directors (hereinafter referred to as the "Board" or "BoD");
- Executive management;
- Operational management

Each Group company adopts similar organisational structures, but the overall coordination is ensured by the governance arrangements set out at Group level. The system is designed to provide efficient and effective supervision of all activities carried out by each company. The organizational structure of ALRO as at December 31, 2025 can be found below, as well as in the 2024 Annual Report, page 50.

The system is designed to provide effective and in-depth oversight of the company's activities.



* From an operational point of view, this function is subordinated to the General Director

The Audit Committee supervises the activity of the Internal Audit function

The General Meeting of Shareholders ("GSM"), which can be both ordinary and extraordinary, is the expression of the company's commitment to the involvement of shareholders in strategic decision-making. With a frequency of meetings that depends on the emerging needs of the company, the General Meeting of Shareholders serves as the first line of control and direction. In addition to the debate on other matters on the agenda, the main responsibilities of the GSM are: a) to discuss, approve or amend the annual financial statements, based on the reports presented by the Board of Directors, b) to appoint and dismiss the members of the Board of Directors, c) to establish the remuneration granted by the Board of Directors to the appointed directors for the current year, unless established by the Articles of incorporation; d) to rule over the liability of the directors and of the executive management; e) to establish the income and expenses budget and, if applicable, the activity program for the next financial year.

Additional details on the responsibilities of the General Shareholders' Meeting can be found in the 2025 Annual Report, page 51.

The Board of Directors ("BoD") carries out its activity in accordance with the Articles of Association and the Regulations of the Board of Directors which present the specific roles and responsibilities according to the applicable legal provisions. The Board shall meet at least once a month or whenever necessary. The activity is managed in a unitary system by the Board of Directors composed of 11 individual members (9 non-executive members and 2 executive members), including a president and a vice-president, who are elected by the General Meeting of Shareholders. The composition of the Board of Directors is presented in the table below.

The specific roles and duties of the Board of Directors are mainly included in the Articles of Association and are also published on the Group's website, in the Articles of Association section, in accordance with the provisions of Law 1990/31. At BoD level there are no employee representative members, given that in Romania there is no applicable binding obligation in this regard. In addition to the Board of Directors, ALRO also has three advisory committees in its organizational structure that support the Board of Directors in over-

seeing sustainability issues and facilitate the development and implementation of a robust framework for monitoring, managing and overseeing specific impacts, risks and opportunities. Delegation to committees does not in any way relieve the Board of Directors of its collective duty to perform its tasks and responsibilities. These committees are:

- Audit Committee (AC);
- Remuneration and Nominations Committee (RNC);
- Risk and Sustainability Committee (RSC).

Further details on the responsibilities of the Board of Directors as well as the Advisory Committees can be found in the 2025 Annual Report, pages 53, 60 and 61. In addition, the specific duties of the Advisory Committees are presented in the internal rules and regulations published on the ALRO website, in the Corporate Governance section. For the next sustainability report, the Group considers updating the Board's and BoD Committees' internal rules and regulations, as well as relevant policies to reflect sustainability related roles and responsibilities which were defined and assigned to the supervisory management bodies.

Composition and diversity of the Board of Directors and the Board Committees is presented in the table below

COMPOSITION AND DIVERSITY OF THE BOARD OF DIRECTORS AND ADVISORY COMMITTEES:	BoD	AC	RNC	RSC
Number of Board members/Committees:				
Number of non-executive members, out of which	9/11	3/3	3/3	5/5
• Number of independent members*	2/11	2/3	2/3	2/5
• Percentage of independent members	18%	67%	67%	40%
Executive members	2/11	n/a	n/a	n/a
Percentage of non-executive members	82%			
Percentage of executive members	18%			
Age distribution:				
< 40 years	1/11	0/3	0/3	1/3
40-49 years	3/11	0/3	0/3	1/5
50-59 years	3/11	1/3	1/3	0/5
60-69 years	2/11	1/3	0/3	1/5
70-79 years	2/11	1/3	2/3	2/5
Gender Diversity Board of Directors/Committees				
Women	2/11	0/3	0/3	1/5
Men	9/11	3/3	3/3	4/5
Metric on gender diversity in the Board of Directors**	18%	n/a	n/a	n/a

** The level of independence for BoD members was established according to the criteria stipulated in the BVB Corporate Governance Code, section A*
*** Not applicable to the advisory committees of the Board of Directors*

The Group supports diversity within ALRO and its subsidiaries, at the level of its organisational, management and supervisory structures, by considering criteria such as age, gender or education and professional experience.

Performance assessment of the Board of Directors

The Board of Directors (BoD) is subject to an annual self-assessment process focused on Board members' qualifications, additional appointments, and participation in Board and Committee meetings. At the time of expanding the number of Board members from seven to eleven in 2019, collective professional expertise was strengthened by appointing recognized professionals in critical areas such as audit, banking, financial analysis and legal area. Also, the current Board structure shows a good representation of skills and expertise in the field of sustainability and corporate governance.

In order to improve individual and collective capabilities, Board members have access to various development resources, including external consultants, training courses and specialized events. Also, the independence of Board members is assessed according to the criteria established in the BVB Corporate Governance Code.

The selection of Board members is carried out as part of a formal, rigorous and transparent procedure, based on the recommendations made by the Remuneration and Nomination Committee regarding the application proposals made in line with applicable legal provisions. According to the legislation, only shareholders or administrators have the right to propose candidates. The CVs of the candidates proposed for the director position, as well as their qualifications, are published on the Group's website to ensure transparency throughout the entire selection process.

The criteria regarding the expertise and skills considered in the selection process of the Board members are:

- technical qualification in the industry in which the Group operates;
- significant managerial experience, regardless of the industry in which the expertise was acquired;
- economic knowledge, specialisation areas or improvement internships;
- communication skills;
- the ability to establish development strategies for the company;
- the existence of conflicts of interest;
- ongoing criminal or administrative proceedings, as well as criminal convictions or administrative penalties applied to candidates;
- good moral conduct;
- sustainability-related matters, including those related to the identification, assessment and the management of impacts, risks and opportunities.

Skills and expertise

The Group shall regularly seek to ensure that the current composition of the Board and its committees has an appropriate balance in terms of skills, experience, gender diversity, expertise and independence of its members, enabling them to effectively carry out their duties and responsibilities. Also, the majority of the non-executive Board members are independent and all members of the Board allocate sufficient time to adequately perform their duties.

The Board of Directors, with the support of the Remuneration and Nomination Committee, has an important role to play in ensuring compliance with the nomination and selection processes of Board members. Secondly, the Board significantly contributes to the definition of its members' profile in terms of the collective and individual expertise and skills as required by the Group at any time, given the existing tasks. Thirdly, the Board with the support of the Remuneration and Nomination Committee is responsible either for identifying potential candidates to meet the targeted profiles and recommend them to shareholders and/or to consider the candidates proposed by the shareholders. The selection process extends to a wide range of expertise areas in order to meet the strategic and diversity objectives, as well as evolving risks to which the Group companies are exposed given the nature of their activities. The

composition, skills and expertise of the Board members are disclosed in the 2025 Annual Report, page 53-59.

The Board of Directors has a key role in establishing the Code of Ethics at Group level, not only by exercising its own duties, but also by appointing and supervising the executive management. High ethical standards are integrated both into the operational activity of Group companies in order to respond with integrity to the needs and expectations of shareholders, customers, employees, collaborators and local communities, as well as into the Group's long-term strategic objectives. Thus, the Group's contribution to economic development and to the protection of employees and local communities is achieved by promoting business ethical principles, by designing robust governance arrangements and by taking measures to prevent corruption.

ALRO Executive Management ("EM"), consisting of the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), is appointed by the Board of Directors for a four-year term. The EM is responsible for managing the activity carried out by the Group, in line with its main business interest and with specific legislation and by laws, as well as for managing current operations, including the involvement in transactions, thus ensuring alignment with the strategic objectives set out by the Board. The EM regularly reports to the AC to ensure continuous and transparent communication on progress and any encountered bottlenecks. The Executive Management shall periodically provide an activity report to the Board for its performance assessment. Also, the Executive Management addresses the deficiencies or weaknesses identified following the execution of internal controls and ensures the relevant reports are submitted to the Board of Directors.

The General Director is also responsible for managing and disclosure of economic, social and environmental issues. He approves policies and procedures related to CSR, human rights, ethics, and business conduct and other. The Group's day-to-day activity is ensured by the operational management, which oversees each division within the Group companies.

The executive management is also responsible for the application of the Code of Ethics and Conduct Policy on business conduct, in their area of responsibility and implements specific policies, hence ensuring continuous disclosure of these matters to the Board and/or its advisory committees. Breaches of the Code of Ethics and Conduct and of the business conduct policies, are handled with severity, including taking disciplinary measures and, in serious cases, initiating legal proceedings. The implementation of the Code of Ethics and the policies on business conduct is ensured at the operational level by each department within the Group. Employees must act in accordance with applicable laws and regulations and promptly report any observed non-compliance.

Additional details on the composition of the Executive Management can be found in the 2025 Annual Report, page 60.

I.1.2.1.2. Oversight of targets related to material impacts, risks and opportunities

The Board of Directors together with its Advisory Committees play a key role in establishing the business and sustainability strategies, including long-term objectives and resources, as well as in ensuring good corporate governance at Group level. Thus, the Board of Directors and the Advisory Committees actively contribute to the assessment of the impacts, risks and opportunities arising from Group's activities and ensure supervised activities are conducted in accordance with business conduct principles, applicable legal regulations and established performance objectives.

On the other hand, the executive management establishes more detailed targets at tactical and operational level. These targets include the implementation of the strategies approved at the Board level, the monitoring of current activities and the optimisation of internal processes in order to achieve Group's objectives. This management level has an

operational role ensuring that all teams and departments are aligned to meet the requirements set out by the Board.

In order to ensure an adequate level of efficiency and consistency between the two levels of management, each Group company has appropriate performance monitoring mechanisms in place. Such mechanisms include regular progress reports, key performance indicators (KPIs), internal control systems, including internal and external audit. Through these mechanisms, management bodies can constantly assess whether the objectives set are being achieved or whether there are any non-compliant practices that require remediation measures.

Moreover, through this governance structure, the Group facilitates effective communication between its management bodies, thus contributing to informed decision-making, based on evidence. This level of transparency and accountability is essential for increasing the confidence of investors, employees, and other stakeholders.

I.1.2.1.3. Sustainability governance

THE ROLE OF MANAGEMENT IN MONITORING, MANAGING AND OVERSEEING IMPACTS, RISKS AND OPPORTUNITIES (IROS)

The Board of Directors has the following key attributions:

- Overseeing the risk management system and current processes to ensure compliance with applicable legislation and standards, including environmental matters, equal opportunities, labour, anti-corruption, health and safety legislation, etc.;
- Review of business strategy, annual budgets; setting performance targets; monitoring corporate performance; supervision of financial transactions where the Group is involved; approval of the sustainability strategy;
- Review and update of IRO management policies and procedures;
- Oversight of the risk management framework, including oversight of impacts, risks and opportunities, internal control mechanisms, as well as interdependencies with business and sustainability strategies. This involves overseeing the roles and responsibilities regarding the IRO management, specifying the type and level of risk the Group is willing to accept in pursuit of its objectives and how it manages risks arising from its own operations and its value chain;
- Monitoring the effectiveness of the governance model and updating it where appropriate. The oversight of governance arrangements by the Board of Directors involves a continuous review of Group's internal structure so as to ensure clear reporting lines are in place, as well as management accountability over the Group considering changes in business strategy, market dynamics and the legal and regulatory framework evolution.
- Ensuring the integrity of financial and non-financial reporting, as well as implementing an adequate internal control system, in accordance with the standards and regulations in force, including by establishing an internal audit function. At formal level, the Board approves the final version of the non-financial report, which is prepared in accordance with the provisions of EU Commission Delegated Regulation 2023/2772 (CSRD Reporting).

When performing these key functions, the Board of Directors ensures that sustainability matters are taken into account, including the impacts, risks and opportunities arising from its own activities and its value chain. Also, with a view to increasing resilience, the Board of Directors ensures that there are adequate processes in terms of material IRO management, to which the Group can be exposed.

The oversight of sustainability-related impacts, risks and opportunities is delegated to the Risk and Sustainability Committee, while the

Executive Management is in charge of meeting sustainability objectives and targets, under the close monitoring from the Board.

The Risk and Sustainability Committee has the following responsibilities regarding the IRO management at the level of Group companies:

- to inform and support the Board on the monitoring of the Group's current and future risk management framework, taking into account the impacts, risks and opportunities identified, in order to ensure their appropriate consideration in the Group's business strategy, objectives and corporate values;
- to assist the Board in monitoring the implementation of the internal framework regarding the IRO management, as well as the related targets;
- to provide recommendations to the Board on the necessary adjustments of the risk management framework as a result of changes in the business model, market developments or current/emerging regulations;
- to contribute, together with the Board, to the development of a short, medium and long-term sustainability strategy that takes into account the results of the double materiality assessment;
- to propose to the Board appropriate mitigation measures for the impacts and risks related to sustainability matters impacting the achievement of strategic objectives and/or business continuity;
- to ensure that executive management has designed and implemented an IRO management system, which is designed to: identify, assess, monitor and manage IROs that derive from the Group's activities and/or its value chain;
- to collaborate with the Audit Committee regarding the oversight of material risk management processes, which are part of the the Audit Committee's responsibilities;
- to review the results of the double materiality assessment (impact and risk register), as well as the double materiality assessment methodology;
- to review any periodic report on IRO management as prepared by the executive management and report at least twice a year to the Board the overall assessment results;
- in relation to the Board and the Audit Committee, to use all reasonable efforts to monitor the Group's compliance with all statutory and binding obligations, as well as to ensure its operation in accordance with its environmental licenses and permits.

As regards the reporting lines, the Risk and Sustainability Committee prepares activity reports on a regular basis (at least twice a year) and submits them to the Board on matters related to risk management, sustainability, health and safety, environment and social responsibility, in particular recommendations and necessary remediation measures.

The Remuneration and Nomination Committee has the following responsibilities:

- establishes and recommends to the Board the remuneration strategy and policy for Board members and the executive management;
- approves the design of, and determine targets for, any performance-related pay schemes operated by the Company, determine the relevance of achieving the performance of unforeseen events, or of factors not taken into account when setting the performance targets, and approves the payments made under such schemes;
- sets out the guiding criteria for Board membership;
- performs other tasks concerning the nomination or removal of members of the Board, as may be delegated by the latter.

The Committee shall prepare reports to the Board of Directors on the work carried out in all areas of activity within the mandate of its duties and responsibilities, in particular in situations where the Committee considers it is necessary to take action or improvement measures, including recommendations on steps to be taken. The advisory committees report regularly to the Board. Committees shall also interact with each other, and where appropriate, such interaction shall take the form of cross-participation, so that the Chair or a member of one committee may also be a member of another committee.

In order to be informed about all critical aspects of the company, the Board maintains constant connections with executive and operational management. Therefore, the Board regularly receives ad-hoc reports that focus on key financial and operational matters, including occupational health and safety, human resources, procurement, investment, research and development, community relations, and philanthropic issues.

For the next reporting period, the Group aims to carry out an update of the roles and responsibilities of the Board and the Advisory Committees, so as to explicitly reflect the integration of sustainability matters, including the IRO, into the Group's internal governance.

I.1.2.2. [GOV-2] Information provided to and sustainability matters addressed by the management bodies

As part of the risk management process, ALRO Group monitors risks and opportunities that may generate a potential material financial impact, and integrates these elements into strategic decision-making processes to ensure their effective management.

Currently, the Group has explicit provisions within internal procedures regarding the process of IRO identification, assessment and management solely for ALRO. For the 2026 reporting year, the Group aims to align the internal control tools with the ESRS requirements and to extend the system to all Group companies based on the results obtained in the double materiality assessment process, thus strengthening the integration of these processes into the overall Group risk management framework.

The risks and opportunities were validated by submission of relevant information to ALRO's Risk and Sustainability Committee, which is composed of both shareholders' representatives and non-executive and independent Board members.

In addition, the Risk and Sustainability Committee is involved annually in the validation of the Sustainability Report, and in 2025, the Committee was also involved in the validation of the double materiality assessment methodology, as well as in the validation of the DMA Report, which includes the assessment results and the prioritization of impacts, risks and opportunities, thus ensuring greater transparency on the sustainability reporting process. The result of the double materiality assessment process is the list of significant impacts, risks and opportunities approved by the Risk and Sustainability Committee, which can be consulted in *Section I.4.3. [SBM-3]* Material impacts, risks and opportunities and their interaction with strategy and business model.

The Group's administrative, management and supervisory bodies have adopted an integrated approach to assessing and managing impacts, risks and opportunities, ensuring continuous alignment with the strategic objectives of the Group companies.

The Risk and Sustainability Committee, together with the Board of Directors and the executive management members, also collaborates to systematically analyse the economic, social and environmental impacts that are or may be generated from its own activities and its value chain.

Governing bodies	Date	Sustainability matters provided to management bodies
Risk and Sustainability Committee	24.03.2025	Endorsement of the 2024 Sustainability Report
Board of Directors	26.03.2025	Endorsement of the 2024 Sustainability Report
Ordinary General Meeting of Shareholders	29.04.2025	Approval of the Consolidated Sustainability Report – as part of the Annual Report
Risk and Sustainability Committee	28.10.2025	Endorsement of ALRO's Net Zero Strategy
Board of Directors	30.10.2025	Endorsement of ALRO's Net Zero Strategy
Risk and Sustainability Committee	18.11.2025	Taking note of the Double Materiality Report for 2025
Risk and Sustainability Committee	18.11.2025	Endorsement of the 2025-2030 Sustainability Strategy
Risk and Sustainability Committee	18.11.2025	Endorsement of Environmental, Social and Governance Policies
Board of Directors	27.11.2025	Approval of the 2025-2030 Sustainability Strategy
Risk and Sustainability Committee	26.11.2025	Information on the ALRO Risk Register 2025
Risk and Sustainability Committee	10.12.2025	Review of ESRS reporting indicators – Governance (G1)

The Group's strategy is reviewed annually to incorporate actual or potential, direct or indirect impacts of business decisions on the environment and on people. In parallel, a robust risk management framework is established, enabling the early identification of emerging risks, as well as the assessment of opportunities for innovation and development.

To this end, the governing bodies collaborate with relevant stakeholders and take their perspectives into account by initiating regular dialogues to assess how the Group's decisions affect, or may affect, communities, employees and the environment.

Consequently, the management of sustainability-related impacts, risks and opportunities is an integral part of the decision-making process, both in relation to the delivery of major projects and the implementation of a new sustainability strategy.

I.1.2.3. [GOV-3] Remuneration Policy

In 2025, the remuneration of members of the Board of Directors and of the executive management is aligned with the Group's strategy and long-term interests, being directly linked to the members' responsibilities and the time devoted to the performance of their duties (in the case of the Board of Directors), and to the achievement of established business objectives (in the case of executive management). At present, the policy does not provide for the granting of incentives linked to sustainability matters.

The preparation of the Remuneration Policy was coordinated by the executive management, which submitted it for endorsement to the Remuneration Committee. Following the endorsement of the Remuneration Committee, the Board of Directors approved the final version of the Remuneration Policy, which is to be submitted to the Ordinary General Meeting of Shareholders.

In accordance with the requirements of the applicable legislation, starting from 2021, the

Company prepares a Remuneration Report which includes all benefits and compensation granted to the members of the Board of Directors and to the executive management. The Remuneration Report is subject to approval by the Annual General Meeting of Shareholders (advisory vote).

Further details regarding the Remuneration Policy and the Remuneration Report are presented in the 2025 Annual Report on page 66.

ESRS E1 – ESRS 2 GOV-3: With regard to the remuneration of members of the Board of Directors and of the executive management, the Group has not defined specific performance indicators that integrate climate change-related aspects.

I.1.2.4. [GOV-4] Statement on due diligence

Main elements of the due diligence process	Reporting requirements	Section of the Sustainability Report	Page	Reporting on: People	Reporting on: Environment
1.Including due diligence in governance, strategy and business model	ESRS 2 SBM-3-E1	E1 – Climate changes	84		●
	ESRS 2 SBM-3-S1	S1 – Own workforce	212	●	
	ESRS 2 SBM-3-S2	S2 – Workers in the value chain	257	●	
2. Working with affected stakeholders in all key due diligence phases	ESRS 2 MDR-P, E1-2	E1-2 – Policies related to climate change mitigation and adaptation	86		●
	E3-1	E3-1 – Policies related to water and marine resources	169		●
	E5-1	E5-1 – Policies related to resource use and circular economy	187	●	●
	ESRS 2 MDR-P, S1-1	S1-1 – Policies related to own workforce	218		●
	S1-2	S1-2 – Processes for engaging with own workers and workers' representatives about impacts	224	●	
	S2-1	S2-1 Policies related to value chain workers	262	●	
	S2-2	S2-2 – Processes for engaging with value chain workers about impacts	267	●	
	S3-1	S3-1 – Policies related to affected communities	279	●	
	S3-2	S3-2 – Processes for engaging with affected communities about impacts	283	●	
	ESRS 2 MDR-P, G1-1	G1-1 – Corporate culture and business conduct policies and corporate culture	298	●	●

Main elements of the due diligence process	Reporting requirements	Section of the Sustainability Report	Page	Reporting on: People	Environment
3. Identification and assessment of negative impacts	**ESRS 2 IRO-1**	[IRO-1] – Methodology regarding the double materiality assessment		●	●
	ESRS 2 SBM-3, E1	SBM-3, E1			●
	ESRS 2 IRO 1, E3	IRO 1, E3			●
	ESRS 2 IRO 1, E5	IRO 1, E5			●
	ESRS 2 SBM-3, S1	SBM-3, S1		●	
	ESRS 2 SBM-3, S2	SBM-3, S2		●	
	ESRS 2 SBM-3, S3	SBM–3, S3		●	
	ESRS 2 IRO 1, G1	IRO 1, G1		●	●
4. Taking action to address negative impacts	**E1-1**	E1-1 – Transition plan for climate change mitigation			●
	ESRS MDR-A, E1-3	E1-3 – Actions and resources in relation to climate change policies			●
	ESRS MDR-A, E3-2	E3-2 – Actions and resources related to water and marine resources			●
	ESRS MDR-A, E5-2	E5-2 – Actions and resources related to resource use and circular economy			●
	ESRS MDR-A, S1-4	S1-4 – Acting on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		●	
	ESRS MDR-A, S2-4	S2-4 – Acting on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions and approaches		●	
	ESRS MDR-A, S3-4	S3-4 – Acting on material impacts, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions and approaches		●	
	ESRS MDR-A, G1-1	G1-1 – Corporate culture and business conduct policies and corporate culture		●	●
	ESRS MDR-A, G1-2	G1-2 – Management of relationships with suppliers		●	●
	ESRS MDR-A, G1-3	G1-3 – Prevention and detection of corruption and bribery		●	●
5. Monitoring the effectiveness of these efforts and communicating	**ESRS MDR-M, E1-5**	E1-5 – Energy consumption and mix			●
	G1-4	G1-4 – Confirmed incidents of corruption or bribery		●	●
	G1-5	G1-5 – Political influence and lobbying activities		●	●
	ESRS MDR-T, E1-4	E1-4 – Targets related to climate change mitigation and adaptation			●
	ESRS MDR-T, S1-5	S1-5 – Targets related to managing material impacts, advancing positive impacts, as well as to risks and opportunities		●	

I.1.2.5. [GOV 5] Risk management and internal controls over sustainability reporting

The process for preparing the sustainability statement within ALRO Group is supported by an internal control and risk management system aimed at ensuring the accuracy, completeness and compliance of the reported information in accordance with the ESRS standards and the requirements of the CSRD Directive. Data collection activities are carried out by the operational departments and support functions within each Group entity, such as Health, Safety and Environment, Finance and Accounting, Human Resources, Legal, Technical, Quality, Mechanical and Energy, Marketing, Procurement and Logistics, based on internal procedures. These functions are responsible for validating data at source and for maintaining traceability to official documentation. The Sustainability Department coordinates the centralisation process and ensures the verification of the compliance of the reported information with the technical and disclosure requirements of the ESRS standards, as well as the consistency of consolidation at Group level, without substituting the responsibility of the operational functions for the accuracy of the reported data. Following the consolidation of information, the internal audit function, which is outsourced at ALRO company level, performs independent assessments of the effectiveness of internal controls and of the processes for collecting and reporting sustainability information, and communicates its findings to the Audit Committee and the Board of Directors.

The non-financial reporting process is included in the Sustainability Team's annual internal plan, and progress on the preparation of the Sustainability Report is periodically presented to executive management. In addition, the heads of the departments involved in non-financial reporting aim to implement controls over the accuracy and integrity of the data incorporated into the annual sustainability reporting. The Sustainability Statement is submitted to the Risk and Sustainability Committee and brought to the attention of the Board of Directors.

The Group defines specific control activities at the level of the departments involved in the reporting process, with the allocation of roles and responsibilities for the preparation, review and validation of the information included in the sustainability statement. These controls may be preventive or detective in nature and may include a range of manual and automated activities, such as authorisations and approvals, checks, reconciliations and reviews of the data included in the reporting. In addition, the segregation of duties within certain sub-processes contributes to the effectiveness of control activities.

The effective operation of risk management and internal control systems relies on a strong internal governance framework for sustainability matters, including those related to the preparation of sustainability reporting.

The Board of Directors reviews and approves the Sustainability Report prepared in accordance with the ESRS reporting standards, while the Risk and Sustainability Committee endorses the documents underlying the sustainability reporting process and continuously monitors the effectiveness of the internal control and risk management system.

Executive management is responsible for establishing clear operational roles and responsibilities and for implementing the policies, processes and risk management systems, including those arising from the sustainability reporting process.

The management of risks related to sustainability reporting is integrated into the Group's overall risk management framework. Risks are identified and assessed in line with the applicable internal methodology, which evaluates the likelihood of occurrence and the potential impact on compliance with ESRS requirements, the quality of the reported data, and reputational and regulatory exposure. Risk prioritisation is based on the Group-wide risk matrix and is performed by the Risk Department in cooperation with the Sustainability Department and the data-collecting departments. The assessment is reviewed and updated periodically to reflect changes in internal policies and reporting requirements.

The outcomes of risk assessments and internal control activities are incorporated into the continuous enhancement of the procedural framework governing sustainability reporting, contributing to the increasing maturity of the process. The system is designed to enable timely adjustments in response to legislative changes or the identification of non-compliances or procedural weaknesses.

Executive management reports periodically on sustainability reporting-related risks and internal controls to the Risk and Sustainability Committee, at least twice a year. The Board of Directors exercises ongoing oversight of the effectiveness of the internal control system and approves the final sustainability statement. In addition, the internal audit function, outsourced at Group level, carries out independent assessments of the effectiveness of internal controls, including those relating to the collection and reporting of sustainability information, and reports its findings to the Audit Committee and the Board of Directors. This integrated governance structure enables the Group to maintain a high level of rigour and reliability in its sustainability reporting.

Key risks related to the preparation of sustainability reporting	Mitigation measures implemented / ongoing
1. Completeness and integrity of the data used	Accountability of operational departments for data validation at source; internal ESG data collection procedures, including data review; internal controls for verification and reconciliation, including through reviews performed by the internal audit function; involvement of the Sustainability Working Group in confirming data completeness.
2. Accuracy of estimation results, including estimates used in scenario-based analyses underlying the assessment of climate-related risks	Use of enhanced methodologies aligned with recognised industry standards; involvement of internal experts in modelling estimates; additional checks of assumptions and sensitivities applied.
3. Availability of upstream and/or downstream value chain data and the timing of data availability	Strengthening value chain data collection processes (e.g., supplier sustainability manuals, audit missions, etc.); training of suppliers on sustainability topics to increase the availability and accuracy of value chain data; cooperation with a sustainability consultant to support the Sustainability Department's activities at supplier level; use of internationally recognised assumptions and emission factors where direct data are not yet available.
4. Errors in the preparation of sustainability reporting, given the complexity and novelty of the ESRS reporting standards	Continuous training for staff involved in reporting; clarification of responsibilities; internal reviews based on ESRS requirements; final reviews coordinated by the Sustainability Department; cooperation with a sustainability consultant to support the Sustainability Department and to provide training to the personnel involved.
5. Transition risk – increased sustainability reporting obligations (i) increased, complex and burdensome non-financial reporting requirements; (ii) lack of availability and accuracy of value chain data	Alignment of the internal framework with ESRS requirements through dedicated procedures; maintenance of a consolidated ESG data governance system; cooperation with a specialised sustainability consultant for methodological support, compliance assurance and identification of areas for improvement; involvement of the internal audit function and external assurance processes.

There may be circumstances in which the Group is unable to collect information relating to its upstream and downstream value chain, despite having made reasonable efforts to do so. In such circumstances, the Group estimates the information to be reported in relation to its upstream and downstream value chain by using all reasonable and supportable information, such as sector averages and other appropriate proxies.

With regard to sustainability reporting prepared at consolidated level, the Group aims to define and implement internal controls in order to mitigate risks related to the preparation of non-financial reporting. Internal control activities comprise the actions established by the Group through internal policies and procedures that contribute to ensuring compliance with non-financial reporting requirements and to reducing inherent risks related to data availability and accuracy, in particular with respect to value chain information.

The Group's internal reporting framework, including financial reporting, shares a common objective of providing relevant information to investors and other stakeholders. As a result, information considered material from a sustainability reporting perspective is also analysed and assessed in the process of preparing the financial statements. The Group applies the same level of rigour to the assessment and reporting of financial information as to the assessment and reporting of sustainability-related matters. Both the annual financial statements and the annual sustainability reporting are subject to external verification performed by an independent audit firm, and both reports are presented to the Board of Directors.

I.1.3. Information on Shareholders

The rights of the Company's minority shareholders are adequately protected in accordance with the legislation in force. Shareholders have the right to obtain relevant information about the company in a timely and regular manner. They have the right to be informed about decisions regarding changes of any nature that take place within ALRO in order to understand how they may affect their rights. Each share subscribed and paid up by the shareholders gives them the right to one vote in the General Shareholders' Meeting, the right to elect and be elected in management bodies, the right to participate in the profit distribution according to the Articles of Association and any applicable legal provisions. ALRO's shareholding structure as at December 31, 2025, together with other general information are reported in the Annual Report, page 12.

I.1.4. Strategy

I.1.4.1. [SBM-1] Strategy, business model and value chain

I.1.4.1.1. ALRO Group's Sustainability Strategy

In 2025, ALRO Group carried out a review of its Sustainability Strategy, identifying this need both in light of new European legislative and regulatory requirements, and with reference to the dynamics of the metallurgical industry, the Group's strategic development opportunities, as well as the outcomes of the double materiality process used to identify significant sustainability aspects. Accordingly, Group seeks to align with global best practices by prioritising decarbonisation actions and pursuing the responsible and sustainable development of its business.

In this regard, all companies within ALRO Group place increased emphasis on the economic, social and environmental impacts arising from their own activities as well as throughout the value chain, focusing joint efforts on mitigating negative impacts and maintaining and maximising positive ones. Based on the most important strategic pillars, which represent the Group's sustainable development priorities, ALRO has defined relevant objectives, actions and targets, which are monitored and reported on an annual basis or whenever new strategic directions emerge.

In this way, Group aims to actively contribute to the transition towards a low-emission industry. ALRO Group Sustainability Strategy for the 2025-2030 horizon represents the Group's renewed commitment, while also seeking alignment, where economically feasible, with the sector's decarbonisation objectives. This approach takes into account both the Group's limited influence on the national energy mix and the technological and financial challenges associated with the adoption of innovative solutions, such as inert anode technology, which is still under development. Accordingly, the strategy focuses on:

- Increasing the share of green energy in production and improving energy efficiency;
- Investments in advanced decarbonisation and energy efficiency technologies;
- Supporting recycling within own operations and throughout the value chain;
- Reducing the carbon footprint per tonne of aluminium produced;
- Promoting sustainability concepts and best practices across the supply chain.

In addition, the European political and regulatory context supports and accelerates these transformations. Legislative initiatives such as the Industrial Decarbonisation Accelerator Act (IDAA), expected in 2025, will support investments in decarbonisation infrastructure, streamline authorisation procedures, and encourage the adoption of low-carbon content standards for aluminium products. These are complemented by the implementation of the Carbon Border Adjustment Mechanism (CBAM) and the revision of the EU Emissions Trading System (EU ETS), which are expected to have a significant impact on the competitiveness of energy-intensive industries, such as the aluminium sector.

ENVIRONMENTAL PROTECTION

ALRO Group is committed to identifying and minimising the negative impacts of its activities, taking into account the concerns and needs of future generations. The primary raw material used in our production activities is bauxite, a non-renewable resource, and alumina produced from bauxite. In the aluminium industry, the processing of bauxite and alumina has a significant environmental impact. These activities release emissions (CO_2, SO_2, NOx, etc.) and particulates into the environment, as well as wastewater and solid waste, which can also have adverse effects on human health. Moreover, primary aluminium production requires substantial energy consumption, indirectly contributing to increased greenhouse gas (GHG) emissions. Thus, in addition to the direct GHG emissions generated by the production process, indirect emissions from electricity consumption and from the upstream and downstream value chain – including the use of our products – represent the sector's most significant challenge. For this reason, ALRO Group is continuously seeking to identify new technologies and innovate to reduce these negative impacts, while placing particular emphasis on the principles of the circular economy and setting ambitious targets to increase the share of recycled aluminium in products, improve energy efficiency, maximise the use of green and nuclear energy where possible, and minimise waste generated and released into external circulation.

Consequently, taking an active role in the green transition is not only an ethical and compliance obligation but also a strategic opportunity for ALRO Group to strengthen its position as a regional leader in sustainable aluminium production. Adapting to emerging technological and regulatory standards will be essential to maintain competitiveness in both European and international markets.

PEOPLE, INTEGRITY AND SOCIAL RESPONSIBILITY IN THE VALUE CHAIN

ALRO Group aims to promote sustainable business development by fostering a safe, fair and inclusive working environment, where employee health and safety are a strategic priority. Through its actions, the Group is committed to respecting fundamental human rights, supporting equal opportunities, and applying a zero-tolerance policy towards any form of discrimination or abuse. The companies within the Group recognise that employee well-being is a key factor in the Group's performance and sustainability. Accordingly, integrated programmes are developed to address the physical, psychological, financial and social well-being of teams, with a focus on prevention, active support, and the creation of a safe, motivating and stable professional environment. The Group continuously invests in modernising work infrastructure, improving working conditions, and digitalising processes to reduce occupational risks, particularly in industrial areas with high exposure.

The values defining ALRO Group – professionalism, care for people, innovation, integrity and responsibility – are reflected in every action taken with our employees, thereby fostering an organisational culture based on collaboration, merit and continuous learning.

Sustainability governance, business integrity and anti-corruption measures are fundamental elements of ALRO Group's operations. The Group is committed to maintaining high ethical standards in all its activities, through the rigorous application of integrity policies, protection of whistleblowers, respect for human rights, and transparency in decision-making. These principles are also extended to relationships with supply chain partners, through the Supplier Code of Conduct and Sustainability Guide, which promote best practices and set clear social and environmental responsibility requirements.

Through all these actions, ALRO Group reaffirms its commitment to being not only a responsible employer but also an ethical partner and an active contributor to sustainability across its sphere of influence.

SUSTAINABILITY PILLARS

ALRO Group focuses its actions that underpin the sustainability strategy on 4 sustainability pillars:

I. PROTECT THE FUTURE

1. CLIMATE CHANGE MITIGATION
2. CLIMATE CHANGE ADAPTATION
3. ENERGY MANAGEMENT
4. POLLUTION & EMERGENCY SITUATIONS
5. WATER MANAGEMENT
6. RESOURCE INPUTS & OUTPUTS

The “Protecting the Future” pillar encompasses all commitments made in the areas of climate change, energy efficiency, water use, pollution reduction and resource circularity. Its objective is to minimise impacts on ecosystems and support the transition to a low-carbon economy through:

- Progressive reduction of greenhouse gas emissions (Scope 1, 2 and 3) to achieve climate neutrality by 2050;
- Improving energy efficiency and developing in-house renewable energy capacities;
- Preventing air, water and soil pollution and ensuring ongoing compliance with environmental regulations;
- Responsible water management and increasing water recirculation in industrial processes;
- Increasing the reuse and recycling of materials, reducing waste, and developing a circular resource utilisation system;
- Active engagement of suppliers and partners in adopting sustainable environmental practices.

Through this pillar, ALRO Group aims to make a tangible contribution to European and global climate and environmental objectives, while maintaining industrial competitiveness and long-term sustainability.

1. CLIMATE CHANGE MITIGATION

Targets	IRO's	
Progressive reduction of greenhouse gas (GHG) emissions (Scope 1, 2 and 3), aiming to achieve net-zero GHG emissions by 2050, in accordance with the Paris Agreement.	M3 (-)	Generation of GHG emissions (Scope 1 and 2) within own operations *(current impact)*
	M4 (-)	Generation of GHG emissions (Scope 3) in the value chain *(current impact)*
	RO3 (-)	Regulatory risks and compliance costs related to GHG emissions *(risk)*
	RO4 (-)	Risk of exposure to indirect emissions (Scope 3) from the value chain *(risk)*

2. CLIMATE CHANGE ADAPTATION

Targets	IRO's	
Enhancing ALRO Group's resilience to climate-related risks through the anticipation, assessment, and integration of these risks into decision-making and investment processes.	M1 (-)	Contribution to the occurrence of climate risks *(potential impact)*
	M2 (-)	Exposure of suppliers in ALRO Group value chain to physical climate risks *(potential impact)*
	RO1 (-)	Exposure to operational and financial risks caused by climate change *(risk)*
	RO2 (-)	Risks related to ALRO Group's exposure to transition climate risks *(risk)*

3. ENERGY MANAGEMENT

Targets	IRO's	
Improving the energy efficiency of industrial and auxiliary processes across ALRO Group, with the aim of reducing energy consumption, costs, and indirect GHG emissions (Scope 2).	M5 (-)	Energy consumption *(current impact)*
	RO5 (+)	Increased energy security and operational efficiency through participation in the Isalnița CCGT project *(opportunity)*
	RO6 (-)	Dependence on non-renewable energy and delays in the energy transition *(risk)*

Note: This objective is aligned with climate neutrality and the impact on Scope 2 emissions.

4. POLLUTION & EMERGENCY SITUATIONS

Targets	IRO's	
Reducing and controlling pollutant emissions into air, water, and soil, as well as safely managing hazardous substances through ongoing operational measures and incident prevention.	M9 (-)	Accidental pollution in own operations *(potential impact)*

Targets	IRO's	
Increasing responsibility in ALRO Group's value chain regarding pollution prevention and management by integrating pollution-related performance criteria into supplier and partner selection, evaluation, monitoring, and collaboration processes.	M8 (-)	Contribution to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain *(potential impact)*
	G4 (+)	Promoting sustainable practices in the sector-level supply chain *(current impact)*
	RO30 (+)	Increasing supply chain sustainability and security through the integration of ESG criteria *(opportunity)*

5. WATER MANAGEMENT

Targets	IRO's	
Promoting responsible and efficient management of water resources across ALRO Group's value chain, by integrating water-related performance criteria into supplier and partner selection, evaluation, monitoring, and collaboration processes.	M12 (-)	Water consumption *(current impact)*
	G4 (+)	Promoting sustainable practices in the sector-level supply chain *(current impact)*
	RO30 (+)	Increasing supply chain sustainability and security through the integration of ESG criteria *(opportunity)*

6. RESOURCE INPUTS & OUTPUTS

Targets	IRO's	
Continuing research and innovation activities to develop new products and/or enter new markets and economic sectors by 2030, with a particular focus on integrating recycled materials and increasing resource circularity.	M19 (+)	Use of aluminium waste in the production process *(current impact)*
	M20 (-)	Contributes to the depletion of certain natural resources *(current impact)*
	M22 (+)	Supply of low-GHG-emission aluminium products compliant with International Standards *(current impact)*
	RO12 (+)	Increase in the capacity to use aluminium waste in the manufacture of finished products *(opportunity)*
	RO13 (-)	Risks related to the limitation of natural resource consumption in the context of climate change *(risk)*
	RO14 (+)	Decarbonisation of other sectors through the supply of low-emission aluminium products *(opportunity)*
Reducing the quantity of waste generated and disposed of by the Group through prevention, reuse, sorting, and internal or external recovery, with priority given to operational waste.	M23 (-)	Waste generation *(potential impact)*

II. HEALTHY, PROTECTED AND PREPARED PEOPLE

1. HEALTH AND SAFETY AT THE WORKPLACE
2. DECENT WORK
3. SOCIAL DIALOGUE
4. CONFIDENTIALITY
5. DIVERSITY AND INCLUSION

ALRO Group recognises that a safe, fair, and inclusive working environment is fundamental to the organisation's sustainable performance. The "Healthy, Protected and Prepared People" pillar encompasses all commitments made in the areas of occupational health, decent work, employee rights, inclusion, and data protection. Its aim is to safeguard the physical, mental, and social integrity of the workforce through:

- Preventing accidents and occupational hazards;
- Ensuring fair remuneration and working hours;
- Promoting a work environment based on respect, fairness, and equal opportunities;
- Supporting genuine social dialogue and freedom of association;
- Protecting personal data and digital security.

Through this pillar, the Group seeks to foster a responsible and predictable organisational culture, where employee well-being is a priority and governance practices and legal compliance underpin every operational decision.

1. HEALTH AND SAFETY AT THE WORKPLACE

Targets

Ensuring a safe, fair and sustainable working environment by reducing professional risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, as well as by promoting social dialogue and freedom of association.

IRO's

S7 (-)	**Occupational diseases *(current impact)***
S8 (-)	**Potential workplace accidents within the Group's own operations *(potential impact)***
S8 bis (-)	**Minor workplace accidents within the Group's own operations *(current impact)***
RO21 (-)	**Health and safety risks in the workplace *(risk)***

2. DECENT WORK
(includes: Adequate Wages; Working Time)

Targets	IRO's	
Ensuring a safe, fair and sustainable working environment by reducing professional risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, as well as by promoting social dialogue and freedom of association.	S3 (-)	Demanding work programs *(potential impact)*
	S4 (-)	Adequate wages *(current impact)*

3. SOCIAL DIALOGUE
(includes: Freedom of association; Collective bargaining; Social dialogue)

Targets	IRO's	
Ensuring a safe, fair and sustainable working environment by reducing professional risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, as well as by promoting social dialogue and freedom of association.	S5 (+)	Existence of trade union structures and collective bargaining framework within the Group *(current impact)*
	RO19 (+)	Strengthening social dialogue and labour relations *(opportunity)*

4. CONFIDENTIALITY

Targets	IRO's	
Ensuring a safe and responsible digital environment, by preventing cyber security incidents, protecting the personal data of employees and other stakeholders, and complying with applicable legal standards and requirements in the field of data protection and cybersecurity.	S14 (-)	Protection of employees and customers personal data *(potential impact)*
	RO23 (-)	Risks related to potential legal proceedings initiated by employees whose personal data have been disclosed or lost *(risk)*

5. DIVERSITY AND INCLUSION
(includes: Diversity; Measures against violence and harassment in the workplace; Employment and inclusion of people with disabilities; Vocational training)

Targets	IRO's	
Promoting an inclusive, safe and fair work environment that supports diversity, equal opportunities, prevention of harassment, respect for human rights and professional development of all employees.	S9 (+)	Ensuring a work environment that prohibits violence and harassment in the workplace *(current impact)*
	S10 (-)	Underrepresentation of women in the workforce *(current impact)*
	S12 (+)	Professional development *(current impact)*
	S13 (+)	Employment of persons with disabilities *(current impact)*

III. CREATE VALUE FOR THE COMMUNITY

1. COMMUNITIES

ALRO Group recognises the essential role of local communities in sustainable development and takes responsibility for actively contributing to their well-being. The "Creating Value for the Community" pillar reflects the commitment to generate economic, social, and environmental value in the areas where the Group operates, through sustainable partnerships, volunteering initiatives, and open dialogue with stakeholders.

Its aim is to strengthen relationships with local communities and increase the Group's positive impact by:

- Providing annual support for social and environmental initiatives relevant to community needs;
- Encouraging employees' direct involvement in corporate volunteering activities;
- Promoting technical education, environmental protection, and local social development;

- Maintaining and promoting mechanisms for reporting and responding to community concerns;
- Enhancing transparency and frequency of communication with local actors.

Through this pillar, ALRO Group seeks to become a trusted partner for its communities, contributing not only to economic development but also to social cohesion and the resilience of the territories in which it operates.

1. COMMUNITIES (includes: Water and Sanitation; Generated and Distributed Economic Value)

Targets	IRO's	
Strengthening the relationship with local communities through active support and projects tailored to their needs, including initiatives focused on technical education, environmental protection, and social development.	S19 (+)	Suppliers contribution to community safety and access to essential resources *(current impact)*
	S22 (+)	Group's contribution to economic growth and improvement of living standards *(current impact)*
	RO27 (+)	Strengthening relationships with local communities and the social license to operate *(opportunity)*
Maintaining and improving the community grievance management system by enhancing transparency, efficiency, and the level of awareness.	G5 (+)	Prevention and detection of corruption and bribery *(current impact)*
Implementation of an efficient and transparent system for receiving and managing community complaints.	G1 (+)	Promoting responsible and ethical business conduct *(current impact)*

IV. RESPONSIBLE AND SUSTAINABLE BUSINESS

1. PROFESSIONAL CONDUCT
2. SUPPLY CHAIN MANAGEMENT

ALRO Group promotes responsible corporate governance, based on ethics, transparency, and respect for human rights in all its business relationships. This pillar reflects the Group's commitment to integrity and sustainability in its own operations as well as in its dealings with business partners. Its objective is to strengthen the organisational culture and the value chain by:

- Preventing corruption, bribery, and any form of unethical conduct;
- Fully respecting human rights and international standards of decent work;
- Implementing and monitoring the Code of Conduct and the Sustainability Guide for suppliers;
- Conducting rigorous evaluations of strategic suppliers through on-site audits;
- Ensuring compliance with ESG regulations (environmental, social, and governance).

Through this pillar, ALRO Group aims to create a responsible and resilient business ecosystem, in which integrity, social responsibility, and legal compliance are essential criteria for sustainable long-term performance.

1. PROFESSIONAL CONDUCT

Targets

Consolidation of ethical and sustainable conduct, including the respect for human rights in business relationships and across the supply chain

IRO's

G1 (+)	**Promoting responsible and ethical business conduct *(current impact)***
G2 (+)	**Protecting the rights of whistleblowers *(current impact)***
G5 (+)	**Preventing and detecting corruption and bribery *(current impact)***
G7 (+)	**Absence of confirmed cases of corruption and bribery *(current impact)***

2. SUPPLY CHAIN MANAGEMENT

Targets

Consolidation of ethical and sustainable conduct, including the respect for human rights in business relationships and across the supply chain

IRO's

G4 (+)	**Promoting sustainable practices in the sector-level supply chain *(current impact)***
RO30 (+)	**Enhancing supply chain sustainability and security through ESG criteria integration *(opportunity)***
S15 (+)	**Decent jobs and adequate wages in the value chain *(current impact)***
S16 (-)	**Demanding work programs in the value chain *(potential impact)***
S18 (-)	**Workplace accidents in the value chain *(potential impact)***

I.1.4.1.2. Business model of ALRO Group

The Group's activities and products are based on aluminium. It has specific properties, which support the Group's mission to reduce the negative impact on the environment and which also influence other key sectors of the economy, such as the automotive, construction and aviation industries. Its high resistance to various forms of corrosion and, above all, its unlimited recycling capacity, make a significant contribution to reducing greenhouse gas emissions. Production capacity is the main argument for ALRO's positioning as one of the largest vertically integrated aluminium producers in Europe.

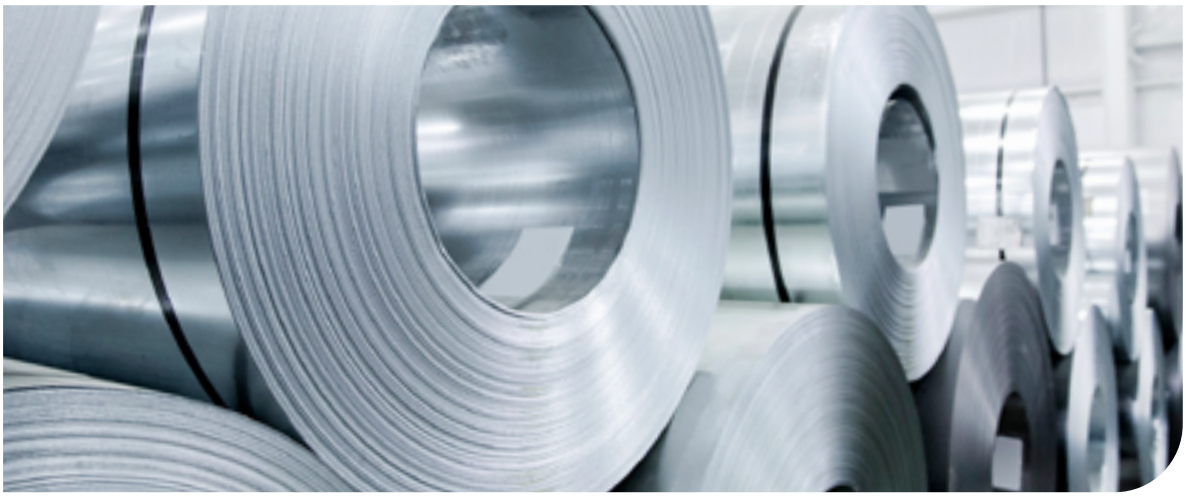
All aluminium production and processing capacities are located in Slatina, Romania, and include a primary aluminium production facility, with the anode section, electrolysis section, the Aluminium Scrap Smelting Plant ("Eco-Foundry"), hot and cold rolling equipment, and an extruded products plant. In addition, ALRO also owns Alum, the alumina refinery that is located in Tulcea: *www.alum.ro*.

Group company	Product type	Location	Customer locator	Number of employees*	
				2025	2024
ALRO	Primary & Processed Aluminium Products	Slatina, Olt District 4, Bucharest	Romania, European Aluminium, USA	2,366	2,269
ALUM	Products of calcined alumina and aluminium hydrate	Tulcea, Constanța	Romania, European Union	101	103
VIMETCO EXTRUSION (VE)	Extruded Products	Slatina, Olt	Romania, European Union	362	386
VIMETCO TRADING (VT)	Sale of products	Slatina, Olt District 4, Bucharest	Romania, European Union, USA	59	62
CONEF	Holding and management company	District 4, Bucharest	Romania	2	1
STOCARE ENERGIE SLATINA (SES)	Development of energy generation and battery energy storage units	Slatina, Olt	Romania	0	0
STOCARE ENERGIE TULCEA (SET)	Development of energy generation and battery energy storage units	Tulcea	Romania	0	0

In 2025, ALRO contributed the amount of RON 287 thousand to the establishment of a joint-stock company called Stocare Energie Slatina S.A. (SES), with a share capital of RON 290 thousand. The company is headquartered in Slatina and is owned 99% by ALRO and 1% by CONEF. The purpose of establishing this company is the development of energy production and battery energy storage units.

Also in 2025, ALUM contributed RON 18 thousand to the establishment of a joint-stock company called Stocare Energie Tulcea S.A. (SET), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management România S.R.L. and 20% by ALUM, and has its registered office in Tulcea.

* *The number of employees represents the number of people existing as of 31.12.2025 and 31.12.2024, respectively.*



ALRO

One of the largest vertically integrated aluminium producers in Europe in terms of production capacity and is structured in two divisions:

- **Primary aluminium Division** where we produce wire, slabs and billets. Wire is used for the production of electrical cables and conductors, including high voltage conductors, essential for the utilities sector. The slabs are used as raw material for the hot and cold rolling equipment in the Processed Aluminium division, which are further processed into high-value added aluminium products, while the billets are processed by extrusion to produce standard aluminium profiles or according to customer requirements.
- **Processed aluminium Division** where we produce flat rolled products such as plates, sheets and strips. These products are used in the construction, vehicle and aircraft sectors, and general engineering sectors, due to the superior mechanical properties and low weight of aluminium.

The actions undertaken in 2025 and the objectives set for 2026-2030 regarding primary and processed aluminium products fall, among others, under ***Pillar 1: Protecting the Future*** of ALRO Group's new Sustainability Strategy. Given the importance of a strategy aimed at improving efficiency, enhancing competitiveness, and promoting new technologies in the aluminium sector, ALRO operates a Research and Development Department comprising over 60 employees, with one of its objectives being, among others, the development of new products across the Group.

ALUM

Produces calcined alumina, and as an intermediate product it produces wet (called hydrate), dry, and dry-sieved aluminium hydroxide. The production of calcined alumina (main object of activity) is currently suspended. After the resumption of its activity, ALUM is considering increasing the quantities of:

- **High value-added products** (innovative or niche products that offer unique value propositions and do not follow conventional pricing structures or profit margins);
- **Speciality alumina** and classes of aluminium hydroxide, as well as expanding their range.

During the suspension of calcined alumina production, activities carried out at ALUM fall under ***Pillar 1: Protecting the Future*** of the new Sustainability Strategy, through the continued implementation of measures aimed at maintaining the integrity and safety of the red mud storage facility to prevent accidents, as well as identifying an economically viable solution for the red mud.

VIMETCO EXTRUSION (VE)

VE is one of the largest producers of extruded products in Romania and a significant player in the Western European extruded products market. Through VE, the Group adds value to the aluminium billets produced by ALRO in its primary aluminium division. VE manufactures and markets a wide range of extruded profiles, such as aluminium bars, tubes, and more. Aluminium extrusion is a technique used to transform aluminium billets into objects with defined cross-sectional profiles for a wide range of applications.

Within extruded products, the Group considers its special products as high value-added products (HVAP), while processed, painted, anodised, or powder-coated products are considered very high value-added products (VHVAP). VE's products are used across various industries and applications, including transportation, construction, aluminium structures, and photovoltaic panels. The Group's extruded products are also applied in the construction and interior design sectors, including curtain walls, ceilings, partitions, balustrades, and panels, among other uses of aluminium. Additionally, extruded products are used in lighting systems, HVAC, reflectors, and the photovoltaic energy industry.

The actions undertaken in 2025 and the objectives set for the 2026-2030 period regarding extruded products fall, among others, under ***Pillar 4: Responsible and Sustainable Business*** of ALRO Group's new Sustainability Strategy.

VIMETCO TRADING (VT)

VT enables ALRO Group to enhance synergies between the production and sale of finished products and to benefit from a sales and marketing team with over ten years of consolidated experience.

VT's activities in 2025 fall under ***Pillar 2: Healthy, Protected and Prepared People*** of ALRO Group's new Sustainability Strategy, due to the nature of the services provided and the commercial relationships developed, which support the safety, wellbeing, and operational continuity of customers and partners.

CONEF

A holding and management company, with ALRO owning 99.9% of its share capital. ALRO's vertical integration project regarding the supply of electricity aims to develop this through the Group's subsidiary, CONEF SA. In this regard, one of the Group's major projects is the construction within ALRO's Slatina site and the commissioning of a combined-cycle natural gas power plant with a capacity of 470 MW. In 2025, the project was at the stage of contractor selection and preparation of the technical documentation.

In 2025, ALRO continued to invest in and

implement new technologies, such as the investment in state-of-the-art equipment, including the new fully electric heat treatment line, which represents a strategic move to strengthen ALRO's position as a leading supplier of high value-added aluminium products. By replacing natural gas with electricity, this equipment not only brings greater precision and efficiency to production processes but also aligns with ALRO's strong commitment to sustainable development. Compared to traditional solutions, electric heat treatment furnaces offer multiple benefits: increased efficiency, superior control, reduced environmental impact, and better alignment with current sustainability and industry requirements. Technological modernisation enhances product quality, significantly reduces environmental impact, and better positions the company to meet the increasingly complex demands of global customers, including controlling its carbon footprint and specific emissions.

To support the growth of aluminium production and, consequently, high and very high value-added products for the aerospace, automotive, and other advanced sectors, ALRO has also made an additional investment, scheduled to become operational in 2026, which aligns with the long-term strategy of providing sophisticated and high-performance aluminium solutions and products, while improving operational efficiency and sustainability. The commissioning of this equipment follows another investment focused on expanding the company's product range and capabilities, namely the CUTSMART SYSTEMS unit, valued at 13.7 million RON, as part of ALRO's strategic transition towards higher value products and services, offering customers ready-to-use aluminium components instead of raw materials requiring further processing. By integrating advanced precision cutting technology into the aluminium processing flow, ALRO continues to reduce lead times, optimise metal utilisation, and increase sustainability throughout its production chain.

ALRO also has in its portfolio the following low-carbon aluminium products, registered with OSIM:

- ALRO EsentiAL in the class of goods/services: "Aluminium and its alloys, incorporating at least 30% of aluminium scrap";
- ALRO VitAL in the class of goods/services: "Aluminium and its alloys, incorporating at least 50% of aluminium scrap";
- ALRO VitAL Max (under registration) for products: "Aluminium and its alloys, incorporating at least 70% aluminium scrap and in the production of which the CO2 emission intensity is less than 4 tons CO2 / tonne of product (cradle to gate)".

I.1.4.1.3. Segment reporting

In accordance with IFRS 8 financial reporting requirements, ALRO Group structures its revenues and costs into various business segments. Segment revenues under IFRS 8 are presented in Note 5 *Revenue from* contracts with customers to the consolidated financial statements. As for costs, they include operational expenses for aluminium production, administrative expenses and costs related to compliance with environmental and safety regulations. ALRO Group places considerable emphasis on efficient cost management, especially in terms of energy consumption and waste management, in order to ensure financial sustainability and minimize environmental impact.

I.1.4.1.4. Benefits of the business model for stakeholders

1. RESOURCE INFLOWS

a. Use of natural resources, utilities and raw materials in industrial processes

The business model is based on high water consumption in ALRO and ALUM production processes, and information on how the business model adapts to manage material impacts, risks and opportunities (SBM-3) is presented in this Sustainability Statement, the corresponding material topic (*ESRS E3-4* Water Consumption).

In terms of electricity consumption, ALRO has made significant investments in energy efficiency, by purchasing state-of-the-art equipment resulting in a significant decrease in electricity consumption, an increase in the recycled aluminium and a reduction in the Company's carbon footprint. The fossil fuels used in its own activity are diesel, gasoline and natural gas.

The most important raw material is the bauxite used in the production conducted in ALUM Alumina Refinery in Tulcea where it is transformed into alumina. In 2025, the alumina production activity within ALUM was stopped. Thus, ALRO has implemented a strategy to diversify alumina sources, establishing partnerships with reliable suppliers in regions with stable infrastructure and long-term delivery capacity. The supplier selection process is based on rigorous criteria such as quality, compliance with environmental regulations and logistical efficiency. At the same time, ALRO has adopted measures to optimize the supply chain, using long-term contracts and risk analysis to ensure production continuity. By monitoring the market and regularly assessing suppliers, the company ensures that necessary resources are obtained in sustainable and competitive conditions.

b. Human and financial capital

The Group operates in highly industrialized areas, which have the potential to offer a wide range of opportunities to its workforce, but at the same time, the Group faces a shortage of skilled labour. Thus, the retention and continuous development of staff is a strategic priority.

The Group has identified certain needs for the technologization of production lines in order to optimize costs and has developed long-term projects for the internal production of renewable energy. The extent to which the Group manages material impacts, risks and opportunities is presented in the sections of this Sustainability Report that correspond to the following material topics: *ESRS E1-5* Energy Consumption, *ESRS S1* Own Workforce.

c. Stakeholders relations

The Group identified and assessed stakeholders with the aim of obtaining validation from them regarding the material impacts, risks and opportunities arising from both its own activities and its value chain, as part of the double materiality assessment.

2. THE MAIN BENEFITS CREATED FOR STAKEHOLDERS

Customers

ALRO Group has increased its market share in industrial sectors focused on the increased use of low-carbon aluminium products.

Communities

The Group plans to develop partnerships with numerous associations, foundations and public institutions to organize actions of public interest.

Shareholders

Investments are made in opportunities that generate added value for shareholders given the cost-cutting measures applied.

Own workforce

The Group focuses its efforts on providing a secure, stable workplace that offers professional and personal benefits, thus contributing to a balanced working environment.

I.1.4.1.5. ALRO's Group's value chain

Below is a schematic overview of ALRO Group's value chain. The main business partners in the upstream value chain are:

- Suppliers of raw materials, goods and services;
- Utility providers;
- Transport service providers (rail, road and maritime).

With regard to the downstream value chain, we note:

- Suppliers – waste collection, storage and recycling service providers;
- Distribution of marketed products;
- Customers of primary and processed aluminium products (ALRO);
- Customers of calcined alumina and aluminium hydrate products (ALUM);
- Customers of extruded products (VE);
- Customers – wholesale trading of aluminium scrap.

Own operations:

- Management and administrative activities;
- Production of alumina and aluminium hydrate (ALUM);
- Supporting activities – research and development, thermal energy generation, etc. (ALUM);
- Production of primary and processed aluminium (ALRO);
- Supporting activities – repairs and spare parts, research and development, waste storage at the ecological landfill, etc. (ALRO);
- Production of extruded products (VE);
- Sale of extruded products;
- Sales of primary and processed aluminium products to end customers and/or intermediaries (VT).

The main activities within the value chain are presented in the table below:

		Description	Geographical location
UPSTREAM value chain	KEY SUPPLIERS	Supply of raw materials, products and services Provision of utilities	Romania, other countries from Europe, UK, Singapore
	TRANSPORT	Transport of raw materials from suppliers (rail, road and maritime transport)	Europe
DOWNSTREAM value chain	DISTRIBUTORS/ SUPPLIERS	Distribution of marketed products Waste collection, transport, storage and recycling	Romania, European Union
	CUSTOMERS	Customers of primary and processed aluminium products (ALRO)	Romania, European Union, USA
		Customers of calcined alumina and aluminium hydrate products* (ALUM)	Romania, European Union
		Customers of extruded products (VE)	Romania, European Union
		Customers – wholesale trading of aluminium scrap	Romania

** The alumina production activity is currently suspended*

I.1.4.2. [SBM-2] Interests and views of stakeholders

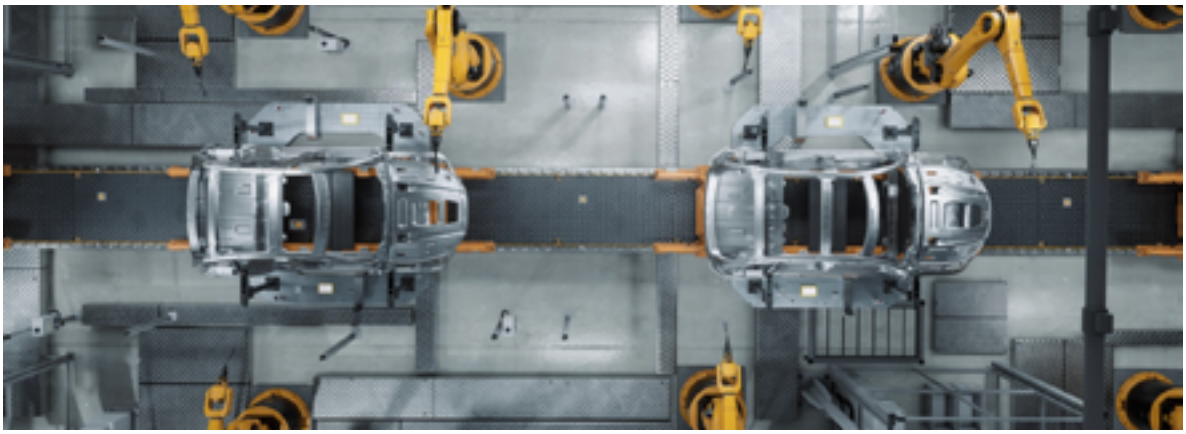
ALRO Group operates in a complex environment, with a wide spectrum of stakeholders interacting directly or indirectly with Group companies. These stakeholders include natural or legal persons whose activity may be influenced by the Group's decisions and activities, but also actors who, through their actions, may influence ALRO's ability to implement its strategies or achieve its objectives. Depending on the degree of involvement and impact, the stakeholders are classified into two categories:

CLASS I: Stakeholders directly or indirectly affected by the company's activity. This category brings together individuals or groups whose interests are or could be affected – positively or negatively – by the company's activities and its direct and indirect business relationships in its value chain. These include:

- **Employees and workers**, who represent the pillars of the organization's functioning;
- **Shareholders**, as the company's strategic sustainability decisions can affect the value of shares held by shareholders;
- **Customers**, who benefit from products and services;
- **Suppliers and workers in the value chain**, who provide the resources and materials needed for core activities;
- **The local community**, which benefits from ALRO's in health and well-being initiatives, but also those in the proximity of its premises.

CLASS II: Users of the sustainability information. This category includes primary users of the financial statements, as well as users of the sustainability reporting. These include:

- **Shareholders and investors**, interested in the financial performance and sustainability of the organization;
- **Industry associations**, who may use the information provided by ALRO Group to monitor compliance with environmental, social and economic regulations and standards;
- **Central and local authorities** which monitor compliance with legislation, promote sustainable practices and protect public interests;
- **Communities**, which are interested in the CSR actions initiated by Group companies;
- **Mass-media**, which communicates the company's results and initiatives to the general public;
- **Capital market participants and financial institutions** interested in the Group's performance and investments;
- **Non-governmental organizations and other organizations activating in education and research**, which evaluate the social impact of ALRO's activity.



In 2025, ALRO Group has implemented a consultation process with affected stakeholders to understand and address their interests and views related to current and potential, positive and negative impacts on them. This process was carried out in accordance with the Methodology for materiality assessment of sustainability matters, prepared by the Group's sustainability team. The team members involved in this process were selected to cover all Group companies, as well as the relevant sustainability themes, thus ensuring a comprehensive assessment of the impacts, risks and opportunities arising from its own activities and its value chain.

As part of the consultation process, feedback questionnaires were distributed to relevant stakeholders with the aim of validating actual and potential impacts that had been internally assessed during the double materiality assessment process, as well as identifying impacts that had not been initially identified. This resulted in a final score that aggregates both the internal analysis and the views expressed by internal employees and value chain stakeholders, including suppliers, customers, end users and representatives of affected communities. Accordingly, the results of the double materiality process, into which all viewpoints collected through the questionnaire responses were integrated, formed the basis for the preparation of the Sustainability Report in accordance with the ESRS reporting standards and were incorporated into the Group's sustainability strategy, which is approved by the Board of Directors.

Collaboration with key stakeholders

Stakeholder category	Collaboration channel	Purpose	Collaboration result
OWN WORKFORCE	• Periodic satisfaction surveys; • Communication as part of the performance review process; • Consultation within the DM assessment process; • Communication within trade unions.	• Employee satisfaction monitoring; • Understanding employees' needs and expectations in terms of improving working conditions and professional development.	• Enhancing staff loyalty; • Professional development opportunities; • Understanding own employees needs and expectations; • IRO Assessment.
SUPPLIERS AND BUSINESS PARTNERS	• Sustainability assessment – ASI questionnaire; • Consultation within the DM assessment process.	• Integrating sustainability considerations into procurement processes.	• Sustainable practices and performance; • Alignment with common standards; • IRO Assessment.
CUSTOMERS	• Customer satisfaction questionnaires; • Informal interactions; • Participation in events; • Consultation within the DM assessment process.	• Customers satisfaction monitoring; • Improving product qualit.	• Refurbishment of production processes; • Improving products and their quality; • IRO Assessment; • Understanding customer needs and expectations.
INVESTORS AND SHAREHOLDERS	• During the General Shareholders' Meeting.	• Communication of the results at the General Shareholders' Meeting, External ESG ratings and ESG performances.	• Achieving effective governance; • Achieving positive financial results.
INDUSTRY ASSOCIATIONS	• Conferences, market research, initiatives, consultations with trade unions, etc.	• Participation in various initiatives at the level of industry associations.	• Contribution to the development of industry standards; • Understanding the perspectives of competitors and similar companies.
AFFECTED COMMUNITIES	• Consultation with representatives of local communities during the implementation of the projects; • Participation in the consultation process as part of the MD assessment process; • Complaints or complaints submitted through the channels made available by the companies in the Group.	• Contribution to the increase of living standards and economic well-being, including through job creation.	• Increasing the well-being of affected communities in the context of job creation; • Understanding the communities' perspectives.

As a result of the DMA (Double Materiality Analysis) related consultation process, in 2025 ALRO Group initiated a review of its Sustainability Strategy, considering stakeholder expectations and developments in the regulatory framework. The new Sustainability Strategy for 2025-2030 aims to strengthen ESG governance and to define measurable short-, medium- and long-term objectives focused on reducing environmental impacts, improving social performance and increasing transparency. Through these changes, ALRO Group anticipates strengthening relationships with stakeholders and increasing confidence in the adopted strategic direction, including by accelerating energy efficiency projects and initiatives to improve environmental performance.

The Board of Directors and the Risk and Sustainability Committee are regularly informed of the interests and views expressed by stakeholders, which are analysed and integrated into the Group's decision-making processes. The results of the double materiality assessment, as detailed in the DMA Report and including the outcomes of stakeholder consultation, were submitted in 2025 for review by the Risk and Sustainability Committee and were subsequently approved by the Board of Directors. The same review and approval process were followed for the 2025-2030 Sustainability Strategy. In addition, where stakeholders raise significant issues, including severe actual or potential impacts, these are included on the agenda of the Board of Directors' periodic meetings, at the proposal of the Sustainability Department or the relevant specialist departments, in order to ensure a timely response and responsible governance aligned with stakeholder priorities.

ESRS S1 – ESRS 2 SBM-2
OWN WORKFORCE

ALRO Group recognises its own workforce as a key group of affected stakeholders, and respect for employees' rights and human rights represents a strategic priority. The interests, views and rights of employees are identified through formal and informal consultation mechanisms, such as regular dialogue with employee representatives, the collective bargaining process carried out together with trade union organisations when updating Collective Labour Agreements, satisfaction surveys, communication within performance appraisal processes, grievance and complaints channels, as well as worker consultation within the double materiality assessment. Collective bargaining is the primary instrument through which employees' views are integrated into the most important decisions regarding working conditions, remuneration, occupational health and safety, professional development and other social matters relevant to the Group's operations.

The outcomes of these processes are analysed and contribute to shaping the strategy and business model, reflecting the Group's commitment to ensuring a safe, fair and development-oriented working environment. The actual and potential impacts on the own workforce identified through the double materiality process, as presented in the *ESRS S1* Own workforce section, are directly linked to the specific nature of the industry in which ALRO Group operates and to the operational requirements of its business model.

Ongoing investments in employees' health and wellbeing, professional training and sustainable career opportunities support operational performance and the long-term resilience of the Group's activities, contributing to the mitigation of identified negative impacts and the maximisation of positive ones.

ESRS S2 – ESRS 2 SBM-2
WORKERS IN THE VALUE CHAIN

ALRO Group recognises value chain workers as a key group of affected stakeholders whose rights must be responsibly protected within business relationships. The actual and potential impacts on value chain workers described in the *ESRS S2* – Workers in the value chain section are closely linked to the Group's industrial profile and business model. These impacts have required the integration of ongoing prevention and mitigation measures into the Group's strategy, particularly with regard to occupational health and safety and the maintenance of fair working conditions across the value chain.

In order to positively influence suppliers'

working conditions and to protect their workers, ALRO Group has introduced clear sustainability criteria into its supplier evaluation and selection processes, supported by the Supplier Code of Ethics and Conduct, thematic audits and the communication of expectations regarding respect for human rights. Furthermore, under the 2025-2030 Sustainability Strategy, the Group has set targets to assess, by 2030, at least 5% of ALRO and VE suppliers through audits or assessments covering business ethics, respect for workers' and human rights, working conditions and occupational health and safety, pollution prevention and water management, thereby contributing to the strengthening of a socially and environmentally responsible value chain.

The Group also integrates suppliers' views and relevant information collected through consultation processes into the double materiality assessment, ensuring an up-to-date understanding of the implications that its decisions may have on value chain workers. The results of the double materiality analysis have shown that, although actual and potential impacts exist, these do not currently give rise to material risks or opportunities requiring major changes to the business strategy. Nevertheless, the Group continuously monitors their evolution and progressively strengthens its supplier value chain management system, with the aim of proactively identifying and managing emerging risks to workers.

At the same time, ALRO Group's commitment to respecting human rights within its business relationships is also reflected in the alignment of its business and sustainability strategy with the United Nations Sustainable Development Goals (SDGs).

ESRS S3 – ESRS 2 SBM-2
AFFECTED COMMUNITIES

Social Responsibility is a management process and an integral part of ALRO Group's business strategy, through which the Group aims to contribute to the development of a sustainable and high-performing society in every area in which it operates. ALRO Group creates value through leadership and operations, working in partnership for the benefit of the economy, the environment, employees and the communities in which it operates, as well as stakeholders more broadly. Accordingly, ALRO Group acts as a responsible partner, committed to developing projects together with local communities for the benefit of all stakeholders.

Affected communities are a key group of stakeholders for ALRO Group, and the integration of their interests, views and rights is a central element of the Group's strategy and business model. As part of the 2025 double materiality assessment process, significant impacts and opportunities relating to communities were validated through consultations with non-governmental organisations representing community interests, as well as through the analysis of feedback collected via permanent communication channels with local communities. These perspectives are used in strategic decision-making, influencing the prioritisation of social projects, dialogue with local authorities and the management of relationships with communities located in proximity to the Group's operations.

The outcomes of the community consultation process and the double materiality assessment were integrated into the 2025-2030 Sustainability Strategy through the establishment of measurable targets aimed at strengthening the Group's contribution to the development of affected communities and building trusted relationships with them. These targets include: supporting, on an annual basis starting in 2026, at least three social or environmental initiatives relevant to local communities; involving Group companies in at least two volunteer projects per year; and implementing, starting in 2026, a biennial awareness campaign on the grievance mechanism and other community rights, in order to strengthen transparency and accountability towards communities.

Through this structured approach, ALRO Group adapts and strengthens its business model to maximise its social and economic contribution at local level, maintain its social licence to operate and proactively respond to the expectations of affected communities, thereby ensuring the long-term sustainability of its operations.

I.1.4.3. [SBM-3] Material impacts, risks and opportunities and their interaction with the strategy and business model

Significant IMPACTS, RISKS AND OPPORTUNITIES (IRO) – ENVIRONMENT

THEME Standard ESRS	SUB-THEME	Name *Categories*	Location of IRO in the value chain*			Transportation		
			↑	↔	↓	ST	MT	LT
ESRS E1 Climate change	CLIMATE CHANGE ADAPTATION	**M1 (-) Contribution to the occurrence of climate risks** *Potential negative impact*		ALRO, ALUM, VE, VT, CONEF			●	●
		M2 (-) Exposure of suppliers in ALRO Group value chain to physical climate risks *Potential negative impact*	●		●		●	●
		RO1 Exposure to operational and financial risks caused by climate change *Risk*	●	ALRO, ALUM, VE, VT, CONEF	●		●	●
		RO2 Risks related to ALRO Group's exposure to climate transition risks *Risk*		ALRO, ALUM, VE, VT, CONEF			●	●
	CLIMATE CHANGE MITIGATION	**M3 (-) Generation of GHG emissions (Scope 1 and 2) within own operations.** *Current negative impact*	●	ALRO, ALUM, VE, VT, CONEF				
		M4 (-) Generation of GHG emissions (Scope 3) in the value chain *Current negative impact*	●		●			
		RO3 Regulatory risks and compliance costs related to GHG emissions *Risk*		ALRO, ALUM, VE, VT, CONEF			●	●
		RO4 Risk of exposure to indirect emissions (Scope 3) from the value chain *Risk*	●		●		●	●
	EFFICIENCY (Energy)	**M5 (-) Energy consumption** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF				
		RO5 Increasing energy security and operational efficiency through involvement in the Ișalnița CCGT project *Opportunity*		ALRO, ALUM, VE, VT, CONEF			●	●
		RO6 Dependence on non-renewable energy and delays in energy transition *Risk*	●			●	●	●

Theme Standard ESRS	SUB-THEME/ *SUB-SUB-THEME*	Name / *Categories*	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** ST	MT	LT
ESRS E2 Pollution	POLLUTION OF AIR	**M8 (-) Air pollution through the generation of gaseous emissions, other than GHG emissions, in the upstream and downstream value chain** *Potential negative impact*	●		●		●	
	WATER POLLUTION/ SOIL POLLUTION/ AIR POLLUTION/ SUBSTANCES OF CONCERN	**M9 (-) Accidental pollution in own operations** *Potential negative impact*		ALRO, ALUM, VE			●	●
ESRS E3 Water and Marine Resourcese	WATER CONSUMPTION	*WATER CONSUMPTION/ WATER SAMPLING* **M12 (-) Water consumption** *Current negative impact*		ALRO, ALUM, VE				
ESRS E5 Resource use and circular economy	RESOURCE INFLOWS, INCLUDING RESOURCE USE	**M19 (+) Use of aluminium waste in the production process** *Current positive impact*		ALRO VE				
		M20 (-) Contribution to depletion of natural resources *Current negative impact*	●	ALRO, ALUM, VE, VT				
		R012 Increasing capacity to use aluminium waste in the manufacture of finished products *Opportunity*		ALRO VE		●	●	●
		R013 Risks related to limiting natural resource consumption in the context of climate change *Risk*		ALRO, ALUM, VE		●	●	●
	RESOURCE OUTPUTS RELATED TO PRODUCTS AND SERVICES	**M22 (+) Supply of aluminium products with reduced GHG emissions, compliant with International Standards** *Current positive impact*		ALRO VE				
		R014 Decarbonisation of other sectors through the supply of low-emission aluminium products *Opportunity*		ALRO VE		●	●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

Significant environmental impacts, risks and opportunities directly influence ALRO Group's business model, leading to periodic adjustments in strategy, the value chain and decision-making processes. Greenhouse gas emissions (GHG) and high energy consumption (M3, M5), as well as exposure to transition risks associated with the ETS system and market pressures (RO2, RO3, RO6), have prompted the Group to initiate a decarbonisation plan, diversify its energy mix

and develop products with low GHG intensity based on recycled aluminium (M19, M22, RO5, R014). Continuous attention is also given to physical climate risks (RO1), considering potential effects on critical equipment and employee health, which has led to the implementation of operational programmes focused on energy efficiency, optimisation of industrial cooling and occupational protection measures.

Within the value chain, significant Scope 3 emissions and suppliers' exposure to physical climate risks (M4, M8, RO4) support the integration of ESG criteria into procurement policies, supplier monitoring and the strengthening of dialogue regarding energy projects and transition investments. Water consumption management (M12) and the prevention of accidental pollution (M9) are integrated into operational planning through continuous technical monitoring, infrastructure upgrades and strict controls for hazardous substances, with a focus on preventing environmental incidents and protecting nearby communities.

In the long term, negative impacts associated with the use of natural resources and dependence on primary raw materials (M20, R013) will be strategically transformed into opportunities for circularity and competitiveness (M19, R012). Increasing the share of recycled aluminium in production already reduces energy costs, improves the environmental performance of products and supports customers' transition to a low-carbon economy, thereby strengthening the Group's positioning in European markets.

These elements are reflected in the 2025-2030 Sustainability Strategy through measurable objectives: reducing GHG emission intensity, increasing energy security through the CCGT project, expanding the low-carbon product portfolio, assessing suppliers against ESG criteria, and improving resource-use efficiency. Material environmental IROs are, and will continue to be, integrated into decision-making processes, investment budgeting, financial risk analysis and long-term commercial relationships, ensuring the resilience and sustainability of the Group's industrial model.

The way in which the Group's significant positive and negative environmental impacts affect people and the environment, including their link to ALRO Group's strategy and business model, is presented in the sections dedicated to the ESRS topical standards: ESRS E1 – Climate Change, ESRS E2 – Pollution, ESRS E3 – Water and Marine Resources, and ESRS E5 – Resource Use and Circular Economy.

Regarding **physical climate risks (RO1)** and **transition risks (RO2)**, ALRO Group has not identified any material current financial effects on its financial position, financial performance or cash flows. However, climate scenarios used in the analysis of financial outlooks indicate potential medium- and long-term potential impacts associated with: (i) operational interruptions, additional insurance costs and repairs of infrastructure exposed to extreme weather events, and (ii) increased compliance costs, investments required for low-emission technologies, pressures on margins, and the risk of asset value adjustments in the context of the climate transition. These risks are integrated into impairment tests, operational budgets and capital projections, as well as financing assessments, and are monitored annually in relation to relevant legislative and climate developments.

For risk RO3 – Regulatory risks and compliance costs related to **GHG emissions**, and **RO4 – Risk** of exposure to indirect (Scope 3) emissions in the value chain under the Climate Change Mitigation sustainability topic, ALRO Group has not identified any current financial effects, but anticipates potential material financial impacts in the medium and long term due to increasing decarbonisation requirements in the aluminium industry. These risks may lead to higher operational and compliance costs, as well as increased capital expenditure (CAPEX) for modernising production technologies and expanding the use of recycled aluminium. In addition, pressures may arise regarding access to finance, which could become more challenging if ESG criteria or EU Taxonomy regulations are not met. For RO3, there is also a risk of impairment of high-emission assets that may be difficult to retrofit, exposing them to the risk of stranded assets. These effects are assessed in impairment tests and could result in significant adjustments to the carrying amounts of assets if emission regulations become stricter or if the transition is not implemented at the required pace and scale.

Regarding the Energy sustainability topic, for the **RO5 opportunity** – Increasing energy security and operational efficiency through participation in the Isalnita CCGT project – and the **RO6 risk** – Dependence on non-renewable

energy and delayed energy transition – ALRO Group has not identified any current financial effects. The Group anticipates positive medium- and long-term financial effects generated by the development of the Isalnita CCGT plant, a project that will provide a stable and efficient energy source with reduced CO_2 emissions. In the short term, financial effects are limited, but over the medium and long term the project is expected to reduce energy cost volatility, improve cash flows and operating margins, and facilitate access to green financing. This opportunity is integrated into the Group's energy strategy and investment plans, contributing to the resilience of the business model under all evaluated climate scenarios by reducing dependence on the spot market and strengthening the Group's ESG positioning.

Regarding **RO6 risk**, ALRO Group has not identified any significant current financial effects, but the dependence on non-renewable energy and the volatility of the energy market may generate relevant financial effects in the short, medium and long term. In the short term, the risk may manifest itself through increased operational costs, and in the medium term through pressures on cash flows and competitiveness, if access to green energy cannot be ensured at competitive costs. In the long term, the risk may affect the Group's revenues and eligibility for contracts sensitive to ESG criteria or for financing. The risk is integrated into the prospective financial analyses, the resilience of the business model being influenced by the acceleration of energy efficiency measures, the diversification of sources and the increase in the share of low-footprint energy, essential elements for reducing exposure to market volatility and future regulations.

For **RO12 opportunity** – Increasing the capacity to use aluminium scrap in the manufacture of finished products – ALRO Group has not identified any material current financial effects that would influence its financial position, financial performance or cash flows in the reporting year. However, the opportunity is classified as material due to the anticipated medium- and long-term financial effects, arising from reduced costs of virgin raw materials, optimisation of energy consumption, increased operating margins, and facilitated access to green financing. Over time, these benefits may lead to significant changes in financial performance and cost structure, depending on the scale of investments made in recycling infrastructure and the expansion of production of products with high recycled content. The resilience of the Group's strategy is supported by the transition to circular economy models, reduced dependence on non-renewable resources, and adaptation of the product portfolio to the growing demand for sustainable products in ESG-sensitive value chains.

Regarding the **RO13 risk** – Risks related to limiting the consumption of natural resources in the context of climate change – ALRO Group has not identified any current financial effects, but anticipates medium- and long-term effects. In the medium term, restrictions on the use of non-renewable resources or the need for investments in efficient technologies may affect cash flows and margins. In the long term, pressures related to the physical availability of resources and compliance requirements may influence revenues and competitiveness. This risk is integrated into prospective financial analyses, including strategic assessments of investments in efficiency, recycling, and resource optimisation. The resilience of the business model is strengthened through resource diversification, reduced consumption of virgin raw materials, and increased use of recycled materials.

RO14 opportunity – Opportunity related to the decarbonisation of other sectors through the supply of low-emission aluminium products with significant environmental and industrial impact – generates both current and anticipated significant financial effects. At present, it supports revenue growth through access to premium market segments and increased competitiveness of products certified with a low-carbon footprint. In the short term, the Group benefits from the expansion of demand in ESG-sensitive industries. In the medium and long term, the opportunity may result in substantial improvements in financial performance through portfolio diversification, enhanced reputation, access to green financing, and reduced dependence on virgin resources, positively influencing cash flows and the financial position. The resilience of the strategy is reinforced through a focus on sustainable products that remain competitive under multiple climate and economic scenarios, supporting the long-term stability of the business model.

Significant IMPACTS, RISKS AND OPPORTUNITIES (IRO) – SOCIAL

THEME Standard ESRS	SUB-THEME	SUB-SUB-THEME	Name / Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** ST	MT	LT
ESRS S1 Own workforce	WORKING CONDITIONS	SECURE EMPLOYMENT	**S1 (+) Secure employment** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
		WORKING HOURS	**S3 (-) Demanding work programs** *Potential negative impact*		ALRO, ALUM, VE, VT		●	●	
		ADEQUATE WAGES	**S4 (-) Adequate wages** *Current negative impact*		ALUM VE				
		FREEDOM OF ASSOCIATION / COLLECTIVE BARGAINING / SOCIAL DIALOGUE	**S5 (+) Existence of trade union structures and collective bargaining framework within the Group** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
		COLLECTIVE BARGAINING, INCLUDING THE PROPORTION OF WORKERS COVERED BY COLLECTIVE AGREEMENTS	**RO19 Strengthening social dialogue and labour relations** *Opportunity*		ALRO, ALUM, VE, VT, CONEF		●	●	●
		WORK-LIFE BALANCE	**S6 (+) Work-life balance** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF				
		HEALTH AND SAFETY	**S7 (-) Occupational diseases** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF				
			S8 (-) Potential workplace accidents within the Group's own operations *Potential negative impact*		ALRO, ALUM, VE, VT, CONEF		●	●	
			RO21 Health and safety risks in the workplace *Risk*		ALRO, ALUM, VE, VT, CONEF				●
	EQUALITY OF TREATMENT AND OPPORTUNITY FOR ALL	MEASURES AGAINST WORKPLACE VIOLENCE AND HARASSMENT	**S9 (+) Ensuring a work environment that prohibits violence and harassment in the workplace** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
		DIVERSITY	**S10 (-) Underrepresentation of women in the workforce** *Current negative impact*	●	ALRO, ALUM, VE, VT, CONEF				
		TRAINING AND SKILLS DEVELOPMENT	**S12 (+) Professional development** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
		EMPLOYMENT AND INCLUSION OF PERSONS WITH DISABILITIES	**S13 (+) Employment of persons with disabilities** *Current positive impact*		ALRO VE				

THEME Standard ESRS	SUB-THEME	SUB-SUB-THEME	Name / Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** ST	MT	LT
ESRS S1 Own workforce	OTHER LABOUR-RELATED RIGHTS	*CONFIDENTIALITY*	**S14 (-) Protection of employees' and customers' personal data** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF		●	●	●
			RO23 Risks related to lawsuits filed by employees whose personal data has been disclosed or lost *Risk*		ALRO, ALUM, VE, VT		●	●	●
ESRS S2 Workers in the value chain	WORKING CONDITIONS	*SAFE JOBS AND ADEQUATE WAGES*	**S15 (+) Decent jobs and adequate wages in the value chain** *Current positive impact*	●		●			
		WORKING HOURS	**S16 (-) Demanding work programs in the value chain** *Potential negative impact*	●		●	●	●	
		HEALTH AND SAFETY	**S18 (-) Workplace accidents in the value chain** *Potential negative impact*	●		●	●	●	
ESRS S3 Affected communities	ECONOMIC, SOCIAL, AND CULTURAL RIGHTS OF COMMUNITIES	*WATER AND SANITATION*	**S19 (+) Suppliers contribution to community safety and access to essential resources** *Current positive impact*	●		●			
		ECONOMIC VALUE GENERATED AND DISTRIBUTED (Group-specific aspect)	**S22 (+) Contribution to economic growth and the improvement of the population's standard of living** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
			RO27 (+) Strengthening relationships with local communities and maintaining the social licence to operate *Opportunity*	●	ALRO, ALUM, VE, VT, CONEF		●	●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

The significant impacts, risks, and opportunities identified for the ESRS S1, S2, and S3 topics directly influence ALRO Group's integrated business model, the structure of its value chain, strategy, and decision-making processes. The current positive impacts on the Group's own workforce (S1 (+) Secure employments, S5 (+) Existence of trade union structures and collective bargaining framework, S6 (+) Work-life balance, S9 (+) Ensuring a work environment that prohibits violence and harassment in the workplace, S12 (+) Professional development, S13 (+) Employment of persons with disabilities) support operational stability, productivity, staff retention, and the Group's reputation as a responsible employer, all of which are essential for the continuity of its capital- and labour-intensive industrial model.

At the same time, the current negative impacts (S3 (-) Demanding work schedules, S4 (-) Adequate wages, S7 (-) Occupational diseases, S8 (-) Potential workplace accidents, S10 (-) Underrepresentation of women, S14 (-) Protection of customers and employees personal data, as well as the risk RO21 regarding health and safety in the workplace, may affect employee motivation and well-being, generate

additional costs, legal and reputational risks, and influence the Group's medium- and long-term ability to attract and retain skilled labour.

Within the value chain, impacts S15 (+), S16 (-), and S18 (-) highlight the business model's dependence on safe and decent labour practices among suppliers and logistics partners, while at the level of affected communities, impacts S19 (+) and S22 (+) and opportunity RO27 confirm that maintaining the "social licence to operate" depends on the Group's economic and social contribution and on how it manages the social effects of its business decisions. These current and anticipated effects are systematically integrated into strategy and decision-making through the periodic update of the Sustainability Strategy and by aligning the results of the double materiality assessment with operational and investment plans.

For its own workforce, the Group addresses impacts and risks by strengthening the social dialogue framework, negotiating and updating collective labour agreements, implementing gradual adjustments to remuneration policies, making continuous investments in health and safety, reducing demanding work schedules, and developing training and inclusion programmes (for young people, women, and persons with disabilities). Impacts on value chain workers are managed through the expansion of social criteria in supplier selection and evaluation, the integration of occupational health and safety requirements in the Supplier Code of Conduct and Sustainability Guidelines, and through consultation and monitoring processes, gradually aligning the value chain with the Group's expectations regarding human rights and decent work standards. In its relations with affected communities, ALRO Group adapts its business model and investment decisions considering social impacts and opportunity RO27, through corporate social responsibility programmes and structured dialogue with community representatives.

The way in which the Group's significant positive and negative impacts regarding its own workforce, value chain workers, and affected communities affect people and the environment – including their connection to ALRO Group's strategy and business model – is presented in the sections dedicated to the ESRS topical standards: *ESRS S1 Own Workforce*, *ESRS S2 Workers in the value Chain*, and *ESRS S3 Affected Communities*.

RO19 – Strengthening social dialogue and labour relations generates both current and anticipated effects across all three-time horizons, as the opportunity already contributes to reducing costs associated with staff turnover (recruitment, training, productivity losses). In the medium and long term, this opportunity will also help avoid costs arising from social tensions or strike risks, while maintaining operational stability, positively impacting cash flow continuity. Maintaining this opportunity within the human resources strategy does not require capital investment, but primarily ongoing operational costs, covered from current cash flows.

RO21 – Health and safety risks in the workplace generate material anticipated effects in the medium term due to the potential occurrence of major H&S incidents, which could lead to legal costs and compensation, fines, increased insurance premiums, productivity losses, and operational interruptions, negatively affecting margins and cash flows. To mitigate these risks, the Group plans recurring investments in equipment modernisation, digitalisation of H&S monitoring, and training programmes, funded primarily from operational cash flows.

Risk RO23 – Risks related to litigation concerning the protection of employees' personal data generate anticipated impacts in the short, medium and long term, due to the possibility of a major data security incident occurring. Such an incident could lead to remediation costs, additional investments in IT infrastructure, legal expenses and compensation payments, as well as potential fines from supervisory authorities, with an impact on profit and cash flows. Investment plans focus on strengthening cybersecurity, backup and continuity solutions, and staff training programmes, financed from IT budgets.

Opportunity RO27 – Relationship with communities and social licence to operate generates both current and anticipated effects across all three-time horizons, as CSR activities and the economic value generated contribute to protecting revenue and cash flows by reducing the risk of social opposition to industrial projects, facilitating easier and cheaper access to ESG financing, and improving commercial competitiveness with socially conscious customers. Investments are planned within the 2025-2030 Sustainability Strategy (social, environmental, and volunteering initiatives), funded from the Group's own resources.

Overall, ALRO Group considers that its strategy and business model are **resilient** to these social risks and capable of leveraging associated opportunities, with no social risks identified at the reporting date that would challenge the principle of business continuity.

Significant IMPACTS, RISKS AND OPPORTUNITIES (IRO) – GOVERNANCE

THEME Standard ESRS	SUB-THEME	*SUB-SUB-THEME*	Name *Categories*	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** ST	MT	LT
ESRS G1 Business Conduct	CORPORATE CULTURE	*BUSINESS ETHICS AND TRANSPARENCY (Group-specific)*	**G1 (+) Promoting responsible and ethical business conduct** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF	●			
	PROTECTION OF WHISTLE-BLOWERS		**G2 (+) Protecting the rights of whistleblowers** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF	●			
	MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS INCLUDING PAYMENT PRACTICES		**G4 (+) Promoting sustainable practices in the sector-level supply chain** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
			RO30: Increasing supply chain sustainability and security through the integration of ESG criteria *Opportunity*		ALRO VE VT			●	
	CORRUPTION AND BRIBERY	*CORRUPTION AND BRIBERY*	**G5 (+) Prevention and detection of corruption and bribery** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
		INCIDENTS	**G7 (+) Absence of confirmed cases of corruption and bribery** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

The positive impacts identified in relation to ESRS G1 favourably influence ALRO Group's business model and value chain by strengthening an internal framework based on ethics, integrity, transparency, and corporate responsibility. These impacts are currently evident and are expected to intensify over the medium and long term, in the context of increasing ESG requirements from investors, authorities, customers, and business partners.

Specifically, the implementation of ethics and professional conduct policies, whistleblowing mechanisms, anti-corruption procedures, and the protection of whistleblowers has current effects on operational stability, the reduction of reputational risks, the improvement of organisational climate, and the enhancement of stakeholder trust. Additionally, the integration of ethical principles into contractual relationships with suppliers contributes to greater traceability, compliance, and accountability across the value chain.

At the same time, the opportunity arising from the promotion of sustainable practices in the supply chain accelerates the integration of ESG criteria into procurement, contributing to supply security, the reduction of social risks, and the improvement of supplier performance.

These impacts have been directly incorporated into the 2025-2030 Sustainability Strategy through the objective dedicated to strengthening ethical and sustainable conduct in business relationships and across the supply chain. The Strategy establishes a clear direction based on prevention, training, transparency, and accountability, reflected in measurable long-term targets, such as maintaining zero confirmed incidents of corruption, bribery, or human rights violations, and conducting ESG assessments of at least 5% of ALRO and VE suppliers by 2030 through dedicated audits and evaluations.

