



ARTROM STEEL TUBES S.A.

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ARTROM STEEL TUBES S.A

Durability report

Prepared,

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The content of this report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the provisions of Ministry of Finance Order No. 85/2024, which transposes Directive (EU) 2022/2464 (CSRD) into national legislation.

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LRQA:
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Introduction

Message from the Board – Commitment to Sustainability

In today’s global context, challenges related to climate change, limited resources, and increasing societal expectations regarding corporate responsibility require a continuous reassessment of how companies conduct their operations. Artrom Steel Tubes fully recognizes these responsibilities and views sustainability not merely as a goal, but as a principle integrated into its business strategy.

2025 was marked by modest steel demand, driven by growing uncertainties amid the war in Ukraine and trade tariffs and restrictions imposed by the U.S. market. Disruptions in global trade, particularly in supply chains, have occurred and continue to occur, putting pressure on the company’s profitability. Scrap metal and raw material prices were highly volatile, while energy and gas costs rose dramatically. Our industry faces significant challenges related to costs and supply, as well as the imperative of decarbonizing operations — a process requiring substantial resources.

Despite these difficulties, we managed to sell 176,272 tons of steel pipes and 4,042 tons of billets, demonstrating our resilience and ability to adapt to complex market conditions. We are proud of the progress achieved and the strategic priorities we have adopted: circular economy and smart decarbonization. These have strengthened our advanced position in sustainability within our industry, a major advantage being our steel production technology based on scrap recycling in an electric arc furnace, as well as the use of modern combustion systems for pipe heating and heat treatment furnaces, where we have begun preparations for the use of hydrogen.

Our products are an essential part of critical infrastructure in industries such as oil, gas, energy, and construction, and the quality, safety, and reliability of our pipes directly contribute to the performance and sustainability of our customers’ projects. We continue to expand our product portfolio through technologies that increase the value of delivered goods and enable specialized applications tailored to market requirements.

This sustainability report reflects our commitment to operating according to the highest standards of environmental protection, energy efficiency, and industrial safety. It details how Artrom Steel Tubes efficiently manages natural resources, optimizes energy consumption and emissions, reduces waste, and promotes technological innovation to minimize environmental impact. The report also highlights our commitment to employees through continuous professional training and social engagement, as well as to local communities through projects that support sustainable development and social well-being.

Our ongoing commitment to cost competitiveness and the generation of high value-added products remains the foundation of our success. We believe that true sustainability is achieved through a balance between economic performance, environmental protection, and social responsibility. Through this approach, we strengthen the trust of our customers, partners, and employees, and build a company capable of facing future challenges while contributing to a sustainable future for society and the environment.

The report we present serves as a tool for transparency and dialogue, demonstrating that industrial excellence and sustainability are not contradictory objectives, but complementary components of our long-term development strategy. Through concrete actions and clear plans, Artrom Steel Tubes reaffirms its commitment to being a responsible and innovative leader in the steel industry and to contributing to a sustainable future for all.

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General aspects regarding the presentation of sustainability information in accordance with the CSRD framework (ESRS 1 + ESRS 2 BP-1)

Artrom Steel Tubes S.A. is one of the leading European producers of seamless steel pipes, with over four decades of experience in delivering high-quality solutions to various industrial sectors, including energy, automotive, machinery and equipment manufacturing, oil and natural gas extraction and transportation, and construction.

The business model is based on the production and commercialization of seamless steel pipes for industrial applications, offering a very high level of flexibility and customization tailored to customer requirements, with a strong focus on innovation, quality, and sustainability.

The company operates through two main production facilities: the Slatina Metallurgical Plant and the Reșița Steel Plant, which function in an integrated manner, ensuring a complete value chain from raw materials to the finished product.

In the context of the transition toward a circular economy and increasing regulatory requirements on sustainability, we aim to adopt responsible practices across all stages of our value chain, minimizing environmental impact and maximizing added value for the communities in which we operate.

Our objective is to develop a sustainable, resilient, and competitive business, aligned with market expectations and European regulatory requirements, contributing to a low-carbon economy.

Company overview. General aspects (ESRS 2)

ARTROM Steel Tubes is an integrated company and a leader in the production and supply of a wide range of seamless steel pipes for various industries, including oil and gas, automotive, mechanical engineering, and tubular products for construction.

In addition to its production facilities, the group’s operations are supported by Artrom Steel Tubes subsidiaries in Germany, Italy, and the USA, providing professional marketing, sales, and after-sales support to our international clients.

Integration of the entire production and sales process—from steelmaking, pipe manufacturing, to product delivery at client-designated locations—ensures high quality standards, flexibility, and responsiveness to customer requirements.

ARTROM Steel Tubes operates in Romania with two factories: the “Metallurgical Plant” located in Slatina, Olt County, which also houses the company’s headquarters, and the “Steel Plant” located in Reșița, a city in the southwest of the country, which operates as a branch without separate legal entity status.

The Metallurgical Plant, with an annual production capacity of 200,000 tons of pipes, was established in 1982, with production commencing six years later. The plant consists of five sections producing hot-rolled, cold-rolled, and drawn pipes. The “Heat Treatment Complex,” opened in 2018 within the Metallurgical Plant, has an annual capacity of 165,000 tons, of which 90,000 tons/year are premium pipes treated through annealing, quenching and tempering, and stress-relief processes. The design and supply of the equipment were carried out

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by SMS Group, one of the world leaders in metallurgical equipment. The heat treatment complex features one of the newest technologies, aligned with European directives on emission levels, and is among the best worldwide in terms of NOx, CO2, and SO2 emissions. Approximately 90,000 tons/year of treated pipes are classified as “premium” due to special heat treatments such as annealing, quenching and tempering, and stress-relief, providing unique product characteristics.

The Steel Plant has a production history spanning over 260 years, with an annual capacity of 450,000 tons. Its product lines include continuously cast round billets (sizes 177, 220, 280, 350 mm) and rectangular blooms (260x340 mm). The approximately 80 different steels produced to date, with chemical compositions meeting client standards and requirements (carbon, low-alloy, and alloy steels), cover all the metal needed for pipe production.

Billets and blooms are also supplied to external customers and are highly valued. Our steel billets are exclusively produced using EAF (electric arc furnace) technology, a low-carbon-emission process, with an average of 98% scrap steel recycled from both the domestic market and our internal production flow (5%). Using scrap steel as part of the circular economy is a key method for reducing total annual greenhouse gas emissions.

Company identification in the European and national context. Role and activities of Artrom Steel Tubes as a steel producer. Specific circumstances (ESRS 2 BP-2)

Today, ARTROM Steel Tubes holds a significant market share in the European seamless steel pipe market for industrial applications, including pipes for mechanical processing, hydraulic cylinder production, energy industry applications, boilers and high-temperature use, automotive industry applications, and more. More than 85% of the plant’s pipe production is destined for export, primarily to European countries, but also to the USA, Canada, Brazil, and the UAE. ARTROM Steel Tubes is present in over 40 countries, serving more than 650 customers, of which nearly 510 are active on a continuous basis.

Licenses, certifications and awards (ESRS 2 BP-2)

ARTROM Steel Tubes holds integrated certifications for quality, environment, and occupational health and safety (ISO 9001, ISO 14001, ISO 45001, API). Environmental certification ensures compliance with requirements related to the assessment of potential environmental risks, continuous monitoring through internal and external audits, and alignment of the technological process with BAT (Best Available Techniques). Compliance with ISO 14001 and API Q1 standards supports more rigorous management of risks and legal compliance, thereby reducing environmental impact in the steel and metallurgical plants.

ARTROM Steel Tubes’ manufacturing processes are based on a Quality Management System in accordance with ISO 9001 and API Q1, integrated with the Environmental Management System (ISO 14001) and the Occupational Health and Safety Management System (ISO 45001).

Product certification is carried out upon customer request as follows:

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- **TUV SUD INDUSTRIE SERVICE** for AD2000-Merkblatt W0/TRD100, EN10297-1, PED 14/68/EU, Vd-TUV according to TUV-Werkstoffblatt 354/2; 352/2, and for CE marking in accordance with EN 10210-1, EN 10255
- **DET NORSKE VERITAS (DNV)** in accordance with DNV rules – approval of material manufacturer for products intended for the marine industry
- **AMERICAN PETROLEUM INSTITUTE (API)** in accordance with API 5CT, API 5L specifications for products intended for the oil industry
- **RINA** in accordance with RINA rules – approval of certified material manufacturer for products intended for the marine industry
- **Sachsen-Anhalt-Magdeburg**, through the Technical and Testing Institute for Construction in Prague – Czech Republic (ZUS) and ISC – State Inspectorate for Constructions in Romania, for the “U” mark
- **ARTROM Steel Tubes – Metallurgical Plant** has also implemented and certified a Quality Management System according to **IATF 16949:2016** for the automotive industry.

ARTROM Steel Tubes – Steel Plant is also qualified/certified as follows:

- **TUV SUD INDUSTRIE SERVICE** for AD 2000-Merkblatt W0, as well as EN 764-5, paragraph 4.2, PED 97/23/EC in accordance with EN 10083-2, EN 10083-3, EN10305-1, and for CE marking in accordance with EN 10210-1, EN 10255
- **DET NORSKE VERITAS (DNV)** in accordance with DNV rules – approval of material manufacturer for products intended for the marine industry

For further details, the certificates can be accessed at: <https://www.artrom.com/ro/certificate/>.

Corporate governance and business ethics (ESRS 2: GOV-1 – GOV-5)

Role of management and supervisory bodies

In an increasingly complex and regulated business environment, corporate governance plays a critical role in ensuring effective, transparent, and responsible management. Within our company, the administrative, management, and supervisory structures are fundamental to achieving strategic objectives and integrating sustainability principles into all aspects of operations.

Governance structure and shareholders

The governance framework of ARTROM Steel Tubes S.A. operates based on the Articles of Association updated on December 11, 2025, in accordance with the Extraordinary General Meeting of Shareholders Resolution no. 4 of the same date.

The company is a privately-owned joint-stock company managed under a unitary system. Strategic management and supervision are ensured by the Board of Directors, chaired by Mr. Adrian Popescu.

The shareholding structure as of the date of this report is as follows:

- **Majority Shareholder:** ARTROM INVESTMENT GmbH (headquartered in Langenfeld, Germany), holding 508,603,468 registered shares, representing 99.99998% of the share capital.
- **Minority Shareholder:** ARTROM ITALIA SRL (headquartered in Lecco, Italy).

I. General Meeting of Shareholders

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The General Meeting of Shareholders is the supreme governing body of the company, responsible for deciding on its operations and ensuring its economic and commercial policy. General Meetings can be **Ordinary** or **Extraordinary**.

- Ordinary General Meeting (OGM)** convenes at least once a year, within five months of the end of the financial year, and has the following main responsibilities:
- a. Discuss, approve, or amend the annual financial statements based on reports from the Board of Directors and the external auditor, and determine the dividend;
 - b. Elect and dismiss Board members, set their remuneration, and evaluate their management;
 - c. Approve the revenue and expenditure budget and, where applicable, the activity program (business plan) for the following financial year;
 - d. Decide on pledging, leasing, or closing one or more company units;
 - e. Appoint and dismiss the external auditor and establish the minimum duration of the audit contract.

- Extraordinary General Meeting (EGM)** is convened whenever necessary and adopts resolutions regarding:
- a. Changes to the company’s legal form;
 - b. Relocation of the company’s headquarters;
 - c. Amendments to the company’s scope of activity;
 - d. Extension of the company’s duration;
 - e. Increase of share capital;
 - f. Reduction or replenishment of share capital through the issuance of shares;
 - g. Merger with or division of other companies;
 - h. Early dissolution of the company;
 - i. Issuance of bonds;
 - j. Conversion of shares from one class to another;
 - k. Conversion of one class of bonds into another or into shares;
 - l. Any other amendments to the Articles of Association or resolutions requiring EGM approval;
 - m. The following powers are delegated by the Articles of Association to the Board of Directors:
 - (i) Relocation of the company’s headquarters;
 - (ii) Amendments to the scope of activity excluding the main business domain;
 - (iii) Establishment or closure of secondary offices, branches, agencies, representative offices, or other units without legal personality.

Powers delegated to the Board of Directors cannot be further delegated to the company’s executive directors.

II. Company Administration

The company is managed by a **Board of Directors** consisting of five members, including two independent directors. Board members are appointed by the Ordinary General Meeting for a four-year term, renewable. Members are selected to ensure independence and the ability to exercise judgment freely without conflicts of interest.

The Board is responsible for all acts and operations necessary and useful for achieving the company’s objectives, except for prerogatives reserved exclusively for the General Meeting or powers delegated to executive directors. The Board’s prerogatives are established by law and the Articles of Association.

The Board represents the company in relations with the CEO and other directors. As of this report, the Chairman of the Board is Mr. Adrian Popescu.

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III. Company Management

In 2025, management prerogatives were delegated to the **Chief Executive Officer (CEO)** and five **Deputy General Directors** as follows:

- (i) Deputy CEO – Finance;
- (ii) Deputy CEO – Commercial;
- (iii) Deputy CEO – Operations;
- (iv) Deputy CEO – Non-Operational Activities;
- (v) Deputy CEO – Economic & Accounting.

These directors, appointed by the Board, form the **Management Board**, with individual and collective responsibilities defined by the CEO within the delegated powers. The CEO also serves as Chairman of the Management Board. As of this report, the CEO is Mr. Cristian Drînciu.

The CEO represents the company externally and has full authority to hire, dismiss, and determine employee remuneration, as well as to establish or amend the company’s organizational chart at any time. Directors may be appointed from within the Board or externally; however, the majority of Board members must remain non-executive directors.

The company is validly represented externally, including but not limited to financial institutions, courts of all jurisdictions, and governmental authorities, by:

- 1. The CEO acting individually; or
- 2. One of the Deputy General Directors (Finance, Commercial, or Operations – first signature) acting together with the Deputy CEO for Economic & Accounting (second signature) or another deputy appointed by the CEO to exercise the second signature (preventive financial control) according to the CEO’s mandate.

The Deputy CEO for Economic & Accounting is responsible for preventive financial control over company operations. In the CEO’s absence, powers of representation may be delegated to any director, specifying whether they act jointly or separately, the duration, and limits of the mandate. The CEO may also delegate signature and representation authority to any other person at his discretion via a special power of attorney.

Information to Management Bodies

The company has developed digital mechanisms for document and information management, including digitalized approval and authorization workflows for decisions, contracts, and other operational documents. The digital system also facilitates reporting and ensures that all decision-makers at any level have equal access to information. Thus, any information that is reported is automatically accessed equally by administrators, managers, and leaders of the various divisions.

Operational divisions and departments responsible for monitoring, auditing, risk analysis, and operational-economic reporting prepare consolidated reports, submitted to the Management Board and Board of Directors for analysis, discussion, and decision-making. Reports and updates are delivered daily via automated reporting systems and periodically (weekly, monthly, quarterly) depending on information type and consolidation level.

Information, reports, and analyses presented to the Board and Management Board are reviewed promptly, and, where appropriate, decisions, programs, and strategies with mandatory implementation by operational divisions are issued. Artrom Steel Tubes has developed an **ESG strategy** and integrated it across the company.

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Strategy, business model and value chain (ESRS 2 SBM-1)

The company’s business model is structured around an integrated value chain, which includes procurement, production, logistics, and delivery to industrial clients, as well as the use of products in infrastructure, energy, and industrial applications.

The upstream value chain consists of sourcing raw materials, auxiliary materials, spare parts, and services necessary for production activities. Procurement is conducted through commercial relationships with suppliers who meet the company’s technical and commercial requirements, while operational continuity is supported by diversifying sources and collaborating with stable partners. To reduce risks associated with supply chain disruptions, the company focuses on diversifying supply sources and maintaining long-term relationships with strategic suppliers. Supplier relationships are primarily oriented toward medium- and long-term cooperation, ensuring predictability in supply and supporting operational planning.

The production stage represents the core component of the business model and includes processing raw materials through specialized industrial processes, using technologies that allow quality control and resource efficiency. Production activities are organized to meet market demands and client specifications, ensuring that products comply with applicable standards.

The downstream value chain includes logistics, distribution, and commercial relations with customers. ARTROM Steel Tubes products are delivered to clients who use them in infrastructure, energy, construction, and other industrial projects. The use of these products contributes to the operation and development of critical infrastructure, highlighting the relevance of impacts generated during the usage stage.

Throughout the value chain, the company interacts with various stakeholders, including suppliers and workers within the value chain, local communities in the areas where production facilities are located, and consumers and end-users of the products. These interactions are relevant regarding the social, economic, and environmental impacts associated with the company’s activities.

Within its business strategy, ARTROM Steel Tubes has firmly committed to integrating sustainable development as a priority, operating in a transparent and responsible manner.

The company complies with European and national sustainability legislation, including: the European Green Deal, the Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD), European Sustainability Reporting Standards (ESRS), OMF no. 85/2024 published in the Official Gazette no. 75 of January 26, 2024, and Law no. 163/2023.

Main Sustainability Strategies of ARTROM Steel Tubes

1. Reducing greenhouse gas (ghg) emissions per ton of steel and pipes produced, and increasing energy efficiency, through:
- Continuous investments;

Modernization of machinery;

Acquisition of new equipment;

Construction of a photovoltaic park;

Increasing the share of intermodal transport.

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A major focus is the exclusive use of 100% green electricity. Through investments, including technologies that utilize hydrogen and carbon capture, utilization, and storage, the company aims to achieve climate neutrality by 2050.

- 2. **Maximizing the recovery of by-products and production waste**, in accordance with circular economy principles.
- 3. **Maintaining certified environmental (ISO 14001) and occupational health and safety (ISO 45001) management systems**, ensuring the prevention and control of environmental impacts as well as management of occupational health and safety risks to prevent work accidents and occupational diseases.
- 4. **Compliance with current legislation on human rights.**
- 5. **Continuing the digitalization process**, aimed at reducing paper consumption and increasing internal process efficiency.

To ensure transparency and monitor sustainability progress, ARTROM Steel Tubes has been preparing and publishing sustainability reports since 2017.

Shareholder engagement (ESRS 2 SBM-2)

ARTROM Steel Tubes S.A. recognizes the importance of considering the interests and perspectives of relevant stakeholders for its business model and value chain. Stakeholder identification considers both those who can influence the company’s activities and those who may be affected by its operations.