For 2025, the Group has not identified any significant risks or opportunities related to Professional Conduct that would generate current or anticipated effects.

The manner in which the Group's significant positive impacts regarding professional conduct affect people and the environment, including their link to ALRO Group's strategy and business model, is presented in the sections dedicated to the ESRS G1 thematic standard – Professional Conduct.

CHANGES IN MATERIAL ESG TOPICS COMPARED WITH THE PREVIOUS REPORTING PERIOD

In 2025, all environmental themes and sub-themes (E1, E2, E3, and E5) retained the materiality determined in 2024. Changes that occurred consisted of the recoding, rewording, and consolidation of certain impacts, which in some cases also led to the merging of sub-themes within the sustainability framework.

Specifically, within **ESRS E2 – Pollution**, the following changes were made:

- The impact reported in 2024 as ***M12 (-) Potential impact of the use of substances of concern*** was merged with the impact reported in the current period as **M9 (-) Potential increase in pollutant levels in air, water, and soil in the event of technological accidents in production and sludge storage areas or during the resumption of alumina production, which could generate emissions of gases (NOx, SOx, PM) and hazardous substance leaks**.
- The impact reported in 2024 as ***M8 (-) Air emissions from own operations other than GHGs and impact on soil at the sludge landfill became immaterial*** in the current period following a scope correction. ALUM was excluded from this impact because, given the suspension of its operations, there are no active emissions or pollution, with only accidental events or scenarios related to the resumption of production activities remaining possible.
- Upstream and downstream value chain pollution was considered material in the current reporting period, covered by **M8 (-) Air pollution from the generation of gaseous emissions, other than GHGs, in the upstream and downstream value chain**.

Regarding social themes related to **ALRO Group's own workforce (ESRS S1)**, all themes, sub-themes, and sub-sub-themes identified as material in 2024 retained their materiality in 2025. Some adjustments were made during this period, consisting of rewording and consolidation of impacts, without affecting their materiality.

Concerning the risks and opportunities related to ESRS S1, compared with 2024, in 2025 two risks – RO17_A: Risks associated with occupational diseases among employees arising from workplace activities, and RO13_A: Reduction of jobs within the Group – no longer exceeded the materiality threshold. This change resulted from the recalibration of assessment grids, particularly through the adjustment of scoring ranges. In the previous version, these ranges allowed risks with very low impact or probability (e.g., financial impact 1 and probability 5) to be classified as "material" at a "moderate" level. Similar situations arose for risks with high financial impact (score 5) but extremely low probability (score 1). The new approach provides a more realistic and rigorous representation of risk materiality.

Within **ESRS S2 – Workers in the Value Chain**, adjustments were made to the materiality of sub-themes and sub-sub-themes based on the results of supplier consultations conducted in 2025. As a result, for the sub-sub-themes "Adequate Wages", "Gender Equality and Equal Pay for Work of Equal Value", and "Diversity", no material impacts were identified. Conversely, the sub-sub-theme "Working Time" was considered material following the identification of a new impact through the consultation process that exceeded the materiality threshold at the value chain level, specifically S16 (-) Demanding work programs in the value chain. There were no changes to the materiality of risks compared with 2024 for ESRS S2.

At the level of **ESRS S3 – Affected Communities**, no changes in materiality occurred either for impacts or for risks & opportunities.

ESRS S4 – Consumers and End Users theme was excluded following a clarification published by EFRAG, which specified that it is relevant only for B2C companies. However, it was decided that all impacts identified in 2024 related to the Group's client relationships would be merged with existing impacts within the sub-themes: Product and Service Outputs under ESRS E5 and Corporate Culture under G1. Associated risks identified in 2024 were excluded from the register.

Within **G1 – Professional Conduct**, all sub-themes and sub-sub-themes assessed in 2024 retained their materiality, except for the sub-theme "Political Engagement and Lobbying Activities", specifically the impact G5 (+) Promoting a favourable legislative framework. Its reduced materiality is justified by the visibly lower involvement of ALRO during the reporting period in the activities of the professional organisations and associations to which it is affiliated. Consequently, the scope of the associated impact was reassessed as low. Other impacts and risks remained material, as in 2024, with some consolidation between different IROs. For example, the risk RO_12B – Increased non-financial reporting obligations in 2024 was merged with RO2 – Risks related to ALRO's exposure to transition climate risks

I.1.5. Impact, risk and opportunity management

I.1.5.1. [IRO-1] Description of the process to identify and assess material impacts, risks and opportunities

I.1.5.1.1. The double materiality assessment methodologies

The double materiality assessment process was conducted in accordance with the requirements set out in Chapter 3 of ESRS 1 (3. ***Double materiality as the basis for sustainability disclosures***).

ALRO Group carried out the assessment in line with the double materiality principle, considering the two dimensions: **impact materiality**, which analysed the effects of the Group's activities on people and the environment in the short, medium and long term, and **financial materiality**, which assessed how external sustainability factors influence the Group's financial performance and long-term sustainability in the short, medium and long term. The results of the double materiality process are integrated into the Sustainability Report in accordance with the provisions of the CSRD Directive, which constitutes a separate section of the Directors' Annual Report.

In this context, the assessment of significant impacts, risks and opportunities was performed at Group level, with all companies included in the analysis process – **ALRO ("ALRO"), ALUM ("ALUM"), Vimetco Extrusion ("VE"), Vimetco Trading ("VT")** and **CONEF ("CONEF")** – in order to enable the objective and impartial identification of material matters. With regard to CCGT Power Ișalnița ("CCGT"), given that ALRO holds an associate interest (40.10%), in accordance with the provisions of the ESRS standards, this company was included in the upstream value chain (related parties).

Considering that the analysis was carried out during 2025, it was based on the results of the 2024 financial year and the partial results of the 2025 financial year. It was estimated that the financial results to be recorded for the full 2025 financial year, both for ALRO and its subsidiaries at consolidated level, would not fall below the thresholds established by Order of the Ministry of Public Finance No. 85/2024. Consequently, ALRO, as the listed parent company of the Group, will continue to be required to prepare consolidated annual financial statements.

The time horizons applied in the double materiality assessment are consistent with the ESRS requirements and are disclosed in *Section [BP-2] Disclosures related to specific circumstances.*

The double materiality process was structured into the following stages:

a. Identification of relevant sustainability topics;
b. Identification of the sustainability impacts, risks and opportunities corresponding to each relevant sustainability topic;
c. Validation of the identified sustainability impacts, risks and opportunities with stakeholders;
d. Assessment of sustainability impacts, risks and opportunities.

The process was carried out in accordance with the activities set out in the *Methodology for assessing the materiality of sustainability matters*, which was developed and prepared at ALRO Group level by the sustainability team of the parent company, together with a team of external consultants. The implementation of the process stages involved a series of workshops, as well as a stakeholder consultation process.

The identification of relevant sustainability topics and IROs (IMPACTS, RISKS, OPPORTUNITIES) was based on the process carried out for the preparation of the 2024 report.

In order to validate or supplement the list of matters and IROs identified in 2024, in 2025 the Group conducted a stakeholder consultation process aimed at obtaining a clear and detailed understanding of its impacts on different categories of stakeholders. To this end, the sustainability team revalidated the list of stakeholder categories identified for the preparation of the 2025 Sustainability Report. A comprehensive list was drawn up, divided into two categories: stakeholders affected by the company and users of sustainability information.

The first category, **affected stakeholders**, includes individuals or groups whose interests are, or could be, affected – positively or negatively – by the undertaking's activities and by its direct and indirect business relationships throughout its value chain. The second category comprises **users of sustainability information**, such as trade unions and social partners, civil society and non-governmental organisations. Some stakeholders were classified in both categories.

In the process of identifying risks and opportunities, ALRO Group analysed how it is affected by its dependence on the availability of natural, human and social resources at adequate prices and quality, considering external influences such as stringent environmental and social regulations, as well as the volatility of raw material and energy prices. In addition, sustainability impacts constituted an important source, as they may give rise to risks with financial effects on the Group's companies, including the risks and opportunities included in the General Risk Register at ALRO company level.

ASSUMPTIONS USED IN THE DOUBLE MATERIALITY ASSESSMENT

A set of assumptions was applied in the analysis process in order to provide a robust basis for decision-making, ensuring alignment with ESRS requirements and stakeholder expectations.

For the identification and assessment of potential or actual impacts generated by the Group on the environment and on people, both through its own operations and through activities carried out along the upstream and downstream value chain, the following assumptions were considered, without limitation:

- **Regulatory context:** Although the overall trend points towards simplification through mechanisms such as the OMNIBUS Regulation, ALRO Group expects to remain subject to the main European sustainability regulations, including the CSRD and **the EU Taxonomy Regulation**. **Consequently, compliance with current and future requirements remains a key element of the Group's business strategy, notwithstanding potential adjustments in reporting complexity**.
- **Climate change:** It is anticipated that ALRO Group's activities will continue to contribute to climate change through the direct and indirect generation of GHG emissions, even as mitigation measures are further implemented. Climate change adaptation will therefore become essential in order to reduce vulnerabilities and enhance the resilience of the Group, its workforce and its supply chain to climate-related hazards.
- **Assumption regarding the resumption of operations at ALUM:** Although alumina production activities are currently temporarily suspended, scenarios for the resumption of operations were incorporated into the impact analysis, including potential effects on the environment, local communities and human health.
- **Time horizon:** The impacts generated by ALRO Group's activities will have differing effects on resources, local communities and global climate change depending on the time horizon considered, namely short, medium or long term.
- **Access to natural resources:** At present, the energy resources required for ongoing operations are available; however, their continued use (electricity, natural gas, etc.) may generate pressures and negative impacts in the medium and long term, particularly in the context of the energy transition and decarbonisation requirements.
- **Value chain:** In 2024, ALRO Group applied the UNEP FI Impact Radar methodology at sector level, validating potential upstream and downstream impacts through a consultation process involving a representative sample of suppliers and

customers. In 2025, these assumptions were maintained, as the reference conditions (including the UNEP framework) did not undergo significant changes. In addition, in 2025 the Group carried out a new, extended consultation process involving representatives of suppliers, customers and local non-governmental organisations. Based on this consultation, the results were considered representative and capable of being extrapolated across the entire value chain.

In identifying and assessing risks and opportunities, the following assumptions were considered, without limitation:

- **Global climate change:** It is anticipated that global climate change will give rise to significant physical risks over longer time horizons, including extreme weather events that may affect the Group's operations. At the same time, it may generate opportunities through increased demand for sustainable products, such as those incorporating recycled aluminium. The development and implementation of a transition plan to achieve objectives aligned with the Paris Agreement, as well as a climate resilience plan, are expected to entail significant financial costs.
- **Energy and raw material price volatility:** Energy and raw material prices are expected to remain volatile, giving rise to ongoing financial risks for the Group.
- **Stakeholder expectations:** Increasing expectations from investors, public authorities and customers regarding the adoption of sustainable practices and low-carbon products are expected to influence the Group's market strategies and investment decisions.
- **Regulatory framework:** Ongoing changes to the sustainability-related regulatory framework are expected to increase reporting and compliance requirements, thereby influencing ALRO Group's operational and financial strategies.
- **Alumina production:** The potential resumption of alumina production within ALUM over a medium-term time horizon was taken into consideration.

IDENTIFICATION OF IMPACTS AND THEIR VALIDATION BY STAKEHOLDERS

The identification process was carried out in accordance with the Methodology for assessing the materiality of sustainability matters developed at ALRO Group level and described above.

IMPACT ASSESSMENT

As part of the impact assessment process, consideration was given to the Group's actual or potential impacts, whether positive or negative, on people or the environment over the short, medium and long term. Impacts on people or the environment include impacts related to environmental, social and governance matters. The impacts analysed covered both those arising from the Group's activities and products, as well as those to which the Group may directly or indirectly contribute through its business relationships.

The impact assessment process was conducted by **evaluating the Severity and Likelihood factors**, based on the assessment scales described in ALRO Group's *Methodology for assessing the materiality of sustainability matters*. **Severity** was assessed by considering the following sub-factors: ***Scope and Scale, and, for negative impacts, also Irremediability***. In 2025, ALRO Group partially revised its impact assessment methodology with the aim of improving precision and consistency in the analysis process. This update included selective recalibrations of the structure of certain assessment scales, particularly with regard to the likelihood dimension. As a result, some previous approaches were replaced with a more integrated analytical framework that combines quantitative and qualitative elements, allowing for a more contextualised and realistic interpretation of impacts. These adjustments aim to align the methodology with international good practice and ESRS requirements, avoiding the artificial overestimation of impacts that have already materialised and ensuring comparability between actual and potential impacts, irrespective of their nature (positive or negative). The revised approach provides a more robust analytical framework, capable of reflecting the real complexity of the Group's operations and its industrial context. These methodological adjustments led to changes in the scores assigned to certain impacts

compared to the assessment performed in the previous year, in some cases resulting either in their falling below the materiality threshold or in their reclassification as material.

DETERMINATION OF THE IMPACT MATERIALITY THRESHOLD

Impacts that obtained a score of ≤ 5 were considered non-material, falling within the **Minor** and **Negligible** thresholds, while those that obtained a score of > 5 were considered material, falling within the ***Medium***, ***Significant*** and ***Very high*** thresholds.

MONITORING THE GROUP'S POTENTIAL AND ACTUAL IMPACTS ON PEOPLE AND THE ENVIRONMENT

Currently, ALRO Group implements a range of policies and actions to manage sustainability matters, including through the new Group Sustainability Strategy for the 2025-2030-time horizon, which addresses the majority of the topics, impacts, risks and opportunities identified through the double materiality process.

In 2025, ALRO Group reviewed a number of existing policies and procedures and developed new policies in line with the requirements of the thematic ESRS standards, as described in the relevant sections of this report. The implementation of the 2025-2030 Sustainability Strategy is supported by a structured progress monitoring system, coordinated by the Sustainability Department, which ensures the tracking of action implementation and the periodic reporting of progress to the Risk and Sustainability Committee and the Board of Directors. Responsibility for implementing the actions set out in the strategy lies with the relevant functional departments within each Group company, according to their respective areas of responsibility. Actions are linked to output indicators, while strategic objectives are accompanied by measurable targets, the progress of which is monitored through outcome indicators. In 2026, the procedures of the Sustainability Department will be updated to fully reflect this monitoring, reporting and governance framework, thereby strengthening the integration of sustainability into the Group's decision-making and operational processes.

IDENTIFYING RISKS AND OPPORTUNITIES

At this stage, ALRO Group identified risks and opportunities related to environmental, social and governance matters, the effects of which are either current or anticipated and which arise from its own operations or from the value chain. In order to ensure the completeness of the risk and opportunity identification process, the Group considered the list of sustainability matters set out in ESRS 1, paragraph AR16.

In identifying risks and opportunities, the Group took into account the following relevant sources: (i) the sustainability impacts identified and assessed in the previous stage; (ii) critical dependencies on natural resources, including market risks arising from increased energy and natural gas costs; and (iii) other risks, including physical risks detailed by type of climate-related hazard based on climate scenario analysis, transition risks independent of impacts or dependencies, as well as sustainability risks assessed as part of the Climate Risk Analysis conducted for the 2024 Sustainability Report. The identification process also considered specific matters included in the SASB Metals & Mining and Coal Operations Standards (2022 version).

ASSESSMENT OF RISKS AND OPPORTUNITIES

At this stage, the Group applied the ESRS criteria (magnitude and impact) in order to determine the materiality of risks and opportunities, which forms the basis for identifying the material and relevant information to be included in the sustainability statement, in accordance with ESRS reporting requirements. Both quantitative and qualitative criteria were used to assess risks and opportunities, depending on their nature and the feasibility of quantification. Qualitative criteria included strategic impact, regulatory and compliance impact, operational and reputational impact, and impacts on data and reporting. Where the financial impact of a risk or opportunity could not be quantified, a qualitative assessment scale was applied. In addition to the 2024 approach, the 2025 assessment process was expanded to include a detailed analysis for each time horizon (short, medium and long term). For each time horizon, separate scores were assigned for likelihood and financial impact. This approach enabled a more rigorous and effective determination

of the materiality of risks and opportunities, reflecting their evolution over time. Accordingly, if a risk or opportunity exceeds the materiality threshold in at least one time horizon, it is considered material.

A further change to the risk and opportunity assessment process concerned the probability assessment scale. The previously applied scale was based on a very extended time horizon, which did not adequately reflect ALRO Group's usual strategic and operational planning cycles and relied primarily on general temporal references. From 2025 onwards, the approach was adjusted to enable a more balanced and relevant assessment of probability by correlating estimates with factors such as historical frequency and current trends. This adjustment supports improved alignment of risks with applicable time horizons and enhances the comparability and usefulness of assessments.

DETERMINATION OF THE MATERIALITY THRESHOLD AND PRIORITISATION OF MATERIAL RISKS AND OPPORTUNITIES

In determining the materiality threshold and developing the assessment scale, the reference point used was the materiality threshold applied to the Group's 2024 financial statements, namely a percentage (%) of total annual revenues of ALRO Group, as this represents the level at which the omission or misstatement of information could influence the judgement of users of financial statements and sustainability information.

In 2025, the approach to the materiality threshold applied in the assessment of risks and opportunities was maintained at the same level as in the previous period, with risks and opportunities considered material from the "Medium" level onwards. However, the scoring ranges and classification criteria associated with each level were adjusted in order to more accurately reflect the actual magnitude of impact and likelihood of occurrence. This recalibration of the assessment scales enabled a clearer differentiation between significance levels without changing the reporting threshold, thereby contributing to a more coherent, comparable and risk management–aligned assessment.

MONITORING OF RISKS AND OPPORTUNITIES WITH ACTUAL OR POTENTIAL FINANCIAL EFFECTS

Sustainability-related risks and opportunities are monitored in accordance with ALRO's internal risk management procedures. At the same time, the new 2025-2030 Sustainability Strategy integrates specific actions and targets aimed at mitigating risks and capitalising on material opportunities. These actions are designed to reduce the Group's exposure to risks with potential financial and reputational effects and to strengthen the resilience of the business model, being aligned with the Group's investment plans and strategic priorities. The monitoring of the evolution of risks and opportunities and the effectiveness of response measures is carried out within the structured progress monitoring framework of the 2025-2030 Sustainability Strategy, coordinated by the Sustainability Department and implemented by the relevant functional departments within each Group company. The Sustainability Department ensures the tracking of action implementation and the periodic reporting of progress to the Risk and Sustainability Committee and the Board of Directors. The monitoring of risks and opportunities is also integrated into the Risk Management System, a component of the Integrated Management System (IMS) coordinated by the Risk Manager, with the results being considered in the strategic decision-making process.

ESRS E1 – ESRS 2 IRO-1 Reducing carbon emissions is an important component of the Group's operational management strategy, with a continuous focus on these emissions as well as on the efficient and responsible use of all resources and materials required. Through regular management meetings and production teams, the Group analyses opportunities to minimise resource consumption, reduce carbon emissions associated with its activities and optimise processes to enhance economic efficiency, as well as to optimise production flows in order to reduce energy consumption.

As part of the process of identifying and assessing impacts related to climate change, ALRO Group uses advanced monitoring and analytical methods to quantify greenhouse gas (GHG) emissions and to understand the environmental impacts across the entire value chain.

A key tool in this process is Life Cycle Assessment (LCA), which enables the evaluation of the carbon footprint associated with the Group's products, from raw material extraction and aluminium production through to use and recycling. At ALRO, the environmental performance of the production process was calculated by modelling the process using Life Cycle Assessment (LCA) in accordance with EN 15804:2012+A2, while at VE the life cycle assessment was carried out using Umberto LCA+ software and the Ecoinvent 3 database, based on ISO 14040 and ISO 14044. The procedure is documented in a life cycle assessment report. The LCA study includes the definition of the goal and scope of the assessment, life cycle inventory analysis, impact assessment and interpretation.

By conducting an LCA, ALRO Group is able to identify production stages with the highest environmental impact and to take measures to optimise processes, reduce resource consumption and minimise GHG emissions.

In parallel, ALRO Group monitors and reports Scope 1 and Scope 2 emissions in accordance with regulatory requirements and international standards. Scope 1 emissions are generated directly from production processes, in particular from the use of carbon-based anodes in the electrolysis process, as well as from the consumption of fossil fuels in own installations. Scope 2 emissions arise from purchased electricity used to power production facilities.

Through the integrated reporting of these emission categories, including Scope 3 emissions, as presented in *Section E1-6,* ALRO Group strengthens its transparency and its capacity to assess the impact of its operations on climate change. This information is used to define emission reduction measures and to support strategic decisions related to the transition towards more sustainable production.

Accordingly, ***LCA analysis and the monitoring of Scope 1 and Scope 2 emissions represent essential components of ALRO Group's approach to identifying, assessing and managing climate-related impacts***.

In addition, as part of the double materiality process, the Group carried out a detailed company-level analysis to identify significant climate change–related impacts, risks and opportunities (IROs). For the identification and assessment of IROs related to the sub-topic of climate change mitigation, the analysis was conducted by specialists from the production and environmental departments, with the involvement of experts from the finance department. The assessment was based on operational production data and environmental reports prepared by the Group.

With regard to the consultation process, the analysis also included a component involving multiple stakeholders, including suppliers and community representatives, in order to better determine the magnitude of these impacts and to obtain a broader perspective on climate-related risks and opportunities. External consultation was essential in integrating additional views and information that may influence the decision-making process and in ensuring that the mitigation strategy is aligned with stakeholder expectations and needs.

PURPOSE OF THE ANALYSIS FOR IDENTIFYING AND ASSESSING EXPOSURE TO CLIMATE-RELATED RISKS ASSOCIATED WITH CLIMATE CHANGE ADAPTATION

In the first quarter of 2024, ALRO conducted its first climate risk analysis based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). At the same time, the climate risk analysis aimed to provide information to support compliance with the reporting requirements of the EU Taxonomy Regulation (EU) 2020/852 (Climate Delegated Act No. 2139/2021) and the Corporate Sustainability Reporting Directive (CSRD) 2022/2464/EU (ESRS E1).

At this stage, the analysis identified the main climate-related risks and opportunities relevant solely to the activities of ALRO S.A., given the eligibility of primary aluminium manufacturing activities (through alumina electrolysis) and secondary aluminium production (through the recycling of aluminium scrap) under the Climate Delegated Act No. 2139/2021. The objective was to establish a sustainable framework for managing the potential financial and operational impacts of these activities.

Subsequently, the analysis of exposure to physical climate risks was extended to include all relevant locations where ALRO Group operates. The analysis therefore also covered the Group's locations in Tulcea, Constanța and Bucharest, with the climate assessment carried out at an additional level of granularity, based on geo-location coordinates associated with the Group's sites and subsidiaries. The analysis does not include components of the Group's value chain (upstream or downstream), with these potential additional vulnerabilities to be explored in future reporting periods, depending on their materiality and the availability of the data required to conduct the analysis. The value chain (upstream and downstream) was excluded due to limited data availability and the prioritisation of internal risks. Potential unaddressed risks include exposure of external suppliers to CBAM, volatility in customer demand driven by Net Zero commitments, and the availability of aluminium scrap for recycling.

CLIMATE SCENARIOS AND METHODOLOGY APPLIED

Physical risks

Three of the five scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), referred to as Shared Socio-economic Pathways (SSPs), were considered for the climate risk analysis. The SSP scenarios describe different socio-economic developments and trends in greenhouse gas (GHG) emission levels in the atmosphere. The use of multiple scenarios made it possible to consider a range of potential future pathways and to generate a set of projections.

The selection of the parameters analysed for each risk, as well as the choice of climate scenarios, considered the availability of information and the requirements of sustainability reporting standards (including at least one high-emission climate scenario for physical risks).

The time horizons included in the analysis cover three periods: 2025, 2030 and 2050.

Table below provides a summary of the main characteristics of each of the three selected SSP scenarios:

SSP #	Scenario description	Temperature change
SSP1-2.6	Low greenhouse gas emissions: CO_2 emissions reduced to zero around 2075	1.7°C
SSP2-4.5	Intermediate greenhouse gas emissions: CO_2 emissions remain around current levels until 2050, then decline, but do not reach net zero by 2100	2.0°C
SSP5-8.5	Very high greenhouse gas emissions: CO_2 emissions triple by 2075	2.4°C

The charts and underlying data series are based on scientific climate projection models provided by the European Centre for Medium-Range Weather Forecasts (ECMWF), enabling access to information through the Copernicus Programme, an initiative of the European Union.

The data used originate from the Coupled Model Intercomparison Project Phase 6 (CMIP6) and the Coordinated Regional Climate Downscaling Experiment (CORDEX) climate models, which represent the most advanced models available at the time the analysis was conducted.

Copernicus Program: *https://dataspace.copernicus.eu*

CMIP6 Model: *https://cds.climate.copernicus.eu/datasets/projections-cmip6?tab=overview*

CORDEX Model: *https://cds.climate.copernicus.eu/datasets/projections-cordex-domains-single-levels?tab=overview*

For each variable and scenario, data from multiple models providing information for that variable were aggregated. A data aggregation process was applied for each variable and

scenario, using model ensembles specific to each variable. The aggregation follows scientific standards for the calculation of means and percentiles. The number of models considered varies depending on the variable analysed, typically ranging from 20 to 30 models.

The results of this approach are presented as decadal average values. To achieve higher spatial resolution, a statistical downscaling technique was applied. This process enabled the refinement of the spatial resolution of the data to a range of 10 to 25 kilometres. By applying statistical methods, more detailed and location-specific information can be obtained.

For flood analysis, an even finer spatial resolution was used, ranging from 5 to 25 metres. This increased level of detail allows for the capture and analysis of small-scale features and variations that are critical for understanding and assessing flood risks. Through the use of statistical downscaling and bias-correction techniques, the data provide more accurate and more localised insights for various analyses.

Due to the inherent nature of estimating future conditions, climate scenario analysis is subject to a number of constraints. These include uncertainties related to the timing of future events, data availability and accuracy, as well as uncertainties associated with underlying assumptions.

Transition Risks

For market transition risks, financial parameters were selected to model their evolution over time in alignment with climate scenarios. The database used for modelling parameters related to transition risks is GCAM 6.0 (Global Change Analysis Model), developed by the Network for Greening the Financial System.

GCAM 6.0 is an integrated global analysis model that examines the behaviour and interactions of five systems: energy, water, land use and agriculture, climate, and the economy. These five distinct systems are interconnected within the model and continuously interact, being modelled as a single integrated unit. The five systems modelled in GCAM track the following parameters

- **Economic system** – considering population and assumptions regarding productivity, this system models GDP and population for the other systems, as well as various macroeconomic sub-indicators.
- **Energy system** – provides a detailed representation of energy sources, energy transformation processes, energy-dependent services, industrial energy usage across sectors, and residential and commercial demand. This module reports supply and demand for different forms of energy, cost developments, and greenhouse gas (GHG) emissions, among other variables.
- **Land use and agriculture system** – provides information on land use, carbon stocks and net emissions, bioenergy production, food, fibre, and forestry products. This module reports on the demand and supply of commodities, land, and GHG emissions.
- **Water system** – provides data on water withdrawals and consumption for municipal, agricultural, and energy-related purposes.
- **Climate system** – compiles atmospheric information based on emissions modelled by the other systems.

GCAM has a long-standing history of over 30 years in developing models and strategies related to climate change mitigation and adaptation. One of the main advantages of GCAM is its reliability, based on the large number of factors and parameters it models, built on scientific foundations and peer-reviewed publications. This database has been used for multiple critically important climate analyses over the past decades, including all studies and reports conducted by the Energy Modelling Forum (EMF), the Intergovernmental Panel on Climate Change (IPCC), and the United States Climate Change Technology Program. By using this database, interactions between complex and non-linear systems can be captured, which would otherwise not be attainable.

The parameters modelled within GCAM for this analysis were the evolution of electricity prices and the evolution of natural gas prices.

RESULTS OF THE CLIMATE RISK SCENARIO ANALYSIS

Physical Risks

The results of the resilience analysis for physical climate risks indicate low (L), medium (M), or high (H) exposure for the climate variables temperature (increase in average temperature) and extreme heat (number of days per year with temperatures above 25 °C and 35 °C, respectively).

Physical Climate Risks

		2030		2050	
Category	**Cluster**	**SSP2-4.5**	**SSP5-8.5**	**SSP2-4.5**	**SSP5-8.5**
Chronic	Temperature	L	L	M	M
	Precipitation	L	L	L	L
	Wind	L	L	L	L
Acute	Extreme Heat	M	M	H	H
	Wildfire	L	L	L	L-M
	Drought	L	L	L-M	L-M
	Flood	L-M	L-M	L-M	L-M

The climate scenario analysis indicates a trend of rising average temperatures and increased frequency of heatwaves, which may have effects on energy consumption (increased use of cooling systems), industrial equipment (risk of overheating), and employee health under extreme conditions. The analysis also considered other relevant climate hazards (extreme precipitation, drought, wind events, or flooding); however, in the scenarios assessed, these do not present a significant risk to operational continuity. Nevertheless, due to the specific nature of ALRO's operations and the preventive measures already implemented (energy efficiency programmes, modernisation of cooling systems, on-site medical infrastructure), exposure to these risks is assessed as low, with no significant impact on economic performance or asset lifespan.

Transition Risks

Regarding the analysis of climate transition risks, the following were identified: increases in electricity prices, increases in natural gas prices, greater competitiveness in the sustainable products market, as well as climate transition risks arising from legislative and economic developments associated with decarbonisation at the European level (ETS, CBAM, CSRD, EU Taxonomy).

In the context of decarbonisation efforts implemented at EU level, the aim is to discourage electricity supply from fossil sources, with one of the mechanisms being additional taxation on energy from these sources. The main legislative packages supporting Europe's decarbonisation ambitions are the Green Deal, Fit for 55, the EU ETS Directive, and the Renewable Energy Directive. The provisions and development directions of these legislative packages, along with other market factors such as price volatility in the Day-Ahead Market (DAM), may lead to increases in electricity supply prices. According to the climate scenario analysis, annual unit prices of electricity show the following fluctuations in the short, medium, and long term.

The scenario analysis highlighted that, in the long term, the unit price in 2035 could decrease by 1.78%, reaching USD 0.0987/kWh compared to the reference price of USD 0.1005/kWh recorded in 2021 under the Current Policies scenario. At the same time, the highest price increase is 13.58% under the Net Zero 2050 scenario, reaching USD 0.1141/kWh.

Climate Scenarios

Scenario	Absolute value [USD/KWh]			Difference in unit price compared to the 2021 reference year		
	2025	2030	2035	2025	2030	2035
Current Policies	0.1012	0.1010	0.0987	+0.73%	+0.56%	-1.78%
NDC	0.1013	0.1066	0.1043	+0.80%	+6.12%	+3.80%
Net Zero 2050	0.1070	0.1098	0.1141	+6.46%	+9.26%	+13.58%

Similarly, to the risk of rising electricity supply costs, the same climate change context applies to the risk of increasing natural gas prices. In addition to the European Union's trend towards accelerating the green transition, a number of geopolitical factors may further influence the volatility of natural gas prices. According to the climate scenario analysis, annual unit prices for natural gas show the following short-, medium-, and long-term fluctuations. The analysis highlighted that the greatest increase in unit prices for natural gas is expected in the medium term: by 2030, prices could reach USD 0.4483/m³ under the Net Zero 2050 scenario, representing a 20.30% increase compared to USD 0.3726/m³ in the 2021 reference year. In the long term, a slight decrease relative to the reference year may be observed under the Nationally Determined Contributions scenario.

Climate Scenarios

Scenario	Absolute value [USD/KWh]			Difference in unit price compared to the 2021 reference year		
	2025	2030	2035	2025	2030	2035
Current Policies	0.3906	0.3826	0.3782	+4.82%	+2.67%	+1.49%
NDC	0.3915	0.3787	0.3726	+5.06%	+1.64%	-0.004%
Net Zero 2050	0.4237	0.4483	0.4475	+13.71%	+20.30%	+20.10%

In recent years, demand for sustainable products with a lower carbon footprint has increased, including within the aluminium industry. Such demand could impact the competitiveness of companies in this sector if they fail to meet these requirements, as well as increase costs related to adapting operational activities to develop sustainable products and obtaining their certification. In the case of the ALRO Group, this risk has been transformed into an opportunity, thanks to the commitment already undertaken and reflected into concrete actions for the development of sustainable products. ALRO is the owner of three registered trademark products with OSIM: EssentiAL, VitAL, and VitAL Max, which incorporate up to 70% recycled aluminium, depending on the product. Further information on this opportunity is presented in the *ESRS E5 section* on Resource Use and the Circular Economy.

ALRO Group is exposed to climate transition risks arising from legislative and economic developments associated with European decarbonisation (ETS, CBAM, CSRD, EU Taxonomy), which may lead to increased operational costs, pressures on competitiveness, and expanded reporting obligations. These risks may manifest through intensified non-financial reporting requirements, gradual reduction of free emission allowances, taxation of emissions in international trade, and the need for investments in low-carbon technologies. Potential impacts include higher production costs, pressure on profit margins, legal non-compliance risks, and reputational exposure.

Nevertheless, the Group demonstrates resilience by integrating ESG criteria into its management systems, implementing energy efficiency programmes described in *ESRS E1-3* "Actions and Resources Related to Climate Policies," adapting to ETS and CBAM requirements, developing reporting infrastructure, and analysing decarbonisation technologies. Thus, although transition risks may generate significant pressures, the Group's adaptive capacity and measures already in place enable it to mitigate impacts and safeguard long-term competitiveness.

INTEGRATION INTO THE RISK MANAGEMENT SYSTEM

Starting with 2023, climate-related risks are addressed within the Risk Management System, a component of the Integrated Management System (IMS). By integrating the climate risk analysis process into the General Risk Management System implemented at ALRO level, this process becomes part of a mature and efficient, centralized risk management system at company level. Thus, ***adaptation to climate change becomes an integral part of the Group's business development***.

ESRS E2 – ESRS 2 IRO-1 ALRO Group identifies environmental impacts through two main processes. The activities carried out by ALRO Group, at the level of ALRO, ALUM, and VE companies, are considered environmentally significant activities in accordance with Order No. 1798 of 19 November 2007, including its subsequent revisions and updates issued by the Ministry of Environment and Sustainable Development, and therefore require an environmental permit. The permit application process is of a general nature, based on a predefined list of environmentally significant activities identified through the CAEN code. Thus, in the course of obtaining and renewing the Integrated Environmental Permit held by ALRO (for the site at Strada Pitești 116, Slatina) and the Environmental Permit (for the site at Strada Milcov 1, Slatina), as well as the environmental permits held by ALUM and VE, detailed assessments were carried out of the actual and potential environmental impacts, including air, water, and soil pollution, as well as the management of substances of concern, in accordance with regulatory requirements. The identification of environmental impacts is an integral part of the environmental permit process, following the applicable legislative framework*.

These regulations also establish the methodologies, assumptions, and physical processes to be followed for identifying pollution-related impacts. These analyses are conducted to demonstrate compliance with

* https://anmap.gov.ro/category/3-4-3-documentatii-procedura-autorizare/

legal requirements, including the Best Available Techniques (BAT), and involve consultations with stakeholders, such as local communities. Regarding stakeholder consultation, the applicable legislation for the environmental permitting process includes a public information component and, if necessary, a public debate. These public communication activities aim to inform any parties who are or could be affected by the operations of the companies seeking environmental permit**.

Secondly, as part of the double materiality process for preparing the 2025 Sustainability Report, impacts, risks, and opportunities related to this topic were also analysed and identified. This analytical process focused on identifying impacts, risks, and opportunities related to pollution both in the Group's own operations and across the value chain, conducted in accordance with the ESRS standards, and including an internal analysis of economic activities and an extensive consultation with suppliers, customers, employees, NGOs, and local communities to validate the identified impacts.

Following the double materiality process, ALRO Group identified two significant impacts related to the Pollution topic: the sub-topic Air Pollution and the sub-topic Substances of Concern.

ESRS E3 – ESRS 2 IRO-1 ALRO Group manages its impact on water resources through an approach focused on ensuring the sustainable management of natural resources, in compliance with national legislation. The companies ALRO, ALUM, and VE, which carry out production activities, hold integrated environmental permits that regulate the efficient use of resources, including water, and establish measures to prevent waste and reduce environmental impact. These permits require detailed assessments of water-related impacts, considering water use and discharge in the production process, and include the implementation of the Best Available Techniques (BAT) to minimise consumption and prevent pollution.

In accordance with the European Aluminium standards, **ALRO** has calculated the Water Stress Index (WSI) for the Olt river basin. This index is defined as the ratio between total water use and water availability. The specific result is 0.0689, classifying it as having a minor impact on the river basin.

Additionally, as part of the double materiality process used for preparing the 2025 Sustainability Report, ALRO Group analysed impacts, risks, and opportunities related to water resources, both within its own operations and across the value chain. This analysis was conducted in accordance with ESRS standards and involved extensive consultations with suppliers, customers, employees, NGOs, and local communities to validate and prioritise the identified impacts. Representative NGOs were also involved to reflect community interests and to provide feedback on the impacts of ALRO's activities relating to water resource use. All consulted parties assessed the Group's water consumption impact as at most medium. They noted that the Group's activities could generate a negative environmental impact from these consumptions, but still at a medium level, as the water supply is largely sourced from major bodies of water such as the Danube and Olt river.

The results highlighted a significant impact on water resources due to consumption. Through measures such as regulating water use and optimising water utilisation processes in economic activities, particularly in production, ALRO Group meets its objective of ensuring sustainable management of natural resources, thereby contributing to environmental protection and the responsible use of water for the benefit of communities and ecosystems.

ESRS E5 – ESRS 2 IRO-1 As part of the Group's operations management strategy, there is a continuous focus on the efficient and responsible use of all necessary resources and materials. Through regular management meetings and production teams, the Group analyses ways to minimise resource consumption, reduce carbon emissions associated with operational activities, optimise processes to enhance economic efficiency, and streamline production flows to reduce material losses and reuse aluminium waste directly in the manufacturing process.

Additionally, as part of the double materiality process, the Group conducted a detailed analysis at the level of each company to identify

** *Annex 3, Articles 4 and 5 of MMDD Order no. 1798/2007* https://legislatie.just.ro/Public/DetaliiDocumentAfis/191811

significant impacts, risks, and opportunities (IRO) related to resource use and the circular economy. This analysis focused on assessing the types and quantities of resources and materials used, as well as their impact across the upstream and downstream value chain. The study was carried out by specialists from the Procurement-Logistics and Finance Departments. The evaluation of these IRO was conducted by the Procurement-Logistics and Production Departments, with the participation of experts from the Finance Department. The assessment was based on operational data regarding material flows, resource use efficiency, market trends, and applicable regulations.

Regarding the consultation process, the analysis was carried out both internally, as detailed in *Section E5-4 Resource Inputs*, and with the direct involvement of external stakeholders, such as suppliers and customers.

ESRS G1 – ESRS 2 IRO-1 The professional conduct standards implemented at Group level aim to strengthen the governance framework and reduce the significant impacts, risks, and opportunities (IRO) to which the Group is exposed, either through its own operations or those arising across the value chain. In particular, these standards mitigate operational and reputational risks that could have a materially negative impact on the Group's profitability and sustainability, through fines, legal costs, other financial and criminal sanctions, or operational restrictions imposed by competent authorities, as well as through loss of brand value and consumer trust.

Details regarding the identification and assessment of impacts, risks, and opportunities, including those related to professional conduct, can be found in *Section ESRS G1*.

Annex 1 [IRO-2] ESRS Disclosure Requirements covered by the Sustainability Report

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ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	136

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Annex 2 [IRO-2] List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Furthermore, the table below presents the data points arising from other EU legislative acts listed in Appendix B of ESRS 2, indicating the page on which they can be found in the Sustainability Report, as well as those that have been assessed as non-material.

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS 2 GOV-1 Board's gender diversity [paragraph 21 (d)]	Indicator no. 13 of Table 1 of Annex 1	n/a	Commission Delegated Regulation (EU) 2020/1816, Annex II	n/a	Material	10
ESRS 2 GOV-1 Percentage of board members who are independent [paragraph 21 (e)]	n/a	n/a	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Material	10
ESRS 2 GOV-4 Statement on due diligence [paragraph 30]	Indicator no. 10, Table 3 of Annex 1	n/a	n/a	n/a	Material	17
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities [paragraph 40 (d) (i)]	Indicator no. 4, Table 1 of Annex 1	Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453(6) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II	n/a	Non-material	
ESRS 2 SBM-1 Involvement in activities related to chemical production [paragraph 40 (d) (ii)]	Indicator no. 9 Table 2 of Annex 1	n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Non-material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons [paragraph 40 (d) (iii)]	Indicator no. 14 Table 1 of Annex 1	n/a	Delegated Regulation (UE) 2020/1818(7), Article 12(1) Delegated Regulation (UE) 2020/1816, Annex II	n/a	Non-material	
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco [point 40 (d) (iv)]	n/a	n/a	Delegated Regulation (UE) 2020/1818, Article 12 (1) Delegated Regulation (UE) 2020/1816, Annex II	n/a	Non-material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 [paragraph 14]	n/a	n/a	n/a	Regulation (EU) 2021/1119, Article 2(1)	Material	83

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks [paragraph 16 (g)]	n/a	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking Book-Climate Change C22transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (UE) 2020/1818, Article 12 (1) literele (d)-(g) and Article 12 (2)	n/a	Non-material	
ESRS E1-4 GHG emission reduction targets [paragraph 34]	Indicator no. 4 Table 2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (UE) 2020/1818, Article 6	n/a	Material	102
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) [paragraph 38]	Indicator no. 5 Table 1 Indicator no. 5 Table 2 of Annex 1	n/a	n/a	n/a	Material	112
ESRS E1-5 Energy consumption and mix [paragraph 37]	Indicator no. 5 Table 1 of Annex 1	n/a	n/a	n/a	Material	112
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors [paragraphs 40-43]	Indicator no. 6 Table 1 of Annex 1	n/a	n/a	n/a	Material	113
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions [paragraph 44]	Indicators no. 1 and no. 2 Table 1 of Annex 1	Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (UE) 2020/1818, Article 5 (1), Article 6 and Article 8 (1)	n/a	Material	115
ESRS E1-6 Gross GHG emissions intensity [paragraphs 53-55]	Indicator no. 3 Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (UE) 2020/1818, Article 8 (1)	n/a	Material	131
ESRS E1-7 GHG removals and carbon credits [paragraph 56]	n/a	n/a	n/a	Regulation (EU) 2021/1119, Article 2(1)	Non-material	

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks [paragraph 66]	n/a	n/a	Delegated Regulation (UE) 2020/1818, Annex II Delegated Regulation (UE) 2020/1816, Annex II	n/a	Non-material	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk [paragraph (a)] **ESRS E1-9** Location of significant assets at material physical risk [paragraph (c)]	n/a	Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk	n/a	n/a	Non-material	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes [paragraph 67 (c)]	n/a	Article 449a Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral	n/a	n/a	Non-material	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities [paragraph 69]	n/a	n/a	Delegated Regulation (UE) 2020/1818, Annex II	n/a	Non-material	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil [paragraph 28]	Indicator no. 8 Table 1 of Annex 1 Indicator no. 2 Table 2 of Annex 1 Indicator no. 1 Table 2 of Annex 1 Indicator no. 3 Table 2 of Annex 1	n/a	n/a	n/a	Material	160
ESRS E3-1 Water and marine resources [paragraph 9]	Indicator no. 7 Table 2 of Annex 1	n/a	n/a	n/a	Material (with the exception of Indigenous peoples)	169
ESRS E3-1 Dedicated policy [paragraph 13]	Indicator no. 8 Table 2 of Annex 1	n/a	n/a	n/a	Material	169
ESRS E3-1 Sustainable oceans and seas [paragraph 14]	Indicator no. 12 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E3-4 Total water recycled and reused [paragraph 28 (c)]	Indicator no. 6.2 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations [paragraph 29]	Indicator no. 6.1 Table 2 of Annex 1	n/a	n/a	n/a	Material	181

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS 2 IRO-1, E4 [paragraph 16 (a) (i)]	Indicator no. 7 Table 1 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS 2 IRO-1, E4 [paragraph 16 (b)]	Indicator no. 10 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS 2 IRO-1, E4 [paragraph 16 (c)]	Indicator no. 14 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E4-2 Sustainable land / agriculture practices or policies [paragraph 24 (b)]	Indicator no. 11 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E4-2 Sustainable land / agriculture practices or policies [paragraph 24 (c)]	Indicator no. 12 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E4-2 Policies to address deforestation [paragraph 24 (d)]	Indicator no. 15 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E5-5 Non-recycled waste [paragraph 37 (d)]	Indicator no. 13 Table 2 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS E5-5 Hazardous waste and radioactive waste [paragraph 39]	Indicator no. 9 Table 1 of Annex 1	n/a	n/a	n/a	Non-material	
ESRS 2 SBM-3, S1 Risk of incidents of forced labour [paragraph 14 (f)]	Indicator no. 13 Table 3 of Annex I	n/a	n/a	n/a	Material	212
ESRS 2 SBM-3, S1 Risk of incidents of child labour [paragraph 14 (g)]	Indicator no. 12 Table 3 of Annex I	n/a	n/a	n/a	Material	212
ESRS S1-1 Human rights policy commitments [paragraph 20]	Indicator no. 9 Table 3 Indicator no. 11 Table 1 of Annex I	n/a	n/a	n/a	Material	218
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 [paragraph 21]		n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Material	218
ESRS S1-1 Processes and measures for preventing trafficking in human beings [paragraph 22]	Indicator no. 11 Table 3 of Annex I	n/a	n/a	n/a	Material	218
ESRS S1-1 Workplace accident prevention policy or management system [paragraph 23]	Indicator no. 1 Table 3 of Annex I	n/a	n/a	n/a	Material	218

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS S1-3 Grievance/complaints handling mechanisms [paragraph 32 (c)]	Indicator no. 5 Table 3 of Annex I	n/a	n/a	n/a	Material	225
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness [paragraph 88 (b)-(c)]	Indicator no. 2 Table 3 of Annex I	n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Material	255
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness [paragraph 88 (e)]	Indicator no. 3 Table 3 of Annex I	n/a	n/a	n/a	Material	255
ESRS S1-16 Unadjusted gender pay gap [paragraph 97 (a)]	Indicator no. 12 Table 1 of Annex I	n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Non-material	256
ESRS S1-16 Excessive CEO pay ratio [paragraph 97 (b)]	Indicator no. 8 Table 3 of Annex I	n/a	n/a	n/a	Non-material	
ESRS S1-17 Incidents of discrimination [paragraph 103 (a)]	Indicator no. 7 Table 3 of Annex I	n/a	n/a	n/a	Material	256
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD [paragraph 104 (a)]	Indicator no. 10 Table 1 Indicator no. 14 Table 3 of Annex I	n/a	Delegated Regulation (UE) 2020/1816, Annex II Delegated Regulation (UE) 2020/1818, Article 12 (1)	n/a	Material	256
ESRS 2 SBM-3, S2 Significant risk of child labour or forced labour in the value chain [paragraph 11 (b)]	Indicators no. 12 and no. 13 Table 3 of Annex I	n/a	n/a	n/a	Material	257
ESRS S2-1 Human rights policy commitments [paragraph 17]	Indicator no. 9 Table 3 Indicator no. 11 Table 1 of Annex 1	n/a	n/a	n/a	Material	262
ESRS S2-1 Policies related to value chain workers [paragraph 18]	Indicators no. 11 and no. 4 Table 3 of Annex 1	n/a	n/a	n/a	Material	262
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines [paragraph 19]	Indicator no. 10 Table 1 of Annex 1	n/a	Delegated Regulation (UE) 2020/1816, Annex II Delegated Regulation (UE) 2020/1818, Article 12 (1)	n/a	Material	262

Reporting requirement and related data point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Reference from the Climate Law	Material/ Non-material	Page
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8 [paragraph 19]	n/a	n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Material	262
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain [paragraph 36]	Indicator no. 14 Table 3 of Annex 1	n/a	n/a	n/a	Material	270
ESRS S3-1 Human rights policy commitments [paragraph 16]	Indicator no. 9 Table 3 of Annex 1 Indicator no. 11 Table 1 of Annex 1	n/a	n/a	n/a	Material (excluding Indigenous Peoples)	279
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines [paragraph 17]	Indicator no. 10 Table 1 of Annex 1	n/a	Delegated Regulation (UE) 2020/1816, Annex II Delegated Regulation (UE) 2020/1818, Article 12 (1)	n/a	Material	279
ESRS S3-4 Human rights issues and incidents [paragraph 36]	Indicator no. 14 Table 3 of Annex 1	n/a	n/a	n/a	Material	288
ESRS G1-1 United Nations Convention against Corruption [paragraph 10 (b)]	Indicator no. 15 Table 3 of Annex 1	n/a	n/a	n/a	Material	298
ESRS G1-1 Protection of whistleblowers [paragraph 10 (d)]	Indicator no. 6 Table 3 of Annex 1	n/a	n/a	n/a	Material	298
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws [paragraph 24 (a)]	Indicator no. 17 Table 3 of Annex 1	n/a	Delegated Regulation (UE) 2020/1816, Annex II	n/a	Material	317
ESRS G1-4 Standards of anti-corruption and anti- bribery [paragraph 24 (b)]	Indicator no. 16 Table 3 of Annex 1	n/a	n/a	n/a	Material	317

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I.1. Taxonomia UE

This section presents the information necessary to comply with the requirements of the EU Regulation No. 852/2020 establishing a framework for facilitating sustainable investment and related delegated acts.

In order to report the information required by Regulation (EU) 2020/852 on environmentally sustainable economic activities, ALRO Group has conducted a preliminary analysis of all the economic activities carried out, verifying their eligibility according to the technical annexes of the Climate Delegated Act No. 2139/2021 (Annex 1 - Mitigation of climate change and Annex 2 - Adaptation to climate change), as well as according to the technical eligibility criteria of the Environment Delegated Act No. 2486/2023 (Annex I - Sustainable Use and Protection of Water and Marine Resources, Annex II - Transition to a circular economy, Annex III - Pollution prevention and control, Annex IV - Protection and restoration of biodiversity and ecosystems). At the same time, the analysis was carried out to determine the existence of a significant contribution to OB1 Climate Change Mitigation (CCM) in accordance with the Climate Delegated Act No. 2139/2021, resulting in a list of potentially eligible activities, as follows:

- **3.8 Manufacture of primary aluminium by alumina electrolysis and aluminium recycling (secondary aluminium according to the Taxonomy Regulation)**, both carried out at Slatina in ALRO units - activity for which income and expenditure were incurred;
- **5.2. Renewal of the water collection, treatment and supply systems**, an activity carried out in 2024 only in Slatina at ALRO units - activity for which only expenditure has been incurred;
- **6.5. Transport by motorbikes**, passenger cars and light commercial vehicles - activity for which only expenditure has been incurred.
- **7.3. Installation, maintenance and repair of energy efficiency equipment**, carried out in Slatina in ALRO units - activity for which only expenditure has been incurred.

In 2024, the main activity 3.8. Manufacture of primary aluminium through alumina electrolysis and aluminium recycling was classified as eligible, while also meeting the alignment conditions, and in 2025 this activity maintained its eligibility status. With regard to compliance with the alignment conditions, in the reporting year ALRO Group meets one out of the three alignment conditions; therefore, the activity is not aligned.

For activities 5.2. Renewal of water collection, treatment, and supply systems, 6.5. Transport by motorbikes, passenger cars and light commercial vehicles and 7.3. Installation, maintenance, and repair of energy efficiency equipment, the Group has not conducted an assessment analysis of the technical alignment criteria to determine a significant contribution to OB1 Climate Change Mitigation, as the share of CapEx expenditures that can be associated with these activities in 2025, as well as in 2024, was extremely low, as shown in the chart below.

Activity 3.8 – Manufacture of primary aluminium by alumina electrolysis and aluminium recycling (secondary aluminium according to the Taxonomy Regulation)

ALRO's Primary Aluminium Division comprises the Anode Plant, the Electrolysis Plant, the Cast house, the Aluminium Waste Melting Facility (Eco-Recycling Aluminium), the Repairs and Spare Parts Workshop, the Road and Rail Transport Sections, and other sections responsible for auxiliary services. For the calculation of the indicators required by the Taxonomy, we have included the activities carried out within the Electrolysis, Cast house, and Eco-Recycling Aluminium sections.

In order to make such a substantial contribution to OB1 Mitigation of climate change, the activities carried out at ALRO's facilities must meet the criteria for substantial contribution set out in the

taxonomy, not to cause significant harm to any of the other environmental objectives ("DNSH Criteria") and comply with the minimum social safeguards.

The Group considered not eligible alumina refining and extrusion activities which even if carried out under the same CAEN code - 2442 - Metallurgy of aluminium - as they do not correspond to the description of activity 3.8. Manufacture of aluminium in the Delegated Climate Act No 2139/2021.

Substantial contribution

Regarding the first environmental objective OB1 "Climate Change Mitigation", for activity 3.8. Manufacture of primary aluminium through alumina electrolysis and through aluminium recycling, the alignment criteria according to Delegated Regulation (EU) 2021/2139 are as follows:

- For primary aluminium products, economic activity meets two of the criteria below until 2025 and all of the criteria below after 2025:
  i. GHG emissions (calculated in accordance with Regulation (EU) 2019/331) do not exceed 1.484 tCO_2e per tonne of aluminium produced (Aluminium produces is unalloyed liquid aluminium in its raw form, produced by electrolysis aluminium);
  ii. The average carbon intensity for indirect GHG emissions (Indirect GHG emissions are the life-cycle GHG emissions produced by generating the electricity used to manufacture primary aluminium) does not exceed 100 g CO_2 e/kWh;
  iii. electricity consumption for the manufacturing process does not exceed 15.5 MWh/t Al;
- For products obtained by recycling aluminium (secondary aluminium), the economic activity does not need to meet any criteria, as it is considered already aligned.

Regarding the operations carried out at ALRO level, for the year 2025, these fulfil only one out of the three substantial contribution criteria, namely:

i. The specific GHG emissions value for 2025 was 1.524 tCO_2e for the primary aluminium sub-installation. Although total GHG emissions recorded a slight decrease in 2025 compared to 2024, specifically by 0.26%, the alignment criterion is not met.
ii. The average carbon intensity for indirect GHG emissions, which has a value of 154.344 gCO_2e/kWh based on ALRO's 2024 energy label. Consequently, the alignment criterion is not fulfilled.
iii. The electricity consumption for the manufacturing process is 13.49 MWh/t Al, falling within the thresholds set out in the Climate Delegated Act No 2139/2021 for this activity. Therefore, the alignment criterion is met.

In conclusion, the activities for the manufacture of primary aluminium through alumina electrolysis and through aluminium recycling (secondary aluminium according to the Taxonomy Regulation) are not considered aligned in terms of the alignment criteria in 2025.

Reporting of results

In this report, ALRO Group discloses taxonomy-eligible and taxonomy-non-eligible economic activities as a proportion of total turnover, capital expenditure (CapEx) and operating expenditure (OpEx). The methodology for calculating the key performance indicators (KPIs) for eligibility is based on data extracted from the Group's consolidated financial statements for 2025, which are prepared and presented in accordance with International Financial Reporting Standards (IFRS), implying the elimination of intra-group transactions.

Revenue is measured in accordance with IFRS 15, being recognised at the point when control is transferred to customers, and is reconciled with the line item "Revenue from contracts with customers". As Activity 3.8 is the only eligible activity for which revenue was recorded, there is no risk of double counting in the turnover KPI.

Capital expenditure (CapEx) is recognised in line with the principles of IAS 16 (Property, Plant and Equipment), IFRS 16 (Leases) and IAS 38 (Intangible Assets), and is reconciled with the notes on Tangible Fixed Assets (Note 14), Intangible Assets (Note 15) and Right-of-Use Assets under IFRS 16 (Note 19). The majority of eligible activities relate to Activity 3.8. The CapEx related to other activities was identified by mapping the 2025 additions lists using a unique key. To avoid the risk of double counting

in the analysis process, CapEx items were mapped to the CAEN codes of the activities for which they were incurred and to the codes of taxonomy-eligible activities.

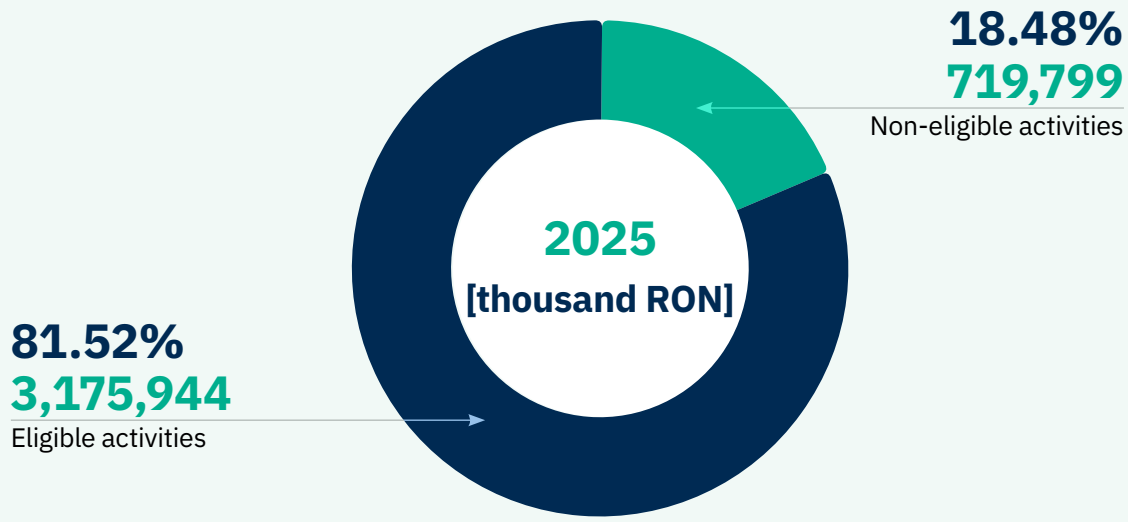
Operating expenditure (OpEx) is recognised in accordance with IFRS guidance on cost recognition and was reconciled with the trial balance. Several eligible activities were also identified for OpEx. To avoid the risk of double counting in the analysis process, OpEx items were mapped to the CAEN codes of the activities for which they were incurred and to the codes of taxonomy-eligible activities.

The values thus determined are allocated to the economic activities defined by the EU Taxonomy in order to establish the proportion of turnover, capital expenditure and operating expenditure that is eligible, while ensuring that the reported indicators accurately reflect both IFRS-based financial results and compliance with sustainability objectives.

Turnover was calculated as follows:

- in the denominator, we included all Group revenue from contracts with customers, as specified in ALRO Group's Consolidated Financial Statements, representing a total of **3,895,743 thousand RON** (2024: 3,408,037 thousand RON).
- in the numerator, we included third-party sales of primary aluminium products and the metal value transferred to the Processed Aluminium Division and Vimetco Extrusion, resulting in an eligible and aligned turnover of **3,175,944 thousand RON** (2024: 2,810,389 thousand RON) for Activity 3.8 Manufacture of primary aluminium through alumina electrolysis and through aluminium recycling (secondary aluminium according to the Taxonomy Regulation).

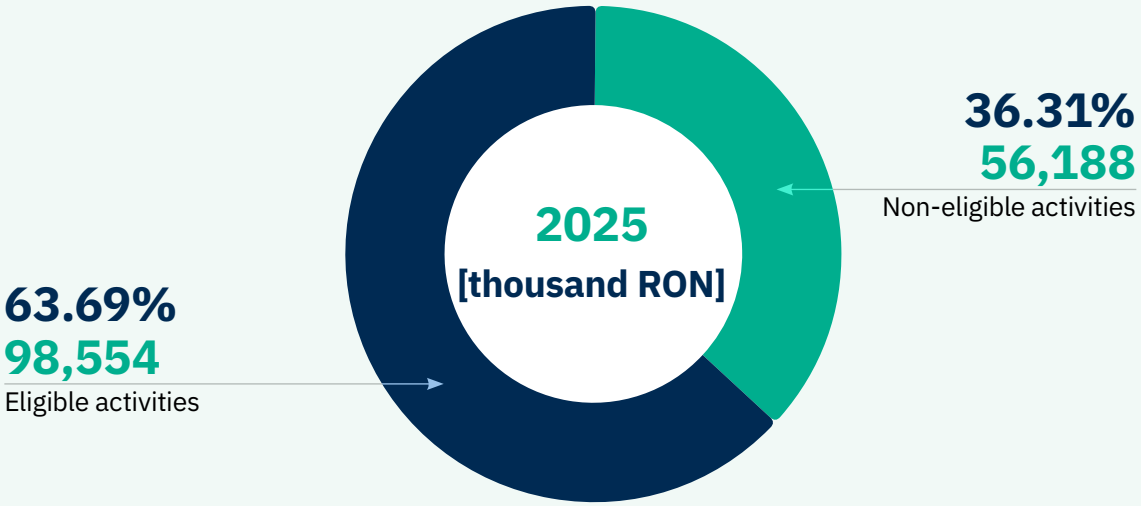
Turnover 2025



CapEx was calculated as follows:

- the denominator includes the total additions for the financial year, as reported in the Notes "Property, plant and equipment" and "Intangible assets" of ALRO Group Consolidated Financial Statements for 2025. The value of the CapEx denominator in 2025 amounted to **154,742 thousand RON** (2024: 143,143 thousand RON).
- For the calculation of the numerator, additions to property, plant and equipment and intangible assets related to **eligible** economic activities were considered, amounting to a total of **98,554 thousand RON**, as follows: capital expenditure related to the Electrolysis Departments, Cast House and Eco-Melter, amounting to **88,317 thousand RON** (2024: 50,916 thousand RON – eligible and aligned, and 2,540 thousand RON – eligible but not aligned) for Activity 3.8 – Manufacture of primary aluminium through the electrolysis of alumina and through aluminium recycling (secondary aluminium), in accordance with the EU Taxonomy Regulation; additions to property, plant and equipment and intangible assets related to eligible economic activities carried out for Activity 5.2 – Renewal of water collection, treatment and supply systems, amounting to **172 thousand RON** (2024: 969 thousand RON); additions to property, plant and equipment and intangible assets related to eligible economic activities carried out for Activity 7.3 – Installation, maintenance and repair of energy efficiency equipment, amounting to **226 thousand RON** (2024: 200 thousand RON). Capital expenditure relates to assets or processes associated with EU Taxonomy-eligible economic activities 3.8, 5.2 and 7.3 and is classified as **Type A** CapEx, in accordance with the provisions of Article 1.1.2.2 of Annex I to Delegated Act (EU) 2021/2178. In addition, Type C CapEx was identified for Activity 6.5 – Transport by motorcycles, passenger cars and light commercial vehicles, amounting to **9,839 thousand RON** (2024: 1,371 thousand RON).

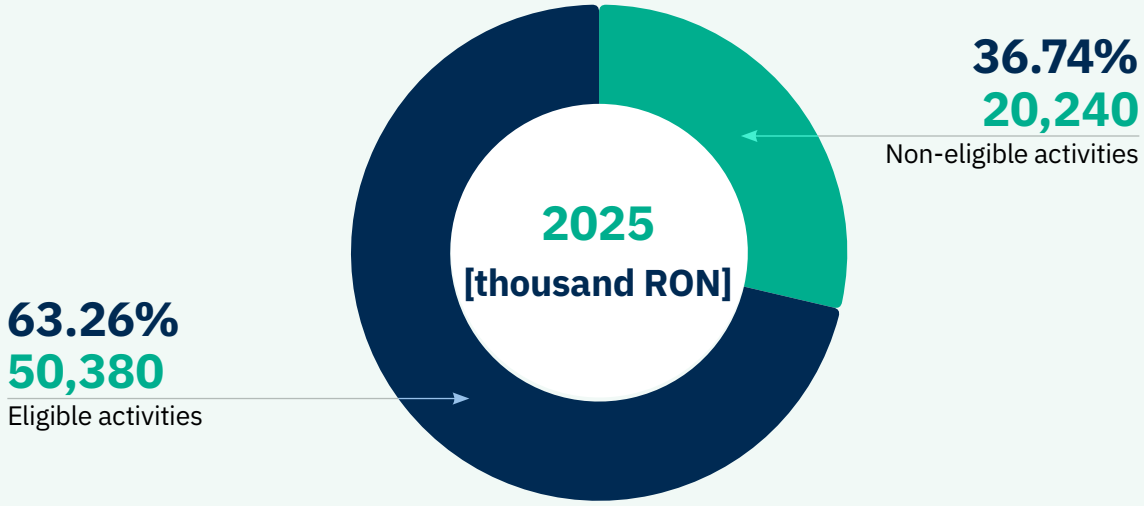
CapEx



OpEx was calculated as follows:

- in the denominator, we included the total operating expenditure for the specified functions set out in Delegated Act No 2178/2021, amounting to **70,620 thousand RON** for the 2025 financial year (2024: 69,210 thousand RON).
- in the numerator, we included operating expenditure related to repairs carried out by third parties, as well as other maintenance and repair services carried out internally (material costs, labour costs, and overheads of support and repair service providers) which are associated with the Taxonomy-eligible and aligned economic activity (Electrolysis, Cast House and Eco-Recycling Facility Departments) Activity 3.8 Manufacture of primary aluminium through alumina electrolysis and through aluminium recycling (secondary aluminium according to the Taxonomy Regulation) amounting to **20,240 thousand RON** (2024: 17,537 thousand RON). The OpEx is associated with Taxonomy-eligible economic activity 3.8 and is of Type A in accordance with the provisions of Art. 1.1.2.2 of Annex I to Delegated Act No 2021/2178.

OpEx



NUCLEAR ENERGY-RELATED ACTIVITIES AND FOSSIL GAS-RELATED ACTIVITIES

Activities related to nuclear energy

1. The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO
2. The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3. The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas activities

4. The enterprise develops, finances or has exposure to the construction or operation of electricity generating facilities that produce electricity using fossil gaseous fuels.	NO
5. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6. The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure for the year 2025

Financial year 2025		Year		Criteria for substantial contribution						Criteria related to the principle of "not significant harm" (do no Does Significantly Harm - DNSH)								
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of turnover taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.), year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		RON	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (aligned to taxonomy)																			
Aluminium manufacturing	CCM 3.8	0	0%	N	N	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	82.46%		●
Turnover of environmentally sustainable activities (aligned to taxonomy) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								*82.46%*		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	●	
Of which transitional		0	0%	0%													*82.46%*		●
A.2. Activities eligible under the taxonomy but which are not environmentally sustainable (non-taxonomy activities)																			
Activity 1																			
Turnover of activities that are eligible in terms of the taxonomy but are not sustainable in terms of environmentally sustainable (non-taxonomy activities) (A.2)		**3,175,944**	**81.52%**																
A. Turnover of taxonomy eligible activities (A.1 + A.2)		**3,175,944**	**81.52%**														**82.46%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of activities not eligible under the taxonomy		**719,799**	**18.48%**														**17.54%**		
TOTAL		**3,895,743**	**100%**														**100%**		

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure for the year 2025

Financial year 2025		Year		Criteria for substantial contribution						Criteria related to the principle of "not significant harm" (do no Does Significantly Harm - DNSH)								
Economic activities (1)	Code (2)	CapEX (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of CapEX taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.), year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		RON	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (aligned to taxonomy)																			
Aluminium manufacturing	**CCM 3.8**	0	0%	N	N	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	**35.57%**	●	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%								**35.57%**		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%								0%	●	
Of which transitional		0	0%	0%													**35.57%**		
A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
Aluminium manufacturing	**CCM 3.8**	88,317	57.07%														0.00%		
Renewal of water collection, treatment and supply systems	**CCM 5.2**	172	0.11%														0.68%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	9,839	6.36%														0.96%		
Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3**	226	0.15%														0.14%		
CapEx related to Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**98,554**	**63.69%**														1.77%		
CapEx related to Taxonomy-eligible activities (A.1 + A.2)		**98,554**	**63.69%**														37.34%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**56,188**	**36.31%**														**62.66%**		
TOTAL		**154,742**	**100%**														**100%**		

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure for the year 2025

Financial year 2025		Year		Criteria for substantial contribution						Criteria related to the principle of "not significant harm" (do no Does Significantly Harm - DNSH)								
Economic activities (1)	Code (2)	OpEx (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)	Proportion of OpEx taxonomy-aligned (A.1.) or taxonomy-eligible (A.2.), year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
		RON	%	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y, N, N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%		
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (aligned to taxonomy)																			
Aluminium manufacturing	CCM.3.8	0	0%	N	N	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	N	25.34%		●
OPEX related to environmentally sustainable activities (aligned to taxonomy) (A.1)		**0**	**0%**	0%	0%	0%	0%	0%	0%								25.34%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%									●	
Of which transitional		0	**0%**	0%													25.34%		●
A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
Activity 1																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		20,240	28.66%														25.34%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**50,380**	**71.34%**														**74.66%**		
TOTAL		**70,620**	**100%**														**100%**		

Y – Yes, taxonomy-eligible activity and taxonomy-aligned activity with the relevant environmental objective

N – No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective

N/EL – Not eligible, activity that is not taxonomy-eligible for the relevant objective

III.2. ESRS E1 Climate change

This section presents information on the material sub-topics and the associated Impacts, Risks, and Opportunities (IROs) for ALRO Group regarding Climate Change. It details how these are managed and integrated into the Group's business model and strategy. The identified sub-topics include: Climate Change Adaptation, Climate Change Mitigation and Energy Efficiency.

Material Impacts, Risks, and Opportunities (IRO)

SUB-THEME	Name *Categories*	Location of IRO in the value chain*			Time horizon in which IRO occurs**		
		↑	↔	↓	ST	MT	LT
CLIMATE CHANGE ADAPTATION	**M1 (-) Contribution to the occurrence of climate risks** *Potential negative impact*		ALRO, ALUM, VE, VT, CONEF			●	●
	M2 (-) Exposure of suppliers in ALRO Group value chain to physical climate risks *Potential negative impact*	●		●		●	●
	RO1 Exposure to operational and financial risks caused by climate change *Risk*	●	ALRO, ALUM, VE, VT, CONEF	●		●	●
	RO2 Risks related to ALRO Group's exposure to climate transition risks *Risk*		ALRO, ALUM, VE, VT, CONEF			●	●
CLIMATE CHANGE MITIGATION	**M3 (-) Generation of GHG emissions (Scope 1 and 2) within own operations.** *Current negative impact*	●	ALRO, ALUM, VE, VT, CONEF				
	M4 (-) Generation of GHG emissions (Scope 3) in the value chain *Current negative impact*	●		●			
	RO3 Regulatory risks and compliance costs related to GHG emissions *Risk*		ALRO, ALUM, VE, VT, CONEF			●	●
	RO4 Risk of exposure to indirect emissions (Scope 3) from the value chain *Risk*	●		●		●	●
EFFICIENCY (Energy)	**M5 (-) Energy consumption** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF				
	RO5 Increasing energy security and operational efficiency through involvement in the Iașalnița CCGT project *Opportunity*					●	●
	RO6 Dependence on non-renewable energy and delays in energy transition *Risk*	●	ALRO, ALUM, VE, VT, CONEF		●	●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

II.2.1. Governance

II.2.1.1. [GOV-3] Integration of sustainability-related performance in incentive schemes

Information regarding the integration of sustainability related performance into incentive schemes is reported in *Section GOV-3 of ESRS 2*.

II.2.2. Strategy

II.2.2.1. [E1-1] Transition plan for climate change mitigation

In September 2024, Romania finalised the National Integrated Energy and Climate Plan (NECP), which was submitted to the European Commission for approval in October 2024. The plan sets out a **77%** reduction in GHG emissions by 2030 compared to 1990 levels (Scope 1 and Scope 2) for the industrial sector. It stipulates that this objective will be achieved primarily by replacing fossil fuels with renewable electricity and by increasing the efficiency of the technologies employed.

ALRO's objective is to become a Net Zero GHG emissions company by 2050 or sooner, in line with the European Green Deal and the Paris Agreement goals of limiting global warming. Although ALRO has not yet finalised a formal **climate transition plan,** through its new 2025-2030 Sustainability Strategy, the Group has officially committed to the goal of climate neutrality and to developing an action plan that outlines the Group's decarbonisation pathway.

To date, even in the absence of a finalised climate transition plan, the Group has implemented a series of measures for the decarbonisation of its processes and products, as detailed in *section E1-3* of this Sustainability Report.

ALRO operates one of the most sustainable aluminium production facilities, with a ALRO operates one of the most sustainable aluminium production facilities, with a footprint of 4.37 metric tonnes of CO_2e per tonne of aluminium*.

In 2025, ALRO obtained the Aluminium Stewardship Initiative (ASI) V3 recertification, initially achieved in 2023. ASI is a global organisation that sets standards for the responsible production of aluminium, focusing on aspects such as environmental protection, respect for human rights, and transparency within the aluminium value chain. One of ASI's primary objectives is the reduction of CO_2 emissions from aluminium production. Through its sustainability commitments, ALRO is implementing measures to meet ASI requirements for 2030, including significant reductions in CO_2 emissions. Furthermore, in 2023, VE also achieved the ASI Performance Standard V2 Certification for the manufacture of extruded aluminium profiles at its facility in Slatina, Romania.

Therefore, for ALRO Group, decarbonisation entails reducing **Scope 1** (direct) and **Scope 2** (indirect) emissions, as well as **Scope 3** indirect emissions. In this regard, at the end of 2025, ALRO Group published its new Sustainability Strategy for 2025-2030, in which the development of the Climate Transition Plan represents one of its strategic priority actions. During 2025, ALRO drafted and published the document „ALRO Net Zero by 2050", which constitutes a first step towards establishing a climate transition plan in line with ESRS E1-1 requirements. This serves as both a strategic guidance document and a technical foundation for the phased development of ALRO's climate transition plan. In the next stage, in accordance with the 2025-2030 Sustainability Strategy,

** Based on the 2024 ALRO energy label.*

ALRO will integrate the financial elements of the transition plan, including investments, funding sources, CapEx and OpEx plans, as well as their alignment with the requirements of the EU Taxonomy Regulation. The document defines strategic directions for reducing greenhouse gas emissions for Scope 1, Scope 2, and, where applicable, Scope 3, alongside the main decarbonisation levers and priority areas for intervention. These efforts aim to align with the goal of limiting global warming to 1.5°C and achieving climate neutrality by 2050, in accordance with the Paris Agreement and the European Green Deal.

Following the full completion of all other components of the climate transition plan, the interim targets and emission reduction pathways initially established for ALRO may be reviewed and adjusted. This would ensure economic feasibility and the full integration of the transition plan into the Group's financial and strategic planning, as well as the formalisation of the governance and approval process.

Regarding ALUM, in view of the suspension of alumina production and the absence of a definitive timeline for the resumption of operations, the company has not yet developed a climate transition plan. For both ALUM and VE, these plans will be finalised following the publication of the Best Available Techniques (BAT) conclusions, **by early 2030 at the latest**, and will be annexed to the updated Greenhouse Gas (GHG) permits. For VT, the opportunity to develop a climate transition plan will be assessed in the coming period, contingent upon future legislative regulations.

Until all components required by ESRS E1-1 are finalised for both ALRO and the other companies with production capacities, the ALRO Group considers the "ALRO Net Zero by 2050" document as a reference baseline and a constitutive element of its climate transition plan, which will be progressively completed and updated.

II.2.2.2. [ESRS 2 SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

As detailed in the section relating to ESRS 2, the Group's business model and strategy incorporate aspects concerning carbon emission reductions and the enhancement of climate resilience.

ALRO Group's business model and strategy explicitly integrate objectives for decarbonisation and climate change adaptation, directly impacting the product portfolio, operational infrastructure, and investment plans. Material impacts identified during the double materiality process are associated with its own operations through the generation of GHG *emissions and high energy consumption* (M1, M3, M5), as well as the *upstream and downstream value chain*, where GHG emissions and *climate risk* exposures are recognised (M2, M4, RO4). The Group has calculated Scope 3 emissions in accordance with the GHG Protocol and has conducted consultations with suppliers, confirming the existence of climate risk exposures; however, the integration of these exposures into a comprehensive resilience analysis remains under development and will be expanded in future reporting periods.

Regarding significant climate risks, the ALRO Group distinguishes between physical risks and transition risks. Physical risks (RO1) are associated with rising average temperatures and the intensification of heatwaves, with potential effects on equipment operational continuity, energy consumption for cooling, and employee health across all time horizons (ST/MT/LT). *Transition risks* (RO2, RO3, RO6) arise from legislative and market developments related to decarbonisation (ETS, CBAM, CSRD, EU Taxonomy, etc.), which may lead to increased operational costs, pressure on margins, and the necessity of adopting new technologies, such as inert anodes. The Group also recognises indirect exposure to climate risks within the value chain (RO4), particularly through dependence on raw material suppliers and customers from energy-intensive industrial sectors. Conversely, climate change also generates strategic **opportunities** (RO5), such as enhancing energy security through proprietary projects (the CCGT power plant at Iṣalnița) and expanding the 'low-carbon' product portfolio based on recycled aluminium (EssentiAL, VitAL, VitAL Max).

The climate resilience analysis covers Group's own operations (ALRO, ALUM, VE, VT, CONEF) and is structured across short, medium, and long-term horizons (ST/MT/LT), using physical climate scenarios (SSP 2-4.5, SSP 5-8.5) and economic transition scenarios (Net Zero 2050, energy/CO_2 pricing). The methodology, assumptions, and detailed results are presented in the *IRO-1 section*. For physical risks, the scenarios indicated predominantly low-to-moderate exposures, manageable through technical measures, occupational health protocols, and energy efficiency, without impacting business continuity. For transition risks, the scenarios highlighted potential pressures on costs and competitiveness, which are strategically addressed through process electrification, expanding recycling initiatives, proprietary energy projects, and the diversification of low-carbon footprint products.

The interaction of these climate-related risks and opportunities with Group's strategy is reflected in the prioritisation of investments (transition CAPEX currently under development), the optimisation of the energy mix, the reduction of dependence on primary aluminium, the integration of ESG criteria into governance, and the expansion of emission management across the value chain. At this stage, the Group's strategic framework is considered resilient to climate change, with no identified risks regarding the going concern principle.

The interaction between these climate risks and opportunities and the Group's strategy is reflected in the prioritisation of investments (transition CAPEX to be developed), the optimisation of the energy mix, the reduction of dependence on primary aluminium, the integration of ESG criteria into governance, and the extension of emission management across the value chain. At this stage, the Group's strategic framework is considered climate-resilient, with no risks identified regarding the going concern principle.

The implementation of new technological solutions requires significant investment in infrastructure, research, and development, as well as the adaptation of operational processes to reduce greenhouse gas (GHG) emissions. **A relevant example is presented in the report *"Net-zero by 2050: science-based decarbonisation pathways for the European aluminium industry"*, published in 2023 by European Aluminium. This report estimates that inert anode technology, which could become commercially available from 2035, would involve capital expenditure (CAPEX) of approximately €6,309/tonne, for a GHG emission intensity of just 5% compared to conventional carbon-based anodes. To achieve a production capacity of 50,000 tonnes per annum using this technology, ALRO Group would need to undertake substantial investment**.

Climate considerations are integrated into financial projections, impairment tests, cash flows, and provisions for ETS/CO_2. (See Note "Climate Change" in the Consolidated Financial Statements.)

II.2.3. Impact, risk and opportunity management

II.2.3.1. [ESRS 2 IRO-1] Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Information regarding the description of the processes for identifying and assessing material climate-related impacts, risks, and opportunities is reported in *Section IRO-1 of ESRS 2*.

II.2.3.2. [E1-2] Policies related to climate change mitigation and adaptation

Politics related to climate change

Policy name	Applicability	MATERIAL TOPICS		
		M1 (-), M2 (-), RO1, RO2	M3 (-), M4 (-), RO3, RO4	M5 (-), RO5, RO6
1. Climate Change Policy	ALRO, ALUM, VE	●	●	●
2. Statement of the General Director regarding quality, environment, energy, information security, occupational health and safety	ALRO, ALUM		●	●
3. Corporate Social Responsibility Policy	ALRO, ALUM, VE, VT	●	●	●

1. Climate Change Policy – ALRO, ALUM, VE

RO Groupe is committed to the periodic review and updating of its internal policies and procedures whenever necessary, particularly when changes in the legislative or regulatory framework impact the operations of Group companies. Consequently, in 2025, ALRO Group adopted a *Climate Change Policy* aimed at managing material climate impacts, reducing greenhouse gas (GHG) emissions, and contributing to the transition toward a climate-neutral economy. The Policy focuses on the prevention, mitigation, and remediation of climate impacts, addressing both physical and transition climate risks, and capitalising on opportunities related to decarbonisation and energy efficiency. It is directly mapped to **material impacts** M1, M2, M3, M4, M5, as well as **risks** and **opportunities** RO1, RO2, RO3, RO4, RO5, and RO6. Furthermore, the Policy establishes clear commitments for the progressive reduction of Scope 1, Scope 2, and Scope 3 emissions, targeting net-zero by 2050, while strengthening operational resilience to climate risks and integrating climate objectives into business strategies, investments, and operations. Monitoring is conducted through

specific performance indicators (GHG emissions, energy consumption, and renewable energy sourcing), reported in accordance with ESRS E1-5 and ESRS E1-6.

Through this policy, the Group reaffirms its commitment to preventing and mitigating climate risks by implementing a strategic climate adaptation and transition plan, while collaborating with suppliers to support the shift towards a sustainable economy. Furthermore, the Group promotes the use of renewable energy sources, the adoption of low-emission production technologies, and the development of partnerships to foster a circular economy.

The implementation of this policy is assessed during the Annual Management Review and, where appropriate, revised in line with new guidelines that address changes in the business environment (e.g., legislation, initiatives joined by Group companies, and stakeholder requirements and expectations). Progress on the policy's implementation is reported annually within the Sustainability Report. Specific actions and targets regarding its execution are detailed in the ALRO Group Sustainability Strategy 2025-2030, available at *www.alro.ro*.

The scope of the policy covers all production entities within ALRO Group – **ALRO**, **ALUM**, and **VE**, as well as the entire value chain, including suppliers, partners, and customers. No geographical or operational exclusions are foreseen, except in cases where activities are suspended (e.g. ALUM), for which implementation will be aligned with BAT developments.

Responsibility for implementation is structured across multiple levels: the Board of Directors and the Risk and Sustainability Committee define the strategic direction and approve the necessary resources; executive management coordinates the integration of climate objectives into operational plans; technical and environmental teams monitor emissions and resource consumption and implement technical measures; while suppliers and partners adhere to climate requirements through the Code of Conduct.

The policy adheres to international standards and frameworks, including the Paris Agreement, the CSRD, the EU ETS, the EU Taxonomy, ESRS E1, ISO 50001, and UN Sustainable Development Goal 13: Climate Action. Policy implementation aims to ensure compliance with European legislative requirements and industry-specific standards, such as the Aluminium Stewardship Initiative (ASI).

Stakeholder perspectives were embedded into the formulation of this policy through consultations conducted with employees, local communities, customers, and suppliers during the 2025 double materiality process. Their insights played a pivotal role in informing the Group's priorities regarding decarbonisation and energy efficiency.

The policy is publicly accessible on ALRO's Group corporate websites and is disseminated internally to employees and involved partners. Progress and implementation indicators are transparently disclosed in the Sustainability Report and reported to the relevant regulatory authorities.

2. Statement of the General Director regarding quality, environment, energy, information security, occupational health and safety – ALRO, ALUM

The General Director statement regarding quality, environment, energy, information security, and occupational health and safety for **ALRO** and **ALUM** set clear objectives focused on sustainable development and reducing environmental impact. General objectives include developing the organisation's activities, processes, and products in a sustainable manner, ensuring the reduction or elimination of associated pollution sources and the more efficient and sustainable use of energy (M3, M4, M5, RO3, RO4, RO5, and RO6). ALRO and ALUM implement this statement through the integrated management system, monitoring performance and ensuring the continuous improvement of their processes and products.

Further details regarding the Statement on Quality, Environment, Energy, Information Security, and Occupational Health and Safety are presented in the *ESRS E5 Resource Use and Circular Economy* section of this Sustainability Report.

3. Corporate Social Responsibility Policy - ALRO, ALUM, VE, VT

ALRO Group has developed a Corporate Social Responsibility Policy at the level of each group company. Through the objectives undertaken in the field of environmental protection, this policy

contributes directly to climate change mitigation by promoting the reduction of greenhouse gas emissions and energy consumption, as well as the efficient use of natural resources.

The Corporate Social Responsibility Policy directly contributes to the management of **impact** M3 (-) *Generation of GHG emissions (Scope 1 and 2) within own operations* and M5 (-) *Energy consumption*, through explicit commitments to pollution prevention, enhancing energy efficiency, and the implementation of resource-efficient practices and technologies. Through these commitments, ALRO Group aims to reduce the environmental impact of its own operations and mitigate its contribution to climate change.

Regarding the value chain, the Corporate Social Responsibility Policy supports the management of **impact** M2 (-) *Exposure of suppliers in the ALRO Group value chain to physical climate risks* and M4 (-) *Generation of GHG emissions (Scope 3) in the value chain*, by promoting environmentally responsible behaviour in relationships with business partners. To this end, the policy stipulates the selection of and collaboration with suppliers who demonstrate a responsible approach to natural resource use and ecological risk management, thereby contributing to the reduction of potential indirect emissions and limiting the value chain's exposure to the effects of climate change. By integrating environmental criteria into supplier selection and evaluation processes and promoting the principles of pollution prevention and environmental responsibility, the policy aims to influence third-party behaviour and ensure its alignment with the Group's environmental protection standards, addressing climate impacts within the value chain through influence and indirect control mechanisms.

The Corporate Social Responsibility Policy establishes a framework of principles that supports the prevention and mitigation of environmental impacts, which may give rise to *operational and financial risks associated with climate change* (RO1), *transition risks* (RO2), regulatory risks and compliance costs related to GHG emissions (RO3), and risks associated with indirect emissions within the value chain (RO4).

Further details regarding the Corporate Social Responsibility Policy are presented in *Section G1* Business Conduct of this Sustainability Report.

II.2.3.3. [E1-3] Actions and resources in relation to climate change policies

In the previous reporting period, ALRO Group presented actions in the fields of climate change mitigation, climate change adaptation, and energy derived from several strategic and operational documents, including the 2022–2025 Sustainability Strategy, the 2023–2024 Surveillance Audit, and the 2024 Statement of Measures on energy efficiency, developed based on the energy audit. As of 2025, ALRO Group has adopted a revised sustainability strategy for the 2025-2030 period, which constitutes the unified strategic framework for defining, prioritising, and implementing actions regarding climate change mitigation and adaptation, as well as energy efficiency. Within this new strategy, previously reported actions have been incorporated, consolidated, and integrated into a coherent structure, without abandoning the measures already initiated. Actions reported in 2024 that were not yet completed have been integrated into the new 2025-2030 Sustainability Strategy, as detailed in the following tables: Table: Main Actions; Table: Decarbonisation Measures through Increased Energy Efficiency, showing progress in reducing the carbon footprint in accordance with the 2025 Surveillance Audit; Table: Record of Decarbonisation and Climate Change Adaptation Actions taken by ALUM and Main Anticipated Benefits Reported in 2024; and Table: Record of Decarbonisation and Climate Change Adaptation Actions taken by VE and Main Anticipated Benefits Reported in 2024.

To ensure the achievement of the objectives established by its climate change policies, aligned with the identified material impacts, risks, and opportunities, ALRO Group has operationalised these commitments

within ***Pillar I – Protecting the Future of the Sustainability Strategy 2025-2030***. This pillar correlates the policies presented in *section E1-2* with concrete actions, time horizons, monitoring indicators, and measurable targets, so that their implementation generates verifiable results across all the Group's own operations. Details regarding the progress of these actions can be found both in this section and in E1-4, which presents the progress of outcome indicators associated with targets and the progress of output indicators associated with actions.

Main actions

Main actions/*Action Types*		Timeframe	Expected rezults	Target	IRO materials
A1E1	**Identification of upgrading, digital transformation, and energy efficiency measures applicable to ALRO, ALUM, and VE activities, including the estimation of potential Scope 1 GHG emission reductions for each time horizon and, where possible, the associated implementation costs** ***Type:*** *Mitigation – Scope 1 emissions* ***Decarbonisation Lever:*** *Energy efficiency, process optimisation* ***Type:*** *Adaptation – reducing energy dependency through consumption reduction*	**2025-2030**	The progressive reduction of Scope 1, 2, and 3 greenhouse gas (GHG) emissions, achieving net-zero by 2050 in accordance with the Paris Agreement.	The development of a Group-wide climate action plan, setting out greenhouse gas (GHG) emission reduction pathways (Scope 1, 2, and 3) and defining interim targets for the 2030, 2040, and 2050 horizons.	**M3 (-)** *Generation of GHG emissions (Scope 1 and 2) within own operations* **M4(-)** *Generation of GHG emissions (Scope 3) in the value chain* **RO3(-)** *Regulatory risks and compliance costs related to GHG emissions* **RO4(-)** *Risk of exposure to indirect emissions (Scope 3) from the value chain*
A2E1	**Conducting an intermediate technical and economic feasibility analysis regarding the adoption of inert anode technology at ALRO, including the estimation of market availability timeline, required investment level, and potential reduction of direct emissions (Scope 1)** ***Type:*** *Mitigation – Scope 1 emissions* ***Decarbonisation Lever:*** *Low-emission technology / elimination of process emissions* ***Type:*** *Adaptation – reducing energy dependency through consumption reduction*				
A3E1	**Enhancing circularity by increasing the share of recycled aluminium in finished products and expanding product ranges based on recycled aluminium, with a positive impact on reducing Scope 1 and 3 GHG emissions at ALRO and VE.** ***Type:*** *Mitigation – Scope 1 and 3 emissions* ***Decarbonisation Lever:*** *Circularity / use of secondary materials* ***Type:*** *Adaptation – reducing energy dependency through consumption reduction*				
A4E1	**Identification of alternative carbon-free energy solutions to reduce Scope 2 emissions at ALRO, ALUM, and VE, including: investments in own production capacities (e.g.: the gas power plant at Iṣalnița), procurement of low-carbon certified electricity (within the legal framework), and installation of photovoltaic panels and energy storage batteries.** ***Type:*** *Mitigation – Scope 2 emissions* ***Decarbonisation Lever:*** *Energy decarbonisation / Energy mix transition / Emission intensity reduction vs. more polluting alternatives (gas-fired power plant)* ***Type:*** *Adaptation – reducing dependency on non-renewable energy*				
A5E1	**Analysis of the upstream and downstream value chain to identify and prioritize actions that can reduce Scope 3 emissions, as well as development of strategic partnerships with suppliers and customers to jointly reduce climate impact.** ***Type:*** *Mitigation – Scope 3 emissions* ***Decarbonisation Lever:*** *Value chain engagement / Scope 3 collaboration*				
A6E1	**By 2030, ALRO Group will launch a technical analysis on the implementation of CCUS (Carbon Capture, Utilisation, and Storage) technologies, in preparation for a potential deployment after 2040, as a measure to offset residual emissions.** ***Type: Mitigation – Scope 1 emissions*** ***Decarbonisation Driver: CCS – Carbon Capture and Storage***				
A7E1	**Implementation of the climate action plan by integrating the established measures into internal investment and operational decision-making processes across all Group entities (ALRO, ALUM, and VE).** ***Type:*** *Mitigation – Scope 1, 2, and 3 emissions* ***Decarbonisation Lever:*** *Energy decarbonisation / Energy mix transition / Emission intensity reduction* ***Type:*** *Adaptation – reducing energy dependency through consumption reduction*				
A8E1	**Annual monitoring of total GHG emissions, both location-based and market-based, in t CO_2e** *Support action – monitoring and governance*				

Main actions/*Action Types*		Timeframe	Expected rezults	Target	IRO materials
A9E1	**Technical audit of facilities and infrastructure to identify vulnerabilities to extreme weather events for each company in the Group and determine the necessary investments for climate change adaptation.** ***Type:*** *Adaptation – physical risks* ***Lever:*** *Strengthening infrastructure resilience*	**2025-2030**	Enhancing the ALRO Group's resilience to climate risks by anticipating, assessing, and integrating them into decision-making and investment processes.	By 2030, the development of a Capital Expenditure (CapEx) plan dedicated to climate change adaptation for each Group company (ALRO, ALUM, VE), based on the analysis of physical and transition risks.	**M1 (-)** *Contribution to the occurrence of climate risks* **M2(-)** *Exposure of suppliers in the ALRO Group value chain to physical climate risks* **RO1(-)** *Exposure to operational and financial risks caused by climate change* **RO2 (-)** *Risks related to ALRO Group's exposure to transition climate risks*
A10E1	**Replacement of current equipment with new, energy-efficient equipment.** ***Type:*** *Mitigation – Scope 1 and 2 emissions* ***Lever:*** *Energy efficiency / equipment modernisation* ***Type:*** *Adaptation – reducing energy dependency through consumption reduction*	**2025-2030**	Increasing the energy efficiency of industrial and auxiliary processes across the ALRO Group, aiming to reduce energy consumption, costs, and indirect GHG emissions (Scope 2).	Reducing specific electricity consumption (kWh/tonne of cast aluminium) by at least 10% by 2030, relative to the 2018 baseline.	**M5(-)** *Energy consumption* **RO5 (+)** *Increased energy security and operational efficiency through participation in the Isalnița CCGT project* **RO6 (-)** *Dependence on non-renewable energy and delays in the energy transition*
A11E1	**Annual monitoring of energy consumption in MWh and of the specific electricity consumption (kWh/tonne of cast aluminium).** *Support action – monitoring and governance*				
A12E1	**Installation of a photovoltaic power plant of 100 kWh (VE) and 1.4 MWh (ALRO).** ***Type:*** *Mitigation – Scope 2 emissions* ***Lever:*** *Renewable energy – self-generation* ***Type:*** *Adaptation – reducing dependency on non-renewable energy*			Partial electricity generation from renewable sources (solar) by 2030 (ALRO, VE), alongside the installation of battery energy storage systems (ALRO, ALUM).	
A13E1	**Installation of a battery energy storage system (MWh) (ALRO, ALUM).** ***Type:*** *Mitigation – Scope 2 emissions* ***Lever:*** *Renewable energy – storage (or Energy storage systems)* ***Type:*** *Adaptation – reducing energy dependency*				

The scope of the main actions covers all of ALRO Group's production operations, without geographical or functional exclusions, while actions A3E1 and A5E1 also extend to the value chain. The effectiveness of these measures is tracked through the outcome and output indicators included in the Sustainability Strategy (e.g., t CO_2e / tonne of aluminium produced; t CO_2e / thousand RON net revenue (location & market-based); t CO_2e Total GHG Emissions (location-based); t CO_2e Total GHG Emissions (market-based); number of measures and investment projects for reducing GHG emissions; kW total installed photovoltaic capacity (ALRO, VE); MWh electrical energy battery storage capacity (ALRO, ALUM); climate action plan; the share of recycled aluminium in total raw materials used; number of strategic partnerships initiated with suppliers and customers to reduce Scope 3 emissions, etc.).