Key stakeholder categories include customers, suppliers and other partners in the value chain, employees, local communities in operational areas, regulatory authorities, and shareholders. Their interests vary and reflect the nature of the company’s industrial activities.

- **Customers** are mainly concerned with product quality, safety, reliability, and compliance with technical and contractual requirements.
- **Suppliers** seek stable, predictable, and transparent commercial relationships.
- **Employees** focus on working conditions, safety, and professional development.
- **Local communities** are interested in the environmental, public health, and local economic impacts of industrial activities.
- **Regulatory authorities** focus on legal compliance and adherence to industrial regulations.
- **Shareholders** monitor financial performance, stability, and long-term sustainability.

Stakeholder perspectives are considered in company decision-making through dialogue mechanisms, commercial relationships, internal processes, and adherence to applicable regulatory frameworks. ARTROM aims to maintain a balance between economic objectives and responsibility toward relevant stakeholders, within a business model oriented toward operational continuity and sustainable development.

Double materiality. Significant impacts, risks, opportunities and their interaction with the strategy and business model (ESRS 2 SBM-3)

The double materiality analysis has been conducted in accordance with internal procedures and ESRS standards. Artrom Steel Tubes currently has an approved internal procedure for determining material aspects according to ESRS.

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This analysis identified the main significant topics, correlated with the United Nations Sustainable Development Goals (SDGs):

- 1. **Climate Change**
 - o Contribution to SDG 13: Climate Action, by reducing GHG emissions and adopting sustainable solutions.
 - o Alignment with SDG 7: Affordable and Clean Energy, by promoting renewable energy sources.
 - o Connection to SDG 9: Industry, Innovation, and Infrastructure, through the implementation of green technologies.
- 2. **Environmental Protection**
 - o Contribution to SDG 15: Life on Land, by protecting ecosystems.
 - o Support for SDG 14: Life Below Water, by preventing water pollution.
 - o Alignment with SDG 12: Responsible Consumption and Production, by reducing waste and optimizing resource use.
- 3. **Occupational Health and Safety**
 - o Compliance with SDG 3: Good Health and Well-being, by ensuring safe working conditions.
 - o Alignment with SDG 8: Decent Work and Economic Growth, by protecting employee rights.
- 4. **Employees**
 - o Alignment with SDG 8, contribution to SDG 5: Gender Equality, and alignment with SDG 4: Quality Education through professional development, diversity, inclusion, and training programs.
- 5. **Sustainable Value Chain**
 - o Support for SDG 12, connection to SDG 9, and alignment with SDG 17: Partnerships for the Goals through responsible collaboration and process optimization.
- 6. **Ethics and Integrity**
 - o Alignment with SDG 16: Peace, Justice, and Strong Institutions, and contribution to SDG 8, by promoting transparency and ethical business practices.
- 7. **Local Communities**
 - o Alignment with SDG 11: Sustainable Cities and Communities, by supporting local development.

Management of impacts, risks and opportunities (ESRS 2: IRO-1, IRO-2)

Artrom Steel Tubes has established a structured and documented process to identify, assess, and prioritize significant impacts, risks, and opportunities (IRO) associated with its operations. This process is integrated into the overall governance and risk management framework and is updated periodically or whenever significant changes occur in the operational, legislative, or market context.

IRO identification follows a double materiality approach, considering both the company’s impacts on the environment and society, and the financial risks and opportunities that may affect long-term performance, financial position, and outlook. The process covers the entire value chain, including production activities, supplier relations, and interactions with customers and other stakeholders.

Assessment of ESG-related IRO is integrated into the overall risk evaluation process and follows predefined quantitative and qualitative approaches. Evaluation involves relevant functions (management, production, procurement and sales, health and safety, environment, human resources) and determines impact materiality and financial materiality for identified IRO. Results are validated by senior management and used to define policies, control measures, and mitigation actions. Significant impacts, risks, and opportunities are integrated into

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the sustainability strategy and operational objectives, ensuring a coherent and transparent corporate governance approach.

Processes, policies, actions, indicators and sustainability targets (ESRS 2: MDR-P, MDR-A, MDR-M, MDR-T)

All these aspects are addressed and presented in the **Environmental, Social, and Governance (ESG)** sections of this report.

Environmental aspects (ESRS E1 - E5)

Climate Change: Transition Plan, Policies, Actions, Targets, Financial Effects (ESRS E1-1 – E1-9)

Artrom Steel Tubes has conducted an analysis of its business operations in the context of identifying pollutant elements affecting water, air, and soil, correlated with potential pollution impacts and risks, both within its own activities and throughout the entire supply chain.

Company objectives regarding sustainability and pollution reduction include:

- Reducing direct emissions through sustainable investment activities and the use of renewable energy sources.
- Reducing waste volumes by prioritizing recycling and valorization.
- Preventing accidental pollution through periodic risk assessments and implementation of appropriate mitigation measures.

Although the Steel Production Plant uses clean technology, it is subject to location-related risks due to its proximity to residential areas, unlike the Metallurgical Production Plant, which is situated within an industrial park.

Regarding the value chain, materials are procured only from suppliers evaluated in accordance with approved standards and operational procedures. To reduce pollution generated by transport fuels, selected suppliers are located as close as possible to the company’s operational sites.

In the context of the **Paris Agreement**, signed on April 22, 2016, and ratified by the European Union on October 5, 2016, it is essential to implement effective solutions to reduce greenhouse gas (GHG) emissions to limit global warming to below 2°C.

Reducing CO₂ emissions requires significant investment, as current technology is limited.

Artrom Steel Tubes has established emission reduction targets to achieve **climate neutrality by 2050**. These targets are detailed in the company’s “**Transformation Plan**” for the period 2024–2050.

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The Transformation Plan, designed to align the company with decarbonization objectives, uses 2024 as the reference year. It includes an evaluation of emissions generated, the strategy for implementing clean technologies to reduce emissions, and monitoring of emission reduction levels to achieve climate neutrality by 2050.

This plan has been analyzed in the context of transition risks, economic changes, and legislative and regulatory developments arising from the shift toward a low-carbon economy. The analysis of both positive and negative aspects of climate change has helped identify opportunities as well as necessary actions to maintain competitiveness and reduce environmental impact, thus enabling the design of a **realistic Transformation Plan**.

According to the analysis conducted in 2026 regarding the Transformation Plan, **emission intensity decreased by 20% by the end of 2025 compared to 2024**.

The plan enables better management of climate-related risks, integrating them into sustainability objectives within the company’s core structure and operations. In this way, **capital investments (CAPEX)** are directed toward sustainable projects that support both climate objectives and economic growth.

Current Negative Factors

Geopolitical Risks:

- Risks of overcapacity and geopolitical tensions may affect supplier chain balance, potentially altering projected emission levels.

Financial Risks:

- Financial risks are linked to metal prices, credit, liquidity, and can also relate to increases in carbon certificates, considering that CO₂ emissions from steel and pipe production are significant compared to other industries.
- Raw material sources (iron, ferroalloys) are finite, which may result in uncontrolled price increases.
- Rising electricity and natural gas costs, along with emission restrictions, will gradually increase production costs.

Opportunities Identified in the Transformation Plan

- Emission reduction through the use of **recyclable materials**.
- Utilization of **sustainable electricity sources** (wind, solar, hydro).
- Increasing demand for **durable and resilient pipes** required by infrastructure affected by climate change – an opportunity for manufacturers investing in innovative solutions.

Transformation Plan Measures Approved by the General Manager

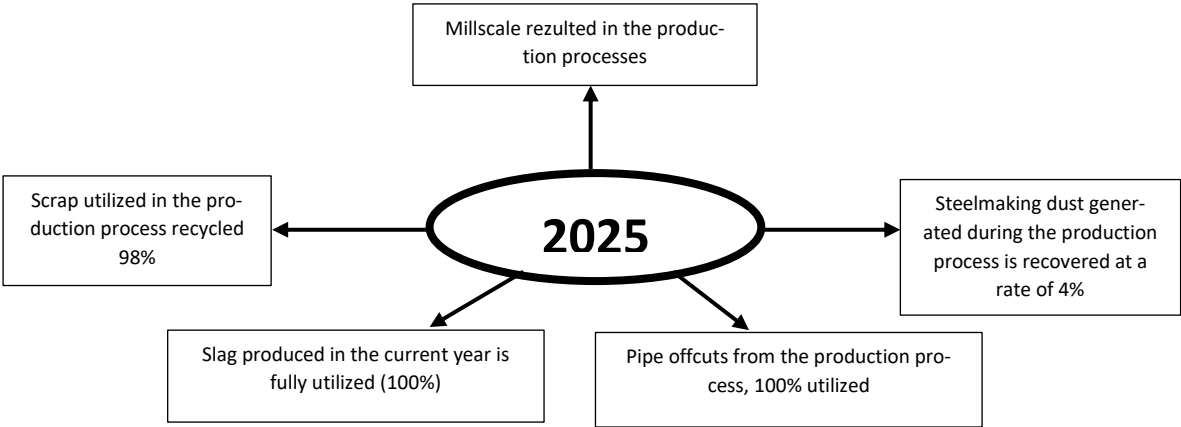
A) Production Efficiency:

- Investments aimed at reducing energy and gas consumption through the modernization of production equipment.

B) Circular Economy

Our production process uses **98% recycled material** and recovers waste and by-products to the same extent.