The identification of actions necessary for managing significant climate change impacts is carried out through an annual process integrated within ALRO Group's ongoing due diligence system. This process includes: double materiality analysis, environmental audits, and technical inspections. Based on these mechanisms, ALRO Group prioritises actions according to the severity and likelihood of the impacts, distinguishing between actual negative impacts and potential negative impacts, as well as between preventive actions and measures capable of generating actual positive impacts.

The material impacts identified by ALRO Group in the field of climate change are global and systemic in nature and are primarily associated with the generation of greenhouse gas emissions, energy consumption, and exposure to physical and transition climate risks. These impacts do not translate into direct, local, and identifiable harm to individuals or communities that would require the provision of remediation measures in the sense of ESRS requirements. ALRO Group conducts its activities in accordance with the applicable environmental permits and has not recorded, during the reporting period, any

breaches of legal limits or situations that would trigger remediation or compensation obligations. Nevertheless, the Group recognises that its industrial activities contribute to climate change, particularly through greenhouse gas emissions; for this reason, it implements measures to prevent, reduce, and manage climate impacts, going beyond mere legal compliance.

ALRO Group's approach focuses on the prevention and reduction of climate impacts, with the objective of diminishing these impacts to a minimum level and avoiding situations that could necessitate remediation measures. In this regard, the Group has established a series of targets, as well as preventive and mitigation actions, included in the new 2025-2030 Sustainability Strategy and presented in this section and in E1-4. Through the implementation of these measures, ALRO Group aims to reduce its contribution to climate change and increase the resilience of its operations, addressing identified impacts through a strategy of prevention and mitigation.

Actions implemented or launched in 2025 – ALRO

In the 2024 Sustainability Report, a series of actions established by **ALRO** were reported for the reduction of GHG emissions and energy consumption, based on the Energy Audit conducted in 2023 and the 2024 Surveillance Audit regarding the implementation progress of energy efficiency measures. These actions, including their progress in accordance with the Surveillance Audit carried out for 2025, have been incorporated int the new Sustainability Strategy 2025-2030, being integrated across several actions as presented in the table below.

Decarbonisation measures through improved energy efficiency, demonstrating progress in carbon footprint reduction in accordance with the 2025 Surveillance Audit.

Proposed Measure		Estimated reduction in consumption [MWh/year]	Estimated reduction in tCO_2 emissions [tCO_2/ year]	Actual reduction in consumption [MWh/year]	Actual reduction in tCO_2 emissions [tCO_2/year]	Action included in the Sustainability Strategy 2025-2030
A1E1	Modernisation of electrolysis pots	23,780	6,183	30,291	2,126	A1E1 and A7E1
A2E1	Development and optimisation of scrap remelting capacities within the Eco-Recycling Facility	674,400	182,088	899,035	242,740	n.a. – action completed in 2024.
A3E1	Procurement of a charging machine for the melting furnaces	6,462	1,208	11,922	2,229	n.a. – action completed in 2024.
A4E1	Installation of a water recirculation station	50	13.5	225.16	60.79	n.a. - action completed in February 2025
A5E1	Replacement of CO1 and CO2 ageing furnaces with a new furnace	40,634	7,731	6,400	1,728	A1E1 and A7E1

The activity reported in 2024 under A1E1 – *"Modernising electrolysis cells with Rio Tinto AP-12 LE technology"* is reflected in two distinct actions within the 2025-2030 Sustainability Strategy, namely A1E1 and A7E1, to highlight the different stages of the climate transition plan's implementation cycle. The inclusion of this activity in A1E1 reflects its role as a framework activity for identifying, analysing, and prioritising the decarbonisation projects and investments necessary to meet climate transition targets. Simultaneously, its inclusion in A7E1 reflects the fact that it represents the operational component of the climate transition plan. Through this, projects already identified and approved (under A1E1) are integrated into internal investment and operational decision-making processes and are effectively implemented across Group's production entities. This approach ensures continuity and coherence in the implementation of the climate transition plan, allowing the identification and evaluation of new solutions to proceed in parallel with the delivery of mature projects,

depending on technical readiness, availability of financial resources, and investment decisions.

The pot modernisation project continued to be implemented throughout 2025, within an overall delivery timeframe of 2023-2026. Consequently, during the reporting year, a further 50 electrolysis pots were modernised, reaching a total of 302 units. This initiative contributes to energy efficiency as a decarbonisation solution, given that one of the primary sources of CO_2 emissions in aluminium production stems from the electricity consumption required for the electrolysis process. The AP-12LE technology improves the efficiency of the electrolysis pots, reducing the amount of energy required to produce aluminium. This is achieved by optimising pot design, utilising new materials that allow for better electrical conductivity, and reducing energy losses.

At the same time, the project serves as an adaptation solution, as it limits the company's vulnerability to fluctuations in energy costs. The aluminium industry is energy-intensive, meaning that price volatility or issues with energy availability can pose a significant risk. AP-12 LE technology helps increase energy efficiency, thereby reducing reliance on non-renewable energy sources. This makes the process more resilient to economic and climate-related changes regarding energy availability and costs. Furthermore, AP-12 LE technology can be more easily integrated with renewable energy sources (such as solar or wind power), which are becoming increasingly vital as the energy transition towards cleaner sources accelerates.

The action reported in 2024 as A4E1 *"Installation of a water recirculation station"* was not included in the 2025-2030 Sustainability Strategy, as its implementation was completed prior to the finalisation and approval of the new strategy. Consequently, the sustainability report for the current period presents only the progress and completion of this action, as part of the continuity of the reporting initiated in 2024. This action contributes to the reduction of energy consumption as a decarbonisation solution, as the water recirculation and cooling system reduces the amount of electricity required for the industrial cooling process. By saving 50 MWh/year, overall energy consumption is reduced, which can have a direct impact on lowering the CO_2 emissions associated with electricity generation. Specifically, energy savings result in a decreased demand for energy from conventional sources, thereby contributing indirectly to the reduction of greenhouse gas (GHG) emissions.

In the context of climate change, water resources may become increasingly scarce, and drought-stricken regions may face challenges in ensuring a constant supply of water for industrial cooling. By implementing a water recirculation system, the consumption of fresh water is reduced, making the cooling process more sustainable and resilient to water shortages, thereby serving as an effective adaptation solution.

Action A5E1, *"Replacement of CO_1 and CO_2 ageing furnaces with a new furnace"*, reported in 2024, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A4E1 and A7E1. During 2025, the construction and assembly works related to the investment for installing the artificial ageing furnace were carried out in the C2 building (Extrusions), Heat Treatment department, based on the building permit issued by the Slatina City Hall. The final acceptance of the works took place in September 2025, and the action is considered implemented. The installation of the new furnace, based on an innovative technology operating at significantly lower temperatures (140–180°C), compared to the 470–540°C range used by existing equipment, contributes directly to the reduction of electricity and natural gas consumption. **This increased efficiency translates into a real saving of 6,400 MWh/year**, leading to a decrease in total energy consumption and, consequently, a reduction in greenhouse gas emissions. By reducing the energy intensity of the process, the action contributes to the Group's decarbonisation objectives. Furthermore, this action supports climate change adaptation by increasing the operational resilience of industrial processes. Reducing energy requirements makes the company less exposed to energy price volatility and the risks of supply disruptions, which can be amplified by climate change and energy market instability. A more energy-efficient ageing process allows for greater operational

flexibility and ensures business continuity under conditions of energy stress, thus contributing to the adaptation of operations to an increasingly unpredictable climatic and economic context.

Action A6E1, *"Installation of a 1.46 MW photovoltaic power plant"* at ALRO, reported in 2024, has been incorporated into the new 2025-2030 Sustainability Strategy under Action A12E1: "Installation of a 100 kWp photovoltaic plant (VE) and a 1.4 MWp plant (ALRO)". This will lead to a reduction in indirect CO_2 emissions of approximately 539.5 tonnes of CO_2/year. In 2025, the Slatina City Hall issued Opportunity Advisory No. 3/19.05.2025, through which the necessary permits and studies were requested for the approval of the Zonal Urban Plan, with a view to obtaining the Building Permit for the 1.4 MWh photovoltaic plant (ALRO); specifically, 15 permits and 9 specialist studies were required. By 31 December 2025, 11 permits had been obtained and 6 studies had been drafted, with the remaining permits and studies to be finalised during 2026, in accordance with the applicable legal procedures.

At the same time, this action represents a climate change adaptation measure, as it contributes to increasing the energy resilience of operations within the context of physical and transition climate risks. The local production of electricity from renewable sources reduces dependence on external power grids, which may be affected by extreme weather events, production volatility, and energy infrastructure disruptions. By diversifying energy supply sources and increasing energy autonomy, the photovoltaic plant supports operational continuity and the company's capacity to maintain its activities under conditions of climate stress, thereby contributing to climate change adaptation.

Actions A7E1 – *"Construction of a 470 MW Combined Cycle Gas Turbine (CCGT) plant at ALRO by 2027"* – and **A8E1** – *"Development, design, construction, grid connection, ownership, operation, exploitation, and maintenance of an 850 MW CCGT plant at Iș alnița"* – reported in 2024, have been incorporated into the 2025-2030 Sustainability Strategy and are reflected in actions A4E1 and A7E1. The Combined Cycle Gas Turbine projects are considered transition solutions within Group's energy mix, contributing to the reduction of emission intensity associated with consumed electricity and to the enhancement of energy security. At the time of drafting the 2025-2030 Sustainability Strategy, these projects were at different stages of maturity; consequently, they are addressed from both an identification and an implementation perspective, depending on the progress of technical analyses, permitting processes, and investment decisions.

Regarding the progress of **action A7E1** Construction within ALRO of a 470 MW Combined Cycle Gas Turbine plant by 2027, the environmental impact assessment procedure continued in 2025 and was finalised in July 2025 with the issuance of Environmental Agreement No. 7/25.07.2025.

Furthermore, the update of the Feasibility Study was completed in December 2025, providing the basis for the next stages of the project's implementation from a technical, economic, and strategic perspective.

In 2026, the action will continue with the commencement of the process to obtain the Technical Connection Permit to the National Energy System. Given the complexity of the permitting process, it is estimated that the completion of the plant will take place by 2029, rather than 2027. In accordance with the project implementation schedule, the commencement date for design and construction works is estimated for the end of 2027. However, this date may be influenced by both the procedure for obtaining the necessary permits and authorisations and the project's financing model.

The construction of a Combined Cycle Gas Turbine plant will contribute to climate change mitigation by reducing the emission intensity associated with consumed electricity compared to conventional sources with higher emissions. CCGT technology allows for superior energy efficiency and lower specific CO_2 emissions, serving as a transition solution within the Group's energy mix.

Furthermore, the project will contribute to climate change adaptation by increasing the energy security and resilience of ALRO's operations, reducing dependence on external grids susceptible to disruptions generated by extreme weather events. Securing a proprietary and stable energy source supports operational continuity in the context of physical climate risks.

Regarding **action A8E1** Development, design, construction, connection, ownership, operation, exploitation, and maintenance of an 850 MW Combined Cycle Gas Turbine (CCGT) plant at Ișalnița, the tender documentation was revised in 2025, and the technical conditions were made more flexible to ensure the broadest possible participation in the tender and genuine competition among bidders, on 25 March 2025, the Award Procedure was resumed, with the new documentation being published on the SEAP platform and the deadline for the receipt of tenders or requests to participate set for 31 January 2026. In accordance with the project implementation schedule, the estimated commissioning date is the end of 2028. However, this date may be influenced by both the procedure for obtaining the necessary permits and authorisations and the project's financing model.

The project will contribute to climate change mitigation by providing an energy production capacity with lower emission intensity, which supports the transition towards an energy mix with a lower carbon footprint at a system level, complementing other decarbonisation solutions identified within the climate transition plan. The Ișalnița CCGT plant will support ALRO Group's climate change adaptation by increasing the stability and predictability of the Group's electricity supply, reducing the exposure of its operations to supply disruptions or fluctuations in the context of intensifying extreme weather events and energy market volatility.

Regarding the actions within the new strategy, progress was recorded during 2025 for actions A3E1, A8E1, A10E1 and A11E1.

A3E1: *Stimulating circularity by increasing the share of recycled aluminium in finished products and expanding recycled aluminium-based product ranges, with a positive impact on reducing Scope 1 and 3 GHG emissions at ALRO and VE*. This action aims for the progressive integration of a larger quantity of recycled aluminium into the product portfolios of ALRO and Vimetco Extrusion (VE), as well as the development of dedicated products based on recycled aluminium. This approach supports the transition toward a circular economy model and the utilization of secondary materials within the production chain. This action represents a mitigation solution, as the use of recycled aluminium involves significantly lower energy consumption compared to primary aluminium production. Increasing the share of recycled material thus contributes to the reduction of direct greenhouse gas emissions (Scope 1) associated with energy-intensive processes, as well as the reduction of indirect emissions in the value chain (Scope 3) by decreasing the demand for primary raw materials and their related activities. By expanding the use of recycled aluminium, the Group reduces its carbon footprint and supports long-term decarbonization goals.

Furthermore, this action serves as an adaptation solution by reducing dependence on primary resources that may be exposed to climate risks. Utilizing a larger amount of recycled aluminium allows for increased supply chain flexibility, reduces exposure to raw material price volatility, and supports the operational continuity of ALRO and VE within an increasingly unpredictable climatic and economic context.

In 2025, a 60-tonne tilting melting furnace was purchased and installed within the Casting Division. It is equipped with state-of-the-art burners and high-performance combustion systems featuring low fuel consumption and high reliability, ensuring a high melting rate and minimum CO and NOx values in the flue gases. Additionally, within the Casting Division, a 35-tonne melting furnace (G13) was modernized to increase scrap/ingot melting capacity by replacing its two burners and the automation system. The commissioning of both furnaces took place at the end of 2025. These investments will optimize scrap melting operations at ALRO by adapting the installed melting capacities to the estimated types and quantities of scrap/ingots, this ensures the necessary metal supply to meet customer requirements for aluminium wire rod and aluminium alloy flat-rolled products, both of which are high value-added products and key focal points of ALRO's sales strategy.

Furthermore, in 2025, the optimisation of scrap remelting capacities within the Scrap Melting Facility was initiated by adapting the equipment to the type of molten metal. This involved the modernisation of the 35-tonne Holding Furnace No. 1 (G19), which entails replacing the burners, the electrical and automation systems, and the refractory lining

to increase its melting capacity. This latter measure, alongside those described above, will ensure that ALRO's aluminium scrap recycling capacity increases to approximately 140,000 tonnes per annum.

A8E1: *Annual monitoring of total GHG emissions (location-based and market-based) in CO_2e*. This is a support action carried out continuously at ALRO, with applicability across the Group level (ALRO, ALUM, and VE), playing a role in the monitoring, control, and governance of climate performance. The purpose of this action is not the direct reduction of emissions, but rather the provision of a robust framework for the collection, analysis, and reporting of climate data. Through this support action, ALRO calculates its annual carbon footprint using GHG Protocol methodologies, ensuring data consistency, accuracy, and traceability. Further information regarding the methodology used and the values for the year 2025 is presented in *Section E1-6* of this sustainability report.

Monitoring includes the determination of GHG emissions through both location-based and market-based approaches, and the results are used for reporting, internal evaluation, and grounding management decisions. Annual GHG emission monitoring, as a support action, will be an essential element for the implementation and tracking of ALRO's climate transition plan, providing the necessary baseline for assessing climate performance, monitoring progress against committed targets, and ensuring compliance with ESRS requirements.

A10E1: *Replacement of existing equipment with new, energy-efficient equipment*. In 2025, the investment to reduce reactive energy was initiated, implemented, and commissioned by replacing and reconfiguring 5 (five) automatic capacitor banks across both ALRO sites (Primary and Processed). This action represents a mitigation solution, as it aims to reduce energy consumption and, consequently, indirect carbon dioxide emissions by replacing legacy equipment with newer, more efficient units.

Action A11E1: *Annual monitoring of energy consumption in MWh and specific electricity consumption* (kWh/tonne of cast aluminium) is a support action carried out continuously at ALRO, playing a role in monitoring energy performance and supporting energy and climate governance. Through this action, ALRO monitors its annual total energy consumption, expressed in MWh, as well as its specific electricity consumption relative to the volume of cast aluminium. This ensures the consistency and comparability of the indicators used to evaluate energy efficiency. The data obtained is used for internal performance analysis, grounding management decisions, and tracking the impact of implemented energy efficiency and decarbonization measures. Detailed information regarding energy consumption and related indicators is presented in *Section E1-5* – *Energy Consumption* of this Sustainability Report.

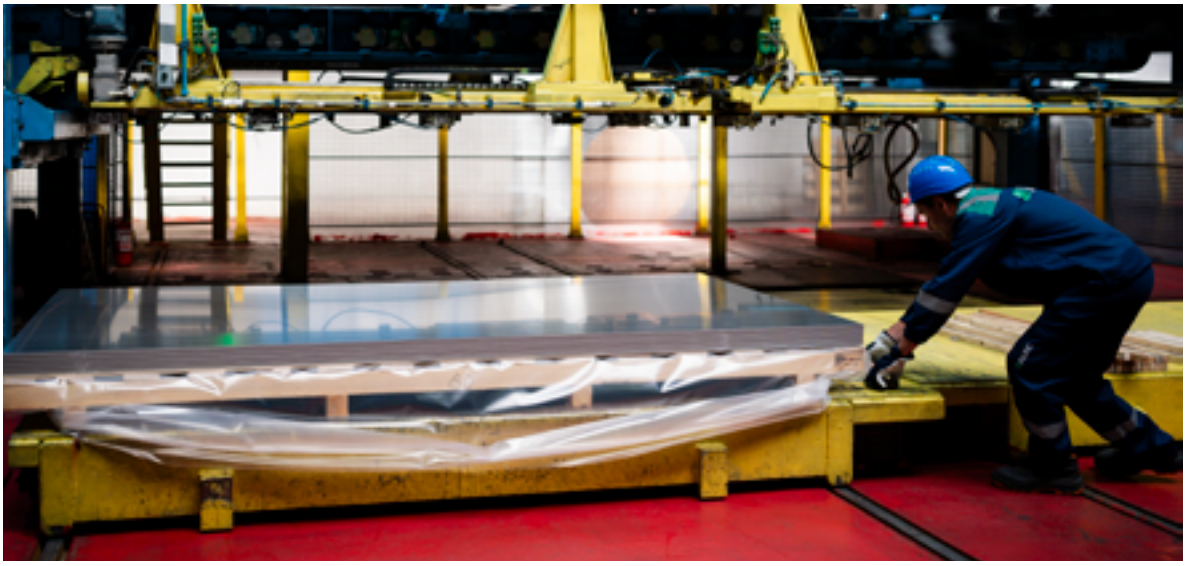
The financial resources allocated for the implementation of these measures are derived from both internal funds and bank loans.

Financial resources allocated to climate change mitigation and adaptation actions,ALRO) [thousands RON]

		2025	2024	Short-term < 1 year	Medium-term 1-5 years	Long-term > 5 years
A7E1	*Coding according to the 2025-2030 Strategy* Financial resources for transition actions (CapEx) – Pot modernisation	49,663	30,981	55,146	0	0
A4E1	*Coding according to the 2025-2030 Strategy* Financial resources for transition actions (CapEx) – Installation of water recirculation station	172	1,589	n.a.	n.a.	n.a.
A5E1	*Coding according to the 2025-2030 Strategy* Financial resources for transition actions (CapEx) – Replacement of CO1 & CO2 ageing furnaces	344	9,450	n.a.	n.a.	n.a.
A3E1	*Coding according to the 2025-2030 Strategy* Financial resources for transition actions (CapEx) – 60-tonne tilting furnace & Eco-Recycling equipment adaptation	13,264		662	n.a.	58,551
A10E1	*coding according to the 2025-2030 Strategy* Financial resources allocated to transition actions (CapEx) – Replacement of existing equipment with new, energy-efficient equipment.	759		n.a.	n.a.	n.a.

Actions A8E1: *Annual monitoring of total GHG emissions (location-based and market-based) in* tCO_2e and **A11E1:** *Annual monitoring of energy consumption in MWh and specific electricity consumption* (kWh/tonne of cast aluminium) are performed internally by responsible personnel within ALRO, as part of their current duties, without requiring the allocation of additional costs. The company's capacity to implement the planned actions does not depend on external prerequisites, and no dedicated sustainable financing instruments are currently envisioned; however, these may be evaluated at a later stage, depending on future needs.

For actions planned during the 2026-2030 period, resource requirements (OpEx and CapEx) will be estimated at the time the necessary interventions are identified. Consequently, a detailed financial estimate cannot be established at this stage and will be defined as operational plans progress and following the completion of the climate transition plan – financial component.



ACTIONS IMPLEMENTED OR INITIATED IN 2025 – ALUM

In the 2024 Sustainability Report, a series of actions established by ALUM to reduce GHG emissions and energy consumption were reported, based on the "Action Plan" developed following the IMS (Quality-Environment-OHS-Energy) management review on January 31, 2024. These actions were implemented during the 2023–2024 period and will be maintained throughout the entire duration in which ALUM has its calcined alumina production process suspended. They are also being incorporated into the new 2025-2030 Sustainability Strategy, integrated into several actions as shown in the table below.

Record of actions taken by ALUM for decarbonization and climate change adaptation, along with the main anticipated benefits reported in 2024.

Action		Expected Emission* Reduction [tone CO_2e]**	Emission Reduction Progress		Action included in the 2025-2030 Sustainability Strategy
			2025	2024***	
A10E1	Technological repairs and cleaning of transport pipelines, storage vessels, and pumping equipment	424	0	0	A1E1 and A7E1
A11E1	Optimising the operation of high-pressure water pumps used for technological cleaning	15.625	0	0	A1E1 and A7E1
A12E1	Reducing the number of transformers in operation	143.1	30.63	0	n.a. – activity completed in 2024.
A13E1****	Eliminating idling for ATLAS and INGERSOLL compressors	10.865	2.33	0	n.a. – activity completed in 2024.
A14E1****	Installing frequency converters for humidification pumps	6.625	1.418	0	n.a. – activity completed in 2024.
A15E1	Rainwater harvesting for use as a water source for bauxite residue deposit humidification	3.975	0.851	0	A1E1 and A7E1

** Calculated with the aim of reducing energy consumption, using the emission factor of 71.874 g CO_2e/kWh*
*** according to the ALUM Surveillance Audit from January 2025*
**** The emission factor used to calculate the 2024 progress in emissions reduction is 56.715 g/kWh, in accordance with the 2023 energy label*
***** These actions were finalized during the previous period and will be maintained for as long as the alumina production activity remains suspended.*

Action A10E1: *Repairs and technological cleaning of transport pipelines, storage vessels, and pumping equipment*, reported in 2024, has been included in the 2025-2030 Sustainability Strategy and is reflected in actions A1E1 and A7E1. During 2025, no progress was recorded in the implementation of this action, as production activities remained suspended. This measure will demonstrate its effects once the alumina production process resumes. The maintenance and cleaning of industrial equipment, such as transport pipelines, storage tanks, and pumping equipment, are essential for the optimal functioning of systems at ALUM. These activities prevent breakdowns, extend equipment lifespan, and maintain high standards of safety and efficiency. Regular repairs are crucial for addressing component wear and tear. Timely inspection and replacement of worn parts prevent major failures and contribute to maintaining operational safety and peak performance. This action represents a mitigation solution, as it contributes to increasing the energy efficiency of industrial processes. Maintaining pipelines, tanks, and pumping equipment within optimal parameters reduces energy losses and additional electricity and fuel consumption, thereby leading to a decrease in greenhouse gas emissions associated with energy use and supporting the Group's decarbonisation objectives.

Furthermore, the action constitutes an adaptation solution, as it improves the operational resilience of the industrial infrastructure. Well-maintained equipment is less exposed to malfunctions and unplanned

outages, and the reduction in energy requirements diminishes the company's vulnerability to energy market volatility and risks associated with the energy transition and climate change, ensuring greater operational and financial stability.

Action A11E1 *"Optimising the operation of high-pressure water pumps used for technological cleaning"*, reported in 2024, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A1E1 and A7E1. Adjusting the operation of high-pressure pumps based on the thickness and hardness of scales deposited on pipelines, storage vessels, and pumps, as well as eliminating idling, contributes to the reduction of fuel and electricity consumption for this equipment. This optimization increases energy efficiency and minimizes component wear, extending the equipment's lifespan and reducing the need for frequent repairs or replacements, which leads to significant long-term savings.

In 2025, as in 2024, no technological cleaning using high-pressure pumps was required.

This action represents a mitigation solution, as it contributes to the reduction of energy and fuel consumption by optimizing equipment operation. Decreasing energy consumption leads to lower greenhouse gas emissions associated with energy use, supporting the Group's decarbonization goals.

Furthermore, the action constitutes an adaptation solution by increasing the efficiency and operational reliability of the equipment used in technological processes. Reducing energy consumption and component wear diminishes the company's exposure to energy market volatility and operational risks generated by fluctuations in energy prices and availability, contributing to the maintenance of business continuity in an uncertain climatic and economic context.

Action A15E1 *"Collection of rainwater to be used as a water source for wetting the red mud (residue) landfill"*, reported in 2024, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A1E1 and A7E1. The measure has been implemented and is maintained permanently. Collecting rainwater for wetting the red mud landfill represents an ecological and efficient solution for managing water resources in industrial processes. Rainwater is a valuable resource, its use reduces dependence on traditional water sources, saving both resources and treatment costs. This action constitutes an adaptation solution, as it supports the diversification of water sources used in industrial activities, reducing the company's vulnerability to climate variability, periods of drought, and decreased water resource availability. By integrating rainwater as an alternative source, the continuity of the landfill wetting process is ensured even under adverse climatic conditions, contributing to increased operational resilience and the responsible management of climate change risks.

As a secondary benefit, reducing the need for water pumped from external sources leads to a decrease in energy consumption associated with pump operation, although this action is not formally classified as a climate change mitigation measure.

At the **ALUM** company level, **action A8E1** *Annual monitoring of total greenhouse gas (GHG) emissions* is applied as a support action – monitoring and governance, in accordance with the methodology described in *Section E1-6* of this sustainability report. Monitoring is performed annually for the company's activities, including in the context of the production process suspension and the equipment preservation state, ensuring the collection and reporting of relevant data regarding emissions associated with the energy consumption required to maintain the facilities in safe conditions.

For measures that showed progress in 2025, financial resources were covered internally by the company. For the future, the funding source will be analysed at the appropriate time, contingent upon the resumption of production activities. The company's capacity to implement the planned actions does not depend on external prerequisites, and no dedicated sustainable financing instruments are currently envisioned; these may be evaluated later, depending on needs.

ACTIONS IMPLEMENTED OR INITIATED IN 2025 – VE

In the 2024 Sustainability Report, a series of actions established by VE were reported, based on the results of the Energy Audit conducted in February 2024 for VE's entire operational perimeter. These actions have been incorporated into the new 2025-2030 Sustainability Strategy, being integrated across several actions as detailed in the table below.

Record of VE's actions for decarbonisation and climate change adaptation and the main anticipated benefits reported in 2024 and 2025

Action		Emission* Reduction [tone CO_2e]**	Progress		Action included in the 2025-2030 Sustainability Strategy
			2025	2024	
A16E1	Installing a frequency drive to control the main extrusion pump of Press 2	55.5	Action completed in September 2025	Action planned for completion in 2025	A1E1 and A7E1
A17E1	Reducing Dead Cycle Time (DCT) for Press 2 by one second	0***	Action planned for completion in 2026	Action planned for completion in 2026	A1E1 and A7E1
A18E1	Installing an automatic profile unloading system at the final saw of Press 1	307.06	n.a.	Action fully completed; estimated reduction: 307 (tCO2e)	n.a. – actions completed in 2024.
A19E1	Modernising the CO3 heat treatment furnace				
A20E1	Demolishing the CO4 heat treatment furnace				
A21E1	Installing an automated packaging line				
A22E1	Implementing a 100 kW on-grid photovoltaic system	50.82	Installation of a 200 kW system approved; action rescheduled for 2026	Action planned for completion in 2027	A4E1, A12E1

** Calculated with the aim of reducing energy consumption, using an emission factor of 71.874 g CO_2/kWh*
*** According to the VE Surveillance Audit of January 2025*
**** To demonstrate that this measure is intended to increase energy efficiency, the specific electricity consumption for processing one tonne of aluminium was calculated. Based on these calculations, the specific electricity consumption is approximately 0.3612 MWh/t before implementation and approximately 0.3601 MWh/t after implementation, thereby demonstrating the inclusion of this measure in the complex energy audit*

Progress in reducing energy consumption and CO_2 emissions

Proposed Measure		Estimated reduction of consumption [tep/year]	Estimated CO_2 Emission Reduction [t CO_2 /year]	Actual Consumption Reduction [tep/year]	Actual CO_2 Emission Reduction [t CO_2 /year]
A16E1	Installation of a variable frequency drive (VFD) for Press 2 main extrusion pump control	14.48	55.5	7.22	22.66
A21E1	Installation of an automated packaging line	226.70	307.06	255.85	641.74

Action A16E1: *Installation of a variable frequency drive (VFD) for Press 2 main extrusion pump control,* reported in 2024, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A1E1 and A7E1. The proposed solution involves installing a variable frequency drive VFD to control the motor of the Extrusion Press 2 pump, allowing for the complete shutdown of the motor during periods of inactivity, which will reduce energy consumption (approximately 40 kWh). These measures include the installation of the VFD, the addition of braking resistors, and the modification of the PLC software and electrical connections. The anticipated benefits include reduced energy consumption, increased efficiency and equipment durability, lower CO_2 emissions, and higher levels of automation. This action represents a mitigation solution, as it contributes to the reduction of electricity consumption by eliminating unnecessary motor operation during downtime and by adapting energy usage to the actual needs of the process. Reducing energy consumption leads to a decrease in greenhouse gas emissions associated with the production of the electricity used, supporting the Group's decarbonization goals.

Furthermore, the action constitutes an adaptation solution by increasing the efficiency and operational flexibility of the extrusion process. Optimizing equipment operation and reducing mechanical stress contribute to lowering the risk of malfunctions and extending equipment lifespan, thereby decreasing dependence on high energy consumption and unplanned interventions. By reducing energy requirements and increasing equipment reliability, the company reduces its vulnerability to energy market volatility and operational risks associated with climate change. The action was fully completed and commissioned in September 2025. The solution has been technically tested and validated, and is now integrated into the current production process.

Action A17E1: *Reduction of dead cycle time (DCT) for Press 2 by one second,* reported in 2024, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A1E1 and A7E1. Reducing the dead cycle time (DCT) for Press 2 by one second will result in a gain of 0.304 tonnes/day, based on an estimated 650 billets/day, with an average length of 620 mm and a weight of 67 kg/m. With an estimated 333 working days per year, the extrusion time per billet is approximately 70 seconds, and the technological scrap rate is 20%. The annual production increase resulting from the reduction of the dead cycle time per cycle is approximately 81 tonnes/year. The specific electricity consumption for processing one tonne of aluminium is 0.3612 MWh/t before implementation and 0.3601 MWh/t after implementation, thereby demonstrating the energy efficiency of the measure. This action represents a mitigation solution, as optimizing process times leads to a reduction in specific electricity consumption per tonne of extruded products through the more efficient use of existing equipment. Decreasing the energy intensity of the process results in lower greenhouse gas emissions associated with electricity consumption, contributing to Group's decarbonization goals. Furthermore, the action constitutes an adaptation solution **by increasing the efficiency and operational flexibility of the extrusion process**. Reducing dead times improves the utilization of existing capacities and allows production levels to be maintained with lower energy consumption, thereby diminishing the company's exposure to energy price volatility and operational risks associated with climate change. During 2025, the action remained in the planning and analysis phase, with an emphasis on evaluating the technical and operational conditions required for implementation. No operational modifications were made to the equipment during this interval; however, the action remains relevant from the perspective of energy efficiency and greenhouse gas emission reduction. Full implementation is planned for 2026.

Action A21E1 *Implementation of a 100 kW on-grid photovoltaic system, reported in 2024*, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A4E1 and A12E1. The proposed solution involves the installation of an on-grid photovoltaic system, consisting of 310 solar panels of 450 W each, intended to partially cover the company's electricity consumption through self-generation. The system's performance will be influenced by specific technical losses, such as inverter losses, losses caused by photovoltaic cells, losses on direct current and alternating current lines, shading, and other external factors (dust, snow, pollution). The associated techno-financial analysis will evaluate the feasibility and viability of project implementation. This action represents a mitigation solution, as

the electricity produced by the photovoltaic system will partially replace energy purchased from the grid, which is largely associated with high CO_2 emission conventional sources. By using solar energy, a renewable source with zero emissions during the operational phase, the company contributes to the reduction of indirect greenhouse gas emissions (Scope 2) and the decrease of the carbon footprint associated with its activities. Furthermore, the action constitutes an adaptation solution by reducing dependence on external electricity grids and increasing the company's energy resilience. Local electricity production helps diminish exposure to energy price volatility and the risks of supply interruptions, which can be amplified by extreme weather events and stress on energy infrastructure. By diversifying its energy sources, VE strengthens its capacity to maintain business continuity in an increasingly unpredictable climatic and energetic context. During 2025, the company advanced the implementation of its committed actions regarding the transition to renewable energy sources by defining and sizing an on-grid photovoltaic system with a capacity of 200 kW. In this regard, a techno-financial offer has been obtained, moving the project from the strategic intent phase to the implementation preparation phase, scheduled for 2026.

Within **VE**, **action A8E1** *Annual monitoring of total greenhouse gas (GHG) emissions* is implemented as a support action – monitoring and governance. The company calculates its annual carbon footprint associated with its own activities, utilizing the same principles and methodologies to ensure data consistency and comparability at the Group level. Detailed information regarding the methodology and monitoring results is presented in *Section E1-6* of this sustainability report.

Financial Resources [KRON]

Action reported in 2024		2025	2024	Short-term < 1 year	Medium-term 1-5 years	Long-term >5 years
A16E1	Installing a frequency drive to control the main extrusion pump of Press 2	82	0	0	0	0
A17E1	Reducing Dead Cycle Time (DCT) for Press 2 by one second	0	0	0	0	0
A17E1	Implementing a 100 kW on-grid photovoltaic system	0	0	0	0	0

Action A8E1: *Annual monitoring of total GHG emissions (location-based and market-based) in tCO_2e* is performed internally by the company's responsible personnel as part of their current duties, without requiring the allocation of additional costs. The company's capacity to implement the planned actions does not depend on external prerequisites, and no dedicated sustainable financing instruments are currently envisioned; these may be evaluated at a later stage, depending on future needs.

II.2.4. Indicators and targets

II.2.4.1. [E1-4] Targets related to climate change mitigation and adaptation

ALRO Group monitors the effectiveness of its actions regarding climate change through measurable, time-bound targets included in the Sustainability Strategy 2025-2030. In this context, ALRO Group has defined a series of strategic and operational targets for managing material impacts, risks, and opportunities related to climate change, which include:

1. **TARGET: Development of a Climate Action Plan at the ALRO Group level, establishing greenhouse gas emission reduction pathways (Scope 1, 2, and 3) and defining interim targets for the 2030, 2040, and 2050 horizons.**

2. **TARGET: By 2030, the development of a dedicated climate change adaptation investment plan (CAPEX) for each Group company (ALRO, ALUM, VE), based on the analysis of physical and transition risks.**

3. **TARGET: Reduction of specific electricity consumption (kWh/tonne of cast aluminium) by at least 10% by 2030, compared to the 2018 baseline.**

4. **TARGET: Partial generation of electricity from renewable sources (solar) by 2030 (ALRO, VE), and the installation of a Battery Energy Storage System (ALRO, ALUM).**

These targets reflect the Group's priority strategic directions regarding decarbonisation, energy efficiency, and climate change adaptation, contributing to the strategic objective of progressively reducing Scope 1, 2, and 3 greenhouse gas (GHG) emissions, with the aim of achieving net-zero GHG emissions by 2050, in accordance with the Paris Agreement.

In this report, ALRO Group presents information regarding its climate change targets to the extent that these have been formally established and adopted within the 2025-2030 Sustainability Strategy. As of the reporting date, ALRO Group has not yet established final greenhouse gas emission reduction targets expressed in absolute or percentage values, as per the requirements of ESRS E1-4, paragraph 9, applicable to the entire Group and all Scope 1, 2, and 3 emission categories.

In this context, certain specific requirements provided by ESRS E1-4 regarding the presentation of quantitative target values, complete emission reduction pathways, detailed scientific alignment, and associated financial components are not yet fully applicable. However, ALRO Group complies with the requirements of ESRS E1-4 and ESRS 2 MDR-T by presenting the strategic, operational, and process targets included in the 2025-2030 Sustainability Strategy, which contribute to climate change mitigation and the management of climate-related impacts, risks, and opportunities.

Information regarding quantitative greenhouse gas emission reduction targets, in accordance with all ESRS E1-4 requirements, will be supplemented and updated in subsequent sustainability reports, as the climate transition plan is developed and finalised at Group level.

The progress of implementing climate change targets and actions is evaluated annually, based on operational reports submitted by ALRO, ALUM, and VE, as well as internal processes for monitoring GHG emissions, energy consumption, and investment projects/ measures implemented to improve energy efficiency and reduce the carbon footprint. Although formulated primarily in relation to greenhouse gas emission reduction, these targets contribute directly to increasing ALRO Group's resilience to climate risks by anticipating, evaluating, and integrating them into decision-making and investment processes. Furthermore, they support the improvement of energy efficiency in industrial and auxiliary

processes across ALRO Group through actions aimed at reducing energy consumption and adopting renewable energy sources. To monitor and evaluate progress, specific and measurable targets have been defined, reflecting the contribution of various factors to the overall emission reduction objective. These include the implementation of advanced technologies for industrial process optimization, expanding the use of renewable energy sources, and promoting increased resource efficiency. Additionally, measures are provided for equipment modernization and energy consumption reduction, thereby contributing to the goal of achieving climate neutrality by 2050. The setting of these targets was based on an integrated analysis of relevant technical and operational data at ALRO Group level (ALRO, ALUM, and VE), including, as applicable, greenhouse gas emission inventories, specific energy consumption, the historical performance of industrial and auxiliary processes, and the assessment of physical and transition climate risks. The process took into account the results of the double materiality analysis, the specific operational and technological context of each Group company, and the necessity of maintaining industrial business continuity.

The methodologies used were adapted based on the nature and scope of each target and were founded on the technical and operational feasibility of the considered measures, as well as their progressive integration into Group's operational and investment planning. In defining these targets, relevant European and international frameworks and standards were taken into account, alongside applicable public policy objectives. The primary assumptions involve the progressive availability of technological solutions and the phased implementation of energy efficiency and energy transition measures. Progress monitoring is conducted through specific and measurable indicators, defined separately for each target.

The climate change targets and associated actions were defined by the Group's specialized departments – Environment, Technical, Sustainability, and Mechanical-Energy – with the involvement of operational teams from ALRO, ALUM, and VE. These were validated by the General Directors of the companies and approved by the Risk and Sustainability Committee. Responsibility for their implementation and monitoring lies with the operational structures at each company level, through internal reporting, audit, and control mechanisms.

Annual monitoring of progress is conducted based on result indicators associated with each target, such as: tCO_2e / tonne of aluminium produced; tCO_2e / thousand RON net revenue (location & market-based); Total GHG Emissions in tCO_2e (location-based); Total GHG Emissions in tCO_2e (market-based); investment measures and projects; kWh/tonne of cast aluminium; total installed photovoltaic energy capacity (kW) (ALRO, VE); and electrical energy storage capacity in batteries (MWh) (ALRO, ALUM). Output indicators associated with the actions include: ALRO's Climate Action Plan until 2025, and ALUM and VE until 2030; the share of recycled aluminium in total raw materials used; the number of strategic partnerships initiated with suppliers and customers to reduce Scope 3 emissions; the technical feasibility study for the implementation of CCUS (Carbon Capture, Utilisation, and Storage) technologies; the number of approved projects that include GHG emission reduction measures in accordance with the Climate Action Plan; technical audits conducted; the number of energy efficiency projects implemented; specific electricity consumption (kWh/tonne of cast aluminium), etc.

The scope of the targets covers ALRO Group's production companies – ALRO, ALUM, and VE – as well as relationships with relevant suppliers within the value chain under action A5E1. This includes the analysis of the upstream and downstream value chain to identify and prioritise actions capable of reducing Scope 3 emissions, as well as the development of strategic partnerships with suppliers and customers to reduce the shared climate impact. This corresponds to the Target: Development of a climate action plan at ALRO Group level, which shall establish greenhouse gas emission reduction pathways (Scopes 1, 2, and 3) and define interim objectives for the 2030, 2040, and 2050 horizons. This is associated with **Impact** M4 (-) *Generation of GHG emissions (Scope 3) in the value chain* and with Risk RO4 (-) *Risk of exposure to indirect emissions (Scope 3) from the value chain*. Detailed information regarding the scope of each target is presented in the tables below.

The targets reported in the previous reporting cycle (2024) were defined prior to the adoption of the ALRO Group Sustainability Strategy 2025-2030. They reflected a predominantly

operational approach, focused on specific performance indicators (notably GHG emissions by Scope, energy consumption, and LCA parameters), reported as individual targets with varying time horizons and ambition levels. The targets reported in 2024 at ALRO level were based on the results of the second Surveillance Audit conducted within the ISO 50001 certified Energy Management System (audited annually by SRAC), the implementation status of energy efficiency measures identified in the 2023 complex energy audit, and applicable legal requirements stipulated in current environmental, water management, and GHG emission permits. The targets reported in 2024 at the ALUM level were based on the energy analysis performed within the ISO 50001 certified Energy Management System (audited annually by SRAC). These took into account the company's specific operational status since 1 August 2022 – with the production process suspended – as well as the general objective of achieving a 1% reduction in total energy consumption and its components, with absolute values determined according to the contribution of each energy source.

As part of the process of updating the sustainability strategy and aligning with ESRS requirements, ALRO Group has restructured its target-setting framework to ensure: strategic coherence over the medium and long term; alignment with the European Union's climate objectives; a clear separation between strategic targets and performance monitoring indicators; and the avoidance of overlaps and fragmented reporting of objectives. In this context, a significant portion of the previously reported targets have not been eliminated, but rather: they have been integrated into broader strategic targets defined within the new 2025-2030 Sustainability Strategy, or they have been reclassified as result indicators / output indicators used to monitor the implementation of these strategic targets. The correlation of the targets reported in 2024 is presented in the tables below, regarding the MDR-T requirements associated with each target.

TARGET 1

Development of a Climate Action Plan at the ALRO Group level, establishing greenhouse gas emission reduction pathways (Scope 1, 2, and 3) and defining interim targets for the 2030, 2040, and 2050 horizons.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Progressive reduction of Scope 1, 2, and 3 greenhouse gas (GHG) emissions, achieving net-zero GHG by 2050, in accordance with the Paris Agreement," contributing to the management of M3(-) Generation of GHG emissions (Scope 1 and 2) within own operations, M4(-) Generation of GHG emissions (Scope 3) in the value chain, RO3(-) Regulatory risks and compliance costs related to GHG emissions, and RO4(-) Risk of exposure to indirect emissions (Scope 3) from the value chain. Theme: Climate Change – Sub-theme: Climate Change Mitigation
(b) **Defined target level**	Climate Action Plan at the ALRO Group level, establishing greenhouse gas (GHG) emission reduction pathways for Scope 1, 2, and 3, and defining interim targets for the 2030, 2040, and 2050 horizons, with the objective of achieving climate neutrality
Type of target	Qualitative, with quantitative outcome indicators
Unit of measure	n.a. (progress is evaluated through the target's outcome indicators and the actions' output indicators)
(c) **Scope**	ALRO, ALUM, and VE operations, and the upstream and downstream value chain exclusively for Action A5E1 regarding the development of strategic partnerships with suppliers and customers to reduce the shared climate impact
(d) **Reference year**	2018 for ALRO and 2024 for VE (referring to quantitative outcome and output indicators). For ALUM, the baseline will be established following the resumption of the production process
(e) **Application period**	2025-2030, annual monitoring

Intermediate target	Undefined (to be established for the 2030 and 2040 horizons in the final version of the Climate Action Plan)
(f) **Methodologies and assumptions**	The definition of this target was based on the need for a formal climate transition planning instrument at the ALRO Group level, in the context of the reporting and governance requirements introduced by the European sustainability framework, the objectives of the European Green Deal, and the European Union's commitment to achieving climate neutrality by 2050. The methodology used reflects the strategic nature of the target and focuses on the decision to develop a climate transition plan as a long-term governance and planning tool, without implying the immediate establishment of final quantitative emission reduction pathways. The key assumption is that the development of such a plan is a necessary condition for the subsequent structuring and coordination of greenhouse gas emission reduction measures and for the progressive alignment of the ALRO Group with the objectives of the Paris Agreement
Alignment with standards	The target is aligned with the objectives of the Paris Agreement and the European Union's climate neutrality trajectory by 2050, ESRS E1, SDG 7 – Affordable and Clean Energy, SDG 12 – Responsible Consumption and Production, and SDG 13 – Climate Action
(g) **Scientific basis**	n.a.
(h) **Stakeholder involvement**	The target was defined by the ALRO Group's Environmental, Sustainability, Technical, Energetic, and Financial departments, with the involvement of operational teams from ALRO, ALUM, and VE; it was validated by executive management and approved by the Risk and Sustainability Committee.
(i) **Future changes**	The targets reported in 2024 – Target 1: LCA Electrolytic Aluminium tCO_2e / tAl; Target 2: LCA AERO Plates (tCO_2e / tAl); Target 3: Total Scope 1 Emissions (tCO_2e); Target 4: Total Scope 2 Emissions (tCO_2e); Target 5: Total Scope 3 Emissions (tCO_2e); Target 8: Construction of a 470 MW Combined Cycle Gas Turbine (CCGT) plant at ALRO by 2027; and Target 9: Development, design, construction, grid connection, ownership, operation, exploitation, and maintenance of an 850 MW Combined Cycle Gas Turbine (CCGT) plant at Işalnița by ALRO have been integrated as outcome and output indicators for the new target regarding the development and operationalisation of the Climate Action Plan Possible revisions may occur depending on the evolution of sustainability legislation.
(j) **Performance and Monitoring**	Annual monitoring via outcome and output indicators: t CO_2e/ tonne of aluminium produced; t CO_2e/ kRON net revenue (location & market-based); Total GHG emissions in t CO_2e (location-based); Total GHG emissions in t CO_2e (market-based); Climate Action Plan; Interim feasibility analysis (including an estimated indicator of EUR million / tonne of anode); t CO_2 / tAl – electrolytic aluminium; t CO_2e/ tAl – AERO plates; share of recycled aluminium in total raw materials used; EUR million / tonne of purchased aluminium scrap; total installed capacity (MW) from renewable sources (panels, own power plants, etc.); battery energy storage capacity (ALRO, ALUM); annual volume of purchased renewable energy (MWh); number of strategic partnerships initiated with suppliers and customers to reduce emissions.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Development of a Climate Action Plan at the ALRO Group level, establishing greenhouse gas emission reduction pathways (Scope 1, 2, and 3) and defining interim targets for the 2030, 2040, and 2050 horizons.

2025 Performance

The actions associated with the target are currently under implementation.

In 2025, the following outcome indicators were monitored by ALRO, recording the following values:

0.71
t CO_2e/tonne of cast aluminium – ETS process emissions only

0.44
t CO_2e/kRON net revenue (location-based)

0.43
t CO_2e/kRON net revenue (market-based)

1,608,220
t CO_2e Total GHG Emissions (location-based)

1,579,376
t CO_2e Total GHG Emissions (market-based)

Output Indicators:

The initial version of the Climate Action Plan – ALRO's NET ZERO BY 2050 Strategy – has been completed. This plan encompasses the strategic directions for reducing greenhouse gas emissions across Scope 1, Scope 2, and, where applicable, Scope 3, alongside the primary decarbonisation levers and priority areas for intervention

7.8
t CO_2/tAl electrolytic aluminium

15.5
t CO_2/tAl AERO Plates

27%
share of recycled aluminium in total raw materials used

518,789
MWh annual volume of renewable energy purchased by ALRO (representing 45.64% of total 2025 consumption, based on the 2024 energy label)

3
strategic partnerships initiated with suppliers and customers to reduce Scope 3 emissions

13
approved projects incorporating GHG emission reduction measures (for further details, please refer to the table: *Approved projects including GHG emission reduction measures*).

Consequently, in 2025, the target regarding the development of the ALRO Group Climate Action Plan was partially achieved. The plan was initiated and developed in its initial stage, and is set to be completed with detailed emission reduction pathways and interim targets for the 2030, 2040, and 2050 horizons, in accordance with applicable requirements.

The performance indicators presented in the table below, monitored at the ALRO Group level over the past two years, reflect the efficiency of the emission reduction actions already under implementation. These indicators will continue to be reported annually and will be integrated into the climate transition plan upon its completion.

The progress of indicators related to climate change mitigation, which were reported in the previous period

Indicator	Base Year Value	ALRO		ALUM		VE	
		2025	2024	2025	2024	2025	2024
t CO_2/tAl (electrolytic aluminium)	≤ 7.8 An: 2023	7.8	7.8	n.a.	n.a.	n.a.	n.a.
t CO_2/tAl AERO Plates	≤ 15.5 An: 2023	15.5	15.5	n.a.	n.a.	n.a.	n.a.
t CO_2e Total GHG Emissions (location-based)*	3,175,351.22 (2018: ALRO) 212,815.52 (2024: VE)	1,608,220	1,555,100	3,463	16,443.72	193,997	212,816
t CO_2e Total GHG Emissions (market-based)**	2,971,310.99 (2018: ALRO) 211,438.65 (2024: VE)	1,579,376	1,447,192	3,370	16,032.27	192,596	211,439
t CO_2e/kRON net revenue (location-based)	1.22 (2018: ALRO) 0.37 (2024: VE)	0.44	0.48	0.12	0.24	0.30	0.37
t CO_2e/kRON net revenue (market-based)	1.14 (2018: ALRO) 0.37 (2024: VE)	0.43	0.45	0.11	0.23	0.30	0.37

** In the 2024 Sustainability Report, greenhouse gas (GHG) emission targets were established and reported separately for each emission category, with the market-based approach applied to Scope 2 emissions. Under the Sustainability Strategy 2025-2030, ALRO Group has opted to use total GHG emissions as outcome indicators, adopting a single base year of 2018. This shift ensures long-term consistency and comparability for emission reduction trajectories; consequently, the base year has been revised from 2023 to 2018.*
*** As per the above footnote.*

Approved projects including GHG emission reduction measures

Related action within the Sustainability Strategy 2025-2030	Approved projects including GHG emission reduction measures	ALRO	ALUM	VE
A1E1	Pot modernisation project	●		
n.a.	Installation of a water recirculation station			
A4E1/A7E1	Replacement of ageing furnaces CO1 and CO2 with a new furnace	●		
A12E1	Installation of a photovoltaic plant: 100 kWp (VE) and 1.4 MWp (ALRO)	●		●
A4E1/A7E1	Construction of a 470 MW Combined Cycle Gas Turbine (CCGT) plant at ALRO by 2029	●		
A4E1/A7E1	Development, design, construction, grid connection, ownership, and O&M of an 850 MW CCGT plant at Ișalnița	●		
A1E1/A7E1	Repairs and technological cleaning of transport pipelines, storage vessels, and pumping equipment		●	
A1E1/A7E1	Optimising high-pressure water pumps used for technological cleaning		●	
A1E1/A7E1	Reducing the number of active transformers		●	
A1E1/A7E1	Elimination of idling for ATLAS and INGERSOLL compressors		●	
A1E1/A7E1	Rainwater harvesting for use in dust suppression (wetting) of the red mud tailing pond		●	
A1E1/A7E1	Installation of a Variable Frequency Drive (VFD) for the main extrusion pump of Press no. 2			●
A1E1/A7E1	Reduction of Dead Cycle Time (DCT) for Press no. 2 by one second			●

TARGET 2

By 2030, the development of a dedicated climate change adaptation investment plan (CapEx) for each Group company (ALRO, ALUM, VE), based on the analysis of physical and transition risks.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Enhancing the ALRO Group's resilience to climate risks by anticipating, assessing, and integrating them into decision-making and investment processes," contributing to the management of M1(-) Contribution to the occurrence of climate risks, M2(-) Exposure of suppliers in the ALRO Group value chain to physical climate risks, RO1(-) Exposure to operational and financial risks caused by climate change, and RO2(-) Risks related to ALRO Group's exposure to transition climate risks. Theme: Climate Change – Sub-theme: Climate Change Adaptation
(b) **Defined target level**	Development, by 2030, of a climate change adaptation CAPEX plan for each Group company (ALRO, ALUM, and VE), based on the analysis of identified physical and transition climate risks
Type of target	Qualitative, with quantitative outcome indicators
Unit of measure	n.a. (progress is evaluated through the target's outcome indicators and the output indicators associated with the actions)
(c) **Scope**	ALRO, ALUM and VE Operations
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, annual monitoring.
Intermediate target	n.a.
(f) **Methodologies and assumptions**	The definition of this target was based on the need to strengthen the ALRO Group's resilience to risks generated by climate change and to integrate these into the investment planning process. The methodology used reflects the strategic nature of the target and aims to establish a structured framework for identifying and prioritising adaptation investments, based on the physical and transition climate risk analyses conducted at the level of its own operations. The primary assumption is that the ALRO Group's exposure and vulnerability to climate risks may evolve over time, depending on climate change, the operational context, and the value chain. During the 2025-2030 period, the Group will periodically rerun its climate risk analysis, and the gradual expansion of this analysis to the value chain level could lead to the identification of additional risks and vulnerabilities, which will be considered in the development of the climate adaptation investment plan.
Alignment with standards	SDG 13 – Climate Actions
(g) **Scientific basis**	n.a.
(h) **Stakeholder involvement**	The target was defined by the ALRO Group's Environmental, Sustainability, Technical, Energetic, and Financial departments, with the involvement of operational teams from ALRO, ALUM, and VE; it was validated by executive management and approved by the Risk and Sustainability Committee.
(i) **Future changes**	This target represents a new strategic approach introduced within the 2025-2030 Sustainability Strategy. Possible revisions may occur depending on updates to climate risk analyses, the evolution of the regulatory framework, and the Group's investment priorities.
(j) **Performance and Monitoring**	Annual monitoring through outcome and output indicators: investment measures and projects; Technical audit completed.

PERFORMANCE IN ACHIEVING THE TARGET

Target: By 2030, the development of a dedicated climate change adaptation investment plan (CapEx) for each Group company (ALRO, ALUM, VE), based on the analysis of physical and transition risks.

2025 Performance

Actions associated with the target have not yet commenced.

TARGET 3

Reduction of specific electricity consumption (kWh/tonne of cast aluminium) by at least 10% by 2030, compared to the 2018 baseline.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Increasing the energy efficiency of industrial and auxiliary processes at the ALRO Group level, with the aim of reducing energy consumption, costs, and indirect greenhouse gas emissions (Scope 2)," contributing to the management of M5 (-) Energy consumption, RO5 (+) Increased energy security and operational efficiency through participation in the Isalnița CCGT project, and RO6 (-) Dependence on non-renewable energy and delays in the energy transition. Theme: Climate Change – Sub-theme: Energy Efficiency
(b) **Defined target level**	Minimum 10% reduction in specific electricity consumption per tonne of cast aluminium
Type of target	Quantitative, relative
Unit of measure	kWh/tonne of cast aluminium
(c) **Scope**	ALRO Operations
(d) **Reference year**	2018
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	n.a. (annual monitoring)
(f) **Methodologies and assumptions**	The definition of this target was based on the analysis of historical energy performance, data derived from the operation of the ISO 50001-certified Energy Management System, and the assessment of the potential for increasing efficiency in industrial and auxiliary processes. The methodology reflects the technical nature of the target and aims for the continuous improvement of energy efficiency through equipment modernisation and consumption optimisation, without affecting the continuity of industrial processes The primary assumption is that the phased implementation of energy efficiency measures identified through energy audits and the continuous monitoring of performance will enable the achievement of the planned reduction by 2030
Alignment with standards	SDG 13 – Climate Action
(g) **Scientific basis**	n.a. (technical target, based on operational analyses and energy audit)
(h) **Stakeholder involvement**	The target was defined by the ALRO Group's Environment, Sustainability, Technical, and Energy departments, with the involvement of the operational teams from ALRO, ALUM, and VE; it was validated by the executive management and approved by the Risk and Sustainability Committee.
(i) **Future changes**	The targets reported in 2024 – Target 6: Energy consumption reduction –10% compared to 2015 (EAA), and Target 10: Increasing energy efficiency in Primary and Processed Aluminium, have been incorporated into this target. Potential revisions depending on the evolution of sustainability legislation
(j) **Performance and Monitoring**	Annual monitoring through result and output indicators: kWh/tonne of cast aluminium; Number of energy efficiency projects implemented; Value of investments made (mRON); electricity consumption in MWh; specific electricity consumption (kWh/tonne of cast aluminium)

PERFORMANCE IN ACHIEVING THE TARGET

Target: Reduction of specific electricity consumption (kWh/tonne of cast aluminium) by at least 10% by 2030, compared to the 2018 base year

2025 Performance

The actions assoThe actions associated with the target are currently under implementation.
In 2025, the following outcome indicators were monitored, recording the following valuesi:

4,098
kWh/ tonne of cast aluminium

Output Indicators:

7
energy efficiency projects implemented

64,202
million RON total value of investments

1,074,815
MWh ALRO total electricity consumption

Progress of energy efficiency indicators reported in the previous period

Indicator	Base Year Value	ALRO 2025	ALRO 2024
kWh/ tonne of cast aluminium	below 10,725 Year: 2018	4,098	4,101
ALRO Energy consumption (MWh)	3,033,159 Year: 2018	1,074,815	1,017,332
% reduction in energy consumption per tonne of produced aluminium	– 10% Year: 2018	-64.7%	-64.0%

TARGET 4

Partial generation of electricity from renewable sources (solar) by 2030 (ALRO, VE), and the installation of a Battery Energy Storage System (ALRO, ALUM).

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Increasing the energy efficiency of industrial and auxiliary processes at the ALRO Group level, with the aim of reducing energy consumption, costs, and indirect greenhouse gas emissions (Scope 2)," contributing to the management of M5 (-) – Energy consumption, RO5 (+) – Increased energy security and operational efficiency through participation in the Isalnița CCGT project, and RO6 (-) Dependence on non-renewable energy and delays in the energy transition.
(b) **Defined target level**	Development of in-house renewable energy production capacities (solar) and electricity storage systems by 2030
Type of target	Qualitative (progress is evaluated through the target's outcome indicators)
Unit of measure	n.a.
(c) **Scope**	ALRO, VE – photovoltaic energy ALRO, ALUM – electricity storage systems
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	n.a. (annual monitoring)
(f) **Methodologies and assumptions**	The definition of this target was based on an analysis of opportunities to reduce indirect GHG emissions (Scope 2), an assessment of the technical potential for installing renewable energy production capacities and electricity storage systems, as well as the need to increase the ALRO Group's energy security and flexibility. The methodology used reflects the investment-driven nature of the target and aims for the progressive integration of renewable and storage capacities into the Group's energy mix, without affecting operational continuity. The primary assumption is that the phased implementation of renewable energy and storage projects will contribute to reducing exposure to energy risks and supporting energy transition objectives by 2030.
Alignment with standards	ODD 7 – Affordable and clean energy; SDG 13 – Climate Action
(g) **Scientific basis**	n.a.
(h) **Stakeholder involvement**	The target was defined by the ALRO Group's Environmental, Sustainability, Technical, and Energy departments, with the involvement of operational teams from ALRO, ALUM, and VE; it was validated by executive management and approved by the Risk and Sustainability Committee.
(i) **Future changes**	This target was introduced within the 2025-2030 Sustainability Strategy as part of the Group's energy transition. Potential revisions may occur depending on the evolution of available technologies, the regulatory framework, and investment priorities.
(j) **Performance and Monitoring**	Annual monitoring through outcome indicators: total installed solar energy capacity (kW) – ALRO, VE; battery energy storage capacity (MWh) – ALRO, ALUM.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Partial generation of electricity from renewable sources (solar) by 2030 (ALRO, VE), and the installation of a Battery Energy Storage System (ALRO, ALUM).

2025 Performance

Actions associated with the target have not yet commenced.

II.2.4.2. [E1-5] Energy consumption and mix

Energy consumption is detailed in the tables below

Energy consumption and energy mix (in MWh)

Energy consumption and energy mix *Additional information*	Consolidated		ALRO		ALUM		VE	
	2025	2024	2025	2024	2025	2024	2025	2024
(1) **Fuel consumption from coal and coal products [MWh]**	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) **Fuel consumption from crude oil and petroleum products [MWh]** *Diesel + Petrol*	**8,308**	**7,859**	7,795	7,130	161	229	353	500
(3) **Fuel consumption from natural gas [MWh]**	**459,461**	**427,088**	444,221	411,942	15	284	15,225	14,863
(4) **Fuel consumption from other fossil sources [MWh]**	-	0.00	-	0.00	-	0.00	-	0.00
(5) **Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources [MWh]** *Based on conventional sources from the suppliers' energy labels*	**329,571**	**123,477**	324,414	121,958	1,088	344	4,069	1,175
(6) **Total fossil energy consumption [MWh] (sum of row 1-5)**	**797,340**	**558,425**	776,430	541,030	1,263	857	19,647	16,538
Share of fossil sources in total energy consumption	**49%**	**37%**	49%	36%	33%	21%	71%	60%
(7) **Consumption from nuclear sources [MWh]**	**298,105**	**621,744**	293,496	610,113	1,004	2,355	3,605	9,276
Share of nuclear consumption in total energy consumption [%]	**18%**	**41%**	18%	41%	26%	58%	13%	34%
(8) **Fuel consumption from renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) [MWh]**	**0,00**	**0.00**	0,00	0.00	0,00	0.00	0,00	0.00
(9) **Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources [MWh]** *Based on non-conventional sources from the suppliers' energy labels*	**524,797**	**345,811**	518,789	343,397	1,553	873	4,455	1,541
(10) **Consumption of renewable energy other than self-generated fuels [MWh]**	**0,00**	**0.00**	0,00	0.00	0,00	0.00	0,00	0.00
(11) **Total renewable energy consumption [MWh] (sum of rows 8-10)**	**524,797**	**345,811**	518,789	343,397	1,553	873	4,455	1,541
Share of renewable sources in total energy consumption [%]	**32%**	**23%**	33%	23%	41%	21%	16%	6%
Total energy consumption [MWh] (sum of rows 6, 7, and 11)	**1,620,242**	**1,525,979**	1,588,714	1,494,439	3,820	4,086	27,708	27,355

Data were collected by the responsible personnel of each entity from supplier invoices and meter readings. Regarding the calculation methodologies, it should be noted that calorific capacity factors sourced from DEFRA UK 2025 were used to facilitate conversions from cubic metres/litres to MWh (the unit required by the standards) for diesel and petrol. For gas consumption, Net CV (Net Calorific Value/ LHV) conversion factors from the distribution operator's chromatographic analysis reports were applied.

For companies with multiple suppliers, the electricity received from each provider is analysed separately and associated with its specific fuel mix label. In terms of data quality and estimation accuracy, 93% of the energy consumed by ALRO, 100% of the energy consumed by ALUM, and 100% of the energy consumed by VE is attributed to the supplier-specific label, while the remainder is derived from the national residual mix, associated with each supplier's overall fuel mix. No other types of estimations or assumptions were used in calculating the presented indicators.

Regarding the requirements related to activities in high climate-impact sectors, the situation is presented in the table below.

Energy intensity from activities in high climate impact sectors

	ALRO		ALUM		VE	
Requirement	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Energy intensity from activities in high climate impact sectors (total energy consumption per net revenue) [Ratio]	0,44	0,47	0.13	0.06	0,04	0.05
Total energy consumption from activities in high climate impact sectors [MWh]	1,588,714	1,494,539	3,820	4,086	27,708	27,355
High climate impact sectors used to determine energy intensity [semi-narrative]						
Reconciliation with the relevant line item or notes in the financial statements of net revenue from high climate impact sectors [narrative]	Total Revenue		Total Revenue		Total Revenue	
Net revenue from activities in high climate impact sectors [K RON]	3,645,334	3,202,739	29,485	69,699	640,504	574,302
Net revenue from activities other than high climate impact sectors [monetary]	N/A, All revenues are derived from high climate impact sectors					

At the ALRO Group level, in 2025, as in 2024, there are **no** revenues that do **not** derive from activities carried out in high climate-impact sectors. The sole calculation assumption is that 100% of energy consumption is allocated to these activities, in the absence of a clear breakdown. The activities considered for estimating these indicators are detailed in Appendix 3.

** https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024*

II.2.4.3. [E1-6] Gross Scopes 1, 2, 3 and Total GHG emissions

ALRO

The greenhouse gas (GHG) emission values for ALRO, in accordance with the EU ETS Directive, are presented below. These values are calculated in compliance with:

a. Commission Implementing Regulation (EU) 2020/2085 amending and correcting Implementing Regulation (EU) 2018/2066 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council;
b. Commission Implementing Regulation (EU) 2018/2066 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council and amending Commission Regulation (EU) No 601/2012;

Greenhouse gas emissions are calculated annually and are verified and approved by an accredited external authority in accordance with Commission Implementing Regulation (EU) 2020/2084 amending and correcting Implementing Regulation (EU) 2018/2067 on the verification of data and the accreditation of verifiers pursuant to Directive 2003/87/EC of the European Parliament and of the Council, the EU ETS Directive – Directive 2003/87/EC, as amended by Directive (EU) 2018/410; Regulation (EU) 2018/2066, as subsequently supplemented and amended; Commission Delegated Regulation (EU) 2019/331 on transitional Union-wide rules for harmonised free allocation of emission allowances, as subsequently supplemented and amended and ISO 14066 – Competence requirements for greenhouse gas validation teams and verification teams.

Verification Criteria for EU ETS GHG Emissions:

- The EU ETS Directive – Directive 2003/87/EC, as subsequently supplemented and amended;
- Regulation (EU) 2018/2066, as subsequently supplemented and amended;
- Commission Delegated Regulation (EU) 2019/331 on transitional Union-wide rules for harmonised free allocation of emission allowances, as subsequently supplemented and amended;
- The approved GHG Emissions Permit and Monitoring Plan / Monitoring Methodology Plan.

Below is the distribution of greenhouse gas (GHG) emissions for ALRO in accordance with the GHG Protocol, highlighting emissions by category and type of activity.

In the analysis of GHG emissions, certain Scope 3 categories were **excluded**, including: ***Cloud services, computing and data centres, Use of sold products, Downstream leased assets, Franchises, Investments, and Water***. This decision was based on the fact that these categories do not generate a level of greenhouse gas emissions, as defined by the GHG Protocol, that exceeds 5% of the total impact generated by Scope 3 emissions.

Moreover, ALRO does not use leased assets relevant to its operations, its products being predominantly raw materials for other industries, and their subsequent use does not generate GHG emissions. Additionally, ALRO does not operate under a franchise model, therefore no relevant greenhouse gas emissions are associated with this category.

Detailed breakdown of GHG emissions, ALRO [t CO_2e]

	ALRO Group GHG Protocol		ALRO GHG Protocol		ALRO EU-ETS	
	2025	2024	2025	2024	2025	2024
Scope 1 GHG Emissions						
Total Scope 1 GHG Emissions	**214,604**	**206,770**	**211,490**	**203,646**	**208,787**	**194,863**
Percentage of Scope 1 GHG emissions covered by regulated emissions trading schemes	97.29%	94.24%	98.72%	95.69%	–	–
Scope 2 GHG Emissions						
Total location-based GHG emissions (location-based) Scope 2	**210,346**	**187,886**	**204,287**	**185,206**	–	–
Total market-based GHG emissions (market-based) Scope 2	**178,151**	**78,182**	**175,443**	**77,298**	**156,062**	**77,416**
Significant Scope 3 GHG emissions						
Total gross indirect GHG emissions (Scope 3)	**1,385,384**	**1,389,876**	**1,192,443**	**1,166,248**	–	–
Percentage of gross Scope 3 GHG emissions	78%	83%	76%	81%	–	–
Purchased goods and services	444,152	487,108	269,577	284,978	–	–
Cloud, computing and data centre services	–	–	–	–	–	–
Capital goods	3,297	6,023	2,850	3,412	–	–
Fuel- and energy-related activities	96,178	89,344	92,827	87,144	–	–
Upstream transportation and distribution	13,089	12,517	11,248	10,966	–	–
Waste generated in operations	2,194	2,363	1,910	1,587	–	–
Business travel	60	112	20	13.07	–	–
Employee commuting	656	588	246	–	–	–
Upstream leased assets	149	0.30	126	–	–	–
Downstream transportation	25,496	23,568	19,669	17,398	–	–
Processing of sold products	777,516	739,167	774,260	736,203	–	–
Use of sold products	–	–	–	–	–	–
End-of-life treatment of sold products	22,592	28,903.48	19,712	24,548.03	–	–
Downstream leased assets	–	165.13	–	–	–	–
Franchises	–	–	–	–	–	–
Investments	–	–	–	–	–	–
Water	3	–	–	–	–	–
Indirect GHG emissions from imported energy	–	–	–	–	–	–
Indirect GHG emissions from transport	–	–	–	–	–	–
Total GHG Emissions						
Total GHG Emissions (location-based)	**1,810,334**	**1,784,532**	**1,608,220**	**1,555,100**	**208,787**	**194,863**
Total GHG Emissions (market-based)	**1,778,139**	**1,674,828**	**1,579,376**	**1,447,192**	**364,849**	**272,279**

ALRO Value Chain GHG Emissions, ALRO [t CO_2e]

Total GHG emissions	Upstream value chain		Own operations		Transportation		Downstream value chain	
	2025	2024	2025	2024	2025	2024	2025	2024
Scope 1	0	0	211,490	203,645.74	0	0	0	0
Scope 3	367,290	372,121.84	0	0	31,182	28,376.45	793,972	765,749.89
location-based	367,290	372,121.84	415,777	388,852.00	31,182	28,376.45	793,972	765,749.89
location-based Scope 2	0	0	204,287	185,206.26	0	0	0	0
market-based	367,290	372,121.84	386,932	280,943.90	31,182	28,376.45	793,972	765,749.89
market-based Scope 2	0	0	175,443	77,298.15	0	0	0	0

ALRO reports its greenhouse gas (GHG) emissions in accordance with the GHG Protocol Corporate Standard (2004 version). The emission accounting methodology complies with the standard's requirements, including the definition of reporting boundaries and the disclosure of market-based emissions for Scope 2.

Activity data are obtained from clearly defined sources, such as invoices provided by the accounting department and the data verification report for emissions included in the EU ETS. For the calculation of GHG emissions, methodologies based on IPCC guidelines, international databases such as DEFRA 2025, Climatiq, GHG Protocol, EXIOBASE, and Ecoinvent 3.11, as well as emission factors provided by various suppliers, are utilised. The selection of these factors is based on their accuracy and timeliness, with each factor documented alongside its units of measurement and information sources. The GHG inventory includes all gases regulated under the GHG Protocol, namely CO_2, CH_4, N_2O, PFCs*, HFCs, SF_6, NF_3 and unspecified GHGs. The conversion of non-CO_2 gas emissions into CO_2e is performed using the most recent Global Warming Potential (GWP) values published by the IPCC, based on a 100-year time horizon, thereby ensuring the international comparability of the reported data.

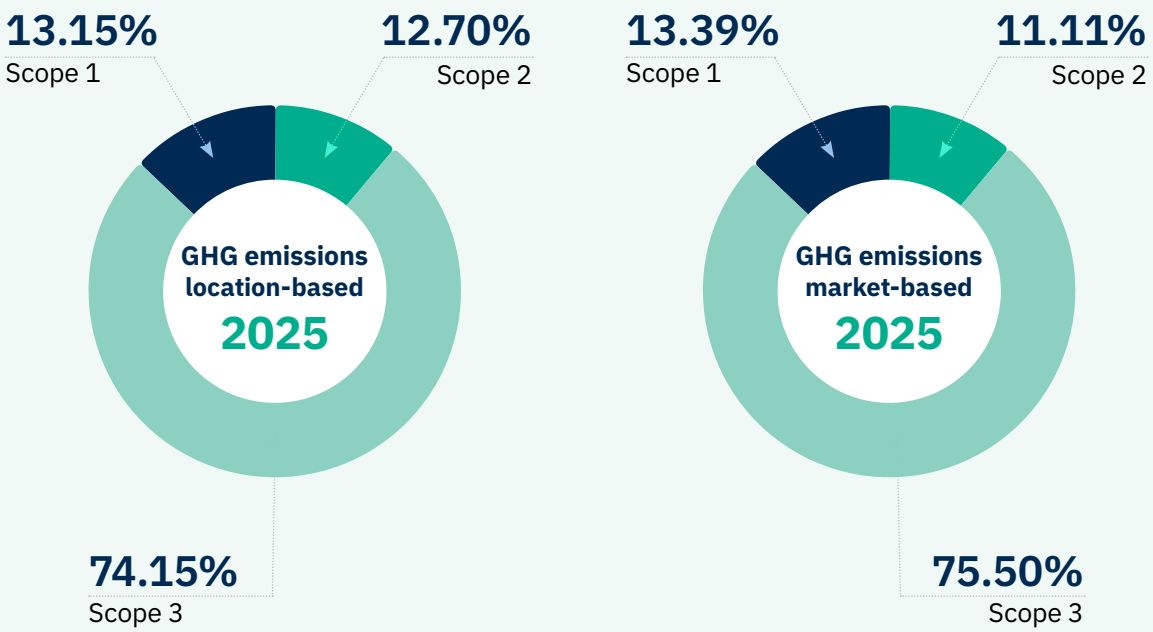
The reporting boundaries for GHG emissions include all relevant activities and locations, thereby determining the inventory scope. Given that biogenic emissions represent the CO_2 released through the combustion, decomposition, or processing of biomass and biofuels, these would have a value of zero if considered under Scope 2. Only carbon dioxide emissions arising from the combustion, decomposition, or processing of biomass (wood, biogas, biofuels) are reported separately, as under the GHG Protocol, the term „out of scope" refers specifically to the reporting method for CO_2 emissions derived from biomass. In accordance with the GHG Protocol, the methods used to calculate Scope 3 emissions vary depending on the type and source of available data. For ALRO, the data used to estimate Scope 3 emissions are predominantly based on the „average data" method and Economic Input-Output (EIO) models, given the data availability and the specific nature of the analysed activities, without relying on emission factors provided directly by suppliers.

** Within Scope 1 and 3*

Total GHG emissions of ALRO [t CO_2e]

	Estimated GHG emissions based on the location-based method (tCO_2e/an)		Estimated GHG emissions based on the market-based method (tCO_2e/an)	
	2025	2024	2025	2024
Scope 1	211,490	203,646	211,490	203,646
Scope 2	204,287	185,206	175,443	77,298
Scope 3	1,192,443	1,166,248	1,192,443	1,166,248
TOTAL	**1,608,220**	**1,555,100**	**1,579,376**	**1,447,192**

Total GHG emissions
for the two estimation methods



ALRO's total Scope 1 and 2 emissions for the 2025 reference year amount to **415,777 t CO_2e** (2024: 388,852.00 t CO_2e) using the location-based method for Scope 2 emissions, or **386,932 t CO_2e** (2024: 280,943.90 t CO_2e) using the market-based method for Scope 2 emissions.

These figures are provisional, as ANRE (the National Energy Regulatory Authority) has not yet announced the national grid emission factor for 2025 at the time of this report. Furthermore, ALRO's suppliers have not yet communicated their energy labels for 2025. In this situation, the emission factors from the most recent year (2024) were used as a proxy to estimate Scope 2 emissions.

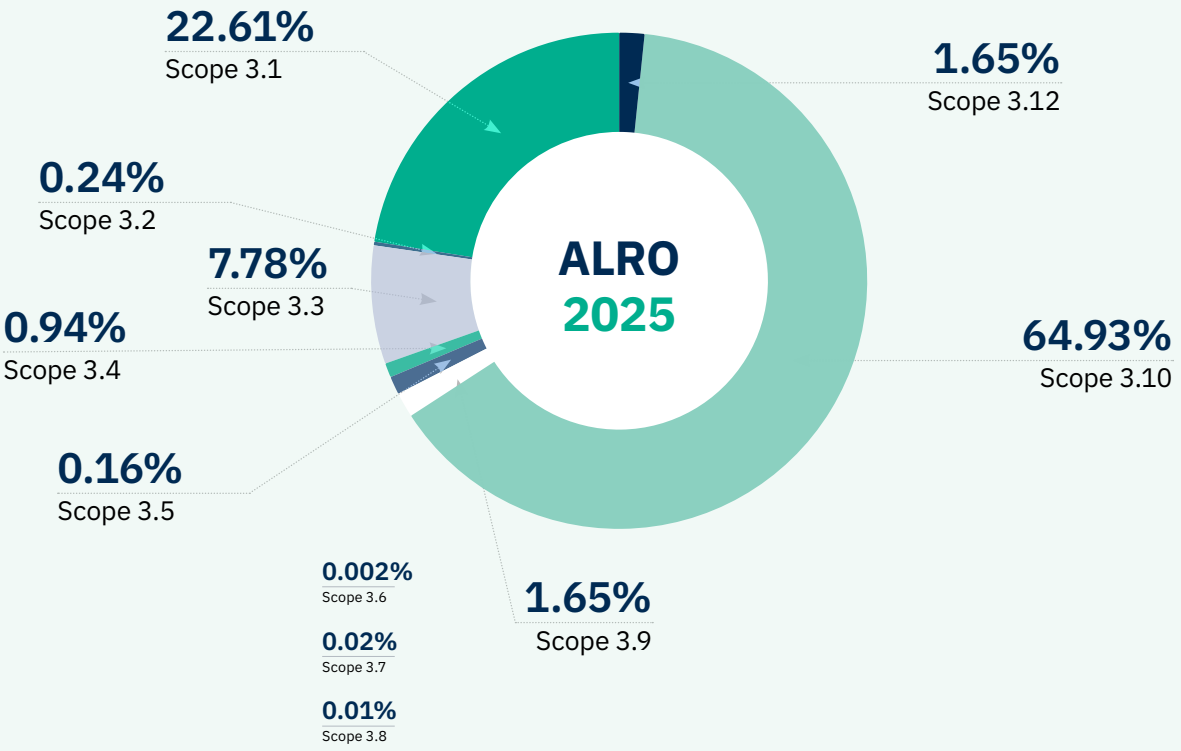
ALRO's total Scope 3 emissions for the identified material categories reached **1,192,443 t CO_2e** for the 2025 reference year (2024: 1,166,248.17 t CO_2e).

Scope 3 GHG emissions

Category	t CO_2e 2025	t CO_2e 2024
3.1 Purchased goods and services*	269,577	284,978
3.2 Capital goods	2,850	3,412
3.3 Fuel- and energy-related activities	92,827	87,144
3.4 Upstream transportation and distribution	11,248	10,966
3.5 Waste generated in operations	1,910	1.587
3.6 Business travel	19.52	13.07
3.7 Employee commuting	246.08	0
3.8 Upstrea, leased assets	125.62	0
3.9 Downstream transportation and distribution	19,669	17,398
3.10 Processing of sold products	774,260	736,203
3.12 End-of-life treatment of sold products	19,712	24,549
TOTAL	**1,192,443**	**1,166,248**

** For Category 3.1, ALRO continues to use calculation methods based on the quantities used in the production process, in line with how the aluminum industry establishes sector benchmarks. This approach ensures consistency and comparability with the practices of other companies in the sector. For the other goods and services in the category, which have a lower impact on emissions, we use expenditure-based methods.*

Percentage breakdown of Scope 3 GHG emissions



The analysis of Scope 3 GHG emissions indicates that emissions resulting from the processing of sold products (Scope 3.10) represent the most significant category, amounting to **774,260 t CO_2e** (64.93% of the total Scope 3) (2024: 736,203 t CO_2e; 63.13% of total Scope 3).

Another major category is purchased goods and services (Scope 3.1), accounting for **269,577 t CO_2e** or 22.61% of total Scope 3 (2024: 284,978 t CO_2e; 24.44% of total Scope 3). Together, these two categories account for over 87% of the total emissions generated within the reported Scope 3 categories.

Biogenic emissions and emissions of other GHGs, ALRO, t CO_2e

	2025
Biogenic emissions	24,586
CO_2 emissions in tonnes CO_2e	240,550
CH_4 emissions in tonnes CO_2e	54
N_2O emissions in tonnes CO_2e	497
GHGs not otherwise defined (CO_2e)	1,336,843
HFCs emissions in tonnes CO_2e	38
PFCs emissions in tonnes CO_2e	1,393
SF_6 emissions in tonnes CO_2e	0.00
NF_3 emissions in tonnes CO_2e	0.00

ALUM

The section below presents the carbon emission distribution (Scope 1, 2, and 3) for the 2025 reporting year for ALUM. All values are expressed in tonnes of carbon dioxide equivalent (t CO_2e).

Within ALUM's 2025 greenhouse gas (GHG) emission report, certain emission categories have been excluded from the detailed analysis, as their values are reported as **0**. These include:

- **Emissions from cloud computing and data centre services:** ALUM does not engage in activities of this nature; consequently, this emission category is not relevant to the company.
- **Emissions from the use of sold products:** These emissions are considered immaterial, given that ALUM exclusively produces aluminium hydroxide, a product that does not generate significant emissions during its use.
- **Emissions from franchise activities:** ALUM does not operate under a franchise model; therefore, this emission type is not relevant to the company's operational structure.
- **Emissions from investments:** As ALUM does not engage in investment activities (as defined by the GHG Protocol for Scope 3), this category has not been included in the report.
- **Emissions from leased assets (downstream leasing):** The company does not lease assets to other entities; hence, emissions related to such activities are not relevant within ALUM's specific context.

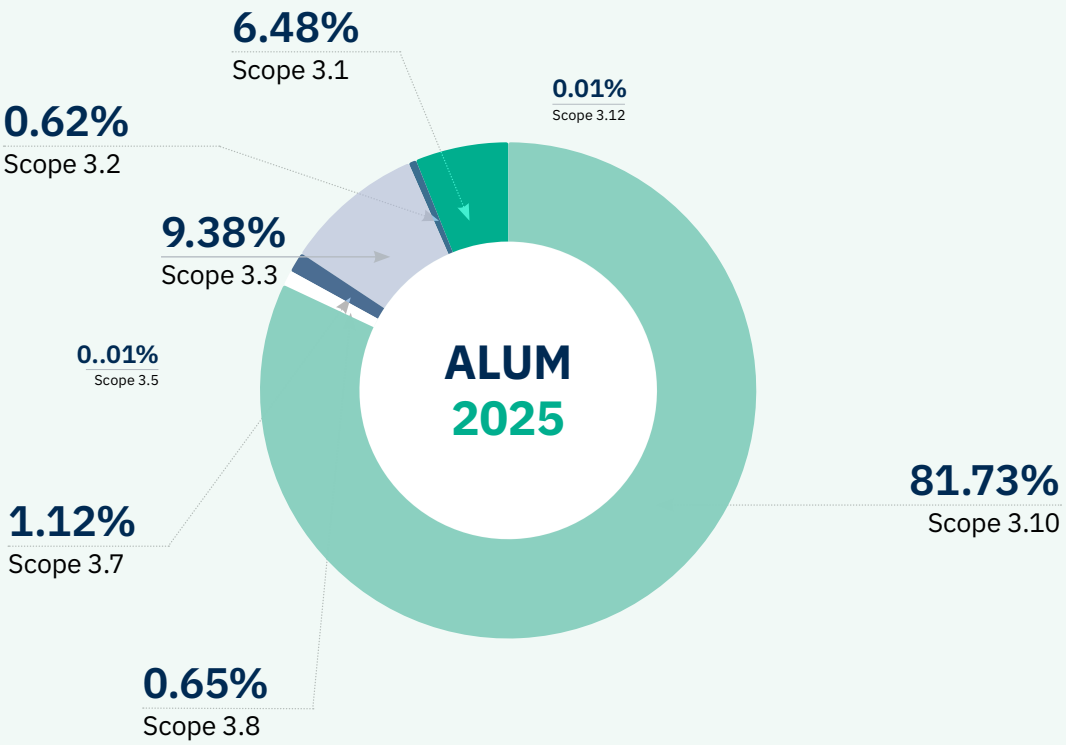
The justification for these exclusions is based on the characteristics of the company's operations, which do not involve significant franchising, investment, or leasing activities. These categories do not contribute materially to the company's carbon footprint, consequently, they have been excluded from the final report.

Detailed breakdown of GHG emissions, ALUM [t CO_2e]

	ALUM GHG Protocol	
	2025	2024
Scope 1 GHG Emissions		
Total Scope 1 GHG Emissions	**46**	**106**
Percentage of Scope 1 GHG emissions from regulated emission allowance trading schemes	7%	1%
Scope 2 GHG Emissions		
Total Scope 2 location-based GHG emissions	655	615
Total Scope 2 market-based GHG emissions	563	204
Significant Scope 3 GHG emissions		
Total gross indirect GHG emissions (Scope 3)	2,762	15,723
Percentage of gross Scope 3 GHG emissions	82%	0
Purchased goods and services	179	12,029
Cloud, computing and data centre services	0	0
Capital goods	17	0
Fuel- and energy-related activities	259	394
Upstream transportation and distribution	0	5.71
Waste generated in operations	0.2	35
Business travel	0	8
Employee commuting	31	1,701

	ALUM GHG Protocol	
	2025	2024
Upstream leased assets	18	0
Downstream transportation	0	75
Processing of sold products	2,257	1,947
Use of sold products	0	0
End-of-life treatment of sold products	0.32	1,040
Downstream leased assets	0	0
Franchises	0	0
Investments	0	0
Water	0	1
Indirect GHG emissions from transport	0	0
Indirect GHG emissions from transport	0	0
Total GHG Emissions		
Total GHG Emissions (location-based)	**3,463**	**16,444**
Total GHG Emissions (market-based)	**3,370**	**16,032**

Visual distribution of Scope 3 category weightings, ALUM, t CO_2e



In the 2025 greenhouse gas (GHG) emission analysis for ALUM, the report highlights the primary emission sources and the company's "hot spots", which are concentrated on the production of dried aluminium hydroxide. Under Scope 1, direct emissions are relatively low, amounting to **46 tCO_2e** (2024: 106 tCO_2e), suggesting that the production process does not generate significant direct emissions on-site. Under Scope 2, indirect emissions from electricity consumption are considerably higher, reaching **655 tCO_2e** (2024: 615 tCO_2e) using the location-based method and **563 tCO_2e** (2024: 204 tCO_2e) using the market-based method. The significant difference between these two calculation methods suggests that ALUM utilises energy from low-carbon or renewable sources, which could further contribute to reducing its carbon footprint.

However, the largest volume of emissions originates from Scope 3, totalling **2,762 tCO_2e** (2024: 15,723 tCO_2e). These are primarily generated by the processing of sold products (2,257 tCO_2e) and fuel- and energy-related activities (259 tCO_2e). These indirect emissions from the supply chain and product processing are the most significant and could serve as a key focal point for the company's carbon reduction initiatives. Other emission sources, such as transportation and employee commuting, are substantially lower but still contribute to the company's overall carbon footprint.

Detailed breakdown of value chain GHG emissions, ALUM [t CO_2e]

Total GHG emissions	Upstream value chain		Own operations		Transportation		Downstream value chain	
	2025	2024	2025	2024	2025	2024	2025	2024
Scope 1	0	0	46	106	0	0	0	0
Scope 3	473	12,423	0	0	31.32	260	2,257	3,096
location-based	473	12,423	701	721	31.32	260	2,257	3,096
location-based Scope 2	0		655	615	0		0	
market-based	473	12,423	609	310	31.32	260	2,257	3,096
market-based Scope 2	0	0	563	204	0	0	0	0

Biogenic emissions and emissions of other GHGs, ALUM [t CO_2e]

	2025	2024
Biogenic emissions	22	0
CO_2 emissions tonnes CO_2e	64	380
CH_4 emissions tonnes CO_2e	0.04	0.33
N_2O emissions tonnes CO_2e	0.53	3
Unspecified GHGs (CO_2e)	3,306	16,274
HFCs emissions tonnes CO_2e	0	0
PFCs emissions tonnes CO_2e	0	0
SF_6 emissions tonnes CO_2e	0	0
NF_3 emissions tonnes CO_2e	0	0

Furthermore, the table above presents emissions of other greenhouse gases (GHGs), which, although contributing less than CO_2, remain relevant in the climate impact analysis of the company's activities.

ALUM's 2025 greenhouse gas (GHG) emission reporting was conducted in accordance with the principles and guidelines established by the GHG Protocol Corporate Standard, including relevant methodologies and specific emission factors. For Scope 1 and Scope 2 emissions, data were sourced from energy invoices and consumption records from the National Power System (SEN) to calculate the totals.

For Scope 2 emissions, two values were calculated: one based on Romania's national energy label for 2024 and one based on the specific energy labels of suppliers for 2024.

Regarding Scope 3 emissions, for the Purchased Goods and Services category, an estimation was conducted based on auxiliary materials. As for employee commuting emissions, the estimation followed a simplified model, multiplying the distance travelled by employees (in kilometres) by the total number of commuting staff. Furthermore, for emission factors and calculation methods, reference sources were used, including DEFRA UK 2025, Climatiq, GHG Protocol, EXIOBASE, ECOINVENT 3.11, and available academic literature, which are recognised as valid methodologies for assessing the climate impact of economic activities.

Regarding the approach used for calculating emissions, it is important to note that ALUM did not employ a spend-based methodology; instead, Scope 3 emission estimations were conducted using available average data. Consequently, for certain categories – such as employee commuting – standardised values and approximations were applied, rather than exact data derived from the company's direct transactions. While this method may result in certain deviations compared to a more detailed, specific assessment, it was selected to provide a reasonable estimate in the absence of precise data, considering the nature of the company's operations and information availability.

All significant greenhouse gas categories were taken into account, including CO_2, CH_4, N_2O, HFCs, and SF_6. Emissions were expressed in CO_2 equivalent (CO_2eq), using the most recent Global Warming Potential (GWP) values published by the IPCC for a 100-year time horizon. These methodologies were applied to ensure a fair and comprehensive calculation of GHG emissions, in compliance with applicable international standards.

VE

The section below presents the carbon emission distribution (Scope 1, 2, and 3) for the 2025 reporting year for VE. All values are expressed in tonnes of carbon dioxide equivalent (t CO_2e).

It is noted that certain Scope 3 categories have been excluded, as follows:

- **Cloud computing and data centre services:** As VE does not engage in such activities.
- **Investments:** This is not relevant, as the company does not hold significant investments in external entities that would generate reportable indirect emissions.
- **Franchises:** This is excluded because VE does not operate under a franchise model and has no independent business units to be included in the emission inventory.
- **Upstream leased assets:** This category is not considered, as the company owns its primary production infrastructure and does not utilise significant leased assets in its supply chain.
- **Business travel:** This is a marginal category for the company, with an insignificant impact on the total carbon footprint, justifying its exclusion.
- **Use of sold products:** This is not relevant, as the aluminium products supplied by VE are semi-finished goods used across diverse industries, without a predictable end-consumption model that would allow for a precise quantification of associated emissions.

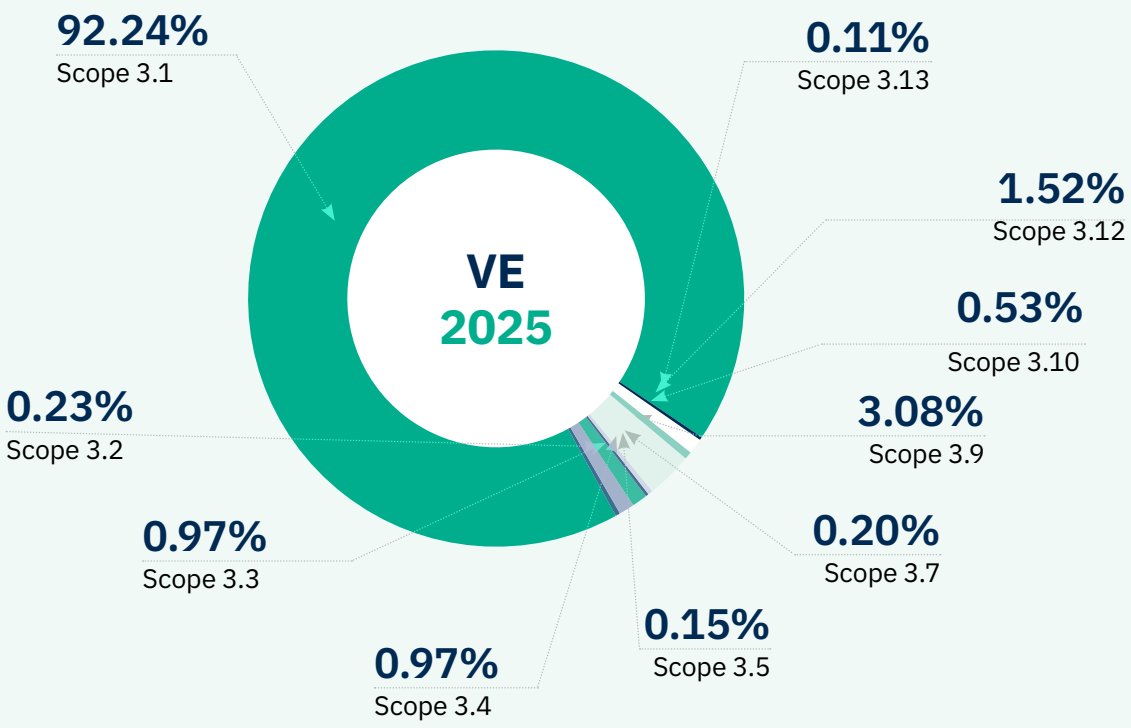
Detailed breakdown of GHG emissions, VE, t CO_2e.

	VE GHG Protocol	
	2025	2024
Scope 1 GHG Emissions		
Total Scope 1 GHG Emissions	**3,053**	**3,002**
Percentage of Scope 1 emissions from regulated emission trading schemes (EU-ETS)	0%	0%
Scope 2 GHG Emissions		
Total indirect GHG emissions (Location-based)	2,089	2,053
Total indirect GHG emissions (Market-based)	688	676
Significant Scope 3 GHG Emissions		
Total gross indirect GHG emissions (Scope 3)	189,061	207,761
Percentage of total gross emissions (Scope 3 share)	97.35%	97.30%
Purchased goods and services	174,394	190,091
Cloud, computing, and data centre services		0
Capital goods	429	2,611
Fuel- and energy-related activities	1,828	1,797
Upstream transportation and distribution	1,842	1,545
Waste generated in operations	283	727
Business travel	0	0
Employee commuting	370	33
Upstream leased assets	0	0
Downstream transportation and distribution	5,827	6,095
Processing of sold products	999	1,018

	VE GHG Protocol	
	2025	2024
Use of sold products	0	0
End-of-life treatment of sold products	2,881	3,316
Downstream leased assets	205	165
Franchises	0	0
Investments	0	0
Water	3	3
Indirect GHG emissions from imported energy	0	0
Indirect GHG emissions from transport	0	0
Total GHG Emissions		
Total GHG Emissions (Location-based)	**194,199**	**212,816**
Total GHG Emissions (Market-based)	**192,798**	**211,439**

There have been no significant changes to the reporting entity's definition or its value chain structure; therefore, the year-on-year comparability of the reported GHG emissions remains unaffected .

Visual breakdown of
Scope 3 category weightings



** Applicable to all companies, this will be stated here. Furthermore, the data is not presented in comparison with previous years, as 2024 serves as the base year.*

2024 marked the first reporting year, establishing it as the baseline year for measuring progress towards greenhouse gas emission reduction targets. Setting a baseline year is essential to ensure data comparability over time and to enable the effective monitoring of emission trends. Based on this reference year, the company will be able to evaluate the impact of implemented measures and adjust its decarbonisation strategies to meet its sustainability objectives.

It is observed that Scope 3 emissions are the primary contributors to the carbon footprint, being an order of magnitude higher than Scope 1 emissions. The main "hot spots" identified are the purchase of goods and services, followed by the end-of-life treatment of sold products.

Detailed breakdown of value chain GHG emissions VE [t CO_2e]

Total GHG Emissions	Upstream value chain		Own operations		Transportation		Downstream value chain	
	2025	2024	2025	2024	2025	2024	2025	2024
Scope 1	0	0	3.053	3,002	0	2024	0	2024
Scope 3	179,145	0	0	0	5,828	0	9,916	0
location-based		194,499	5.141	5,055		8,033		11,321
location-based Scope 2	0	194,499	2,089	2,053	0	8,033	0	11,321
market-based	179,145	0	3,741	3.678	5,827		9,915.91	
market-based Scope 2	0	194,499	688	676	0	8,033	0	11,321

Biogenic emissions and emissions of other GHGs, VE [t CO_2e]

	2025	2024
Scope 3 emissions	189,061	207,761
Biogenic emissions	311	427
CO_2 emissions in tonnes CO_2e	8,296	10,221
CH_4 emissions in tonnes CO_2e	41	244
N_2O emissions in tonnes CO_2e	121	120
Other GHG emissions in t CO_2e (HFC, PFC, SF6, NF3 combined)	10	58
Unspecified GHG emissions (CO_2e)	180,388	196,952

Furthermore, the table presents biogenic emissions (associated with wood and paper) and emissions of other GHGs.

The GHG emission calculation for VE was conducted in accordance with the GHG Protocol Corporate Standard, using operational control to define the reporting boundaries. This ensures that all emissions associated with activities over which the company exercises operational control are included, as required by the standard. Additionally, the methodology applied is based on a GHG Protocol template, ensuring alignment with international best practices.

The data used for the GHG emission calculations were collected from relevant sources across all scopes. For Scope 1 and Scope 2, information was sourced from energy and fuel consumption invoices, thereby ensuring the accuracy of data regarding direct emissions and indirect emissions associated with electricity consumption and fossil fuel combustion. Regarding Scope 3, data were obtained from accounting and internal

management systems, including information on the supply chain, transportation, waste management, and other relevant activities. These sources allow for a detailed estimation of the indirect impact of the company's operations on GHG emissions, ensuring compliance with international reporting standards.

The emission factors used are derived from globally recognised sources, such as the US EPA, UK DEFRA, Canada NIR, Australia National Greenhouse Accounts, and IPCC AR5, ensuring the accuracy and transparency of the calculations. Additionally, to determine the CO_2 equivalent, Global Warming Potential (GWP) values from the IPCC Fifth Assessment Report (AR5, 2014) were utilised, ensuring compliance with requirements to use the latest available GWP values.

The GHG emission calculation for VE was conducted using the average data method, in accordance with the GHG Protocol. This approach was selected because supplier-specific data were unavailable, and a spend-based methodology was not applicable. Consequently, emission estimations are based on average emission factors for the types of products and processes involved, sourced from public databases, sectoral studies, and internationally recognised sources. This methodology ensures robust reporting aligned with GHG Protocol requirements, allowing for a transparent and comparable assessment of the company's carbon footprint.

VT

The section below presents the distribution of carbon emissions (Scopes 1, 2, and 3) for the 2025 reporting year for VT. All values are expressed in tonnes of carbon dioxide equivalent (t CO_2e).

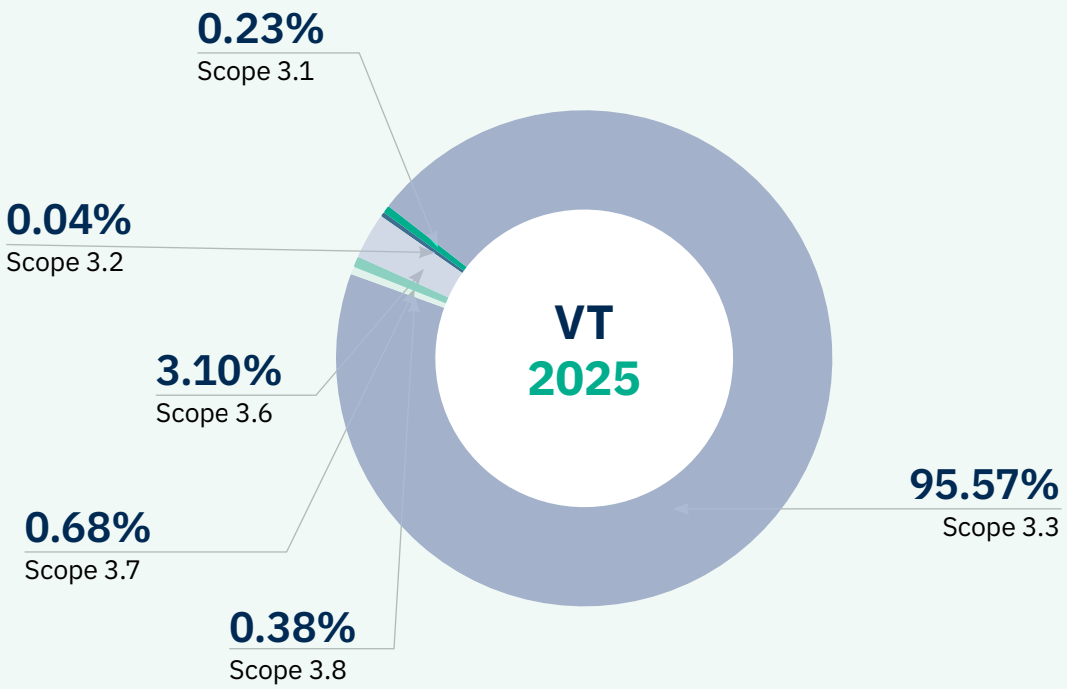
VT operates as a sales brokerage company, primarily conducting office-based activities without significant industrial or logistical operations. In this context, certain emission categories have been excluded from the greenhouse gas inventory, either due to a lack of relevance to the company's business model or because of their negligible impact on the overall carbon footprint, as follows:

- **Capital goods (3.2)** – Not considered, as the company does not purchase significant capital goods for production or extensive technological infrastructure.
- **Downstream transportation and distribution (3.9)** – Not relevant, as Vimetco Trading does not engage in the physical transport of products; its activities are strictly limited to sales brokerage.
- **Processing of sold products (3.10)** – Not applicable, as the marketed products are not subject to additional processing steps under the company's control.
- **Use of sold products (3.11)** – Not applicable, as VT brokers the sale of aluminium products without directly influencing their use and lacks a predictable end-consumption model that would allow for emission quantification.
- **End-of-life treatment of sold products (3.12)** – Not included, as the marketed aluminium products do not fall under a life cycle controlled by the company.
- **Downstream leased assets (3.13)** – Not considered, as the company does not operate any downstream leased assets.
- **Franchises (3.14)** – Excluded, as VT does not operate under a franchise model and has no independent business units to be included in the inventory.
- **Investments (3.15)** – Not relevant, as the company does not hold significant investments in external entities that generate reportable indirect emissions.
- **Fugitive emissions (1.3)** – Not relevant, as the company's activities do not involve the use or release of volatile gases (refrigerants or similar).
- **Process emissions (1.4)** – Not applicable, as the company does not carry out industrial processes that generate direct emissions.
- **Purchased steam (2.2), Heat (2.3), and Cooling (2.4)** – These energy sources are not utilised in the company's office activities, justifying their exclusion.

Detailed breakdown of GHG emissions, VT [t CO_2e]

	VT GHG Protocol	
	2025	2024
Scope 1 GHG Emissions		
Total Scope 1 GHG Emissions	**16**	**16**
Percentage of Scope 1 GHG emissions from regulated emission allowance trading schemes	0	0
Scope 2 GHG Emissions		
Total Scope 2 location-based GHG emissions	3,315	12
Total Scope 2 market-based GHG emissions	1,458	4
Significant Scope 3 GHG Emissions		
Total gross indirect GHG emissions (Scope 3)	1,323	145
Percentage of gross Scope 3 GHG emissions	47%	87.88%
Purchased goods and services	3	5
Cloud, computing and data centre services	0	0
Capital goods	0.51	0
Fuel- and energy-related activities	1,265	10
Upstream transportation and distribution	0	0.46
Waste generated in operations	0	14
Business travel	41	91
Employee commuting	9	24
Upstream leased assets	5	0.30
Downstream transportation	0	0
Processing of sold products	0	0
Use of sold products	0	0
End-of-life treatment of sold products	0	0
Downstream leased assets	0	0
Franchises	0	0
Investments	0	0
Water	0	0.32
Indirect GHG emissions from imported energy	0	0
Indirect GHG emissions from transport	0	0
Total GHG Emissions		
Total GHG Emissions (location-based)	**4,654**	**173**
Total GHG Emissions (market-based)	**2,797**	**165**

Visual distribution of
Scope 3 category weightings



Detailed breakdown of value chain GHG emissions, VT [t CO_2e]

Total GHG Emissions	Upstream value chain		Own operations		Transportation		Downstream value chain	
	2025	2024	2025	2024	2025	2024	2025	2024
Scope 1	0	0	16	16	0	0	0	0
Scope 3	1,274	15	0	0	49	115	0	14
location-based	1,274	15	3,330	28	49	115	0	14
location-based Scope 2	0		3,315	12	0		0	
market-based	1,274	15	1,473	21	49	115	0	14
market-based Scope 2	0		1,458	4	0		0	

The GHG inventory results for Vimetco Trading highlight that the primary emission sources stem from fuel- and energy-related activities (Scope 3.3) and business travel (Scope 3.6), which is characteristic of a company with predominantly office-based operations. The business travel figures indicate a significant reliance on employee displacement for meetings and commercial negotiations.

From an emission distribution perspective, the largest contributions arise from electricity consumption (Scope 2), followed by value chain and indirect activities (Scope 3 – Upstream), due to the impact of fuel- and energy-related activities, business travel, and employee commuting. Emissions from own operations (Scope 1) are significantly lower, being largely attributed to fuel used for mobility. Scope 3 – Downstream records no emissions, as VT does not engage in activities that generate a significant impact after the sale of products.

Biogenic emissions and emissions of other GHGs, VT [t CO_2e]

	2025	2024
Biogenic emissions	8	0
Offsets	0	1
CO_2 emissions in tonnes CO_2e	21	125
CH_4 emissions in tonnes CO_2e	0.04	0.27
N_2O emissions in tonnes CO_2e	0.2	2
Tonnes of CO_2e emissions and other gases (HFC,PFC, SF6, NF3 combined)	0	0.04
Unspecified GHG emissions (CO_2e)	2,776	50

Furthermore, the table above also presents emissions of other greenhouse gases (GHGs) which, although contributing less significantly compared to CO_2, remain relevant in the analysis of the climatic impact of the activities performed.

The methodology used for greenhouse gas (GHG) emission accounting complies with the principles and requirements of the GHG Protocol Corporate Standard.

To estimate emissions, a hybrid approach was adopted, combining the Average Data and Spend-based methods, depending on data availability and reliability. Regarding fuels used by company vehicles, consumption was estimated based on distances travelled, which were converted into litres of fuel using specific consumption factors. Distance data were determined via odometer readings, ensuring a highly accurate calculation method. As for electricity consumption, a methodology based on the occupied floor area within the leased building was used, as a proportion of the building's total area, given that the space is sub-leased from ALRO.

For the calculation of Scope 2 emissions, both the market-based method – utilising specific emission factors provided by the electricity supplier in its 2024 fuel mix label – and the location-based method – using the 2024 national grid emission factors – were applied. Emission factors used for other categories are derived from recognised sources, such as DEFRA UK 2025, Climatiq, GHG Protocol, EXIOBASE, and Ecoinvent 3.11.

For emission categories related to business travel and hotel accommodation, the methodology applied is exclusively spend-based, as specific data regarding fuel or electricity consumption are not available at a granular level for these activities. In the case of purchased goods, the data are sourced from the company's purchase ledger, providing a calculation basis for the associated emissions.

Emissions are reported including all relevant greenhouse gases, in accordance with international standards, such as CO_2, CH_4, N_2O, HFC-uri, PFC-uri, SF_6, NF_3 and unspecified GHGs. To convert these emissions into CO_2 equivalent (CO_2eq), the most recent Global Warming Potential (GWP) values published by the IPCC are used, based on a 100-year time horizon, thereby ensuring alignment with the latest scientific standards.

For spend-based carbon footprint calculation methods, emission factors from the UK Government GHG Conversion Factors 2025 were utilised for „Business Travel", while the GHG Protocol Emission Factors Cross-Sector Tool 2.0 was used for „Employee Commuting". These calculations are based on the expenditures incurred by consumers or enterprises for various products and services.

The table below presents the ratio between greenhouse gas (GHG) emissions and net revenue (Turnover) across the Group's companies, providing a perspective on emission intensity in relation to financial performance.

GHG emissions intensity ratio to net revenue [t CO_2e]

Indicators	ALRO		ALUM		VE		VT	
	2025	2024	2025	2024	2025	2024	2025	2024
Total GHG emissions (location-based) (t CO_2e)	1,608,220	1,555,100	3,463	16,444	193,997	212,816	4,654	173
Total GHG emissions (market-based) (kg CO_2e)	1,579,376	1,447,192	3,370	16,032	192,596	211,439	2,796	165
GHG emissions intensity (location-based) (total GHG emissions per net revenue) (t CO_2e/RON)	0.44	0.49	0.12	0.24	0.30	0.37	n.a.	n.a.
GHG emissions intensity (market-based) (total GHG emissions per net revenue) (t CO_2e/RON)	0.43	0.45	0.11	0.23	0.30	0.37	n.a	n.a.
Reconciliation with financial statements of the net revenue used to calculate GHG intensity (narrative)	Total revenue							
Reconciliation with the relevant line item or notes in the financial statements (narrative)	Total revenue							
Net revenue (net profit) (K RON)	3,645,334	3,202,739	29,485	69,699	640,504	574,302	n.a.	n.a.
Net revenue used to calculate GHG intensity (K RON)	3,645,334	3,202,739	29,485	69,699	640,504	574,302	n.a.	n.a.
Net revenue other than that used for calculating GHG intensity (RON)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Annex 3 Economic activities considered

CAEN	NACE rev 2	Clasa	CAEN – Description
2442	C24.42	C	Aluminium metallurgy
2562	C25.62	C	General mechanical engineering
3312	C33.12	C	Repair of machinery
3311	C33.11	C	Repair of fabricated metal products
3314	C33.14	C	Repair of electrical equipment
3600	E36.00	E	Water collection, treatment and supply
3831	E38.31	E	Dismantling (disassembly) of out-of-use machinery and equipment for material recovery
4321	F43.21	F	Electrical installation
4672	G46.72	G	Wholesale of metals and metal ores
4677	G46.77	G	Wholesale of waste and scrap
4950	H49.50	H	Transport via pipeline
5210	H52.10	H	Warehousing and storage
5229	H52.29	H	Other transportation support activities
6820	L68.20	L	Renting and operating of own or leased real estate
2511	C25.11	C	Manufacture of metal structures and parts of structures
3320	C33.20	C	Installation of industrial machinery and equipment
3811	E38.11	E	Collection of non-hazardous waste
3812	E38.12	E	Collection of hazardous waste (toxic, contaminated, radioactive, etc.)
3821	E38.21	E	Treatment and disposal of non-hazardous waste
3832	E38.32	E	Recovery of sorted materials
4334	F43.34	F	Painting and glazing
4520	G45.20	G	Maintenance and repair of motor vehicles
4675	G46.75	G	Wholesale of chemical products
4690	G46.90	G	Non-specialised wholesale trade
4941	H49.41	H	Freight transport by road
2445	C24.45	C	Other non-ferrous metal production
2451	C24.51	C	Casting of iron
2452	C24.52	C	Casting of steel
2453	C24.53	C	Casting of light metals
2550	C25.50	C	Forging, pressing, stamping and roll-forming of metal; powder metallurgy
3514	D35.14	D	Trade of electricity
3522	D35.22	D	Distribution of gaseous fuels through mains
3523	D35.23	D	Trade of gas through mains
4322	F43.22	F	Plumbing, heat and air-conditioning installation
4671	G46.71	G	Wholesale of solid, liquid and gaseous fuels and related products
4673	G46.73	G	Wholesale of wood, construction materials and sanitary equipment

4730	G47.30	G	Retail sale of automotive fuel in specialised stores
5221	H52.21	H	Service activities incidental to land transportation
4612	G46.12	G	Agents involved in the sale of fuels, ores, metals and industrial chemicals
2561	C25.61	C	Treatment and coating of metals
2011	C20.11	C	Manufacture of industrial gases
2399	C23.99	C	Manufacture of other non-metallic mineral products n.e.c.
2454	C24.54	C	Casting of other non-ferrous metals
4391	F43.91	F	Roofing activities
4399	F43.99	F	Other specialised construction activities n.e.c.
4311	F43.11	F	Demolition
5224	H52.24	H	Cargo handling
4669	G46.69	G	Wholesale of other machinery and equipment
9609	S96.09	S	Other personal service activities n.e.c.

II.3. ESRS E2 Pollution

This section presents information on the significant sub-topics *Water pollution/Soil pollution/Air pollution/Substances of concern* and the related impacts of ALRO Group on the topic of Pollution, including information on how they are managed.

Significant impacts, risks, and opportunities (IRO)

SUB-THEME	Name / *Categories*	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** TS	TM	TL
AIR POLLUTION	**M8 (-) Air pollution through the generation of gaseous emissions, other than GHG emissions, in the upstream and downstream value chain** *Potentialnegative impact*	●		●		●	
WATER POLLUTION/ SOIL POLLUTION/ AIR POLLUTION/ SUBSTANCES OF CONCERN	**M9 (-) Accidental pollution in own operations** *Potential negative impact*		ALRO, ALUM, VE			●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

The impacts identified as a result of the materiality process are associated with ALRO Group's business model and concern both its own activities and those carried out within the upstream and downstream value chain. The analysis, including consultation with stakeholders, showed that these impacts are recognized and managed, with active prevention and control policies and measures in place.

Air pollution in the value chain

The first impact identified, M8 (-) *Contributes to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain*, refers to emissions from activities carried out in the upstream and downstream value chain, such as SO_2 (Sulfur dioxide), NOx (Nitrogen oxides), Particulate Matter (PM), and other atmospheric pollutants (PFCs – Perfluorinated compounds). These emissions can affect air quality and have an impact on ecosystems and the health of communities located in the vicinity of production units involved in the value chain.

The analysis showed that, although there is a potentially significant impact, it is recognized and managed through dedicated measures, with policies in place to monitor and control suppliers and partners. The Group applies procedures for evaluating suppliers on environmental criteria and promotes the Supplier Code of Conduct at ALRO, ALUM, VE, and VT, as well as the Supplier Sustainability Guide at ALRO. These mechanisms contribute to improving the environmental performance of the value chain and reducing pressure on air quality, reflecting the Group's commitment to responsible and sustainable management.

Accidental pollution in own activities

Within its own operations, the Group's industrial activities have an impact associated with accidental pollution, which can affect the air, water, and soil, and which involves the use of substances of concern. This impact is assessed as material exclusively from a potential perspective, in the context of unforeseen situations (environmental accidents, technological failures, spills, or improper handling of hazardous substances), and not from the perspective of actual impact, which is considered insignificant.

At ALRO, the sources of direct industrial emissions are the Aluminium Plant, the Dome Silo, the Anodes Section, the Foundry, the Waste Melting Plant, the micro-thermal power plants, the rolling mills, and the Research and Development Department facilities.

In the case of ALUM, the potential impact is associated with both the calcination and CET facilities and the sludge dump, which can generate dust emissions. As a result of the suspension of alumina production, there are currently no direct industrial emissions and no sludge flows to the dump. However, the impact was considered in the materiality analysis, as the resumption of activity could lead to increased air pollution and intensified pressure on environmental factors, including the health of local communities.

Regarding EV activities, non-GHG emissions are not material and do not exceed the thresholds in Annex II to Regulation 166/2006, but voluntarily, starting with 2025 VE has chosen to publish the quantities of air pollutants presented in *Section E2-4.*

No non-greenhouse gas emissions are recorded at VT, and CONEF.

Substances of concern

The impact associated with the use of substances of concern is also potential and may occur at ALRO, ALUM, and VE in the event of their improper use, storage, or disposal. Such incidents could have negative effects on the environment and human health. To ensure consistent and comparable reporting in accordance with ESRS E2-5 requirements, the hazardous substances used in the Group were reclassified in the current reporting year (2025) into four functional product categories, depending on their operational role: **chemical reagents, technological auxiliaries, fuels, and technological oils and lubricants.**

At **ALRO**, substances classified as chemical reagents (e.g., silver nitrate, mercuric chloride, petroleum ether, etc.), technological auxiliaries (e.g., coal tar, thinners, paints, etc.), fuels (such as diesel and gasoline), technological oils, and lubricants. ALRO is a member of the REACH Consortium for aluminium and coal tar pitch, demonstrating compliance and responsible management of chemical risks.

Within **ALUM**, the relevant substances are mainly associated with the category of technological aids used in alumina production (e.g., flocculants, etc.) and fuels, such as diesel.

At **VE**, substances of concern fall into the category of process oils and lubricants and fuels (diesel fuel).

In the case of substances classified as **process oils and lubricants**, for all three companies in the Group, these products were treated as **substances of concern** because they are mixtures containing hazardous additives that meet the ESRS criteria for this category. Thus, in accordance with the reporting methodology, the entire product was considered and reported as a substance of concern, regardless of its commercial classification.

As regards substances of very high concern (SVHC), these are used at ALRO and ALUM, but are purchased, used, and consumed in small quantities and under strictly controlled conditions. These substances do not leave the facilities as emissions or as part of finished products above the minimum concentrations specified by applicable legislation. Taking into account both the low volumes involved and the way they are managed and their absence from final products above legal thresholds, SVHCs were not considered a material issue for the Group from an ESRS perspective in the reporting year.

II.3.1. [E2.IRO-1] Description of processes for identifying and assessing significant pollution-related impacts, risks and opportunities

Information on the description of the processes for identifying and assessing significant pollution impacts, risks, and opportunities is reported in *Section IRO-1 of the ESRS 2 standard*.

II.3.2. [E2-1] Pollution policies

Group has implemented a series of policies that guide the processes of identifying, assessing, managing, and remedying significant pollution-related impacts, as defined by the double materiality analysis, as follows:

Pollution policies

Policy name	Applicability	MATERIAL TOPICS M8 (-)	MATERIAL TOPICS M9 (-)
1. Pollution policy	ALRO, ALUM, VE	●	●
2. Corporate Social Responsibility Policy	ALRO, ALUM, VE VT	●	●
3. Statement of General Director regarding Quality, Environment, Energy, Information Security, and Occupational Health and Safety	ALRO, ALUM	●	●
4. Internal emergency plan	ALRO		●
5. Accidental Pollution Prevention and Response Plan for the "Alumina River Shipping Terminal" Facility	ALUM		●
6. Intervention Plan for the Prevention of Major Accidents Involving Hazardous Substances	ALUM		●
7. Plan for the Prevention and Control of Accidental Pollution at the "Halda de Șlam" Waste Storage Facility	ALUM		●
8. Plan for the Prevention and Control of Accidental Pollution at Potentially Polluting Water Uses and for the Management of Specific Emergency Situations for Heavy Rainfall and Natural Disasters (floods, earthquakes, fires)	ALUM		●
9. Procedure for emergency preparedness and response capacity	VE		●

1. Pollution Policy - ALRO, ALUM, VE

ALRO Group's Pollution Policy, adopted in 2025 and applicable to ALRO, ALUM, and VE, establishes the framework through which the Group identifies, assesses, manages, and remediates significant impacts, risks, and opportunities related to air, water, and soil pollution, including those associated with the use of substances of concern. The overall objective of the policy is to prevent, control, and reduce pollution in its own operations and in the upstream and downstream value chain through an integrated approach to monitoring, limiting emissions, responsible management of hazardous substances, and prompt intervention in the event of incidents, in accordance with applicable legislation and the principles of sustainability. The pollution policy implemented in 2025 by ALRO Group aims to achieve the following:

- To monitor and reduce atmospheric emissions of pollutants, including non-GHG pollutants, by using the best available techniques (BAT);
- To prevent water and soil contamination through spill control, sealing, waterproofing, and waste collection systems;
- Identify, substitute, and eliminate the use of hazardous substances as much as possible;
- Comply with the legal limits imposed by integrated environmental permits and maintain compliance through periodic monitoring;
- Raise awareness among employees and partners about pollution risks and prevention methods.

The policy contributes directly to the management of **material impact** M8 (-) *Contributes to air pollution through the generation of gaseous emissions, other than GHGs, across the upstream and downstream value chain* (NOx, SOx, PM, etc.), through explicit targets for monitoring and reducing indirect atmospheric emissions associated with the activities of suppliers, transporters, and other partners, integrating environmental criteria into supplier selection and evaluation processes, and promoting the Supplier Code of Conduct and emission reduction practices. At the same time, the policy supports the management of **material impact** M9 (-) *Accidental pollution in its own operations, through objectives related to the prevention and control of accidental air, water, and soil pollution, the reduction of risks associated with the handling, storage, and use of hazardous substances and substances of concern, and the limitation of the effects of potential incidents on people and the environment*. In both cases, the impacts are assessed as material mainly from the perspective of their potential, with the current impact considered insignificant in the context of existing prevention and control measures.

The scope of the policy covers all of the Group's operations, without geographical or functional exclusions, and extends to the value chain through requirements addressed to suppliers and business partners.

The General Director of each company is responsible for establishing the strategic directions set out in the Policy and for approving it, and implementation is carried out at the level of the competent internal structures, according to their area of responsibility. These structures will report periodically to the Risk and Sustainability Committee and/or the Board of Directors on the issues covered by this Policy.

The Policy is aligned with CSRD, ESRS E2, ESRS 2, ISO 14001, and relevant regulations (including REACH and CLP), and was developed considering the opinions of stakeholders consulted in 2025. This policy is publicly available through the websites of the companies within ALRO Group and is communicated to all employees and partners involved in its implementation.

2. Corporate Social Responsibility Policy - ALRO, ALUM, VE, VT

ALRO Group has developed a *Corporate Social Responsibility Policy* for each company. The Corporate Social Responsibility Policy contributes directly to managing the **material impact** M9 (-) *Accidental pollution in own operations*, as it includes an explicit commitment to a clean environment and environmental protection. Through the self-monitoring program, approved by the local environmental authority and part of the Integrated Environmental Authorization, the operator monitors all emissions into the air, water, soil, and noise, with a view to reducing the pollutants generated on site and ensuring an environmentally appropriate climate. Through its objective related to air, water, and soil pollution, the Group aims to reduce the impact of

its operations on the environment by preventing pollution, responsibly managing hazardous substances, and implementing measures to protect air, water, and soil quality, thus contributing to the management of **impact** M9.

ALRO Group's Corporate Social Responsibility policy also supports the approach to the **impact** of M8 (-) *Contributes to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain (NOx, SOx, PM, etc.)*, through an explicit commitment to promoting environmentally responsible behaviour in its relationships with business partners. In this regard, the policy provides for the selection and collaboration with suppliers who demonstrate a proactive approach to environmental risk management and responsible use of natural resources, thus contributing to the prevention and reduction of potential indirect emissions generated in the upstream and downstream value chain. As part *of its Corporate Social Responsibility Policy*, the company promotes compliance with the strictest environmental standards and implements a self-monitoring program integrated into environmental permits, applies the best available techniques (BAT) to reduce emissions at source, and seeks to comply with specific pollutant limits.

By integrating environmental criteria into supplier selection and evaluation processes and promoting the principles of pollution prevention and environmental responsibility, the policy supports the reduction of pressure on air quality associated with third-party activities and aligns their behaviour with the Group's environmental protection standards, thus covering the **impact** of M8 (-) *Contributes to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain (NOx, SOx, PM, etc.)* through mechanisms of indirect influence and control over the value chain.

Details on the Corporate Social Responsibility Policy are presented in *Section G1 Professional Conduct* in this Sustainability Report.

3. Statement of General Director regarding Quality, Environment, Energy, Information Security, and Occupational Health and Safety - ALRO, ALUM

The Statements of the General Directors regarding quality, environment, energy, information security, health and safety at work of **ALRO** and **ALUM** set out general objectives aimed at developing activities, processes, and products in a sustainable manner, ensuring the reduction or elimination of associated sources of pollution, the conservation of energy and natural resources, the elimination of hazards, and the reduction of risks associated with industrial activities.

At **ALUM** level, the objectives focus exclusively on its own operations and aim to modernise technologies, reduce sources of pollution generated by internal processes, manage resources efficiently and improve environmental performance, thus contributing directly to managing the impact of M9 (-) *Accidental pollution in its own operations, by preventing incidents and mitigating the risks associated with technological processes*.

In the case of **ALRO**, in addition to the objectives focused on its own activities that support the management of **impact** M9 (-) *Accidental pollution in own operations*, the Statement also includes objectives that can be correlated with the **impact** of M8 (-) *Contributes to air pollution through the generation of gaseous emissions, other than GHGs, across the upstream and downstream value chain (NOx, SOx, PM, etc.) downstream value chain*, through a commitment to encourage suppliers to adopt the principles and social responsibility programs promoted by the company. This wording indicates a concern to influence supplier behaviour and promote responsible practices, indirectly contributing to the prevention and reduction of upstream pollution impacts without involving direct operational control over their activities. The statement also includes actions aimed at the value chain, through a commitment to encourage suppliers to adopt the principles and social responsibility programs promoted by the company, thus contributing to the extension of the policy's application to the upstream value chain through indirect influence mechanisms and supporting the prevention and reduction of potential pollution-related impacts, including those associated with the M8 (-) **impact** generated by suppliers' activities.

Details on the Quality, Environment, Energy, Information Security, Health and Safety Statement are presented in the *ESRS E5 Resource Use and Circular Economy* section of this Sustainability Report.

Other policies/documents for incident and emergency prevention

ALRO Group has well-defined organizational and management plans and procedures in place to prevent incidents and emergencies, ensuring that they are managed effectively when they occur. These are designed to ensure rapid and coordinated responses to protect human health and the environment, with the aim of minimizing the negative impact of incidents. In the event of an incident, the management of each company is notified immediately and employees, relevant authorities, and neighbouring communities are alerted in order to minimize risks. Once the situation is under control, a detailed investigation of the causes, effects, and damage is initiated, followed by the development of a concrete response plan.

4. Internal Emergency Plan - ALRO

ALRO has developed an *Internal Emergency Plan* to manage emergency situations with a potential impact on air quality, caused by events such as fires, explosions, accidental equipment failure, or natural disasters, which may lead to uncontrolled emissions of pollutants. The plan also addresses the risks associated with the improper use and storage of hazardous substances such as acetylene, chlorine, and granulated tar pitch, which can affect the environment and human health. It establishes specific intervention measures and procedures for managing fires, explosions, and accidental air pollution incidents, as well as the responsibilities necessary to limit environmental impacts and ensure business continuity. Through these mechanisms, the Internal Emergency Plan directly contributes to managing the **impact** of M9 (-) *Accidental pollution in its own operations*. In addition, ALRO holds an Integrated Environmental Authorization that regulates the permissible limits and methods for monitoring and managing emissions into the air, other than GHG emissions, ensuring compliance with applicable legal requirements.

The Internal Emergency Plan has four main objectives. The first objective is to control and limit the effects of incidents, with the aim of minimizing their impact on public health, the environment, and property. The second objective is to implement the necessary measures to protect human health and the environment in order to prevent and limit the effects of major accidents. The third objective is to communicate information effectively to the general public and the authorities involved, thus ensuring transparency and coordination in the event of an accident. Finally, the fourth objective is the ecological restoration and clean-up of the affected area, focusing on remedying the damage caused to the environment after a major incident.

The Internal Emergency Plan applies to the entire ALRO site located at 116 Pitești Street, as well as to companies providing services in this area. All employees and collaborators, including contractors and subcontractors, must comply with the provisions of this plan. Personnel trained for emergency response will implement the necessary measures to respond effectively in various unforeseen situations. In cases where emergencies affect the environment and/or communities in the business area, the Internal Emergency Plan will be coordinated with the External Emergency Plan of the competent authorities. The value chain is not covered by this plan.

The highest authorized organizational level of the company responsible for implementing the policy is the General Director. This Internal Emergency Plan, prepared based on the results of the risk analysis in the Security Report Edition 2020 rev.1/2023, complies with the provisions of Law no. 59/2016 on the control of major accident hazards involving dangerous substances. The stakeholders involved in the consultation process for the preparation of the plan were the "Matei Basarab" Emergency Inspectorate of Olt County and the Olt Environmental Protection Agency, as well as ALRO employees who are directly responsible for the sectors involved. The plan is designed to communicate the necessary information to the target audience, as well as to the services or authorities involved in the area. The Internal Emergency Plan is available for consultation at ALRO's registered office.

In addition, ALRO has communicated the following information to the public (posted on the official website *European Aluminum Producer | ALRO*), in accordance with the provisions of Law 59/2016:

- confirmation that ALRO is a higher-level site;
- description of the activities carried out on the site;
- the names of the hazardous substances used/stored on site;

- the types of major accidents that may occur at the ALRO site and their consequences, as well as the safety measures implemented to prevent major accidents;
- methods of warning the public in the event of a major accident;
- guidance on appropriate conduct and necessary actions in the event of a major accident;
- details of sources where more relevant information can be obtained.

ALRO aims to mitigate the negative impacts of air pollution by implementing measures to prevent, control, and manage critical incidents. The main purpose of the policy is to reduce the risks associated with accidental releases of toxic substances and to mitigate the consequences for human health and the environment.

Specifically, the company has developed detailed procedures to deal with critical situations such as massive chlorine releases, industrial fires, and ventilation system failures. In the event of accidental chlorine releases into the atmosphere, the company has implemented a method based on the use of water curtains. This process involves liquefying a significant proportion of the chlorine vapours, thereby reducing their concentration in the air. In addition, the chlorine is partially absorbed into the water through a chemical process that forms "chlorine water," which contributes to an effective reduction in toxicity risks. This system is essential for protecting the environment and communities in the vicinity of industrial facilities, being activated immediately in emergency situations.

ALRO also pays special attention to fires that may occur in different areas of the facility. In the case of fires in tar and coke storage areas or pulp towers, the policy is based on process automation and proper staff training to prevent human error and ensure rapid response. The capture of volatile compounds is another important aspect, aimed at minimizing the dispersion of toxic combustion products into the air. Automatic detection and extinguishing systems play an essential role in the rapid management of fires, thus limiting their impact on the environment.

Another crucial aspect of the policy relates to ventilation system failures, which can lead to the dispersion of harmful gases or dust. To prevent such situations, the company has implemented a rigorous program of periodic equipment maintenance, ensuring that all machinery operates within optimal parameters. Process automation contributes significantly to reducing the risks generated by human error, while reactive isolation measures help to limit air pollution in the event of a failure. In facilities with a high fire risk, such as oil heating or volatile pipelines, the systems are designed to operate in sealed and closed modes, reducing the possibility of leaks or uncontrolled gas releases. In the event of a fire, automatic detectors initiate an immediate shutdown of the process, followed by flooding of the affected areas with water. These advanced systems provide robust protection against the negative effects of thermal radiation and toxic emissions.

5. Accidental Pollution Prevention and Control Plan for the "Alumina River Shipping Dock" Facility – ALUM

Through **the Accidental Pollution Prevention and Control Plan for the "Alumina River Shipping Dock" Facility**, the company aims to manage the impacts associated with industrial activities, focusing on **impact** M9 (-) *Accidental pollution in its own operations regarding air pollution caused by suspended particles* (PM), resulting from the process of unloading alumina into the feed hopper and loading alumina into the ship.

The Accidental Pollution Prevention and Response Plan for the "Alumina River Shipping Facility" sets out the targets related to the management of accidental pollution in the context of ALUM's operations. It includes the main measures to be followed in the event of an accidental pollution incident, as well as the responsibilities of the personnel involved in such situations. The main targets of the plan are related to the management of material risks and impacts associated with accidental pollution. These include: creating a healthy working environment, considered essential for the efficient operation of machinery and equipment; implementing specific environmental protection measures to prevent the risks identified within the perimeter of the facility; and demonstrating, through the documentation prepared, responsible conduct in the performance of activities, in order to avoid environmental risks. Furthermore, the plan aims to enhance the professional preparedness of personnel, including training for emergency situations, the prevention of accidents or incidents that could cause harm

to the environment and public health, ensuring the efficient management of the company's assets, and maintaining an optimal balance between safety measures at the facility and environmental protection.

The responsibility for monitoring accidental pollution situations lies with the shift supervisor, who is properly trained by management. The plan is reviewed periodically, at least once every 5 years and whenever changes occur in relation to the situations presented, in order to ensure the effectiveness and relevance of the measures.

The Prevention Plan applies only to the site located in Tulcea County, not to other upstream or downstream activities. This Plan covers the following activities: storage and loading of finished products onto barges or other means of water transport. In particular, this policy refers to the alumina shipping dock located on the right bank of the Danube, Tulcea branch, at river kilometre 39+500 , in the immediate vicinity of the mineral port. In the event of an emergency situation (dust emissions), ALUM shall notify the local authorities, in particular the port authority, the Danube Delta Biosphere Reserve Authority (ARBDD) and the Tulcea Water Management System (SGA Tulcea). These institutions shall receive information regarding the incident, as well as the measures taken to reduce, mitigate and eliminate the effects on flora, fauna and human health.

The highest authorized organizational level of the company responsible for implementing the policy is the General Director. This Plan is drawn up in order to comply with the legislation mentioned in Annex I. The affected stakeholder groups are: the staff of units at risk of accidental pollution, in particular the technician, as well as the external authorities mentioned in the previous paragraph. The policy is drawn up to communicate the necessary information to the target audience, as well as to the services or authorities involved in the area concerned. The Plan is available for consultation at ALUM's registered office, and for employees it can be found on INTRANET, the company's internal platform.

The accidental pollution prevention and response plan for the "Alumina River Shipping Dock" addresses in detail the measures necessary to mitigate negative impacts on air, water, and soil. Although the environmental risks are considered minimal, the document emphasizes the importance of rigorous procedures and effective organization to avoid any incidents.

Staff responsibilities are clearly defined in the operating regulations, job descriptions, and emergency instructions. At all levels, from the General Director to the shift supervisor and operational staff, there is a clear assignment of tasks so that in the event of an accident, response measures can be implemented quickly and effectively. In the event of accidental pollution, the procedures provide for immediate identification of the phenomenon, reporting to the competent authorities, and coordination of response teams to eliminate the causes, limit the effects, and restore normal conditions. The plan includes preventive measures, such as the installation of effective risk reduction systems, such as filter bags, and regular training of personnel in the correct application of emergency procedures. Activities in the dock are carefully monitored and adjusted, with a special focus on protecting the quality of the Danube waters and surrounding areas. The plan highlights the commitment to accident prevention and the application of the "polluter pays" principle, in collaboration with the competent authorities.

6. Intervention Plan for the Prevention of Major Accidents Involving Hazardous Substances - ALUM

The policy aims to manage the major impacts and risks related to possible environmental contamination or accidents that may affect the workforce due to the improper management of hazardous substances (M9 (-) Accidental pollution in own operations).

The policy applies to the site located in Tulcea County. In particular, the relevant points on the site to which this policy applies are those where substances of concern are located: the neutralization station, the CET section, the red filtration plant, the fuel depot, the secure warehouse, and the gas supply network for the CET boilers. Since the policy focuses on the hazards associated with the substances on site, it is not exposed in the value chain due to its specificity. The highest authorized organizational level of the company responsible for implementing the policy is the General Director.

The policy is designed to communicate the necessary information to the target audience,

as well as to the services or authorities involved in the area. The plan is available for consultation at ALUM's registered office, and for employees it can be found on INTRANET, the company's internal platform.

With regard to reducing the use of substances of concern, no possibilities for modifying the technological process to allow such a reduction have been identified at present. Although ALUM understands the importance of replacing these substances, there are no policies in place to address this issue yet. However, all the policies described in this section emphasize the prevention of contamination with these substances and their use and storage in conditions of maximum safety.

The policy focuses on avoiding and mitigating accidents resulting from the use of substances of concern. In order to ensure control and limit emergency situations, ALUM draws up an Annual Simulation Plan on emergency preparedness and response capacity and conducts simulations of possible emergency situations involving hazardous substances. Thus, in 2025, a series of simulations were carried out, in accordance with the annual plan, including: cracking of a sulfuric acid storage tank with dispersion outside the retention tank, with the possibility of storage in storm drains; simulation of intervention in case of splashing with alkaline solutions; simulation of intervention in the event of an acetylene tube explosion following a fire.

ALUM has integrated its major accident prevention policy into its environmental policy in order to guarantee a high level of protection for the environment and public health. The OHS-M Department manages essential information on hazardous substances present on site. This includes data that allows the identification of hazardous substances and categories of hazardous substances and the application of measures for their management in accordance with the requirements of the safety data sheets.

In accordance with Order 1084/2003, ALUM has prepared and submitted notifications regarding hazardous chemicals and preparations on site. It also documents how hazardous substances are stored, their quantity and physical condition, as well as the activities carried out or proposed for storage facilities and units. At the same time, elements in the vicinity of the site that could cause major accidents or aggravate their consequences are assessed. In the event of a major accident or imminent danger, the response teams act according to the plan, with the priorities of limiting and controlling incidents to reduce the effects on the health of the population, the environment, and material goods.

According to Law No. 59/2016 on the control of major accident hazards involving dangerous substances, the ALUM site is classified as a "lower-tier site." However, the company implements measures to protect the health of the population and the environment and communicates the necessary information to the competent authorities in the area, including notification of the accident to the Tulcea County Environmental Directorate, GNM-CJ (National Environmental Guard – County Commissariat) Tulcea, ARBDD (Danube Delta Biosphere Reserve Administration) Tulcea, and the Delta Tulcea Emergency Inspectorate, and in the case of major accidents, to the Tulcea Prefecture and City Hall. All logistical resources necessary for occupational safety and fire prevention and extinguishing are provided , and after the accident, action is taken to restore the affected area ecologically. A report is also drawn up analysing the causes of the accident, the corrective measures applied, and the preventive measures to avoid similar situations in the future.

7. The Plan for the Prevention and Combating of Accidental Pollution at the "Red Mud Pond" Waste Repository

The Plan for the Prevention and Combating of Accidental Pollution at the "Red Mud Pond" Waste Repository has been drawn up in accordance with national and European legislative requirements, ensuring compliance with EU legislation and addressing the **impact** of M9 (-) *Accidental pollution in its own operations*. It includes general data on the location and storage of waste in the dump, as well as specific measures to prevent and combat accidental pollution. This plan aims to reduce the negative environmental impact associated with sludge storage, which is essential for soil protection.

A central element of the policy is the implementation of a project to raise the dikes for the sludge dump, aimed at strengthening safety measures and preventing the risks associated with waste storage. The plan also

details the course of action in the event of accidental pollution or an event that could lead to imminent soil and water pollution. To this end, a specialized team for the prevention and control of accidental pollution is being set up, coordinated by the Chief Operating Officer.

To ensure efficient and responsible management, the plan provides for a comprehensive program of measures and works aimed at preventing accidental pollution at waste disposal sites, including the sludge dump. The plan is updated periodically, at least once every 5 years and whenever changes occur in relation to the situations presented, taking into account legislative updates and changes in staff structure and responsibilities. This constant monitoring ensures compliance with current standards and the maintenance of a safe environment.

The plan focuses exclusively on operations carried out at the sludge dump, without extending to upstream or downstream activities. The main stakeholders affected are internal, in particular the employees directly involved. Among them is the Team for the Prevention and Control of Accidental Pollution at the Waste Storage Facility, which is responsible for managing and minimizing the associated risks.

The document is approved at the highest management level and signed by the General Director. References to applicable standards are listed in Annex 1. The plan is available for consultation at ALUM's registered office, and for employees it can be found on the INTRANET, the company's internal platform.

With regard to mitigating negative impacts on air, water, and soil, the policy is implemented through strict compliance with the operational procedures in force. In this regard, PO-111-02 – *"Description of the site and activity at the red mud dump,"* PO-135-02 – *"Recording, management, and recovery/disposal of by-products and waste from the company,"* and PS-11 – *"Preparation for emergencies and response capacity."*

In the event of accidental pollution or an event with the potential for imminent soil and water contamination, a clearly established protocol shall be followed. The person who observes the phenomenon immediately notifies the head of the OHS-M Service and the dispatch centre. The head of the Production Dispatch Centre orders the notification of specialized teams with pre-established responsibilities for combating pollution, which will intervene immediately to eliminate the causes and mitigate the effects. At the same time, the company's management and the competent authorities, including the Water Management System, the Tulcea County Environmental Directorate, the National Environmental Guard – Tulcea County Commissariat, and ARBDD Tulcea, shall be informed urgently, and the remedial actions are monitored and reported periodically until the causes and effects of the pollution are completely eliminated.

After a pollution incident, the company's management analyses the causes in detail and orders technical, material, and organizational measures to prevent such situations in the future. Also, changes or additions may be made to the working procedures, taking into account the experience gained during the event.

8. Plan for the Prevention and Control of Accidental Pollution in Potentially Polluting Water Uses and for the Management of Specific Emergency Situations for Heavy Rainfall and Natural Disasters (floods, earthquakes, fires) - ALUM

This plan sets out general objectives, specific measures, and a monitoring framework for reducing the risks associated with ALUM's activities. The plan is also relevant to the storage of sludge in landfills, covering the potential impact on the soil in the event of an emergency due to extreme weather or natural disasters, and may be relevant to the **impact** of M9 (-) *Accidental pollution in own operations*.

The plan aims to manage significant material impacts, identify and control risks, and capitalize on opportunities to improve environmental practices in accordance with applicable legal requirements. Clear procedures are also defined on how to act in the event of accidental pollution or an event with an imminent risk of pollution on the company's premises, through immediate reporting, effective management of the situation, and elimination of the causes of pollution. An essential component is also the identification of specific risks within ALUM that may lead to accidental pollution, in order to implement appropriate preventive measures.

The plan also includes the course of action in the event of accidental pollution downstream

of the company's premises, the necessary interventions in natural disaster situations, and emergency management to ensure an effective response and minimize the impact on the environment. The plan is reviewed at least once every 5 years and whenever changes occur in relation to the situations presented, depending on legislative changes or functional changes within the organization.

The document is approved at the highest management level and signed by the General Director. References to applicable standards are listed in ***Annex 1***. The plan is available for consultation at ALUM's registered office, and for employees it can be found on the INTRANET, the company's internal platform.

In the event of environmental accidents, staff are trained to act quickly to limit the spread of pollutants, either by stopping leaks or by using absorbent materials such as sand or specialized substances. Measures are also taken to isolate affected areas, collect and properly dispose of hazardous substances, prevent surface water contamination, and restore the environment to its original condition. In the event of downstream pollution, reporting and response procedures are activated, and laboratory analyses are intensified to monitor contamination. Reducing environmental impact involves measures such as improving spill prevention infrastructure, using advanced methods of treating polluted water, continuously monitoring industrial processes, and applying solutions for recycling or reusing the waste generated.

The policy focuses in particular on the prevention and management of emergencies caused by natural disasters, with the aim of minimizing their risks and impact on people and the environment. The measures adopted include prevention and preparedness actions, followed by rapid intervention in the event of dangerous phenomena, and subsequent recovery and rehabilitation measures. These actions are coordinated by the Emergency Committee, under the leadership of the Chief Operating Officer, and interventions are supported by dedicated operational centres, which ensure the effective management of emergencies. The process also includes risk monitoring, public warning, and close collaboration with the competent authorities to ensure rapid and coordinated responses.

9. Procedure for emergency preparedness and response capacity - VE

This procedure aims to manage the critical impacts and risks associated with the company's economic activities, addressing the **impact** M9 (-) *Accidental pollution in its own operations*. VE also holds an Environmental Authorization that sets out the special conditions for compliance with the legal provisions on the regime of hazardous substances. The main impacts include potential environmental contamination or accidents that may affect personnel as a result of inadequate management of substances of concern.

The procedure details the prevention and response measures in the event of incidents of (but not limited to) accidental pollution. The document contains the following: definitions of the topics covered (accidental pollution, emergency situation), applicable standards, responsibilities and obligations of personnel in order to prevent and remedy an emergency situation, the method by which the emergency situation is identified, intervention measures, and staff training. The general objectives are to create a practical and effective emergency plan for managing risks related to emergency situations, taking into account the possibility of events that may affect personnel, the community, and the environment; identifying and adequately managing risks related to emergency situations in order to prevent possible loss of life, damage to the environment, and financial impacts on the organization.

This procedure covers the necessary actions for all situations that could lead to emergencies within VE and applies to VE staff, contractors, and subcontractors. The impact on substances of concern is significant only at the level of its own operations.

The highest authorized organizational level of the company responsible for implementing the policy is the General Director. The relevant legislation is mentioned in Annex I. The stakeholders involved in the consultation process for drafting the policy are VE employees who are directly responsible for the sectors involved. The policy is designed to communicate the necessary information to the target audience, as well as to the services or authorities involved in the area concerned.

The policy is available for consultation at VE's registered office.

The procedure establishes the measures necessary for the preparation and management of emergency situations, including the assessment and analysis of incidents, the coordination of interventions, and the training of personnel. In the event of an emergency, the plan provides for actions to reduce the impact on the environment and safety, such as shutting down utilities, repairing faults, and restoring affected areas. Emphasis is placed on collaboration between designated managers and competent authorities, as well as on continuous training for effective situation management.

With regard to reducing the use of substances of concern, no possibilities for modifying the technological process to allow such a reduction have currently been identified. Therefore, the policy does not include any references in this regard.

FURTHER INFORMATION ON THE GROUP'S POLLUTION POLICIES

The policies implemented by Group are based on the zero-pollution hierarchy, as defined in the EU Action Plan for Zero Pollution of Air, Water, and Soil*. They set pollution prevention as a top priority, focusing on the implementation of technical measures that mitigate the associated risks, as well as close monitoring of facilities at risk of accidental pollution and the use of substances of particular concern. The next step in the hierarchy is to minimize pollution, which is the main objective of staff and management in the event of accidents. Finally, it is mentioned that in the event of a pollution incident, the competent local authorities are involved and the "polluter pays" principle is applied. The EU Action Plan for Zero Pollution of Air, Water, and Soil is based on the principle that European Union environmental policy must be based on the precautionary principle and the principles that preventive measures must be taken, damage to the environment should be limited at source as a priority, and the "polluter pays" principle must be respected, all of which are reflected in the policies and procedures implemented by ALRO.

With regard to substances of concern M9 (-) *Accidental pollution in own operations*, no possibilities have currently been identified for modifying the technological process to reduce the quantity used. Therefore, the Group's policies do not include any references in this regard. However, ALRO's Internal Emergency Plan emphasizes the prevention of contamination with these substances and their use and storage under conditions of maximum safety.

** European Commission. (2021). Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - EU strategy on adaptation to climate change. https://eur-lex.europa.eu/legal-content/RO/TXT/HTML/?uri=CELEX:52021DC0400*

II.3.3. [E2-2] Actions and resources related to pollution

To ensure that the objectives set out in the pollution policies, correlated with the related impacts and materials, are achieved, ALRO Group has operationalized these commitments within ***Pillar I – Protecting the Future of the 2025-2030*** Sustainability Strategy. This pillar correlates the policies presented in *Section E2-1* with concrete actions, time frames, monitoring indicators, and measurable targets, so that their implementation generates verifiable results in all of its operations. Within this Pillar, actions related to pollution also include a specific target related to the **impact** of G4 (+) *Promoting sustainable practices in the supply chain at the sector level and the opportunity* RO30 *Increasing the sustainability and security of the supply chain* by integrating ESG criteria. Although these are material to the G1 theme – Professional Conduct, sub-theme Managing Supplier Relationships, the implementation measures are presented in ESRS E2, as they aim to integrate pollution-related criteria into the supplier accreditation, evaluation, and auditing processes, reflecting the direct link between supplier performance and ALRO Group's pollution management objectives. More details on the **impact** of G4 and **opportunity** RO30 are presented in the *Section G1 Professional Conduct* of this Sustainability Report. The actions in the strategy are correlated with the nine general policies presented in *Section E2-1*.

Main actions

Main actions	Time horizon	Expected results	Target	IRO materials
A1E2 **Maximizing the efficiency of combustion processes to reduce NOx and Sox emissions and improving fine particulate matter (PM) capture and filtration systems at ALRO Group companies.**	**2025-2030**	Reduction and control of pollutant emissions into the air, water, and soil, as well as safe management of hazardous substances through continuous operational measures continuous operational measures and incident prevention	Maintaining zero incidents with an impact on air, soil, and water at ALRO Group level by applying existing plans to prevent and combat accidental pollution and the limits on atmospheric pollutants provided for in the Integrated Environmental Authorizations.	**M9 (-)** *Accidental pollution in own operations.*
A2E2 **Management of hazardous substances and periodic organisation of emergency simulations at ALRO, ALUM and VE companies.**				
A3E2 **Regular monitoring of air pollutant emissions at ALRO.**			By 2030, 20% reduction in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 baseline, per tonne of aluminium produced.	
A4E2 **Introduction and maintenance of a specific section dedicated to pollution in the in the supplier sustainability assessment questionnaires in the accreditation process.**	**2025-2030**	Increasing accountability in ALRO Group's value chain regarding pollution prevention and management by integrating pollution-related performance criteria into the selection, evaluation, monitoring, and collaboration processes with suppliers and partners.	By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments from the perspective of compliance with performance criteria related to the prevention and management of pollution incidents, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.	**M8 (-)** *Contributes to air pollution through the generation of gases other than GHGs in the upstream and downstream value chain.* **G4 (+)** *Promoting sustainable practices in the supply chain at the sector level.* **RO30** *Increasing the sustainability and security of the supply chain by integrating ESG criteria.*
A5E2 **Implement an annual sustainability audit program for a sample of suppliers, selected annually, to assess compliance with criteria related to the prevention and management of pollution incidents.**				

The scope of the main actions aimed at reducing pollution accidents involving hazardous substances covers all ALRO Group production operations, without geographical or functional exclusions, while those aimed at reducing non-GHG emissions cover only the operations of **ALRO** and **ALUM** (only in the event of the resumption of alumina production). Actions related to the Target - *By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments from the perspective of compliance with performance criteria*

related to the prevention and management of pollution incidents. in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide, extend to the value chain by integrating pollution performance criteria into supplier selection, evaluation, and monitoring processes and by promoting responsible water management upstream and downstream.

The effectiveness of the measures is monitored through the result and output indicators included in the Sustainability Strategy (number of pollution incidents and exceedances of air pollutant limits according to Integrated Environmental Permit; kg of pollutants/tonne of aluminium produced; kg SO_2/ per tonne of product, kg NOx/ per tonne of product, kg PM / per tonne of product; number of projects to maximize process efficiency to reduce emissions; number of emergency simulation exercises).

The actions needed to manage significant pollution impacts are identified through an annual process integrated into ALRO Group's continuous diligence system. This process includes: double materiality analysis, environmental audits, and technical inspections. Based on these mechanisms, ALRO Group prioritizes actions according to the severity and probability of impacts, distinguishing between actual negative impacts and potential negative impacts, as well as between preventive actions and measures that can generate current positive impacts.

With regard to remedial measures associated with pollution impacts, ALRO Group states that the **impact** of M9 (-) *Accidental pollution in its own operations is assessed as a potential impact*, with no accidental pollution incidents identified in the reporting year that would have had a significant impact on the environment or local communities and that would have required remedial measures. In this context, no remedial measures as such have been implemented, but the Group maintains and strengthens preventive and control measures through emergency response plans, operational procedures, and monitoring systems described in *Section E2-1*, in order to prevent such incidents from occurring.

Regarding the **impact** M8 (-) *Contributes to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain*, the Group has no information on specific negative effects generated by the activities of its suppliers that have led to air quality deterioration or community impact. In the absence of such identified situations, no direct remedial measures were necessary. However, in order to prevent potential impacts, the Group applies measures of indirect influence on the value chain by implementing the Supplier Code of Conduct and the Supplier Sustainability Guide, documents that include environmental criteria for the management of air emissions, waste, and hazardous materials, as well as requirements for compliance with environmental legislation.

All **ALRO**, **ALUM**, **VE**, and **VT** suppliers are informed and periodically assessed on their compliance with these requirements, including through the transmission and signing of the Supplier Code of Conduct and the ASI questionnaire, and the assessment process also includes an analysis of the reputational risks associated with possible violations of environmental legislation. Through these mechanisms, the Group aims to prevent and limit the occurrence of indirectly generated pollution impacts, thus contributing to the management of M8 **impact** in the value chain through a preventive approach and partner accountability.

With regard to significant pollution-related impacts, the measures established by the Group fall within the pollution reduction level of the mitigation hierarchy and are based on compliance with the requirements for Best Available Techniques (BAT) and the conditions set out in the Integrated Environmental Permits. Furthermore, the Do No Significant Harm (DNSH) assessment carried out at ALRO in accordance with the EU Taxonomy Regulation has shown that the Group's activities do not cause significant harm to the environmental objective of preventing and controlling pollution, with the use of restricted substances being carried out only under controlled conditions and in circumstances justified as essential for the continuity of industrial processes.

For the **impact** M9 (-) *Accidental pollution in own operations, assessed as a potential impact*, the Group has adopted a predominantly preventive and risk-reducing approach, focused on avoiding incidents and controlling sources of pollution. This is reflected in the objective of maintaining zero incidents with an impact on air, water, and soil by applying existing plans

to prevent and combat accidental pollution and complying with the limits set by the Integrated Environmental Authorizations. Measures include maximizing the efficiency of combustion processes to reduce NOx and SOx emissions, modernizing and optimizing fine particle (PM) capture and filtration systems, periodically monitoring atmospheric emissions, as well as managing hazardous substances and organizing emergency simulation exercises at ALRO, ALUM, and VE.

With regard to substances of concern (SOC) used in production processes, the Group acknowledges that, at present, there are no viable technical alternatives for certain substances that would allow them to be replaced without affecting process safety or product quality. In this context, the approach adopted focuses on controlled use, safe handling, strict monitoring, and prevention of accidental releases as measures to minimize pollution risks and protect health and the environment, in accordance with REACH requirements and applicable environmental permits.

For **impact** M8 (-) *Contributes to air pollution through the generation of non-GHG emissions in the upstream and downstream value chain*, ALRO Group acts through indirect influence mechanisms aimed at preventing and reducing the contribution of business partners to the generation of non-GHG emissions. Actions focus on increasing supplier responsibility by integrating pollution performance criteria into selection, evaluation, and monitoring processes, as well as promoting compliance with the Supplier Code of Conduct and Supplier Sustainability Guide. The target is that by 2030 at least 5% of ALRO and VE suppliers will be assessed through specific audits or analyses on the prevention and management of pollution incidents, an approach supported by the introduction of sections dedicated to pollution in the assessment questionnaires and the implementation of an annual sustainability audit program.

Overall, the actions included in the 2025-2030 Sustainability Strategy reflect a coherent approach aligned with ESRS E2 requirements, through which ALRO Group aims to avoid pollution where possible, reduce existing emissions by applying the best available techniques, and strengthen its capacity to control and respond to unforeseen situations, both in its own operations and across the value chain.

ACTIONS IMPLEMENTED OR INITIATED IN 2025

A1E2: Maximizing the efficiency of combustion processes to reduce NOx and SOx emissions and improving fine particle (PM) capture and filtration systems at ALRO Group companies.

In the previous reporting period, in accordance with the 2021-2025 Sustainability Strategy, ALRO Group set a target for ALRO to reduce untreated emissions into the atmosphere to near zero, in accordance with the requirements for best available techniques (BAT). To achieve this goal, two main courses of action were established: Reducing emissions and complying with EU regulations by expanding the Flue Gas Treatment Plant in the foundry section and installing a station to capture and filter the coke dust generated in Assembly Workshop No. 2, and Increasing the efficiency of aging operations by replacing the CO_1, CO_2, and IPROLAM furnaces with a new aging furnace with superior performance in terms of emission control. These actions, presented in the 2024 Sustainability Report, have been taken up and integrated into the new 2025-2030 Sustainability Strategy, falling under action A1E2: Maximizing the efficiency of combustion processes to reduce NOx and SOx emissions and improving fine particle (PM) capture and filtration systems at ALRO Group companies.

Action A1E2 is directly correlated both with the target of maintaining zero incidents with an impact on air, soil, and water at ALRO Group level, by applying existing plans to prevent and combat accidental pollution and complying with the limits on atmospheric pollutants set out in the Integrated Environmental Authorizations, and with the target of reducing, by 2030, by 20% of non-GHG emissions (NOx, SOx, and PM) compared to the reference year 2018, reported per tonne of aluminium produced. The implementation of projects to optimize and modernize technological processes thus contributes simultaneously to reducing atmospheric emissions and preventing accidental pollution, strengthening the Group's long-term environmental performance.

In 2025, activities related to the expansion of the Flue Gas Treatment Centre in the Foundry Department and the installation of a station

for capturing and filtering coke dust generated in Assembly Workshop No. 2 focused on continuing the activities necessary to obtain permits and authorizations, with the stated aim of reviewing and starting the implementation of the project in 2026, given the start-up of the new slab production capacity at the end of 2025 (modification of the W1 bar casting plant to cast both bars and slabs). This project was started in previous years by selecting the best technical solutions and issuing a Planning Certificate and starting the procedure for obtaining the Environmental Agreement in order to review the Integrated Environmental Permit. In 2024, the project to expand the Waste Gas Treatment Centre in the Casting Department was suspended due to the reduction in primary aluminium production and its correlation with the planned scrap casting equipment. It is expected that, starting in 2029, the project to reduce emissions in Assembly Workshop No. 2 will begin with the installation of a station to capture and filter the coke dust generated.

In 2025, regarding the action to increase the efficiency of aging operations by replacing the CO_1, CO_2, and IPROLAM furnaces with a new aging furnace, acceptance tests were successfully performed, and the furnace was put into operation. This action was initiated in 2023. The project will ensure aging capacity in line with the projected production mix and improve the energy performance of the technological process by decommissioning the gas-fired CO_1, CO_2, and IPROLAM aging furnaces and installing an electric aging furnace, which will also lead to a reduction in CO_2 emissions into the atmosphere.

A2E2: Management of hazardous substances and periodic organization of emergency drills at ALRO, ALUM, and VE companies.

The action regarding the management of hazardous substances and the periodic organization of emergency drills is applicable to all companies in ALRO Group that carry out production activities, namely **ALRO**, **ALUM**, and **VE**, and is correlated with the **impact** of M9 (-) *Accidental pollution in own operations*, as well as with **the Target** - Maintaining zero incidents with an impact on air, soil and water by applying existing plans to prevent and combat accidental pollution and complying with the limits on atmospheric pollutants set out in the Integrated Environmental Permits.

Within these companies, hazardous substances are managed based on common procedures for safe handling, storage, and transport, in compliance with Safety Data Sheets (SDS), which are made available to workers and periodically updated, being displayed in places where the substances are used or stored. Based on applicable national legislation, each company has developed and applies specific plans and procedures for the prevention and management of emergency situations, these documents being described in detail in *Section E2-1* of this report.

ALRO and ALUM have similar emergency coordination structures in place, namely emergency cells coordinated by the General Director, whose activity is strictly regulated by specific legislation. The General Directors are members of the County Emergency Committee, and operational implementation is ensured by the emergency manager, who is responsible for preparing official documentation, liaising with public authorities, and monitoring compliance with internal procedures. In each sector, emergency managers are appointed by decision, and their duties are included in their job descriptions. All staff receive regular training and participate in simulations and exercises on the organization and conduct of emergency response actions.

ALRO and ALUM have fire prevention and extinguishing systems in place, including sprinklers, FM 200 suppression systems, indoor and outdoor hydrants, and fire extinguishers, and evacuation and fire defence plans are posted and reviewed periodically. Response procedures are tested through exercises and simulations, and if deficiencies are identified, improvement measures are implemented. Following an emergency or near-miss incident, investigations are conducted to identify the causes and determine corrective measures.

ALRO, ALUM, and VE have all signed contracts with Rivergate Centre SRL for protection and security services, alarm system monitoring and intervention, design and installation of technical security systems, and technical security risk assessment, ensuring the presence of security personnel 24/7 at the company's locations. In addition, ALUM also has a contract with Rivergate Fire SRL, a private emergency service, which provides the installation and maintenance of fire alarm and extinguishing systems, maintenance of equipment and

fire trucks, as well as permanently available firefighting personnel.

ALRO has an internal emergency plan in place, covering incidents with an impact on air, soil, and water, including those caused by fires, explosions, accidental damage, or the improper use of hazardous substances. At ALUM, several specific plans are implemented, namely the Plan for the Prevention and Control of Accidental Pollution for the "Alumina River Shipping Dock" facility, the Intervention Plan for the Prevention of Major Accidents Involving Hazardous Substances, the Plan for the Prevention and Control of Accidental Pollution at the "Sludge Dump" Waste Storage Facility, as well as the Plan for the Prevention and Control of Accidental Pollution at Potentially Polluting Water Uses and Emergency Management for Heavy Rainfall and Natural Disasters.

At VE, the management of hazardous substances and the periodic organisation of emergency drills are carried out in accordance with the Pollution Policy and the Internal Procedure for Emergency Preparedness and Response. As with other companies in the Group, the applicable procedures at VE are tested periodically through exercises and simulations, and any deficiencies identified are updated and improved. When an emergency or near-miss incident occurs, investigations are carried out to determine the causes and define the technical and organizational measures necessary to prevent similar situations.

Through this common framework, supplemented by measures and plans specific to each company, ALRO, ALUM, and VE ensure an integrated and coherent approach to the prevention and management of accidental pollution, contributing to the reduction of risks associated with hazardous substances and strengthening the capacity to respond to emergencies.

In 2025, this action was implemented by maintaining emergency procedures and plans, conducting specific training, and organizing emergency preparedness simulation exercises as presented in the table below.

Emergency exercises/simulations/preparations

	ALRO		ALUM		VE	
	2025	2024	2025	2024	2025	2024
Number of emergency drills	20	17	1	14	3	4
Number of simulations	32	32	16	2	2	4
Number of theoretical training sessions and exercises in accordance with the European Seveso III Directive	15	15	4	6	n/a	n/a

In 2025, the rate of all incidents and the frequency rate of hazardous events was 0% for all companies belonging to our Group.

A3E2: Regular monitoring of air pollutant emissions.

At **ALRO**, the action regarding the monitoring of air pollutant emissions aims to manage the major impacts and risks related to industrial activities in line with the Integrated Environmental

Authorization, which will also be carried out in 2025. Significant impacts include air pollution from non-GHG emissions such as NOx, SOx, and total PMs resulting from production processes and internal operations (M9 (-) *Accidental pollution in own operations*). The monitoring action is closely linked to ALRO's Pollution Policy and Policy on Quality, Environment, Energy, Information Security, Health and Safety at Work, the Pollution Policy, the Corporate Social Responsibility Policy, and the Internal Emergency Plan presented in *Section E2-1*, and is part of the Integrated Management System (IMS).

In order to manage the negative impacts of pollution – M9, ALRO has defined and implemented an Integrated Management System that includes quality management, environmental management, occupational health and safety management, energy management, and the sustainability of ALRO's business processes as a whole. The IMS complies with the international standards in force ISO 9001, EN 9100, IATF 16949, ISO 14001, ISO 45001, ISO 50001, ASI Performance standard v3, and is documented through manuals, system procedures, operational procedures, quality plans, control plans, and other documents, which together form a hierarchical structure that facilitates the implementation of this system within the company.

The IMS (Integrated Management System) is self-assessed through the internal audit program of management systems, processes, and products, as well as through the regular analysis system carried out at all operational levels. The aforementioned internal audits are performed by qualified internal auditors from the Technical Quality - Investments Department and cover ALRO's IMS elements, processes, and products, constituting a complete annual audit cycle.

Processes related to industrial emissions compliance (management, monitoring, and reporting) are assessed through periodic internal audits and annual external audits. Reporting to the authorities is carried out in accordance with the provisions of environmental permits and Greenhouse Gas Permits. Within ALRO, in accordance with the Integrated Environmental Authorization (for the headquarters at 116 Pitești Street, Slatina) and the Environmental Authorization (for the work site at 1 Milcov Street, Slatina), direct industrial emissions are constantly monitored. Air pollution monitoring activities are coordinated with the limits imposed by national legislation in order to comply with the Integrated Environmental Permit.

According to the environmental permit, limit values are set that must not be exceeded for certain atmospheric pollutants. All emissions into the air must comply with the set limit values, and emissions that are significant for the environment, except those legally accepted, must be avoided. This helps prevent excessive pollution, which can affect the health of the population and harm the environment. In this context, it is imperative that emission reduction, control, and monitoring equipment be calibrated and maintained in accordance with applicable standards and regulations. Proper calibration of them ensures accurate emission monitoring, which is essential for the correct assessment of compliance with legal limits.

In addition, all measurement results must be recorded, processed, and presented in a form accessible to the competent authorities to facilitate verification of compliance with authorized operating conditions and established emission limit values. This is an important preventive measure to protect the environment and prevent uncontrolled pollution. Emissions monitoring is also crucial to ensure compliance with environmental legislation, protecting the company from possible sanctions. By regularly reporting the monitoring results to local environmental authorities, such as APM Olt, the company guarantees the transparency of its activities and demonstrates its responsibility towards the environment.

This action is carried out continuously, in accordance with the Integrated Environmental Authorization, and specific reports are produced. Emissions monitoring reports are submitted monthly and annually to the competent authority. Thus, the company monitors direct emissions on a monthly basis in its own testing laboratory and performs annual specialist analyses with an external laboratory accredited to ISO 17025:2018.

At **ALUM**, in 2025, as production activity is suspended, the company did not generate emissions into the air and therefore did not implement any measures to reduce them. Under normal operating conditions with active production activities, measures to monitor air pollutant emissions aim to limit the negative impact associated with air pollution by reducing emissions generated by industrial activities.

This action contributes to the management of significant impacts and risks related to air pollution caused by non-GHG emissions, such as nitrogen oxides (NOx), sulphur dioxide (SO_2), and particulate matter (PM), resulting from production processes and internal operations.

ALUM, in the case of production activities, keeps detailed records of abnormal operating conditions of pollution control and pollutant discharge facilities, documenting aspects such as pollution control system malfunctions, description of the malfunction, date of occurrence, duration of operation without pollution control facilities, and date of recommissioning. This practice is implemented to prevent pollution and ensure compliance with environmental requirements. The action is carried out on an ongoing basis, in accordance with the Integrated Environmental Authorization. Emissions monitoring reports are submitted monthly to the competent authority.

Resources allocated for pollution control actions

	Current (2025)	2024	Short-term < 1 year	Medium-term 1-5 years	Long-term >5 years
Financial resources allocated to the action plan (CapEx) – Action A1E2* [KRON]	344	9,450	–	40,906	–

** Represents the resources related to the Project for the Expansion of the Waste Gas Treatment Plant in the foundry section and the installation of a station for the capture and filtration of coke dust generated in Assembly Workshop No. 2, and to the Project for Increasing the Efficiency of Aging Operations by Replacing CO_1, CO_2, and IPROLAM furnaces with a new aging furnace with superior performance in terms of emission control.*

Actions A2E2 Management of hazardous substances and periodic organization of emergency drills and A3 E2 Periodic monitoring of atmospheric pollutant emissions are carried out internally by the responsible personnel in each company as part of their current duties, without requiring the allocation of additional costs. The Group's ability to implement the planned actions does not depend on external preconditions, and no dedicated sustainable financing instruments are envisaged, as these may be assessed at a later stage, depending on needs.

II.3.4. [E2-3] Pollution-related targets

ALRO Group has set targets and actions aimed at strengthening the monitoring of impacts and opportunities specific to the ESRS Pollution theme through its 2025-2030 Sustainability Strategy. For **impact** M9 (-) *Accidental pollution in its own operations*, ALRO Group monitors the effectiveness of its actions through measurable, time-bound targets included in the 2025-2030 Sustainability Strategy. These targets are:

1. **TARGET: Maintain zero incidents with an impact on air, soil, and water at ALRO Group level by applying existing plans to prevent and combat accidental pollution and the limits on atmospheric pollutants provided for in the Integrated Environmental Authorizations.**

2. **TARGET: By 2030, achieve a 20% linear reduction in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 baseline, reported per tonne of aluminium produced.**

For impact M8 (-) *Contributes to air pollution by generating emissions of gases other than GHGs in the upstream and downstream value chain* associated with the ESRS theme Pollution, as well as for **impact** G4 (+) P*romoting sustainable practices in the supply chain* a sector level and the **opportunity** RO30 *Increasing the sustainability and security of the supply chain* by integrating ESG criteria associated with the G1 theme – Professional Conduct, sub-theme Supplier Relationship Management, but which also indirectly contributes to the ESRS Pollution theme, ALRO Group monitors the effectiveness of its actions through a measurable, time-bound target included in the 2025-2030 Sustainability Strategy:

3. **TARGET: By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments from the perspective of compliance with performance criteria related to the prevention and management of pollution incidents, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.**

Progress in implementing targets and actions related to pollution prevention and control is assessed annually, based on operational reports submitted by ALRO, ALUM, and VE, as well as internal processes for monitoring atmospheric emissions, managing hazardous substances, and the effectiveness of measures to prevent accidental pollution.

The targets set by ALRO Group in its 2025-2030 Sustainability Strategy for the ESRS Pollution theme are directly related to the prevention and control of atmospheric pollutants by reducing non-GHG emissions (NOx, SOx, and PM) per tonne of product, as well as the prevention of accidental pollution, through the goal of maintaining zero incidents with an impact on air, soil, and water. These targets aim to prevent and control specific loads associated with emissions generated by industrial processes carried out at ALRO and ALUM, as well as to limit the risk of accidental pollution at the three companies with production activities – ALRO, ALUM, and VE.

Although formulated mainly in relation to atmospheric pollutants, the targets also contribute indirectly to the prevention of water and soil pollution through the implementation of plans to prevent and combat accidental pollution and through hazardous substance management measures, which include staff training, the regular organization of emergency simulation exercises, and the implementation of internal procedures for the prevention and f environmental incidents. These measures aim to reduce the risk of accidental environmental contamination and increase the capacity to respond to unforeseen situations.

The targets were set based on an integrated analysis of technical data on non-GHG pollutant emissions at ALRO and ALUM, the frequency and nature of environmental incidents, compliance with the provisions of the Integrated Environmental Authorizations, operational risk assessment, historical performance, the results of the double materiality process, ESRS E2 requirements, applicable environmental legislation, industry best practices, and the DNSH criteria in the EU Taxonomy.

In setting these voluntary targets, ecological thresholds as defined by the ESRS framework (such as those relating to biosphere integrity, atmospheric aerosol loading, or soil depletion)

were not used, as they are not based on methodologies for allocating global or regional ecological limits at entity level.

The targets and actions related to pollution were defined by the Group's specialized structures – Environment, Sustainability, Technical, and Mechanical-Energy – with the involvement of the operational teams from ALRO, ALUM, and VE, validated by the companies' General Directors, and approved by the Risk and Sustainability Committee. Responsibility for their implementation and monitoring lies with the operational structures at each company level, through internal reporting, audit, and control mechanisms.

Annual progress monitoring is based on the result indicators associated with each target, such as: the number of pollution incidents and exceedances of air pollutant limits according to AIM, kg of pollutants/tonne of aluminium produced (monitored at ALRO level), as well as the percentage of suppliers assessed in terms of pollution prevention and management criteria. Output indicators include the number of facility modernization projects to reduce emissions, kg SO_2 / per tonne of product, kg NOx/ per tonne of product, kg PM / per tonne of product, the number of emergency simulation exercises; % of suppliers assessed based on pollution-related criteria; % of suppliers that have implemented policies on pollution incident prevention and management; number of audits performed annually that include the pollution incident prevention and management component; number of non-conformities identified on pollution incident prevention and management issues.

The scope of the targets covers ALRO Group companies with production activities – ALRO, ALUM, and VE – as well as relationships with relevant suppliers in the value chain in the case of M8 **impact**. All three companies apply measures for the management of hazardous substances and organize regular emergency simulation exercises, while the monitoring of air pollutant emissions is carried out at ALRO and ALUM, in accordance with the provisions of the Integrated Environmental Authorizations.

Through these targets and actions, ALRO Group aims to reduce pressure on environmental factors, prevent accidental pollution, increase responsibility in the value chain, and strengthen the operational capacity to manage pollution-related impacts, thus contributing to the long-term protection of air, water, and soil quality.

In the 2024 Sustainability Report, ALRO Group presented compliance with the concentration limits for air pollutants established in the Integrated Environmental Permits as a target associated with air pollution impact. At that time, these limits represented the main reference available for performance assessment in the absence of dedicated internal strategic objectives.

In the context of the new 2025-2030 Sustainability Strategy and alignment with ESRS requirements, ALRO Group has decided to structure its pollution reporting based on measurable, progressive internal strategic targets that go beyond the minimum level of legal compliance. Consequently, the individual concentration limit values set out in the Integrated Environmental Permits are no longer presented as sustainability targets in the report, although compliance with them remains a permanent legal obligation.

In accordance with ESRS E2 requirements, which cover reporting for each pollutant listed in Annex II of Regulation (EC) No. 166/2006 on the European Pollutant Release and Transfer Register (E-PRTR), emitted to air, water and soil, excluding greenhouse gas emissions, ALRO Group bases its new pollution targets on total quantities of pollutants released. These are considered a more relevant indicator of environmental impact than mere compliance with concentration limits, which reflect only legal compliance at the source level and not the actual scale of the impact generated.

In the reporting year, ALRO complied with the air pollutant limits established in the Integrated Environmental Permits, keeping emissions within the authorised legal parameters, while ALUM did not carry out any production activities.

TARGET 1

Maintain zero incidents with an impact on air, soil, and water at ALRO Group level by applying existing plans to prevent and combat accidental pollution and the limits on air pollutants set out in the Integrated Environmental Permits.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Prevention and control of pollutant emissions into the air, water and soil, as well as the safe management of hazardous substances, through continuous operational measures and incident prevention," contributing to the management of impact M9. Theme Pollution – sub-theme: Water pollution/Soil pollution/Air pollution/Substances of concern and impacts.
(b) **Defined target level**	Zero pollution incidents and exceedances of air pollutant limits according to Environmental Permits.
Type of target	Quantitative, absolute (zero pollution incidents and exceedances)
Unit of measure	Number of pollution incidents and exceedances
(c) **Scope**	ALRO, ALUM, VE operations.
(d) **Reference year**	n.a. (continuous technical performance target).
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The methodology for setting the target was based on an analysis of historical performance regarding the occurrence and types of environmental incidents at ALRO, ALUM and VE, the assessment of the effectiveness of existing accidental pollution prevention and response plans, the results of simulation exercises, as well as the evaluation of operational risks associated with technological processes and the use of hazardous substances. Consideration was also given to the requirements of the Environmental Permits, legal obligations regarding emergency situations, the structure and functioning of emergency units, response capacity (including through contracts with specialised providers such as Rivergate), and compliance with environmental management system requirements. The main assumption is that the maintenance and continuous improvement of existing technical and organisational measures – including the updating of emergency plans, periodic personnel training, organisation of simulation exercises, monitoring of hazardous substances, and rapid response to unforeseen situations – will enable the prevention of significant pollution incidents and maintain performance at zero incidents throughout the 2025-2030 strategic period.
Alignment with standards	ISO 14001; SDG 3 – Good Health and Well-being; SDG 12 – Responsible Consumption and Production; SDG 13 – Climate Action
(g) **Scientific basis**	n.a. (technical target, based on operational analyses and process engineering).
(h) **Stakeholder involvement**	The target was defined by Group's specialist structures – Environment, Sustainability, Technical and Mechanical-Energy – with the involvement of the operational teams from ALRO, ALUM and VE, together with the Sustainability Department, validated by ALRO General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	As this is a new target, revisions may occur depending on the evolution of pollution prevention and control technologies, upgrades to equipment and facilities with risk potential, changes in the legislative framework regarding emergency management and hazardous substances, as well as updates to the requirements in Environmental Permits or plans for the prevention and control of accidental pollution.
(j) **Performance and Monitoring**	Annual monitoring through the indicator: number of pollution incidents and exceedances of limits for atmospheric pollutants in accordance with the Integrated Environmental Permit (IEP); and through output indicators: number of projects aimed at maximising process efficiency to reduce non-GHG emissions; number of emergency situation simulation exercises.

PERFORMANCE IN ACHIEVING THE TARGET

TARGET: Maintain zero incidents with an impact on air, soil, and water at ALRO Group level by applying existing plans to prevent and combat accidental pollution and the limits on air pollutants set out in the Integrated Environmental Permits.

2025 Performance

The activity is currently being implemented. In 2025, the following were achieved

0
pollution incidents and exceedances of atmospheric pollutant limits according to the IEA

2
projects to maximize the efficiency of processes for reducing non-GHG emissions are underway (details are reported in *section E2-2* of this report)

32
emergency simulation exercises (details are reported in *section E2-2* of this report.

Progress in achieving target

Entity	Target	2025	2024	Status
ALRO Group	Maintaining zero incidents with an impact on air, soil, and water at ALRO Group level by applying existing plans to prevent and combat accidental pollution and the limits on atmospheric pollutants set out in the Integrated Environmental Authorizations (number of incidents)	0	0	Target achieved

TARGET 2

By 2030, a linear reduction of 20% in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 reference year, reported per tonne of aluminium produced.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Prevention and control of emissions of pollutants into the air, water, and soil, as well as the safe management of hazardous substances, through continuous operational measures and incident prevention," contributing to the management of impact M9. Theme Pollution – sub-theme: Water pollution/Soil pollution/Air pollution/Substances of concern and impacts.
(b) **Defined target level**	A 20% linear reduction in non-GHG emissions (NOx, SOx, and PM) per tonne of aluminium produced at ALRO.
Type of target	Quantitative, absolute (percentage reduction compared to a threshold reached in the reference year)
Unit of measure	% of the sum of non-GHG emissions (NOx, SOx, and PM)
(c) **Scope**	ALRO operations
(d) **Reference year**	2018
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (progressive annual monitoring).
(f) **Methodologies and assumptions**	The methodology for setting the target of a 20% linear reduction in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 reference year, per tonne of aluminium produced, to be achieved by 2030, was based on an analysis of ALRO's historical atmospheric emissions performance, an assessment of trends in specific indicators (kg pollutants/tonne of product), and the analysis of the effectiveness of technical measures already implemented to reduce emissions, including the modernization of facilities, optimizing combustion processes, and improving fine particle capture and filtration systems. The requirements of the Integrated Environmental Authorization, alignment with the best available techniques (BAT), the results of the double materiality process, as well as the technical and operational feasibility of the efficiency projects planned within the 2025-2030 Sustainability Strategy were taken into account. The methodology also integrated an analysis of the existing technological capacity to support the progressive reduction of emissions without compromising the continuity of industrial processes. The main assumption is that the coherent and phased implementation of technological modernization projects will enable the planned 20% reduction to be achieved by 2030.
Alignment with standards	ISO 14001; SDG 3 – Good Health and Well-being; SDG 12 – Responsible Consumption and Production; SDG 13 – Climate Action
(g) **Scientific basis**	n.a. (technical target, based on operational analyses and process engineering).
(h) **Stakeholder involvement**	The target was defined by the Group's specialist structures – Environment, Sustainability, Technical and Mechanical-Energy – with the involvement of the operational teams from ALRO, ALUM and VE, together with the Sustainability Department, validated by the ALRO General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	As this is a new target, revisions may occur depending on the evolution of pollution prevention and control technologies, upgrades to equipment and facilities with risk potential, and updates to the requirements of the Integrated Environmental Authorization.
(j) **Performance and Monitoring**	Annual monitoring using the indicator: (kg SO_2 + kg NOx + kg PM)/tonne of product, kg SO_2/tonne of product, kg NOx/tonne of product, kg PM/tonne of product

PERFORMANCE IN ACHIEVING THE TARGET

TARGET: By 2030, a linear reduction of 20% in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 reference year, reported per tonne of aluminium produced.

2025 Performance

The activity is currently being implemented. In 2025 in ALRO, the following was achieved:

2.46	1.09	0.65	0.72
[kg SO_2+ kg NOx+ kg PM]/ tonne of product	kg SO_2/tonne of product	kg NOx/tonne of product	kg PM/tonne of product

Progress in achieving target

Entity	Target	2025	2018	Variation 2025 vs 2018
ALRO	By 2030, a linear reduction of 20% in non-GHG emissions (NOx, SOx, and PM) compared to the 2018 baseline, reported per tonne of aluminium produced [(kg SO_2+ kg NOx+ kg PM)/tonne of product]	2.46	4.46	-44.8%

TARGET 3

By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments from the perspective of compliance with performance criteria related to the prevention and management of pollution incidents, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Increasing responsibility in ALRO Group's value chain regarding pollution prevention and management by integrating pollution-related performance criteria into the selection, evaluation, monitoring, and collaboration processes with suppliers and partners," contributing to the management of impact M8, G4, and opportunity RO30. Theme Pollution – sub-theme: Water pollution/Soil pollution/Air pollution/Substances of concern and impacts, Theme G1 – Professional conduct, sub-theme Managing supplier relationships, but contributing indirectly.
(b) **Defined target level**	By 2030, at least 5% of ALRO and VE suppliers will be assessed through audits or evaluations dedicated to performance criteria related to the prevention and management of pollution incidents.
Type of target	Quantitative, absolute (percentage of total suppliers)
Unit of measure	% of suppliers assessed
(c) **Scope**	Suppliers of ALRO and Vimetco Extrusion
(d) **Reference year**	2025
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (progressive annual monitoring)

(f) **Methodologies and assumptions**	The target-setting methodology was based on an analysis of existing procurement procedures, the potential for integrating ESG criteria on pollution into evaluation processes, and the operational capacity to conduct annual audits on a sample of suppliers. The main assumption is that a gradual implementation allows both for increasing suppliers' skills in preventing and managing pollution incidents and for reducing the environmental risks associated with the supply chain, as well as the Group's environmental impacts.
Alignment with standards	SDG 3 – Good Health and Well-being; SDG 12 – Responsible Consumption and Production; SDG 13 – Climate Action
(g) **Scientific basis**	n/a – target based on regulatory, governance, and value chain sustainability criteria.
(h) **Stakeholder involvement**	The target was defined by the Technical, Mechanical-Energy, Investment, Procurement, Quality and Environment Departments, together with the Sustainability Department, validated by the General Director of ALRO, ALUM, VE and approved by the Risk and Sustainability Committee.
(i) **Future changes**	As this is a new target, a possible expansion of the proportion of suppliers evaluated, adjustment of the criteria for the prevention and management of pollution incidents, or the integration of additional thresholds depending on emerging risks in the supply chain are being considered.
(j) **Performance and Monitoring**	Annual monitoring through indicators: % of suppliers assessed based on pollution criteria; number of audits performed annually; % of suppliers that have implemented policies on pollution prevention and management; number of non-conformities identified. The results are reported annually in the Sustainability Report.

PERFORMANCE IN ACHIEVING THE TARGET

TARGET: By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments from the perspective of compliance with performance criteria related to the prevention and management of pollution incidents, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.

2025 Performance

The activity is currently being implemented. In 2025, the following was achieved:

7%
of suppliers assessed based on ALRO pollution criteria

1 %
of suppliers assessed based on VE pollution criteria

4
audits performed by ALRO;

0
(zero) audits performed by VE

7%
of suppliers who have implemented policies on the prevention and management of pollution incidents ALRO

1 %
of suppliers who have implemented policies on the prevention and management of pollution incidents at VE

II.3.5. [E2-4] Air, water, and soil pollution

In accordance with ESRS E2-4 and Annex II of Regulation (EC) No. 166/2006 (E-PRTR), ALRO Group presents information on air pollutants emitted from its operations, excluding those emitted into water and soil that are not material. The objective of the presentation is to ensure an adequate understanding of the impact of pollution generated by the Group's activities on human health and the environment. The reporting includes ALRO's and ALUM's facilities within ALRO Group that are under operational and financial control.

In accordance with ESRS E2-4 (29) requirement, only emissions of pollutants exceeding the threshold values specified in Annex II of the E-PRTR, consolidated at the level of each company, have been reported. CO_2 and PFC emissions are reported in ESRS E1 – Climate Change, in accordance with the requirements of the standard.

Quantities of pollutants emitted into the atmosphere, ALRO [t]

	2025	2024	2023	2022	2021
SO_2 (sulphur dioxide)	394.73	368.65	338.1	411.0	1,069.0
NOx (nitrogen oxides)	234.58	216.84	172.6	148.8	313.0
Particulate matter (PM) *	258.03	226.30	125.2	90.1	165.0

** The values for the "Particulate Matter (PM)" indicator presented in this report refer to the total amount of particulate matter emitted into the atmosphere. Currently, there is no applicable standardized methodology that allows for the separate and accurate determination of the PM10 fraction of the total particulate matter generated by ALRO's activities. In this context, ALRO has decided to report the total amount of PM, considering that this indicator provides a more complete and relevant picture of the impact on air quality than reporting limited exclusively to the PM10 fraction.*

Atmospheric emissions are determined in accordance with the Technical Guidance for the Preparation of National Inventories of Atmospheric Pollutants and the Joint EMEP/EEA Guidance for Emission Inventories, which integrates and updates the historical CORINAIR methodology and supports reporting under the UNECE CLRTAP Convention and the European Directive on national emission ceilings. Emissions are reported in the Integrated Environmental System (SIM), based on Order No. 3299/2012, through a structured reporting flow, which includes:

- the component intended for economic operators (ALRO, ALUM) for the transmission of emission data;
- the component intended for local environmental protection authorities (DJM) for the verification, approval, and validation of the transmitted data.

The methodology used to calculate all pollutants emitted into the air and presented in the table above combines direct measurements and estimates, depending on technical availability and the specific characteristics of each pollutant:

- continuous emission monitoring (CEMS) for NOx and SO_2, in accordance with IPPC/BAT requirements;
- estimates based on EMEP/EEA (formerly CORINAIR) emission factors for CO, where direct monitoring is not technically feasible. Validation and confirmation of data by the DJM through national compliance procedures.

This approach reflects the standardized practice applied at national level for the compilation of local inventories and ensures the traceability and comparability of the reported data.

Compared to the previous year, there was a 7% increase in sulphur dioxide emissions, a 8% increase in nitrogen oxides, and an 14% increase in particulate matter. This difference can be attributed to the intensity of production processes in the context of reduced activity since 2022. Compared to 2021, when the

company's activity was carried out under normal conditions, all pollutant quantities are reduced by up to 43% (in the case of sulphur dioxide and nitrogen oxides).

Quantities of pollutants emitted into the atmosphere, ALUM [t]

	2025	2024	2023	2022	2021
SO_2 [sulphur dioxide)]	0.00	0.00	0.00	1.047	0.196
NOx [nitrogen oxides]	0.00	0.00	0.00	18.45	79.84
Particulate matter [PM]*	0.00	0.00	0.00	0.9	6.66

Within ALUM, pollutants are monitored through an accredited continuous monitoring system, with the data obtained being stored in the history of the software program used. The annual emission quantity for each monitored pollutant is calculated using the amount of gas consumed, the volume of exhaust gases emitted, and the annual average values of the pollutants emitted. During the period 2023-2025, as production activity was suspended, no direct emissions of SO_2, NOx, and dust were recorded.

Quantities of pollutants emitted into the atmosphere, VE [t]

	2025	2024
SO_2 [sulphur dioxide)]	27.23	28.20
NOx [nitrogen oxides]	3,007.95	3,114.51
Particulate matter [PM]*	31.71	32.83

The determination of atmospheric emissions is carried out in accordance with the Technical Guidance for the preparation of national emission inventories of atmospheric pollutants and the joint EMEP/EEA air pollutant emission inventory guidebook, which integrates and updates the historical CORINAIR methodology.

II.3.6. [E2-5] Substances of concern

According to the Integrated Environmental Permits and inventories of hazardous substances, the following table shows the substances classified as "Substances of Concern" (SOC) by the *ESRS E2-Pollution* Standard. Within ALRO Group, these substances are only stored on site and/or used in production processes. No SOCs leave the facilities in the form of primary products, secondary products, emissions, or services. Furthermore, ALRO operates in accordance with the REACH regulation, so ALRO products do not contain any substances mentioned in Article 57 of the regulation.

Sharing of total quantities per hazard class, 2025

Record of substances of concern purchased and used in production by hazard class and risk phrases - GROUP [kg]

	Hazard Classes	RISK PHRASE	Inputs	Outputs
1	Skin sensitization category 1	H317	5,335,011	5,901,641
2	Respiratory sensitization category 1	H334	0	0
3	Germ cell mutagenicity categories 1 and 2	H340, H341	5,303,390	5,865,771
4	Carcinogenicity categories 1 and 2	H350, H350i, H351	5,903,503	6,464,890
5	Reproductive toxicity categories 1 and 2	H360, H360D, H360FD, H361, H361d, H361f	5,312,565	5,874,392
6	Specific target organ toxicity, single exposure, categories 1 and 2	H370, H371	1,755	1,845
7	Specific target organ toxicity, repeated exposure, categories 1 and 2	H372, H373	814,477	785,320
8	Chronic aquatic hazard, categories 1-4	H410, H411, H412, H413	6,042,861	6,611,404

METHODOLOGY:

The analysis of substances of concern (SoC) was carried out at the level of each company in the Group that uses such substances, namely ALRO, ALUM, and VE. The substances were identified based on internal chemical registers, as last notified to TLI (Territorial Labour Inspectorate) in 2025, as well as on the relevant safety data sheets.

For each substance, the hazard statements in the safety data sheets were identified, analysed, and correlated with the relevant hazard classes. At this stage, a substance was associated with all applicable hazard statements and classes, and could be classified in several hazard classes without splitting the quantities. As a result of this limitation, in the case of the quantities presented in the Table *Sharing of total quantities per hazard class,* there are multiplications of these quantities depending on the number of hazard classes and risk phrases associated with each substance.