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C) Green Energy Procurement

Since the end of 2024, **Artrom Steel Tubes has been using 100% certified green electricity** sourced from renewable energy. The company’s Transformation Plan includes the future construction of a **photovoltaic park**, aiming to ensure **energy autonomy** and diversify supply sources.

D) Hydrogen Projects

Recently modernized furnaces are prepared to use **green hydrogen** as a fuel, in combination with natural gas.

Quantification of Transformation Plan Investments According to Taxonomy Indicators Aligned with CAPEX:

To classify a company activity as “green” under the EU Taxonomy, it must meet **three requirements**:

- 1. **Contribution to one of the EU’s six environmental objectives:**
 - Sustainable use and protection of water and marine resources
 - Climate change mitigation
 - Climate change adaptation
 - Transition to a circular economy
 - Pollution prevention and control
 - Protection and restoration of biodiversity and ecosystems
- 2. **Do no significant harm** to the other environmental objectives.
- 3. **Comply with minimum social safeguards**, including worker rights and international standards.

EU Taxonomy Requirements – CO2 Emissions and Energy Efficiency

The EU Taxonomy sets specific requirements for CO2 emissions and energy efficiency, which can be considered key indicators for pipe production. Some relevant indicators considered in our emissions analysis include:

- 1. **CO2 Emission Intensity** (t CO2e/t of steel produced or t CO2e/t of pipe) – must remain below a defined threshold.

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- 2. **Specific Energy Consumption** (GJ/ton of product) – measures the energy efficiency of technological processes. In this context, **ARTROM STEEL TUBES uses an electric arc furnace (EAF)** to recycle ferrous waste and produce steel – a process considered among the **least polluting steel production methods**.
- 3. **Use of Recycled Materials** (% of final product content) – we use recyclable materials (scrap iron) and also recycle by-products such as pipe ends, slag, millscale, and steel dust.
- 4. **Air and Water Pollutant Emissions** (mg/Nm³ or kg/t of product), in accordance with European legislation.
- 5. **Investments in Low-Carbon Technologies** (% of total CAPEX).

These indicators reflect **Artrom Steel Tubes’ commitment to complying with the sustainability criteria established by the EU Taxonomy.**

Performance Indicators

Benchmarks for steel industry emissions are based on the performance of the **most efficient steel plants in Europe**. According to EU rules, the benchmark sets the maximum allowable CO₂ emissions per ton of steel produced.

Benchmark – Reference Values for 2021–2025:

- High-alloy steel produced in an Electric Arc Furnace (EAF): **0.268 t CO₂e/t steel**
- Heat Reference: **47.3 t CO₂e/TJ**
- Fuel Reference: **42.6 t CO₂e/TJ**

Energy Intensity – Calculated for 2025 (Scope 1 + Scope 2)**Scope 1:** According to the GHG Protocol, includes **direct emissions from stationary combustion, process emissions, and direct emissions from mobile combustion sources.**

Scope 1 Type of direct emissions	Siderurgical plant [tCO ₂ e/t pipe]	Metallurgical plant [tCO ₂ e/t pipe]	Total [tCO ₂ e/ t pipe]	Siderurgical Plant [tCO ₂ e/t pipe]	Metallurgical plant [tCO ₂ e/t pipe]	Total [tCO ₂ e/ t pipe]
Year	2024			2025		
Emissions from station-ary combustion	0.03	0.33	0.36	0.03	0.32	0.35
Process emissions	0.07	0	0.07	0.07	0	0.07
Emissions from the use of internally operated equipment	0.005	0.001	0.006	0.005	0.001	0.006
Fugitive emissions	0	0	0	0	0	0
Total [t CO ₂ e/t pipe]	0.11	0.33	0.44	0.11	0.32	0.43

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Intensity – Direct CO2e emissions					
Year	Siderurgical plant	Metallurgical plant	Siderurgica [tCO2e/t pipe]	Metlallurgical plant [tCO2e/t pipe]	Total emissions [tCO2e/t pipe]
2024	24 %	76 %	0.11	0.33	0.44
2025	26 %	74%	0.11	0.32	0.43

Scope 2 – Indirect Energy-Related Emissions

Scope 2 refers to the contribution of **indirect emissions** generated from the energy purchased and consumed by the company. These emissions are calculated based on the **total energy consumption multiplied by the applicable emission factor**.

The calculation of indirect CO₂ emissions from imported energy is based on information provided by the en-ergy supplier under contract, who supplied the electricity or other forms of energy.

Emission factors for energy depend on the **year and country**, and vary according to the type of energy source (coal, nuclear, natural gas, fuel oil, hydro, wind, biomass, solar, and other renewable sources).

For **2025**, ARTROM STEEL TUBES applied **100% green energy**, in accordance with the contract for **100% renewable electricity supply**, using the **market-based method**.

Reduction of indirect CO2e emissions from electricity consumption				
Year	Siderurgical plant [tCO2e]	Siderurgical plant [tCO2e/t pipe]	Metallurgical plant [tCO2e]	Metallurgical plant [tCO2e/t pipe]
2024	17606	0.1	4769	0.028
2025	0	0	0	0

Intensity – Indirect CO ₂ emissions from electricity (Scope 2)					
Year	Siderurgical plant	Metallurgical plant	Siderurgical plant [tCO2e/t pipe]	Metallurgical plant [tCO2e/t pipe]	Total [tCO2e/t pipe]
2024	76%	24%	0.1	0.028	0.128
2025	0	0	0	0	0

Electricity Consumption – Energy Mix

In **2024**, the electricity consumption of ARTROM Steel Tubes S.A. was covered by an energy mix composed of **renewable, fossil, and nuclear sources**, with a gradual increase in the share of renewable energy and a corresponding reduction of conventional sources.

Starting in **2025**, **100% of electricity consumption**—amounting to **219,675 MWh**—was supplied from **renewable sources**, based on certified green energy purchased under the current supply contract.

Note: (*) For the labelling of electricity for **H1 2024**, the percentages of renewable, fossil, and nuclear sources were calculated based on the data provided in the electricity label issued by the supplier for 2024, reflecting the applicable procurement structure at that time. This accurately represents the energy mix used.

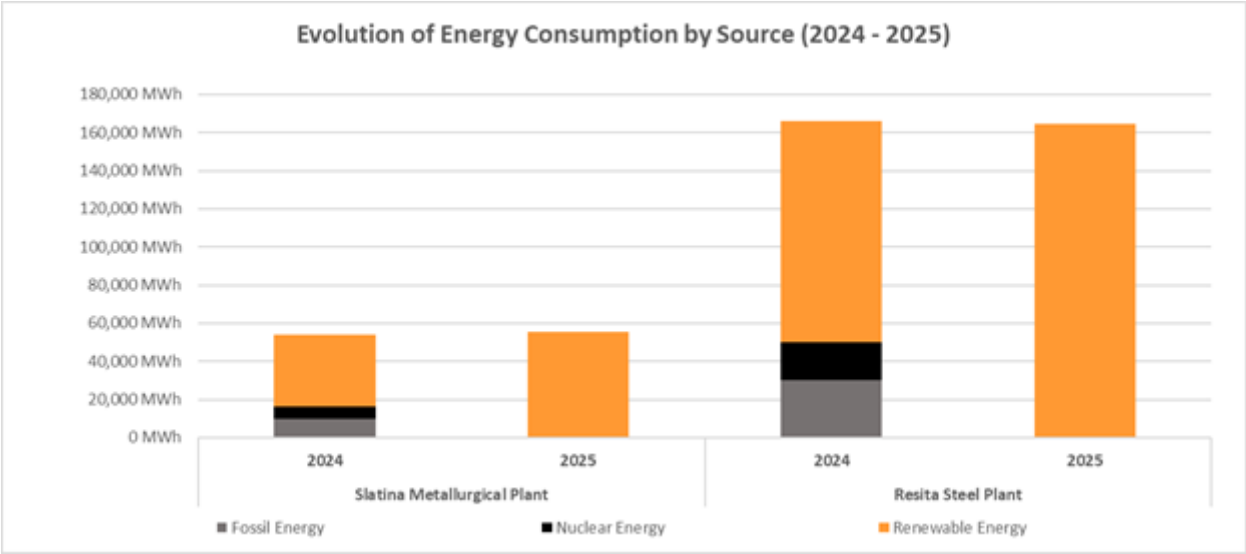
Total electricity consumption, expressed in both percentage and absolute terms

Year	Energy from fossil fuels %	Energy from fossil fuels (MWh)	Renewable energy %	Renewable energy (MWh)	Nuclear energy %	Nuclear energy (MWh)
2024 (*)	18	39,827	70	153,655	12	26,420
2025	0	0	100	219,675	0	0

Total energy consumption:

Year	2024	2025
Metallurgical Plant	54,047 MWh	55,265 MWh
Siderurgical Plant	165,856 MWh	164,409 MWh
Total consumption ARTROM STEEL TUBES	219,903 MWh	219,675 MWh

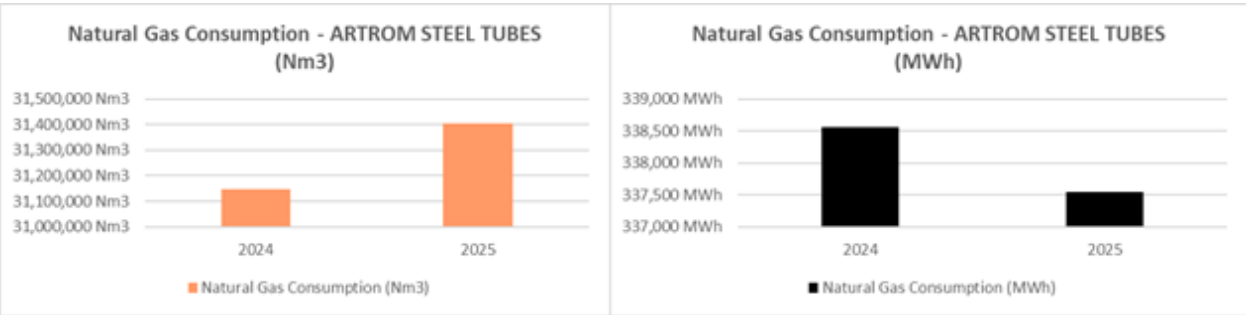
Year	Metallurgical plant			Siderurgical plant		
	Energy from fossil fuels (MWh)	Nuclear energy (MWh)	Renewable energy (MWh)	Energy from fossil fuels (MWh)	Nuclear energy (MWh)	Renewable energy (MWh)
2024	9,788	6,491	37,768	30,037	19,919	115,900
2025	0	0	55,265	0	0	164,409



Natural gas consumption for internal operations at ARTROM STEEL TUBES S.A

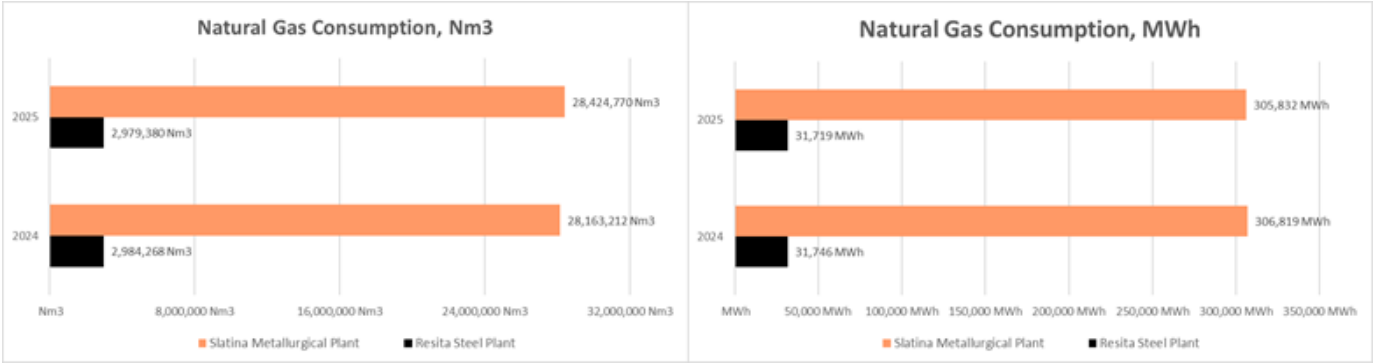
Annual consumption of natural gas for 2024–2025, expressed in normal cubic meters (Nm³) and megawatt-hours (MWh)

ARTROM STEEL TUBES	2024	2025
Natural gas consumption (Nm3)	31,147,480 Nm3	31,404,150 Nm3
Natural gas consumption (MWh)	338,565 MWh	337,552 MWh



Breakdown of internal natural gas consumption by operational units:

Consumption	Metallurgical plant		Siderurgical plant	
	2024	2025	2024	2025
Natural gas consumption (Nm3)	28,163,212	28,424,770	2,984,268	2,979,380
Natural gas consumption (MWh)	306,819	305,832	31,746	31,719



Energy consumption and energy mix for each plant:

	Metallurgical plant		Siderurgical plant	
	2024	2025	2024	2025
Energy consumption				
Total energy consumption	361,539 MWh	361,832 MWh	200,824 MWh	199,417 MWh
Total energy consumption from fossil sources	317,280 MWh	306,567 MWh	65,004 MWh	35,008 MWh
Fuel consumption from coal and coal-based products	0 MWh	0 MWh	0 MWh	0 MWh
Fuel consumption from crude oil and petroleum products	673 MWh	735 MWh	3,221 MWh	3,288 MWh
Fuel consumption from natural gas	306,819 MWh	305,832 MWh	31,746 MWh	31,719 MWh
Fuel consumption from other fossil sources	0 MWh	0 MWh	0 MWh	0 MWh
Electricity, heat, steam, and cooling consumption from fossil sources, purchased or self-generated	9,788 MWh	0 MWh	30,037 MWh	0 MWh
Share of fossil sources in total energy consumption	88%	85%	32%	18%
Consumption from nuclear sources	6,491 MWh	0 MWh	19,919 MWh	0 MWh
Share of nuclear sources in total energy consumption	2%	0%	10%	0%
Total energy consumption from renewable sources	37,768 MWh	55,265 MWh	115,900 MWh	164,409 MWh
Fuel consumption from renewable sources	0 MWh	0 MWh	0 MWh	0 MWh
Electricity, heat, steam, and cooling consumption from renewable sources, purchased or self-generated	37,768 MWh	55,265 MWh	115,900 MWh	164,409 MWh
Energy consumption from renewable sources excluding self-produced fuels	0 MWh	0 MWh	0 MWh	0 MWh
Share of renewable sources in total energy consumption	10%	15%	58%	82%
Total energy consumption from activities in high climate impact sectors	361,539 MWh	361,832 MWh	200,824 MWh	199,417 MWh

The total energy consumption for the Metallurgical Production Plant in 2025 was **361,832 MWh**. The share of renewable energy sources in this consumption was **15% (55,265 MWh)**, originating from purchased electricity.

The total energy consumption for the Steel Production Plant in 2025 was **199,417 MWh**. The share of renewable energy sources in this consumption was **84% (164,409 MWh)**, originating from purchased electricity.

	ARTROM Steel Tubes S.A.	
MWh	2024	2025
Total energy consumption	562,363 MWh	561,249 MWh
Total energy consumption from fossil fuels	382,284 MWh	341,575 MWh
Fuel consumption from coal and coal-based products	0 MWh	0 MWh
Fuel consumption from crude oil and petroleum products	3,895 MWh	4,023 MWh
Fuel consumption from natural gas	338,565 MWh	337,552 MWh
Fuel consumption from other fossil sources	0 MWh	0 MWh
Electricity, heat, steam, and cooling consumption from fossil sources, purchased or self-generated	39,825 MWh	0 MWh
Share of fossil sources in total energy consumption	68%	61%
Consumption from nuclear sources	26,410 MWh	0 MWh
Share of nuclear sources in total energy consumption	5%	0%
Total energy consumption from renewable sources	153,669 MWh	219,675 MWh
Fuel consumption from renewable sources	0 MWh	0 MWh
Electricity, heat, steam, and cooling consumption from renewable sources, purchased or self-generated	153,669 MWh	219,675 MWh
Energy consumption from renewable sources excluding self-produced fuels	0 MWh	0 MWh
Share of renewable sources in total energy consumption	27%	39%
Total energy consumption – activities in high climate impact sectors	562,363 MWh	561,249 MWh
Total energy consumption for activities in high climate impact sectors per net revenue from activities in high climate impact sectors	2.39 MWh/mil EUR	2.26 MWh/mil EUR

The total energy consumption of ARTROM Steel Tubes in 2025 was 561,249 MWh. The share of renewable energy sources in this consumption was 39% (219,675 MWh), originating from purchased electricity.

Progress in reducing energy consumption

- In 2025, the hot water pumping station at the Continuous Casting Machine was modernized to reduce energy consumption. The specific electricity consumption after the modernization decreased by **56%** compared to the previous year's consumption.

Impact of Energy Intensity and Natural Gas Usage

In Romania, the steel sector is one of the largest energy consumers and a significant contributor to national CO₂ emissions. The steel industry has a high energy intensity, which means that large amounts of energy are consumed for each ton of steel produced, and this consumption directly translates into higher greenhouse gas emissions. An important factor in energy intensity is the use of natural gas in heat treatment processes.

Starting in July 2024, our company has been using **100% certified green energy** at both plants; however, dependence on natural gas remains a central aspect of production activities, particularly for processes requiring heat treatment.

The developments in the energy market in 2025 led to significant increases in prices for both electricity and natural gas, directly impacting the energy cost intensity. For electricity, the company’s average realized price increased by approximately **25.5% excluding taxes** and **21.5% including all taxes**. This trend is similar to that observed across the metallurgical and steel industrial platforms, reflecting the general market pressure on electricity costs, even with the use of green energy.

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Regarding natural gas, the average realized price increased by **21.5% excluding taxes** and approximately **18.1% including all taxes** in 2025. This evolution directly affects high-energy-intensity processes, where natural gas is the main source of thermal energy.

In conclusion, although decarbonizing electricity consumption represents a major sustainability progress, the energy intensity of operations and exposure to natural gas price volatility remain key factors for the company’s economic and operational performance. In the coming period, priority measures will focus on continuous optimization of specific energy consumption, increasing the energy efficiency of thermal processes, and implementing risk management strategies related to energy and natural gas prices, to ensure medium- and long-term competitiveness.