Record of substances of concern purchased and used in production for the year 2025*

		HAZARD STATEMENTS			ALRO		ALUM		VE	
	Category	ALRO	ALUM	VE	Inputs	Outputs	Inputs	Outputs	Inputs	Outputs
1	**Chemical reagents**	H317; H334; H340; H341; **H350**; H350i; H351; H360fd; H360d; H361d; H361f; H370; H372; H373; H410; H411; H412	n.a.	n.a	62	62	n.a.	n.a.	n.a.	n.a.
2	**Technological additives**	H317; H340; **H350**; H351; H360FD; H370; H373; H411; H413	H317; **H370**; H371; H412; H413	**H411**	5,465,516	5,997,603	0	0	1,681	1,722
3	**Fuels**	**H350**; H351; H361; H373; H411	**H350**; H351; H373; H411; H412	H373; H411; **H351**	579,770	581,298	16,016	13,403	28,629	28,533
4	**Technological oils and lubricants**	H317; H350; H360; H361; H372; H373; H410; H411; H412; H413	n.a.	H317; **H361d**; H361f; H410; H411; H412; H413	81,600	90,158	n.a.	n.a.	32,353	31,096

** Inputs represent the quantities purchased during the reporting period, and outputs represent the quantities consumed during the reporting period.*

METHODOLOGY

In 2025, the substance calculation methodology was revised to eliminate the risk of double reporting and to ensure correct and consistent alignment with ESRS E2 requirements. ESRS E2 standard requires the presentation of information at the hazard class level, rather than at the individual substance level; therefore, the revision of the methodology aimed to establish a uniform, consistent, and replicable reporting structure over time.

In the methodology used in the 2024 reporting, reporting combined the presentation of individual substances with the presentation of product categories, without a single allocation rule. Given that a substance or product containing several substances can be associated with several hazard statements and, implicitly, several hazard classes at the same time, this approach made it difficult to aggregate quantities and created a risk of double counting or omission of certain substances. In addition, in 2024, the information was presented mainly on the basis of hazard statements, without a complete structure by hazard classes, which limited the consistency and comparability of reporting for subsequent periods, as well as full compliance with the requirements of the standard.

The Group uses a large number of substances, both as such and as part of mixtures included in products with different operational roles. In the absence of a uniform reporting structure, the previous methodology led to an uneven level of detail and exceeded the requirements of the standard by presenting information at the individual substance level without ensuring a clear and consistent link between substances, hazard classes, and reported quantities.

The new methodology applied from 2025 establishes a single quantitative reporting rule by classifying substances of concern into a single functional product category based on their operational role, regardless of the number of hazard classes or associated hazard statements. The categories used are: **chemical reagents, process aids, fuels, and process oils and lubricants**. Each substance is assigned to a single main category so that it is only counted once, eliminating the risk of double reporting. This approach allows the presentation of the total quantities of substances of concern used at Group level, while maintaining reporting at the level required by ESRS E2, i.e., by hazard class. For each product category, the hazard statements associated with the substances included are mentioned for information purposes only, without impacting the

calculation of the quantities reported. At the same time, the methodology applied in 2025 allows for a structured presentation by both hazard classes and hazard statements, without affecting the integrity of the quantitative reporting.

The quantities of substances are determined separately for each company in the Group, based on data extracted from internal management systems, and are expressed in kilograms. The information is presented for inputs (purchases) and outputs (consumption) in 2025. In cases where substances were recorded in other units of measurement (litres or pieces), the quantities were converted into kilograms using the densities specified in the safety data sheets or technical data sheets of the products, respectively the unit weights declared by the manufacturers, in order to ensure the comparability and consistency of the reported data. In accordance with ESRS E2 requirements, the reporting includes both substances used as such and substances of concern contained in mixtures. The reported data may be influenced by the level of detail and accuracy of the information provided by suppliers in the safety data sheets.

The methodology applied from 2025 onwards is designed to be used consistently in future periods. Thus, if the Group introduces a new substance of concern, it will be classified in one of the established functional product categories, depending on its operational role, and will not be reported separately at the individual substance level. The substance will be included in the total quantities reported for the relevant category and reflected in the related hazard classes, maintaining the reporting level required by ESRS E2.

Given that there was no reporting structure by functional product categories in the previous period and that the retrospective identification and allocation of substances according to the new methodology would require a detailed reconstruction of historical data, it is not possible to adjust the comparative information for the previous year in a reliable and consistent manner. However, to support information users, Group presents an indicative correspondence between the SoC substances reported in 2024 and the product categories used in the new reporting methodology.

Correspondence between SoC* substances reported in 2024 and product categories established in the new reporting methodology

	Category according to the methodology used in 2025	SoC Reported in 2024
1	Technological auxiliaries	Pitch
2	Technological oils and lubricants	Technological oils
3	Chemical reagents	Water treatment reagents
4	Fuels	Diesel fuel
5	Technological oils and lubricants	PCB-containing oils

** Substances of Concern*

Annex 4 – Legislation and standards

Pollution policy	(1) EU Regulation on Sustainability Reporting (CSRD) (2) Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) (3) Commission Regulation (EU) 2020/878 amending Annex II to Regulation (EC) No. 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) (4) Regulation (EC) No. 1272/2008 on classification, labelling, and packaging of substances and mixtures (CLP) (5) Regulation (EC) No. 166/2006 of the European Parliament and of the Council (6) Regulation (EU) 2020/852 (EU Taxonomy) (7) Directive (EU) 2024/2881 of the European Parliament and of the Council of October 23, 2024 on ambient air quality (8) ESRS E2 Standard requirements on pollution (9) Principles of ISO 14001: Environmental management system
Intervention Plan for the Prevention of Major Accidents Involving Dangerous Substances	(1) EC Regulation No. 1272/2008 on the classification, labelling, and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No. 1907/2006 (2) Regulation (EC) No. 1907/2006 (REACH) concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No. 793/93 and Commission Regulation (EC) No. 1488/94, Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC (3) COUNCIL DIRECTIVE 96/82/EC of 9 December 1996 on the control of major-accident hazards involving dangerous substances (4) DIRECTIVE 2003/105/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 December 2003 amending Council Directive 96/82/EC on the control of major-accident hazards involving dangerous substances (5) DIRECTIVE No. 75/439/EEC on waste oils, amended by Directive No. 87/101/EEC, Directive No. 91/692/EEC, and Directive 2000/76 (6) DIRECTIVE No. 91/689/EEC on hazardous waste, replacing Directive 78/319/EEC on toxic and hazardous waste, amended by Council Directive 94/31/EC (7) Law No. 59 of April 11, 2016, on the control of major accident hazards involving dangerous substances (8) ORDER No. 520 of May 29, 2006, approving the Procedure for investigating major accidents involving dangerous substances (9) ORDER No. 647 of May 16, 2005, approving the Methodological Norms for the preparation of emergency plans in case of accidents involving dangerous substances (10) ORDER No. 142 of February 25, 2004 approving the Procedure for assessing the safety report on activities presenting a risk of major accidents involving dangerous substances (11) ORDER No. 1084 of December 22, 2003, approving the procedures for notifying activities that pose a risk of major accidents involving dangerous substances and, respectively, major accidents that have occurred (12) Strategy for the implementation of the obligations of Directive 96/82/EC, transposed by Government Decision No. 95/2003 on the control of activities presenting major accident hazards involving dangerous substances - Seveso II, for the period 2005-2006 (13) Law No. 360/2003 on the regime of dangerous chemical substances and preparations (14) Law No. 263/2005 amending and supplementing Law No. 360/2003 on the regime of dangerous substances and preparations
Plan for the Prevention and Control of Accidental Pollution for the "ALUMINUM RIVER SHIPPING TERMINAL" Facility	(15) Integrated Environmental Authorization No. 1/19.03.2018 (16) Law No. 265/2006 on environmental protection, which approves Government Emergency Ordinance No. 195/2005 (17) Law no. 59/2016 on the control of major accident hazards involving dangerous substances

Plan for the Prevention and Control of Accidental Pollution in Potentially Polluting Water Uses	(1) Integrated Environmental Authorization (2) Water Management Authorization (3) Law No. 107/1996 - WATER LAW, Official Gazette No. 244/8.10.1996 (4) Law 310/2004 amending and supplementing Law 107/1996, Official Gazette no. 584/June 30, 2004 (5) Law No. 458/2002 on drinking water quality - Official Gazette No. 552/29.07.2002 (6) Law No. 311/2004 amending and supplementing Law No. 458/2002 - Official Gazette No. 582/ June 30, 2004 (7) Government Decision No. 188/2002 approving certain rules on the conditions for discharging wastewater into the aquatic environment - Official Gazette No. 187.20.03.2002 NTPA-011 - Technical rules on the collection, treatment, and discharge of urban wastewater (Annex 1) NTPA-002/2002 (8) Regulation on the conditions for discharging wastewater from local sewerage networks and directly into treatment plants NTPA-001/2002 on establishing pollutant load limits for industrial and urban wastewater when discharged into natural receivers (9) Government Decision No. 352/2005 amending and supplementing Government Decision No. 188/2002 approving certain rules on conditions for discharge into the environment (10) Law No. 59/2016 on the control of major accident hazards involving dangerous substances
Procedure for emergency preparedness and response capability	(1) ISO 9001:2015 Requirements (2) ASI Standard (3) Law 307 of 2006 on fire protection, as amended and supplemented, published in the Official Gazette, Part I No. 633 of 21/07/2006 (4) M.A.I. Order 712 of_2005 – General provisions on employee training in the field of emergencies, amended and supplemented by M.A.I. Order no. 786/2005 (5) M.A.I. Order 163 of 2007 General fire safety regulations, published in the Official Gazette no. 216 of 29 March 2007 (6) Law No. 319 of July 14, 2006, on occupational health and safety
Plan for the Prevention and Control of Accidental Pollution from Potentially Polluting Water Uses and for the Management of Specific Emergency Situations for Heavy Rainfall and Natural Disasters (floods, earthquakes, fires)	(1) Integrated Environmental Authorization (2) Water Management Authorization (3) Law No. 107/1996 - WATER LAW, Official Gazette No. 244/8.10.1996 (4) Law 310/2004 amending and supplementing Law 107/1996, Official Gazette no. 584/30 June 2004 (5) Law No. 458/2002 on drinking water quality - Official Gazette No. 552/29.07.2002 (6) Law No. 311/2004 amending and supplementing Law No. 458/2002 - Official Gazette No. 582/30.06.2004 (7) Government Decision No. 188/2002 approving certain rules on the conditions for discharging wastewater into the aquatic environment - Official Gazette No. 187.20.03.2002 NTPA-011 - Technical rules on the collection, treatment, and discharge of urban wastewater (Annex 1) NTPA-002/2002 (8) Regulation on the conditions for discharging wastewater from local sewerage networks and directly into treatment plants NTPA-001/2002 on establishing pollutant load limits for industrial and urban wastewater when discharged into natural receivers (9) Government Decision No. 352/2005 amending and supplementing Government Decision No. 188/2002 approving certain rules on conditions for discharge into the environment (10) Law No. 59/2016
Plan for the Prevention and Control of Accidental Pollution at the "Halda de Șlam" Waste Disposal Site	(1) Integrated Environmental Authorization No. 1/19.03.2018 revised on 05.04.2022 (2) Law No. 265/2006 on environmental protection, approving Government Emergency Ordinance No. 195/2005 (3) Government Decision No. 349/2005 on waste storage (4) Order 757/2004 approving the Technical Standard on waste storage, construction, operation, monitoring, and closure of waste storage facilities (5) Order No. 95/2005 on the criteria for acceptance and preliminary procedures for the acceptance of waste for disposal and the national list of waste accepted in each class of landfill (6) Law No. 59/2016 on the control of major accident hazards involving dangerous substances (7) COUNCIL DIRECTIVE No. 1999/31/EC on the landfill of waste

II.4. ESRS E3 Water and marine resources

This section provides information on the significant sub-topic of Water Resources and the related impacts of ALRO Group under the Water and Marine Resources topic, including details on their management.

Significant impacts, risks, and opportunities (IRO)

SUB-THEMES	SUB-SUB-THEMES	Name Categorie	IRO location in the value chain* ↑	 ↔	 ↓	Time horizon over which the IRO manifests** TS	 TM	 TL
WATER RESOURCES	WATER CONSUMPTION / WATER ABSTRACTION	**M12 (-) Water consumption** *Current negative impact*		ALRO, ALUM, VE				

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: ST – short-terms, MT – medium-terms, LT – long-terms

The impacts resulting from the materiality process are linked to ALRO Group's business model and its own operations, as both aluminium production and administrative activities involve water resource use, thus generating an environmental impact (M12 (-) *Water consumption*).

At **ALRO**, water is primarily used in production processes for primary and processed aluminium. At ALRO's headquarters on 116 Pitești Street, the water systems consist of:

- Drinking water system (extracted from underground) consisting of: ten deep wells, two underground reception reservoirs of 100 m³ and 400 m³, a chlorination station, a network water pumping station, a water tower, and an underground polyethylene pipeline network for distribution;
- Industrial water system (extracted from surface sources) consisting of: two intake points (Arcești Lake intake and a temporary intake on Slatina Lake), a treatment and pumping facility (equipped with a grit chamber, settling tanks, quartz sand filters, reservoirs, and a pumping station), a semi-underground reservoir of 10,000 m³, four underground reservoirs of 500 m³ each, a water tower, and an underground cast-iron pipeline network for distribution. The water tower permanently contains at least 1,000 m³, representing the untouchable reserve in case of fire. Additionally, the industrial water system includes a recirculation station with a natural draft cooling tower consisting of:
  - Underground hot water tank, made of reinforced concrete, with a capacity of 600 m³;
  - Hot water pumping station;
  - Hyperbolic reinforced concrete cooling tower with natural draft, Q = 3,000 m³/h, equipped with a cooled water basin, used only during warm periods (generally started in May and stopped in October);
  - Cold water pumping station, used only in conjunction with the cooling tower (shut down during cold periods);
  - Recirculation network of metal pipes, DN 400÷800 mm, aboveground.

At the headquarters on 1 Milcov Street, the water systems consist of:

- **Drinking water system:** four deep wells, two underground storage reservoirs of **200 m³** each, one aboveground reservoir of **1,000 m³**, water chlorination station, pumping station, and underground distribution network;
- **Industrial water system:** four medium-depth wells, intake structure on the left bank of the Milcov stream, four underground reservoirs of **400 m³** each for fire-fighting purposes, one underground tank of **200 m³**, two pumping units, cooling system, demineralization station, and underground distribution network.

At **ALUM**, under normal operating conditions, the main process for which water is used is alumina production, through steam generation (except for the calcination process) and for equipment cooling. Industrial water supply is drawn from surface sources (the Danube River – Tulcea Branch) via a specially constructed 'pocket'-type basin, where a pumping station is installed. In 2025, due to the suspension of alumina production, no industrial water consumption occurred, except for the water used to moisten the sludge storage area to prevent dust emissions into the atmosphere, and no process wastewater was generated.

At **VE**, water is used for both drinking and industrial purposes (including softened water), with the highest consumption being for industrial water, which is recirculated throughout all technological processes. Water supply and sewage services are provided by ALRO.

At **VT** and **CONEF**, no water consumption is recorded, as their usage is considered part of ALRO's consumption.

At the level of the upstream and downstream value chain, no significant impacts related to this sub-topic have been identified. However, through the implementation of the supplier assessment procedure based on environmental criteria and the adoption of the Supplier Code of Conduct, efforts are made to monitor and reduce environmental impact across the supply chain, including with regard to water consumption.

II.4.1. [E3 IRO-1] Description of the processes for identifying and assessing significant impacts, risks, and opportunities related to water and marine resources

Information regarding the description of the processes for identifying and assessing significant impacts, risks, and opportunities related to water and marine resources is reported in *Section IRO-1 of ESRS 2*.

II.4.2. [E3-1] Policies related to water and marine resources

ALRO Group has implemented a series of policies that guide the processes of identifying, assessing, managing, and mitigating significant impacts on water resources, as defined through the double materiality analysis, as follows:

Water Management Policies

Policy name	Applicability	MATERIAL TOPICS M12 (-)
1. Water Management Policy	ALRO ALUM VE	●
2. Statement of General Director regarding Quality, Environment, Energy, Information Security, and Occupational Health and Safety	ALRO ALUM	●
3. Corporate Social Responsibility Policy	ALRO ALUM VE VT	●

1. Water Management Policy - ALRO, ALUM, VE

ALRO Group Water Management Policy, adopted in 2025 and applicable to **ALRO**, **ALUM**, and VE, establishes the framework through which Group identifies, assesses, manages, and mitigates significant impacts, risks, and opportunities related to water resources. The policy promotes responsible water use in its own operations through an integrated approach to abstraction, treatment, recirculation, and discharge, aimed at reducing consumption and preventing pollution, in line with sustainability principles and applicable legal obligations.

The policy directly contributes to managing the **material impact** M12 (-) *Water Consumption* through explicit targets such as maintaining low consumption levels, achieving an annual recirculation rate of over 80% at ALRO, optimizing technological processes to reduce losses, and continuously monitoring volumes abstracted, used, and discharged. It comprehensively addresses the following areas: management of water in own operations, including (i) use and supply from surface sources (Olt and Danube) and groundwater, (ii) water treatment through dedicated systems (neutralization, purification, recirculation), and (iii) pollution prevention and reduction through continuous monitoring, technical control systems, and compliance with water management authorizations; integration of water-related aspects into technological planning and equipment operation, aiming to reduce losses, increase plant efficiency, and ensure sustainable use of the resource; assessment of water-related risks in operations and along the value chain using the WRI Aqueduct Tool, which confirms that no operational site of the Group is located in high water stress areas; therefore, no additional policies are required specifically to reduce consumption in such zones.

The scope of the policy covers all operations of ALRO Group, with no geographic or functional exclusions, with the water consumption of VT and CONEF entities being integrated into ALRO's flows. The policy also extends to the value chain by incorporating water performance criteria into supplier selection, assessment, and monitoring processes, and by promoting responsible water management upstream and downstream.

The ultimate responsibility for implementing the policy rests with the General Directors of ALRO, ALUM, and VE, who have approved and signed

the document. Operational implementation is carried out by the Mechanical-Energy, Investments, Environment, Finance, Legal, Sustainability departments, and technical teams involved in water abstraction, use, treatment, and discharge. The policy is aligned with CSRD, ESRS E3, ISO 14001, and industry best practices regarding water use efficiency.

The policy was developed considering the opinions of stakeholders consulted in 2025 (employees, suppliers, customers, communities), and its performance is monitored through periodic analyses of consumption, internal environmental audits, annual assessments of progress against objectives, and reporting to the Risk and Sustainability Committee and the Board of Directors. The policy is publicly available on the ALRO, ALUM, and VE websites and is communicated to all employees and relevant partners. ALRO Group does not engage in marine activities and, consequently, has not adopted additional policies regarding oceans or sustainable seas.

2. Statement of General Director regarding Quality, Environment, Energy, Information Security, and Occupational Health and Safety – ALRO, ALUM

ALRO Group has developed, at the ALRO and ALUM level, a *Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety*, which includes clear objectives aimed at sustainable development and continuous improvement. Among the general targets are reducing environmental impact through efficient use of all resources, including water, as well as saving energy and natural resources in operational activities, thereby contributing to the management of **impact** M12 (-) *Water Consumption*.

Details regarding the Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety are presented in the *ESRS E5 Section, Resource Use and Circular Economy* of this Sustainability Report.

3. Corporate Social Responsibility Policy – ALRO, ALUM, VE, VT

ALRO Group has developed a *Corporate Social Responsibility (CSR)* Policy at the level of each company. The CSR Policy directly contributes to managing the **material impact** M12 (-) *Water Consumption*, as it includes an explicit commitment to the responsible management of water resources, both in own operations and across the value chain. The policy acknowledges the risks associated with excessive or improper water use, as well as potential effects on communities and ecosystems, and establishes clear measures for optimizing consumption, strictly monitoring water abstraction and use, promoting efficient technologies, and reusing water in industrial processes. Additionally, the policy commits to preventing water pollution through effluent quality control and collaboration with suppliers to reduce indirect impacts on water resources. Through these elements, the CSR Policy provides the strategic framework that supports reducing water consumption and conserving resources, contributing to the systematic management of **impact** M12 in alignment with ALRO Group's environmental objectives.

Details regarding the Corporate Social Responsibility Policy are presented in the *G1 Professional Conduct Section* of this Sustainability Report.

II.4.3. [E3-2] Actions and resources related to water and marine resources

To ensure the achievement of the objectives established in the water resource policies, correlated with the related material impacts, risks, and opportunities, ALRO Group has operationalized these commitments within ***Pillar I – Protecting the Future*** of the 2025-2030 Sustainability Strategy. This pillar links the policies presented in *Section E3-1* with concrete actions, time horizons, monitoring indicators, and measurable targets, so that their implementation generates verifiable results across all own operations. Within this Pillar, actions associated with water management also include a specific target related to impact G4 (+) *Promoting sustainable practices in the sector-level supply chain* and opportunity RO30 – *Increasing the sustainability and security of the supply chain* through the integration of ESG criteria. Although these are material for the G1 – Professional Conduct topic, under the sub-topic Supplier Relationship Management, the implementation measures are presented within ESRS E3, as they concern the integration of water-related criteria into supplier accreditation, evaluation, and auditing processes, reflecting the direct link between supplier performance and ALRO Group's water management objectives. Further details on impact G4 and opportunity RO30 are presented in the *G1 – Professional Conduct* section of this Sustainability Report. The actions in the strategy are aligned with the three general policies presented in *Section E3-1*: the Water Management Policy, ALRO Policy on Quality, Environment, Energy, Information Security, and Occupational Health and Safety, and the Corporate Social Responsibility Policy.

Main actions

Main actions		Time horizon	Expected results	Target	Material IROs
A1E3	**Continued implementation of projects to improve water consumption efficiency**	**2025-2030**	Promoting responsible and efficient water resource management in ALRO Group's value chain by integrating water-related performance criteria into supplier and partner selection, evaluation, monitoring, and collaboration processes	Achieving an annual industrial water recirculation rate of over 80% at ALRO.	**M12 (-)** *Water consumption*
A2E3	**Development and implementation of technical measures to increase the recirculation rate of industrial water**				
A3E3	**Identification and repair of any water leaks or losses from company equipment and facilities**				
A4E3	**Continuation of actions to improve the safety of water supply facilities and the recirculation rate of water in technological processes (ALUM) – only in the event of the resumption of alumina production**			By 2030, ALRO Group will improve its water consumption management system through the use of alternative sources, modernization of facilities, and continuous monitoring of water consumption.	
A5E3	**Implementation of a measure for partial collection of rainwater from the site as a water source for moistening the sludge storage area (ALUM).**				
A6E3	**Annual calculation and monitoring of water consumption at ALRO, ALUM, and VE companies.**				
A7E3	**Introduction of a dedicated section on responsible water management in supplier sustainability assessment questionnaires during the accreditation process**			By 2030, at least 5% of ALRO and VE suppliers will be evaluated for compliance with performance criteria related to responsible water management, in accordance with the provisions of the Supplier. Code of Conduct and the Sustainability Guide	**G4 (+)** *Promoting sustainable practices in the sector-level supply chain.* **RO30** *Increasing the sustainability and security of the supply chain through the integration of ESG criteria*
A8E3	**Implementation of an annual sustainability audit program for a sample of suppliers, selected each year, aimed at evaluating compliance with criteria related to responsible water management**				

The scope of the main actions covers all operations of ALRO Group, with no geographic or functional exclusions, with the water consumption of VT and CONEF entities being integrated into ALRO's flows. The actions related to the target – *By 2030, at least 5% of ALRO and VE suppliers will be evaluated for compliance with performance criteria related to responsible water management, in accordance with the Supplier Code of Conduct and the Sustainability Guide* – also extend to the value chain by integrating water-related performance criteria into supplier selection, evaluation, and monitoring processes, and by promoting responsible water management upstream and downstream.

The effectiveness of the measures is monitored through the result and output indicators included in the Sustainability Strategy (Industrial water recirculation rate (%); Water consumption in m³; Number of pumping stations modernized with frequency converters; Number of technical inspections carried out to identify losses; Number of leaks/losses identified and repaired; Number of facilities inspected/modernized for water supply safety (ALUM); Annual volume of water used for moistening (m³/year) (ALUM); Water intensity ≤ m³ / million RON; % of suppliers evaluated based on water management criteria; Percentage of suppliers analysed through audits or assessments; Number of annual audits including a responsible water management component, etc).

The identification of actions necessary for managing significant impacts on water resources is carried out through an annual process integrated within ALRO Group's continuous due diligence system. This process includes: double materiality analysis, environmental audits, and technical inspections. Based on these mechanisms, ALRO Group prioritizes actions according to the severity and likelihood of impacts, distinguishing between actual negative impacts and potential negative impacts, as well as between preventive actions and measures that can generate current positive impacts.

Regarding remedial measures, ALRO Group specifies that, although **impact** M12 (-) *Water* Consumption is material for the environment, in the 2025 reporting year no significant impacts on people or local communities were identified that would require social remedial measures. However, to reduce pressure on water resources and to address impacts resulting from historical consumption or losses in technological processes, the Group's companies implemented in 2025 a series of actions that serve as environmental remedial measures, aimed at reducing the impact and preventing its recurrence.

The actions in the Sustainability Strategy are allocated according to the relevant levels of the mitigation hierarchy: actions aimed at optimizing facilities, improving process efficiency, and eliminating losses fall under the second level, as they target reducing the amount of water used through efficiency measures, while actions involving the modernization of recirculation systems and the reuse of industrial water reintroduced into the circuit correspond to the third level, as they focus on water recovery and reuse.

ACTIONS IMPLEMENTED OR INITIATED IN 2025

In 2025, ALRO Group continued to implement measures to mitigate impact M12, both according to the planning set out in the 2025-2030 Sustainability Strategy and beyond it. The following actions were thus implemented:

ALRO – To support the implementation of its policies and its contribution to the target of *Achieving an annual industrial water recirculation rate of over 80% at ALRO*, the company implemented the following actions in 2025:

- Implementation of projects to improve water consumption efficiency.
- Development and implementation of technical measures to increase the recirculation rate of industrial water.
- Continuation of ensuring that wastewater effluent parameters comply with the values set by quality standards, in accordance with legislative provisions.

The project 'Improving the Energy Efficiency of the Mixed Foundry Workshop through Modernization of the Induction Furnace and Installation of a Water Cooling/Recirculation System' was initially part of the 2021–2025 Sustainability Strategy and has been carried over into the new 2025-2030 Strategy under action A1 E3 – Continued implementation of projects to improve water consumption efficiency. The progress of this project was reported in the 2024 Sustainability Report, where it appeared under the name 'Improving the Energy Efficiency of the Repairs and Spare Parts Section (SRPS)

through Modernization of the Induction Furnace and Installation of a Water Cooling/Recirculation System.' The difference in the title solely reflects the subsequent renaming of the section; the project itself remained the same. In 2025, the works were completed, contributing both to the reduction of energy consumption and to the decrease of water consumption.

Additionally, in 2025, a project was carried out to replace the DN 500 mm pipeline connecting the industrial water distributor to the discharge of the pumps at Water Pumping Stations 2 and 3.

In addition to the actions mentioned above, in order to ensure efficient water consumption management, water recirculation measures are applied across all ALRO production divisions. Furthermore, the pumping stations supplied from surface water sources are equipped with frequency converters that adjust pump speed according to water demand, thereby reducing the volume of wastewater discharged.

ALUM – As a result of the suspension of alumina production activities, monitoring activities in 2025 included only testing of domestic wastewater quality, in accordance with the provisions of the permits held.

VE – In 2025, the company carried out a project to modernize the water recirculation infrastructure used in the technological flow by replacing the cold-water basin, contributing to the target: *By 2030, ALRO Group will improve its water consumption management system through the use of alternative sources, modernization of facilities, and continuous monitoring of water consumption*. The main objective of this measure was to reduce water losses from production processes and to increase the efficiency of the recirculation system. This investment contributes to improving the company's environmental performance through more responsible use of water resources, reduced specific consumption, and optimization of operational performance indicators. At the same time, the action aligns with the company's strategic objectives regarding the sustainable management of natural resources and the reduction of environmental impact, in accordance with the commitments undertaken through its environmental and sustainability policies.

Within ALRO Group, industrial activities with significant water consumption (ALRO, ALUM, and VE) are not carried out in areas with high water stress, according to the assessment performed using the WRI Aqueduct Tool. However, there are entities located in the Bucharest–Ilfov region (ALRO – Bucharest Branch and VT), identified as an area with a high risk of competition for water resources, but these locations do not include production activities and record very low consumption levels; therefore, no additional measures beyond current monitoring are required at present.

Resources allocated for water management actions [KRON]

	Current (2025)	2024	Short term <1 year	Medium term (1-5 years)	Long term (>5 years)
Financial resources allocated to the action plan (CapEx) – ALRO	172	2.644	-	-	-

For the actions planned for the 2026-2030 period related to ALUM's activities, the required resources (OpEx and CapEx) will be determined depending on the timing of the decision to resume production. With regard to ALRO actions related to the remediation of potential water leaks or losses, the financial resources will be estimated at the time the necessary interventions are identified. Therefore, a detailed financial estimate cannot be established at this stage and will be defined as operational plans progress.

Water consumption monitoring activities will be carried out internally by the responsible personnel within each company as part of their regular duties, without requiring the allocation of additional costs. The Group's capacity to implement the planned actions does not depend on external preconditions, and no dedicated sustainable finance instruments are currently envisaged; these may be assessed at a later stage, depending on needs.

II.4.4. [E3-3] Targets related to water and marine resources

ALRO Group has established targets and actions aimed at strengthening the monitoring of impacts and opportunities specific to the ESRS topic Water and Marine Resources through the 2025-2030 Sustainability Strategy. For impact M12, ALRO Group monitors the effectiveness of its actions through measurable, time-bound targets included in the 2025-2030 Sustainability Strategy. These targets aim to:

1. **TARGET: Achieve an annual industrial water recirculation rate of over 80% at the ALRO company level.**

2. **TARGET: By 2030, ALRO Group will improve its water consumption management system through the use of alternative water sources, modernisation of installations, and continuous monitoring of water consumption.**

For impact G4 and **opportunity** RO30 ssociated with the ESRS topic G1 – Professional Conduct, sub-topic Supplier Relationship Management, but which also indirectly contribute to the ESRS topic Water and Marine Resources, ALRO Group monitors the effectiveness of its actions through a measurable, time-bound target included in the 2025-2030 Sustainability Strategy:

3. **TARGET: By 2030, at least 5% of ALRO and VE suppliers will be evaluated for compliance with performance criteria related to responsible water management, in accordance with the Supplier Code of Conduct and the Sustainability Guide.**

The progress in implementing the targets and actions related to water resources is assessed annually, based on operational reports submitted by ALRO, ALUM, and VE, as well as internal processes for monitoring water consumption, installations, and the performance of water and recirculation systems. The methodology for setting water resource targets is based on an integrated analysis of technical data regarding water abstraction, consumption, and recirculation, the efficiency of installations, losses identified in the networks, compliance with water management authorizations, and the assessment of risks and impacts generated in the company's operations. In addition, the following were taken into account: the requirements of ESRS E3, provisions of national environmental legislation, the authorizations held, industry best practices, and information resulting from the double materiality analysis.

The targets and actions related to water management were defined by the Mechanical-Energy, Investments, Environment, and Sustainability Departments, with validation from the General Directors of ALRO, ALUM, and VE and approval by the Risk and Sustainability Committee. This approach ensured alignment between the water management policy, the Sustainability Strategy, and the Group's operational objectives.

Annual monitoring of progress is carried out based on result indicators associated with each target (for example: annual industrial water recirculation rate, number of water supply installations modernized, total water consumption, percentage of suppliers assessed through audits or evaluations) and output indicators corresponding to each action (for example: number of technical inspections performed to identify losses; number of leaks/ losses identified and remediated, etc.). The annual evaluation allows for the adjustment of technical interventions, prioritization of investments, and the introduction of additional measures where performance parameters require it.

The scope of the targets covers all Group companies with water consumption – ALRO, ALUM, and VE – as well as the related processes of recirculation, abstraction, and discharge. The indicators are applied uniformly, and their monitoring is integrated into the internal environmental reporting and audit processes. For the actions planned at ALUM, implementation and the associated resources will be assessed once alumina production resumes, while for ALRO, the costs related to remedial works for water losses will be defined at the time the defects are identified. Monitoring of water consumption is carried out internally by the technical staff at each company, without requiring additional costs.

Through these targets, ALRO Group aims to reduce water consumption, increase the degree of recirculation, and prevent losses, while also strengthening operational capacity to manage water-related impacts and contributing to the long-term protection of water resources.

TARGET 1

Achieve an annual industrial water recirculation rate of over 80% at ALRO

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Promoting responsible and efficient management of water resources across ALRO Group's value chain, by integrating water-related performance criteria into supplier and partner selection, evaluation, monitoring, and collaboration processes," contributing to the management of impact M12. Theme: Water and Marine Resources – Sub-theme: Water Resources. This target is included in the Sustainability Strategy 2025-2030 and represents a continuation of the commitments established in the previous strategy (2021–2025). Consequently, progress can be presented over an extended period, using the multi-year evolution illustrated in the table "Performance in Achieving the Target" below.
(b) **Defined target level**	Annual industrial water recirculation rate >80% at the ALRO company level.
Type of target	Quantitative, absolute (percentage of recirculation above a minimum threshold)
Unit of measure	% Industrial water recirculated
(c) **Scope**	ALRO operations – industrial processes that use process (industrial) water.
(d) **Reference year**	2022 (Target for ongoing technical performance).
(e) **Application period**	2025-2030, annual monitoring.
Intermediate target	undefined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The target was established based on: analysis of historical performance regarding water recirculation at ALRO; assessment of the technical feasibility of modernizations completed in 2025 and planned upgrades (induction furnace modernization, recirculation systems, pumping stations with frequency converters); potential reduction of losses through the elimination of leaks; requirements of environmental permits. The main assumption is that the continued implementation of these technical projects, together with planned modernizations and systematic monitoring of water consumption, will enable maintaining a recirculation rate above 80% throughout the strategic period, contributing to the reduction of freshwater consumption and limiting environmental impact
Alignment with standards	ISO 14001; industrial best practices for efficient water use. SDG 6 – Clean Water and Sanitation; SDG 12 – Responsible Consumption and Production
(g) **Scientific basis**	N/A (technical target, based on operational analyses and process engineering)
(h) **Stakeholder involvement**	The target was defined by the Technical, Mechanical and Energy, Investment, and Environmental Departments, together with the Sustainability Department, validated by the General Director of ALRO, and approved by the Risk and Sustainability Committee
(i) **Future changes**	As this target was carried over from the previous 2021–2025 Sustainability Strategy, it has been retained in the new strategy without changes. However, potential revisions may occur depending on the development of recirculation technologies, structural upgrades of the facilities, or legislative changes regarding water consumption and discharge
(j) **Performance and Monitoring**	Annual monitoring is carried out using the following indicators: annual industrial water recirculation rate (%); number of modernization projects; number of pumping stations upgraded with frequency converters; annual volume of rainwater collected and used (m^3/year); number of technical inspections carried out to identify losses; number of leaks/losses identified and remedied. Results are reported in the Sustainability Report and analysed against the threshold of >80%.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Achieve an annual industrial water recirculation rate of over 80% at ALRO

2025 Performance

The activity is currently being implemented. In 2025, the following was achieved:

84.25%
industrial water recirculation rate – ALRO

Project
Modernization of the induction furnace in the Mixed Foundry Workshop and installation of the cooling/recirculation system completed

Project
Replacement and rerouting of the industrial water supply line to eliminate losses from old infrastructure completed

4
pumping stations modernized with frequency converters

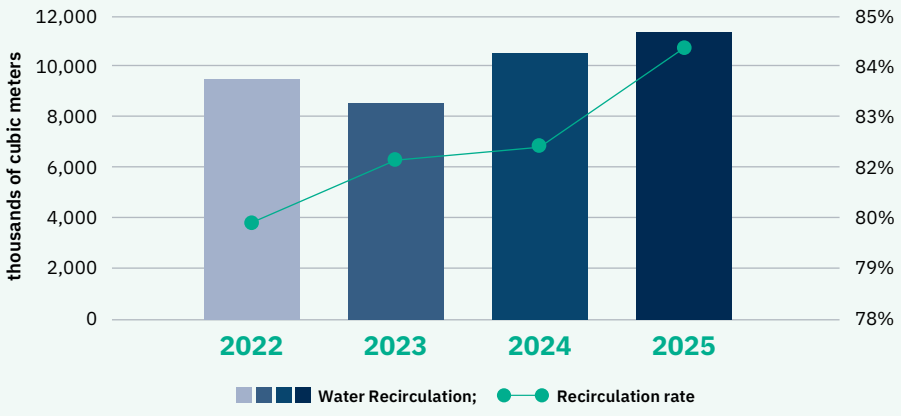
104
technical inspections carried out to identify losses

1
leaks/losses identified and remediated

PERFORMANCE IN ACHIEVING THE TARGET

						RELATIVE DIFFERENCE	
Entity	**Target**	**2025**	**2024**	**2023**	**2022**	**2024-2025**	**2023-2024**
ALRO	**Achieving an annual industrial water recirculation rate of >80% at ALRO**	84.25%	82.01%	81.70%	80.22%	2.24%	0.31%

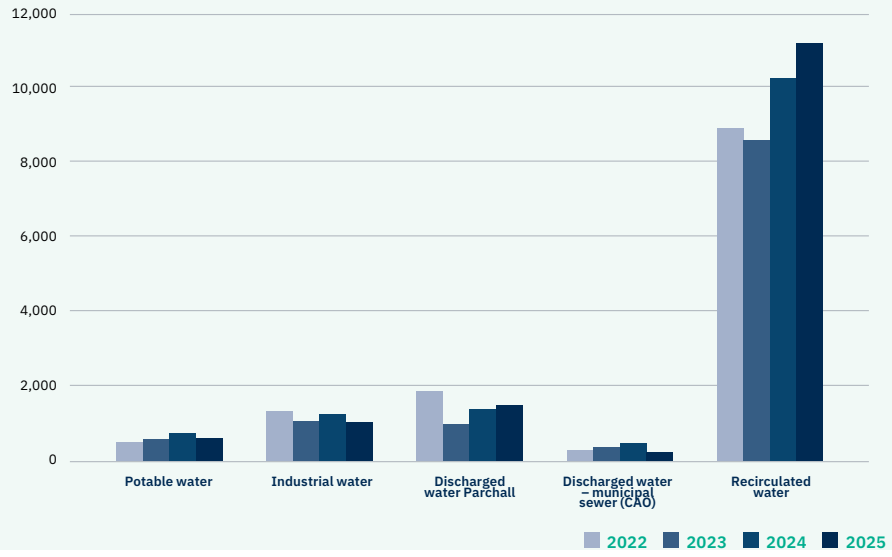
Progress on Industrial Water Recirculation Rate ALRO, 2022-2025



Progress of water-related indicators, ALRO company, 2022-2025

	Potable water (extracted from wells – groundwater)	Industrial water (captured from rivers – surface water)	Discharged water – Parchall	Discharged water – municipal sewer (CAO)	Recirculated water	Recirculation rate
2025	595.14	1,537.31	1,453.14	259.26	11,403.35	84%
2024	610.78	1,707.35	1,399.87	318,47	10.570,13	82%
2023	522.39	1,414.68	1,092.63	298.55	8,647.13	82%
2022	537.02	1,829.15	1,803.80	293.49	9,597.09	80%

Progress of water-related indicators ALRO company, 2022-2025 [thousands m³]



As shown in the chart, with few exceptions, in most years the company recorded decreases in fresh water consumption compared to the previous year. ALRO's progress is notable, consistently approaching the achievement of the target.

TARGET 2

By 2030, ALRO Group will improve its water management system by using alternative sources, modernizing installations, and continuously monitoring water consumption.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: "Promoting responsible and efficient water resource management across ALRO Group's value chain, through the integration of water-related performance criteria in supplier and partner selection, evaluation, monitoring, and collaboration processes," contributing to the management of impact M12. Sustainability theme: Water and Marine Resources – sub-theme: Water Resources
(b) **Defined target level**	Improvement of the water consumption management system through: (i) the use of alternative sources at ALUM; (ii) modernization of installations; (iii) 24/7 monitoring of consumption, by 2030.
Type of target	Qualitative
Unit of measure	n.a. (progress is evaluated through the target's outcome indicators and the output indicators associated with the actions)
(c) **Scope**	ALUM operations – conditional on the resumption of the production process ALRO, ALUM, VE – for monitoring water consumption
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, by annual monitoring.
Intermediate target	Undefined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The target-setting methodology was based on the technical assessment of existing installations, the analysis of modernization and recirculation opportunities, the identification of available alternative sources (rainwater, internal recirculation), as well as historical performance in terms of specific water consumption. The assumptions include: the technical feasibility of equipment upgrades, the implementation of planned works within the 2025-2030 timeframe, and the maintenance of production operations at comparable levels.
Alignment with standards	ISO 14001; industrial best practices related to water-use efficiency, in line with SDG 6 – Clean Water and Sanitation and SDG 12 – Responsible Consumption and Production;
(g) **Scientific basis**	n.a. (technical target, underpinned by operational analyses and process engineering).
(h) **Stakeholder involvement**	The target was defined by the Technical, Mechanical & Energy, Investments, and Environment Directorates, together with the Sustainability Department; validated by the General Director of ALRO, ALUM, and VE; and approved by the Risk and Sustainability Committee.
(i) **Future changes**	Being a new target, it may be subject to adjustments based on the progress of technical modernization, changes in the availability of alternative water sources, the resumption of alumina production at ALUM, and evolving water consumption regulations.
(j) **Performance and Monitoring**	Annual monitoring is carried out using the following indicators: water consumption (m^3/year) at ALRO, ALUM, and VE; number of upgraded water supply installations (dependent on the resumption of production in the case of ALUM); annual volume of water used for wetting (m^3/year) at ALUM; water intensity (m^3/th RON/year) at ALRO, ALUM, and VE. The results are reported annually in the Sustainability Report.

PERFORMANCE IN ACHIEVING THE TARGET

Target: By 2030, ALRO Group will improve its water management system by using alternative sources, modernizing installations, and continuously monitoring water consumption.

2025 Performance

The activity is currently being implemented. In 2025, the following was achieved:

420,056 m^3
water consumption at ALRO

564,703 m^3
water consumption at ALUM

10,341 m^3
water consumption at VE

0.12 $m^3/kRON$
water intensity at ALRO

19.15 $m^3/kRON$
water intensity at ALUM

0.02 $m^3/kRON$
water intensity at VE

Furthermore, the Group's performance over the last three years is presented in the table *Progress of water-related indicators*, ALRO, 2022–2025 in *Section E3-4 Water Consumption.*

TARGET 3

By 2030, a minimum of 5% of ALRO and VE suppliers will undergo evaluation for compliance with performance criteria on responsible water management, as outlined in the Supplier Code of Conduct and the Sustainability Guide.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	This target supports the strategic objective of promoting responsible and efficient water management across ALRO Group value chain by integrating water-related performance criteria into supplier selection, evaluation, monitoring, and collaboration. It contributes to managing impact G4 and opportunity RO30, aligns with Theme G1 – Professional Conduct, sub-theme Supplier Relationship Management, and indirectly supports the ESRS theme on Water and Marine Resources.
(b) **Defined target level**	By 2030, a minimum of 5% of ALRO and VE suppliers will undergo audits or dedicated evaluations against criteria for responsible water management.
Type of target	Quantitative, absolute (percentage of total suppliers)
Unit of measure	% of suppliers evaluated
(c) **Scope**	Suppliers for ALRO and Vimetco Extrusion
(d) **Reference year**	2025
(e) **Application period**	2025-2030, by annual monitoring
Intermediate target	Undefined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The target-setting methodology was based on an analysis of existing procurement procedures, the potential to integrate water-related ESG criteria into evaluation processes, and the operational capacity to conduct annual audits on a sample of suppliers. The underlying assumption is that a gradual implementation approach not only enhances suppliers' water management capabilities but also reduces environmental risks across the supply chain and minimizes the Group's overall environmental impact

Alignment with standards	SDG 6 – Clean Water and Sanitation; SDG 12 – Responsible Consumption and Production;
(g) **Scientific basis**	n.a. – target defined according to regulatory, governance, and value chain sustainability criteria.
(h) **Stakeholder involvement**	The target was established by the Technical, Mechanical-Energy, Investments, Procurement, Quality, and Environment Departments, in collaboration with the Sustainability Department, validated by the General Director of ALRO, ALUM, and VE, and approved by the Risk and Sustainability Committee.
(i) **Future changes**	As a new target, it aims to increase the share of evaluated suppliers, refine water-related criteria, and incorporate additional thresholds in response to emerging supply chain risks.
(j) **Performance and Monitoring**	Monitoring is conducted annually using the following indicators: the percentage of suppliers evaluated against water management criteria; the number of audits carried out each year; the percentage of suppliers implementing responsible water management policies; and the number of non-conformities identified. Results are reported annually in the Sustainability Report.

PERFORMANCE IN ACHIEVING THE TARGET

Target: By 2030, a minimum of 5% of ALRO and VE suppliers will undergo evaluation for compliance with performance criteria on responsible water management, as outlined in the Supplier Code of Conduct and the Sustainability Guide.

2025 Performance

The activity is currently being implemented. In 2025, the following was achieved:

7%
of suppliers assessed against ALRO water management criteria

0
(zero) audits conducted at VE

7%
of suppliers that have implemented responsible water management policies at ALRO

1%
of suppliers assessed against VE water management criteria

4
audits conducted at ALRO

1%
of suppliers that have implemented responsible water management policies at VE

By setting these targets, ALRO Group demonstrates its commitment to responsible resource use, continuous process improvement, and sustainable water management, supporting both environmental performance and operational efficiency.

These targets are designed to reduce the negative impact of water consumption at ALRO, ALUM, and VE. By increasing recirculated water levels across entities and optimizing its use in designated areas, the demand for extracted water is lowered. While none of the counties with production activities currently face water scarcity risks, adopting a preventive approach underscores ALRO Group's commitment to sustainable resource management.

II.4.5. [E3-4] Water consumption

ALRO is the Group's largest water consumer, sourcing water from both surface sources (the Olt River) and groundwater. At the Street Pitești No. 116 site, potable water is drawn from ten deep wells, treated in a chlorination plant, and distributed via a network of metal pipes. Industrial water comes from surface water sources (Arcești and Slatina lakes), with wastewater managed through a collection and treatment system that discharges into the Milcov stream. Domestic wastewater is sent to the municipal sewer system. The facility at Street Milcov No. 1 also uses deep wells and a distribution system for potable water, while industrial water is drawn from the Milcov stream and follows a similar distribution and treatment setup.

Wastewater from industrial processes at the Street Pitești site is treated before discharge. The stormwater and process wastewater management system include a collector that discharges into the Milcov stream. ALRO implements water recirculation measures to reduce consumption and environmental impact, and water used for cooling will be fully recirculated starting in 2025. The water stress index for the Olt River basin is 0.0689, indicating a minor impact on water resources.

At **ALUM**, under normal operating conditions, during periods when production is in operation, the majority of abstracted industrial water is used for equipment cooling, a process that involves its recirculation through forced-draught cooling towers. However, in 2024, due to the suspension of production activities, this use did not take place. A smaller proportion of the abstracted water is normally filtered, softened and used to replenish demineralised water within the CHP (Combined Heat and Power) plant circuit. In addition, part of the abstracted water is used for moistening the sludge landfill during dry periods, thereby contributing to the reduction of environmental impact.

Wastewater quality is continuously monitored, with analyses carried out both internally and externally, in accordance with legal requirements. The efficiency of water management is assessed annually, including an analysis of water consumption per tonne of alumina.

In order to prevent adverse environmental impacts, ALRO implements strict water resource protection measures, including an accidental pollution prevention plan. The measures taken include the updating of risk management plans to reduce the risk of soil and groundwater contamination. Nevertheless, natural events or emergency situations may affect the integrity of water management facilities.

Within **VT** and **CONEF**, there are no significant records of water consumption.

Water consumption

	2025			2024		
	ALRO	ALUM	VE	ALRO	ALUM	VE
Total water consumption [m³]	420,056	564,703	10,341	599,796	442,709	10,991
Total potable water consumption [m³]	335,880	4,058	2,906	292,310	5,292	2,971
Total process (industrial) water consumption* [m³]	84,176	560,645	7,435	307,486	437,417	8,020
Total cooling water consumption [m³]	84,176	0	7,435	0	0	8,020
Total water consumption in water-stressed areas, including high water stress zones (only if applicable) [m³]	0	0	0	0	0	0
Total recycled/reused water [m³]	11,403,347	0	0	10,570,129	0	0
Stored water** [m³]	1,000	0	0	1,000	0	0
Changes in stored water [m³]	0	0	0	0	0	0
Water intensity ratio [Report]	0.12	19.15	0.02	0.19	6.35	0.02
Net revenue [Th. RON]	3,645,334	29,485	640,504	3,202,769	69,699	574,302
Withdrawn water [m³]	2,132,449	560,645	0	2,318,129	437,417	0
Discharged water [m³]	1,712,393	835	0	1,718,333	1,645	0

** Also referred to as industrial water*
*** The reservoirs have a fixed design volume, with the industrial water storage in the water tower capped at 1,000 m³. Water is pumped into the 60 m-high towers, where a "mushroom" at the top maintains the 1,000 m³ level. The pump is controlled by a level sensor and automatically starts when water falls below 90%, operating continuously. Losses cannot be directly metered.*
Water is supplied from the Olt intake via a 6.5 km pipeline. While the volume leaving the intake is metered, the actual volume entering ALRO is not. All water leaving the intake is considered consumption, without accounting for losses. To reduce losses, four old pipes on the 2.4 km section between the Olt intake and ALRO were replaced with two polyethylene pipelines. Hydrometeorological events have no impact on the storage infrastructure.

ALRO – Within ALRO's activities, monitoring and managing water consumption are essential for optimizing industrial processes. Fresh industrial water, captured from the Olt intake, is properly accounted for, and wastewater is discharged through Parshall, thus contributing to the water resource management process. In addition, strict control is carried out over make-up water, which comes from the Olt intake and is used to monitor the reagents involved in technological processes.

However, for the utility balance, recirculated water volumes are not measured directly; instead, they are calculated using approved consumption standards for each internal user. As a result, no metering system provides precise data on the actual water usage. This estimation approach, based on standardized norms, may not always fully capture real-time recirculated water consumption.

Additionally, the flow of water captured and repumped from the Olt intake point is adjusted based on water levels in the water tower and the underground reservoirs at the Stage II pumping station. Water volumes pumped to ALRO are metered at the supply line entry, but these do not always match the actual fresh water used in the industrial process. Discrepancies are caused by losses from failures in buried pipelines, which are difficult to detect, making precise determination of the company's actual water consumption challenging.

The calculation of water indicators, based on meter readings, ensures accurate and transparent monitoring of water consumption and reuse. Meters installed at key points – network inlets, consumer outlets, and recycling or treatment stations – are read at regular intervals to track trends and variations. Collected data are validated to correct errors from faulty readings, equipment issues, or unexpected

losses. Key indicators, such as total water, potable water, industrial water, and cooling water consumption, are then calculated. Meter data can also be correlated with production or user data for a comprehensive view of efficiency and sustainability. The resulting indicators are integrated into periodic reports to guide informed decisions for optimizing water use.

The formula for calculating the recirculation rate is the ratio between total recirculated water and total water used (including make-up water from the Olt intake in the total recirculated water).

ALUM – At ALUM, water consumption is carefully monitored through meters installed for all categories of water used, including both captured industrial water and potable water. Additionally, discharged water is metered, covering technological wastewater discharged into the Danube, as well as stormwater and cooling water discharged into the Somova channel. In 2025, due to the suspension of production activities, there were no recirculated cooling waters or technological wastewater. The captured industrial water was used exclusively for moistening the sludge heap, thus adapting water consumption to the specific requirements of this context.

Another key point is that ALUM does not store any type of water, managing resources directly and efficiently. Water consumption in 2025, including captured industrial and potable water, is determined through meter readings and billed monthly according to collected data. This approach provides clear and transparent tracking of both industrial and potable water use.

VE – At VE, the water management process is similar to that at ALRO, with meters read monthly. Based on these readings, a Protocol is prepared between VE and ALRO, which serves as the basis for billing water consumption. Recirculated water at VE, used for equipment cooling and for tempering aluminium profiles, experiences minimal losses due to evaporation. These losses occur during the tempering of aluminium profiles and in the heat, exchange processes within the cooling towers. In general, the amount of water lost through evaporation is negligible compared to the total volume used, indicating efficient management of recirculated water in VE operations.

Annex 5 Water risk assessment

Water stress is defined as the ratio of total water demand to available renewable surface and groundwater resources. Water demand encompasses domestic, industrial, irrigation, and livestock uses. Renewable water resources also consider the effects of upstream consumptive users and the impact of large dams on downstream water availability.

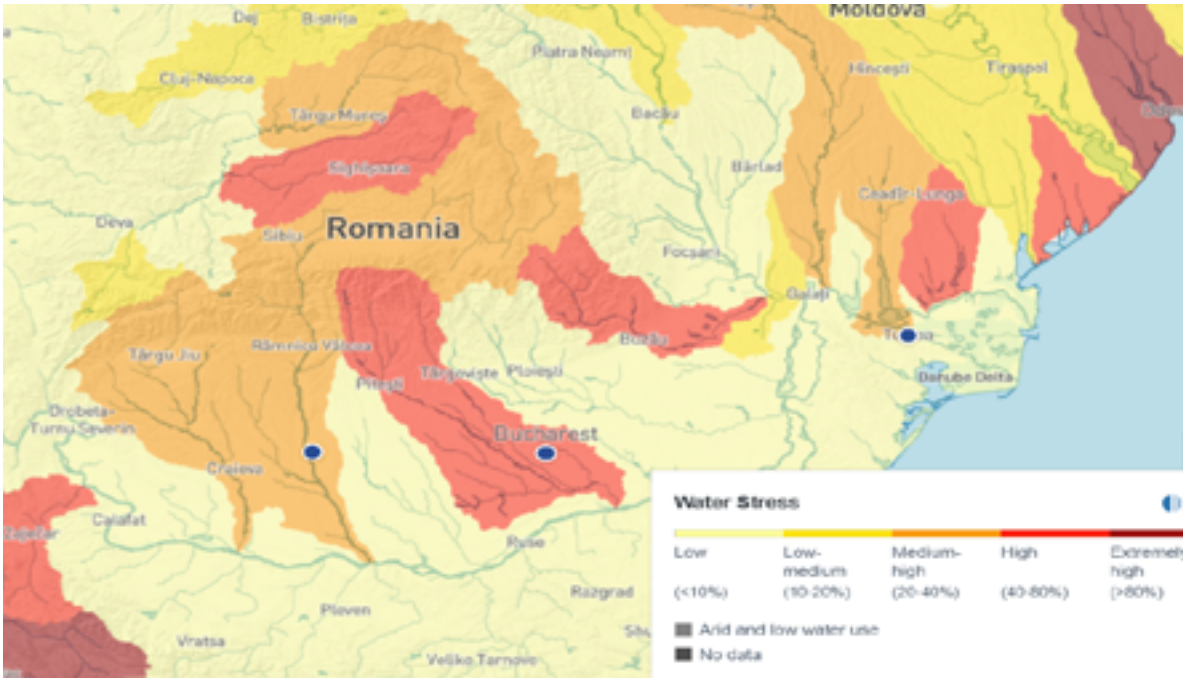
Elevated water stress levels signal intensified competition for water among users, potentially posing major risks to economic sectors and local communities, particularly in areas with intensive agriculture or high population concentrations.

The analysis of the areas where ALRO operates is presented in table below, with the clarification that activities involving water consumption are not carried out in in Bucharest or nearby areas*.

Monitoring of Water Risk

Country	County	Water Stress Level
Romania	Bucharest	High (40-80%)
Romania	Olt	Medium (20-40%)
Romania	Tulcea	Low (<10%)

Visual Representation of Water Risk Levels



** Following the WRI Aqueduct methodology, no further assumptions were applied*

II.5. ESRS E5 Resource use and circular economy

This section presents information on ALRO Group's material topics and related IROs related to resource use and the circular economy, including how we manage them: *Resource inputs, including resource use,* and *Resource outputs related to products and services.*

Significant impacts, risks, and opportunities (IRO)

SUB-THEMA	Name *Categories*	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** TS	TM	TL
RESOURCE INFLOWS, INCLUDING RESOURCE USE	**M19 (+) Use of aluminium waste in the production process** *Current positive impact*		ALRO, VE				
	M20 (-) Contribution to depletion of natural resources *Current negative impact*	●	ALRO, ALUM, VE				
	R012 Increasing capacity to use aluminium waste in the manufacture of finished products *Opportunity*		ALRO, VE		●	●	●
	R013 Risks related to limiting natural resource consumption in the context of climate change *Risk*		ALRO, ALUM, VE		●	●	●
RESOURCE OUTPUTS RELATED TO PRODUCTS AND SERVICES	**M22 (+) Supply of aluminium products with low GHG emissions and in compliance with International Standards** *Current positive impact*		ALRO, VE				
	R014 Decarbonisation of other sectors through the supply of low-emission aluminium products *Opportunity*		ALRO, VE		●	●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: ST – short-terms, MT – medium-terms, LT – long-terms

The impacts resulting from the materiality process are associated with ALRO Group's business model and are related to its own activities, but also to the upstream value chain, given that aluminium production requires the use of a wide range of resources and materials, thus generating an impact on the environment (M20 (-) *Contribution to depletion of natural resources*). At the same time, given the technologies used and the specific nature of the industry, ALRO Group can reduce this negative impact by using externally purchased aluminium waste as raw material, as well as waste generated internally from the production processes at ALRO and VE companies (M19 (+) *Use of aluminium waste in the production process*).

Given the specific properties of aluminium, as well as a range of low-emission aluminium products manufactured by ALRO Group, it contributes to the decarbonisation of other economic sectors (M22 (+) *Supply of aluminium products with low GHG emissions and in*

compliance with International Standards). The low carbon footprint of the Group's products, especially those made from recycled aluminium, confirmed by numerous LCA (Life Cycle Assessment) and EPD (Environmental Product Declaration) studies, demonstrates that the emissions of these products are reduced both in the manufacturing phase and in the transport, distribution and use phases. Aluminium is recognised as playing an important role in the decarbonisation of other economic sectors. It has specific properties that support ALRO Group's mission to reduce its negative impact on the environment and that influence other key sectors of the economy, such as the automotive industry, construction and aeronautics. Its high resistance to various forms of corrosion and, above all, its infinite recyclability makes a significant contribution to reducing greenhouse gas emissions.

These impacts may generate risks and opportunities for certain companies within ALRO Group, as presented in the table above. The use of natural resources in the Group's activities also has a significant direct economic impact because, in the event of resource consumption being limited as a result of intensifying climate change, in the long term, dependence on exhaustible natural resources may lead to increased procurement costs as access to resources becomes increasingly difficult (RO13 (-) *Risks related to limiting natural resource consumption in the context of climate change*). In addition, environmental regulations and investor sustainability standards could require the Group to adopt sustainable practices, which would lead to investments in sustainable processes and technologies.

At the same time, optimal resource management and increased capacity to use aluminium waste in the manufacture of finished products also generate a positive financial impact on the Group, contributing to improving its financial performance by increasing revenues and reducing electricity and raw material costs used in production processes (RO12 (+) *Increasing capacity to use aluminium waste in the manufacture of finished products* and RO14 (+) *Decarbonisation of other sectors by supplying low-emission aluminium products*). Aluminium stands out for its ability to be recycled indefinitely without degrading its properties, making it an ideal material for a low-carbon circular economy.

Protecting natural resources is a priority for the management and development of the entire Group's activities and is also an integral part of the business. In this regard, the Group constantly seeks to improve the way in which all-natural resources used in production processes are managed, thereby reducing the impact on the environment and ensuring the sustainable growth of the business by anticipating market trends and legal obligations. To support this objective, the Group has implemented a series of policies and actions aimed at continuous development, identifying needs and formulating new specific measures, as presented in *Sections [E5-1] Policies related to resource use and the circular economy* and *[E5-2] Actions and resources related to resource use and the circular economy.*

II.5.1. [E5 IRO-1] Description of processes for identifying and assessing significant impacts, risks and opportunities related to resource use and the circular economy

Information on the description of the processes for identifying and assessing significant impacts, risks and opportunities related to resource use and the circular economy is reported in *section IRO-1 of the ESRS 2 standard*.

II.5.2. [E5-1] Policies related to resource use and the circular economy

Policies on resource use and the circular economy

Policy name	Applicability	MATERIAL TOPICS					
		M19(+)	M20(-)	RO12	RO13	M22(+)	RO14
1. Statement of the General Director regarding quality, environment, energy, information security, occupational health and safety	ALRO, ALUM	●	●	●	●	●	●
2. Corporate Social Responsibility Policy	ALRO, ALUM, VE VT	●	●	●	●	●	●

1. Statement of General Director regarding quality, environment, energy, information security, health and safety at work – ALRO, ALUM

ALRO Group has developed a *Statement of General Director regarding quality, environment, energy, information security, health and safety at work* at ALRO and ALUM level, which includes clear objectives aimed at sustainable development and continuous improvement. The general objectives include meeting customer requirements and expectations, increasing product competitiveness, reducing environmental impact through the implementation of the circular economy, and efficient use of resources (M19 (+) *Use of aluminium waste in the production process*), (M20 (-) *Contribution to depletion of natural resources*) and (M22 (+) *Supply of aluminium products with low GHG emissions and in compliance with International Standards*). Integrated management systems ensure consistency and achievement of policy objectives through constant monitoring and improvement of internal processes and activities.

The policy includes objectives related to the circular economy, such as: increasing the use of aluminium waste in the production of finished products (M19 (+) *Use of aluminium waste in the production process*, RO12 (+) *Increasing capacity to use aluminium waste in the manufacture of finished products*), managing the risks associated with the limitation of natural resources in the context of climate change (RO13 (-) *Risks related to limiting natural resource consumption in the context of climate change*) and opportunities for decarbonisation of other sectors by supplying low-emission aluminium products (RO14 (+) *Decarbonisation of other sectors by supplying low-emission aluminium products*).

The policy applies to **ALRO** and **ALUM** and all their activities, including both production processes and natural and energy resource management. The scope covers the entire value chain, both upstream (raw material supply, including aluminium waste recycling) and downstream (distribution and use of finished products). In terms of stakeholders, the policy targets employees, customers, local and central authorities, suppliers, business partners and local communities, all of which are affected by decisions on the efficient management of natural resources, including water.

The highest level at ALRO and ALUM responsible for implementing the policy is the General Director. He ensures the necessary resources to meet the requirements related to quality, environment, energy, information security, occupational health and safety, asset management, as well as the continuous improvement of the organisation's products, processes and activities. The General Director also coordinates the periodic review of the management system and establishes the necessary measures to ensure its continuity and adequacy in relation to the established objectives.

ALRO and ALUM align their policy with international standards such as EN ISO 9001, ISO 14001, EN ISO 50001, ISO 45001, ASI (Aluminium Stewardship Initiative) and other relevant certifications, ensuring compliance with best practices in sustainability, quality, energy and security.

Although there was no direct consultation process with stakeholders, the policy is formulated considering the expectations of the main stakeholders, including customers, employees, shareholders, the local community and authorities, ensuring transparency and involvement in decision-making and continuous improvement processes. The document is available for consultation at the registered offices of ALRO and ALUM, as well as on INTRANET, the internal platform for employees.

This policy supports reducing dependence on virgin resources by increasing the use of aluminium waste in the production process. The company invests in recycling technologies and raw material consumption efficiency, thus promoting the circular economy and reducing the carbon footprint associated with primary aluminium extraction. Furthermore, ALRO and ALUM direct their procurement policy towards responsible sources, encouraging suppliers to adopt principles and commitments in the field of responsibility and to develop programmes designed to support these principles. In addition, the company invests in energy efficiency and the use of renewable energy sources, contributing to reducing its environmental impact and ensuring sustainable production.

2. Corporate Social Responsibility Policy – ALRO, ALUM, VE, VT

ALRO Group has developed a *Corporate Social Responsibility Policy* at the level of each company. The Corporate Social Responsibility Policy contributes directly to managing the material impacts, risks and opportunities related to *the **ESRS E5 standard*** by including explicit commitments on the responsible use of raw materials, the transition to a circular economy and the optimisation of resource flows in its own operations and in the value chain.

The policy recognises the importance of efficient use of natural resources and includes clear principles on increasing raw material efficiency, minimising waste and promoting reuse, thus contributing to the management of **material impact** M19 (+) *Use of aluminium waste in the production process*, M22 (+) *Supply of aluminium products with low GHG emissions and compliant with International Standards*, RO12 (+) I*ncreasing capacity to use aluminium waste in the manufacture of finished products*. Through its commitments to "increase the reuse of aluminium waste" and "implement sustainable waste management", the Policy supports the integration of secondary materials into production processes and reduces pressure on primary resources, contributing to the mitigation of RO13 (-) *Risks related to limiting the consumption of natural resources in the context of climate change*.

At the same time, the Policy recognises the potential negative effects associated with the use of natural resources and the role of upstream operations, including raw material extraction, in generating **material impact** M20(-) *Contribution to depletion of natural resources*.

With regard to the transition to materials and processes with a low environmental footprint, the Policy supports **material impact** M22 (+) *Supply of aluminium products with low GHG emissions and compliant with International Standards*, through commitments to reduce greenhouse gas emissions, promote energy

efficiency and develop responsible products with superior environmental performance. These commitments enable ALRO Group to provide essential solutions for industries pursuing decarbonisation and energy performance.

The policy also contributes to capitalising on **material opportunities** RO12 (+) *Increasing the capacity to use aluminium waste in the manufacture of finished products by including measures that support the expansion of the circular economy*, increasing the recovery and recycling of secondary materials and integrating them into industrial flows. Through this strategic framework, ALRO aims to reduce operating costs, diversify raw material sources and strengthen environmental performance.

In addition, the Policy recognises the risks associated with climate change and pressure on natural resources, contributing to the management of **material risk** RO13 (-) *Risks related to limiting natural resource consumption in the context of climate change*. It establishes measures to prevent supply disruptions, reduce resource-intensive consumption and increase operational resilience through consumption efficiency, responsible use of resources and the implementation of modern technologies with low environmental impact.

At the same time, the Policy contributes to capitalising on **material opportunity** RO14 (+) *Decarbonisation of other sectors by supplying low-emission aluminium products, promoting a business model that supports the climate transition of customers and aluminium-using sectors*. Commitments to quality, safety, climate performance and innovation enable ALRO Group to offer essential products in the automotive, aerospace, energy and construction industries, contributing to the reduction of emissions in their value chains.

Through all these elements, the Corporate Social Responsibility Policy constitutes the strategic framework through which ALRO Group systematically manages the use of resources, promotes the circular economy and minimises its environmental impact, aligning itself with the ***ESRS E5*** requirements and ALRO Group's sustainability objectives. Details on the Corporate Social Responsibility Policy are presented in *Section G1 Professional Conduct* in this Sustainability Report.

II.5.3. [E5-2] Actions and resources related to resource use and the circular economy

During the previous reporting period, ALRO Group presented actions related to resource use and the circular economy in accordance with the 2021-2025 Sustainability Strategy. To ensure the achievement of the objectives set out in the policies on material impacts, risks and opportunities related to this topic, ALRO Group has operationalised these commitments under ***Pillar I – Protecting the Future*** of its new 2025-2030 Sustainability Strategy, integrating the actions reported last year and still under implementation. This pillar correlates the policies presented in *section E5-1* with concrete actions, time frames, monitoring indicators and measurable targets, so that their implementation generates verifiable results in all of its operations.

Main actions

Main actions		Timeframe	Expected results	Target	IRO materials
A1E5	**Increase the amount of internally recovered material by applying circular economy principles**	2025-2030	Continuing research and innovation activities for the development of new products and/or entry into new markets and economic sectors by 2030, with a focus on integrating recycled materials and increasing resource circularity.	Increase the percentage of recycled aluminium waste in cast products.	**M19 (+)** *Use of aluminium waste in the production process* **M22 (+)** *Supply of aluminium products with low GHG emissions and compliant with International Standards* **RO13 (-)** *Risks related to limiting natural resource consumption in the context of climate change* **RO14 (+)** *Decarbonisation of other sectors by supplying low-emission aluminium products*
A2E5	**Increase the amount of aluminium scrap purchased from the market.**				
A3E5	**Increase the share of recycled aluminium per tonne of final product.**				
A4E5	**Map sources of supply for critical raw materials, including identification of critical dependencies and associated risks (geopolitical, climatic, logistical).**			By 2030, ALRO Group will create and operationalise an internal system for assessing and managing risks associated with natural resources, covering at least 80% of essential raw materials, including measures to reduce dependence on primary resources through the use of secondary, recycled or reused materials, where technically and commercially feasible.	**M20 (-)** *Contribution to depletion of natural resources* **RO12 (+)** *Increasing capacity to use aluminium waste in the manufacture of finished products* **RO13 (-)** *Risks related to limiting natural resource consumption in the context of climate change* **RO14 (+)** *Decarbonisation of other sectors by supplying low-emission aluminium products*
A5E5	**Partial replacement of primary resources with secondary materials – incorporates analysis technical and commercial feasibility analysis for increasing the share of secondary materials.**				
A6E5	**Integration of physical climate risks (drought, floods, logistical instability) into strategic resource assessment as part of the internal risk management system.**				

The scope of the main actions mainly covers ALRO's operations, without geographical or functional exclusions, except for actions A1E5, which also includes VE's operations, and action A4E5, which also includes ALUM and VE's operations. The actions do not extend to the value chain. Certain actions, namely A2E5, A4E5, A5E5 and A6E5, are relevant and have an impact on the upstream value chain, in particular on the supply chain for raw materials and secondary materials, through the influence of internal decisions on procurement, resource mix and risk assessment, without implying the direct implementation of measures by suppliers and without involving, at this stage, formal joint governance mechanisms or structured collective commitments with other stakeholders. Given the industrial nature of the Group's activities and the specific nature of the raw material supply chain, the circular economy is mainly addressed through the optimisation of internal processes and existing commercial relationships with specialised suppliers of secondary materials. ALRO Group collaborates with partners in the upstream value chain, in particular operators specialising in the collection and processing of secondary materials, in order to increase the availability and quality of recycled materials used in industrial processes. These collaborations are carried out within the framework of current commercial relationships and are not subject to formal collective initiatives or multi-party platforms dedicated to the circular economy. At this stage, ALRO Group is not involved in extended collective waste collection systems or joint initiatives with competitors, public authorities or other stakeholders to develop large-scale circular systems. However, by increasing the use of secondary materials, recovering internally recovered materials and integrating resource-related risks into internal management systems, the Group indirectly contributes to supporting the circular economy and reducing pressure on natural resources.

The effectiveness of the measures is monitored through the result and output indicators included in the Sustainability Strategy (over 60% of aluminium waste recycled in cast products (bars for extrusion and slabs for rolling); share of essential raw materials covered by the risk assessment system (%) ≥ 80% by 2030; share of secondary materials used in total essential raw materials (%); Total amount of internally recovered material (tonnes/year); Total amount of purchased aluminium waste (tonnes/year), etc.).

With regard to the provision of remedial measures, ALRO Group states that, although resource use is a material issue from an environmental and supply security perspective, no significant actual impacts on individuals or communities requiring the provision of social remedial measures within the meaning of the ESRS requirements were identified during the reporting period.

The impacts identified in the area of resource use are predominantly indirect and systemic, manifesting themselves in the upstream value chain and raw material markets, without generating direct local impacts that would require remediation or compensation obligations.

However, ALRO Group implements measures that serve as preventive measures, aimed at reducing pressure on natural resources, correcting the effects of primary resource use and preventing their recurrence by increasing the use of secondary materials, such as aluminium waste, and optimising processes.

ALRO Group's actions in the field of resource use, as defined in the 2025-2030 Sustainability Strategy, aim to increase the efficiency of material use, reduce dependence on primary resources and strengthen security of supply, in particular by applying the principles of the circular economy and increasing the use of secondary materials. In this regard, the Group aims to capitalise on internally recovered materials, increase the amount of recycled aluminium purchased from the market, and increase the share of recycled aluminium in finished products.

Actions A1E5, A2E5, A3E5 and A5E5 contribute to the more efficient use of material resources and reduce pressure on primary raw materials by integrating secondary materials into production processes and by assessing their technical and commercial feasibility. These measures support the principles of the circular economy applicable to technical materials, without involving, at this stage, the implementation of extended end-of-life product management models.

Through action A4E5, ALRO Group is mapping the sources of supply for essential raw materials, including the identification of critical dependencies and geopolitical, climatic and logistical risks associated with the upstream value chain. At the same time, action A6E5 aims to integrate physical climate risks into the

strategic assessment of resources as part of the internal risk management system, contributing to increased supply resilience in the medium and long term.

With regard to waste prevention and optimisation of waste management, these issues were not identified as material in the Group's double materiality analysis and are therefore not covered by the main actions and targets reported under ***ESRS E5*** – *Resource use and circular economy*. However, waste-related issues are managed in a structured manner through ALRO Group's Sustainability Strategy, which aims to reduce the amount of waste generated and disposed of through prevention, reuse, sorting and internal or external recovery measures, with priority given to operational waste. Further information on this approach is publicly available on the website *https://www.alro.ro/en*

ACTIONS IMPLEMENTED OR INITIATED IN 2025

Action reported in 2024 A2E5 Optimisation of the waste remelting operation at the Eco-Smelter by installing a waste processing line comprising crushing, separation and burning/paint removal equipment, was included in the 2025-2030 Sustainability Strategy and is reflected in actions A2E5 Increasing the amount of aluminium waste purchased from the market. Given that the investment did not qualify for funding through the National Recovery and Resilience Programme (PNRR), it has been postponed until new financing solutions are found.

Within A2E5 – Increase in the quantity of aluminium scrap purchased from the market – in 2025 ALRO implemented a new investment focused on the procurement and installation of a 60-tonne tilting melting furnace. This unit is equipped with state-of-the-art burners and high-performance combustion systems featuring low fuel consumption and high reliability. These technical specifications ensure a high melting rate while maintaining minimal CO and NOx levels in the flue gases. Furthermore, within the Foundry Division, a 35-tonne melting furnace (G13) was modernised to increase scrap/ingot melting capacity by replacing its two burners and the automation system. Both furnaces were commissioned at the end of 2025. These investments will optimise scrap melting operations at ALRO by aligning installed melting capacities with the types and estimated volumes of scrap/ingots. This ensures the necessary metal supply to meet customer demand for aluminium wire rod and flat-rolled aluminium alloy products—both of which are high value-added products central to ALRO's sales strategy.

In addition, 2025 saw the start of the optimisation of remelting capacities within the Eco-Recycling Facility. This involves adapting equipment to the type of molten metal and modernising the 35-tonne Holding Furnace No. 1 (G19). The project includes replacing the burners, electrical and automation systems, and the refractory lining to enhance its melting capacity. This final measure, alongside those described above, will increase ALRO's aluminium scrap recycling capacity to approximately 140,000 tonnes per year.

Resources allocated for actions on resource use and the circular economy. [KRON]

	Current (2025)	2024	Short-term < 1 year	Medium-term 1-5 years	Long-term >5 years
Financial resources allocated to the action plan (CapEx) – Action A2E5*	n.a	n.a.	n.a	58,551	–
Financial resources allocated to the action plan (CapEx) – Action A2E5**	13,264	n.a.	662	–	–

** Represents the resources related to the project Optimisation of the waste remelting operation in the Eco-Smelter by installing a waste processing line comprising crushing, separation and paint burning/removal equipment.*
*** Represents the resources related to the project for the Purchase and installation of a 60-tonne tilting melting furnace, equipped with state-of-the-art burners and high-performance combustion systems, with low fuel consumption and high reliability.*

II.5.4. [E5-3] Targets related to resource use and the circular economy

ALRO Group has set targets and actions aimed at strengthening the monitoring of impacts, risks and opportunities specific to the ESRS theme Resource Use and Circular Economy through the 2025-2030 Sustainability Strategy. For the material impacts, risks and opportunities identified in relation to resource use and the circular economy, ALRO Group monitors the effectiveness of its actions through measurable, time-bound targets included in the 2025-2030 Sustainability Strategy. These targets are as follows:

1. **TARGET: Increase the percentage of recycled aluminium waste in cast products.**

2. **TARGET: By 2030, ALRO Group will create and operationalise an internal system for assessing and managing risks associated with natural resources, covering at least 80% of essential raw materials, including measures to reduce dependence on primary resources through the use of secondary, recycled or reused materials, where technically and commercially feasible.**

TARGET 1

Increase the percentage of recycled aluminium waste in cast products.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Continuing research and innovation activities for the development of new products and/or entry into new markets and economic sectors by 2030, with a focus on integrating recycled materials and increasing resource circularity." contributing to the management of impacts M19, M22, risk RO13 and opportunity RO14. Theme Circular economy – sub-theme: Resource inflows, including resource use.
(b) **Defined target level**	over 60% aluminium waste recycled in cast products (bars for extrusion and slabs for rolling)
Type of target	Quantitative, relative (percentage of total material used in cast products)
Unit of measure	% of aluminium scrap recycled in cast products
(c) **Scope**	ALRO

(d) **Reference year**	2018
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined
(f) **Methodologies and assumptions**	The target was set based on an analysis of historical performance in the use of secondary materials, existing and planned technological capacities for melting and processing aluminium waste, and the technical and operational feasibility of integrating a high percentage of recycled material into cast products. In this context, consideration was given to the evolution of ALRO's aluminium waste recycling capacity, which increased from approximately 60,000 tonnes/year to approximately 100,000 tonnes/year in 2024, with prospects for further growth in 2025, as a result of investments made and planned in the processing infrastructure. The methodology reflects the operational nature of the target and aims to progressively increase the use of internally recovered aluminium waste and aluminium waste purchased from the market, without compromising the quality of finished products and their compliance with technical and market requirements. The main assumption is that the development of recycling capacities, correlated with the availability of secondary materials and the optimisation of technological flows, will enable the achievement and maintenance of a share of over 60% of recycled aluminium in cast products by 2030.
Alignment with standards	ISO 14001, SDG* 9 - Industry, Innovation and Infrastructure; SDG 12 - Responsible Consumption and Production; SDG 13 - Climate Action.
(g) **Scientific basis**	n.a.
(h) **Stakeholder involvement**	The target was defined by the Group's specialist structures – Environment, Sustainability, Technical and Production – with the involvement of ALRO's operational teams, together with the Sustainability Department, validated by ALRO's General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	Target 1 – Increase the rate of recycling, recirculation and recovery of waste in accordance with Directive (EU) 2018/851 and, in particular, increase the use of secondary raw materials, with progressive targets for 2025-2030, aiming at an efficient circular economy reported in 2024 – has been integrated into this target of the new 2025-2030 Sustainability Strategy, with the exception of specific components related to waste management, which have been taken over and treated separately in another strategic target. Given that waste is not considered material from a sustainability perspective for the 2025 reporting year, ALRO Group does not provide detailed information on this topic in this Sustainability Report. Information on the initial target and actions related to waste management is available in ALRO Group's Sustainability Strategy, published on the company's website. Possible revisions to this target may occur depending on the availability of recycled materials, technological developments and market requirements.
(j) **Performance and Monitoring**	Annual monitoring through performance indicators: % of aluminium waste recycled in cast products

** SDG – Sustainable Development Goal*

PERFORMANCE IN ACHIEVING THE TARGET

Target: Increase the percentage of recycled aluminium waste in cast products.

2025 Performance

The actions associated with the target are currently under implementation.

In 2025, the following result indicators were monitored, recording the following values:

60.90 %
of aluminium waste recycled in cast products

Progress of indicators related to resource use and the circular economy

Indicator	Baseline value	Target value	ALRO 2025	Variation 2025 vs 2018
Increase in the percentage of aluminium waste recycled in cast products	38.33 % An: 2018	≥ 60	60.90	+58.9%

TARGET 2

By 2030, ALRO Group will create and operationalise an internal system for assessing and managing risks associated with natural resources, covering at least 80% of essential raw materials, including measures to reduce dependence on primary resources through the use of secondary, recycled or reused materials, where technically and commercially feasible.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Continuing research and innovation activities for the development of new products and/or entry into new markets and economic sectors by 2030, with a focus on integrating recycled materials and increasing resource circularity." contributing to the management of impact M20, risk RO13 and opportunities RO12, RO14. Theme Circular economy – sub-theme: Resource inputs, including resource use.
(b) **Defined target level**	• Covering at least 80% of critical raw materials through the internal risk assessment and management system by 2030; • Increase the share of secondary materials used in total critical raw materials, where technically and commercially feasible
Type of target	Qualitative, with quantitative outcome indicators.
Unit of measure	• % of critical raw materials covered by the risk assessment system; • % of secondary materials used in total critical raw materials
(c) **Scope**	ALRO Group – ALRO, ALUM, VE
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030
Intermediate target	Not defined
(f) **Methodologies and assumptions**	The setting of the minimum coverage threshold of 80% for critical raw materials considered the operational feasibility of phased implementation of an internal risk assessment system, the available organisational resources and the need to initially focus on raw materials with a significant impact on business continuity. The methodology used reflects the progressive and governance nature of the target and considered its integration into the Group's existing risk management framework without introducing discontinuities in operational processes. The main assumptions concerned the relative stability of the portfolio of essential raw materials in the medium term, the availability of the data needed for mapping and assessment, and the possibility of identifying and using, where technically and commercially feasible, secondary materials as a partial alternative to primary resources.
Alignment with standards	ISO 14001; SDG* 9 - Industry, Innovation and Infrastructure; SDG 12 - Responsible Consumption and Production; SDG 13 - Climate Action.
(g) **Scientific basis**	The target was defined by Group's specialist structures – Environment, Sustainability, Technical and Production – with the involvement of the operational teams from ALRO, ALUM and VE, validated by the executive management and approved by the Risk and Sustainability Committee.
(h) **Stakeholder involvement**	There were no previous equivalent targets. Possible revisions may occur depending on the update of the list of critical raw materials and the evolution of external risks.
(i) **Future changes**	Annual monitoring through performance indicators: (%) ≥ 80% of critical raw materials covered by the risk assessment system by 2030; (%) of secondary materials used in total critical raw materials
(j) **Performance and Monitoring**	Annual monitoring based on performance indicators: (%) ≥ 80% of critical raw materials covered by the risk assessment system by 2030; (%) share of secondary materials in total critical raw materials.

** SDG – Sustainable Development Goal*

PERFORMANCE IN ACHIEVING THE TARGET

Target: By 2030, ALRO Group will create and operationalise an internal system for assessing and managing risks associated with natural resources, covering at least 80% of essential raw materials, including measures to reduce dependence on primary resources through the use of secondary, recycled or reused materials, where technically and commercially feasible.

2025 Performance

The actions related to the target have not been initiated.

II.5.5. [E5-4] Resource inputs

Technical and biological materials are reported exclusively for entities engaged in production activities, as raw materials, auxiliary materials and packaging are managed and monitored in accordance with the provisions of the environmental permit for such entities. Given that VT carries out sales intermediation activities and CONEF is involved in holding and management activities, these entities do not record inputs of materials and/or packaging specific to the Group's activities. The only categories of inputs potentially relevant to these entities are consumables, which do not fall within the category of technical and biological materials, as defined in this report.

Technical and biological materials

	ALRO	ALUM (in the case of production activity)	VE
Raw materials used	• Calcined petroleum coke • Pitch • Manganese 80% • Silicon • Chromium tablets 80% • Zinc • Iron tablets 80% • Secondary aluminium from waste and by-products	• Bauxite - complex ore containing various concentrations of aluminium oxides, iron oxides, titanium dioxide, silicon dioxide • NaOH lye (50%);	• Aluminium alloy bars
Secondary materials/ products	• Water treatment reagents • Technical oils • Chlorine • Degreaser • Filter earth • Acetylene • Oxygen **	• Industrial lime; • NaOH lye (50%); • High-pressure steam • Hydrochloric acid	• NaOH solution: used in the mould degreasing process • Technical oils: hydraulic, transmission • Steel granules and compressed air
Packaging	• Paper/cardboard • PET tape • White paper • Corrugated cardboard • Wood • Metal packaging	• Wood • Big bags (polypropylene)	• Wood (pallets, wooden frames) • Plastics (foil and adhesive tape) • Paper and corrugated cardboard • Metal containers
Critical raw materials in accordance with Article 4 and Annex II, Section 1 of Regulation (EU) 2024/1252	• Alumina/Aluminium • Copper • Magnesium • Metallic manganese • Silicon metal	• Bauxite/Alumina (only when activity is not suspended)	• Aluminium.

** For technical materials, primary resources were selected in accordance with environmental permits, i.e. those materials that enter the production process and are retained as part of the production process output. This field of the environmental permit is explicitly defined in the "resource inputs" category, thus complying with the purpose of the standard.*
*** See Annex 2*

INFORMATION ON THE PROPERTIES, FACILITIES AND EQUIPMENT USED IN ITS OWN OPERATIONS AND IN THE UPSTREAM SUPPLY CHAIN OF THE ENTERPRISE

In order to determine the main categories of properties, facilities and equipment used in the operations of each entity, ALRO Group applied the detailed methodology presented in the Sustainability Report for 2024. Given that in 2025 there were no significant structural changes in the asset portfolio and no acquisitions were made that would lead to a change in the type of facilities, fixed assets or equipment used, the previously applied methodology remained relevant and applicable.

Consequently, it was not necessary to update the methodology in the 2025 reporting year, and the analysis of properties, facilities and equipment is based on the methodological framework established and documented in the previous report.

Thus, according to the methodology, **ALRO** owns a variety of equipment and facilities essential for production and processing, particularly in the field of rolling and heat treatment for alloys.

1. **Production buildings and halls:**
   (a) Gas treatment and electrolysis buildings are used to support the electrolysis and gas treatment processes, which are essential for obtaining and processing aluminium.
   (b) Production halls dedicated to processing materials and extruding them into the desired shapes, with acquisition values of up to RON 14 million.

2. **Rolling and casting installations and equipment:**
   (a) Cold and hot strip rolling mills are fundamental installations for processing metallic materials into strips, essential for the production of semi-finished products.
   (b) Baking and hardening furnaces are used for heat treatments that are essential in the aluminium production process.

3. **Casting and processing equipment:**
   (a) Casting plants are essential in the formation of aluminium ingots.
   (b) Vibropresses for producing large anodes and billet mills are high-performance equipment used for processing materials for industrial purposes, with high purchase values.

4. **Automation and control systems:**
   (a) Automation systems and stretch levelling lines are vital for optimising production processes and ensuring efficient and consistent production.

5. **Independent research equipment:**
   (a) Independent equipment for researching hardening and ageing processes for aluminium alloy sheets is essential for researching and developing new technologies and improving production processes.

According to the methodology, the most important fixed assets used by **ALUM** are:

1. **Slurry dam:** The slurry dam is a structure used for the safe storage of residues resulting from industrial processes, such as the processing of bauxite into alumina. This construction helps to retain solid and liquid waste to prevent environmental contamination.
2. **Static furnace:** This is equipment used in industrial processes for heating, melting or treating materials. In the metallurgical industry, a static furnace is used for melting aluminium or for heat treatments designed to improve the properties of the metal.
3. **Steam boilers:** which are essential equipment in industrial plants for generating steam at high pressure and temperature, used in technological processes or for electricity generation.

Based on the methodology applied, **VE** uses a wide range of equipment and installations in its operations. This equipment is essential to the production process and includes extrusion presses, automatic packaging lines, basket handling equipment and specialised furnaces, all of which play an important role in the efficiency and continuity of operations.

1. **Extrusion presses** that enable the production of various ranges of profiles up to 13 kg/m.
2. **Extrusion presses**, which are used to process materials by extrusion and have a significant inventory value. The presses are equipped with dies for shaping the products.
3. **Dies**, which are an essential component of the extrusion process, are used to shape extruded materials into a specific form. These are held in large quantities and have significant value within the production process.
4. **The automatic packaging line**, which includes several pieces of equipment such as the Packing Line and Profile De-Stacker, is used for packaging products and efficiently managing production flows.
5. **Basket management systems**, which help to efficiently move and store baskets in various areas of the production facility.
6. **Furnaces and heat treatment equipment** for treating bars with cutting systems, as well as nitriding equipment, which are used for specific heat treatments essential to the production process of high-quality materials.
7. **Buildings and internal spaces** used to support the company's administrative and support activities.

VT – Due to the nature of the sales intermediation business, the main fixed assets fall into the following categories:

- IT assets: laptops, telephones, computers, televisions.
- Cars.
- Furniture.

CONEF - Due to its office-based activity and small number of employees, CONEF does not use any production machinery or equipment. The main fixed assets are limited to:

- Technical equipment: computers, printers, scanners.
- Furniture: armchairs, tables, desks, sofas, lamps, cabinets.

DESCRIPTION OF WATER USE IN THE COMPANY'S OWN OPERATIONS AND THROUGHOUT THE UPSTREAM SUPPLY CHAIN

ALRO uses water in its technical processes for a wide range of applications essential to aluminium production. Water is mainly used in cooling systems, both for technical equipment and for anodes, to maintain optimal operating temperatures for the installations. Thus, water plays a crucial role in preventing equipment overheating and ensuring a constant flow of energy in the production process. Water is also used to wash equipment and external platforms, helping to maintain cleanliness and safety in production units.

At **ALUM**, under normal operating conditions, water is mainly used for alumina production, being necessary for steam generation (except for the calcination process) and for cooling the PLANT. However, in 2024, due to the suspension of alumina production, no technological wastewater was generated and there was no industrial water consumption, except for the water used to wet the sludge heap, which is necessary to prevent dust emissions into the atmosphere.

Within **VE**, water plays an essential role in supporting technical and industrial processes. The main use of water is in cooling extruded profiles, where it ensures the immediate thermal stabilisation of aluminium after it leaves the die, thus preventing deformation. Softened water is also indispensable in the heat treatment process, being used in the quenching stage after heat treatments to guarantee the mechanical and physical properties of the finished products.

At **VT** and **CONEF**, water is used only for domestic purposes, and consumption is very low compared to companies where industrial activities are carried out.

INFORMATION ON TECHNICAL AND BIOLOGICAL MATERIALS AND PRODUCTS USED IN THE MANUFACTURE OF THE GROUP'S PRODUCTS

Numerical information on the flow of technical and biological materials and products used in the company's production processes is shown in the table below.

The methodology used classifies technical and biological materials and products according to the information in column C (**Category under which they are classified according to the methodology/ calculation formula**) of the table below.

Numerical information on resource inputs (consumption) [kg]

	Disclosure information	Category under which is classifies according to the methodology/ Calculation formula	ALRO		ALUM		VE	
			2025	2024	2025	2024	2025	2024
1	**Total weight of technical and biological products and materials used during the reporting period**	2+3+4	384,212,232	356,190,738	22	8,307	37,958,226	41,910,566
2	**Total weight of products used during the reporting period**	Secondary raw materials according to the Environmental Authorisation	13,281,540	13,427,824	n.a.	n.a.	1,150	12,072
3	**Total weight of technical materials used during the reporting period**	Main raw materials according to the Environmental Permit	364,607,787	337,534,587	n.a.	n.a.	36,361,000	40,620,808
4	**Total weight of biological materials used during the reporting period***	Defined as materials that originate from natural sources and return to nature at the end of their life cycle without complex treatment processes (wood, paper, corrugated cardboard)	6,322,905	5,228,326	22	8,307	1,596,076	1,277,686
5	**Percentage of biological materials (and biofuels used for non-energy purposes)**	4/1	1.65%	1.47%	n.a.	n.a.	4.20%	3.05%
6	**Absolute weight of reused or recycled secondary components, secondary intermediate products and secondary materials used in the manufacture of the enterprise's products and services (including packaging)**	are waste/by-products of other processes, cells 7, 8, 9	102,851,011	93,402,291	n.a.	n.a.	n.a.	n.a.
7	**Scrap Aluminium internal result**		54,133,825	48,598,191	n.a.	n.a.	n.a.	n.a.
8	**Scrap Aluminium purchased**		48,681,587	44,772,819	n.a.	n.a.	n.a.	n.a.
9	**Scrap Copper purchased**		35,599	31,281	n.a.	n.a.	n.a.	n.a.
10	**Percentage of reused or recycled secondary components, secondary intermediate products and secondary materials**	6/1	26.77%	26.22%	n.a.	n.a.	n.a.	n.a.

** These are data extracted from the system. These quantities are consumed from internal warehouses on the basis of consumption vouchers. Their receipt is based on the receipt note by weighing or counting.*

METHODOLOGICAL NOTE:

The percentage of biological materials sourced from sustainable sources was determined based on Chain of Custody certifications (FSC/PEFC) provided by suppliers of paper and cardboard packaging, as well as on declarations of conformity and traceability documents supplied for wooden packaging. For the 2024 and 2025 reporting periods, references to certifications are not yet included on suppliers' invoices. In the case of wooden packaging, the assessment was carried out on the basis of declarations of conformity with the EU Timber Regulation (EUTR) and information on the origin of the material, in the absence of voluntary forest certification.

ALRO Group intends to strengthen the evidence collection process in future reporting periods, including the inclusion of certifications on invoices and the expansion of the use of recognised certification schemes.

The following assumptions and quantification methods underlie the reported data:

- For technical materials, primary resources were selected according to environmental permits, i.e., those materials that enter the production process and are retained as part of the production process output. This field of the environmental permit is explicitly defined in the "resource inputs" category, thus complying with the purpose of the standard.
- For biological materials, the definition provided in academic literature was followed, namely: "Material of biological origin or renewable energy source derived from living or recently living organisms, consisting mainly of carbon, oxygen, hydrogen and nitrogen*". Biological materials were considered to be those that come from a natural resource, with the ability to re-enter the **natural** flow without extensive treatment**. This definition excludes materials of synthetic/industrial origin that can return to the economic cycle (not to be confused with recyclable plastics/metals, which can be processed in a sustainable manner but are not biodegradable in terms of their constituent substances).
- For products involved in the production process, it was considered that these are auxiliary/secondary materials used in the

** Petruccioli, M., Raviv, M., Di Silvestro, R., & Dinelli, G. (2011). Agriculture and Agro-Industrial Wastes, By-products, and Wastewaters. Comprehensive Biotechnology, 531–545. https://doi.org/10.1016/b978-0-08-088504-9.00389-5*
***Not to be confused with the characteristic of being compostable, since there are also fossil-based polymers that are biodegradable.*

production process, which do not represent a significant proportion of the finished product. Thus, they refer to substances that cause physical-chemical changes/act as catalysts for production processes, without forming chemical bonds with raw materials and without resulting as part of the finished product.

- For secondary components/secondary materials used in the manufacture of products, materials that represent waste/ secondary products that would not have been recovered in other circumstances and are reintroduced into the final production process were considered. For ALRO Group, these are represented by aluminium and copper waste, purchased or produced internally, which is then recovered.
- The numerical data (weight expressed in kilograms) are obtained through a series of requests for information relating to internal inventories and purchase logs, which are taken from the Integrated ERP-SAP system. Each component is assessed and reported individually, and the amounts are then calculated taking into account the categories explained above.

There is only one place where double counting could occur, namely in packaging made from secondary materials. However, by defining the category of secondary materials, only metal waste is taken into account. There are no circumstances in which the metal packaging defined in ALRO's Environmental Authorisation is made from the three sub-categories defined in points 7-9 of *the table Numerical information on resource inputs (consumption) [kg] on page 222*.