Measures to Reduce Energy Intensity and Dependence on Natural Gas Include:

- Optimization of heating processes through the implementation of more efficient technologies (optimization of heat treatment processes to reduce energy and CO₂ consumption; additional oxygen burners in the electric furnace to reduce electricity usage);
- Recycling of quality scrap steel.

Energy Intensity of the Steel Industry

In our production process for steel using the electric furnace, the calculated energy intensity for 2025 is **0.889 MWh per ton of liquid steel**, a decrease of **1.7%** compared to the calculated energy intensity for 2024 (**0.905 MWh per ton of liquid steel**).

Electricity Consumption Intensity per Ton of Pipe

Year	2024	2025
Total electricity consumption (MWh)	219,903 MWh	219,675 MWh
Natural gas consumption (Nm ³)	31,147,480 Nm3	31,404,150 Nm3
Natural gas consumption (MWh)	338,565 MWh	337,552 MWh
Pipe production (tons)	175231 to	175764 to
Energy intensity (MWh / ton of pipe)	3.19 MWh/to	3,17 MWh/to

Energy Intensity per Production Achieved (ARTROM STEEL TUBES)

Year	2024	2025
Total energy consumption (MWh)	219,903 MWh	219,675 MWh
Natural gas consumption (Nm3)	31,147,480 Nm3	31,404,150 Nm3
Natural gas consumption (MWh)	338,565 MWh	337,552 MWh
Pipe productions (tons)	175231 to	175764 to
Energy intensity: MWh / tonne of pipe	3.19 MWh/to	3,17 MWh/to

Energy intensity per unit of production (ARTROM STEEL TUBES)

Energy intensity / production	Comparison	N	% N / N-1
	2025	3,17	99,5%
	2024	3.19 MWh/mil eur	94.8%

Note: For the calculation of energy intensity for ARTROM STEEL TUBES S.A., only production from **Slatina** was considered.

The **decrease in energy intensity in 2025 compared to 2024** indicates improved energy efficiency, achieved through the optimization of production processes and an increase in production value without a proportional increase in energy consumption. This trend reflects progress in operational efficiency and diversification of energy sources, with a particular focus on the use of **renewable energy**.

Energy consumption intensity per unit of revenue (MWh/Net Revenue):

Year	Company	Energy consumption, MWh	Revenue, mil. lei	Energy consumption intensity, MWh/mil.lei	Revenue, mil. eur	Energy consumption intensity, MWh/mil. eur
2025	ARTROM STEEL TUBES SA	561,249	1,252,015 mil lei	0.45	248,342	2.26
Average BNR exchange rate for EUR in 2025					5.0415	
2024	ARTROM STEEL TUBES SA	562,363	1,168,298 mil lei	0.48	234,853	2.39
Average BNR exchange rate for EUR in 2025					4.9746	
Energy intensity per unit of net revenue	Comparison		N		% N / N-1	
	2025		2.26 MWh/mil eur		94.4%	
	2024		2.39 MWh/mil eur		130.5%	
Year	Total energy consumption (MWh)		Total revenue (millions €)		Energy intensity (MWh/mil €)	
2025	561,249.49 MWh		248,342 mil eur		2.26 MWh/mil eur	
2024	562,363.23 MWh		234,853 mil eur		2.39 MWh/mil eur	

Analysing the evolution of **energy intensity relative to net revenue**, it can be observed that in 2025 the indicator improved compared to 2024, decreasing from **2.39 MWh/million EUR** to **2.26 MWh/million EUR** (-5.4%). This improvement was mainly driven by the increase in total revenue (from **234.853 million EUR** in 2024 to **248.342 million EUR** in 2025), while total energy consumption remained relatively constant.

Compared to 2024, total energy consumption in 2025 showed a slight decrease (from **562,363.23 MWh** to **561,249.49 MWh**, -0.2%). This combination of stabilized energy consumption and increased revenue led to a reduction in energy intensity.

In conclusion, 2025 marks a **positive evolution in energy efficiency relative to revenue**, partially reversing the unfavourable trend observed in 2024, due to improved financial performance and effective control of energy consumption.

The upward trend in energy intensity in 2024 was primarily caused by a decrease in revenue rather than an increase in energy consumption. In 2025, this trend reversed, as a result of higher revenues and stabilized energy consumption.

Optimizing energy consumption and increasing revenue are essential for improving this indicator.

Pollution: Policies, Actions, Targets, Reduction Measures, Financial Implications (ESRS E2-1 – ESRS E2-6)

E2-1 – Policies related to pollution

The **ARTROM STEEL TUBES** policy on pollution prevention and control aims to implement and strictly comply with national and international legislation, in order to reduce the environmental impact of production processes.

This policy aligns with key legislative instruments and relevant international agreements, including:

- Stockholm Convention (2001) on Persistent Organic Pollutants (POPs);
- Minamata Convention (2013) on mercury use;
- EU Industrial Emissions Directive (IED);
- Geneva Convention (CLRTAP) on transboundary air pollution;
- Water Framework Directive (WFD);
- Waste Directive;
- REACH Regulation;
- Other applicable EU regulations and international agreements relevant to the steel/metal industry.

ARTROM STEEL TUBES ensures compliance with regulations on air and water quality, responsible use of chemicals in manufacturing, sustainable resource management, and reduction of waste generation. These represent key directions of the company’s environmental policy.

Operations at ARTROM STEEL TUBES are regulated through environmental permits and align with local, regional, and international requirements. In this regard, the company has developed and implements:

- Plans to prevent and combat accidental water pollution;
- Plans to prevent and mitigate the effects of severe weather events and accidents at hydraulic structures;
- Environmental monitoring programs (according to AIM standards).

The company has identified substances and materials that may pose environmental risks, particularly chemicals and hazardous wastes. ARTROM STEEL TUBES complies with applicable legislation, including **REACH**, regarding the use and restriction of high-risk chemicals.

To limit impacts in the supply chain, the company applies responsible packaging management measures, ensuring return, recycling, or valorization through authorized operators.

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E2-2 – Actions and resources related to pollution

In 2025, specific measures were implemented to strengthen pollution management, including:

- Optimization of atmospheric emission capture and filtration systems;
- Improvement of monitoring systems at chimneys and discharge points;
- Revision of accidental pollution prevention plans.

Industrial processes are managed to maintain soil, water, and air pollution risks at a low level. Environmental aspects are identified at the process level, and for situations with potential negative impact, financial resources and control measures are provided to prevent and limit pollution.

Environmental Impact Assessment, associated risks, opportunities, and financial implications

	AIR		WATER		SOIL	
	Metallurgical plant	Siderurgical plant	Metallurgical plant	Siderurgical plant	Metallurgical plant	Siderurgical plant
	Emission in the air		Emissions to wastewater discharge		Emission in the soil	
Potential impact	Low negative	Medium negative	Low negative	Low negative	Low negative	Low negative
Cost	LEI 4,656,843 representing investment and maintenance expenses: -Replacement of natural gas-consuming installations with electric installations; -Optimization of certain furnaces to reduce air emissions. LEI 193,756 for air protection measures.	A total of LEI 2,842,051 was spent on maintenance of the dust extraction system and the facility halls.	A total of LEI 1,477,956 was allocated for wastewater management, and LEI 359,075 was spent on maintenance of water management systems	A total of LEI 36,855 was spent on maintenance of the continuous casting machine decanter, including cleaning of oil separators on the discharge. Additionally, LEI 177,068 was allocated for water monitoring.	A total of LEI 4,760 was allocated for soil monitoring, and LEI 114,496 was spent on soil protection measures	A total of LEI 1,500 was allocated for soil monitoring.
Risk/ Opportunities	R: Risk of non-compliance with BAT limits and environmental permit conditions C: Risk of sanctions, increased costs, reputation loss, deterioration of air quality due to fugitive emissions O: Modernization of capture systems, increased energy efficiency, reduction of operational costs		R: Operational compliance risk from accidental discharge of contaminated water into the Birzava/Milcov River due to incorrect handling in neutralization/treatment processes C: Remediation costs, reputational damage, authority sanctions O: Modernization of treatment and neutralization facilities, automation		R: Risk of soil contamination due to corrosion or cracking of petroleum product tanks, accidental chemical spills, improper management of waste collection containers C: Soil and potential groundwater contamination, remediation and ecological restoration	

		of reagent dosing, real-time monitoring systems, reduction of human error, increased process efficiency, lower operational costs.	tion costs, sanctions from environmental authorities, site restoration obligations O: Strengthening organizational culture through environmental protection promotion, implementing predictive maintenance programs for tanks and infrastructure, digitalization of inspections and monitoring for traceability, modernization of safety infrastructure (secondary containment systems, retention basins, impermeable platforms)
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Note: R – Risk; C – Consequences; O – Opportunities

AIR

ARTROM STEEL TUBES monitors and controls atmospheric emissions (NOx, SO2, dust, CO) through periodic measurements at heating and thermal treatment furnaces, carried out both by its in-house laboratory and by accredited external laboratories, in accordance with applicable legislation.

WATER

For both plants, quality and quantity limits are established for process wastewater in accordance with water management authorizations. Monitoring of wastewater quality is carried out through:

- Periodic analyses conducted by the in-house laboratory and accredited external laboratories;
- Comparison of results with maximum permissible limits and maintaining values below regulatory thresholds;
- Reporting results to environmental authorities and taking corrective actions in case of exceedances.

To date, no complaints have been registered regarding wastewater discharges. No complaints have been recorded regarding water discharges or water pollution.

SOIL

Following activity evaluations and risk analysis, potential sources of soil pollution are associated with accidental situations, such as:

- Improper handling of raw materials and hazardous substances;
- Failures of treatment installations, deterioration of sewer systems, tanks, retention basins, or electrical equipment.

LRQA: ISO 9001 ISO 14001 ISO 45001	LRQA: IATF 16949	TUV: PED/AD-2000 W0/W4 Vd TUV	TUV CPR: EN 10210-1,2 EN 10255	DNV RINA LR
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Pollution prevention measures include:

- Properly sized impermeable storage for solid materials and chemicals;
- Retention tanks and basins for accidental spills;
- Safe chemical handling procedures;
- Periodic monitoring and inspections to identify leaks and deterioration;
- An intervention plan in the event of an incident or spill.

ARTROM STEEL TUBES has dedicated storage facilities for raw materials, auxiliary materials, and finished products, properly sized and equipped for safe operation to prevent soil contamination.

Stored materials	Storage location	Equipment and facilities
Deposits inside production hall enclosures		
Billets	Production hall- pipe support racks	concrete platform
Finished products – rolled pipes	Production hall- pipe support racks	concrete platform
Mother pipes	Production hall- pipe support rack	concrete platform
Finished products – rolled pipes	Production hall	Concrete platform; fenced with mesh fence
Substantele care se utilizeaza in procesul de decapare chimica a tevilor in operatiile de spalare, fosfatare, neutralizare, activare	Pickling workshop – storage of toxic and hazardous substances	Wooden platforms, acid-resistant tiled flooring, retention tanks, ventilation, temperature controlled, secured
Chemical reagents used in laboratory tests	Chemical reagents storage	Acid-resistant tiled flooring, retention tank, ventilation, temperature controlled, secured
Scrap	Production workshop Electrical arc furnace, D hall	Ballasted and covered hall platform; open concrete platform with drains
Billets and bloom	Adjustment hall - continuous casting mill	Ballasted/concrete platform; covered
Outdoor storage areas outside production halls		
Spare parts for maintenance and capital investments	Central storage	Concrete platform, secured enclosure
Liquid oxygen	Oxygen tank, installed above-ground	Concrete platform and concrete retention tank
Hydrochloric acid	Tanks installed ~50 m outside the pickling workshop hall	Acid-resistant tiled tank; sewer network for accidental acid spill collection directed to neutralization station
Lime	Silos Limes reservoirs, inside the building	Concrete platform; building with AAC block walls, concrete floor, and drainage network for collection of accidental spills.
Varnishes and paints used in production processes	Storage located outside production halls	Concrete platform; secured enclosure; walls with glazed surface ~1/3 building height; no forced ventilation system
Petroleum products	Aboveground tanks in a storage area ~100 m outside production halls	Concrete platform (~1 m high concrete curb) with drains and collection basin for accidental petroleum spills and potentially contaminated rainwater, directed by pumping to the cyclone tank in the mill scale pump station.
Finished products – pipes	Storage hall	Concrete platform; hall walls and roof made of 40 mm and 50 mm thermo-insulated panels

Refractory materials used for furnace repairs	Warehouse located near the water management facility	Building with concrete platform; secured enclosure
Spare parts for repairs and investments	Central storage	Concrete platform; secured enclosure
Ferroalloys, nickel	Ferroalloys warehouse	Secured enclosure
Aluminium	Raw material warehouse	Ballasted platform; covered hall
Materials used in the production process (lime, dolomite, foaming anthracite)	Electric steel workshop	Covered hall
Petroleum coke	Raw material warehouse	Ballasted platform, covered hall
Materials used in the production process (CaF ₂ , desulfurizing agents, graphite electrodes, refractory materials and covering powders)	Raw material warehouse	Ballasted platform, covered hall
Oxygen, Argon, Azot folosite in procesul de productie	Through pipeline	Through pipeline
Oxygen, Argon	Tank installed aboveground	Secured
Acetylene	Aboveground tank	Secured
Sulfur hexafluoride (SF ₆)	Aboveground tank	
Oils, greases, and labeled/marked paints	Oil storage rooms	Secured
Laboratory chemicals	Laboratory storage rooms	Secured

In order to ensure proper management of waste and by-products generated from operations, several storage facilities have been arranged on the company premises, equipped with the necessary infrastructure to comply with the measures imposed by the authorities.

Storage	Plant	Infrastructure and fittings
Millscale storage	Metallurgical	Concrete platform with 1.5 m high side walls to contain mill scale; stormwater from the platform is drained via slopes into the cyclone tank of the mill scale pump station.
Metal machining chips	Metallurgical	Concrete platform with side walls (concrete wall) 1.6 m high and 0.60 m high (wire fence) to prevent metal shavings (chips) from spreading on the ground. Stormwater is collected via lateral drains and slopes into an internal collection basin of the storage facility, from where it is pumped to the cyclone tank within the mill scale (millscale) pump station. Secured enclosure.
Endpipes storage	Metallurgical	Concrete platform with two 1.70 m high walls
Iron waste storage	Metallurgical	Concrete platform with secure enclosure
Non-ferrous waste storage	Metallurgical	Building constructed on a concrete platform within a secured enclosure
Dust storage	Siderurgical	Covered and secured halls (Hall C and Bandage Hall); concrete platform
Sterile	Siderurgical	-Resulting from the unloading of scrap metal wagons. Covered Hall B; ballasted platform.
Millscale	Siderurgical	Open concrete platform
Bricks	Siderurgical	Covered hall. Concrete platform.
Slag storage	Siderurgical	Open ballasted platform with a total area of 20,000 m ² ; perimeter drains; stormwater settling tank.
Uncovered scrap storage	Siderurgical	Area of 24,671 m ² ; stormwater collection drains and decantation tank with petroleum product separator.
Gasoline storage	Siderurgical	Fenced and secured storage facility
Gasoline rtank	Both plants	Tank with a capacity of 9,000 liters, equipped with retention tank.

Waste oil storage	Both plants	Five tanks, each with a capacity of 2,000 liters, equipped with metal retention tanks. One cylindrical emergency metal tank with a capacity of 10,000 liters; concrete retention tank.

ARTROM STEEL TUBES’ policy on air, water, and soil pollution management is in line with international sustainability goals and standards.

Pollution management – actions carried out in 2025:

Metallurgical Plant - Slatina	Siderurgical Plant - Reșița
AIR	
New equipment for billet cutting and pipe end-facing has been installed, powered by electricity instead of natural gas, resulting in reduced CO ₂ emissions. In 2025, only certified green electricity was used. Heat treatment furnaces have been modernized with burners designed for hydrogen combustion, to be operational when the technology is available. Emissions from the heat treatment stacks are monitored on a monthly and yearly basis.	Monitoring of dust emissions from the stacks of the dust removal system, gas purification units, and vacuum system. At the distributors of the continuous casting machine and the ladle heating installations, gas burners were replaced with oxy-gas burners, resulting in reduced natural gas consumption. Maintenance was carried out on the fume extraction hood. Water spray guns were installed at the slag transfer ramp. Materials and raw materials with lower carbon content were purchased
WATER	
Preparation of water mass balances (quantities of consumption, recirculation, and losses). Monitoring of the quality of wastewater discharged, tracking the required parameters: a. Measurement of flows of stormwater and process water discharged into the natural watercourse and their parameters. b. Treatment of spent emulsions from rolling mills at the physico-chemical treatment plant. c. Neutralization of acidic waters and spent acidic solutions from pickling and from the emulsion treatment plant.	Preparation of water mass balances (quantities of consumption, recirculation, and losses). Monitoring of the quality of discharged wastewater according to the required parameters: a. Measurement of stormwater and process water flows discharged into the natural watercourse, along with their parameters. b. Treatment of water at the water management facility of the Continuous Casting Machine (CCM). c. Petroleum product separators on the discharge channels into the watercourse. d. Stormwater collection drains
SOIL	
Personnel are trained in the proper storage of waste on the ground and in the safe handling of raw materials and substances. Soil is monitored on an annual basis.	Soil is monitored annually. Waste is temporarily stored in specially designated areas. Retention tanks are inspected at the oil storage rooms, used oil depot, and electrical transformers.

CO₂ EMISSIONS REDUCTION

ARTROM STEEL TUBES implements measures to reduce its carbon footprint, with the objective of achieving climate neutrality by 2050. These measures include increasing energy efficiency, using renewable energy sources, and evaluating alternative technological solutions for furnace heating, including the use of hydrogen.

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LRQA:
ISO 9001
ISO 14001
ISO 45001

LRQA:
IATF 16949

TUV:
PED/AD-2000 W0/W4
Vd TUV

TUV CPR:
EN 10210-1,2
EN 10255

DNV
RINA
LR

SOIL POLLUTION MANAGEMENT

ARTROM STEEL TUBES manages soil pollution risks through the reuse and recycling of by-products, legal management of waste, controlled storage of materials, and implementation of procedures to prevent accidental pollution. No soil pollution incidents were recorded.

HAZARDOUS MATERIALS MANAGEMENT

Hazardous materials and substances used in technological processes are stored, handled, and utilized in accordance with legal requirements and internal procedures. Control measures are implemented to prevent accidental spills and to protect human health and the environment.