Calculation methodologies

ALRO – For the quantification of the data required in *the table above*, numerical information was provided by ALRO in the form of a summary. Due to the fact that acetylene and oxygen also appear in the summary, they were included as secondary materials/*. The above table presents the entire calculation process for ALRO, which consists of: assigning categories, standardising units (through conversions for density) and calculating totals. It is clear that, although included under main raw materials, fuels are excluded because the provisions of the environmental permit do not fully overlap with the ESRS E5 requirements. There are no assumptions or approximations, as all data are provided in clear form.

ALUM – In the reporting year, ALUM did not purchase any of the raw or secondary materials mentioned in the first table in *section E5.4* due to the fact that there was no production activity. The only raw materials** used were gas and industrial water, which are not reported in *section E5 - Circular Economy*.

VE – To quantify the data required in *the table above*, numerical information was provided by VE in the form of a purchase log/consumption. This contained sections for each material identified in *the table above*. The calculation method (sorting and calculating amounts) is presented in the above table.

** See the definition above*
*** Not to be confused with technological materials*

II.5.6. [E5-5] Resource outputs

Quality standards, innovation and continuous improvement are the Group's priorities with regard to the products supplied to its customers. At **ALRO**, **ALUM** and **VE**, products are accompanied by quality certificates and labels. The quality certificate contains information about the chemical composition and mechanical properties of the products, as well as the standards according to which they were manufactured. This information ensures product traceability and helps customers make purchases in accordance with their own production processes.

The Group's activities and products are based on aluminium, a material with properties – its remarkable resistance to corrosion and, above all, its unlimited recyclability – that support the Group's commitment to reducing its environmental impact.

ALRO is one of the largest vertically integrated aluminium producers in Europe in terms of production capacity and is organised into two main divisions:

- **The Primary Aluminium Division**, which includes the Anodes section, the Electrolysis section, the Foundry section, the Aluminium Waste Melting Plant, the Repair and Spare Parts Workshop, road and rail transport, and other sections responsible for auxiliary services.

The main end products of this division include:

  - **Wire:** used in the production of cables and electrical conductors, including high voltage, and is a crucial component in public utility infrastructure.
  - **Slabs:** used as raw material in hot and cold rolling processes in the processed aluminium division, subsequently transformed into high value-added products.
  - **Bars:** processed by extrusion to create standard or customised profiles, according to customer requirements.
- **The Processed Aluminium Division** manufactures flat rolled products such as plates, coils, sheets and strips. These products are used in industries such as construction, automotive, aeronautics and general engineering, due to the excellent mechanical properties and low weight of aluminium.

Furthermore, ALRO diversifies and optimises its production mix by developing high and very high value-added products that address industries with high technical requirements. These products are based on advanced technologies, optimised processes and a high degree of aluminium recycling, thus reducing the impact on the environment.

To support the transition to a circular economy, in 2024 ALRO registered trademarks with OSIM for aluminium products with a high recycled content, contributing to the reduction of carbon emissions:

- **ALRO EsențiAL** – Contains a minimum of 30% recycled aluminium waste and is available in the form of bars, ingots, sheets and strips.
- **ALRO VitAL** – Contains at least 50% recycled aluminium waste, retaining the same shapes and applications.
- **ALRO VitAL Max** – Contains a minimum of 70% recycled waste and is intended for the high-tech industry. This product stands out due to its CO_2 emissions intensity of less than 4 tonnes CO_2/tonne of product (cradle to gate), making it one of the most sustainable options on the market.

ALUM produces calcined alumina and, as an intermediate product, aluminium hydroxide (called hydrate) in various forms: wet, dry and dry sieved. Currently, the production of calcined alumina, which was the main activity, is suspended. ALUM aims to increase the production of high value-added products, which include components with significant added value, in particular innovative or niche products that offer unique value propositions and do not align with traditional pricing structures or profit margins. In this context, ALUM aims to increase the production of various grades of aluminium hydroxides and special aluminas, as well as to expand their range.

VE is one of the largest producers of extruded products in Romania and a major player in the extruded products market in Western Europe. Through VE, the Group adds value to the aluminium bars produced by ALRO in its primary aluminium division. VE manufactures and sells a wide range of extruded profiles, including aluminium bars and aluminium tubes. Aluminium extrusion is a technique that allows aluminium bars to be transformed into objects with a defined cross-section, used in a wide range of applications. VE products are used in a variety of industries and applications, including transport, construction, aluminium metal structures and photovoltaic panels. These products are also used in the construction and interior design industries in applications such as curtain walls, ceilings, partitions, railings and panels. Extruded products are also used in lighting, air conditioning/ventilation systems, reflective products and the photovoltaic industry.

Aluminium has specific properties that support the Group's mission to reduce its negative impact on the environment and influence other key sectors of the economy, such as the automotive, construction and aeronautical industries. Its high resistance to various forms of corrosion and, above all, its infinite recyclability makes a significant contribution to reducing greenhouse gas emissions.

ALRO Group products are manufactured in accordance with European Standards EN 485, EN 515 and EN 573, which regulate the mechanical properties, chemical composition and performance characteristics of aluminium alloys. These standards ensure the quality, reliability and compliance of products with industry requirements, but do not include direct indicators of the expected durability of products throughout their life cycle.

Compared to other materials (e.g., steel), aluminium has a longer service life due to its corrosion resistance and high recyclability. However, ALRO Group produces raw materials (alloys and aluminium products), and the final durability of products containing aluminium depends on the technical specifications and processes applied by its customers in various industries.

At present, ALRO Group does not have quantitative data comparing the sustainability of its products with the industry average, but it is considering the possibility of developing such indicators in collaboration with its partners in the value chain. A possible approach could include assessing the estimated lifespan of finished products containing aluminium, analysing the percentage of recycled aluminium used in production, and comparing the life cycle of aluminium with existing alternatives on the market.

One of the Group's objectives is to maintain customer satisfaction. Therefore, work is continuously being done to improve the Quality Management System. From the raw material stage to the completion of products in the factory, the Quality Department supervises each stage to ensure that all customer requirements and quality standards are met. To ensure that all products supplied meet the relevant requirements, norms, standards, specifications and sales contracts, the Group's responsibilities and methods are defined in the procedures included in the customer management system. Department managers conduct annual reviews of the management system within the departments/divisions they manage, and whenever they deem it necessary. The analyses carried out by this level of management shall include, among other things, information on: (i) the extent to which quality and environmental policies, objectives and targets have been met, (ii) customer satisfaction and feedback from relevant stakeholders, including complaints. The Group shall ensure that it has sufficient and competent personnel, in terms of education, training, skills and experience, to carry out activities that influence the quality of products and/or processes, while ensuring environmental performance, energy performance and occupational health and safety.

Waste composition

	2025			2024		
	ALRO	ALUM	VE	ALRO	ALUM	VE
TOTAL WASTE GENERATED	**96,116.65**	**550.06**	**9,802.18**	**91,924.2**	**2,196.2**	**10,311.16**
Hazardous waste removed from disposal	64.20	0	1,102.6	42.36	181.1	912.06
Hazardous waste diverted from disposal due to preparation for reuse (on site)	0	0	0	0	0	0
Hazardous waste diverted from disposal due to recycling (off-site)	64.20	0	0	42.36	0	0
Hazardous waste diverted from disposal due to other recovery operations (off-site)	0	0	1,102.6	0	181.1	912.06
Non-hazardous waste diverted from disposal	**91,498.10**	**514.9**	**8,699.58**	**88,276.88**	**1,947**	**9,399.1**
Non-hazardous waste diverted from disposal due to preparation for reuse (on site)	74,958.42	0	0	69,252.58	0	0
Non-hazardous waste diverted from disposal due to recycling (off-site)	15,918.07	514.9	8,699.58	18,702.04	1,947	8,931.66
Non-hazardous waste diverted from disposal due to other recovery operations (off-site)	621.61	0	0	322.26	0	467.44
Hazardous waste sent for disposal	**75.11**	**0.1**	**0**	**39.32**	**0**	**0**
Hazardous waste sent for disposal by incineration (off-site)	0.05	0.0097	0	0.06	0	0
Hazardous waste sent for landfill	0	0	0	0	0	0
Hazardous waste sent for disposal by other disposal operations	75.06	0.094	0	39.26	0	0
Non-hazardous waste sent for disposal	**4,479.24**	**35.06**	**0**	**3,604.96**	**68.1**	**0**
Non-hazardous waste sent for disposal by incineration	0	0	0	0	0	0
Non-hazardous waste sent for disposal by landfill	3,187.02	0	0	2,755.96	68.1	0
Non-hazardous waste sent for disposal by other disposal operations	1,292.22	35.06	0	849.00	0	0
Non-recycled waste	**4,479.24**	**35.06**	**0**	**3,604.96**	**249.2**	**1,379.5**
Percentage of non-recycled waste	**5%**	**6%**	**0**	**4%**	**11%**	**13%**
Total quantity of hazardous waste	**139.31**	**0.1**	**1,102.6**	**86.61**	**181.1**	**912.06**
Total amount of radioactive waste	0	0	0	0	0	0

WASTE COMPOSITION

ALRO – At ALRO, the main categories of waste generated on site are: recoverable technological and non-technological waste, non-hazardous waste stored in the ecological landfill, non-hazardous/hazardous waste intended for disposal by authorised economic operators, as well as household waste and other waste (paper, cardboard, PET, glass) generated by various services and offices. The industrial waste analysed contains a variety of materials with potential for recycling or controlled disposal. Ferrous and non-ferrous metals are present in ***scrap iron*** (17 04 05), ***iron filings*** (12 01 01) and ***aluminium waste*** (10 10 99), which can be recovered through smelting and reuse in the metallurgical industry. Ceramic and refractory materials are found in categories such as ***refractory bricks*** (16 11 06) and ***silicon carbide*** (16 11 02). Plastics, including ***polyethylene*** (PE), ***polypropylene*** (PP) and ***PET***, are found in ***plastic packaging*** (15 01 02) and ***PET film*** (15 01 02), and are recyclable through mechanical or chemical processes. ***Paper and cardboard*** from packaging (15 01 01) are also easily recyclable materials, contributing to the circular economy. In addition, hazardous waste, such as **waste oil** (13 03 07*) and packaging contaminated with ***hazardous substances*** (15 01 10*), contains chemical compounds that require disposal in accordance with environmental regulations.

At company level, the waste recycling and recovery rate in 2025 was **95%** (2024: 96.0%).

Of the recoverable waste, the largest quantity is represented by non-ferrous slag waste and inert waste that is crushed. In 2025, the total amount of recoverable waste was **16,604 tonnes** (2024: 17,233 tonnes). Also, in 2025, the total amount of waste disposed of was **4,479.24 tonnes** (2024: 3,604.96 tonnes). In 2025, the traceability rate of documents for waste generated by ALRO was **100%** (2024: 100%) for both recoverable waste by third parties and waste disposed of by third parties and hazardous waste disposed of by third parties.

As part of its waste management activities, ALRO recovers several types of waste internally, including used rods (cast aluminium ingot waste), recycled anode waste, crust waste, aluminium waste generated in the primary smelter (solid metal), aluminium chips generated in the smelter and aluminium waste from Alro's departments, such as scrap and rods. Old cast iron waste resulting from the consumption of anodes is also recycled. Recycling by authorised operators includes baked and raw anode waste, refractory brick waste, iron chips, scrap iron, used oil, silicon carbide waste, non-ferrous smelting slag, rubber waste, concrete mixtures, bricks, tiles and ceramic materials, PNA-plastic waste, WEEE, carbon-containing waste and unground crust waste. There is also waste disposed of by authorised operators, such as filter material waste, emulsifiable aqueous waste, waste from sanitary activities, solid waste from gas purification, PET film, waste from insulating materials, rubber waste, packaging contaminated with hazardous substances, textile waste, other waste not specified by the at wastewater treatment plants, and plastic waste. There is also waste that is disposed of at the landfill, such as carbon-containing waste, flue gas dust and other unspecified waste that is landfillable. In addition, packaging waste is also managed.

** WEEE - Waste Electrical and Electronic Equipment*

The table below shows the types of industrial waste analysed, highlighting their composition and management potential:

Waste composition - ALRO:

			Recycling and recovery rate (%)		Quantity of recoverable waste (tonnes)		Quantity of waste disposed of (tonnes)	
Waste type	**Waste code**	**Waste description**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Ferrous and non-ferrous metals	17 04 05	Scrap iron waste						
	12 01 01	Iron filings						
	10 10 99	Aluminium waste						
Ceramic and refractory materials	16 11 06	Refractory bricks						
	16 11 02	Silicon carbide						
Plastics, including polyethylene (PE), polypropylene (PP) and PET	15 01 02	Plastic packaging	95%	96%	16,604	17,233	4,479.24	3,604.96
	15 01 02	PET tape						
	15 01 01	Paper and cardboard from packaging						
	13 03 07*	Waste oil						
	15 01 10*	Packaging contaminated with dangerous substances						
Document traceability grade	**2025**				100%			
	2024				100%			

ALUM – The main waste streams resulting from the production process are divided into direct and indirect waste. Direct waste includes mud and limestone, which are disposed of in ALUM's own mud disposal facility, while indirect waste consists of metallic waste, filter cloth, municipal waste and waste oil. In the case of metallic waste and waste oil, these are recovered, thus contributing to a more sustainable process, whereas municipal waste and filter cloth are disposed of by authorised companies in compliance with environmental regulations. As of 1 August 2022, production activities were suspended, and in 2025 the main waste generated consisted of metallic waste and municipal waste, reflecting adjustments in the production process during this period. In 2025, the following waste categories were generated: **non-hazardous waste** – **35.01 tonnes of municipal waste** (2024: 68.1 tonnes), 0.0014 tonnes of medical waste, 0.05 tonnes of WEEE*, and **514.9 tonnes of metallic waste** (2024: 942 tonnes); and **hazardous waste** – 0 tonnes of heavy fuel oil waste, as the facility was decommissioned and **the heavy fuel oil waste was fully eliminated** (2024: 180.9 tonnes), as well as **0.0097 tonnes of medical waste** (2024: 0.2 tonnes), 0.017 tonnes of waste from decommissioned equipment, and 0.077 tonnes of fluorescent tube waste.

In 2025, no **bauxite residue** was recovered (2024: 1,005 tonnes). Red mud represents the waste stream relevant to ALUM's operations, being the main waste generated from the technological process for producing calcined alumina. In 2025, as in 2024, due to the suspension of production activities, no bauxite residue was generated, resulting in a significant decrease in the quantity of waste produced.

** WEEE - Waste Electrical and Electronic Equipment*

Within ALUM's operations, various types of waste were generated, each with specific compositions. Municipal household waste (code 20 03 01) includes residues from households, such as food waste, packaging, paper, plastic, textiles, glass and other domestic waste. Metallic waste (code 17 04 05) consists of various metallic materials, such as iron, copper and steel. In addition, medical waste was generated, including sharps (needles, syringes, etc.) under code 18 01 01, waste from expired or damaged medicines (code 18 01 09), as well as infectious medical waste (code 18 01 03*), which includes biologically contaminated materials. Each of these waste streams requires appropriate management, recycling and disposal measures in order to minimise environmental impact, in accordance with applicable regulations.

Waste categories– ALUM

			QUANTITY (tonnes)	
Waste type	**Waste code**	**Description Waste**	**2025**	**2024**
NON-HAZARDOUS	17 04 05	Metallic waste	514.9	942
	20 03 01	Municipal waste	35.01	68.1
	18 01 09	Medical waste	0.0014	0.0062
	20 01 36	Waste electrical and electronic equipment	0.05	0
HAZARDOUS	13 07 03*	Heavy fuel oil waste	0	180.9
	18 01 03*	Medical waste	0.0097	0.2
	20 01 21*	Fluorescent tube waste	0.077	0
	16 02 15*	Waste from decommissioned equipment	0.017	0

** WEEE - Waste Electrical and Electronic Equipment*

VE – In 2025, the following categories of waste were generated: **other emulsions** (code 13 08 02*) – 93.14 tonnes (2024: 81.88 tonnes), **aqueous washing solution containing dangerous substances** (code 11 01 11*) – 1,003 tonnes (2024: 110.111 tonnes), **aluminium waste from dismantling** (code 17 04 02) – 380 tonnes (2024: 8.22 tonnes), **paper and cardboard waste** (code 15 01 01) – 74.58 tonnes (2024: 71.14 tonnes), **wood waste** (code 15 01 03) – 125.6 tonnes (2024: 141.3 tonnes), **aluminium waste** (code 12 01 03) – 8,405 tonnes (2024: 8,858 tonnes), **electrical waste** (code 20 01 36) – 6.28 tonnes (2024: 2.48 tonnes), **iron waste** (code 20 01 40) – 68.82 tonnes (2024: 281.88 tonnes), **metal strip waste** (code 15 01 04) – 13.58 tonnes (2024: 16.04 tonnes) and **protective equipment waste** (code 15 02 03) – 0.68 tonnes (2024: 2.86 tonnes). The waste relevant to VE's activity is **aluminium waste**. In 2025, 8,405 tonnes of aluminium waste were produced (2024: 8,858 tonnes), which were recovered by ALRO, thus contributing to a more sustainable process of material reuse.

Waste categories – VE

			QUANTITY [tonnes]	
Waste type	**Waste code**	**Description Waste**	**2025**	**2024**
NON-HAZARDOUS	17 04 02	Other emulsions	0.38	8.22
	15 01 01	Aqueous washing solution containing hazardous substances	74.58	71.14
	15 01 03	Non-chlorinated hydraulic mineral oils	125.6	141.3
	12 01 03	Aluminium waste from dismantling	8,405	8,858
	20 01 36	Paper and cardboard waste	6.28	2.48
	20 01 40	Wood waste	62.82	281.88
	15 01 04	Aluminium waste	13.58	16.04
	15 02 03	Electrical waste	0.68	2.86
HAZARDOUS	13 08 02*	Iron waste	94.14	81.88
	11 01 11*	Metal strip waste	1,003	110.11
	13 01 10*	Protective equipment waste	0.36	0

DATA ESTIMATION METHODOLOGIES

For ALRO, the methodology for calculating waste quantities is based on reports from various departments and internal sources within the company. Waste quantities are reported by the Administrative Logistics Department (DAL) through invoices and delivery notes, and for household waste, quantities are confirmed by the dispatch office, which uses weighing slips. Similarly, for landfillable waste, quantities are reported by the PUP (Processing Unit Point), which uses weighing slips to ensure correct and accurate measurement of the waste produced. This methodology ensures accurate monitoring of waste flows and their proper management.

The quantities of waste generated are determined on the basis of weighing slips and delivery-receipt notes between the production departments and the central waste storage facility. In the case of sludge (ALUM), a monthly balance sheet is drawn up using the data recorded by the sludge thickening plant. This process ensures accurate and efficient monitoring of waste flows, thus contributing to their proper management.

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III.1. ESRS S1 Own Labour Force

III.1.1. Strategy

This section presents information on the significant sub-themes: Working conditions, Equal treatment and opportunities for all, Other work-related rights, as well as the related impacts, risks and opportunities of ALRO Group's theme Own workforce, including information on how these aspects are managed.

Significant impacts, risks, and opportunities (IRO)

SUB-THEME	SUB-SUB-THEME	Name Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** TS	TM	TL
WORKING CONDITIONS	SECURE EMPLOYMENT	**S1 (+) Secure employment** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
	WORKING HOURS	**S3 (-) Demanding work programs** *Potential negative impact*		ALRO, ALUM, VE		●	●	
	ADEQUATE WAGES	**S4 (-) Adequate wages** *Current negative impact*		ALUM, VE				
	FREEDOM OF ASSOCIATION / COLLECTIVE BARGAINING / SOCIAL DIALOGUE	**S5 (+) Existence of trade union structures and collective bargaining framework within the Group** *Current positive impact*		ALRO, ALUM, VE, VT				
	COLLECTIVE BARGAINING, INCLUDING THE PROPORTION OF WORKERS COVERED BY COLLECTIVE AGREEMENTS	**RO19 Strengthening social dialogue and labour relations** *Opportunity*		ALRO, ALUM, VE, VT		●	●	●
	WORK-LIFE BALANCE	**S6 (+) Work-life balance** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF				
	HEALTH AND SAFETY	**S7 (-) Occupational diseases** *Current negative impact*		ALRO, ALUM, VE, VT				
		S8 (-) Potential workplace accidents within the Group's own operations *Potential negative impact*		ALRO, ALUM, VE, VT, CONEF		●	●	
		RO21 Health and safety risks in the workplace *Risk*		ALRO, ALUM, VE, VT				●

SUB-THEME	SUB-SUB-THEME	Name Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** TS	TM	TL
EQUALITY OF TREATMENT AND OPPORTUNITY FOR ALL	*MEASURES AGAINST WORKPLACE VIOLENCE AND HARASSMENT*	**S9 (+) Ensuring a work environment that prohibits violence and harassment in the workplace** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
	DIVERSITY	**S10 (-) Underrepresentation of women in the workforce** *Current negative impact*	●	ALRO, ALUM, VE, VT, CONEF				
	TRAINING AND SKILLS DEVELOPMENT	**S12 (+) Professional development** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
	EMPLOYMENT AND INCLUSION OF PERSONS WITH DISABILITIES	**S13 (+) Employment of persons with disabilities** *Current positive impact*		ALRO, VE				
OTHER LABOUR-RELATED RIGHTS	*CONFIDENTIALITY*	**S14 (-) Protection of employees' and customers' personal data** *Current negative impact*		ALRO, ALUM, VE, VT, CONEF		●	●	●
		RO23 Risks related to lawsuits filed by employees whose personal data has been disclosed or lost *Risk*		ALRO, ALUM, VE, VT		●	●	●

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

III.1.1.1. [ESRS 2 SBM-2] Stakeholders' interests and views

The information is reported under section SBM-2 of the *ESRS 2 standard*.

III.1.1.2. [ESRS 2 SBM-3] Significant impacts, risks and opportunities and their interaction with the business model and strategy

The actual and potential **negative impacts** on the own workforce are closely linked to the specific nature of the industry in which ALRO Group operates and the operational strategies implemented, including complex industrial processes, re-engineering initiatives, and cost optimization measures. Intense work schedules, characterized by continuous shift work, are a direct consequence of the operational requirements of industrial production, influencing the work-life balance of employees (S3 (-) *Demanding work schedules*).

Furthermore, the level of remuneration is a sensitive issue, as some employees are paid the minimum wage. In 2024, Romania transposed Directive (EU) 2022/2041 on adequate minimum wages through **Law 283/2024**, which links the minimum wage to the cost of living, productivity, and the general wage level, establishing that an adequate wage corresponds to the minimum wage (4,050 lei in 2025). Given that, at the Group level, there are a limited number of employees remunerated at this level, without exceeding it, it was considered that the impact on them is relevant.

This situation may affect motivation, staff retention and perceptions of internal fairness, and is therefore associated with the **negative impact** S4 (-) *Adequate wages*. Furthermore, exposure to noxious substances and other industry-specific conditions poses risks to employee health, contributing to the onset of occupational diseases, such as occupational bronchial asthma (S7 (-) *Occupational diseases*).

Impacts associated to health and safety at work are intrinsic to industrial operations, based on the use of moving equipment, the handling of hot materials, the use of hazardous substances, and require the constant implementation of preventive and corrective measures (S8 (-) *Potential workplace accidents within the Group's own operations)*. Furthermore, the underrepresentation of women in the Group's activities constitutes a significant impact, influenced by the technical and physical nature of the industry, which traditionally attracts a predominantly male workforce (S10 (-) *Underrepresentation of women in the workforce*).

The **impact** of S14 (-) *Protection of employees and customers personal data* is directly linked to the Group's business model, which involves the responsible processing and storage of personal data. This impact is managed through concrete information security measures that prevent unauthorized access or disclosure of data and support the maintenance of employee and customer trust, while reducing the risk of legal sanctions.

The current **positive impacts** on the Group's own workforce stem from its strategy and business model, reflecting its commitment to social responsibility and the development of a sustainable working environment. Salary benefits (S1 (+) *Secure employment*), trade union structures and collective bargaining (S5 (+) *Existence of trade union structures and collective bargaining framework within the Group*) are essential tools that support organizational stability and promote collaboration between employees and employer. These underpin the business model, ensuring a balance between economic performance and social protection.

Furthermore, measures such as granting family-related leave (S6 (+) *Work-life balance*), creating an environment free from violence and harassment (S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*), and implementing professional training programs (S12 (+) *Professional development*) contribute to the continuous adaptation of the organizational strategy to meet employee needs. The employment of persons

with disabilities (S13 (+) *Employment of persons with disabilities*) reinforces the Group's focus on inclusion, diversity, and respect for human rights, consolidating its competitive advantages and image as a responsible employer.

The relationship between the significant risks and opportunities derived from the impacts on the Group's own workforce and ALRO Group's strategy and business model reflects an integrated strategic approach, designed to ensure the sustainability and competitiveness of operations.

Risks related to employee health and safety (RO21 *Health and safety risks in the workplace*) stem from the specific nature of the industry, which is characterized by industrial activities with a potential for injury or exposure to harmful factors. The Group's strategy includes constant investments in technology modernization, improvement of working conditions, and development of health and safety policies that protect employees, thereby minimising the financial impacts associated with absenteeism, staff turnover, and operating costs.

With regard to RO23 *Risks related to lawsuits filed by employees whose personal data has been disclosed or lost*, the Group implements measures to protect employee and customer information, preventing this risk and the financial, legal, and reputational impacts it could generate. This aspect is essential for maintaining trust and compliance with international regulations.

Following the double materiality assessment, ALRO Group also identified a significant opportunity associated with the theme of *Own workforce*, which stems from the existence of trade union structures and the formal collective bargaining framework: RO19 **Opportunity:** (+) *Strengthening social dialogue and labour relations*. This social dialogue framework supports stable labour relations, prevents social conflicts, and strengthens trust between employers and employees. The benefits are visible through the creation of a positive organizational climate, a competitive advantage in attracting and retaining labour, and alignment with international standards on workers' rights. This opportunity is directly integrated into the Group's strategy, which promotes constant and transparent social dialogue, periodically updates the Collective Labour Agreement, and maintains an openness to collaboration with employee representatives. This approach contributes to reducing the costs generated by staff turnover and facilitates access to financing that includes social criteria, thus supporting sustainability objectives and business continuity.

ALRO Group included the entire workforce in its double materiality assessment, taking into account both employees with individual employment contracts and non-employee workers involved in the Group's operations and activities. In 2025, the Group's activities were carried out by both employees with individual employment contracts and non-employee workers. Within the company VE, the workforce consists of both own employees with permanent or temporary individual employment contracts and non-employee workers (persons supplied by third-party companies performing employment activities, to whom the company's Health and Safety policies and measures apply). In the case of the other companies within the Group, the workforce consists of own employees with permanent or temporary individual employment contracts.

In the double materiality assessment process, the main categories of persons within the own workforce were considered who, due to the specific characteristics of the activities performed, are or could be negatively or positively affected. In particular, persons working in production areas and those engaged in shift work (S3 (-) *Demanding work programs*), who are exposed to demanding conditions such as the handling of chemical substances, the operation of heavy machinery, or working in environments with extreme temperatures, face an increased risk to their health and safety. These persons may be more exposed to the **impact** (S8 (-) *Potential workplace accidents within the Group's own operations*), as well as to the **impact** (S7 (-) Occupational diseases), as a result of constant exposure to specific risk factors.

Furthermore, young employees, who are in the process of adapting to industry requirements, may encounter challenges related to professional integration, a lack of the necessary experience to manage complex tasks, and the need for an extended period of additional training and mentorship under working conditions. At the same time, female employees, in the context of low representation in the industry, may face challenges in accessing technical or leadership roles (S10 (-) *Underrepresentation of women in the workforce*).

At the same time, persons with disabilities (S13 (+) *Employment of persons with disabilities*), due to the nature of their specific needs, require special attention to ensure the adaptation of the workplace to their requirements and to prevent any additional risks.

To develop an in-depth understanding of these impacts on the workforce, the Group conducted direct consultations with employees, their representatives, and internal experts, thereby ensuring the proper identification and addressing of specific impacts. These efforts reflect our commitment to creating a safe, fair, and inclusive work environment for all employees.

The workforce represents ALRO Group's most important asset, serving as the foundation of its success and development. Without the professionalism and dedication of its employees, the Group would be unable to sustain its operations and strategic objectives. The Group is fully aware of the impacts it generates on the workforce and is constantly concerned with its well-being, through measures aimed at safety, equity, and professional development.

The double materiality assessment enabled the Group to identify significant actual and potential negative impacts, which are presented in the table below:

Significant negative impacts on the own workforce and their typology

	Significant Negative Impacts	Affected workforce category	Type of impact
1	**S3 (-)Demanding work programs**	Own employees with individual employment contracts and non-employee workers in production areas	Potential negative systemic impact
2	**S4 (-) Adequate wages**	Own employees with individual employment contracts and non-employee workers in production areas	Current negative systemic impact
3	**S7 (-) Occupational diseases**	Own employees with individual employment contracts and non-employee workers in production areas, as well as other Group employees performing different activities, even if risks are significantly lower	Current negative systemic impact
4	**S8 (-) Potential workplace accidents within the Group's own operations**	Own employees with individual employment contracts and non-employee workers in production areas, non-employee workers, as well as other Group employees performing different activities, even if the probability of occurrence is much lower	Potential negative impact, related to individual incidents
5	**S10 (-) Underrepresentation of women in the workforce**	Female persons working within the Group's own activities	Current negative systemic impact
6	**S14 (-) Protection of employees and customers personal data**	All Group employees	Potential negative systemic impact

The double materiality assessment also highlighted multiple positive impacts generated by the Group on the workforce. The table below presents the activities contributing to the generation of these positive impacts, alongside the categories of employees and non-employee workers within the own workforce who benefit from these favourable effects:

Significant positive impacts on the own workforce and their typology

Significant Positive Impacts	Activities generating the impact	Workforce affected
1 S1 (+) Secure employment	Implementation of CLA (Collective Labour Agreement) provisions across all Group companies	All own employees and non-employee workers of the Group with individual employment contracts, regardless of where they carry out their activity.
2 S5 (+) Existence of trade union structures and collective bargaining framework within the Group	Promotion of social dialogue through active and representative trade union structures	All own employees of the Group with individual employment contracts, regardless of where they carry out their activity.
3 S6 (+) Work-life balance	Implementation and application of the provisions of the Collective Labour Agreement (CLA) and national legislation	All own employees and non-employee workers of the Group with individual employment contracts, regardless of where they carry out their activity.
4 S9 (+) Ensuring a work environment that prohibits workplace violence and harassment	Implementation of the *Policy on preventing and combating harassment* based on sex, as well as moral harassment	The entire Group workforce, including all own employees with individual employment contracts, and non-employee workers performing activities within Group operations.
5 S12 (+) Professional development	Organisation of internal and external professional training courses	All own employees of the Group with individual employment contracts, regardless of where they carry out their activity, including non-employee workers
6 S13 (+) Employment of persons with disabilities	Inclusive recruitment, adaptation of workplaces to meet the needs of persons with disabilities, and promotion of diversity	The entire Group workforce, including all own employees with individual employment contracts performing activities within Group operations

Within the materiality assessment, the Group constantly evaluates the risks and opportunities stemming from impacts and dependencies on the own workforce, considering both internal factors and external influences that may affect the stability and competitiveness of its operations. In the process of identifying these risks and opportunities, the Group analyses how the availability and quality of human resources influence activities, as well as the effects generated by strict social and environmental regulations. At the same time, labour market volatility and increasingly high requirements regarding working conditions and employee protection are taken into account, aspects which can generate both operational risks and opportunities for process optimisation and the consolidation of a sustainable business model.

Risks and opportunities associated with the Group's own workforce and their effects

	Significant Risks / Opportunities	Derived from impact	Coverage and target groups	Effects of risks/ opportunities
1	**RO19: opportunity (+) Strengthening social dialogue and labour relations**	**S5 (+) Existence of trade union structures and collective bargaining framework within the Group**	All ALRO Group employees	Increased stability of labour relations. Improved communication between management and employees, which facilitates decision-making and the implementation of organisational changes. Increased employee trust.
2	**RO21 Health and safety risks in the workplace**	**S8 (-) Potential workplace accidents within the Group's own operations**	Employees and non-employee workers in production areas, those working in continuous shifts, operating heavy machinery, or handling hazardous materials, being more exposed to incidents and occupational diseases.	Risk associated with possible workplace accidents and potential legal implications, with the potential to negatively influence employee safety and operational costs. Increased absenteeism and occupational stress; Deterioration of the organizational climate and employee motivation; Negative reputation among the local workforce and authorities; Social tensions or trade union conflicts.
3	**RO23 Risks related to lawsuits filed by employees whose personal data have been disclosed or lost**	**S14 (-) Protection of employees and customers personal data**	All ALRO Group employees and non-employee workers	Loss of employee trust and deterioration of the organisational climate; Decreased motivation of the affected workforce; Deterioration of the Group's public image; Intervention by supervisory authorities.

In 2025, ALRO Group did not identify any significant impacts on its own workforce resulting from the implementation of transition plans aimed at reducing negative environmental impacts and adopting more sustainable and climate-neutral operations. The Group maintains constant monitoring of these aspects, ensuring a sustainable transition that does not generate major negative effects on employees.

ALRO Group is firmly committed to ensuring fair working conditions and respecting the fundamental rights of all its employees, in accordance with the highest ethical and legal standards. To this end, activities are constantly evaluated to identify and eliminate any potential risk of forced, compulsory, or child labour. No incidents associated with these forms of exploitation have been identified within the Group's operations or in the geographical regions where it operates. Alignment with Aluminium Stewardship Initiative (ASI) standards and compliance with national and international legislation enable the Group to promote a safe, responsible, and ethical business environment, characterised by zero tolerance towards any form of labour exploitation.

Although there are currently no reported cases of forced or child labour within the Group's operations, it recognises the importance of continuous monitoring and the implementation of robust prevention mechanisms. ALRO Group applies strict anti-slavery and anti-forced labour policies, complying with national and international regulations, and the risk of such situations occurring is almost non-existent given the rigorous supervision and strict compliance with applicable legislation. Ultimately, due to the nature of the operations and the jurisdictions covering our workforce, the Group is not exposed to the risk of incidents related to forced or child labour.

III.1.2. Managing impacts, risks and opportunities

III.1.2.1. [S1-1] Own workforce policies

The Group has implemented a series of policies guiding the processes of identification, assessment, management, and remediation of significant impacts on the own workforce, as defined through the double materiality assessment, as follows:

Policies related to the own workforce

Policy name	Applicability	MATERIAL TOPICS														
		S1 (+)	S3 (-)	S4 (-)	S5 (+)	RO19	S6 (+)	S7 (-)	S8 (-)	RO21	S9 (+)	S10 (-)	S12 (+)	S13 (+)	S14 (-)	RO23
1. Corporate Social Responsibility Policy	ALRO, ALUM, VE, VT	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
2. Human Rights Policy	ALRO, ALUM, VE, VT	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
3. Statement on combating modern slavery	ALRO, ALUM, VT		●								●					
4. Policy on preventing and combating harassment based on sex and moral harassment	ALRO										●					

1. Corporate Social Responsibility Policy - ALRO, ALUM, VE, VT

The *Corporate Social Responsibility Policy* has been implemented at the level of **ALRO**, **ALUM**, **VE**, and **VT** companies, covering various types of impacts, risks, and opportunities of the Group, including those associated with the own workforce. This policy integrates the principles of social responsibility, respect for human rights, and business ethics into internal processes regarding human resources, occupational health and safety, diversity, inclusion, and professional development, covering all categories of the own workforce without excluding any specific category.

Regarding working conditions and employee safety, the Corporate Social Responsibility Policy directly addresses impacts S1 (+) *Secure employment*, S7 (-) *Occupational diseases*, and S8 *Potential workplace accidents within the Group's own operations*, as well as the associated **risk** RO21 *Health and safety risks in the workplace*. Through its objectives of improving health and safety at the workplace and maintaining and enhancing the occupational health and safety management system, aligned with the ISO 45001:2018 standard, the policy confirms ALRO's commitment to providing a safe, healthy, and satisfying work environment. Through measures such as accident prevention, regular employee training, equipment modernisation, monitoring of occupational risk factors, and ensuring the necessary resources to achieve the 'zero accidents' objective, the policy contributes to reducing the incidence of occupational diseases and protecting employee health.

In the field of labour relations and social dialogue, the policy promotes freedom of association and the right to collective bargaining, covering the **positive impact** S5 (+) *Existence of trade union structures and collective bargaining framework within the Group,* as well as the **opportunity** RO19 *Strengthening social dialogue and labour relations.* Through its commitments regarding stakeholder engagement in the activities and decisions that affect them, the policy supports continuous consultation with employee representatives, consolidating mutual trust, the stability of labour relations, and preventing social tensions.

Regarding demanding working conditions, the **impact** S3 (-) *Demanding work programs* is covered indirectly through ALRO's explicit commitment to respect national and international human rights principles and legal requirements, including the provisions of the Labour Code and the fundamental Conventions of the International Labour Organization (ILO), as mentioned in the Policy. Through this commitment, ALRO ensures a compliance framework that guarantees respect for regulations concerning working time, rest periods, and fair working conditions, thereby contributing to the prevention of employee overwork and reducing the risk of fatigue or occupational stress.

The same approach also supports the positive **impact** S6 (+) *Work-life balance*, as compliance with these standards, alongside the policy objectives regarding respect for employees and assisting them in improving their lives, promotes the maintenance of a healthy organisational climate based on employee well-being and safety.

Through its objectives regarding respect for employees and assisting them in improving their lives, ensuring a safe, healthy, and professionally satisfying work environment, as well as promoting equal opportunities for employment and professional development, the *Corporate Social Responsibility Policy* manages, both directly and indirectly, a series of significant impacts on the own workforce. Thus, through its objectives concerning equal opportunities and fair employment practices, the policy contributes to addressing **impacts** S4 (-) *Adequate wages* and S10 (-) *Underrepresentation of women in the workforce,* ensuring fair treatment, equal opportunities, and equitable remuneration for all employees, in accordance with human rights principles and the provisions of labour legislation.

Through the objective of creating a safe, healthy, and satisfying work environment, the policy addresses **impact** S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*, promoting mutual respect, ethical behaviour, and an organisational culture based on integrity and psychosocial safety.

Through the objective regarding education and professional training, the policy covers **impact** S12 (+) *Professional development*, through ALRO's commitment to provide employees with training, upskilling, and specialisation programmes tailored to the requirements of the activities carried out within the company. These initiatives contribute to increasing skills, motivating employees and maintaining a skilled workforce over the long term.

At the same time, through the principle of respecting employees and assisting them in improving their lives, the policy supports the positive **impact** S13 (+) *Employment of persons with disabilities,* promoting fair and respectful treatment based on equal opportunities and non-discriminatory access to employment and professional development opportunities.

Regarding **impact** S14 (-) *Protection of employees and customers personal data* and the associated **risk** RO23 *Risks related to lawsuits filed by employees whose personal data has been disclosed or lost*, the *Corporate Social Responsibility Policy* does not contain explicit provisions regarding personal data protection.

However, through its objectives regarding corporate culture, business ethics, and the management of compliance and legal risks, the policy provides a general governance framework that supports responsible behaviour and the prevention of misconduct that could generate such risks.

Specifically, commitments regarding transparency, integrity, the prevention of compliance risks, and confidential reporting mechanisms contribute indirectly to strengthening a climate of responsibility and reducing potential incidents related to the improper use of information.

Details regarding the *Corporate Social Responsibility Policy* are presented in section

G1-Professional Conduct in this Sustainability Report.

2. Human Rights Policy - ALRO, ALUM, VE, VT

At the level of **ALRO**, **ALUM**, **VE**, and **VT** companies, the *Human Rights Policy* has been implemented, forming part of the primary governance framework for managing impacts, risks, and opportunities related to the own workforce, through its commitments to respect fundamental rights, equal treatment, occupational health and safety, freedom of association, fair working conditions, and personal data protection. By aligning with the Labour Code, the fundamental Conventions of the International Labour Organization (ILO), the Universal Declaration of Human Rights, and the UN Guiding Principles on Business and Human Rights, the policy provides a solid framework for preventing all forms of abuse, discrimination, exploitation, or violations of workers' rights. The policy covers all categories of the own workforce, without excluding any specific category.

Through its principles on health, security, and safety, the policy directly addresses **impacts** S1 (+) *Secure employment*, S7 (-) *Occupational diseases*, and S8 (-) *Potential workplace accidents within the Group's own operations*, as well as the associated **risk** RO21 *Health and safety risks in the workplace*. The policy stipulates ALRO's obligation to „take all necessary measures to protect the lives and health of employees", to assess and combat risks at the source, to promote workplace ergonomics, and to implement modern techniques and technologies for the prevention of accidents and occupational diseases. Thus, through these objectives, ALRO ensures a safe and healthy work environment, based on prevention, training, and organisational responsibility.

The Human Rights Policy indirectly covers **impact** S3 (-) *Demanding work programs,* through its principles regarding forced labour, human trafficking, and working time, which guarantee freedom of choice of employment and prohibit any form of exploitation or overwork.

By applying the legal provisions regarding the duration and organisation of work, rest periods, and decent employment conditions, the policy contributes to the prevention of professional burnout and to maintaining the balance between professional and personal life, associated with the positive **impact** S6 (+) *Work-life balance.*

Through the „Remuneration" section, the policy directly addresses **impact** S4 (-) *Adequate wages*, establishing the right of every employee to fair, non-discriminatory remuneration correlated with their professional qualification and skills. Through the commitment to motivate employees „competitively, in relation to the industry and national and local labour markets", ALRO contributes to ensuring a decent standard of living for its workforce and reducing the social risks associated with below-market wages.

The policy directly addresses **impact** S5 (+) *Existence of trade union structures and collective bargaining framework within the Group*, as well as the **opportunity** RO19 *Strengthening social dialogue and labour relations*. Through the „Freedom of association and collective bargaining" section, the policy confirms the right of employees to associate freely and to promote their economic and social interests through trade unions. ALRO actively promotes social dialogue, consultation, and collective bargaining, thereby strengthening the stability of labour relations and trust between parties, while preventing labour disputes.

Through its objectives regarding diversity, equity, and inclusion, equal opportunities, professional training, and the prohibition of discrimination and harassment, the *Human Rights Policy* addresses the following impacts*:* S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*, S10 (-) *Underrepresentation of women in the workforce,* S12 (+) *Professional development*, and S13 (+) *Employment of persons with disabilities*. The policy establishes concrete measures to prevent any form of discrimination or moral harassment, promotes the principle of equal opportunities between women and men, ensures the participation of all employees in professional training programmes, and guarantees equitable access to development, promotion, and reward. Through these commitments, ALRO contributes to strengthening an inclusive, safe, and fair work environment, where every employee is treated with dignity and respect.

The policy directly addresses **impact** S14 (-) *Protection of employees and customers personal data* and the associated **risk** RO23 *Risks related to lawsuits filed by employees whose personal data has been disclosed or lost*, through the 'Right to privacy and data protection' section. ALRO commits to managing personal data

„responsibly, transparently, and securely, in accordance with national and European legislation, including Regulation (EU) 2016/679 (GDPR)", collecting only strictly necessary data and using it exclusively for legitimate purposes. This framework ensures the prevention of confidentiality incidents and the reduction of legal risks, while simultaneously strengthening employee trust in the company's organisational practices.

The policy applies in all regions where ALRO operates, to all directors, managers, employees, collaborators, suppliers, and business partners. It covers all operational processes – production, procurement, distribution, and community relations – as well as the entire upstream and downstream value chain.

ALRO's General Director is responsible for setting strategic directions and approving the policy. Implementation is coordinated by the Human Resources Directorate, the Legal Department, the Sustainability Department, and the department directors. Progress is periodically reported to the Risk and Sustainability Committee and the Board of Directors.

Through its *Human Rights Policy*, ALRO commits to respecting national and international legal principles and requirements, including the Labour Code, the European Convention on Human Rights, the Universal Declaration of Human Rights, the fundamental Conventions of the International Labour Organization on fundamental principles and rights at work, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

In developing the policy, ALRO took into account the views and expectations of its stakeholders – suppliers, customers, local communities, and other relevant groups - through consultations conducted as part of the double materiality assessment. This process helped us better understand what matters to these groups and to prioritise the themes with the greatest impact on both the company and society.

Through this Policy, ALRO aims to create a unified and coherent framework for preventing any form of discrimination, abuse, exploitation, or violation of fundamental rights, while simultaneously promoting diversity, equal opportunities, decent working conditions, and respect for private life.

The policy is communicated to all employees and business partners. The policy is available on the websites of ALRO, ALUM, and VE, while for VT, it is available on the intranet, having similar content to that of the parent company.

Engagement with the own workforce is essential for respecting human rights, being achieved through consultation and reporting mechanisms such as social dialogue committees, regular meetings between management and trade union representatives, and internal surveys on working conditions and ethical principles. At ALUM, employees can use the *Operational Procedure for organising hearings* and Annual Satisfaction Reports to address their concerns, while at ALRO, the Operational Procedure for handling requests and grievances ensures a transparent and accessible process. At VE, the *Whistleblowing Policy* allows for the confidential reporting of violations of the law or internal regulations, thereby supporting an ethical and responsible work environment. These documents are presented within the *ESRS G1* - *Business Conduct* section.

Compliance monitoring is carried out through internal audits, health and safety committees, employee satisfaction surveys, and confidential reporting mechanisms. In the event of non-compliance, the Group has clear procedures for grievance handling, investigation, and remediation, ensuring a fair and transparent process.

3. Statement on Combating Modern Slavery - ALRO, ALUM, VT

ALRO Group has developed a *Statement on Combating Modern Slavery* at the level of **ALRO**, **ALUM**, and **VT** companies. The *Statement on Combating Modern Slavery* contributes directly to managing and preventing negative impacts on the own workforce, particularly those associated with exploitation, coercion, violations of fundamental freedoms, and unfair working conditions. It complements the provisions of the Human Rights Policy through a specific framework for preventing modern slavery, forced labour, human trafficking, and other forms of exploitation.

Through the principles of voluntary employment and fair working conditions, the Statement reinforces the obligation that work must be performed only on a voluntary basis, in compliance with the legal duration of working time, rest periods, and the right to leave,

thereby covering **impact** S3 (-) *Demanding work programs*. The prohibition of any form of coercion, retention of identity documents, abusive debt, or pressure on employees implicitly prevents overwork, forced labour through excessive hours, and other forms of abusive work scheduling.

Furthermore, the Statement promotes fair treatment, mutual respect, and a climate based on ethics and integrity. It prohibits any degrading, abusive, or coercive treatment – elements that underlie violence and harassment in the professional environment, thereby contributing to addressing **impact** S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*.

Details regarding the Human Rights Policy are presented in the *ESRS G1 – Business Conduct* section of this *Sustainability Report.*

Child labour and forced labour

ALRO Group explicitly addresses, through its policies, subjects such as human trafficking, forced or compulsory labour, and child labour. These principles are included in the *Code of Ethics and Conduct* (the document is presented in the *G1 Professional Conduct* section), which promotes respect for fundamental human rights, equal opportunities, and the elimination of discrimination.

The Group prohibits any form of child exploitation, accepting child labour only under conditions permitted by law, and categorically rejects forced labour, modern slavery, and human trafficking.

In addition, through the *Declaration on Combating Modern Slavery*, aligned with the international standards of the Aluminium Stewardship Initiative (ASI), the Group reaffirms its commitment to preventing these practices across all operations and supply chains.

The *Human Rights Policy* reinforces these commitments, highlighting the freedom of every individual to choose their place of work and profession, as well as the Group's obligation to maintain a safe, respectful work environment, free from any form of exploitation.

4. Policy on preventing and combating sexual harassment and moral harassment - ALRO

The document covers the sub-theme *Equal treatment and opportunities for all* and its main purpose is to support all categories of ALRO's own workforce, without excluding any specific category, by providing the essential resources and mechanisms for the protection and full exercise of their individual rights and freedoms within the work environment, in accordance with the provisions of Ordinance no. 137/2000 on the prevention and sanctioning of all forms of discrimination. The main objective of the policy is to prevent and combat any form of sexual harassment or moral harassment, by creating and maintaining a safe, inclusive work environment based on equal respect for human dignity. ALRO aims to ensure all employees, regardless of gender, age, or other personal characteristics, the necessary conditions for a professional climate built on trust, empathy, understanding, and professionalism, thereby covering **impact** S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*. The policy aims to maintain zero confirmed incidents of discrimination and harassment, while supporting diversity, equal opportunities, and an ethical and responsible organisational culture.

This document is addressed to all ALRO employees, as well as to the persons with whom they interact during working hours.

The *Policy on preventing and combating sexual harassment and moral harassment* a clear and comprehensive framework for identifying, reporting, and resolving cases of harassment, ensuring employee protection and promoting a respectful work environment. It defines the concept of harassment and provides concrete examples of physical, verbal, and non-verbal behaviours that may constitute workplace harassment, thereby contributing to the awareness and prevention of such situations.

ALRO provides its employees with secure and confidential channels for reporting harassment cases (post, email, online form, telephone, and suggestion boxes). Grievances are analysed by specialised departments, which ensure a prompt, impartial, and confidential resolution.

The responsibility for implementing the policy is shared among the following ALRO departments:

ALRO Human Resources Directorate; ALRO Legal Department; Directors of all company departments; ALRO Sustainability Department.

The policy is communicated to all stakeholders, being available on the ALRO company website *Policies, Reports and Certifications | ALRO*

Diversity, inclusion and prevention of workplace harassment

ALRO Group promotes an inclusive and respectful work environment through internal policies and regulations that prohibit any form of discrimination and harassment. The *Policy on preventing and combating sexual harassment and moral harassment* and the *Code of Ethics* and *Professional Conduct* establish clear rules for the prevention and elimination of discrimination, as well as sanctions for employees who commit such acts. The company applies a zero-tolerance policy towards harassment and actively supports equal opportunities and diversity through proactive information measures, periodic training, and awareness campaigns.

ALRO's policies explicitly aim to prevent discrimination on grounds such as sex, age, sexual orientation, gender identity, disability, religion, national or social origin, political opinions, as well as other forms of discrimination prohibited by national and European legislation.

The Group has made concrete commitments to the inclusion of people from vulnerable groups, such as persons with disabilities, and supports equal opportunities for all categories of employees. Through its human resources policies, ALRO ensures equitable access to recruitment, promotion, and professional training, encouraging the active participation of women and other underrepresented groups within the workforce.

Also, within the Group, adjustments to the physical environment are in place to ensure the health and safety of workers, customers and other visitors with disabilities, so there are special parking spaces allocated for people with locomotor disabilities.

The Operational Procedure Resolution of requests, notifications and complaints (whistleblower) PO-426 establishes clear stages for the submission, investigation, and resolution of grievances related to discrimination or other inappropriate behaviours, ensuring the confidentiality and protection of the persons involved. At the same time, employees benefit from a dedicated channel for reporting any breaches of internal policies, as well as support from the commission designated to analyse and resolve cases.

To promote diversity and inclusion, ALRO organises training and awareness sessions for employees regarding human rights, equal opportunities, and diversity. These sessions also include training based on the *Guidelines on prevention and combating of sexual harassment as well as moral harassment in the workplace*, implemented at the company level. Additionally, mitigation measures are periodically monitored and evaluated through internal reporting to ensure their effectiveness.

III.1.2.2. [S1-2] Processes for engaging with own workers and workers' representatives on impacts

Dialogue with the own workforce takes place both directly, through internal surveys and feedback mechanisms, and indirectly, through formal social dialogue structures. The processes are detailed in the following paragraphs. Indirectly, social dialogue is facilitated through regular meetings and negotiations between management and representatives of trade union organisations, which reflect the collective voice of the employees.

Employee consultations are conducted regularly through social dialogue committees, meetings between management and trade union representatives, as well as internal surveys that allow for the collection of feedback on working conditions and compliance with ethical principles. Social dialogue is a central element of the collaboration, materialised through annual meetings and whenever necessary, between trade union representatives and the employer. During these meetings, essential aspects regarding working conditions, remuneration, social protection, and other fundamental employee rights are advocated for and negotiated. Meetings for negotiating the clauses of the Collective Labour Agreement (CLA) typically take place annually, prior to the signing of the new CLA, and are formalised through minutes of the meeting. Additionally, supplementary meetings are organised for the negotiation and conclusion of addenda to the CLA.

Operational responsibility for ensuring effective collaboration during negotiations and the implementation of the Collective Labour Agreement's provisions rests with the General Director, who oversees the entire process, guarantees the respect of employee rights, and integrates the results of this collaboration into the company's strategic approach, promoting an equitable and inclusive work environment.

Responsibility for ensuring the conduct and efficiency of consultation and social dialogue processes rests with the Human Resources Director, who coordinates the organisation and effective functioning of social dialogue committees, as well as the facilitation of periodic meetings between management and trade union representatives.

At **ALUM**, employees have access to the *Operational Procedure for Organising Hearings*, which regulates the stages through which employees can address requests, complaints, grievances, and proposals to the company management via a hearing. Registrations for hearings are conducted at the ALUM Registry. Hearings are organised as often as necessary, depending on the requests received, and the timeframe for communicating conclusions and adopted measures is clearly stipulated in the procedure.

Operational responsibility for ensuring the efficient conduct of the hearing process and for managing the requests, complaints, grievances, and proposals addressed to management lies with the General Director.

Furthermore, within ALUM, through two system procedures: "Communication, consultation, participation" Code: PS-09/Rev.6/2020; and the procedure "Assessment of customer satisfaction and other ALUM stakeholders" Code: PO-134-04/Rev.5/2021, a consultation questionnaire regarding quality, environment, health and safety (OHS), energy, and social responsibility issues is sent annually to all employees, resulting in the *Employee Satisfaction Report*. The *Employee Satisfaction Report* is produced annually and includes conclusions based on employee responses compared to previous years, as well as proposals for improving working conditions.

Operational responsibility for ensuring collaboration and implementing the results obtained from the *Employee Satisfaction Report* rests with the Human Resources Manager, who coordinates the data collection and analysis process, integrates the conclusions and proposals into the organisation's strategy, and promotes initiatives aimed at constantly improving working conditions and employee satisfaction.

The entire collaboration process between ALRO Group and the trade unions is formalised through the signing of Collective Labour Agreements (CLAs) at the level of each Group company, with the exception of VT, which officially recognises that the provisions of the parent company's CLA also apply to its employees. These agreements represent a fundamental accord that regulates

the respect for employee rights and ensures an equitable and transparent work environment.

At **ALRO** Group level, the effectiveness of collaboration with the own workforce is evaluated during collective negotiations, formalised through the signing of Collective Labour Agreements and addenda, providing a formal framework for integrating employee perspectives and for the employer to undertake clear commitments. Additionally, ALUM evaluates the effectiveness of collaboration with its own workforce through annual internal employee satisfaction surveys, which include relevant conclusions, comparisons with previous years, and concrete proposals for improving working conditions. Furthermore, ALRO Group constantly monitors the implementation of the established measures using dedicated operational procedures, such as hearings and grievance mechanisms, which facilitate obtaining continuous and updated feedback from employees.

The collaboration processes presented above cover all categories of employees, regardless of sex, race, religious affiliation, sexual orientation, age, social origin, or any other criteria that could lead to discrimination.

III.1.2.3. [S1-3] Processes to remediate negative impacts and channels for own workers to raise concerns

To remedy the significant negative impacts generated on the workforce, ALRO Group implements clear processes for providing or contributing to remedy, through the identification, reporting, and remediation of adverse effects, as well as mechanisms for monitoring and evaluating the effectiveness of corrective measures.

To manage and remedy the **negative impact** associated with demanding work schedules (S3 (-) *Demanding work programs*), the Group prioritises the implementation of the provisions of the Collective Labour Agreements at each company level. These clearly define working conditions, including working hours, rest periods, and overtime compensation, thereby preventing employee burnout. In the event of intensive or unforeseen activities, compensatory measures are applied, such as granting additional time off or financial benefits.

The effectiveness of these measures is evaluated through the constant monitoring of working conditions, as well as through discussions during periodic meetings with trade union organisations, thereby ensuring the continuous adjustment of processes to minimise negative impacts on the workforce.

To manage and remedy the **negative impact** associated with the payment of minimum wages (S4 (-) *Adequate wages*), we implement salary scales regulated through the Collective Labour Agreement, which establishes clear and equitable criteria for employee remuneration. All employees benefit from salaries set in accordance with the qualifications, importance, and complexity of the activities performed, as well as their professional training and competencies. Additionally, we offer supplementary benefits, such as social facilities and bonuses, aimed at supporting employee wellbeing and reducing the economic impact upon them.

The effectiveness of remedy measures is evaluated through internal employee satisfaction surveys, periodic monitoring of wage conditions compared to market standards, and consultations with trade union representatives, thereby ensuring continuous improvements in the remuneration policy.

Regarding S7 (-) *Occupational diseases* and S8 (-) *Potential workplace accidents within the Group's own operations*, we attach particular importance to measures aimed at mitigating the effects generated by these impacts on our workforce.

ALRO Group implements remedy measures for affected employees, alongside preventive initiatives. These measures include providing social aid to impacted individuals, the free provision of medication for employees diagnosed with occupational bronchial asthma registered at the company's dispensary, as well as the periodic organisation of microclimate parameter assessments through the Noxious Substances Analysis and Evaluation Office.

The effectiveness of these measures is monitored through detailed employee health reports, collaborations with public health authorities, and periodic analyses of working conditions.

S10 (-) *Underrepresentation of women in the workforce* – Although the Group has implemented gender equality policies over the years, the process of integrating a diverse workforce can be difficult to achieve, given the specific nature of the industry.

Regarding the **potential impact** S14 (-) *Protection of employees and customers personal data*, we continuously implement measures to prevent potential cyberattacks. All company assets and IT infrastructure are used by employees in accordance with established internal rules and procedures. To this end, we have established a working group responsible for implementing cybersecurity measures. Given that cybersecurity is a high priority for us, this working group is coordinated by and reports directly to the General Director. The working group meetings take place weekly or whenever necessary.

In the event that a security breach affects the own workforce, strict response procedures are activated, in accordance with Operational Procedure PO-23-04 - *Information and Communication Resources Security,* which establishes the steps for detecting, remedying, and preventing the recurrence of incidents.

To support affected employees, rapid recovery mechanisms are implemented, such as restoring access to IT systems, specialised technical assistance, and transparent communication regarding corrective measures. Furthermore, employees are encouraged to report any irregularities through internal reporting channels, enabling us to react efficiently and minimise any potential negative consequences.

Furthermore, the *Good Practice Guide on Cybersecurity* provides employees with clear guidance on data protection and the secure use of IT infrastructure.

The effectiveness of remedy measures is periodically evaluated through internal audits, security testing, and risk indicator analysis, with the conclusions being integrated into the continuous improvement strategy.

ALRO Group has established several specific channels that allow its own workforce to express their concerns or needs directly to the company, thereby ensuring a prompt and efficient approach.

These channels include:

At **ALRO**, employees can submit complaints, grievances, or requests regarding human rights through the *Operational Procedure Resolution of requests, notifications and complaints (whistleblower)* (PO-426).

The procedure is also addressed to those ALRO employees who wish to express their viewpoint in the form of a request, complaint, or grievance concerning a potential breach of national legislation, the Collective Labour Agreement, the Code of Conduct, the Internal Regulations, or internal Procedures. The purpose of this procedure is to regulate the legal method for resolving requests, inquiries, grievances, and complaints.

These may be submitted whenever an employee deems it necessary. Reporting can be carried out either internal, using the company's postal address, the dedicated email (sesizari@alro.ro), or the online forms available on the company's website, as well as through face-to-face meetings with the person filing the report or via telephone through a voice messaging system, or externally to the competent public authorities and institutions.

All grievances are officially recorded in a monitoring register, receiving a unique identification number. The employee receives confirmation within 7 calendar days, and the grievance is classified based on its nature (working conditions, safety, remuneration, interpersonal relations) and directed to the responsible department. In the case of complex issues, interdisciplinary teams may be involved (Human Resources, Legal, Occupational Health and Safety), and for further investigations, internal inspections and consultations with specialists may be conducted.

Following the analysis, the responsible department determines the optimal solution, and the employee is informed within 30 calendar days. If further investigations are required, the deadline may be extended up to 90 days, with prior notification. Corrective measures are implemented, and ALRO monitors their effectiveness to prevent the recurrence of issues. If the solution is not final, additional

corrective actions are applied, adapted to the specific context.

All grievances are documented and tracked throughout the resolution process, and periodic reviews allow for the identification of trends and recurring issues. ALRO ensures the confidentiality of all reports and applies strict non-retaliation policies, preventing any negative consequences for employees. Reporting channels are constantly evaluated and optimised based on the feedback received, and in the case of complex issues, employees may request the support of a mediator.

The reports are presented to the company's management, who will appoint the individuals responsible for their resolution. The procedure also establishes the deadline for resolving the report.

In 2025, ALRO recorded three complains from employees, all of which were resolved by the end of the year (by October). The communication channels were used exclusively for requests for personal documents from former employees, which were processed and resolved promptly.

At **ALUM**, employees have access to the Operational Procedure for Organising Audiences and the Whistleblower Complaints, Requests, and Reports Procedure (PO-6-06). These procedures regulate the process through which staff can request and participate in direct meetings with management to express their concerns or needs. Requests for audiences are recorded in a specialised electronic register. Following a hearing, the General Director determines the resolution. In 2025, no requests for audiences were recorded.

At **VE**, employees have access to the Whistleblowing Policy and Procedure, through which employees and other stakeholders can submit grievances/complaints and petitions regarding human rights, in connection with a potential breach of the law, the Collective Labour Agreement, the Code of Conduct, the Internal Regulations, or internal procedures. The purpose of this policy is to provide guidance on how to report concerns and to ensure the confidentiality of the person reporting a breach. According to the procedure, reports can be submitted online on the Company's website via the dedicated email address or by completing the specific form provided for this purpose. In 2025, no grievances, complaints, or petitions were recorded.

The Group actively supports the operation of dedicated employee communication channels by allocating essential resources, such as specialised personnel responsible for their administration, modern IT infrastructure, and monitoring systems. Furthermore, clear rules and procedures are implemented to ensure the confidentiality and safety of employees using these channels, thereby promoting a transparent and inclusive working environment. To facilitate employee access to these resources, relevant policies and procedures are available both at the company's headquarters and on the internal INTRANET platform, providing an accessible framework for information and use.

To monitor and ensure the effectiveness of the grievance and reporting channels, we regularly analyse the issues raised through these channels, tracking how they are resolved and identifying opportunities for improvement.

Through the active and accessible communication of relevant policies by which the workforce can express their concerns or needs, we ensure a high level of employee awareness and trust in the existing structures and processes.

To protect employees against retaliation, existing policies clearly define the rights and obligations of whistleblowers, explicitly stipulating the prohibition of any form of retaliation against those who use the dedicated channels to report breaches. At the same time, we ensure the protection of the whistleblowers' identity and respect for confidentiality, preventing any acts of repression or sanctioning. These measures are essential for creating a safe and supportive environment in which employees can express themselves freely and communicate their concerns or needs.

Further information regarding the reporting channels, as well as the procedures and policies described above, is available in the *ESRS G1 - Business Conduct section* of this sustainability report.

III.1.2.4. [S1-4] Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

To ensure the achievement of the objectives set out in the policies regarding its own workforce, correlated with the related material impacts, risks, and opportunities, ALRO Group has operationalised these commitments under ***Pillar II – Healthy, Protected, and Prepared People*** of the 2025-2030 Sustainability Strategy. This pillar correlates the policies presented in *Section S1-1* with concrete actions, time horizons, monitoring indicators, and measurable targets, so that their implementation generates verifiable results across all own operations.

Main actions

Main actions		Timeframe	Expected results	Target	IRO materials
A1S1	**Implementing an integrated occupational health and safety program in all ALRO Group entities**	**2026-2030**	Ensuring a safe, fair and sustainable working environment by reducing professional risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, as well as by promoting social dialogue and freedom of association.	Maintaining an annual number of zero fatal accidents, as well as minimum number of work-related accidents with minor consequences	**S7 (-)** *Occupational diseases.* **S8 (-)** *Potential workplace accidents within the Group's own operations.* **RO21** *Health and safety risks*
A2S1	**Implementing a phased salary and benefits alignment program for executive positions.**	**2025-2030**		Progressively reduce the share of employees earning below the adequate wage level (50% of the national average gross wage), by at least 25% by 2030 compared to the 2024 level at the level of each company and at least to 5% at the Group level.	**S4 (-)** *Adequate wages.*
A3S1	**Updating the internal Procedure on Timesheet Preparation and Work Schedule Organization.**			Zero justified complaints received regarding overwork caused by exceeding working hours or lack of rest breaks.	**S3 (-)** *Demanding work programs.*
A4S1	**Ensuring full freedom for employees to join trade unions, to increase awareness of the right to associate and the benefits of union membership.**			Increasing awareness of the importance of union membership by organizing at least one campaign per year.	**S5 (+)** *Existence of trade union structures and collective bargaining framework within the Group.* **RO19** *Strengthening social dialogue and labour relations.*
A5S1	**Strengthening collaboration with existing trade unions.**				
A6S1	**Organizing annual training sessions for employees on personal data protection and IT risk prevention measures.**			Maintain zero significant cybersecurity incidents or personal data loss during the strategic period, in accordance with GDPR definitions and internal cybersecurity policies.	**S14 (-)** *Protection of employees and customers personal data.* **RO23** *Risks related to lawsuits filed by employees whose personal data have been disclosed or lost.*
A7S1	**Periodic testing of IT infrastructure through cyber-attack simulations (penetration testing) and review of security controls.**				

Main actions		Timeframe	Expected results	Target	IRO materials
A8S1	**Developing and implementing an internal program to increase gender diversity.**	**2025-2030**	Promoting an inclusive, safe and fair work environment that supports diversity, equal opportunities, prevention of harassment, respect for human rights and professional development of all employees.	Maintaining the share of women in the workforce at a minimum of 25% at Group level.	**S10(-)** *Underrepresentation of women in the workforce.*
A9S1	**Communicating the internal policy against harassment and violence and organising annual training sessions for all employees and managers,**			Maintain zero confirmed incidents of work-related discrimination and harassment.	**S9 (+)** *Ensuring a work environment that prohibits workplace violence and harassment.*
A10S1	**Facilitating the professional inclusion of people with disabilities by identifying positions compatible with reasonable accommodations, collaborating with specialized organizations, and providing managerial training on diversity and inclusion in the workplace.**			Further supporting the employment and inclusion of people with disabilities across the Group.	**S13 (+)** *Employment of persons with disabilities*
A11S1	**Strengthening the professional training program by maintaining and expanding "in-house" training, developing partnerships with authorized providers and educational institutions for scarce qualifications, integrating relevant themes (sustainability, efficiency, safety) into the content of training and monitoring their effectiveness**	**2025-2028**		Progressively increase the annual average of professional training hours per employee to a minimum of 15 hours by 2028, at Group level, compared to the level in 2023 (12.76 hours)	**S12 (+)** *Professional development.*

The scope of the main actions covers ALRO Group's entire workforce, being applicable to all individuals regardless of their geographical location. The effectiveness of these measures is monitored through the indicators included in the Sustainability Strategy (e.g., Annual number of recordable work-related accidents/ year, annual work-related accident rate per 1,000,000 hours worked, Annual number of work-related deaths (including occupational diseases), Annual number of recognised cases of occupational diseases, Annual number of participants in OHS training courses, Annual number of awareness campaigns organised, Annual value of investments in protective equipment, % of employees paid below the adequate wage level, Number of complaints received, % of employees trained annually in information security, number of significant IT security incidents reported annually, % of women in the workforce, average number of training hours per employee, etc.).

The identification of actions required to manage material impacts on the own workforce is carried out through an annual process integrated into ALRO Group's ongoing due diligence system. This process includes: the double materiality analysis, annual OHS risk assessments, internal compliance analysis with applicable labour legislation, the results of collective bargaining, feedback collected through satisfaction surveys, audiences and grievances, the analysis of historical data regarding accidents, occupational diseases and complaints, and consultations with workers' representatives. Based on these mechanisms, ALRO Group prioritises actions according to the severity and likelihood of the impacts, distinguishing between actual negative impacts and potential negative impacts, as well as between preventive actions and measures that can generate actual positive impacts.

For current negative impacts, **ALRO** implements remedial measures in addition to preventive actions:

- S7 (-) *Occupational diseases*: re-evaluating workstations, ensuring medical treatment and recovery leave, professional retraining for roles without exposure, and the immediate implementation of corrective measures identified by the OHS committees.
- S4 (-) *Adequate wages*: individual review of cases where the wage is below the adequate level, phased salary adjustments based on available resources, and the provision of additional compensation in situations where imbalances are identified.
- S10 (-) *Underrepresentation of women in the workforce*: rebalancing actions by prioritising qualified female candidates, adapting workstations to integrate women into technical roles, and correcting isolated instances of discrimination.

ALRO Group makes every necessary effort to ensure that its operational and managerial practices do not generate additional material negative impacts beyond those identified through the double materiality process, do not exacerbate existing actual impacts, and do not turn potential ones into actual impacts. To this end, the Group has established internal controls and monitoring mechanisms that prevent additional effects on employees, as follows.

- S3 (-) *Demanding work programs* (potential impact) - The Group systematically monitors working time and overtime, verifies time sheets, and applies strict approval procedures to prevent situations of overwork.
- S4 (-) *Adequate wages* (current impact) - Periodic salary evaluations, equity analyses and remuneration policy reviews ensure that internal practices do not perpetuate or aggravate situations of compensation below the adequate level.
- S7 – *Occupational diseases* (current impact) and S8 (-) *Potential workplace accidents within the Group's own operations* (potential impact) - Internal OHS audits, risk assessments, and ongoing corrective measures ensure that occupational exposure does not exceed controllable limits and that no new health risks are generated, and regular training prevents identified risks from turning into actual incidents.
- S10 (-) *Underrepresentation of women in the workforce* (current impact) - The monitoring of recruitment and promotions, the supervision of decision-making processes, and diversity policies prevent the perpetuation or exacerbation of gender imbalances.
- S14 (-) *Protection of employees and customers personal data* (potential impact) - Periodic IT testing, data access controls, and annual training sessions ensure that internal practices do not lead to data leaks or confidentiality breaches.

In situations where tensions may arise between commercial objectives (e.g., productivity, cost reduction) and the prevention of negative impacts on employees, ALRO applies the overriding principle of „safety before production". In this regard: production schedules are adapted to comply with the legal limits of working time; investments in safety and OHS are carried out regardless of the economic context; decisions regarding minimum wages are prioritised as much as possible within budgeting to reduce the current S4 negative impact; the recruitment and training process is maintained even in periods of operational pressure, but at a minimum level.

With regard to the material risks and opportunities identified, the Group focuses as a priority on identifying and implementing solutions that avoid or reduce financial impacts on the Group, while simultaneously ensuring the exploitation and promotion of the identified opportunities.

In addition to the indicators already included in the Strategy, the effectiveness of the actions is evaluated through: internal audits, annual analyses conducted by the social dialogue committees, annual assessments of human resources processes, and reporting to the Risk and Sustainability Committee and the Board of Directors. The results are used to adjust action plans and update priorities.

Actions implemented or initiated in 2025

In 2025, ALRO Group continued to implement measures to mitigate the identified impacts and risks, both in accordance with the 2025-2030 Sustainability Strategy and outside its framework. Thus, the following actions were implemented:

- The renegotiation of the Collective Labour Agreement (CLA) and the signing of the CLA for 2025 at the level of ALRO, ALUM, and VE, thereby ensuring measures to mitigate all material negative impacts and to maximise all positive ones.
- Maintaining the working schedule management mechanisms, whereby overtime was either compensated with equivalent time off or paid in accordance with the CLA provisions, conducting periodic checks to ensure compliance with legal working hour limits, thus reducing the risk of overwork and fatigue among employees and contributing to the mitigation of impact S3 (-) *Demanding work programs*.

- Maintaining the application of transparent salary structures, based on qualification, importance, and job complexity, in accordance with the provisions of the Collective Labour Agreement, and the granting of both financial and non-financial benefits, thereby contributing to the mitigation of impact S4 (-) Adequate wages.
- The review of the following policies and procedures: the Procedure for Requests, Notifications, and Complaints (Whistleblower); PO–407 Procedure for Professional Training in ALRO; PO–1700 Operational Procedure for Occupational Health and Safety Training; PS–018 Procedure for Planning, Hazard Identification, Risk Assessment and Control; the Policy on Preventing and Combating Sexual and Moral Harassment; PO-422 Procedure for the Protection of Individuals with regard to the Processing of Personal Data; and the Human Rights Policy, as well as the approval within ALUM of a new policy, PO-6-06: Handling of Whistleblower Requests, Notifications, and Complaints. This measure contributed to the management of impacts S7 (-) *Occupational diseases*, S8 (-) *Potential workplace accidents within the Group's own operations*, RO21 *Health and safety risks in the workplace*, S14 (-) *Protection of employees and customers personal data*, RO23 *Risks related to lawsuits filed by employees whose personal data have been disclosed or lost*, S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*, S12 (+) Professional development, S10 (-) *Underrepresentation of women in the workforce*, S13 (+) *Employment of persons with disabilities*, and S1 (+) *Secure employment*.
- Training and retraining sessions were conducted for the Code of Ethics and Conduct and the Human Rights Policy, providing employees with a clear understanding of the principles of equality and inclusion (ALRO, VE), thereby contributing to the mitigation of impact S10 (-) *Underrepresentation of women in the workforce*, and to the maximisation of positive impact S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*.
- The implementation of procedure PO-422 – *Procedure for the protection of individuals with regard to the processing of personal data continued*, and the annual cybersecurity risk assessment was conducted to maintain compliance with current regulations and to guarantee a legal, fair, and transparent data collection and processing process for employees and customers, thereby contributing to the mitigation of impact S14 (-) *Protection of employees and customers personal data* RO23 *Risks related to lawsuits filed by employees whose personal data have been disclosed or lost*.
- To support the positive impact S9 (+) *Ensuring a work environment that prohibits workplace violence and harassment*, the implementation of the *Guidelines on Preventing and Combating Gender-based Harassment and Moral Harassment in the Workplace*.
- The continuation of professional training programmes for employees to enable the development of professional skills and abilities, and the creation reserve of qualified, authorised, or specialised personnel based on internal needs, thereby maximising the effects of impact S12 (+) *Professional development.*
- Maintaining adequate working conditions for special categories of employees, such as people with disabilities, young employees, or pregnant women, by assigning them to roles that allow them to carry out their activity safely, without being exposed to additional risks. (S13 (+) *Employment of persons with disabilities*).

To support the actions undertaken to reduce the negative effects generated by this impact, financial resources have been allocated, as detailed in the table below:

Resources allocated for actions implemented or started (RON)

	Current (2025)	2024
Resources allocated for the payment of overtime worked (OpEx) (ALRO)	5,309,003	3,933,239
Resources allocated for the payment of overtime worked (OpEx) (ALUM)	0	0
Resources allocated for the payment of overtime worked (OpEx) (VE)	3,452,531	3,210,522
Average percentage of wage increases (ALUM)	n.a.	n.a.
Average percentage of wage increases (VE)	13.06%	7%
Resources allocated for benefits granted to employees who have developed occupational diseases (ALRO)	39,900	33,600
Resources allocated for professional training programs (OpEx) (ALRO)	716,924	626,610
Resources allocated for professional training programs (OpEx) (ALUM)	8,368	n.a.
Resources allocated for vocational training programs (OpEx) (VE)	34,898	176,320
Resources allocated for vocational training programs (OpEx) (VT)	n.a.	n.a.

The other actions implemented in 2025 did not require the allocation of dedicated financial resources (OpEx or CapEx) to ensure access to essential resources, as the measures implemented so far have been integrated into the Group's existing operational and compliance processes and have been carried out by internal staff as part of their current duties.

For the actions planned for the 2026-2030 period, the necessary resources (OpEx or CapEx) are to be evaluated, considering that some will be implemented internally by the responsible personnel, while certain specialised activities may be carried out with the support of external consultants. At this stage, a detailed financial estimate has not been established; this will be defined as the operational plans are developed. The Group's ability to implement the planned actions does not depend on external preconditions, and no dedicated sustainable financing instruments are envisaged, although these may be assessed at a later stage, depending on needs.

The Group is guided by the Human Rights Policy, the Collective Labour Agreements (CLAs), and the Code of Ethics and Conduct, fundamental documents that establish clear principles regarding the protection of employee rights, equal opportunities, and the prevention of any form of discrimination or abuse. These policies are integrated and communicated to all suppliers, ensuring that the supply chain adheres to the same ethical and social standards.

Regarding employee protection, the Group encourages the use of the whistleblowing system, which provides a secure and confidential mechanism for reporting any irregularities, misconduct, or breaches of ethical principles. Furthermore, all new employees are trained on anti-corruption and anti-fraud policies, and the monitoring and control of risks and opportunities are conducted continuously to ensure a safe, fair, and compliant working environment in accordance with current regulations.

Through these integrated measures, the Group ensures that its operational and commercial practices are aligned with the highest standards of sustainability and social responsibility, protecting the rights and well-being of its employees.

III.1.3 Indicators and targets

III.1.3.1. [S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ALRO Group has established targets and actions aimed at strengthening the monitoring of impacts and opportunities specific to the ESRS Affected Communities theme through the 2025-2030 Sustainability Strategy. Regarding the material impacts, risks, and opportunities identified in relation to its own workforce, ALRO Group monitors the effectiveness of its actions through measurable, time-bound targets included in the 2025-2030 Sustainability Strategy. These targets aim at:

1. **TARGET:** **Maintaining zero fatal accidents annually, as well as keeping the number of work-related accidents with minor consequences as low as possible.**
2. **TARGET:** **The progressive reduction of the proportion of employees earning below the adequate wage level (50% of the national average gross salary) by at least 25% by 2030 compared to the 2024 level at each company level, and to at least 5% at Group level.**
3. **TARGET:** **Zero justified complaints received regarding overwork caused by exceeding working hours or the lack of rest breaks.**
4. **TARGET:** **Increasing the level of awareness regarding the importance of trade union membership by implementing at least one campaign per year.**
5. **TARGET:** **Maintaining zero significant cybersecurity incidents or personal data breaches throughout the strategic period, in accordance with GDPR definitions and internal cybersecurity policies.**
6. **TARGET:** **Maintaining the proportion of women in the workforce at a minimum of 25% at Group level.**
7. **TARGET:** **Maintaining zero confirmed incidents of work-related discrimination and harassment.**
8. **TARGET:** **Continuing to support the professional inclusion of people with disabilities at Group level.**
9. **TARGET:** **The progressive increase of the average annual professional training hours per employee to a minimum of 15 hours by 2028 at Group level, compared to the 2023 level (12.76 hours).**

Progress is measured annually, based on internal evaluation processes and reporting provided by the Group's entities. The methodology for setting targets related to the own workforce was based on an integrated analysis of ALRO Group's internal data regarding occupational health and safety, wage distributions, working time, workforce structure, internal notifications and complaints, the history of collective bargaining, cybersecurity incidents, professional training programmes, and the current level of diversity and inclusion. This information was correlated with Romanian labour legislation, GDPR, Collective Labour Agreements, ISO 45001 standard, ILO conventions, UN human rights standards, and industry best practices.

The targets and actions related to the own workforce were defined by the specialised directorates, the sustainability team, and the Human Resources Department, in collaboration with the Sustainability Department, based on the presented internal analyses. The proposals were validated by the General Director of ALRO and approved by the Risk and Sustainability Committee, ensuring alignment with the Group's strategic objectives and ESRS requirements.

The monitoring of targets is carried out annually through outcome indicators specific to each target and output indicators specific to each action, such as: the occupational accident rate, the number of recordable accidents, the number of notifications regarding overwork, the proportion of employees below the adequate wage level, the level of unionisation and

participation in social dialogue, the number of cybersecurity incidents, the proportion of women in the workforce, the number of confirmed harassment incidents, the number of professionally integrated employees with disabilities, and the average annual professional training hours, etc. The annual evaluation allows for the adjustment of actions, the introduction of additional measures where necessary, and the correlation of the progress achieved with the identified material risks and impacts.

The scope of the targets includes all companies within ALRO Group and fully covers its own workforce, regardless of location, occupational level, or contractual status. The indicators are applied uniformly across the Group, and their analysis is integrated into the internal reporting, compliance, and performance management processes.

Through these commitments, the Group simultaneously aims to reduce negative impacts, prevent the materialisation of potential negative impacts, and strengthen existing positive impacts. This framework contributes to increasing the Group's ESG maturity and ensuring a safe, fair, and sustainable working environment for all employees.

TARGET 1

Maintaining zero fatal accidents annually, as well as keeping the number of work-related accidents with minor consequences as low as possible.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: 'Ensuring a safe, fair, and sustainable working environment by reducing occupational risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working and remuneration conditions for all Group employees, as well as by promoting social dialogue and freedom of association', contributing to the management of impacts S7, S8, and risk RO21. Theme: Own workforce – sub-theme: Occupational health and safety.
(b) **Defined target level**	Maintaining zero fatal accidents annually and the continuous reduction of work-related accidents with minor consequences.
Type of target	Absolute (zero fatalities); quantitative (maintaining the lowest possible number of work-related accidents with minor consequences).
Unit of measure	Number of fatal accidents; Number of work-related accidents; Total Recordable Injury Integrity Rate (TRII); Incident Severity Rate (ISR).
(c) **Scope**	All employees within the own workforce of all ALRO Group entities.
(d) **Reference year**	n.a. (zero-defect target – continuously applicable).
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not formally defined; monitored annually through the evolution of TRII and GGI indicators.
(f) **Methodologies and assumptions**	The methodology was based on the analysis of historical data regarding work-related accidents (2019–2024), risk assessments in the production departments, internal and external OHS audit reports, the analysis of near-miss events, as well as ISO 45001 requirements and national legislation in the field of occupational health and safety. The fundamental hypothesis is that continuous investment in protective equipment, ongoing training, active monitoring, and a culture of prevention can maintain the zero-fatalities threshold and progressively reduce minor accidents.
Alignment with standards	Prevention-oriented social target; based on technical standards and OHS analyses, rather than predictive scientific models.
(g) **Scientific basis**	The target was established internally by the specialised OHS directorates, the operational directorates, HR, and the sustainability team; there were no external consultations with stakeholders.
(h) **Stakeholder involvement**	Possible adjustments to the indicators or the intensity of training programmes, depending on the evolution of operational risks and the results of OHS audits.
(i) **Future changes**	Annual monitoring through the target's outcome indicators and the output indicators of the implemented actions; reporting is conducted annually within the sustainability report and the internal OHS management system.
(j) **Performance and Monitoring**	Annual monitoring based on the target's result indicators and the output indicators of the implemented actions; reporting is carried out annually through the sustainability report and within the internal OHS management system

PERFORMANCE IN ACHIEVING THE TARGET

Target: Zero fatal accidents and continuous reduction in minor work accidents

2025 Performance

The activity continued as planned. In 2025, the following were recorded:

0
fatal accidents (ALRO Group)

12
recordable workplace accidents, of which 1 was minor (ALRO, VE)

2.44
Total Recordable Incident Rate* – TRII(ALRO Group). (ALRO - TRII - 1.77)

146,04
Accident Severity Index (ALRO)– GGI **

4
cases of recognized occupational diseases (ALRO)

2,890
participants in OHS courses/training (ALRO Group)

979
internal OHS inspections/checks carried out (ALRO Group)

2,784,864
RON Annual expenditure on protective equipment (ALRO, ALUM and VE)

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2024	Status
ALRO Group	Zero fatal accidents	0	0	Target achieved
	Continuous reduction in workplace accidents with minor consequences ***	1	1	Target achieved

** Total Recordable Incident Rate is calculated by dividing the number of cases in the reporting year by the total number of hours worked by persons in the own workforce and multiplying by 1,000,000*

*** The calculation of the GGI (Accident Severity Index) is performed by dividing the number of medical leave days recorded for the reporting year by the total number of hours worked within the own workforce and multiplying by 1,000,000.*

**** In accordance with Law 319/2006, a minor accident is defined as an event resulting in superficial injuries that require only first aid and have led to an incapacity for work lasting less than 3 days*

TARGET 2

Progressive reduction in the proportion of employees earning below the adequate wage level (50% of the national gross average wage) by at least 25% by 2030 compared to the 2024 level at each company and by at least 5% at Group level.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Ensuring a safe, fair and sustainable working environment by reducing occupational risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, and promoting social dialogue and freedom of association." contributing to the management of S4 impacts (-) Adequate wages (current impact). Theme Own workforce – sub-theme: Adequate wages.
(b) **Defined target level**	Progressively reduce the proportion of employees earning below the adequate wage (50% of the national gross average wage) by at least 25% by 2030 at each company and by a maximum of 5% at Group level.
Type of target	Quantitative, relative (percentage reduction from the reference level).
Unit of measure	% of employees below the adequate wage level
(c) **Scope**	All employees in the workforce of all ALRO Group entities.
(d) **Reference year**	2024
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Non defined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of internal wage distributions for each company, comparing them with the adequate wage threshold (50% of the national gross average wage), the provisions of the Collective Labour Agreements, the requirements of labour legislation, and international standards on decent work (ILO). The main hypothesis is that progressive wage adjustments carried out annually lead to a reduction in inequalities and the mitigation of the social risk associated with impact S4.
Alignment with standards	ILO Conventions on adequate minimum wage and fair treatment; the Labour Code. SDG 3 - Good Health and Well-being; SDG 5 - Gender Equality; SDG 8 - Decent Work and Economic Growth;
(g) **Scientific basis**	n.a. (social target, based on normative and economic criteria).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the Economic Directorates, the Sustainability Team, and the Sustainability Department; it was validated by the General Director and approved by the Risk and Sustainability Committee. Employees were not directly consulted in setting the target, but their perspectives were integrated through internal surveys and negotiations with trade union representatives.
(i) **Future changes**	Possible adjustments to wage thresholds depending on the evolution of the national gross average wage and legislative changes regarding the adequate wage.
(j) **Performance and Monitoring**	Annual monitoring through the indicator: % of employees below the adequate wage threshold, reported separately for each Group company and consolidated at Group level. Annual progress is analysed against the 2030 target and is presented in the sustainability reporting.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Progressive reduction in the proportion of employees earning below the adequate wage (50% of the national gross average wage) by ≥25% by 2030 at each company and ≤5% at Group level. *Salary: 4,685.5 RON (50% of the national average gross salary).*

2025 Performance

The activity is currently being implemented.

In 2025, the percentages of employees below the adequate wage level were:

0.25%	0%	0.27%	0%	0.24%
(6 persons) **ALRO**	(0 persons) **ALUM**	(1 person) **VE**	(0 persons) **VT**	(7 persons) at Group level

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2024	Status
ALRO Group	Progressive reduction in the proportion of employees earning below the adequate wage (50% of the national gross average wage) by ≥25% by 2030 at each company and ≤5% at Group level	0.2%	7%	Target achieved

TARGET 3

Zero justified complaints received regarding overwork caused by exceeding working hours or the lack of rest breaks

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Ensuring a safe, fair, and sustainable working environment by reducing occupational risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working conditions and remuneration for all Group employees, and promoting social dialogue and freedom of association." contributing to the management of S3 impacts (-) Demanding work programs (potential impact). Theme: Own workforce – sub-theme: Working time.
(b) **Defined target level**	Zero justified complaints regarding overwork caused by exceeding working hours or lack of legal breaks.
Type of target	Absolute (0 justified complaints).
Unit of measure	Number of justified complaints/year.

(c) **Scope**	All employees within the own workforce of all ALRO Group entities.
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (annual monitoring to confirm maintenance of level 0).
(f) **Methodologies and assumptions**	The methodology was based on the analysis of timesheets, the number of overtime hours, internal grievances regarding working hours, and compliance with Labour Code provisions concerning working time duration and mandatory rest breaks. The working hypothesis is that overwork can be prevented through updated procedures, correct shift planning, and the training of personnel with scheduling responsibilities.
Alignment with standards	The Labour Code (working time and rest periods), ILO Conventions on working hours and health protection. SDG 3 – Good health and well-being; SDG 5 –Gender Equality; SDG 8 – Decent work and economic growth;
(g) **Scientific basis**	n.a. (social target, based on normative criteria).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources and OHS Directorates, validated by the General Director, and approved by the Risk and Sustainability Committee. Employees were not directly consulted in setting the target; however, their perspectives were integrated through internal surveys and negotiations with trade union representatives.
(i) **Future changes**	Possible adjustments depending on the evolution of labour legislation regarding working time or following recommendations from labour inspectorates.
(j) **Performance and Monitoring**	Annual monitoring through the number of justified complaints. Annual progress is analysed against the 2030 target and is presented in the sustainability reporting.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Zero justified complaints received regarding overwork caused by exceeding working hours or the lack of rest breaks

2025 Performance

The implementation of measures has begun. In 2025, there were:

0
complaints

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2024	Status
ALRO Group	Zero justified complaints received regarding overwork caused by exceeding working hours or the lack of rest breaks	0	0	Target achieved

TARGET 4

Increasing the level of awareness regarding the importance of trade union membership by implementing at least one campaign per year.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: „Ensuring a safe, fair, and sustainable working environment by reducing occupational risks, promoting occupational health and safety, preventing overwork, guaranteeing adequate working and remuneration conditions for all Group employees, as well as promoting social dialogue and freedom of association", contributing to the management of impacts S5 and RO19. Theme: Own Workforce – sub-theme: Freedom of Association; Collective Bargaining; Social Dialogue.
(b) **Defined target level**	Organising a minimum of 1 awareness campaign/year regarding the right of association and monitoring the percentage of employees covered by representative bodies.
Type of target	Absolute (minimum number of campaigns organised/year)
Unit of measure	Number of campaigns/year; % of employees covered by representative bodies.
(c) **Scope**	All employees within the own workforce of all ALRO Group entities.
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (annual monitoring)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of current unionisation levels, the history of collective bargaining, the functioning of social dialogue committees, and European recommendations on worker participation. The working hypothesis used: increasing awareness leads to the strengthening of social dialogue and employee participation in decision-making processes relevant to working conditions.
Alignment with standards	The Labour Code, ILO Conventions No. 87 and 98 on the right to organise and collective bargaining. SDG 3 – Good health and well-being; SDG 5 –Gender Equality; SDG 8 – Decent work and economic growth;
(g) **Scientific basis**	n.a. (social target).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the Sustainability Team, and the Sustainability Department; it was validated by the General Director and approved by the Risk and Sustainability Committee. Employees were not directly consulted in setting the target, but their perspectives were integrated through internal surveys.
(i) **Future changes**	Possible adjustments regarding the type or frequency of campaigns, based on feedback from employees and trade union organisations.
(j) **Performance and Monitoring**	Annual monitoring through the number of campaigns conducted, the materials distributed, the number of participants, and the evolution of the percentage of employees covered by representative bodies.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Organising a minimum of 1 campaign/year on the importance of trade union membership and monitoring the level of union density.

2025 Performance

The activity has not been started.
In 2025, the monitored indicators were:

72%
of employees covered by representative structures (trade unions)

4
meetings organized with trade unions/year

TARGET 5

Maintaining zero significant cybersecurity incidents or personal data breaches throughout the strategic period, in accordance with GDPR definitions and internal cybersecurity policies.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: „Ensuring a safe and responsible digital environment by preventing information security incidents, protecting the personal data of employees and other stakeholders, and complying with applicable legal standards and requirements in the field of data protection and cybersecurity", contributing to the management of impacts S5 and RO19. Theme: Own Workforce – sub-theme: Confidentiality.
(b) **Defined target level**	Zero significant IT security incidents or personal data loss/year
Type of target	Absolute (0 incidents/year).
Unit of measure	Number of significant incidents/year.
(c) **Scope**	All employees in the workforce of all ALRO Group entities.
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (annual monitoring).
(f) **Methodologies and assumptions**	The methodology was based on the annual IT risk analysis, security control audits, penetration testing results, the incident history from 2019–2024, GDPR requirements, and best practices. Working hypothesis: the implementation of mandatory training, IT controls, and periodic testing allows for maintaining the residual risk at a minimum level (0 incidents). ALRO actively monitors the requirements of Directive (EU) 2022/2555 on measures for a high common level of cybersecurity across the Union (NIS 2 Directive) and is taking steps towards gradual alignment with the applicable obligations, based on the sector of activity and the level of importance and impact of the systems and services provided. The Company has integrated cybersecurity risk management principles into its governance framework, implementing appropriate technical and organisational measures for the prevention, detection, and management of cyber incidents. Furthermore, ALRO tracks national and European legislative developments related to NIS 2 and collaborates with relevant stakeholders to ensure continuous compliance and to contribute to the organisation's operational and digital resilience.
Alignment with standards	GDPR SDG 16 – Peace, justice and strong institutions.

(g) **Scientific basis**	n.a. (social target).
(h) **Stakeholder involvement**	The target was set internally by the IT, Legal, and HR departments, together with the sustainability team. Employees were not directly consulted in setting the target; however, their perspectives were integrated through internal surveys.
(i) **Future changes**	Periodic adjustment of IT measures based on the evolution of cyber risks and legal requirements.
(j) **Performance and Monitoring**	Annual monitoring through indicators: Number of significant information security incidents reported annually, Number of confirmed personal data breaches, % of employees trained annually in the field of information security.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Maintaining a zero-incident rate for significant information security breaches or personal data losses.

2025 Performance

The activity has been initiated. In 2025, the monitored indicators recorded the following values:

0
significant IT security incidents reported annually

0
confirmed personal data breaches

100%
of employees trained in information security

100%
of personal data users trained (82 employees are personal data users)

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2024	Status
ALRO Group	Maintaining a zero-incident rate for significant information security breaches or personal data losses.	0	0	Target achieved

TARGET 6

Maintaining the proportion of women in the workforce at a minimum of 25% at Group level.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: „Promoting an inclusive, safe, and fair working environment that supports diversity, equal opportunities, the prevention of harassment, respect for human rights, and the professional development of all employees", contributing to the management of impact S10. Theme: Own Workforce – sub-theme: Diversity.
(b) **Defined target level**	Maintain a minimum of 25% women in the workforce at Group level.
Type of target	Absolute (fixed minimum percentage).
Unit of measure	Percentage (%) of women in the workforce.
(c) **Scope**	All female employees in the workforce of all ALRO Group entities.
(d) **Reference year**	2024
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (progressive annual monitoring)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of the current workforce structure, the identification of roles compatible with female occupancy, the recruitment and promotion history, internal barriers, as well as industry best practices regarding gender diversity. The hypothesis is that the implemented measures (job adaptations, targeted recruitment, development of high-potential women) allow for maintaining a minimum level of 25% women in the workforce.
Alignment with standards	ILO Conventions and EU standards on equal opportunities. SDG 4 –Quality education; SDG 5 – Gender equality; SDG 10 – Reduce inequalities;
(g) **Scientific basis**	n.a. (Social target).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the Sustainability Team, and the Sustainability Department, it was validated by the General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	Possible adjustment of the target depending on labour market dynamics and the results of internal programmes.
(j) **Performance and Monitoring**	Annual monitoring through: % of women in the total workforce. The annual progress is presented in the Sustainability Report.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Maintain a minimum of 25% women in the workforce at Group level.

2025 Performance

The activity is currently being implemented. In 2025:

25.74%
share of women in the workforce

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2024	Status
ALRO Group	Maintain the proportion of women in the workforce at a minimum of 25% at Group level	25.74%	25.20%	Target achieved

TARGET 7

Maintaining zero confirmed incidents of work-related discrimination and harassment.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: „Promoting an inclusive, safe, and fair working environment that supports diversity, equal opportunities, the prevention of harassment, respect for human rights, and the professional development of all employees", contributing to the management of impact S9. Theme: Own Workforce – sub-theme: Measures against Violence and Harassment in the Workplace.
(b) **Defined target level**	Zero significant incidents of confirmed discrimination and harassment related to work.
Type of target	Absolute (zero incidents/year).
Unit of measure	Number of significant incidents/years.
(c) **Scope**	All employees in the workforce of all ALRO Group entities.
(d) **Reference year**	n.a.
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (annual monitoring)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of grievances from the 2019–2024 period, the assessment of psychosocial risks, the application of legislation on equal treatment and the prevention of harassment, as well as international best practices on human rights protection. Working hypothesis: a robust system of training, communication, and reporting mechanisms allows for maintaining a constant level of zero confirmed incidents.
Alignment with standards	SDG 4 –Quality education; SDG 5 – Gender equality; SDG 10 – Reduce inequalities;

(g) **Scientific basis**	n.a. (social target).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the Sustainability Team, and the Sustainability Department; it was validated by the General Director and approved by the Risk and Sustainability Committee. Employees were not directly consulted in setting the target, but their perspectives were integrated through internal surveys.
(i) **Future changes**	Possible adaptation of training programmes and reporting channels should internal developments require it.
(j) **Performance and Monitoring**	Annual monitoring through: number of confirmed incidents, % of employees trained, number of annual campaigns or internal communications regarding the anti-harassment policy.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Maintaining zero confirmed incidents of discrimination and harassment.

2025 Performance

The activity has been initiated. In 2025, the monitored indicators recorded the following values:

0
confirmed incidents

100%
of employees participated in training sessions

2
annual internal campaigns or communications on anti-harassment policy

Progress in achieving target

Entity	Target	2025	2024	Status
ALRO Group	Maintaining zero confirmed incidents of discrimination and harassment	0	0	Target achieved

TARGET 8

Continuing to support the professional inclusion of people with disabilities at Group level.

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective: „Promoting an inclusive, safe, and fair working environment that supports diversity, equal opportunities, the prevention of harassment, respect for human rights, and the professional development of all employees", contributing to the management of impact S13. Theme: Own Workforce – sub-theme: Inclusion of Persons with Disabilities.
(b) **Defined target level**	Continuous implementation of programs and initiatives dedicated to the professional inclusion of persons with disabilities.
Type of target	Qualitative, relative (based on the implementation of initiatives).
Unit of measure	Number of initiatives/programs implemented annually.
(c) **Scope**	All employees in the workforce of all ALRO Group entities.
(d) **Reference year**	2024
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Not defined (annual monitoring)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of internal data regarding employees with disabilities, the assessment of roles compatible with reasonable adjustments, consultation with specialised organisations, and international ILO/UN standards on their rights. The applied hypothesis: the continuous adaptation of roles and management training allow for maintaining a framework favourable to the employment and retention of persons with disabilities.
Alignment with standards	Labour Code, ILO Conventions SDG 4 –Quality education; SDG 5 – Gender equality; SDG 10 – Reduce inequalities
(g) **Scientific basis**	n.a. (social target).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the sustainability team, and the Sustainability Department; it was validated by the General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	Possible adjustments depending on the technical capacity of the roles and the recommendations of specialised organisations.
(j) **Performance and Monitoring**	Annual monitoring through: number of initiatives dedicated to the inclusion of people with disabilities.

PERFORMANCE IN ACHIEVING THE TARGET

Target: Continue to support the professional inclusion of people with disabilities

2025 Performance

Activity has not started.

TARGET 9

The progressive increase of the average annual professional training hours per employee to a minimum of 15 hours by 2028 at Group level, compared to the 2023 level (12.76 hours).

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Promoting an inclusive, safe, and fair working environment that supports diversity, equal opportunities, prevention of harassment, respect for human rights, and professional development for all employees," contributing to the management of S12 impacts. Theme: Own workforce – sub-theme: Professional training.
(b) **Defined target level**	≥ 15 hours of professional training per employee/year by 2028, at Group level.
Type of target	Absolute (15 hours/employee).
Unit of measure	Training hours/employee/year
(c) **Scope**	All employees in the workforce of all ALRO Group entities.
(d) **Reference year**	2023
(e) **Application period**	2025–2028, with annual monitoring.
Intermediate target	Annual monitoring (progressive increase)
(f) **Methodologies and assumptions**	The methodology was based on the analysis of internal competencies, professional training data from the 2022–2024 period, performance evaluations, operational requirements, industry trends, and international best practices. Hypothesis: the consolidation and diversification of training increase operational performance and contribute to employee retention.
Alignment with standards	Labour Code, ILO Conventions SDG 4 –Quality education; SDG 5 – Gender equality; SDG 10 – Reduce inequalities
(g) **Scientific basis**	n.a. (social target).
(h) **Stakeholder involvement**	The target was defined internally by the Human Resources Directorates, the sustainability team, and the Sustainability Department; it was validated by the General Director and approved by the Risk and Sustainability Committee.
(i) **Future changes**	Possible adjustments based on technical requirements, necessary competencies, or legislative changes.
(j) **Performance and Monitoring**	Annual monitoring through: average hours of training per employee.

PERFORMANCE IN ACHIEVING THE TARGET

Target: ≥ 15 hours/employee/year by 2028.

2025 Performance

The activity has been started.
In 2025, the following was organized:

32

average hours of training/employee. at ALRO Group level, respectively 31 hours of training,per employee at ALRO level

PROGRESS IN ACHIEVING TARGET

Entity	Target	2025	2023	Status
ALRO Group	≥ 15 hours/employee/year by 2028	32 hours/ employee/year	12.76 hours/employee/ year	Target achieved

III.1.3.2. [S1-6] Characteristics of the company's employees

At **ALRO**, the activities and services focused on human resources management are carried out within the Human Resources & General Services Directorate.

In 2025, activities in this area were strongly influenced by the operational needs of our companies, which faced various challenges specific to the industry and the economy in which we operate.

At ALRO Group level, the total workforce consists of **2,890 employees** (2024: 2,821 employees), of whom **2,146 are men** (2024: 2,110 men) and **744 are women** (2024: 711 women), reflecting a lower presence of women in the industry. The underrepresentation of women is visible across all Group entities, particularly at ALRO, where only 510 out of the 2,366 employees are women, and at ALUM, where out of a total of 101 employees, only 28 are women, confirming the diversity challenges inherent in the industrial field.

Number of employees by gender (number of persons)

2025	Group	ALRO	ALUM	VE	VT	CONEF
Male	2,146	1,856	73	188	29	0
Female	744	510	28	174	30	2
TOTAL	**2,890**	**2,366**	**101**	**362**	**59**	**2**

2024	Group	ALRO	ALUM	VE	VT	CONEF
Male	2,110	1,801	76	201	32	-
Female	711	468	27	185	30	1
TOTAL	**2,821**	**2,269**	**103**	**386**	**62**	**1**

Number of employees by type of contract, broken down by gender (number of persons_

2025	Group	ALRO	ALUM	VE	VT	CONEF
Number of permanent employees	**2,730**	**2,214**	**98**	**360**	**56**	**2**
Female	713	482	27	174	28	2
Male	2,017	1,732	71	186	28	0
Number of temporary employees	**160**	**152**	**3**	**2**	**3**	**0**
Female	31	28	1	0	2	0
Male	129	124	2	2	1	0
Number of full-time employees	**2,871**	**2,362**	**98**	**358**	**53**	**0**
Female	736	510	26	173	27	0
Male	2,135	1,852	72	185	26	0
Number of part-time employees	**19**	**4**	**3**	**4**	**6**	**2**
Female	8	0	2	1	3	2
Male	11	4	1	3	3	0
Total number of employees	**2,890**	**2,366**	**101**	**362**	**59**	**2**

2024	Group	ALRO	ALUM	VE	VT	CONEF
Number of permanent employees	**2,642**	**2,095**	**99**	**386**	**61**	**1**
Female	673	436	26	185	30	1
Male	1,958	1,659	73	201	31	
Number of temporary employees	**179**	**174**	**4**	**0**	**1**	**0**
Female	33	32	1	0	0	0
Male	146	142	3	0	1	0
Number of full-time employees	**2,805**	**2,264**	**100**	**384**	**57**	**0**
Female	704	467	26	184	27	
Male	2,101	1,797	74	200	30	
Number of part-time employees	**16**	**5**	**3**	**2**	**5**	**1**
Female	7	1	1	1	3	1
Male	9	4	2	1	2	0
Total number of employees	**2,821**	**2,269**	**103**	**386**	**62**	**1**

Within ALRO Group, the workforce structure reflects its commitment to stable and sustainable employment, with 94% of employees holding permanent contracts, which contributes to talent retention and operational continuity. The vast majority of employees (99%) work on a full-time basis, demonstrating a balanced employment model focused on stability and productivity. At the same time, we observe a lower representation of women among employees, highlighting the need for additional initiatives to promote diversity and inclusion, essential aspects for increasing competitiveness and attracting long term talent.

The total number of employees who left ALRO Group during the reporting period and the employee turnover rate during the reporting period are presented in the following table:

The total number of employees who left ALRO Group during the reporting period and the employee turnover rate during the reporting period

2025	Group	ALRO	ALUM	VE	VT	CONEF
Total number of employees who left the company during the reporting period	399	287	8	96	8	–
Employee turnover rate during the reporting period (staff turnover)	13.81%	12.13%	7.92%	26.52%	13.56%	–

2024	Group	ALRO	ALUM	VE	VT	CONEF
Total number of employees who left the company during the reporting period	412	208	90	108	6	–
Employee turnover rate during the reporting period (staff turnover)	13.73%	8.51%	87.38%	27.62%	9.68%	–

During the reporting period, a total of **399 employees** (2024: 412 employees) left ALRO Group, of whom **287** were from **ALRO** (2024: 208 employees) and **96** from **VE** (2024: 108 employees), mainly due to retirements, and **8** from **ALUM** (2024: 100 employees), in the context of the temporary production shutdown. The employee turnover rate varied significantly between companies, reaching **7.92%** at **ALUM** (2024: 87.38%), **26.52%** at **VE** (2024: 27.62%), and **12.13%** at **ALRO** (2024: 8.51%), thus reflecting the impact on the workforce.

Calculation methodology

To calculate the total number of employees for 2025, the same methodology was used as for 2024, namely the number of employees expressed in terms of the number of persons at the end of the reporting period.

This methodology was also applied to represent the distribution of employees by gender and type of contract (permanent/temporary, full-time/part-time).

The total number of employees who left the company includes both voluntary and involuntary departures. The share of employees who left the company during 2025 is calculated by dividing the number of voluntary and involuntary departures by the total number of employees at the end of the reporting period.

The reporting indicators are not certified by an independent external body; however, the Group companies use software solutions required for financial processes and human resources management. Regarding ERP systems, ALRO, ALUM, and VT use SAP ERP, a leading platform for the integrated management of financial and logistical operations, while VE uses Priority ERP, a system tailored to its specific needs.

For human resources management, each company uses dedicated software solutions, optimised for the operational specifics of each entity. ALRO implements Colorful/Nexus, ALUM uses PIT Software Socrate, VE operates with Charisma HCM, and VT uses Nexus.

III.1.3.3 [S1-8] Collective bargaining coverage and social dialogue

Within ALRO Group, the working conditions and terms of employment of employees are regulated and directly influenced by Collective Labour Contracts (CCM), which cover 100% of the workforce. The CCMs are negotiated annually at the level of each Group company, and they set out the rights and obligations of employees, including aspects such as remuneration, social benefits and working conditions

At the same time, the Group promotes an active social dialog, with employees having the right to register in one of the 9 existing trade unions and to participate in the relevant decision-making processes through their representatives.

- ALRO Free Trade Union;
- Aluministul Free Trade Union;
- Solidarity Trade Union;
- Aluminum Processing Union;
- ALROPRODUCT Trade Union;
- U.P.S. Union (Professional Union "Science");
- ALRO Labour Union;
- Free Trade Union ALUM;
- Independent Trade Union ALRO EXTRUSION.

ALRO Group has not entered into an agreement regarding employee representation through a European Works Council (EWC), a Societas Europaea (SE) works council, or a Societas Cooperativa Europaea (SCE) works council, as the Group operates exclusively in Romania and does not have employees in other EEA member states.

The degree of unionization at each company is presented in the following table:

Union membership rate at each company

2025	Group	ALRO	ALUM	VE	VT	CONEF
Percentage of employees covered by employee representatives	72%	78%	77%	45%	12%	0%
Number of employees covered by employee representatives (Trade Union)	2,087	1,839	78	163	7	0

2024	Group	ALRO	ALUM	VE	VT	CONEF
Percentage of employees covered by employee representatives	68%	72%	79%	50%	11%	0%
Number of employees covered by employee representatives (Trade Union)	2,053	1,768	81	197	7	0

78%
of **ALRO**'s total number of employees are **Union** members. (2024: 72%)

77%
of the total number of **ALUM** employees are members of the **ALUM Free Trade Union**. (2024: 79%)

45%
the total number of **VE** employees are members of the **ALRO EXTRUSION Independent Trade Union**. (2024: 50%)

VT employees are members of the **ALRO Trade Unions** and enjoy the same rights as ALRO employees.

CALCULATION METHODOLOGY

The global percentage of employees covered by employee representatives is based on the ratio between the total number of employees who are members of one of the nine active trade unions within the Group and the total number of employees reported at the end of the reporting period. This percentage reflects the level of union representation and employee involvement in social dialogue processes.

III.1.3.4. [S1-9] Diversity indicators

Employee diversity

2025	Group	ALRO	ALUM	VE	VT	CONEF
Total number of employees, of which:	**2,890**	**2,366**	**101**	**362**	**59**	**2**
< 30 years	217	182	0	32	3	0
%	8%	8%	0%	9%	5%	0%
30-50 years	1,559	1,252	32	233	40	2
%	54%	53%	32%	64%	68%	100%
> 50 years	1,114	932	69	97	16	0
%	39%	39%	68%	27%	27%	0%

2024	Group	ALRO	ALUM	VE	VT	CONEF
Total number of employees, of which:	**2,821**	**2,269**	**103**	**386**	**62**	**1**
< 30 years	209	175	–	32	2	–
%	7%	8%	0%	8%	3%	0%
30-50 years	1,455	1,101	42	268	43	1
%	52%	49%	41%	69%	69%	100%
> 50 years	1,157	993	61	86	17	–
%	41%	44%	59%	22%	27%	0%

ALRO Group maintains a predominantly experienced workforce, with 54% of employees aged between 30 and 50 (2024: 52%), ensuring a balance between expertise and adaptability. Furthermore, 39% of employees are over the age of 50 (2024: 41%), reflecting a high level of specialisation, while also highlighting the importance of succession planning strategies.

In **ALRO** and **ALUM**, the share of employees aged over 50 is significant, at **39%** and **68%** respectively (2024: ALRO 44%; ALUM 59%), underscoring the importance of retention and knowledge transfer. In contrast, VE and VT presents a younger workforce, with 64% and respectively 68% of employees aged between 30 and 50 (2024: 69% both companies).

Below is the gender diversity at senior management level:

Gender diversity at senior management level (2025)

2025	Group	ALRO	ALUM	VE	VT	CONEF
Total senior management	**33**	**11**	**8**	**8**	**4**	**2**
Senior management level 1	**7**	**2**	**2**	**1**	**1**	**1**
Male	5	1	1	1	1	1
% of total senior management	15%	9%	13%	13%	25%	50%
Female	2	1	1	0	0	0
% of total senior management	6%	9%	13%	0%	0%	0%
Senior management level 2	**26**	**9**	**6**	**7**	**3**	**1**
Male	19	8	5	4	1	1
% of total senior management	58%	73%	63%	50%	25%	50%
Female	7	1	1	3	2	0
% of total senior management	21%	9%	13%	38%	50%	0%

2024	Group	ALRO	ALUM	VE	VT	CONEF
Total senior management	**34**	**11**	**11**	**7**	**3**	**2**
Senior management level 1	**8**	**2**	**2**	**1**	**1**	**2**
Male	6	1	1	1	1	2
% of total senior management	18%	9%	9%	14%	33%	100%
Female	2	1	1	0	0	0
% of total senior management	6%	9%	9%	0%	0%	0%
Senior management level 2	**26**	**9**	**9**	**6**	**2**	**0**
Male	18	7	7	3	1	0
% of total senior management	53%	64%	64%	43%	33%	0%
Female	8	2	2	3	1	0
% of total senior management	24%	18%	18%	43%	33%	0%

ALRO Group continues to strengthen its leadership teams through a combination of expertise and diversity, offering a balanced representation in certain segments of the organisation. At the senior management level 2, 21% of positions are held by women (2024: 18%), reflecting an openness to diverse leadership.

Within **ALUM** and **VE**, **13%** and **38%** of level 2 management roles are held by women (2024: 18% and 43% respectively), indicating a significant presence of female talent in decision-making structures. At the same time, the high percentage of positions held by men is influenced by the specific nature of the industrial

sector, where the workforce has traditionally been dominated by men.

ALRO is constantly striving to increase the representation of women in leadership positions and to foster an inclusive environment that offers equal opportunities for professional development.

CALCULATION METHODOLOGY

The age distribution is calculated by determining the number of employees in each age group and expressing it as a proportion of the total number of employees. All values are reported based on the total number of employees (headcount) at the end of the year.

Level 1 senior management includes: the first level of management below the Board of Directors, and gender balance is reported as the proportion of the underrepresented gender in the total.

Level 2 senior management includes: the second level of management below the Board of Directors, and gender balance is reported as the proportion of the underrepresented gender in the total.

III.1.3.5 [S1-10] Adequate wages

Wages

2025	Group	ALRO	ALUM	VE	VT	CONEF
Number of employees paid less than the appropriate salary [nr.]	0	0	0	0	0	0
Percentage of employees paid less than the appropriate salary [%]	0%	0%	0%	0%	0%	0%

2024	Group	ALRO	ALUM	VE	VT	CONEF
Number of employees paid less than the appropriate salary [nr.]	204	0	0	204	0	0
Percentage of employees paid less than the appropriate salary [%]	7%	0%	0%	52%	0%	0%

In 2025, in accordance with the provisions of **Law 283/2024**, which correlates the minimum wage with the cost of living, productivity, and general wage levels, stipulating that an adequate wage corresponds to the national minimum wage (RON 4,050 in 2025), none of the Group's companies are any longer in the position of granting wages considered below the adequate wage level. However, to increase employee well-being, the Group has set an additional target based on the new 2025-2030 Sustainability Strategy, aiming for a progressive reduction in the share of employees earning below the adequate wage level (defined as 50% of the national average gross salary), by at least 25% by 2030 compared to 2024 levels for each company, and to at least 5% at the Group level. Thus, in 2025, the national average gross salary used in the remuneration analysis to verify the achievement of the Sustainability Strategy target was the average gross salary for November 2025, as reported by the National Institute of Statistics, amounting to **RON 9,371**, respectively **RON 4,685.5** (50%). Further information regarding the percentage of employees paid below the level of 50% of the average gross salary can be found in *Section S1-5*.

The remuneration analysis conducted in 2024 showed that approximately 7% of the Group's employees were remunerated below the threshold considered an adequate wage, this situation was encountered exclusively within the VE entity, where 52% of employees fell into this category. Following the implementation of measures adopted during 2025 – which

included targeted pay rises, the revision of salary scales, and the introduction of complementary benefits (such as increased meal vouchers, extended medical subscriptions, and financial support programmes) – the Group has succeeded in partially eliminating this gap.

As a result, there are currently no longer any employees paid below the threshold considered an adequate wage, confirming the organisation's commitment to fair and responsible remuneration, aligned with international standards on decent work.

METHODOLOGY USED

To determine the indicator regarding the number and percentage of employees paid a salary lower than the adequate wage, we used the following methodology and hypotheses:

- The total number of employees represents the number of people employed at the end of the reporting period.
- The percentage of employees paid below the adequate wage level was calculated as the ratio between the number of employees remunerated below this threshold and the total number of employees in each Group entity.
- **Definition of the adequate wage**: On 17 November 2024, **Law no. 283/2024** came into force, amending and supplementing certain normative acts for the establishment of adequate minimum wages. This correlates the minimum wage with the cost of living, productivity, and general wage levels, stipulating that an adequate wage corresponds to the national minimum wage (RON 4,050 in 2025). Consequently, unlike in 2024 when the adequate wage was established according to ESRS standards by reference to 50% of the national average gross salary because Romania had not yet transposed Directive (EU) 2022/2041, in 2025, the Group updated its calculation methodology accordingly, considering the national minimum wage as the adequate wage level.
- **Wage elements included:** In the calculation of the adequate wage, we have taken into account the base salary, as well as any fixed supplementary payments guaranteed to all employees.
- The data does not include employees in internship or apprenticeship programmes, given the temporary nature and the specific characteristics of these contract categories.

Limitations of the methodology:

- In 2024, the reference level used for the adequate wage was based on a percentage of the national average gross earnings, which did not reflect regional variations or industry specificities. In contrast, in 2025, this limitation is no longer relevant, as the adequate wage is regulated by law.
- The analysis does not include all components of variable compensation, which may influence the total income of employees.
- The indicator is determined at the end of the reporting period, without capturing individual income fluctuations throughout the year.

III.1.3.6 [S1-14] Occupational health and safety indicators

Health and safety at work

2025	Group	ALRO	ALUM	VE	VT	CONEF
The percentage of persons in own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100%	100%	100%	100%	100%	100%
The percentage of non-employee workers in own workforce who are covered by the health and safety management system	100%	100%	100%	100%	100%	100%

2024	Group	ALRO	ALUM	VE	VT	CONEF
The percentage of persons in own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100%	100%	100%	100%	100%	100%
The percentage of non-employee workers in own workforce who are covered by the health and safety management system	100%	100%	100%	100%	100%	100%

ALRO Group maintains a firm commitment to occupational health and safety, ensuring that 100% of its workforce benefits from a health and safety management system (2024: 100%), in accordance with legal requirements and the highest industry standards. Non-salaried workers employed by the Group are also included in this system, thus strengthening an organizational culture based on prevention, responsibility, and operational safety.

CALCULATION METHODOLOGIES:

In the calculation of this indicator, all ALRO Group employees were included, regardless of contract type (permanent or temporary) and working hours (full-time or part-time).

The percentage of covered employees was determined by dividing the total number of employees included in the health and safety management system by the total number of Group employees at the end of the reporting period.

For non-employee workers, the percentage was calculated by dividing the number of persons covered by the system by the total number of non-employee workers operating within the Group. In 2025, as in 2024, there were no fatalities resulting from work-related injuries or occupational ill-health within the Group

During the reporting period, a total of 12 work-related accidents were recorded (of which 7 occurred within **ALRO** and 5 within **VE**, respectively) (2024: 14 work-related accidents, of which 6 occurred within ALRO and 8 within VE, respectively). The work-related accident rate calculated for the reporting period at ALRO Group level was 2.44 (2024: Accident rate 3.45).

To calculate the work-related accident rate, based on 1,000,000 hours worked, the ratio

between the number of work-related accidents recorded during the reporting period and the total number of hours worked by own employees during the same period was used.

In 2025, no work-related accidents were recorded among non-employee workers (2024: zero work-related accidents among non-employee workers).

In 2025, 4 cases of work-related illnesses were recorded within ALRO (2024: 20 cases). The other companies in the Group recorded no cases of work-related ill-health. Additionally, within ALRO, a total of 577 days (2024: 564 days) were lost due to work-related injuries and fatalities resulting from work-related accidents, work-related illnesses, and fatalities resulting from diseases.

III.1.3.7 [S1-17] Incidents, complaints and severe human rights impacts

During 2025, no incidents of discrimination, harassment, or other violations of employees' fundamental rights, including those associated with forced labour, human trafficking, or child labour, were recorded within ALRO Group. Furthermore, no complaints were filed through internal reporting mechanisms, and no fines, sanctions, or compensation were applied in relation to such situations.

This situation reflects the effectiveness of the Group's proactive measures for preventing and managing human rights risks, as well as its steadfast commitment to maintaining a safe, fair, and inclusive working environment.

III.2. ESRS S2 Workers in the value chain

III.2.1. Strategy

III.2.1.1. [ESRS 2 SBM-2] Interests and views of stakeholders

These details are disclosed in the SBM-2 *Section of the ESRS 2 standard.*

III.2.1.2. [ESRS 2 SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

This section provides information on the significant sub-theme and associated IRO for ALRO Group regarding Workers in the Value Chain, including details on the management of *working conditions, safe jobs, working hours, and health and safety.*

Significant impacts, risks, and opportunities (IRO)

SUB-THEME	SUB-SUB-THEME	Name Categories	Location of IRO in the value chain*			Time horizon in which IRO occurs**		
			↑	↔	↓	TS	TM	TL
WORKING CONDITIONS	SAFE JOBS AND ADEQUATE WAGES	**S15 (+) Decent jobs and adequate wages in the value chain** *Current positive impact*	●		●			
	WORKING HOURS	**S16 (-) Demanding work programs in the value chain** *Potential negative impact*	●		●	●	●	
	HEALTH AND SAFETY	**S18 (-) Workplace accidents in the value chain** *Potential negative impact*	●		●	●	●	

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: ST – short-terms, MT – medium-terms, LT – long-terms

During the identification and assessment of impacts, risks, and opportunities, ALRO Group considered relevant information across its entire value chain, covering both direct and indirect business relationships, to ensure a thorough analysis in line with the thematic standard. The evaluation specifically focused on business relationships linked to material IRO, as follows:

- Value chain participants who may, with some probability, create actual or potential impacts on the environment and/or people, serving as sources of risks and opportunities.
- Value chain participants on whom the Group's business model depends for its products and services, thereby giving rise to risks and opportunities.

Under the 2025-2030 Sustainability Strategy, ALRO Group has committed to enhancing supplier chain management by implementing clear evaluation and selection criteria covering business ethics, anti-corruption, human rights, working conditions, health and safety standards, and environmental protection. Assessments will be conducted through audits and monitoring processes in line with the Supplier Code of Conduct and the Sustainability Guide, ensuring that business partners adhere to the Group's principles.

As part of the double materiality process, the Group assessed its value chain, upstream and downstream, to identify key categories of workers who could be significantly impacted by its operations. The analysis drew on both internal data and publicly available information about collaborators, including regions or countries where forced or child labour is not regulated, as well as the types of products and services provided. The objective was to identify material issues with potential impacts on the environment, people, and other stakeholders, emphasizing areas where the Group's activities directly influence both its business and its value chain partners.

Key value chain activities are outlined in *Section ESRS 2 SBM-1* on *page 22* of this report.

The **actual** and **potential impacts** identified on workers in the value chain, namely S15 (+) *Safe jobs and adequate wages in the value chain*, S16 (-) *Demanding work schedules in the value chain*, and S18 (-) *Workplace accidents in the value chain*, stem from the operational characteristics of the Group's business model and are associated with industrial, logistics, and waste management activities that support the continuity of production and distribution processes. These impacts are directly linked to the Group's strategy, as they require continuous monitoring of working conditions in supplier relationships, integration of health and safety requirements at work, and the maintenance of adequate social standards throughout the value chain, contributing to the ongoing adaptation of the operational model from a social responsibility perspective.

With respect to the relationship between impacts and the risks or opportunities associated with dependencies on value chain workers, potential impacts S16 and S18 could, in some cases, lead to risks regarding supply continuity or workforce availability, whereas the **positive impact** S15 could generate opportunities by reinforcing contractual relationships and stabilizing the supplier base. Nevertheless, these risks and opportunities were not deemed material in the Group's materiality assessment, as no significant effects were identified that would affect the strategy or business model at present.

The Group has identified the following categories of value chain workers for which associated impacts, risks, and opportunities have been analysed and assessed:

1. Workers operating at the Group's sites but who are not part of the Group's own workforce:

Within ALRO Group, workers employed by contractors or suppliers carry out activities such as metal fabrication and assembly, tank demolition, alumina recovery, emergency maintenance of freight wagons, sludge tank remediation, cutting operations and scrap metal procurement, as well as waste transportation, within industrial sites owned by the Group. Following a consultation process with suppliers, two types of impacts have been identified for this category of workers in the value chain.

The first is a positive impact, S15 (+) *Safe jobs and adequate wages in the value chain* – as the Group's contractual relationships have contributed to the creation of new upstream jobs, generating additional economic activity for suppliers. This is manifested through workers' access to safe and specialized jobs,

training in occupational health and safety, contractual stability, and the development of technical skills. At the level of these suppliers, it was identified that a majority provide their employees with salary and extra-salary benefits, thereby helping to maintain safe and decent jobs. The impact has a broad scope, being experienced by a significant number of supplier employees, contributing to their well-being and to the maintenance of an efficient and stable supply chain.

The second is a **potential negative impact**, S18 (-) Workplace accidents in the value chain – associated with the inherent risk of accidents in subcontracted industrial activities, which may result in injuries, health impacts, and operational disruptions for suppliers. The impact arises from exposure to heavy equipment, work at heights, hazardous materials, or complex technical conditions. Although the Group implements strict access procedures, mandatory training, and periodic inspections, the level of compliance may vary among suppliers, requiring continuous monitoring.

2. Workers operating within entities in the upstream value chain of the Group:

Workers involved in activities in the upstream segment of the value chain carry out operations specific to the stages of: **raw material production, supply of goods (e.g., scrap) and services, transportation of raw materials and materials**, as well as **provision of utilities necessary for the production process.** They indirectly contribute to the efficient operation of the Group by ensuring the continuous flow of resources needed for internal industrial processes. In this part of the value chain, there is a **positive impact**, S15 (+) *Safe jobs and adequate wages in the value chain*, resulting from the creation and maintenance of jobs at suppliers due to the Group's commercial relationships. This impact is reflected in: the generation of employment opportunities in the industrial sector; compliance with minimum standards regarding working conditions and workers' rights; provision of salary benefits in accordance with applicable regulations; and access to social protection measures where legally required. The impact occurs across the majority of suppliers, contributing to the economic and social stability of local communities and to a functional value chain.

Within the stages of raw material production and the supply of goods and services in the Group's value chain, a **potential negative impact**, S16 (-) *Demanding work schedules in the value chain*, has been identified. This arises in situations where supplier employees may work overtime during busy periods or operate in shift systems. These characteristics are common in continuous-operation industries, where technological processes cannot be interrupted, and seasonal variations in demand may require schedule adjustments. The manifestation of this impact may include: extended working periods during peak operational times, physically demanding shifts requiring high levels of attention, and potential challenges in ensuring adequate recovery time. These conditions can affect work-life balance and influence workers' energy levels and well-being. However, the identified situations occur intermittently rather than continuously, indicating that exposure is limited to specific operational units or high-activity periods.

For workers in all stages of the Group's upstream value chain, a **potential negative impact,** S18 (-) *Workplace accidents in the value chain*, has been identified, arising from exposure to operational risks specific to industrial activities. In raw material production and the supply of goods and services, workers may come into contact with heavy equipment, hazardous materials, or complex technological processes. During the transport of raw materials and other materials, there may be risks of injury while handling or in transit. Additionally, in the provision of utilities necessary for the production process, risks may be present related to pressurized installations, electrical networks, or technical equipment.

The manifestation of this impact may lead to injuries, occupational illnesses, or interruptions in supplier operations, affecting operational continuity. The severity of the impact depends on the level of training, safety culture, equipment quality, and internal protective measures, which can vary from one supplier to another.

3. Workers operating within the downstream entities of the Group's value chain:

Workers involved in activities in the downstream segment of the value chain carry out operations related to the collection,

transport, treatment, and disposal of waste, as well as the delivery of finished aluminium products (primary, processed, extruded) and aluminium hydroxide. They contribute to ensuring compliance with environmental regulations, maintaining logistics flows, and the economic functionality of the markets served by the Group.

In this segment of the value chain, a positive **impact** S15 (+) *Secure jobs and adequate wages in the value chain is observed*, generated by the maintenance and expansion of collection, transport, and distribution activities. These activities support the creation of formal employment opportunities, the respect of workers' rights, the provision of legally mandated wage benefits, and access to social protection. This impact contributes to local economic stability and to the responsible functioning of the downstream value chain.

Within collection, transport, and waste treatment activities, as well as in the logistics processes associated with the delivery of finished products, a **potential negative impact** S16 (-) Demanding work schedules in the value chain may arise, driven by shift work arrangements, periods of intensive activity, or occasional overtime. These situations may, in the short to medium term, affect work–life balance and generate fatigue or stress during certain periods. However, the occurrence of this impact is limited and depends on demand dynamics, processed volumes, and the organizational structure of suppliers.

For workers involved in the collection, treatment, and handling of waste, as well as in the transport and delivery of finished products, there is a **potential negative impact** S18 (-) Occupational accidents in the value chain, associated with exposure to operational risks specific to these activities. These include the handling of heavy materials, operation of industrial equipment, road traffic exposure, use of lifting machinery, or contact with residual materials. The manifestation of this impact may result in injuries or occupational illnesses and may lead to operational disruptions for suppliers. The level of prevention depends on internal safety measures, protective equipment, and organizational safety culture, which may vary among entities within the value chain.

4. Workers engaged under a joint venture arrangement

In the upstream value chain, there is a supplier that will provide services related to the development, design, construction, grid connection, ownership, operation, exploitation, and maintenance of a combined-cycle natural gas power plant (CCGT).

The activity of this supplier has not yet commenced, as the project for the construction of the 850 MW power unit at Iṣalnița is currently in the preparatory phase. The deadline for the submission of construction and installation bids is set for January 2026. If these works are awarded following the procurement procedure, the power plant could be completed by the end of 2029. However, given the nature of the anticipated activities, there is a possibility that employees may be exposed to occupational health and safety risks, particularly if legal requirements and occupational health and safety standards are not fully complied with (S18).

5. Workers who (within the previously presented categories) are particularly vulnerable to negative impacts, either due to their inherent characteristics or the specific context

ALRO Group has identified, within its value chain, certain categories of workers who may be more vulnerable to negative impacts arising from its own activities or business relationships. These include employees of suppliers where **impacts** S16 (-) *Demanding work schedules in the value chain* and S18 (-) *Occupational accidents in the value chain are present*.

In addition, the category of workers who may be more vulnerable also includes young workers at the beginning of their careers, with limited relevant experience, as well as women, who may be more exposed to these impacts. These groups may face additional challenges in adapting to the specific operational requirements of such activities and may require additional training and monitoring measures to ensure an adequate level of protection for health, safety, and well-being.

With regard to the geographic factor, the Group has not identified, within its value chain, any geographic region – at country level or otherwise – or any product or service for which there is a significant risk of child labour or forced or compulsory labour among workers in

the Group's value chain. With respect to child labour, the potential impact was not considered relevant, as no such practices were identified following the consultation process with internal and external suppliers, and the majority confirmed that their companies have policies in place prohibiting child labour in the activities carried out. Similarly, with respect to forced labour, the potential negative impact on people arising from the Group's business relationships is not considered relevant for ALRO, as no such practices were identified following the consultation process with internal and external suppliers, and the majority confirmed that their companies have policies in place prohibiting forced labour in the activities carried out.

The Group assessed the impacts, risks, and opportunities related to value chain workers, with a focus on employees of direct suppliers (Tier 1), as well as workforce-related aspects across the rest of the value chain, based on available industry-level information and internally collected data obtained through participation in various professional organizations and industry associations.

Although **impacts** S16 (-) *Demanding work schedules in the value chain* and S18 (-) *Occupational accidents in the value chain* are considered material, with the potential to occur at multiple stages of the upstream and downstream value chain, they cannot be classified as widespread, as they do not consistently affect a significant number of workers. Currently, they fall into the category of **potential individual incidents**, which may occur sporadically depending on the operational context of suppliers.

The significant **positive impact** S15 (+) *Safe jobs and adequate wages in the value chain* results from the Group's business activities, which generate and maintain employment opportunities for workers across both upstream and downstream stages of the value chain. This contributes to the respect of workers' rights, the provision of legally mandated wage benefits, and access to social protection. This impact is experienced by workers involved in the production of raw materials, the supply of goods and services, the transport of raw materials and materials, the provision of utilities required for the production process, waste collection and treatment, as well as in the processes related to the delivery of finished products. The impact occurs primarily in Romania and in the European markets where the Group maintains stable commercial relationships. Currently, the Group's activities and those of the entities in its value chain are not affected by processes associated with the transition to greener or climate-neutral operations, and no developments have been identified that would lead to job losses, professional restructuring, or significant changes in working conditions.

Following the double materiality analysis, ALRO Group has not identified any significant risks or opportunities related to workers in the value chain.

III.2.2. Management of impacts, risks, and opportunities

III.2.2.1. [S2-1] Policies related to value chain workers

ALRO Group has committed to aligning its practices, as well as internal policies, with international principles and standards, both regarding its own workforce and value chain workers, integrating these principles into its business and sustainability strategy. These policies are applied non-discriminatory across the entire workforce in the value chain and do not target specific worker groups, ensuring fair and consistent treatment for all workers within the Group's business relationships. Vulnerable groups, as described in *Section ESRS S2 SBM-3*, are implicitly covered by the general principles of the policies, without specific provisions dedicated to them, as the existing framework is designed to equally protect all categories of workers exposed to social and operational risks.

The Group makes every effort to review and update its internal policies and procedures periodically, whenever necessary, including in situations where changes in the legislative or regulatory framework impact the activities of the Group's companies. Accordingly, these documents are reviewed during the Annual Management Review and, if applicable, revised in line with new guidance addressing changes in the business environment (legislation, initiatives the Group companies adhere to, partner requirements and expectations, etc.). A partial review process took place during 2025. Progress in implementing these policies and procedures is reported annually through the Sustainability Report, and actions and targets regarding implementation are reflected in ALRO Group 2025-2030 Sustainability Strategy, available on the Group's website *ALRO-Group---Sustainability-Strategy-2025-2030.pdf*

The Group has implemented a series of policies aimed at managing its impacts, risks, and opportunities that have been assessed as significant in relation to value chain workers, as follows:

Group-level policies

		MATERIAL TOPICS		
Policy name	**Applicability**	**S15 (+)**	**S16 (-)**	**S18 (-)**
1. Supplier Code of Conduct	ALRO, ALUM, VE, VT	●	●	●
2. Human Rights Policy	ALRO, ALUM, VE, VT	●	●	●
3. Corporate Social Responsibility Policy	ALRO, ALUM, VE, VT	●	●	●
4. Procedure for Supplier Evaluation and Monitoring	ALRO, ALUM, VE	●		●

In addition to ensuring the necessary quality standards regarding the supply of raw materials and services, partners in the value chain must commit to best practices that reflect compliance with human rights, including working conditions, occupational health and safety, environmental responsibility, and the protection of privacy. These principles are also an integral part of the Group's 2025-2030 Sustainability Strategy, which promotes responsible and sustainable business relationships through the objective of improving the value chain.

At the operational level, through the *Supplier Evaluation Procedure*, ALRO Group ensures that its procurement processes (including supplier assessment and accreditation) are based on criteria that promote sustainable development and business integrity. These aspects are acknowledged by the Group's approved suppliers through the signing of the Declaration of Responsibility. This supplier commitment addresses the respect of their own employees' rights, the prevention of child and young labour, humane treatment and anti-harassment practices, anti-discrimination, voluntary employment, adequate working conditions, freedom of association and collective bargaining, as well as occupational health and safety.

Therefore, the Group is actively committed to promoting the respect of human rights throughout the entire value chain by implementing policies that manage potential and actual impacts and risks affecting specific categories of workers within the value chain.

1. Supplier Code of Conduct – ALRO, ALUM, VE, VT

ALRO Group has established a *Supplier Code of Conduct* across all its companies to define clear expectations for ethical and professional behaviour. This *Code* sets minimum standards that must be met by suppliers approved through the Group's evaluation process. The Code outlines objectives aligned with significant impacts on workers within the value chain. For instance, the **impact** S15 (+) *Decent jobs and adequate wages in the value* aligns with the promotion of business relationships based on ethics, responsibility, and mutual respect, supporting fair treatment of workers and compliance with labour laws. It also reinforces the creation of a clear compliance framework to prevent unethical or illegal practices, thereby reducing risks of exploitation and discrimination. Aligning external partners with the Group's values regarding sustainability, environmental protection, and occupational health and safety further ensures a safe and responsible working environment. Strengthening the responsible supply chain enhances operational stability and continuity of employment. In addition, improved transparency and traceability allow for ongoing monitoring of working conditions, while alignment with international standards reinforces the Group's commitment to decent work and ethical business practices.

The **impact** S16 (-) *Demanding work programs in the value chain* is linked to objectives promoting ethics and mutual respect, as these involve adherence to regulations regarding working hours and rest periods. Objectives aimed at increasing transparency and traceability, as well as encouraging reporting and corrective action for non-compliances, allow for the identification of excessive work schedules and the implementation of corrective measures. Additionally, alignment with international standards reinforces requirements for effective management of working time and work–life balance.

The **impact** S18 (-) *Workplace accidents in the value chain* is directly linked to the objective of aligning suppliers with occupational health and safety requirements, which promote preventive measures and compliance with OHS (Occupational Health and Safety) legislation. Increasing transparency and traceability is particularly relevant for this impact, as it enables the detection of incidents and operational risks. Encouraging reporting and corrective actions for non-compliance helps reduce the risk of accidents through targeted interventions. Additionally, alignment with international standards imposes strict obligations regarding the prevention of occupational hazards, continuous assessment of working conditions, and the provision of a safe working environment for employees.

The Code applies to all suppliers of the Group, both upstream and downstream, regardless of their geographic location or the nature of the materials, products, and services provided, and is cascaded to subcontractors and partners throughout the value chain. Acceptance of and adherence to the Code constitute a contractual condition for conducting business with ALRO Group, and suppliers are required to provide the Group, upon request, with documents,

certificates, and information regarding ESG performance, diligently and in full.

The *Supplier Code of Conduct* is accompanied by a Declaration of Responsibility, through which suppliers commit to aligning their workforce practices with international principles and standards, including: the prevention of child and young labour, ensuring health and safety, humane treatment and prevention of harassment, prohibition of discrimination, voluntary employment and the prohibition of forced labour, compliance with working hours, fair payment of wages and benefits, as well as guaranteeing freedom of association and the right to collective bargaining.

This commitment is formalized through the signing of the Declaration included in the Supplier Code of Conduct at the start of the business relationship with the respective supplier or partner.

The *Supplier Code of Conduct* aligns with international standards, as well as applicable local and international laws and regulations, including the Romanian Labour Code and other labour law regulations in Romania, the European Convention on Human Rights, the United Nations Universal Declaration of Human Rights, the ILO Declaration and Fundamental Conventions, the United Nations Global Compact, the UN Guiding Principles on Business and Human Rights, and any regulations or principles applicable in the countries where the Group's business partners operate.

In establishing and implementing the Code, ALRO Group took into account the needs of internal and external stakeholders, including employees, suppliers, customers, and relevant non-governmental organizations, as part of the consultation process conducted during the double materiality analysis.

The highest organizational level within the Group companies responsible for implementing the *Supplier Code of Conduct* is the General Director, supported in its implementation by the Procurement & Logistics Director of each Group company. The document is made available to all employees via the Group's intranet platform and is communicated to suppliers by email.

2. Human Rights Policy – ALRO, ALUM, VE, VT

Each company within the Group has implemented a Human Rights Policy aligned with the same fundamental principles and values. The Policy applies to all areas in which the Group operates and addresses both employees and stakeholders, including local communities, workers in the value chain, suppliers, customers, public authorities, and relevant NGOs. The Policy sets out a series of objectives aligned with significant impacts on workers within the value chain. The **impact** S15 (+) *Decent jobs and adequate wages in the value chain* is primarily addressed through the Policy's objectives to ensure the respect of all internationally recognized human rights, guarantee fair and dignified treatment for all workers, and prevent and combat any form of abuse, exploitation, discrimination, or exclusion. These commitments ensure decent and non-discriminatory working conditions and uphold the fundamental principles of decent work. Moreover, objectives such as maintaining zero confirmed incidents of human rights violations and strengthening a responsible and sustainable value chain directly support the **positive impact** S15, contributing to the stability of labour relations, transparency, and the protection of workers throughout the supply chain. In addition, aligning with international best practices and European human rights standards ensures compliance with the International Labour Organization (ILO) principles of decent work.

The **impact** S16 (-) *Demanding work programs in the value chain* is linked to the objectives of the Policy, which ensure respect for internationally recognized human rights and fair and dignified treatment for all workers. These objectives include compliance with legislation on maximum working hours, rest periods, and work–life balance. By developing effective reporting, remediation, and monitoring mechanisms, the Group ensures the identification of situations of overwork and the implementation of corrective measures. At the same time, ensuring transparency and accountability in decisions affecting human rights supports an organizational culture based on fairness and a balance between operational requirements and worker well-being.

The **impact** S18 (-) *Workplace accidents in the value chain* is directly addressed by the objective of promoting a safe, healthy, and inclusive working environment, which establishes the Group's commitment to preventing accidents, reducing exposure to risks, and ensuring safe conditions for all workers, including those in the value chain. Additionally, the objective of developing effective reporting, remediation, and monitoring mechanisms supports incident management and the continuous improvement of occupational safety measures. Strengthening a responsible and sustainable value chain indirectly contributes to reducing health and safety risks through supplier selection in accordance with OHS standards, while alignment with international best practices ensures compliance with ILO norms and European Directives on occupational health and safety.

Further details regarding the Human Rights Policy are provided in *Section S1 Own Workforce* of this Sustainability Report.

3. Corporate Social Responsibility (CSR) Policy – ALRO, ALUM, VE, VT

Each company within ALRO Group has developed a *Corporate Social Responsibility (CSR) Policy*. The Group's CSR Policy reflects its commitment to complying with labour legislation and internationally applicable standards for workers in the value chain, and promotes safe, fair, and compliant working conditions.

In this context, the positive **impact** S15 (+) *Decent jobs and adequate wages in the value chain* is addressed through the Policy's objective of promoting adherence to fair wage standards throughout the value chain. This contributes to reducing inequalities, retaining the workforce, and providing adequate social protection for supplier workers. At the same time, the objective of ensuring respect for the fundamental rights of workers in the value chain and facilitating the reporting of violations through accessible mechanisms supports fair treatment, access to remedies, and protection against abusive practices.

The **impact** S16 (-) *Demanding work programs in the value chain* is addressed by ensuring respect for the fundamental rights of value chain workers, which implicitly includes compliance with legislation on working hours, rest periods, and work–life balance. Furthermore, promoting transparent and fair relationships with suppliers, including selection criteria based on sustainability and human rights, creates the conditions for monitoring practices that may lead to overwork. By facilitating accessible reporting mechanisms, the Policy enables the identification and remediation of situations where work schedules become excessive.

The **impact** S18 (-) *Workplace accidents in the value chain* is directly addressed by the objective of supporting suppliers in implementing accident prevention measures and protecting the well-being of value chain workers. This contributes to reducing operational risks, improving safety procedures, and preventing workplace incidents. Additionally, the objective of promoting transparent and fair relationships with suppliers, based on social selection criteria, allows for continuous monitoring of health and safety performance. Accessible violation reporting mechanisms support the rapid detection and management of unsafe conditions.

Further details regarding the *Corporate Social Responsibility Policy* are provided in *Section G1 – Professional Conduct of this Sustainability Report*.

4. Supplier Evaluation and Monitoring Procedure – ALRO, ALUM, VE

At the level of each company, a specific procedure has been established for supplier evaluation and monitoring. Accordingly, in line with Procedure PO-010 – *Supplier Evaluation and Monitoring* at **ALRO**, Procedure PO-134-07 – *Supplier Evaluation and Monitoring at* **ALUM**, and Procedure VEPu-PI-013-00 at **VE**, the Group has implemented a supplier evaluation and accreditation process conducted every two years. This process integrates not only aspects related to the quality of products and services provided by suppliers but also sustainability considerations, in accordance with the Aluminum Stewardship Initiative (ASI) Standard. ASI is a performance standard that defines environmental, social, and governance principles and criteria aimed at addressing sustainability issues that may arise across the aluminium industry value chain.

The supplier evaluation and monitoring procedure implemented by ALRO, ALUM, and VE has as its primary objective the assurance of a sustainable value chain through the selection and collaboration with suppliers who comply with sustainability standards, including

workers' rights. This includes the assessment of risks related to working conditions, social impact, and compliance with labour legislation, contributing to the **positive impact** S15 (+) *Decent jobs and adequate wages in the value chain* by promoting respect for fundamental rights, non-discriminatory treatment, and working conditions in line with legal and contractual requirements. At the same time, the procedure addresses the **potential impact** S16 (-) *Demanding work programs in the value chain* by monitoring aspects related to working hours, rest periods, and compliance with regulations on employee health and well-being, as well as verifying supplier compliance with applicable regulations to prevent workforce overwork. Furthermore, the **potential impact** S18 (-) *Workplace accidents in the value chain* is addressed through the evaluation of suppliers' occupational health and safety measures, including the required use of appropriate personal protective equipment, verification of specific training, and analysis of reported incidents, all aimed at reducing accident risks.

The procedure applies to all suppliers of ALRO Group, covering both upstream and downstream activities in the value chain, including the supply of raw materials, production, and distribution. The evaluation is conducted with a focus on the geographic regions from which the main resources are sourced, in order to identify potential social or operational risks. The procedure does not provide for any exclusions and is applicable to all suppliers seeking to collaborate with the companies within ALRO Group, thereby contributing to the systematic prevention and management of S15, S16, and S18 impacts across the entire value chain. The approval, implementation, and oversight of the procedure are the responsibility of the General Director of each Group company.

The procedure is aligned with international standards, including ISO 9001 and the requirements of the Aluminium Stewardship Initiative (ASI). In establishing the supplier evaluation and monitoring procedure, ALRO Group placed particular attention on the interests of key stakeholders, taking into account their expectations regarding social compliance, respect for workers' rights, and the prevention of negative impacts across the value chain. The interests of supplier workers were reflected through the inclusion of criteria related to working conditions, occupational health and safety, working hours, and compliance with labour legislation. At the same time, the interests of customers and business partners were addressed through the integration of transparency, traceability, and social responsibility requirements into contractual relationships with suppliers. Regulatory authorities are addressed through alignment of the procedure with applicable legislation and relevant international standards on human rights and labour protection. By considering these perspectives, the procedure helps maintain stakeholder trust, reduce social and operational risks across the value chain, and promote a responsible framework for collaboration with suppliers.

At **ALRO**, **ALUM**, and **VE**, the procedure is accessible to employees via each company's intranet, while details of the supplier evaluation and accreditation process are shared with participating suppliers by email as part of the procurement documentation. Suppliers are required to comply with the procedure in order to initiate or continue collaboration with ALRO Group companies. Further details regarding the Supplier Evaluation and Monitoring Procedure are available in *Section G1-2 – Management of relationships with suppliers* of this Sustainability Report.

Respect for Human Rights

ALRO Group expresses its commitment to respecting human rights across the value chain through a robust framework of internal policies and regulations. This includes the Human Rights Policy described above, as well as *the Corporate Social Responsibility (CSR) Policy*, detailed in *Section S1 – Own Workforce*. Furthermore, through the Code of Ethics and Professional Conduct, presented in detail in *Section G1 – Professional Conduct of this Sustainability Report*, the Group promotes integrity, respect, and responsibility in all business relationships, ensuring ethical and compliant behaviour among its employees and partners.

Both the Human Rights Policy and the *Code of Ethics and Professional Conduct* make explicit reference to key international instruments, such as the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Universal Declaration of Human Rights, and the United Nations Global Compact, thereby ensuring alignment with international standards of responsible business conduct.

During the reporting period, no cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving workers in the Group's upstream or downstream value chain were reported at Group level.

Throughout the business relationship, the Group engages with its suppliers to enhance transparency and accountability with regard to labour practices within the value chain. For this purpose, reporting channels for breaches of international human rights principles allow such situations to be reported and subsequently investigated by designated Group representatives, based on consultation with relevant stakeholders.

The Group conducts an annual review and update process of its policies that include sustainability-related aspects, including matters concerning workers in the value chain.

Child Labour and Forced Labour

The Human Rights Policy explicitly addresses and prohibits forced labour, human trafficking, and the exploitation of children, and applies both to the Group's own operations and to all suppliers. In addition, the *Supplier Code of Conduct*, described above in this section and applicable to all suppliers and business partners, establishes minimum standards of professional conduct and expressly prohibits forced labour, child labour, and human trafficking.

Compliance with the Code is mandatory for approved suppliers, who confirm their commitment to align with international human rights principles through the signing of a Declaration of Responsibility..

III.2.2.2. [S2-2] Processes for engaging with value chain workers about impacts

For the double materiality assessment conducted in 2025, ALRO Group carries out an annual consultation process with its key suppliers in order to better understand actual and potential impacts on workers in the value chain and to complement the list of topics identified in accordance with ESRS standards.

These consultations highlight issues related to occupational health and safety, including the assessment of risks associated with the activities performed, with the objective of creating and maintaining a safe and responsible working environment across the entire value chain. The implementation of robust incident reporting and management procedures confirms the importance of continuous monitoring and clearly defined preventive measures.

By implementing the *Supplier Evaluation and Monitoring Procedure* based on environmental and social criteria and by requiring adherence to the *Supplier Code of Conduct*, the Group also seeks to reduce impacts on workers within the supply chain, including with regard to human rights, labour rights, and occupational health and safety. Accordingly, as part of the supplier evaluation process, the ASI questionnaire, which includes questions based on sustainability criteria (social and environmental), is completed. To date, no cases of suppliers violating sustainability principles have been identified.

The active engagement of suppliers, customers, employees, and NGOs enabled the effective identification and assessment of sustainability impacts, contributing to an improved understanding of how these stakeholders may be affected. The outcomes of these consultations are used to update sustainability-related strategic objectives and to define corrective actions within contractual relationships with suppliers.

The consultation process targets suppliers selected based on their strategic importance, both nationally and internationally, and covers all stages of the value chain, including the production

and supply of raw materials, the provision of goods and services, their transportation, utilities, the collection, transport, treatment, and disposal of waste, as well as the transportation of finished products. Following the assessment of social impacts across the value chain, ALRO Group commits to implementing monitoring and evaluation processes and procedures within its own operations and to cooperating with its suppliers to prevent and remediate any negative impacts on the environment and on people, recognizing that such impacts may result in sanctions, financial losses, and adverse effects on the Group's market competitiveness.

At Group level, the Procurement & Logistics Director, together with the Quality Director and the procurement managers of each Group company, with the support of the Sustainability Department, hold operational responsibility for ensuring engagement with suppliers and for ensuring that the outcomes of this engagement inform the process of identifying and assessing impacts, risks, and opportunities, as well as the Group's sustainability-related strategic objectives.

During the reporting period, the Group did not initiate direct dialogue actions with representatives of workers in the value chain and did not adopt specific measures to understand the perspectives of potentially particularly vulnerable categories of value chain workers, such as women, migrants, or persons with disabilities. However, the Group commits to integrating the highest standards of transparency and collaboration into its supplier evaluation process, taking into account, inter alia, forthcoming regulations on corporate due diligence.

III.2.2.3. [S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns

ALRO Group provides multiple communication channels through which all stakeholders, including workers in the value chain, may submit reports or complaints, with the assurance of prompt and confidential handling.

Accordingly, within **ALRO**, any individual may use one of the following options:

- By post: ALRO, 116 Pitești Street, postal code 230048, Slatina, Olt County;
- By submitting a letter: in the dedicated mailboxes located at the access gates of the companies;
- Electronically: by email at: *sesizari@alro.ro*;
- Online: through the petition form available on *www.alro.ro*;
- By phone: at 0349 880 551.

For **ALUM**, any individual may use one of the following options:

- **By post:** ALUM S.A., 82 Isaccei Street, postal code 820228, Tulcea, Tulcea County;
- By submitting a letter: in the dedicated mailboxes located at the access gates of the companies;
- Electronically: by email at: *alum@alum.ro*;
- Online: via the complaints form available at: *Home | Alum*;
- By phone: at 0240 535 022.

For **Vimetco Extrusion**, any individual may use one of the following options:

- By post: Vimetco Extrusion, 1 Milcov Street, postal code 230077, Slatina, Olt County.
- By submitting a letter: in the dedicated mailboxes located at the access gates of the companies
- Electronically: by email at *office@vimetcoextrusion.com*;
- Online: via the complaints form available at *www.vimetcoextrusion.com*;
- By phone: at 0249 414 040.

For **Vimetco Trading**, any individual may use one of the following options:

- By post: Vimetco Trading, 1 Milcov Street, postal code 230077, Slatina, Olt County, or 64 Splaiul Unirii, Sector 4, Bucharest, postal code 040036;

- By submitting a letter: in the dedicated mailboxes located at the access gates of ALRO;
- **By phone:** at 021 408 35 00.

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n 2025, the companies within ALRO Group recorded two complaints from workers in the value chain regarding working conditions, both of which were remedied during the reporting period in accordance with the applicable procedures.

This reflects the effectiveness of the compliance and transparency mechanisms implemented by the Group, as well as its commitment to ensuring a safe, fair, and standards-compliant working environment in line with sustainability and professional ethics principles.

In addition, Procedure PO–426 *Resolution of requests, notifications and complaints (whistleblower)* provides an integrated and detailed framework for managing reports at ALRO company level and the *Procedure for the Handling of Requests, Notifications, and Complaints (Whistleblowers)* PO-6-06, which establishes the relevant framework at **ALUM** level, while at **VE** this is addressed through the *Integrity Whistleblowing Policy and Procedure*. Both documents are presented in detail in *Section G1 – Professional Conduct of this Sustainability Report*. Through the protection and transparency measures they establish these documents effectively address both the internal needs of the organization and the interests of external stakeholders.

The availability of the policies and the accessibility of the reporting channels contribute to strengthening trust between the companies within ALRO Group and their stakeholder community. Both documents also include a notification template outlining the procedures for the collection, investigation, and response to petitions, detailing the available communication channels and the petition resolution process. This notification template is available to workers in the value chain on the ALRO website, under the Corporate Governance section.

The implementation of these documents reflects the alignment of practices related to the collection and resolution of petitions, complaints, and reports across the companies within the Group, in accordance with legal requirements as well as international corporate governance standards.

Even in the situation of developing and implementing policies and procedures to prevent the occurrence of situations that violate business ethics, anti-corruption, and other legal aspects, ALRO Group may generate or contribute to a negative impact regarding these aspects, including human rights, in the value chain, which it did not foresee or could not prevent. Thus, if the Group identifies such a situation, its commitment to respecting human rights requires adopting remedial measures, either on its own or in collaboration with other stakeholders, especially if these impacts were generated by its suppliers. At the operational level, the process for resolving complaints or petitions initiated by workers in the value chain can be an effective means of identifying negative impacts on human rights, as well as preventing or promptly remedying potential impacts, thereby preventing the amplification of harm and escalation of complaints.

Additionally, the Group intends, in the upcoming period, to include in its specific policies a description of the process for evaluating the effectiveness of complaint resolution mechanisms, including the criteria underlying these evaluations, as provided in the UN Guiding Principles on Business and Human Rights.

During the reporting period, the Group initiated a consultation process with suppliers that integrated various environmental, social, and governance aspects; however, this process did not target the evaluation of the effectiveness of the communication channels available to workers in the value chain.

Details regarding the protection measures for whistleblowers, including those among workers in the value chain, are presented in *Chapter G1 – Professional Conduct* of this Sustainability Report.

III.2.2.4. [S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

To ensure the achievement of the objectives set out in the policies regarding value chain workers, correlated with the **material impacts** S15 (+) *Decent jobs and adequate wages in the value chain*, S16 (-) *Demanding work schedules in the value chain*, and S18 (-) *Demanding work programs in the value chain,* ALRO Group has operationalized these commitments within ***Pillar IV – A Responsible and Sustainable Business*** of the 2025-2030 Sustainability Strategy. This pillar links policies to concrete actions, timelines, monitoring indicators, and measurable targets, ensuring that their implementation generates verifiable results across the value chain.

During the reporting period, the Group carried out dedicated actions to manage significant impacts, both positive and negative, directly affecting workers in the value chain.

The identification of necessary actions is carried out through periodic consultations with suppliers and through the use of the ASI questionnaire, which integrates social and environmental criteria. The results of these processes are analysed by the teams responsible for procurement and sustainability, who establish action plans tailored to each type of identified impact.

Main actions

Main actions	Time horizon	Expected results	Target
A4G1: Formal adherence of suppliers to the Code of Conduct	2025-2030	Strengthening ethical and sustainable conduct, including respect for human rights in business relationships and the supply chain	By 2030, at least 5% of ALRO and VE suppliers will undergo audits or evaluations assessing compliance with business ethics and anti-corruption criteria, including respect for human rights, working conditions, and occupational health and safety (OHS), in accordance with the Supplier Code of Conduct and the Sustainability Guide.
A5G1: Creating a Sustainability Manual for suppliers, with concrete measures, indicators and good practices, to support the application of the Sustainability Guide and the Supplier Code of Conduct in order to improve their ESG performance.			
A6G1: Introduction and maintenance of sections specifically dedicated to business ethics, anti-corruption, respect for human rights, working conditions and OHS in the supplier evaluation questionnaire during the accreditation process			
A7G1: Annual sustainability audits for a sample of suppliers (minimum 5% by 2030)			
A8G1: Annual training sessions for suppliers on the implementation of the Code and ESG performance improvement			
A9G1: Training procurement staff on supplier sustainability assessment and social audits			
A10G1: Integration of ESG indicators into the performance evaluation of procurement staff			
A11G1: Supplier ESG Performance Certification and Recognition Program			

The scope of the main actions covers the entire value chain of ALRO Group, applying to all suppliers regardless of the type of activity performed or geographic location, both upstream and downstream, as well as to all of their workers who may potentially be affected. These actions do not exclude any specific categories of partners and are applied uniformly across the entire supply base. The effectiveness of the measures is monitored through the indicators included in the Sustainability Strategy (e.g., the percentage of suppliers evaluated/ audited and the number of non-conformities remedied), annual analysis of results, and periodic review of selection criteria.

Implemented or initiated actions in 2025

In 2025, several actions were carried out addressing all **material impacts** concerning workers in the value chain: S15 (+) *Decent jobs and adequate wages in the value chain*, S16 (-) *Demanding work programs in the value chain*, and S18 (-) *Workplace accidents in the value chain*.

A supplier survey was conducted, targeting 85 suppliers, to identify significant sustainability impacts at their level, as part of the DMA (Double Materiality Assessment) process. In the future, this survey will be conducted whenever the DMA process takes place.

Also, in 2025, to address the same impacts, ALRO developed the Supplier Sustainability Guide, a document that defines the social, ethical, and compliance standards applicable to its suppliers. The Guide applies to all ALRO suppliers and business partners, and it is mandatory for them to cascade the requirements down their own supply chains. It covers the entire value chain, both upstream (direct and indirect suppliers) and downstream (commercial partners). The Guide aligns with national and international legislation and is built in accordance with international best practices in sustainability. Additionally, it is supported by the ALRO Supplier Code of Conduct, which complements the set of applicable requirements.

In 2025, **ALRO** and **VE** continued the supplier evaluation process by sending out the ASI questionnaire, used in the social and environmental due diligence procedure, together with the Supplier Code of Conduct, requesting business partners to commit to complying with requirements regarding working conditions, workers' rights, and occupational health and safety. At ALUM, although production activities were suspended, the same documentation was sent to active suppliers to maintain compliance across the value chain. The implementation of the Supplier Sustainability Guide at ALRO and the application of the Supplier Code of Conduct across the Group strengthen the commitment to prevent forced labour and child exploitation, uphold freedom of association and collective bargaining, and ensure fair, non-discriminatory treatment, adequate remuneration, and social protection for workers in the supply chain.

The evaluations and consultations carried out so far indicate that the Group's suppliers generally comply with social and environmental requirements, with no major non-compliance cases identified. Progress is monitored through the continuous expansion of evaluation criteria, and the results of the annual consultations are integrated into the update of the sustainability objectives.

At the same time, the personnel responsible for managing procurement and contract execution maintain constant dialogue with suppliers to identify situations where there may be risks of violations of workers' rights in the value chain, overwork, or occupational accidents.

So far, discussions with suppliers have revealed the existence of overtime practices. In response, the Group has decided to carry out dedicated awareness and information actions in the future, aimed at reducing the risks associated with demanding work schedules and supporting the improvement of working conditions across the value chain.

In addition to the actions undertaken to support positive impacts and manage potential negative ones described above, ALRO Group has developed and implemented an **EcoVadis Action Plan**, based on the results of the sustainable procurement assessment.

Among the additional measures initiated are:

- Establishing an internal sustainable procurement policy that includes clear requirements regarding social and environmental aspects applicable to suppliers;
- Training procurement personnel in sustainability – annual training program;
- Implementing a formal ESG risk assessment mechanism within the procurement process;
- Annual monitoring of suppliers' sustainability performance, with a focus on compliance with principles of decent work, pay equity, and non-discrimination;
- Reviewing supplier selection criteria;
- Thematic audits for suppliers in high-risk areas, starting in 2026.

To ensure the availability and effectiveness of remedial measures, the Group maintains reporting and communication mechanisms accessible to all stakeholders, including workers in the value chain. In cases of non-compliance, corrective action plans are established and monitored over time, and if these are not properly implemented, the Group may decide to terminate the contractual relationship.

During the reporting period, no incidents concerning human rights were reported in connection with its upstream or downstream value chain.

Regarding the implementation of internal policies and the monitoring of the remediation process for significant impacts related to workers in the value chain, as identified and assessed through the double materiality process, the Group has assigned the following roles and responsibilities:

- Sustainability Department – responsible for all sustainability-related topics;
- Human Resources & General Services Directorate – responsible for topics within the human resources domain;
- Health, Safety, and Environment Department – responsible for topics within the health, safety, and environmental domain.

Currently, the implementation of actions associated with the objectives regarding workers in the value chain has not required the allocation of dedicated financial resources (Opex or Capex), as the measures implemented so far have been integrated into the Group's existing operational and compliance processes and have been carried out by internal staff within their current responsibilities. For actions planned in the coming years, the required resources will be evaluated, considering that some of these actions will be implemented internally by responsible personnel, while certain specialized activities may be carried out with the support of external consultants. At this stage, no detailed financial estimate has been established, and it will be defined as operational plans are developed. The Group's capacity to implement the planned actions does not depend on external preconditions, and dedicated sustainable financing instruments are not currently considered, though these may be assessed later as needed.

More details regarding the positive impact mentioned above can be found in *Chapter II.2.1.2 [ESRS 2 SBM-3] Significant Impacts, Risks, and Opportunities and Their Interaction with the Strategy and Business Model* in this section of the Sustainability Report..

III.2.3. Indicators and targets

III.2.3.1. [S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ALRO Group has set targets and actions aimed at strengthening responsible procurement practices and reducing social and compliance risks in the value chain through the Sustainability Strategy 2025-2030. For the **material impacts** identified in the value chain – S15 (+) *Decent jobs and adequate wages in the value chain*, S16 (-) *Demanding work programs in the value chain*, and S18 (-) *Workplace accidents in the value chain*, ALRO Group monitors the effectiveness of its actions through a measurable, time-bound target included in the Sustainability Strategy 2025-2030: **the assessment, by 2030, of at least 5% of ALRO and VE suppliers through audits or evaluations regarding business ethics, respect for human rights, working conditions, and occupational health and safety**. This target is directly linked to the strategic objective: "Strengthening ethical and sustainable conduct, including respect for human rights in business relationships and in the supply chain".

The target is monitored annually through a result indicator, complemented by output indicators for each action supporting its implementation (for example: number of audits conducted, number of suppliers trained, percentage of suppliers evaluated on social and occupational health and safety criteria, ESG certification levels, etc.). The scope of the target is limited to suppliers of ALRO and VE Group companies, without a specific geographic delimitation, covering both the upstream and downstream value chain. This scope was chosen to include only these Group companies because ALUM's production activity is still suspended, and at VT, the number and type of suppliers are not significant. The adopted target simultaneously contributes to reducing potential negative impacts on workers in the value chain (S16, S18), promoting existing positive impacts (S15), and leveraging opportunities associated with increasing ESG maturity in the supply chain.

The target does not have a reference year, as it is newly introduced, and progress is measured annually based on internal evaluation processes and supplier reporting. The methodology is based on social and environmental due diligence criteria and the provisions of the Supplier Code of Conduct and the Sustainability Guide.

The process of setting the target and associated actions was carried out internally by the specialized departments, members of the sustainability team, and the Sustainability Department, and was subsequently approved by the General Director of ALRO and the Risk and Sustainability Committee. Workers in the value chain or their legitimate representatives were not directly involved in setting the target, but they will be informed about progress through the annual sustainability report.

The progress achieved is analysed periodically, and in the event of changes to the methodology or indicators, the Group will provide justifications and explain the impact on comparability. Annual monitoring of performance against the target will allow for the identification of recurring non-conformities and risk areas, and the conclusions will be used to update supplier evaluation and training processes. The expected outcome of achieving this target is the progressive improvement of working conditions, the level of health and safety protection, and fair treatment for supplier workers, as reflected by a reduction in non-conformities identified in audits.

TARGET 1

At least 5% of ALRO and VE suppliers assessed through audits/evaluations on business ethics, respect for human rights, working conditions and OSH by 2030

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Strengthening ethical and sustainable conduct, including respect for human rights in business relationships and in the supply chain," contributing to the management of impacts S15, S16, and S18 in the value chain. The theme is Working Conditions, with the following sub-themes: Safe jobs; Working time; Health and safety
(b) **Defined target level**	At least 5% of ALRO and VE suppliers assessed through audits/evaluations by 2030.
Type of target	Absolute (percentage of total suppliers).
Unit of measure	%
(c) **Scope**	ALRO and VE suppliers (upstream and downstream), without geographic limitation.
(d) **Reference year**	n/a (newly introduced target).
(e) **Application period**	2025-2030, with annual monitoring.
Intermediate target	Undefined (progressively monitored annually).
(f) **Methodologies and assumptions**	Evaluation based on social, ethical, and occupational health and safety (OHS) criteria included in the supplier accreditation process, in accordance with the Code of Conduct and the Sustainability Guide.
Alignment with standards	UN Guiding Principles on Business and Human Rights, OECD Guidelines, EU regulations (including CSRD).
(g) **Scientific basis**	n/a (social target).
(h) **Stakeholder involvement**	The target was established internally by the specialized departments, members of the sustainability team, and the Sustainability Department; external stakeholders were not consulted.
(i) **Future changes**	Any updates to the methodology/indicators will be explained and reported.
(j) **Performance and Monitoring**	Annual monitoring through the target's outcome indicators and the output indicators of the implemented actions; progress is in line with the 2030 planning.

PERFORMANCE IN ACHIEVING THE TARGET

Target: At least 5% of ALRO and VE suppliers assessed through audits/evaluations on business ethics, respect for human rights, working conditions and OSH by 2030

2025 Performance

The activity is currently being implemented. In 2025, the following were achieved:

7%
suppliers assessed by ALRO.

1%
suppliers assessed by VE

4
audits carried out on ALRO suppliers

0
VE audits carried out

III.3. ESRS S3 Affected communities

III.3.1. Strategy

This section presents significant information regarding the topic "Affected Communities," along with the relevant impacts, risks, and opportunities identified at ALRO Group level within the sub-theme "Economic, social, and cultural rights of communities," including details on how these are managed.

Significant impacts, risks, and opportunities (IRO)

SUB-THEME	SUB-SUB-THEME	Name / Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** TS	TM	TL
ECONOMIC, SOCIAL, AND CULTURAL RIGHTS OF COMMUNITIES	*WATER AND SANITATION*	**S19 (+) Suppliers contribution to community safety and access to essential resources** *Current positive impact*	●		●			
	ECONOMIC VALUE GENERATED AND DISTRIBUTED (Group-specific aspect)	**S22 (+) Contribution to economic growth and the improvement of the population's standard of living** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
		RO27 (+) Strengthening relationships with local communities and maintaining the social licence to operate *Opportunity*	●	ALRO, ALUM, VE, VT		●		

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: ST – short-terms, MT – medium-terms, LT – long-terms

III.3.1.1. [SBM-2] Interests and views of stakeholders

This information is reported in the SBM-2 *Section of ESRS 2.*

III.3.1.2. [SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

The actual impacts on affected communities identified by ALRO Group arise directly from the nature of its strategy and business model, which are based on vertically integrated industrial activities, with local sites and an extended value chain, both upstream and downstream. Aluminium production activities, as well as collaboration with suppliers of raw materials and logistics services, lead to constant interactions with communities located near the facilities and in sourcing and distribution areas. Specifically, **impact** S22 (+) *Group's contribution to economic growth and improvement of living standards* results from the Group's business strategy to maintain and develop its industrial operations in Romania, generating local economic value, jobs, and social investments in Slatina and Tulcea. **Impact** S19 (+) *Suppliers contribution to community safety and access to essential resources* derives from the Group's value chain and reflects how the responsible procurement policy and collaboration with suppliers promote good social and safety practices in the communities where they operate. ALRO Group continuously assesses how strategic decisions regarding cost structure, investment policy, and resource optimization may influence relationships with affected communities, in order to prevent undesirable social effects or local economic imbalances.

These impacts therefore stem from the Group's strategy and business model, and their ongoing analysis contributes to the adaptation and strengthening of these strategies. As part of the double materiality assessment, ALRO Group conducted a process of consultation and validation of the identified impacts, involving representatives of relevant stakeholders, including non-governmental organizations representing the interests of potentially affected communities. Feedback from the communities, along with the results of the double materiality assessments, is integrated into strategic and operational planning processes, influencing decisions regarding investments, the location of production facilities, energy efficiency initiatives, and social projects carried out within the communities.

The significant **opportunity** RO27 (+) *Strengthening relationships with local communities and the social license* to operate directly stems from the **positive impact** S22 (+): *Group's contribution to economic growth and improvement of living standards* in the areas where *it operates*. Through its industrial activities, ALRO Group generates economic and social value at the local level, supporting regional suppliers, creating jobs, and investing in educational and social projects for the communities in Slatina and Tulcea. This economic and social contribution creates a strategic opportunity: strengthening trust-based relationships with communities and local authorities, which ensures the maintenance of the social license to operate – an essential element for the stability and continuity of the Group's industrial model. The connection between this opportunity and the Group's strategy is reflected in the way ALRO integrates its sustainable development objectives into strategic planning processes. By reinforcing local partnerships and supporting the regional economy, the Group reduces social risks and community opposition, improves public perception and corporate reputation, and creates the foundations for long-term sustainable growth. The concrete effects of leveraging this opportunity include improved public perception and trust from communities and local authorities, facilitating the acceptance and support of future projects; increased employee loyalty and reduced staff turnover; strengthened positioning of the Group as a trusted employer and partner; and the attraction of partnerships and public support for investment projects. Therefore, **opportunity** RO27 represents a key link between the Group's social performance and its business strategy, contributing to greater resilience, enhanced competitiveness, and the continuous adaptation of the business model to the requirements of a sustainable economy.

The communities targeted by a significant impact of ALRO Group's activities include:

1. Communities living or working around operational sites

In the context of **positive impact** S22 and **opportunity** RO27, the main communities potentially affected by ALRO Group's activities are those located near its production facilities and administrative offices in Olt County (Slatina) – where primary and processed aluminium production takes place (ALRO), Tulcea (ALUM) – where alumina production is temporarily suspended during 2024–2025, as well as Bucharest, where the Group has an administrative office. The impacts can be positive, through local economic contribution, job creation, investments in infrastructure, and educational and environmental programs.

2. Communities located along the value chain.

Upstream, in connection with **impact** S19, communities in areas related to raw material supply, electricity and thermal energy production, and logistics and transport may be affected, while downstream, communities in the vicinity of operators involved in waste collection, treatment, and disposal may also be affected.

3. Communities located at the end points of the value chain

At the ends of the value chain, in close connection with **impact** S19, on the one hand there may be communities located near raw material extraction areas, and on the other hand, communities in the vicinity of recycling facilities and waste disposal sites resulting from industrial processes. ALRO Group monitors the potential effects on these communities and promotes responsible sourcing and recycling practices, in line with the principles of the circular economy and the sustainable use of resources.

With regard to impacts on indigenous peoples, there are none, as Romania does not have such populations, and ALRO Group does not carry out activities in regions where such communities could be affected.

Before launching major projects, the Group systematically identifies key stakeholders, including relevant civil society organizations, in order to discuss potential critical aspects of the projects, thereby avoiding operational blockages or inadequate management of negative impacts arising from its own activities at the level of the affected communities. This dialogue with community representatives contributes to an understanding of their expectations and needs and represents a necessary tool in the process of assessing potential or actual impacts. In addition, continuous dialogue is ensured through the annual consultation process with local communities, and the feedback received also helps to identify, where applicable, vulnerable communities that may be physically or economically isolated or have limited access to social services. These characteristics are taken into account when assessing the significance of impacts, in order to identify whether certain groups within communities are exposed to a higher risk of harm. The results of these analyses are integrated into the Group's strategic planning processes, influencing decisions regarding investments, the location of production facilities, energy efficiency initiatives, and social projects carried out within the communities.

As a result of the double materiality assessment process, ALRO Group did not identify any current or potential negative impacts considered significant on affected communities, either in its own operations or across its upstream or downstream value chain. The assessment included an analysis of direct and indirect impacts on health, safety, quality of life, and access to essential resources for communities located near industrial sites (Slatina and Tulcea), as well as for communities within the supply chain.

During the reporting period, through the communication channels described above, the Group did not identify any communities exposed to a high risk of harm resulting from non-compliance with human rights. There were no situations in which companies within the Group used land in regions where property rights are contested or not clearly defined, which could adversely affect local populations. Furthermore, as part of its strategy, the Group did not decide to expand its operations into high-risk areas that could trigger opposition from local communities, leading to operational losses, difficulties in obtaining permits, or even the loss of land concessions. This preventive approach is part of the Group's strategy to mitigate social and reputational risks, avoiding the scenarios referenced in the ESRS standards

regarding community opposition or restrictions on permits.

Following the double materiality assessment process, the Group assessed water consumption used in operational processes as having a significant impact; however, the environmental impact was considered minor, as water resources are managed and monitored, resulting in an insignificant effect on the quality of life of the affected communities.

For the purpose of identifying impacts, risks, and opportunities related to affected communities, in accordance with ESRS standards, both the Group's own economic activities and those within the value chain were analysed, and a consultation process was initiated with representatives of local communities to validate the identified impacts.

With regard to significant positive impacts on affected communities, ALRO Group identified the following: S19 (+) – *Suppliers' contribution to community safety and access to essential resources*, and S22 (+) – *The Group's contribution to economic growth and the improvement of living standards of the populatio*n.

Impact S19 results from the responsible manner in which ALRO Group's suppliers conduct their activities in the communities where they operate. Through their actions, suppliers contribute to improving living conditions by supporting access to essential resources such as water, food, and housing, and by engaging in initiatives that strengthen public safety and respect for fundamental human rights. The practices adopted by suppliers play an important role in creating a safer and more equitable community environment, in which the principles of dignity, equality, and respect are integrated into everyday life. These activities generate beneficial effects particularly in local communities in Romania and other European regions where ALRO Group has active partnerships. The positive impact is most evident in rural and semi-urban areas, where improved access to resources and strengthened relationships between companies and communities contribute to a higher quality of life.

Impact S22 is reflected through the industrial and investment activities of ALRO Group, which directly contribute to the economic development of the communities surrounding its facilities. From aluminium production and processing to the supply of essential materials for industries such as automotive, aerospace, and construction, the Group's activities generate economic value at both local and national levels. Through the taxes, duties, and social contributions paid, the Group supports public budgets, contributing to the financing of infrastructure, education, healthcare, and transport. At the same time, collaboration with local suppliers, the creation of stable jobs, and the social initiatives carried out strengthen the link between the company and nearby communities, reducing social risks and reinforcing mutual trust. The positive impact is particularly visible in the communities of Slatina (Olt County) and Tulcea, where ALRO, ALUM, and Vimetco Extrusion operate.

Through these actions, the Group has the ability to strengthen trust-based relationships with the communities in the vicinity of its facilities and to reinforce its social license to operate, an essential element for the stability and continuity of its business model. The relationship of mutual dependence between the Group and communities is reflected in the fact that social acceptance, workforce availability, local partnerships, and support from public authorities directly influence the Group's ability to carry out its operations under optimal conditions.

Opportunity RO27 was also identified in the context of close collaboration with suppliers along the value chain, considering ALRO Group's strategic role in the economy and its commitment to the principles of sustainability and social responsibility. By integrating ESG criteria into commercial relationships, the Group promotes partnerships that support community safety, access to essential resources, and respect for fundamental human rights. The implementation of these ethical and social standards across the value chain transforms suppliers into active partners in reducing social risks and creating a lasting positive impact. This approach strengthens ALRO Group's reputation as a responsible actor, increases the trust of customers, employees, and investors, and reinforces the company's competitive position. Although the financial effects are not immediate, the benefits materialize over the long term through reduced reputational risks, easier access to markets and sustainable financing, and stable relationships with communities – thereby contributing to the strategic resilience and sustainability of the Group's business model.

ALRO Group is aware of its important role within local communities and acts responsibly to positively influence the economic, social, cultural, and sporting environment in which it operates. Due to its economic and financial potential, as well as its status as the sole producer of aluminium and aluminium alloys in Romania, ALRO is a representative company not only for the communities where it creates jobs and contributes to local development but also for the national economy, through its significant contribution to GDP and the strengthening of industrial value chains.

III.3.2. Management of Impacts, Risks, and Opportunities

III.3.2.1. [S3-1] Policies Related to Affected Communities

The Group has implemented a series of policies aimed at managing its impacts and opportunities assessed as significant in relation to affected communities, as follows:

Policies related to affected communities

		MATERIAL TOPICS		
Policy name	**Applicability**	**S19(+)**	**S22(+)**	**RO27(+)**
1. Supplier Code of Conduct	ALRO, ALUM, VE, VT	●		●
2. Supplier Code of Conduct	ALRO, ALUM, VE, VT	●	●	●
3. Human Rights Policy	ALRO, ALUM, VE, VT	●	●	●

The Group makes every effort to periodically review and update its internal policies and procedures whenever necessary, including in situations where changes in the legislative or regulatory framework affect the operations of the Group's companies. These documents are therefore analysed during the Annual Management Review and, where appropriate, revised in accordance with new guidelines that respond to changes in the business environment (legislation, initiatives the Group's companies adhere to, partner requirements and expectations, etc.). A partial review process took place during 2025. Progress in implementing these policies and procedures is reported annually through the Sustainability Report, with actions and targets for implementation included in ALRO Group Sustainability Strategy 2025-2030, available on the website *ALRO-Group---Sustainability-Strategy-2025-2030.pdf* .

1. Supplier Code of Conduct – ALRO, ALUM, VE, VT

ALRO Group has developed a Supplier Code of Conduct at the level of each company. The objectives set out in the Supplier Code of Conduct directly contribute to generating and strengthening the positive impacts identified in the double materiality analysis regarding the theme of Affected Communities, as well as to leveraging the associated opportunities. This

Code represents an essential tool through which the Group ensures that the entire supply chain operates in accordance with the principles of ethics, sustainability, and social responsibility, guaranteeing consistency between the procurement policy and its strategic commitments to sustainable development.

The positive **impact** S19 (+) – *Suppliers contribution to community safety and access to essential resources* is addressed through the objectives of the Code, which promote commercial relationships based on integrity, responsibility, and mutual respect. By establishing clear standards regarding the respect of human rights, health and safety at the workplace, and requirements to prevent forced labour, child exploitation, and discrimination, ALRO Group ensures that its suppliers adopt ethical and sustainable practices in the communities where they operate. At the same time, objectives related to environmental protection and the reduction of operational impact support the creation of a safe and equitable environment for local communities, strengthening their access to essential resources such as clean water, energy, and infrastructure. In this way, the Supplier Code of Conduct contributes to achieving a balance between suppliers' economic performance and their social responsibility, generating tangible positive effects on the safety and well-being of communities within the Group's value chain.

Additionally, **opportunity** RO27 – *Strengthening relationships with local communities and the social license to operate* is addressed through the objectives of the Code, which aim to promote responsible partnerships and adherence to international corporate responsibility standards, including the CSRD Directive, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. By applying these principles, ALRO Group reinforces trust-based relationships with local communities and public authorities, thereby strengthening its social license to operate and its position as a responsible industrial actor. At the same time, objectives that promote transparency, ethics, and cooperation along the value chain contribute to reducing reputational risks and increasing the Group's operational resilience.

Details regarding the Supplier Code of Conduct are presented in *ESRS S2 – Workers in the Value Chain*, within the contents of this Sustainability Report.

2. Corporate Social Responsibility Policy – ALRO, ALUM, VE, VT

At the level of **ALRO**, **ALUM**, **VE**, and **VT**, the *Corporate Social Responsibility (CSR) Policy* has been implemented to manage the impacts and opportunities associated with the sustainability theme: Affected Communities – Managing the Economic, Social, and Cultural Rights of Communities. ALRO Group CSR Policy represents the main strategic framework through which the company manages impacts on affected communities and integrates economic, social, and cultural aspects into its business model. This policy recognizes the Group's responsibility to respect and protect the economic, social, and cultural rights of communities, both in its own operations and along the value chain, and establishes mechanisms for identifying, assessing, and mitigating associated risks. Regarding the positive **impact** S19 (+) – *Suppliers contribution to community safety and access to essential resources*, the CSR Policy complements the Supplier Code of Conduct by promoting a responsible and sustainable value chain. The policy emphasizes the importance of cooperating with partners who adopt ethical and sustainable practices, thereby contributing to the well-being and safety of communities in the areas where they operate. Through its objectives, the policy aims to strengthen the capacity of local communities, encourage economic development through regional suppliers, and prevent adverse effects on health, the environment, and quality of life. In this way, by applying the policy, ALRO Group contributes not only to reducing social and environmental risks across the value chain but also to creating a positive impact based on ethical partnerships, responsibility, and community safety.

With regard to **impact** S22 (+) *Group's contribution to economic growth and improvement of living standards*, the social responsibility policy directly reflects ALRO's commitment to supporting the sustainable development of the communities in the vicinity of its operations. Through its objectives, the policy aims to strengthen the local economic contribution and create value through investments, taxes and duties, collaboration with local suppliers, and the generation of stable jobs. At the same time, it promotes employee involvement in social and educational programs, respect for local culture and values, and the encouragement of community entrepreneurship. Consequently,

the CSR policy contributes to improving the population's standard of living, reducing social inequalities, and strengthening the ties between the Group and the communities of Slatina and Tulcea, where ALRO has a significant presence.

The policy is also relevant to **opportunity** RO27 *Strengthening the relationship with local communities and the social license to operate*, as it provides for active dialogue with stakeholders and the continuous involvement of communities in decisions that may affect them. Through its social responsibility programs, ALRO promotes transparency, collaboration, and local partnerships, contributing to increased public trust and the reduction of social risks. The implementation of this policy supports the strengthening of the social license to operate and reinforces the Group's position as a responsible industrial player focused on sustainable performance and long-term stability. Details regarding the Corporate Social Responsibility Policy are presented in *Section G1* – *Business Conduct* of this Sustainability Report.

3. Human Rights Policy – ALRO, ALUM, VE, VT

The Human Rights Policy represents the Group's commitment to respecting and protecting human rights. In order to ensure the effective implementation of this core value, the Group has extended the applicability of the policy to both its own employees and external partners by publishing it on the ALRO website. By engaging employees and business partners in complying with social standards, ALRO contributes to the improvement of working conditions and the promotion of sustainable practices, which may have positive effects on the well-being of local communities. *The Human Rights Policy* underpins the way in which the Group's companies interact with people and the communities around them.

With regard to **impact** S19 (+) *Suppliers contribution to community safety and access to essential resources*, the policy supports the implementation of the Supplier Code of Conduct by establishing clear principles on the human rights, the prevention of exploitation, and the promotion of fair treatment for all workers within the supply chain. In this way, ALRO Group contributes to the development of a responsible value chain and to the improvement of living conditions and safety in the communities where its suppliers operate. At the same time, respect for human rights and the application of social responsibility principles support the positive **impact** S22 (+) *Group's contribution to economic growth and improvement of living standards*, by fostering local economic growth and improving the standard of living of the population in the areas where the Group conducts its operations.

With regard to **opportunity** RO27 *Strengthening the relationship with local communities and the social license to operate*, the Human Rights Policy plays a central role. By promoting transparency, accountability, and effective reporting and remediation mechanisms, the Group strengthens the trust of communities and stakeholders, preventing social conflicts and reinforcing the social license to operate. In this way, the policy not only mitigates reputational risks but also actively contributes to the stability and resilience of ALRO Group's business model. ALRO Group recognizes its responsibility to respect human rights as a fundamental principle in its relationship with the communities in which it operates. Furthermore, the Group has committed to ensuring that its own employees, as well as customers, suppliers, contractors, and communities, are treated with dignity and respect.

The applicability of the Human Rights Policy extends to all relevant stakeholders of ALRO Group, including affected communities, both in the vicinity of its industrial sites and across the upstream and downstream value chain. The policy aims to manage significant impacts and opportunities related to the respect of the economic, social, and cultural rights of these communities, in accordance with the requirements of ESRS 2 MDR-P.

Consequently, the Human Rights Policy applies to all communities that may be affected by the Group's activities, aiming to protect and promote fundamental rights, ensure fair treatment, and create the conditions for sustainable development and constructive dialogue between the company and communities.

Details regarding the Human Rights Policy are presented in *Section S1* – Own Workforce of this Sustainability Report.

ALRO Group does not own or operate assets in regions where officially recognized indigenous peoples are present and, therefore, has not identified any actual or potential impacts on such communities. Consequently, its policy

framework – including the Human Rights Policy and the Corporate Social Responsibility Policy – does not contain specific provisions dedicated to indigenous peoples, as this topic is not relevant to the Group's operational context.

Respect for Human Rights

ALRO Group affirms its strong commitment to respecting and promoting human rights across all its activities – both within its own operations and throughout the value chain. For the Group, respect for people and communities is a fundamental part of how it conducts business and an essential element of its sustainability model.

Through its *Human Rights Policy and Corporate Social Responsibility Policy*, ALRO Group aligns itself with the highest international standards, including the Universal Declaration of Human Rights, the conventions of the International Labour Organization (ILO), the United Nations Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. These policies establish clear principles for respecting human rights in relations with employees, business partners, and affected communities, as well as mechanisms for monitoring and reporting on compliance.

The Group applies a zero-tolerance principle toward any form of exploitation, discrimination, forced labour, child labour, or human trafficking. At the same time, it promotes equal opportunities, workplace safety, and active engagement in the development of local communities. These commitments are translated into concrete actions, such as reducing environmental impact, improving working conditions, promoting education, culture, and sports at the local level, and providing vocational training for the local workforce to increase employment opportunities.

Collaboration with affected communities is a central principle of the Group's approach. ALRO regularly conducts consultations with representatives of local communities and civil society to identify concerns, assess potential impacts, and develop joint solutions for sustainable development. Feedback received is integrated into the strategic planning process and the updating of relevant policies.

Community representatives can communicate concerns, suggestions, or complaints related to the Group's activities through the official communication channels available on the website www.alro.ro (ALRO).

III.3.2.2. [S3-2] Processes for engaging with affected communities about impacts

The Group maintains ongoing dialogue with community representatives and other relevant stakeholders, including customers, suppliers, investors, as well as representatives from academia and relevant industries. The Group is responsive to stakeholder questions and concerns, initiates social or technical dialogues, and participates in consultations with affected or interested parties whenever a new project is launched. These dialogues provide the Group with insight into community expectations regarding the impacts of its own operations and/or its value chain and help identify the necessary measures to build and maintain the trust of affected communities, establish strong partnerships, and promote the sustainability of its business strategy. Annually, ALRO publishes on its website both the *Corporate Social Responsibility Action Plan* for the upcoming year and the *Annual Report on Corporate Social Activity* for the reporting year. These documents also detail engagement with affected communities concerning impacts and opportunities related to those communities.

The Group engages with members of affected communities through an annual consultation process, which includes discussions on the impacts of the Group's own activities on these communities. Access to public communication channels, through which community members can express their concerns and needs, serves as a tool for integrating their perspectives and contributes to the Group's commitment to addressing environmental and/or human impacts. Additionally, designated personnel continuously monitor situations that may affect the communities and oversee the resolution of submitted complaints, ensuring ongoing feedback from the affected communities.

To ensure that the perspectives of affected communities are considered in decision-making processes, the Group maintains ongoing dialogue with representatives of affected communities, such as local NGOs. This principle is established as an objective across all business lines and for all significant projects initiated or ongoing. Communication within projects occurs at varying frequencies and at different stages of the project lifecycle.

For significant projects requiring public debate, the Group identifies key stakeholders to gain an understanding of the local context and to address critical issues related to potential negative impacts, thereby preventing possible conflicts of interest. Additionally, as part of the annual double materiality assessment, the Group has initiated a consultation process with stakeholders, including community representatives, to identify and validate actual and potential impacts in areas of interest, in accordance with ESRS non-financial reporting standards.

At Group level, feedback and concerns from local communities regarding the activities carried out by the Group's companies are managed transparently and responsibly through internal and external communication channels, as well as by publishing the *Annual CSR Activity Report* on the ALRO website. Additionally, a dedicated reporting process and communication channels have been established for submitting complaints and notifications by any interested party, in accordance with ALRO's *Procedure for Handling Requests, Notifications, and Whistleblower Complaints,* the Procedure for the Handling of Requests, Notifications, and Complaints (Whistleblowers) PO-6-06 at ALUM level and VE's *Integrity Reporting Policy and Procedure.*

At Group level, an alternative communication channel has been implemented through the organization of hearings and meetings with company management, accessible to stakeholders for reporting and resolving complaints, notifications, and specific proposals. To date, dialogue with the local community has taken place:

- When required by law – investment projects promoted by ALRO have been subject to public debate;
- When requested by the community – around interests, issues, and needs expressed by the community through written requests or hearings;
- Within the Social Dialogue Committee at the Olt Prefecture – an ALRO representative participates in committee meetings;

- Within a series of local or county-level decision-making or consultative bodies, including ALRO representatives (County Council, Local Council, County School Inspectorate, Committee for the Authorization of Vocational Training Providers, Tripartite Advisory Council at the Olt Labour Inspectorate, etc.);
- Through partnerships with various associations, foundations, and decentralized public institutions to organize public interest activities such as Environment Day, National Environmental Guard Day, City Days, and similar events.

Through local mass media, important events taking place within ALRO Group companies are communicated to the local community.

Interaction with the community also takes place through the submission of requests from community representatives, which relate to:

- Provision of sponsorships and material support, for example for medical treatments, support for competitions and sports or cultural activities, and the awarding of scholarships (these requests have come from community members as well as non-profit associations, foundations, religious institutions, educational institutions, cultural and health organizations, and local authorities);
- Requests for certain documents from former employees;
- Employment or re-employment requests at ALRO;
- Community initiatives and partnerships;
- Aligning the workforce with market requirements in the South-West and North-West regions, aimed at supporting unemployed individuals and job seekers for occupational integration;
- Community health improvement programs, for example ambulance services;
- Facilitating volunteering and internship activities within ALRO, such as specialized internships, preparing publications, and other initiatives aimed at the early development of potential future ALRO employees).

Additionally, within each company of the Group, a person has been designated as responsible for receiving, registering, and forwarding sponsorship requests to the members of the Sponsorship Committee, established by a Board of Directors decision, for analysis and approval or rejection. Approved requests are then forwarded to the Finance Department for the preparation, signing, and payment of the approved amounts. Annually, the Secretary of the Sponsorship Committee submits a report on sponsorships and social assistance disbursed in the previous year, compared with the budget approved for this expenditure category. Monitoring of sponsorships is carried out both through verification of specific contractual clauses and through the obligation of beneficiaries to provide detailed implementation reports and allow on-site visits.

The highest organizational level authorized within the company to oversee policy implementation is the General Director, who holds operational responsibility for ensuring engagement with affected communities regarding impacts and for ensuring that the outcomes of this engagement are incorporated into the company's future actions.

At the same time, the Secretary of the Sponsorship Committee is involved in monitoring and resolving sponsorship requests.

In 2025, as in 2024, the Group continued to implement a range of actions regarding responsible community communication, as follows:

- At **ALRO**, citizens can submit requests, complaints, notifications, and proposals to management through monthly hearings. These hearings are conducted by the Chief Executive Officer, or, in their absence, by their designated deputy. Based on the issues raised, measures are taken, and deadlines are established for their resolution. The final outcome of each issue is communicated in writing – by email, fax, or telephone – by the Secretary, within a maximum of three days from the final resolution of the matter discussed during the hearing. The maximum timeframe for resolving requests, complaints, notifications, and proposals submitted during the hearings is 30 days from the date of the initial hearing.
- At **ALUM**, the company has implemented formal procedures for media relations and for developing mechanisms to handle

petitions, complaints, and requests from the community. In addition, ALUM regularly organizes hearings and conducts consultations with representatives of authorities, the educational sector, and civil society to identify local community needs and respond to them effectively. Furthermore, the company uses questionnaires and surveys to assess organizational perception among the institutions and community organizations it collaborates with – results that confirm the company's active engagement and positive influence on the local economic and social life.

- **VE**, in turn, maintains ongoing dialogue with communities near its facilities, actively engaging in educational, social, and cultural projects. The company supports local development through collaboration with authorities, educational institutions, and non-governmental organizations, while also ensuring open and accessible channels for affected communities to express their concerns.

Through these mechanisms – public hearings, direct consultations, perception surveys, and educational and social partnerships – ALRO Group ensures **transparent, two-way communication** with stakeholders, promoting cooperation, conflict prevention, and the integration of community perspectives into operational and strategic decisions.

At the operational level, responsibility for ensuring effective engagement with affected communities is assigned to project managers, who act to ensure that community viewpoints are taken into account in project-related decisions.

For the reporting period, the Group conducted an analysis of the effectiveness of its communication and engagement processes with affected communities, aimed at assessing the extent to which existing mechanisms ensure transparent, two-way, and effective interaction with stakeholders. The analysis focused on identifying the main channels of dialogue, types of interactions, and the ability of the Group's companies to integrate the concerns and expectations of affected communities into decision-making processes.

The management of petitions, notifications, and other requests from stakeholders is ensured through a dedicated communication channel coordinated by the Data Protection Officer, who monitors responses and ensures compliance with legal requirements regarding personal data protection and process transparency.

Additionally, the Sustainability Department plays a central role in this evaluation by integrating the results into the double materiality assessment process, which includes consultation with stakeholders, non-governmental organizations, and other relevant actors in the communities where the Group operates. Furthermore, public information and communications conducted by other departments involved in external relations, social responsibility, and public communication were also analysed.

Based on the findings of this analysis, for the 2026 reporting period, the Group aims to strengthen its community dialogue and engagement framework by establishing a formal role responsible for overseeing and monitoring the stakeholder consultation process, including engagement with affected communities. This role will be responsible for coordinating the systematic collection of feedback, evaluating the effectiveness of communication mechanisms, and ensuring that the resulting conclusions are integrated into the organization's business and sustainability strategy.

III.3.2.3. [S3-3] Processes to remediate negative impacts and channels for affected communities to raise concerns

Within the upstream value chain, suppliers operating in areas with limited infrastructure can affect communities' access to essential resources such as drinking water, food, and adequate housing. ALRO Group collaborates with its suppliers to implement strict standards regarding operational safety, environmental protection, and respect for fundamental human rights, thereby reducing the risk of negative impacts on local communities.

During the reporting period, ALRO Group did not identify any significant negative impacts on affected communities that would require remedial measures. Nevertheless, the Group maintains a robust system for preventing and managing potential non-compliances through continuous monitoring of notifications, periodic evaluation of the effectiveness of communication channels, and ensuring a prompt and transparent response to any request received. The annual evaluation of these processes is coordinated by the Sustainability Department, in collaboration with the Data Protection Officer and executive management, to ensure that existing mechanisms are known, accessible, and effective for all stakeholders. Additionally, no major incidents related to human rights violations or restrictions on access to essential resources within the value chain were identified, and no significant negative impacts were observed.

Reporting concerns by members of affected communities

The Group has implemented internal and external communication mechanisms for its adopted policies, which are essential for facilitating the expression of concerns and needs of affected communities. These communication channels allow employees, customers, suppliers, as well as members of affected communities, to submit complaints, notifications, and alerts. Accordingly, the Group has established multiple ways for submitting notifications, complaints, grievances, or proposals, as follows:

- By completing the contact form on the website: *Information on how to collect, investigate and respond to petitions | ALRO*;
- In writing, by post, to: ALRO S.A., Strada Pitești, No. 116, Postal Code 230048, Slatina, Olt County, Romania;
- In writing, submitted to one of the designated petition boxes located at the company's access gates or within operational departments;
- By leaving a message at the telephone number: 0349.880.551

ALRO actively involves stakeholders in activities, decisions, and programs that affect them, ensuring transparency and ongoing dialogue with community members.

ALUM provides clear and confidential mechanisms for reporting concerns related to impacts on affected communities. These mechanisms include submission through designated suggestion boxes at the company's access gates, email (alum@alum.ro), an online form on *www.alum.ro*, postal mail, or telephone (0240535022). The company ensures prompt and confidential processing of all reports, in accordance with its whistleblower protection policy.

Concerns from affected communities at VE can be reported online (*www.vimetcoextrusion.com*), by e-mail (office@vimetcoextrusion.com), by post, or via dedicated suggestion boxes at the company's premises. All submissions are carefully reviewed in accordance with the company's whistleblower protection policy.

During the reporting period, requests from members of affected communities were addressed through the provision of sponsorships for various social initiatives. Additionally, the Group received a small number of complaints or notifications from community members living near production sites on various topics. Following investigations, some of these cases were found not to involve any negative impact, and no remedial measures were required. For the remaining complaints or notifications where an impact was confirmed through internal analysis, the Group has already implemented remedial measures, even though the impact was minor. Furthermore, an alternative

communication channel has been established through public audiences and meetings with company management, open to both employees and other citizens, to address specific requests, complaints, notifications, and proposals. In this regard, the Group has developed tailored procedures for each company. Moreover, channels for reporting complaints or petitions are also stipulated in the Supplier Code of Conduct, which suppliers acknowledge as part of the due diligence process.

ALRO Group considers it essential to create an environment in which all stakeholders feel encouraged and protected to report any concerns or non-compliance within the organization. The Group is committed to ensuring transparency and accountability through the development and implementation of clear whistleblower protection policies, guaranteeing the confidentiality of whistleblowers and safeguarding them against any retaliation. This approach reflects the company's ethical values and contributes to fostering a corporate culture based on integrity and mutual respect.

In accordance with the information provided on the company's website regarding the submission of petitions, as well as Procedure PO-426 *Resolution of requests, notifications and complaints (whistleblower)*, once a petition is submitted (which may be a notification, complaint, claim, proposal, or request for an audience) through one of the designated communication channels, the resolution process begins, which includes the following steps:

- The petition is directed to the internally designated person responsible for handling it, who will also communicate the response. The ALRO Data Protection Officer actively contributes to investigating the reports, formulating responses, implementing corrective actions, and transmitting the responses to the designated person.
- A registration number is assigned to the petition.
- Investigations are conducted, and the petition is addressed while maintaining the confidentiality of the submission.
- Additional information may be requested if necessary, during the investigation.
- Personal data is treated confidentially and used exclusively to communicate the response, which includes the outcome of the investigation; the details are known only to the internally designated person.
- The Group responds to petitions as quickly as possible, but no later than 30 days from the date of registration. If the petition is complex, the review period may be extended, but no longer than 90 days, in which case a notification will be sent.
- The response will be clear and concise and will be communicated using the same method as the original submission (via e-mail or letter).
- The status of the petition is monitored by the designated person within the companies of the Group.

The communication channels and the process for resolving submitted petitions are published on ALRO's website under the "Corporate Governance" section. Considering that, during the reporting period, members of the affected communities did not submit complaints regarding the resolution of requests and notifications made through the communication channels available to all stakeholders, the Group considers that these stakeholders are aware of and have confidence in these processes as a means to express their concerns or needs and to have them addressed.

In the next reporting period, the Group will integrate questions into the consultation process with representatives of affected communities regarding the extent to which the reporting channels are accessible, transparent, and effective in addressing the issues raised.

The Group has established an *Anti-Bribery and Anti-Corruption Policy, the Procedure for Handling Whistleblower Requests, Notifications, and Complaints, The Procedure for the Handling of Requests, Notifications, and Complaints (Whistleblowers)* PO-6-06 at **ALUM** *level and the Integrity Alert Policy and Procedure*, which regulate, among other aspects, the protection of whistleblowers against retaliation. Details regarding these policies are presented in the *ESRS G1 – Professional Conduct section of the Sustainability Report*.

III.3.2.4. [S3-4] Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions

To ensure the achievement of the objectives established in the policies regarding workers in the value chain, correlated with **material impacts** S19 (+) *Suppliers contribution to community safety and access to essential resources*, S22 (+) Group's contribution to economic growth and improvement of living standards, and RO27 (+) *Strengthening relationships with local communities and the social license to operate*, ALRO Group has operationalized these commitments within ***Pillar III – Creating Value for the Community*** of the 2025-2030 Sustainability Strategy, which correlates the policies with concrete actions, timelines, monitoring indicators, and measurable targets, so that their implementation generates verifiable results throughout the value chain.

Main actions

Main actions		Time horizon	Anticipated results	Target
A1S3	**Conducting an updated analysis of the needs of local communities in the vicinity of each Group entity.**	2026-2030	Strengthening the relationship with local communities through active support and projects tailored to their needs, including technical education projects, environmental protection, and social development.	Supporting a minimum of 3 social or environmental initiatives each year, through partnerships or direct sponsorships, starting from 2026.
A2S3	**Development of an internal social responsibility plan.**			
A3S3	**Directing sponsorships and donations towards projects relevant to local communities.**			
A4S3	**Promoting employee participation in volunteer activities organized at the local level**			Involvement of the Group's companies in at least 2 volunteer projects per year.
A5S3	**Proactive communication to communities regarding the ways to submit complaints or concerns.**	2026-2030	Maintaining and improving the community complaints management system by increasing transparency, efficiency, and level of information.	Starting in 2026, ALRO Group will implement an awareness campaign regarding the reporting mechanism and other relevant community rights, with a frequency of at least once every two years.
A6S3	**Organizing annual internal training workshops for employees responsible for receiving and resolving complaints.**			
A7S3	**A7S3: Publishing an annual summary on the types of complaints and the solutions adopted, within the sustainability reporting**	2025-2030		

The scope of the main actions covers the entire value chain of ALRO Group, being applicable to all communities, regardless of geographic location, both upstream and downstream, as well as those in the vicinity of the Group's production sites. The effectiveness of the measures is monitored through the indicators included in the Sustainability Strategy (e.g., number of community projects funded per year; economic value generated and distributed; number of employees involved in volunteer activities; number of volunteer projects; number of campaigns implemented; number of complaints received per year and resolved within the deadline; number of employees trained per year in complaint management, etc.).

The Group's Sustainability Strategy includes exclusively actions aimed at maximizing positive effects on communities and reducing the risk of negative impacts, by promoting responsible behaviour throughout the supply chain, maintaining constant dialogue with stakeholders, ensuring respect for human rights, and supporting local economic and social development.

This preventive approach reflects the Group's commitment to integrating social responsibility principles into all its operational and decision-making processes, strengthening community trust and the long-term social license to operate.

Actions implemented or initiated in 2025

In 2025, several actions were carried out related to **material impacts** on affected communities: S19 (+) *Contribution of suppliers to community safety and access to essential resources*, and S22 (+) *Contribution of the Group to economic growth and improvement of living standards*. The Group implemented initiatives dedicated to supporting communities, focusing on strengthening positive impacts and leveraging identified opportunities. Through these actions, the Group aimed to contribute to local development, improve the quality of life of people, and consolidate a lasting relationship of trust and cooperation with surrounding communities.

To strengthen the **impact** of S19 (+) *Contribution of suppliers to community safety and access to essential resources, ALRO Group carried out several actions aimed at ensuring respect for human rights and community safety throughout the value chain*. These include:

- Implementation of the Supplier Code of Conduct (ALRO, ALUM, VE, VT) and the Sustainability Guide (ALRO), which establish, among other things, mandatory requirements regarding operational and community safety, environmental protection, and respect for fundamental human rights;
- Self-assessment of ALRO and VE suppliers through the completion of ASI questionnaires, which also include social and environmental criteria;

The actions apply to suppliers throughout ALRO Group's value chain, particularly those in sectors with potential environmental and community impacts (e.g., raw material extraction, product supply, transportation, waste collection and treatment, raw material procurement). These measures cover operations in Romania and other European countries where the Group has commercial partnerships, and they target local communities near supplier production facilities, as well as the Group's own communities.

During the reporting period, no cases were identified that required remedial measures for negative impacts on communities. However, the Group maintains a reporting and remediation mechanism, through which suppliers and communities can report potential non-compliances or violations, as described in section *S3-3 of ESRS 3* – *Affected Communities.*

Compared to the previous period, ALRO Group has observed a predominantly positive trend in suppliers' relationships with local communities. The consultation of ALRO Group's suppliers within the double materiality process, detailed in *section ESRS 2* – General Disclosures of this Sustainability Report, showed that none of the partner entities reported negative impacts on local communities, highlighting a clear positive trend. The analysis of responses reveals that most suppliers actively contribute to public safety and health, support access to food and clean water, promote fundamental human rights, and foster the sustainable management of natural resources, thereby playing a significant role in improving the quality of life and strengthening the resilience of communities surrounding ALRO Group's operation.

Internal responsibilities for monitoring supplier compliance are allocated to the following departments, according to the Corporate Social Responsibility Policy:

- **Sustainability Department** – coordinates ESG assessments and due diligence processes across all sustainability topics;
- **Procurement Department** – integrates social and environmental criteria into supplier selection and evaluation;
- **Health, Safety, and Environment Department** – verifies compliance with safety and environmental protection standards;
- **Finance Department** – oversees compliance with financial-related topics

For the year 2025, the implementation of the above actions associated with **impact** S19 (+) Contribution of suppliers to community safety and access to essential resources did not require the allocation of dedicated financial resources (Opex or Capex), as the measures implemented so far were integrated into the Group's existing operational and compliance processes and were carried out by internal staff within their current responsibilities.

To support the **positive impact** S22 (+) *Contribution of the Group to economic growth and improvement of the population's living standards, ALRO Group continuously carries out actions aimed at contributing to local economic development and improving the quality of life in the communities where it operates. Among the main actions are*:

- Active community engagement through donations, sponsorships, and financial support for social, medical, educational, and cultural projects, as well as local public-interest events.
  - In 2025, the company provided financial support to the "EngiNeerds" and "EngiNeerds NextGen" robotics teams of the "Radu Greceanu" National College in Slatina, which represented Romania at the Chicago Robotics Invitational 2025 in the United States.
  - ALRO donated two fully equipped ambulances to the Olt County Ambulance Service, contributing to the improvement of medical infrastructure and services for the community.
  - In December 2025, ALRO and VT organized, with the support of employees, a volunteer initiative aimed at providing Christmas gifts to disadvantaged children, during which 137 gifts and the amount of RON 24,909 were collected, these being offered to children from the Slatina Diocese and the parishes of Curtișoara, Proaspeți and Beria, and from the funds raised, an additional 180 gifts were purchased for children from needy families monitored by the GDSACP*, as well as for children hospitalized in the Pediatric Sections of the Slatina County Emergency Hospital. The action is assimilated to the targets: **Involving the companies in the Group in at least 2 volunteering projects** and Supporting annually, starting with 2026, at least 3 social or environmental initiatives, through partnerships or direct sponsorships, oriented towards projects relevant to local communities (e.g. health, education, sports, environmental protection), and its financing was ensured from the own funds of the employees of the two companies.
- Partnerships with educational institutions to support youth professional training, facilitate internships, and create employment opportunities for graduates, contributing to increased local workforce employment.
  - In 2025, ALRO continued to develop strategic collaborations with the academic environment by participating in major educational events such as EnergyFEST (organized by the Faculty of Power Engineering at UNST Politehnica Bucharest) and PoliFEST 2025. On these occasions, the company signed agreements allowing second- and third-year students to undertake internships, presented internship programs, scholarships, and research/documentation opportunities, and provided support for diploma and thesis preparation.
  - Also in 2025, ALRO hosted site visits and internships for students from universities in Bucharest, Pitești, Craiova, and ASE, actively contributing to the training of future industrial specialists.
  - Another key project is the renovation, setup, and equipping of the laboratory within the Faculty of Science and Materials Engineering, which will carry the ALRO brand, strengthening the university partnership and supporting the development of young people's technical skills.

The expected outcomes consist of strengthening relationships with local communities, stimulating the regional economy, creating jobs, and increasing the level of trust and collaboration between the company and its stakeholders.

** General Directorate of Social Assistance and Child Protection*

These actions are carried out annually and cover all regions where the company operates – Olt (Slatina), Tulcea, and Bucharest – and involve a wide range of stakeholders: employees, pupils, students, educational institutions, public authorities, non-governmental organizations, and local communities. Additionally, through educational and social partnerships, the positive effects extend throughout the value chain, contributing to skills development and reinforcing social cohesion.

The resources allocated to managing impact S22 (+) Group's contribution to economic growth and improvement of living standards [RON]

	Current (2025)	2024	Budget orizont (1-5 years)	Budget orizont (>5 years)
Resources Allocated to Managing Significant Impacts (ALRO Group) [KRON]	1,982	239	n.a.	n.a.

For the planned actions for the 2026–2030 period, the required resources (Opex or Capex) will be assessed, considering that part of these actions will be implemented internally by responsible personnel, while certain specialized activities may be carried out with the support of external consultants or NGOs. At this stage, no detailed financial estimate has been established; this will be defined as operational plans are developed. The Group's capacity to implement the planned actions does not depend on external preconditions, and no dedicated sustainable financing instruments are currently envisaged, though these may be evaluated later if needed.

ALRO Group acts responsibly to prevent any significant negative impact on communities located near its operations. At all stages – from planning and procurement to the use of natural resources – legal requirements and ethical principles regarding environmental protection and the rights of local communities are respected.

Decisions on new projects are preceded by consultations with authorities and community representatives, and suppliers are evaluated to ensure compliance with the Group's standards on safety, the environment, and human rights. At the same time, ALRO promotes responsible resource use and continuously invests in technologies that reduce energy consumption and environmental impact.

When situations arise in which economic objectives could conflict with social or environmental goals, the Group chooses a balanced approach – prioritizing measures that protect communities and the environment to maintain long-term trust and partnership with them.

During the reporting period, ALRO Group did not record, nor were any serious issues or incidents reported, regarding human rights in connection with affected communities.

III.3.3. Indicators and targets

III.3.3.1. [S3-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ALRO Group has established targets and actions aimed at strengthening the monitoring of impacts and opportunities related to the ESRS theme Affected Communities through the 2025-2030 Sustainability Strategy. For the **material impacts** identified in its relationship with local communities – S19 (+) *Suppliers contribution to community safety and access to essential resources*, S22 *Group's contribution to economic growth and improvement of living standards*, and RO27 *Strengthening relationships with local communities and the social license to operate* – ALRO Group monitors the effectiveness of its actions through measurable, time-bound targets included in the 2025-2030 Sustainability Strategy. These targets aim to:

1. **TARGET: Support at least 3 social or environmental initiatives annually, starting in 2026, through partnerships or direct sponsorships, focused on projects relevant to local communities (e.g., health, education, sports, environmental protection).**
2. **TARGET: Involve the Group's companies in at least 2 volunteer projects per year.**
3. **TARGET: Implement, starting in 2026, a biennial awareness campaign on the reporting mechanism and other community rights to strengthen transparency, accountability, and dialogue with stakeholders.**

The targets do not have a specific reference year, as they have been newly introduced, and progress is measured annually based on internal evaluation processes and reports prepared by the Group's entities. The methodology was based on the analysis of the local context in the areas where the Group and its suppliers operate (Olt, Tulcea), internal data on previous projects and partnerships, and the assumption that active community engagement, volunteering, and transparency strengthen public trust and the social license to operate. The targets and corresponding actions were defined by the specialized departments, members of the sustainability team, and the Sustainability Department, and were subsequently validated by the ALRO General Director and approved by the Risk and Sustainability Committee. Local communities and their representatives were not directly involved in setting the targets but will be informed of progress through the annual sustainability report and ongoing dialogue at the local level.

The targets are monitored annually using outcome indicators, complemented by output indicators for each action supporting their implementation, such as: the number of community projects funded per year; the economic value generated and distributed; the number of employees involved in volunteer activities; the number of campaigns implemented; the number of complaints received and resolved within the established timeframe; and reported information on the types of complaints and solutions adopted. Throughout implementation, the Group also considers feedback from communities and local partners to adjust and improve the programs.

The scope of these targets includes all companies within ALRO Group, without specific geographical limitations, covering direct interactions with local communities near the Group's entities, as well as communities within the upstream and downstream value chain.

Through these commitments, the Group simultaneously contributes to **reducing potential negative impacts** on communities (e.g., limited access to resources or communication gaps), **promoting existing positive impacts** (e.g., improved quality of life, local development, civic engagement), and **leveraging opportunities to strengthen trust and ESG maturity in its relationships with communities**.

TARGET 1

Starting in 2026, provide annual support for at least 3 social or environmental initiatives, through partnerships or direct sponsorships, focused on projects relevant to local communities (e.g., health, education, sports, environmental protection)

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Strengthening the relationship with local communities through active support and projects adapted to their needs," contributing to the management of impacts S19, S22, and the opportunity RO27. Theme: Affected Communities – Sub-theme: Water and Sanitation, Economic, Social, and Cultural Rights of Communities, and Economic Value Generated and Distributed (Group-specific aspect)
(b) **Defined target level**	Target level defined: a minimum of 3 social or environmental initiatives per year, supported through partnerships or direct sponsorships, starting in 2026.
Type of target	Absolute (minimum number of initiatives).
Unit of measure	Number of initiatives per year.
(c) **Scope**	Communities across the entire value chain.
(d) **Reference year**	n/a (newly introduced target).
(e) **Application period**	2026–2030, with annual monitoring.
Intermediate target	Not defined (progressively monitored annually).
(f) **Methodologies and assumptions**	The methodology was based on the analysis of the local context (Olt, Tulcea), on previous experience with community projects, and on the assumption that consistent involvement in local initiatives contributes to socio-economic development and the strengthening of public trust.
Alignment with standards	SDG 1 – No Poverty; SDG 8 – Decent Work and Economic Growth; SDG 11 – SDG 1 – No Poverty; SDG 8 – Decent Work and Economic Growth; SDG 11 – Sustainable Cities and Communities
(g) **Scientific basis**	n/a (social target).
(h) **Stakeholder involvement**	The target was established internally by the specialized Departments, members of the Sustainability team, and the Sustainability Department; no external stakeholders were consulted.
(i) **Future changes**	Possible adjustments to the frequency or format of the campaigns based on community feedback.
(j) **Performance and Monitoring**	Annual monitoring through the target's outcome indicators and the output indicators of the implemented actions; progress is aligned with the 2030 planning.

PERFORMANCE IN ACHIEVING THE TARGET

Target: At least 3 social or environmental initiatives per year, supported through partnerships or direct sponsorships

2025 Performance

The activity was initiated in advance, starting in 2025.

6 social initiatives*

1 environmental initiatives

** These social initiatives are detailed in Section S[3-4], Subsection Actions implemented in 2025.*

TARGET 2

nvolvement of the Group's companies in a minimum of 2 volunteer projects

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective "Strengthening the relationship with local communities through active support and projects adapted to their needs," contributing to the management of impacts S19, S22, and the opportunity RO27. Theme: Affected Communities – sub-theme: Economic, social, and cultural rights of communities, Water and Sanitation, and Economic value generated and distributed (Group-specific aspect)
(b) **Defined target level**	Minimum 2 volunteer projects per year until 2030
Type of target	Absolute (minimum number of projects)
Unit of measure	Number of projects; number of employees involved in volunteer activities
(c) **Scope**	Communities across the entire value chain.
(d) **Reference year**	n/a (newly introduced target).
(e) **Application period**	2026–2030, with annual monitoring
Intermediate target	Undefined (progressively monitored annually).
(f) **Methodologies and assumptions**	The methodology included an analysis of the internal capacity to mobilize personnel and previous experience in volunteering activities (tree planting, clean-ups, donations, etc.), based on the assumption that employee engagement enhances internal solidarity and corporate reputation.
Alignment with standards	SDG 1 – No Poverty; SDG 8 – Decent Work and Economic Growth; SDG 11 – SDG 1 – No Poverty; SDG 8 – Decent Work and Economic Growth; SDG 11 – Sustainable Communities
(g) **Scientific basis**	n/a (social target).
(h) **Stakeholder involvement**	The target was established internally by the specialized departments, members of the sustainability team, and the Sustainability Department; external stakeholders were not consulted; employees will be informed and engaged through annual internal campaigns.
(i) **Future changes**	Possible adjustments based on the level of employee participation and feedback.
(j) **Performance and Monitoring**	Annual monitoring: number of projects, number and percentage of employees involved, types of volunteer activities.

PERFORMANCE IN ACHIEVING THE TARGET

Target: ≥2 volunteer projects;

The activity started early in 2025.

In 2025 was implemented:

1

volunteer project*

Target: number of employees involved in volunteer activities.

There was no centralization of the number of people involved in this project, but only of the number of Christmas gifts given:

317

total gifts

** The volunteer project is detailed in Section S[3-4], Subsection Actions implemented in 2025*

TARGET 3

The implementation, starting in 2026, of a biennial awareness campaign on the reporting mechanism and other EU rights, aimed at strengthening transparency, accountability, and dialogue with stakeholders

MDR-T Requirement

MDR-T Element	Description
(a) **Relationship between targets, policy objectives, and sustainability themes/sub-themes**	The target supports the strategic objective 'Maintaining and improving the community complaints management system by increasing transparency, efficiency, and awareness,' contributing to the management of impacts S19, S22, and the opportunity RO27. Theme: Affected Communities – sub-theme: Economic, social, and cultural rights of communities; Water and Sanitation; and Economic value generated and distributed (group-specific aspect)
(b) **Defined target level**	One awareness campaign on the reporting mechanism and community rights, with a frequency of at least once every two years
Type of target	Absolute (minimum number of campaigns)
Unit of measure	Number of campaigns.
(c) **Scope**	Communities across the entire value chain
(d) **Reference year**	n/a (newly introduced target).
(e) **Application period**	2026–2030; campaigns scheduled once every two years.
Intermediate target	One campaign every two years (the first in 2026).
(f) **Methodologies and assumptions**	The methodology was based on the analysis of the current complaints management process and on the assumption that continuous community awareness increases transparency and reduces reputational risks.
Alignment with standards	SDG 16 – Peace, Justice, and Strong Institutions
(g) **Scientific basis**	n/a (social target).
(h) **Stakeholder involvement**	Internally established; local stakeholders will be informed through public communication campaigns.
(i) **Future changes**	Possible adjustments to the frequency or format of the campaigns based on community feedback.
(j) **Performance and Monitoring**	Monitoring through: number of campaigns, number of complaints received and resolved, number of employees trained in complaints management, and annual publication of results in the sustainability report.

PERFORMANCE IN ACHIEVING THE TARGET

Target: One awareness campaign on the reporting mechanism every two years.

2025 Performance

The activity was initiated earlier and took place in 2025:

1
information campaign regarding the notification mechanism (ALRO)

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IV.1. ESRS G1 Professional Conduct

IV.1.1 Governance

IV.1.1.1 [GOV-1] Role of administrative, management and supervisory bodies in terms of professional conduct

This information is reported under *Section GOV-1* of the ESRS 2 standard.

IV.1.1.2. [GOV-1] Expertise of the members of management bodies in matters related to professional conduct

This information is reported under *Section GOV-1* of the ESRS 2 standard.

IV.1.2. Management of impacts, risks and opportunities

IV.1.2.1 [IRO-1] Description of processes for identifying and assessing significant professional conduct impacts, risks and opportunities

This information is reported under *Section IRO-1* of the ESRS 2 standard.

IV.1.2.2 [G1-1] Corporate culture and Business conduct policies and corporate culture

This section presents information on the significant material sub-themes and IROs related to ALRO Group regarding the theme of professional conduct: Corporate culture, Whistleblower protection, Supplier relationship management, including payment practices, Corruption and bribery, as well as information on policies regarding professional conduct and corporate culture.

Significant impacts, risks and opportunities related to professional conduct (IRO)

SUB-THEME	SUB-SUB-THEME	Name Categories	Location of IRO in the value chain* ↑	↔	↓	Time horizon in which IRO occurs** ST	MT	LT
CORPORATE CULTURE	*BUSINESS ETHICS AND TRANSPARENCY (Group-specific)*	**G1 (+) Promoting responsible and ethical business conduct** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF	●			
PROTECTION OF WHISTLE-BLOWERS		**G2 (+) Protecting the rights of whistleblowers** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF	●			
MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS INCLUDING PAYMENT PRACTICES		**G4 (+) Promoting sustainable practices in the sector-level supply chain** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				
		RO30: Enhancing the sustainability and security of the supply chain through the integration of ESG criteria *Opportunity*		ALRO VE VT			●	
CORRUPTION AND BRIBERY	*CORRUPTION AND BRIBERY*	**G5 (+) Prevention and detection of corruption and bribery** *Current positive impact*		ALRO, ALUM, VE, VT, CONEF				
	INCIDENTS	**G7 (+) Absence of confirmed cases of corruption and bribery** *Current positive impact*	●	ALRO, ALUM, VE, VT, CONEF				

* Location of the IRO in the value chain: Upstream ↑ Own operations ↔ Downstream ↓
** Time horizon in which IRO occurs: **ST** – short-terms, **MT** – medium-terms, **LT** – long-terms

Currently, ALRO Group implements several policies and actions to manage professional conduct matters, including through the Group's 2025-2030 Sustainability Strategy, which covers the material ESRS themes identified through the double materiality assessment. The results achieved through the implementation of specific actions are periodically communicated to the Risk and Sustainability Committee and published annually within the Group's Sustainability Reports.

Within ALRO Group, matters related to professional conduct and corporate culture are managed through an integrated set of internal policies and procedures, developed to identify, assess, manage, and, where applicable, remediate significant impacts, risks, and opportunities associated with responsible corporate governance. These documents establish the fundamental principles of ethics, integrity, transparency, and legal compliance applicable to all employees, contractual partners, and entities within the value chain.

Executive management ensures that clear and documented policies and procedures regarding the fulfilment of professional conduct and corporate culture standards exist at the level of the Group companies, while the Board of Directors, including through its advisory committees, oversees the implementation of these policies. The Group adheres to responsible business practices through a set of internal policies that manage impacts, risks, and opportunities assessed as significant in this area, tailored to the specific nature of the activities carried out by the Group companies. These policies have the following objectives:

a. Promoting integrity, ethical behaviour, transparency, and the fairness of the information presented; protecting the dignity and rights of employees; and ensuring equal opportunities for all employees;
b. Reminding employees that all activities within the Group companies must be conducted in accordance with applicable legislation and their corporate values;
c. Promoting awareness of the impacts, risks, and opportunities arising from own activities and the value chain, reflecting the expectation that activities shall not exceed the risk appetites established by the Board of Directors, nor the responsibilities assigned to employees;
d. Establishing principles and providing examples of acceptable and unacceptable behaviours related, in particular, to erroneous financial reporting and misconduct, economic and financial crimes, including, but not limited to, fraud, money laundering and terrorist financing, antitrust practices, bribery and corruption, market manipulation, mis-selling, and other breaches of consumer protection legislation;
e. Clarifying that, in addition to complying with legal and regulatory requirements and internal policies, employees are expected to behave honestly and with integrity, and to perform their duties competently, with due care and diligence;
f. Ensuring that all employees are aware of the disciplinary actions, legal actions, and potential internal and external sanctions that may be triggered as a result of misconduct and unacceptable behaviours.

The Group actively promotes an organisational culture based on respect for human rights, the prevention of unethical behaviour, zero tolerance for bribery and corruption, fair treatment in commercial relations, and prompt involvement in reporting and investigating any potential incidents. The corporate culture is developed and reinforced through periodic training programmes, confidential reporting mechanisms, stakeholder consultation, regular risk assessments, as well as internal audit and control processes.

Responsibilities for the implementation of these policies are assumed at the highest management level and are supported by specialised internal structures that monitor compliance, analyse risks, and propose measures for continuous improvement. The effectiveness of the policies is evaluated through operational indicators, internal audit processes, the analysis of reported incidents, and feedback from relevant stakeholders.

The policies and procedures described in this section contribute, as a whole, to the creation of a healthy organisational climate, grounded in responsibility, professionalism, mutual respect, and ethical behaviour in both internal and external relations. Through the consistent application of these policies, the Group strengthens its resilience, reputation, and stakeholder trust, reducing exposure to legal, commercial, and reputational risks.

A detailed presentation of these policies and procedures, including their scope of application, is provided in the remainder of this section. The Group has implemented the following policies to manage its impacts, risks, and opportunities assessed as significant regarding professional conduct and corporate culture, as follows:

Professional Conduct Policies

Policy name	Applicability	MATERIAL TOPICS				
		G1 (+)	G2 (+)	G4 (+) RO30	G5 (+)	G7 (+)
1. Code of Ethics and Professional Conduct	ALRO, ALUM, VE, VT	●	●		●	●
2. Supplier Code of Conduct	ALRO, ALUM, VE, VT	●		●		
3. Supplier Evaluation Procedure	ALRO, ALUM, VE	●		●	●	
4. Anti-Bribery and Anti-Corruption Policy	ALRO, ALUM, VT	●	●		●	●
5. The Operational Procedure Resolution of requests, notifications and complaints (whistleblower)	ALRO, ALUM	●	●		●	●
6. Whistleblowing Policy and Procedure	VE	●	●		●	●
7. Human Rights Policy	ALRO, ALUM, VE, VT	●	●		●	●
8. Declaration on combating modern slavery	ALRO, ALUM, VT	●	●		●	●
9. Corporate Social Responsibility (CSR) Policy (CSR)	ALRO, ALUM, VE, VT	●	●	●	●	●
10. Procedure for Making Payments in RON and Foreign Currency	ALRO, ALUM, VE, VT			●		

The Group makes every effort to periodically review and update its internal policies and procedures whenever necessary, including in situations where changes to the legislative or regulatory framework impact the activities of the Group companies. Thus, these documents are analysed during the Annual Management Review and, where applicable, are revised in accordance with new guidelines that respond to changes in the business environment (legislation, initiatives to which the Group companies adhere, partner requirements and expectations, etc.). A partial review process took place during 2025. The progress of implementing these policies and procedures is reported annually through the Sustainability Report, while the implementation

actions and targets are set out in ALRO Group Sustainability Strategy 2025-2030, available at *European Aluminum Producer | ALRO*.

1. Code of Ethics and Professional Conduct- ALRO, ALUM, VE, VT

ALRO Group has developed a Code of Ethics and Professional Conduct for each of its companies. The Code of Ethics and Professional Conduct represents the central framework through which ALRO Group establishes the ethical principles and behaviours that must be observed in all its activities. The Code provides employees with practical guidance for preventing non-compliant behaviour, reporting suspicious situations, and making responsible decisions in their daily activities.

ALRO's Code of Ethics and Professional Conduct contributes directly to the management of the positive impacts identified as significant. It supports G1 (+) *Promoting responsible and ethical business conduct* by establishing behaviour based on integrity, transparency, and compliance with legislation and international corporate governance principles; G2 (+) *Protecting the rights of whistleblowers* by encouraging the reporting of any unethical or illegal behaviour without fear of retaliation and ensuring confidentiality; G5 (+) *Prevention and detection of corruption and* bribery; and G7 (+) *Absence of confirmed cases of corruption and bribery*, by strengthening the ethical culture and internal control, as well as by maintaining zero confirmed incidents of corruption, bribery, or human rights violations within ALRO's operations.

Thus, the *Code of Ethics and Professional Conduct* aims to create and develop a culture of social responsibility that contributes to sustainable development and the achievement of strategic objectives by: establishing moral and professional rules and principles, maintaining an ethical and professional climate and ensuring the knowledge of and compliance with legal requirements to preserve and enhance the trust of customers and other stakeholder categories.

The *Code of Ethics and Professional Conduct* is applicable in all regions where the Group operates, to all directors, managers, employees, collaborators, and business partners, as well as to other entities in a contractual relationship with ALRO, across all operational processes of procurement, production, distribution, and community relations. It also addresses local communities, workers in the value chain, upstream and downstream suppliers, employees, customers, public authorities, and relevant NGOs.

General Director of each company is responsible for establishing the strategic directions set out in the Code, as well as for its approval, while implementation is carried out by the competent internal structures, according to their area of responsibility. These structures shall provide periodic briefings to the Risk and Sustainability Committee and/or the Board of Directors regarding the matters covered by this Code. In the event of any uncertainties regarding the applicability, validity, or interpretation of legal provisions or related internal rules, it is mandatory to consult the specialised internal departments, particularly the Legal Department.

This Code is developed in line with the Group's Sustainability Strategy, addressing these theme and sub-theme through a double materiality assessment conducted in accordance with the provisions of the CSRD Directive. Double materiality has facilitated an understanding of the impact of ALRO and its subsidiary companies on the environment and society, as well as the effects of sustainability on the financial performance of the companies within the Group, based on a consultation process with stakeholders, such as suppliers, customers, and the community.

This Code reflects ALRO Group's core values and its commitment to responsible conduct in relation to its employees, business partners, customers, shareholders, and the communities in which it operates. ALRO and its subsidiaries pledge to respect and actively implement the principles of professional ethics, sustainability, and corporate governance, in accordance with:

- National legislation in force regarding business conduct, labour relations, and the protection of individual rights;
- Corporate governance principles and international best practices in the field of organisational ethics;
- Relevant international conventions on responsible business conduct and respect for fundamental rights;
- The United Nations Global Compact principles on human rights, labour standards, environmental protection, and anti-corruption;

- The UN Guiding Principles on Business and Human Rights, which establish the framework for responsible corporate conduct;
- The OECD Guidelines for Multinational Enterprises, which promote ethical business behaviour, respect for the law, and open cooperation with stakeholders;
- Commission Delegated Regulation (EU) 2023/2772, regarding sustainability reporting standards, including requirements related to ethical conduct and governance;
- International codes and standards for business ethics and corporate social responsibility.

The *Code of Ethics and Professional Conduct* is available on the websites of ALRO, ALUM, and VE, while for VT, it is available on the intranet, having a similar content to that of the parent company.

2. Supplier Code of Conduct- ALRO, ALUM, VE, VT

ALRO Group has developed a *Supplier Code of Conduct* for each of its companies. The Supplier Code of Conduct contributes to the **positive impact** G1 (+) *Promoting responsible and ethical business conduct* by extending ALRO Group's standards of integrity, compliance, and ethics across the entire supply chain, transforming collaboration with suppliers into a concrete action to promote a responsible business culture within the Group's commercial ecosystem. Additionally, the Code contributes directly to managing the **positive impact** G4 (+) *Promoting sustainable practices in the sector-level supply chain*, by establishing firm requirements regarding governance and business ethics, working conditions, respect for human rights, ensuring the health and safety of workers, as well as environmental protection and the responsible management of resources and waste. At the same time, the Code supports the **opportunity** RO30 *Enhancing supply chain sustainability and security through ESG criteria integration*, strengthening the Group's operational resilience, transparency, and reputation among stakeholders.

Details regarding the Supplier Code of Conduct are presented in *Section ESRS S2* – Workers in the value chain, within this Sustainability Report.

3. Procedure for Assessing and monitoring the suppliers - ALRO, ALUM, VE

ALRO Group has developed a *Assessing and monitoring the suppliers Procedure* (PO-010-ASI) for each of its companies. The procedure contributes to the management of significant **positive impacts** identified by ALRO Group, namely G1 (+) *Promoting responsible and ethical business conduct,* G4 (+) *Promoting sustainable practices in the sector-level supply chain*, and G5 (+) *Prevention and detection of corruption and bribery*. By integrating ESG criteria and the ASI standard into the supplier selection and auditing processes, the procedure supports ensuring their compliance with environmental, social, and governance requirements, reducing risks associated with illicit practices and strengthening transparency in commercial relations. At the same time, through the continuous monitoring of working conditions, social impacts, and environmental performance, the procedure also contributes to supporting **opportunity** RO30 – *Enhancing supply chain sustainability and security through ESG criteria integration*, promoting collaboration with responsible partners and a more resilient and secure value chain. The procedure contributes to the implementation of the provisions of the Supplier Code of Conduct.

Details on *the Assessing and monitoring the suppliers Procedure* are presented in *Section ESRS S2 Value Chain Workers* in this Sustainability Report.

4. Anti-Bribery and Anti-Corruption Policy - ALRO, ALUM, VT

ALRO Group has developed an *Anti-Bribery and Anti-Corruption Policy* at the level of ALRO, ALUM, and VT. Within VE, matters related to the *Anti-Bribery and Anti-Corruption Policy* are covered within the Code of Ethics and Professional Conduct, as well as the Social Responsibility Policy (CSR), with no separate document being developed.

This Policy defines the ethical and regulatory framework for preventing and combating bribery and corruption in all activities carried out by the Group companies. This policy provides the framework for the actions necessary to avoid bribery, corruption, and conflicts of interest in relations with customers and business partners. The purpose of the policies is to ensure compliance with legislation on combating bribery and corruption.

The document contributes to G1 (+) *Promoting responsible and ethical business conduct*, by establishing clear standards regarding the behaviour of employees and business partners and requiring strict compliance with legislation and internal rules. It also supports the **impact** G2 (+) *Protecting the rights of whistleblowers*, guaranteeing that the reporting of suspected bribery or irregularities can be done without the risk of retaliation, and that reports are handled with seriousness and confidentiality.

At the same time, the policy contributes directly to G5 (+) *Prevention and detection of corruption and bribery*, by applying the zero-tolerance principle towards any form of undue financial benefit, through firm rules regarding gifts, donations, or sponsorships, and by introducing mechanisms for the control and verification of transactions. This approach supports G7 (+) *Absence of confirmed cases of corruption and bribery,* thereby strengthening credibility and the trust of investors, customers, and business partners.

The policy applies to all ALRO Group employees, including subcontractors, intermediaries, and business partners, and regulates activities carried out within the company as well as external interactions with upstream and downstream suppliers, customers, and public authorities. The policy does not explicitly cover all possible scenarios. In such cases, employees must consult with their hierarchical superiors.

The General Director of each company is responsible for establishing the strategic directions set out in this policy, as well as for its approval, while implementation is carried out by the competent internal structures, according to their area of responsibility. These structures shall provide periodic briefings to the Risk and Sustainability Committee and/or the Board of Directors regarding the matters covered by this policy. In the event of any uncertainties regarding the applicability, validity, or interpretation of legal provisions or related internal rules, it is mandatory to consult the specialised internal departments, particularly the Legal Department.

By implementing the Anti-Bribery and Anti-Corruption Policy, ALRO Group commits to comply with the international reference standards regarding the prevention and combating of corruption:

- The United Nations Convention against Corruption;
- The UN Guiding Principles on Business and Human Rights;
- European directives on business transparency and integrity.

By adopting this policy, ALRO Group takes into account the interests of key stakeholders, as follows:

1. **Employees' interests:**
   - Their protection through a working environment that discourages bribery and corruption;
   - Periodic training on identifying and reporting acts of corruption.
2. **Local communities:** are supported through economic, social and cultural initiatives;
3. **Suppliers:** are monitored to comply with ethical and sustainability standards.

The policy is available to all employees, including members of the governing bodies, and is part of the mandatory training process. Employees can anonymously report suspicions of bribery and corruption through dedicated channels. ALRO Group organises an annual training session dedicated to the Anti-Bribery and Anti-Corruption Policy, underlining the commitment to zero tolerance for bribery and corruption, in order to protect the companies, employees, and partners from associated risks and to strengthen an organisational culture based on integrity and transparency.

The implementation of the policy falls under the responsibility of the executive management at the level of each company within ALRO Group, reflecting the commitment at the highest organisational level. At the same time, the Data Protection Officer (DPO), together with the Legal Department, are involved in monitoring and resolving requests and complaints.

The policy is available on the websites of **ALRO**, **ALUM**, and **VE**, and for **VT** it is available on the intranet, with content similar to that of the parent company.

5. The Operational Procedure Resolution of requests, notifications and complaints (whistleblower) - ALRO, ALUM*

This procedure supports responsible behaviour within the company, as it provides employees and other stakeholders with the opportunity to safely report incidents related to professional conduct, including incidents of corruption, bribery, or any such suspicions. Through guaranteed confidentiality and a firm prohibition of retaliation, the procedure contributes directly to G2 (+) *Protecting the rights of whistleblowers*, by creating a safe and equitable framework for reporting incidents. Furthermore, the impartial and documented resolution of reports supports G1 (+) *Promoting responsible and ethical business conduct*, demonstrating that integrity is a value put into practice rather than just a stated one. By helping to identify and prevent potential cases of corruption or fraud, the procedure also contributes to G5 (+) *Prevention and detection of corruption and bribery,* as well as to G7 (+) *Absence of confirmed cases of corruption and bribery*, maintaining trust in the company's business relations.

ALRO and **ALUM** have defined and implemented this procedure, addressing a wide range of stakeholders:

- Permanent or temporary employees and collaborators;
- Shareholders, members of management and supervisory bodies;
- Subcontractors, volunteers, interns (paid or unpaid), other persons involved in contractual relationships with ALRO and ALUM, and other interested persons.

Reports are received through one of the channels provided by ALRO and ALUM, with two reporting methods available: internal reporting and external reporting. For internal reporting, ALRO provides interested persons with the following reporting channels:

- in writing, by mail to the recipient: ALRO, 116 Pitești Street, Slatina, Olt, postal code 230048;
- in writing, by submitting it to the ALRO Registry or in one of the specially designed petition boxes located at the company's access gates or in the activity sectors;
- by email to the following address: sesizari@alro.ro;
- by filling in the contact form on the intranet portal:
  - http://10.0.3.137/sesizari/home/sesizari, or website European Aluminum Producer | ALRO;
- the report can also be made through a face-to-face meeting between the person making the report and the person designated by the company's management or the ALRO General Director;
- by telephone or voice messaging system, with the consent of the person making the report.

For internal reporting, ALUM provides the following reporting channels to interested parties:

- By mail: ALUM SA, Street Isaccei no. 82, postal code 820228, Tulcea, Tulcea County.
- By submitting a letter: in the special boxes located at the organization's entrance gates
- Electronically: by email toalum@alum.ro.
- Online: using the petition form available at www.alum.ro
- By phone: at 0240 535 022

External reporting can be made to public authorities and institutions which, according to special legal provisions, receive and resolve reports regarding violations of the law within their field of competence.

Internal reports are submitted to the General Director of ALRO and ALUM, who has the following responsibilities:

- Appointing the designated person for managing reports;
- Analysing the reports received and designating the resolution teams;
- Signing and approving the responses provided to the petitioners.

Regarding the implementation of ***The Operational Procedure Resolution of requests, notifications and complaints (whistleblower) ALRO and ALUM,*** the designated person with duties concerning the receipt, registration, examination, follow-up actions, and resolution of reports, within the meaning of Art. 3, Chapter 3 of Law no. 361/2022, is the **Data Protection Officer (DPO)**. They are appointed by the General Director and receive training for the resolution of reports in accordance with applicable legal provisions regarding the

** Within ALUM, this procedure was developed, approved, and implemented in October 2025.*

protection of whistleblowers against any form of retaliation, as well as the processing of personal data. As for staff training on reporting mechanisms and whistleblower protection, and especially the training of personnel receiving the reports, this is conducted annually, and a record of the reports is kept in the Register for recording notifications/complaints/claims/proposals.

Furthermore, the person designated to manage claims, notifications, etc., must perform follow-up actions with due diligence to resolve the report and, where applicable, remedy the reported violation. The person designated under the aforementioned policy reports directly to the General Director. Thus, the designated person has clear duties for managing reports as follows:

- Registering and examining reports;
- Communicating with whistleblowers and ensuring compliance with confidentiality requirements;
- Collaborating with specialised departments for the efficient resolution of cases.

Depending on the General Director's decision, for the purpose of legal resolution, requests/complaints/petitions/notifications are assigned to the specialised departments, with the instruction to analyse and investigate all aspects that are the subject of the request or complaint, specifying the deadline for resolution.

Upon completion of the analysis and investigation, the designated department or employees shall present the drafted response to the General Director, which, after signing, will be sent to the whistleblower. The response is sent to the whistleblower as they prefer, either in writing or by email.

In 2026, the Group aims to carry out an update of this procedure to improve the transparency and independence of the investigation and reporting process.

By implementing this policy, the companies comply with national and European legislation, namely Government Ordinance (G.O.) no. 27/2002 on the handling of petitions, Law 190/2018 on the protection of personal data, EU Directive 2019/1937 on the protection of whistleblowers, Law 361/2022 on the protection of whistleblowers in the public interest, the GDPR Regulation (EU 679/2016) on the protection of personal data, as well as international initiatives and standards: the Aluminium Stewardship Initiative (ASI) Performance Standard for sustainability in the aluminium value chain; ISO 9001, 14001, 45001, and other standards for quality, environment, health, and occupational safety, and the Universal Declaration of Human Rights.

ALRO and **ALUM** have integrated stakeholder interests into policy-making through:

- **Whistleblower consultation and protection:** Confidentiality and anonymity are guaranteed, protecting whistleblowers from retaliation;
- **Creation of multiple reporting channels**;
- **Direct reporting:** via email, post, telephone, intranet portal, or dedicated boxes;
- **Equal treatment:** All reports are processed without discrimination, in accordance with the principles of impartiality and good faith;
- **Prompt feedback:** Ensuring transparent communication regarding progress and solutions to reporters within 30 days (or a maximum of 90 days for complex cases).

A summary presentation of the communication channels with employees, customers, suppliers, members of the local community, as well as the process for resolving notifications, complaints, claims, or proposals, is made public on the official ALRO website (*https://www.alro.ro/en/investor-relations/corporate-governance*).

At the time of reporting, whistleblowers are informed of:

- Guaranteed rights and protections;
- The manner in which personal data will be managed;
- The steps of the investigation process and the response deadlines.

Affected stakeholders may request access to information and/or expertise, whether independent or through a facilitator or mediator, to support the dialogue process for certain requests/complaints/petitions/notifications.

The procedure provides for protection measures, support measures, and remedial measures; thus, any form of retaliation against whistleblowers, threats of retaliation, or attempts at retaliation are prohibited, in accordance with article 5.10. *'Prohibition of Retaliation'* of the procedure.

Confidentiality is also ensured regarding the identity of the person concerned or any third parties referred to in the report. The identity of

the person concerned is protected for as long as the follow-up actions to the report or public disclosure are ongoing, except where, following the resolution of the report or disclosure, it is found that the person concerned is not guilty of the violations of the law that were the subject of the report or disclosure. Furthermore, the persons concerned have the right to a defence, including the right to be heard and the right of access to their own file.

The *Operational Procedure Resolution of requests, notifications and complaints* is available to employees at the ALRO and ALUM headquarters and on the internal portal (intranet), as well as through notices displayed at the companies' premises.

6. Whistleblowing Policy and Procedure - VE

At the level of **VE**, a Whistleblowing Policy and Procedure has been defined and implemented, applying to both the company's employees and to consultants, contractors, upstream and downstream suppliers, customers, and any third parties possessing evidence and/or information regarding irregularities or illegal acts that have been or may be committed concerning VE's activity. The policy covers all reports regarding non-compliances or deviations from the law or internal regulations and procedures, as well as VE's internal business ethics and conduct standards, including general, operational, or financial conduct.

Whistleblowing reports can be submitted online via the VE website at *office@vimetcoextrusion.com*, by completing the dedicated form. Additionally, reports may also be sent by email to *office@goranlaw.ro* or to VE's headquarters.

Submitted reports are managed under secure conditions to protect the confidentiality of the whistleblower's identity or that of any third party, and to prevent unauthorised access by VE personnel to the data and information brought to their attention.

The receipt, registration, examination, and resolution of reports are within the competence of the person designated at the company level, who is a person with legal training and who carries out their activity impartially and transparently, independently of VE. The designated person will evaluate the report as soon as possible, in an impartial and objective manner, taking into account all elements and circumstances to determine whether it contains sufficient evidence to support the information regarding the mentioned violations.

With regard to measures to protect against retaliation, the policy sets them out as follows:

- protecting the identity of the person making the report; where the report is not anonymous, their identity shall be protected and confidentiality maintained;
- The company ensures that the person reporting any violation is appropriately

protected against any potential negative impact, such as retaliation, discrimination, or any form of unfair treatment. Furthermore, the company ensures that persons against whom a report has been made are protected against any potential negative impact, should the investigation fail to prove any violation and no measures are required against them;

- Even if the investigation leads to a proven violation and measures are taken against the persons who were the subject of a report, their protection is ensured against unintended negative effects that exceed the scope of the measures taken.

The policy is available to employees at VE headquarters and on the internal portal (intranet), as well as through notices posted at company headquarters.

Regarding the company **VT**, it is currently in the process of analysing and developing an internal procedure on whistleblower protection. The implementation of this procedure involves defining reporting channels, establishing internal responsibilities, and adopting the necessary measures to ensure confidentiality and protection against retaliation. The completion and implementation of the procedure are envisaged by **30 April 2026**, depending on the internal approval stages and alignment with the applicable organisational framework.

7. Human Rights Policy - ALRO, ALUM, VE, VT

ALRO Group has developed a *Human Rights Policy* at the level of each company. This Policy represents the Group's commitment to respecting and protecting human rights. To ensure the effective implementation of this core value, ALRO Group has extended the applicability of this policy to all employees as well as all external partners. Furthermore, to considerably increase awareness of this essential value, references to the principle of respecting human rights have been included in all collective labour agreements, in the sustainability strategy, and within the Code of Ethics and Conduct.

The *Human Rights Policy* contributes to the positive impact G1 *(+) Promoting responsible and ethical business conduct* by strengthening an organisational culture based on integrity, respect, and responsibility, extending these principles both within ALRO Group and in relations with external partners. At the same time, for ALRO and VE, the policy supports the **positive impact** G2 (+) *Protecting the rights of whistleblowers*, by providing secure and confidential reporting channels that allow for the signalling of irregularities without fear of retaliation. By preventing discrimination, abuse, and non-compliant practices, the policy also contributes indirectly to the positive **impact** G5 (+) *Prevention and detection of corruption and bribery*, reducing risks associated with ethical

non-compliance in operations and the supply chain. Furthermore, through internal control measures and strict adherence to applicable international standards, the policy supports the **positive impact** G7 (+) *Absence of confirmed cases of corruption and bribery*, maintaining zero tolerance towards such incidents. Additionally, the policy extends human rights principles across the value chain, promoting safe working conditions, health and safety, equal treatment, and environmental protection, thus contributing to the **positive impact** G4 (+) *Promoting sustainable practices in the sector-level supply chain*. By aligning suppliers with ESG criteria and implementing due diligence, the policy also supports the **opportunity** RO30 – *Enhancing supply chain sustainability and security through ESG criteria integration, contributing* to the development of a responsible, transparent, and resilient value chain.

Details on *the Human Rights Policy* are presented in *Section ESRS S1 Own Workforce* in this Sustainability Report.

8. Declaration on combating modern slavery - ALRO, ALUM, VT

ALRO Group has developed a *Declaration on combating modern slavery* at the level of **ALRO**, **ALUM** and **VT**. The *Declaration on combating modern slavery* aims to prevent, identify, and eliminate any forms of modern slavery, forced labour, or human trafficking within the operations of ALRO Group companies and their supply chains, contributing to the respect for human rights and the promotion of ethical and responsible conduct in business activities. It focuses on the impacts and risks associated with worker exploitation, unfair working conditions, and potential abuses within the value chain, being monitored through periodic supplier assessments, training programmes, and internal reporting mechanisms.

The Statement supports G1 (+) *Promoting responsible and ethical business conduct*, ensuring an ethical framework in commercial relations; it facilitates G2 (+) *Protecting the rights of whistleblowers* through confidential reporting channels; and contributes to G4 (+) *Promoting sustainable practices in the sector-level supply chain,* by promoting supplier selection based on social and compliance criteria. Additionally, it indirectly strengthens the control and prevention mechanisms related to G5 (+) *Prevention and detection of corruption and bribery*, G7 (+) *Absence of confirmed cases of corruption and bribery*, by prohibiting illegal practices associated with worker exploitation.

The scope covers all ALRO Group companies mentioned above, all activities carried out within them, as well as the upstream supply chain, insofar as risks related to modern slavery may exist. The Statement does not provide for any geographical exclusions and extends to all employees, collaborators, suppliers, and business partners who may be directly or indirectly affected.

The highest level responsible for implementation is the Board of Directors of each member company, supported by the executive management and compliance departments.

The document refers to relevant international standards and initiatives, including the Universal Declaration of Human Rights, the International Labour Organisation Conventions, the European Convention on Human Rights, as well as applicable national legislation (the Romanian Constitution, the Labour Code, and the Criminal Code). These benchmarks strengthen the compliance framework and the moral obligation for the entire Group.

In establishing the policy, the primary interests of stakeholders are taken into account, including employees, local communities, authorities, and the supplier environment, as reflected through reporting mechanisms, training, audits, and transparent communication. The document is made available to stakeholders by publication on the ALRO and ALUM company websites, and for VT, by being available at the company's headquarters. Employees and partners are trained on identifying and reporting potential cases, ensuring their involvement in the effective implementation of the policy

9. Corporate Social Responsibility Policy (CSR) - ALRO, ALUM, VE, VT

ALRO Group has developed *a Corporate Social Responsibility Policy* at the level of each company. The Corporate Social Responsibility Policy contributes directly to G1 (+) *Promoting responsible and ethical business conduct* by defining clear principles of legal compliance, transparency, fair play, and fair competitive behaviour, supported by the Code of Ethics and anti-bribery policies. Through the provisions regarding the reporting of non-compliances and ensuring confidentiality, the document supports

G2 (+) *Protecting the rights of whistleblowers*, creating a safe, retaliation-free environment for signalling deviations. The policy also promotes social and environmental criteria for suppliers, the accountability of business partners, and respect for human rights, contributing to G4 (+) *Promoting sustainable practices in the sector-level supply chain* and leveraging RO30 – *Enhancing supply chain sustainability and security through ESG criteria integration*, reducing risks and enhancing operational resilience. At the same time, through the explicit prohibition of bribery, strict prevention measures, training, and monitoring, the policy supports G5 (+) *Preventing and detecting corruption and bribery*, ensuring integrity in operations. The effective implementation of these provisions contributes to maintaining G7 (+) *Absence of confirmed cases of corruption and bribery*, strengthening the reputation and trust of stakeholders. Overall, the policy reinforces a responsible culture, increases transparency, and contributes to robust governance at both the organisational and sectoral levels.

The Corporate Social Responsibility Policy applies to all activities carried out by the Group companies throughout the territories where the company operates, covering economic, social, and environmental responsibilities. The scope includes both internal operations and the upstream and downstream value chain, through relations with suppliers, business partners, and customers, who are required to respect ethical principles, human rights, fair working conditions, and sustainable practices. The policy also targets all relevant stakeholder categories, such as employees, local communities, authorities, investors, the environment, and civil organisations, which may be directly or indirectly affected by the company's activity.

The document consider both the local context and international standards (e.g. ISO 26000, UN initiatives), without limiting its applicability to specific geographical areas. There are no explicit exclusions of any activities or segments of the value chain; instead, the policy aims to extend social responsibility across the entire business ecosystem, encouraging progressive alignment and compliance among suppliers. In cases where certain entities in the supply chain cannot demonstrate compliance, the company may apply remedial measures or contractual reassessment. Thus, the policy applies transversally, consolidating responsible governance throughout the value cycle and in relation to all relevant stakeholders.

The General Director holds the responsibility for its implementation at the level of each company within the Group, thus reflecting the commitment at the highest organisational level. At the same time, the Human Resources Department, together with other structures specific to each company, is involved in implementing

these principles, specifically in monitoring the requests and notifications initiated through the public channels mentioned in these policies.

This policy is developed in accordance with the Group's Sustainability Strategy, addressing the theme and sub-theme identified through the double materiality analysis conducted pursuant to the provisions of the CSRD directive. Double materiality has facilitated the understanding of ALRO Group companies' impact on the environment and society, as well as the effects of sustainability on the Group's financial performance, based on a consultation process with stakeholders: suppliers, customers, and the community.

The progress of the Corporate Social Responsibility Policy (CSR) implementation is reported annually in the Group's Sustainability Report, as well as by the Human Resources Department in ALRO's CSR Activity Report. The policy is available on the ALRO, ALUM, and VE company websites, and for VT, it is available on the intranet, having a similar content to that of the parent company.

10. Procedure for Making Payments in RON and Foreign Currency - ALRO, ALUM, VT, VE

ALRO Group has developed a Procedure for Making Payments in RON and Foreign Currency at the level of each company. The objective of this procedure is to ensure that payment operations involving the Group are carried out under optimal conditions and in full legality. It establishes the rules and procedures regarding deadlines, methods, and payment terms, contributing to clarity, transparency, and integrity in financial transactions. The policy helps manage the positive impacts evaluated as significant during the 2025 reporting period, namely G1 (+) *Promoting responsible and ethical business conduct* and G4 (+) *Promoting sustainable practices in the sector-level supply chain*. The contribution to G1 is achieved by ensuring a transparent and fair procedural framework for making payments, through strict compliance with legal regulations and the clear definition of responsibilities in order to prevent abusive behaviour towards business partners. Thus, the procedure supports financial integrity, ethical compliance, and fair commercial conduct. The contribution to G4 is achieved by promoting predictable and fair financial practices in relations with suppliers and collaborators within the supply chain, by respecting contractual payment deadlines and reducing the risk of delays. This supports operational continuity, the economic sustainability of suppliers – particularly SMEs (Small and Medium-sized Enterprises) – and maintains the stability of the supply chain, strengthening sectoral resilience.

The provisions of this procedure apply to all payments in RON and foreign currency carried out by ALRO Group within its current commercial activities, covering financial relations in the upstream value chain (suppliers of goods and services) and the downstream value chain (customers and contractual partners). The procedure applies throughout the entire geographical territory where the Group companies operate, without explicit territorial limitations. There are no exclusions regarding the types of activities or categories of business partners, except for situations regulated by specific legal provisions. The stakeholder groups potentially affected by the application of the procedure include suppliers, customers, contractual collaborators, and internal financial departments, particularly those for whom payment terms and conditions may have a direct economic impact.

The implementation of these procedures and the use of financial management systems ensure an efficient mechanism for ALRO Group companies to prevent payment delays and ensure the correct management of financial operations. Through the consistent application of these provisions, the company contributes to maintaining a healthy cash flow, reducing the risk of non-payment, and strengthening commercial relations based on trust and mutual respect with suppliers, customers, and other partners. Compliance with payment deadlines particularly supports small and medium-sized suppliers (SMEe), for whom the predictability of receipts has a direct financial impact, demonstrating the attention paid to the needs of key stakeholders within the value chain.

These procedures promote legal compliance by adhering to legislation regarding payment deadlines and discourage abusive commercial practices, thereby contributing to ethical and responsible conduct within the sector in which the Group operates. In the context of the double materiality assessment process, ALRO Group consulted relevant suppliers to assess their perception of payment terms and practices and to identify any risks or needs for policy adjustment. The feedback obtained

from suppliers did not indicate a need to revise the policy during the analysed period, as no grievances were expressed regarding payment deadlines and practices.

By adopting a well-structured payment procedure oriented towards the needs of stakeholders, the Group optimises financial relations, reduces the negative impact of delays on day-to-day operations, and strengthens the resilience of the value chain.

The procedure is aligned with the following legislative framework: GD 685/1999, Accounting Law no. 82/1991, Order no. 3055/2009 on accounting regulations compliant with European directives, Law no. 571/2003 on the Fiscal Code, GD no. 44/2004, Order no. 3512/2008, and Law no. 31/1990 on commercial companies.

The implementation and supervision of the procedure are the responsibility of the Chief Financial Officer. The procedure is accessible internally and is communicated via the intranet.

Additional information required by ESRS G1 standard on the company's training policy within the organization regarding business conduct, including target audience, frequency, and coverage

Training activities are carried out across all Group companies, clearly following a sustainable business model; in this regard, in 2025, courses were conducted covering the following policies and procedures regarding professional conduct:

- *Code of Ethics and Professional Conduct;*
- *Human Rights Policy;*
- *Corporate Social Responsibility Policy (CSR);*
- *Anti-Bribery and Anti-Corruption Policy;*
- *Guidelines on prevention and combating of sexual harassment as well as moral harassment in the workplace;*
- *The Operational Procedure Resolution of requests, notifications and complaints (whistleblower).*

These courses are conducted regularly (annually), are included in ***the Annual Professional Training Programme***, and are carried out under the guidance of the Human Resources Department.

ALRO's professional *training procedure* aims to create a robust framework for the continuous development of employee skills and applies to all personnel within ALRO, without explicitly mentioned exclusions, covering all aspects of professional training, from induction and qualification to upskilling and retraining. The annual professional training programme is drawn up in consultation with trade unions and approved by the General Director and the Board of Directors.

The evaluation of the effectiveness of professional training programmes is carried out by committees composed of directors and representatives of the Professional Training department.

For 2026, the Group intends to continue integrating training aspects related to anti-corruption and anti-bribery into the annual training plans of the Group companies.

Additional information required by ESRS G1 on the functions within the Group that are most exposed to risks related to corruption and bribery

As part of the annual risk assessment process, ALRO Group identifies and evaluates, among others, risks related to corruption and bribery. The results of these periodic assessments are recorded in the Risk Register and are monitored and reported internally on a continuous basis.

In 2025, the Group conducted an analysis to identify the functions most exposed to the risk of corruption incidents. The functions most exposed to corruption and bribery risks include the procurement, sales, human resources, investment, finance, marketing, and public authority relations departments, as well as roles involved in payment approvals and contracting external partners. Specific internal policies and controls, training programmes, and mechanisms for reporting unethical behaviour are applied to these functions.

The methodology was based on a systematic process of analysing the duties and responsibilities of each function. The assessment took into account the degree of exposure to the following organisational risk factors:

- **Exclusivity and segregation of duties** – the exercise of decision-making powers without independent verification.
- **Access to material and financial resources** – the management of funds, assets, equipment, or other resources with the potential for misuse.
- **Decision-making and contracting** – the capacity to enter into contracts or to determine prices and commercial terms.
- **Integrity and external relations** – direct interactions with public authorities, customers, strategic suppliers, or other stakeholders.
- **Information security** – access to confidential or personal data and the risk of unauthorised disclosure.
- **Compliance and regulation** – adherence to labour legislation, competition law, data protection, and reporting obligations.
- **Environment and organisational culture** – degree of autonomy, internal or external pressures, tolerance towards material advantages or ethical deviations.
- **Image and communication** – the transmission of information to the media or the public, with an impact on the company's reputation.

The assessment results were used to update the compliance and corporate governance plans, design ethics training and awareness programmes, ensure non-financial reporting according to European standards (CSRD, ESRS), and strengthen internal control and anti-corruption mechanisms.

This process supports the company in preventing and reducing incidents of fraud and corruption by identifying sensitive functions early and implementing appropriate control measures. At the same time, it strengthens the governance system by recognising critical responsibilities, planning training and awareness actions, increasing transparency, and integrating the results into compliance and sustainability reporting.

IV.1.2.3 [G1-2] Management of relationships with suppliers

ALRO Group's approach to supplier relations is based on firm principles of ethics, transparency, and responsibility, aiming to effectively manage the risks associated with the supply chain and to maximise positive impacts on sustainability aspects. The Group has implemented a coherent framework of policies and procedures, which integrates international governance, environmental, and social standards into all stages of the commercial relationship with suppliers.

Regarding the value chain, the majority of suppliers in commercial relations with the Group originate from countries with a low risk of corruption. Nevertheless, over time, the Group has implemented a series of internal procedures and policies aimed at preventing and detecting potential corruption incidents at the supplier level, for example, by adhering to the principles of the Supplier Code of Conduct, detailed in *Section G1-1 Corporate culture and Business conduct policies and corporate culture*. Furthermore, following the stakeholder consultation process as part of the DMA, most suppliers declared that they have implemented dedicated policies for managing conflicts of interest, fraud, bribery, and corruption risk within their own companies, and that in their contractual relations with ALRO Group, the absence of corruption and bribery cases has been a very important aspect.

The Supplier Code of Conduct, harmonised with the model promoted by European Aluminium, establishes clear requirements regarding ethical behaviour, respect for human rights, environmental protection, and legal compliance. This is sent via email to all suppliers within the Group. The Code is supplemented by the *Supplier Sustainability Guideline* (present only at ALRO level), the *Assessing and monitoring the suppliers Procedure* (PO-010-ASI), and the ASI self-assessment form available at **ALRO**, **ALUM**, and **VE**, which include social, environmental, and governance performance criteria. Through these mechanisms, the Group can identify early risks related to ethics, corruption, working conditions, or legislative compliance, including environmental matters, ensuring a proactive and transparent approach to managing supplier relations. The results are centralised by specialist departments, contributing to compliance monitoring and the continuous improvement of commercial relations. Thus, the supplier accreditation process includes a rigorous assessment of sustainability criteria. This integration of sustainability criteria into the supplier evaluation process plays an essential role in determining decisions to establish commercial relations with the respective suppliers.

All suppliers of ALRO, ALUM, VE, and VT sign the Supplier Code of Conduct, which includes several criteria, including social and environmental ones. Within each company, depending on the organisational structure, there is a department or office responsible for transmitting it to suppliers. For instance, at ALRO level, the Code is sent by the Internal Audit and Supplier Evaluation Office during the initial assessment and periodic re-evaluation (every two years), being mandatory for all suppliers, who must accept and return it signed. Additionally, at ALRO level, suppliers also receive and sign the *Supplier Sustainability Guideline*. Details regarding the *Supplier Sustainability Guideline* are presented in the *ESRS S2 section – Workers in the value chain*, within this Sustainability Report.

The following sustainability criteria are included in the Supplier Code of Conduct:

- Governance and ethics, including business integrity policy, anti-corruption and anti-bribery, conflicts of interest, fair business and loyal competition, intellectual property and confidential information, data protection, and responsible sourcing;
- Labour and human rights, health and safety, including the prevention of child labour and young workers, humane treatment and anti-harassment, anti-discrimination, voluntary employment, working hours, wages and benefits, freedom of association and collective bargaining, health and safety;
- Environmental protection, which includes the existence of a management system for waste, air emissions, and wastewater discharges, integrated with the occupational health and safety management system, environmental permits and related reporting, responsible resource management, and responsible management of hazardous materials.

The supplier evaluation process also includes a reputational risk assessment, which consists of verifying information regarding potential legal issues or conflicts involving the assessed supplier. Should a supplier have a legal history of incidents and court actions, including violations of environmental legislation, we consider these issues to be reputational risks.

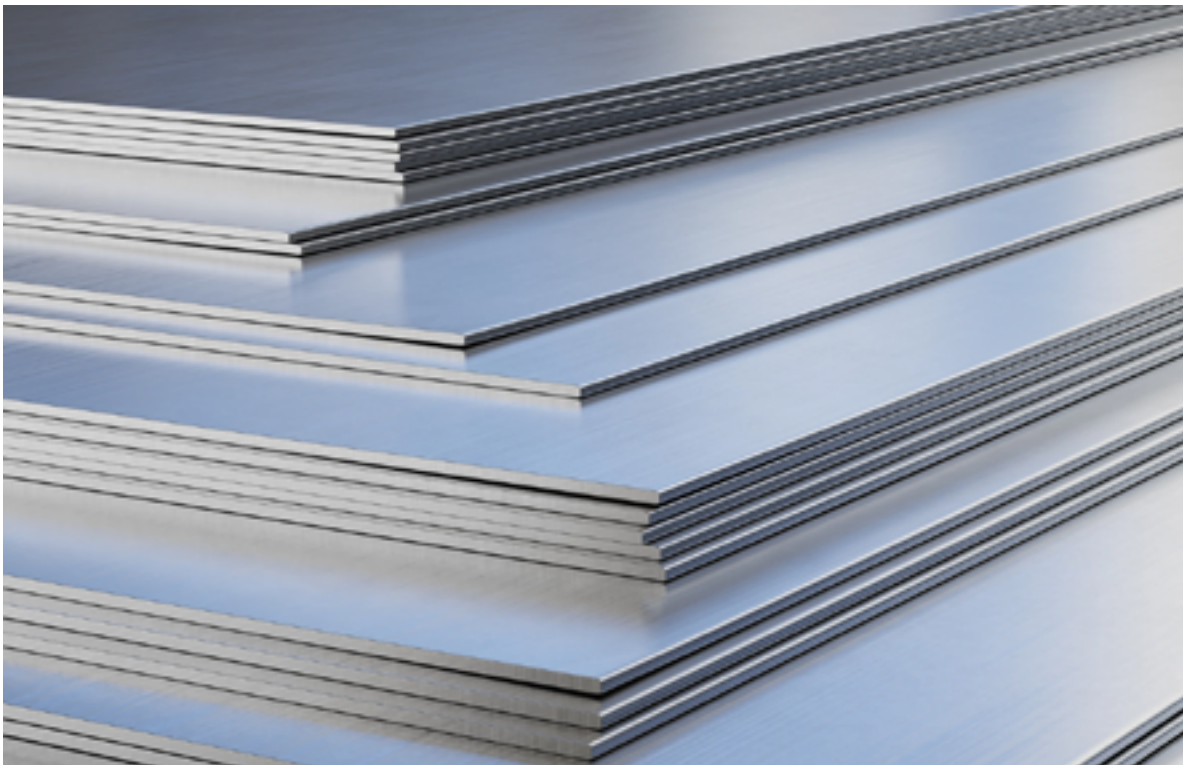
At **ALRO**, **ALUM**, and **VE** level, in 2025, the ASI assessment form, along with the *Supplier Code of Conduct*, was sent to **172 suppliers** (2024: 343 suppliers); of these, **133 suppliers** (2024: 225 suppliers) responded by signing the acknowledgement of receipt for these documents.

Furthermore, to prevent risks of corruption and unethical behaviour, the Group has introduced strict procedures regarding payment management, such as the Procedure for making payments in local and foreign currency, detailed in *Section G1-1 Corporate culture and Business conduct policies and corporate culture*. Although the Group does not have a separate policy dedicated specifically to preventing payment delays to SMEs, the *Procedure for Making Payments in RON and Foreign Currency* contains details regarding the execution of payments, rules, and procedures concerning deadlines, methods, and payment terms, contributing to clarity and transparency in financial transactions for all suppliers, including SMEs. This ensures the efficient management of financial relations between the Group companies and all their partners. In 2025, there were no cases of payment delays to suppliers, and no company within ALRO Group recorded lost legal proceedings due to late payments.

Specific procurement procedures have also been developed and implemented at Group level – the Supplier Evaluation Procedure, which is detailed in the *ESRS S2 section, Workers in the Value Chain*, of this Sustainability Report.

Furthermore, the *Human Rights Policy*, detailed in *Section G1-1 Corporate culture and business conduct policies* and applicable to all employees, partners, and suppliers, reinforces the Group's commitment to preventing any form of exploitation, discrimination, or abuse within the supply chain.

A significant advantage of the supply chain is that ALUM and VE are part of a vertically integrated Group, and the main raw material for VE (aluminium billets) is supplied (over 90%) from within the Group.



IV.1.2.4 [G1-3] Prevention and detection of corruption and bribery

ALRO Group has implemented the Anti-Bribery and Anti-Corruption Policy, detailed in *Section G1-1* Corporate culture and business conduct policies of this chapter, across all its companies, aiming to prevent, detect, investigate, and respond to the risks of corruption and bribery or conflicts of interest. The policy establishes the principle of zero tolerance towards bribery and corruption and requires compliance with national and international legislation, as well as internal ethical standards.

Prevention is ensured through:

- Annual compliance risk analysis, conducted by the Data Protection Officer together with relevant functions (procurement, HR, accounting);
- Internal control mechanisms that require the documentation of all transactions, the verification of business decisions, and the application of the "cross-checking" principle for individual decisions;
- Strict procedures regarding gifts, hospitality, donations, and sponsorships, to avoid any perception of undue influence;
- Periodic training for employees, particularly those exposed to increased risks, to raise awareness of legal and ethical obligations;
- Confidential reporting mechanisms, which allow employees to anonymously report suspicions of bribery or corruption.

The detection and resolution of incidents are managed according to an internal process that provides for the immediate notification of the line manager and the Data Protection Officer, the analysis of the case by top management, and the adoption of appropriate disciplinary or contractual measures. Investigations are conducted by the Data Protection Officer together with the Legal Department and senior management, independently of the directly involved management chain, to ensure impartiality and objectivity. Top management has the obligation to analyse and evaluate each reported case, to decide on corrective measures, and to periodically report corruption cases and conflicts of interest to the company's leadership.

The investigation results and corrective actions are formally reported to the General Director and, where applicable, to the Board of Directors, ensuring full traceability and continuous oversight of the implementation of measures. The results and corrective actions are formally reported to the General Director and, as appropriate, to the Board of Directors, ensuring traceability and supervision.

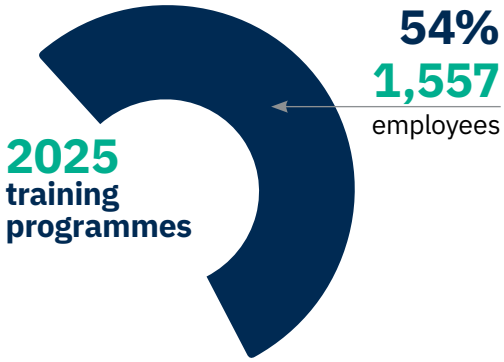
To ensure compliance with relevant international standards, ALRO implements internal control mechanisms to monitor the implementation of procedures for reporting and investigating corruption incidents. The communication and accessibility of anti-corruption rules are achieved through dedicated training and internal channels, ensuring that employees and relevant functions are aware of the policy's obligations and implications. Details regarding confidential reporting mechanisms, internal/external channels, and whistleblower protection (including the prohibition of retaliation) are reported in *Section G1-1 Corporate culture and business conduct policies* of this chapter. In 2025, ALRO Group conducted professional training programmes for the members of the administrative, management, and supervisory bodies of its companies, focused on the prevention, identification, investigation, and management of situations related to corruption or bribery. Furthermore, specific training sessions were implemented for functions considered exposed to corruption risks, in accordance with the internal analysis of risk exposure levels described in *Section G1-1 Corporate culture and business conduct policies of this chapter.*

Employees who have benefited from professional conduct training

Training coverage	Position exposed to risk	BoD Members	Other employees not holding risk exposed functions
Total persons	72	1*	1.485
% of risk-exposed functions covered by training			
Of which: total number of persons who benefited from training activities in 2025	72	11	1.485
Training delivery method			
Classroom-based training	18	11	0
Computer-based training (E-learning)	54	0	1.485
Topics addressed			
Business ethics: *definition and importance, Code of Ethics and Professional Conduct, Case studies*	72	11	1.485
Anti-bribery and Anti-corruption Policy: *What are bribery and corruption, Reporting mechanisms, Case studies*	72	11	1.485
Policy on preventing and combating harassment: *Definitions, Policy, Case studies*	72	11	1.485
Sustainability and Compliance: *2025 legislative changes*	72	11	0
ESRS Standards – *simplification proposal*	72	11	0

** The positions exposed to risk also included one (1) member of the BoD with an executive function whose record of participation in training courses is shown in the next column.*

During the reporting period, the percentage of employees at Group level covered by professional training programmes regarding the prevention and detection of bribery and corruption was **54%** (2024: 54%). In 2025, out of a total of 2,890 employees, **1,557 benefited** from training courses. In 2024, out of a total of 2,821 employees, 1,519 benefited from training courses.



Other actions related to the prevention of corruption and bribery were implemented at Group level in 2025, as follows:

- Governance policies were issued and implemented (VE, VT);
- Existing governance policies were revised (ALRO, ALUM);
- In 2025, as part of the DMA process, the sustainability impact and risk registers were re-analysed, and these registers will be updated periodically;
- Procedure PO-426 (Operational Procedure Resolution of requests, notifications and complaints (whistleblower) was revised;
- The Corporate Social Responsibility Policy was established at VE and VT level.

IV.1.3. Indicators and targets

IV.1.3.1 [G1-4] Confirmed incidents of corruption or bribery

During the reporting period, ALRO Group recorded no confirmed incidents of corruption or bribery; consequently, there were no dismissals, disciplinary actions, or terminations/non-renewals of contracts with business partners for such reasons. Furthermore, no convictions or fines for violating anti-corruption legislation were recorded, and no public corruption cases were brought against the Group or its employees, including cases initiated in previous periods and resolved during the current year. There were no relevant incidents in the value chain in which the Group or its employees were directly involved. Given the absence of such cases, no additional corrective measures were necessary.

IV.1.3.2 [G1-5] Political influence and lobbying activities

In 2025, the Group is involved in activities specific to the aluminium industry as a member of various trade associations and sectoral organisations, which represent the interests of all their members. The list of these associations can be found in the Appendices section of this document. It should be noted that during the reporting period, no lobbying law was regulated in Romania, and the Group did not make any political donations.

Any gift of money or equivalent (such as shares or products) to or from a competing company, to or from any person or company that is in a business relationship with us or is seeking to establish one, is strictly prohibited. Furthermore, our organisation does not provide, directly or indirectly, any financial or in-kind contribution to any political party, regardless of the country in which it operates. This practice is in accordance with the Code of Ethics and Professional Conduct implemented across all Group companies.

ALRO Group will continue to enhance the application of business ethics principles by extending the applicability of the new Code of Ethics and Conduct to all companies within our Group.

Membership in relevant associations:

1. *REACH Aluminium Consortia;*
2. *REACH Coal Tar Pitch Consortium;*
3. *Aluminium Stewardship Initiative (ASI);*
4. *Association of Large Industrial Energy Consumers (ABIEC);*
5. *Romanian Aeronautical Companies Association (OPIAR);*
6. *Association of Automobile Manufacturers (ACAROM);*
7. *European Aluminium Association (EA) – details regarding the activities of the EA Association can be found on the website https://european-aluminium.eu/.*
8. *European Non-Ferrous Metals Association (EUROMETAUX);*
9. *Foreign Investors Council (FIC);*
10. *Romanian Association for the Promotion of Energy Efficiency (ARPEE);*
11. *Romanian Investor Relations Association (ARIR);*
12. *Romanian Society for Quality Assurance (SRAC);*
13. *Romanian Standards Association (ASRO);*
14. *Romanian Union of Steel Producers (UniRomSider);*
15. *Signatory of the Declaration of Accord for wrought aluminium alloys at the Aluminium Association, Washington DC;*
16. *Romanian National Employers' Association of Military Equipment Manufacturers (PATROMIL).*

The main activities undertaken by the Group within these associations:

- Organising or participating in meetings, conferences, and events;
- Active contributions or participation in public consultation processes or similar initiatives;
- Organising communication campaigns, platforms, networks, and initiatives;
- Drafting policies or official position papers, questionnaires, or research activities.

Activities assimilated to lobbying services are conducted within the context of the Group's participation in European Aluminium (EA) initiatives.

European Aluminium (EA), founded in 1981 and headquartered in Brussels, is an industrial association representing the interests of participants in Europe's non-ferrous industry. The association serves as the voice of the European aluminium industry in its relations with all possible stakeholders.

The more than 100 members include primary aluminium producers, downstream producers of extruded, rolled, and cast aluminium, recycled aluminium producers, and national aluminium associations, representing over 600 plants across 30 European countries.

The association's activity is managed by an international team of policy and technical experts. They actively engage with decision-makers and the broader stakeholder community to promote the remarkable properties of aluminium, ensure growth, and optimise our metal's contribution to meeting the EU's ambitions in terms of sustainability and industrial leadership.

European Aluminium's mission is to create the conditions for the European aluminium industry to grow, evolve, and help build a more sustainable world. Together with its members, policymakers, and other stakeholders, European Aluminium aims to achieve the vision of a competitive, decarbonised, and circular European aluminium industry that serves a thriving European society.

In view of the above, the Group has not set specific objectives and targets for this ESRS sub-theme.

IV.1.3.3 [G1-6] Payment Practices

In 2025, no company within ALRO Group recorded any lost or pending legal proceedings regarding late payments; consequently, the Group has not set specific objectives or targets for this ESRS sub-theme. The Procedure for making payments in RON and foreign currency establishes the responsibilities of the persons authorised to submit payment lists for approval, the standard payment terms recorded in the ERP system according to contracts concluded with suppliers or other partners, the accepted payment methods (bank transfer, credit card, cheque, digital financial instruments), as well as internal operational workflows regarding invoice validation, authorisation, and payment processing. This also includes clauses applicable to exceptional situations, such as a supplier's financial difficulties, invoice disputes, or force majeure events, contributing to the prevention of delays and the maintenance of fair commercial relations, including with SMEs.

To determine the average time required by the enterprise to pay an invoice from the start of the contractual or legal payment term, the Group uses the 'accounts payable turnover ratio' indicator, calculated according to the formula:

$$\textit{Accounts payable turnover ratio (days)} = \frac{\textit{(Opening balance payables + Closing balance payables)/2}}{\textit{Turnover} \times 365}$$

This methodology is applied at the level of each Group company and does not involve representative sampling. The Group continuously monitors compliance with contractual terms, as timely payment is an essential element in maintaining a positive impact on SMEs and the value chain.

Payment practices

Payment practice indicators	ESRS requirement response
The average time required for the company to pay an invoice from the date on which the contractual or legal payment term begins to be calculated, as a number of days.	Accounts payable turnover ratio: **ALRO**: in 2025: **47.94 days** (2024: 35.39 days) **ALUM**: in 2025: **46,55 days** (2024: 62.27 days) **VE**: in 2025: **40.39 days** (2024: 36.25 days) **VT**: in 2025: **5.14 days** (2024: 7.57 days)
A description of the company's standard payment terms, expressed in number of days, by main categories of suppliers.	Maximum standard payment term in the range 90: **120 days**. (2024: 90-120 days)
Percentage of its payments that comply with these standard terms.	**100%** (2024: 100%)
Number of pending legal proceedings for late payments.	**zero** (2024: zero)

IV.1.3.4 Other targets

To manage significant aspects related to professional conduct, the Group has set clear targets, aligned with its strategic objectives, aimed at improving the supply chain, combating corruption, and business ethics, in accordance with the new 2025-2030 Sustainability Strategy available on the ALRO website *European Aluminum Producer | ALRO*.

Aspects related to business ethics, anti-corruption, and human rights management within the supply chain, as covered by the new strategy, are also presented in the report under *Section ESRS S2* Workers in the value chain, as they will be the indirect beneficiaries of the established actions; furthermore, aspects regarding the improvement of suppliers' environmental performance are presented in *Sections ESRS E2* and *ESRS E3*.

OBJECTIVE 1: Communication and supplier relationship management, reported in 2024, has been integrated into the new strategy under the objective Strengthening ethical and sustainable conduct, including respect for human rights in business relationships and the supply chain, for which the following target has been set: By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments regarding compliance with business ethics and anti-corruption criteria, including respect for human rights, working conditions, and OH&S, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.

OBJECTIVE 2: Combating corruption and business ethics, reported in 2024, has been integrated into the new strategy under the objective Strengthening ethical and sustainable conduct, including respect for human rights in business relationships and the supply chain, and is linked to the target: Maintaining zero confirmed incidents of corruption, bribery, or human rights violations within ALRO Group's operations throughout the strategy's implementation period.

Short-term targets (2025-2026) related to **Objective 1:** Communication and supplier relationship management, reported in 2024:

- Increasing the number of suppliers evaluated based on specific sustainability criteria, in order to reach a minimum level of 100 evaluated suppliers;
- Organising site visits and audits of supplier facilities to verify the information provided in questionnaires and to directly observe sustainability practices.

these are included in the new 2025-2030 Sustainability Strategy, being integrated into **Target 2:** *By 2030, at least 5% of ALRO and VE suppliers will be analysed through audits or assessments regarding compliance with business ethics and anti-corruption criteria, including respect for human rights, working conditions, and OH&S, in accordance with the provisions of the Supplier Code of Conduct and the Sustainability Guide.* This new target provides for both a larger number of evaluated suppliers, as there are several thousand suppliers across the entire Group, as well as the organisation of site visits.

Short-term targets (2025-2026) related to **Objective 2:** Combating corruption and business ethics, reported in 2024:

- Maintaining the ASI certifications obtained in 2023;
- Continuous review and updating of the Code of Ethics and Conduct to ensure ongoing compliance with both local and European legislation;
- Continuous monitoring and evaluation of the effectiveness of anti-corruption measures and the improvement of ethical aspects;
- Implementation of employee training programmes regarding ethical standards and corruption prevention methods, including training sessions, seminars, or online courses;
- Implementation of internal controls and periodic audits concerning anti-corruption and business ethics.

These have been integrated into the 2025-2030 Sustainability Strategy by transforming them into recurring actions and permanent governance mechanisms related to **Target 1:** *Maintaining zero confirmed incidents of corruption, bribery, or human rights violations within ALRO Group's operations throughout the strategy's implementation period, designed to support the strategic objective of maintaining zero incidents of corruption, bribery, and human rights violations*. Thus, the specific initiatives from the 2025-2026 period have been consolidated and expanded into a long-term strategic framework focused on prevention, continuous training, and the active promotion of business ethics. Certain targets from the previous report, such as maintaining ASI certifications, revising the Code of Ethics, or conducting periodic internal controls and audits, are not explicitly mentioned in the new strategy, as they represent recurring operational activities or compliance requirements already integrated into the organisation's current processes. In the 2025-2030 Strategy, the emphasis is placed on strategic results and actions with cross-cutting impact, while these elements are treated as fundamental premises and support tools for achieving the overall objective of integrity and responsible conduct.

General Director
Dr. Eng. Marin Cilianu

Financial Director
Ec. Genoveva Năstase

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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT FOR THE FINANCIAL YEAR 2025

To the Shareholders of ALRO SA

Limited assurance conclusion

We have conducted a limited assurance engagement on the Consolidated Sustainability Statement included in Annex 1 to the Consolidated Administrators Report Issued by the Board of Administration of the Entity as at 27 April 2026 and for the period from 01 January 2025 to 31 December 2025, prepared by ALRO SA ("the Entity"), with social premises registered in Romania, Slatina, 116 Pitesti street, Fiscal Identification Number RO1515374, Trade Register number J1991000008282.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement of ALRO SA as at 27 April 2026 and for the period from 1 January 2025 to 31 December 2025 is not prepared, in all material respects, in accordance with the applicable statutory sustainability reporting framework foreseen in MF Order 2844/2016, Chapter 7^1, section $7^1.3$, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in chapter "I.1. ESRS 2 General disclosures", subsection "I.1.5.1. [IRO-1] Description of the process to identify and assess material impacts, risks and opportunities"; and
- compliance of the taxonomy disclosures detailed in the Environmental section, chapter II.1. EU Taxonomy of the Consolidated Sustainability Statement with the applicable reporting requirements of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulations").

Basis for conclusion

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information".

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under this standard are further described in the Practitioner's Responsibilities section of our report.

We are independent of the Company in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), together with the ethical requirements that are relevant to our assurance engagement of the Consolidated Sustainability Statement in Romania, including Law 162/2017 with subsequent amendments ("The Law"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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Our firm also applies International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities for the Consolidated Sustainability Statement

Management of the Company is responsible for designing, implementing and maintaining a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this process in chapter "I.1. ESRS 2 General disclosures", subsection "I.1.5.1. [IRO-1] Description of the process to identify and assess material impacts, risks and opportunities" of the Consolidated Sustainability Statement.

This responsibility include:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- developing methodologies and making assumptions that are reasonable in the circumstances.

Management of the Company is further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with the the applicable statutory sustainability reporting framework foreseen in MF Order 2844/2016, Chapter 7^1, sections 7^1.3, including:

- compliance with the European Standards for Reporting on Sustainability;
- preparing the taxonomy disclosures of the Consolidated Sustainability Statement, in the Environmental Section, chapter II.1 EU Taxonomy, in compliance with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation"); and
- designing, implementing and maintaining such internal controls that are necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the ALRO SA sustainability reporting process.

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Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting a forward-looking information in accordance with European Standards for Reporting on Sustainability, the management of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. The actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Consolidated Sustainability Statement, the management of the Company interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

Auditor's Responsibilities for the limited assurance engagement

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process, chapter "I.1. ESRS 2 General disclosures", subsection "I.1.5.1. [IRO-1] Description of the process to identify and assess material impacts, risks and opportunities".

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- Obtaining an understanding of the entity's control environment, processes, and information systems relevant to the preparation of the Consolidated Sustainability Statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;
- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error.
- Designing and performing procedures responsive to disclosures in the Consolidated Sustainability Statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Consolidated Sustainability Statement.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - Inspecting/Examining the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures about the Process of the Company was consistent with the description of the Process set out in chapter "I.1. ESRS 2 General disclosures", subsection "I.1.5.1. [IRO-1] Description of the process to identify and assess material impacts, risks and opportunities".

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we have:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Consolidated Sustainability Statement;
- Evaluated whether material information identified by the Process to identify the information reported in the Consolidated Sustainability Statement is included in the Consolidated Sustainability Statement;
- Evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the European Standards for Reporting on Sustainability;
- Performed inquires of relevant personnel and analytical procedures on selected disclosures in the Consolidated Sustainability Statement;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Consolidated Sustainability Statement;
- Obtained evidence on the methods for developing material estimates and forward-looking information and on how these methods were applied;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and evaluated the regulatory compliance with of Article 8 of Regulation (EU) 2020/852 (the "Taxonomy Regulations") of the information provided in the Consolidated Sustainability Statement.

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Firma de audit: ERNST & YOUNG ASSURANCE SERVICES S.R.L.
Registrul Public Electronic: FA77

On behalf of,
Ernst & Young Assurance Services SRL
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Name of the Auditor / Partner: Verona Cojocaru
Registered in the electronic Public Register under No.AF1568

Bucharest, Romania
Date: 27 April 2026

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS)
Auditor financiar: Cojocaru Iuliana Verona
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