E2-3 – Pollution-related Targets

ARTROM STEEL TUBES evaluates and implements activities, projects, and investments in a manner that prevents and reduces significant negative environmental impact, in accordance with the “Do No Significant Harm” (DNSH) principle and the requirements of EU Regulation 2020/852 on the taxonomy of sustainable activities.

AIR

ARTROM STEEL TUBES monitors and calculates greenhouse gas emissions across the entire production flow, from raw material processing to the delivery of finished products. The emissions inventory includes:

- **Scope 1** – direct emissions from company-owned sources;
- **Scope 2** – indirect emissions from purchased energy and fuel (diesel) used in the internal fleet;
- **Scope 3** – indirect emissions from the value chain, estimated annually according to the GHG Protocol methodology, based on available supplier data and relevant emission factors.

Supplier evaluation is carried out by the procurement and sustainability departments through specific questionnaires and, where applicable, audits and on-site visits. The process aims to integrate environmental criteria into the supply chain and increase transparency regarding environmental performance, including the carbon footprint of raw materials.

The company seeks to increase the share of materials with a lower carbon footprint, responding to the growing demand for climate-friendly products in European and international markets.

In 2025, air emissions indicators (dust, NOx, SO2, VOCs, etc.) were within the limits established by the Integrated Environmental Permit and aligned with the values associated with the Best Available Techniques (BAT-AEL).

WATER

In 2025, the company aimed to reduce total specific water consumption per ton of pipe produced. As a result, specific water consumption decreased by 3% compared to 2024, due to measures optimizing technological processes and improving resource efficiency.

Wastewater Treatment

The pipe pickling process, used to remove oxides and impurities, is conducted on two technological lines using hydrochloric acid. The resulting wastewater contains iron, residual acid, and sludge.

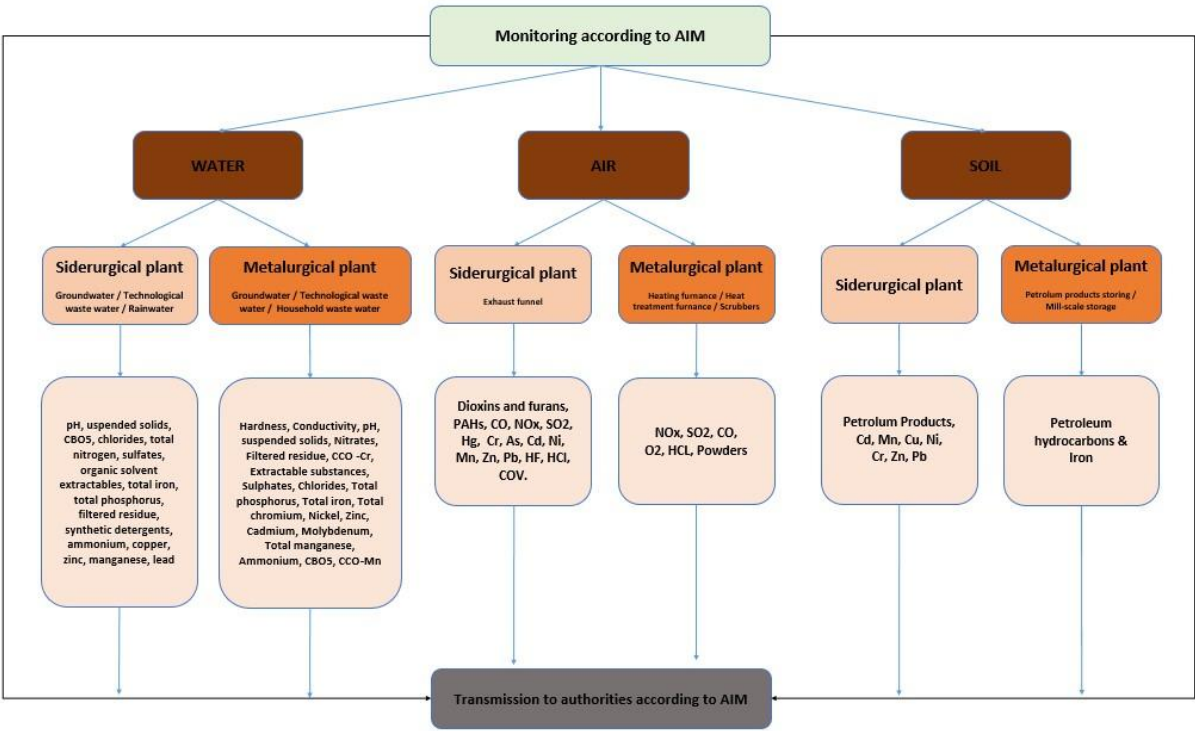
ARTROM STEEL TUBES S.A. Cod: FCU-01, Ed. 5 Rev. 4/2025				
LRQA:	LRQA:	TUV:	TUV CPR:	DNV
ISO 9001	IATF 16949	PED/AD-2000 W0/W4	EN 10210-1,2	RINA
ISO 14001		Vd TUV	EN 10255	LR
ISO 45001				

Wastewater treatment is carried out through chemical neutralization. The spent acid is directed to a neutralization basin with lime milk, followed by sedimentation, and the resulting sludge is collected and transferred to a dedicated tank. The sludge is dehydrated using a filter press, producing treated water and sludge briquettes, which are handed over to authorized operators for valorization.

SOIL

No accidental soil pollution incidents were recorded in 2025.

E2-4 – Air, Water, and Soil Pollution



ARTROM STEEL TUBES complies with the E-PRTR reporting rules (European Pollutant Release and Transfer Register) according to **Regulation 166/2006**, for emissions of pollutants released into water, air, and soil.

This register contains annual data collections regarding emissions into water, air, and soil, as well as the transfer of pollutants into wastewater and the transfer of waste from industrial sites.

METALLURGICAL PLANT

a)AIR EMISSIONS

A I R					
Name	Threshold value (kg/year)	Annual total qu- antity (kg/year)	Accidental emission (kg/year)	Method (M, C, E)*	Method utilized (**)
nitrogen oxides (NO _x)	100000	37440	0	C	OTH-another calculation method
sulfur oxides (SO _x)	150000	3819	0	C	OTH-another calculation method

particulate matter (PM10)	50000	1364	0	C	OTH-another calculation method
CO 3%O2	500000	1695	0	C	OTH-another calculation method
HCL	10000	965.40	0	C	OTH-another calculation method

*M – measurement; C – weighing; E – estimation

The equipment used for measurements is periodically checked and calibrated, with parameter monitoring carried out both by the internal laboratory and by an external RENAR-accredited laboratory.

b)WATER EMISSIONS (direct emission into the water)

WATER					
Pollutant name	Threshold value (kg/year)	Annual total qu-antity (kg/year)	Accidental emission (kg/year)	Method (M, C, E)*	Method utilized **)
Suspended solids	-	3449	0	M	STAS 6953-81
Filtred resi-due	-	43051	0	M	STAS 9187-84
Chemical Oxygen De-mand	-	5794	0	M	SR ISO 6060:1996
Chlorides	2000000	12485	0	M	SR ISO 9297-2001
Sulfates	-	3411	0	M	Metoda interna validata
Total phos-phorus	5000	42.4	0	M	SR EN ISO 6878:2005
Solvent-ex-tractable sub-stances	-	877	0	M	SR 7587:1996
Total iron	-	27.15	0	M	SR ISO 6332-1996
Total chromium	50	4.2	0	M	SR EN 1233:2003
Total manga-nese	-	15.3	0	M	SR EN ISO 15586:2004
Nickel	20	5.1	0	M	SR ISO 8288:2001
Cadmium	5	0.49	0	M	SR ISO 8288:2001
Zinc	100	29.1	0	M	SR ISO 8288:2001
Molibdenum	-	4.4	0	M	SR EN ISO 15586:2004

SIDERURGICAL PLANT

a)EMISSIONS IN THE AIR

	AIR
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LRQA: ISO 9001 ISO 14001 ISO 45001	LRQA: IATF 16949	TUV: PED/AD-2000 W0/W4 Vd TUV	TUV CPR: EN 10210-1,2 EN 10255	DNV RINA LR
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NO. from Annex II	Pollutant name	Threshold value (kg/year)	Annual total quantity (kg/year)	Accidental emission (kg/year)	Method (M, C, E)*	Method utilized (**)
24	Zinc	200	70	0	M	SR EN 14385:2004
47	PCDD/Furans (Poly-chlorinated Dibenzo-p-dioxins and Furans	0,0001	0,0000035	0	M	SR EN 1948:1,2,3 -2006 CSN EN 1948-2, 1948-3,
-	Total suspended particulates	-	2785	0	M	SR EN 13284-1:2002, SR EN 13284-1:2002/C91:2010 SR EN13284-1:2018 (<50 mg/m3)
2	CO	500000	43811	0	M	TESTO 350 XL analyzer – automatic method – SR ISO 10396:2008
8	NOx	100000	33564	0	M	TESTO 350 XL analyzer – automatic method – SR ISO 10396:2008
11	SO2	150000	8112	0	M	TESTO 350 XL analyzer – automatic method – SR ISO 10396:2008
21	Hg	10	0,09	0	M	SR EN 13211:2003
19	Cr	100	3	0	M	SR EN 14385/C91:2014
18	Pb	200	6	0	M	SR EN 14385/C91:2014
22	Cd	10	0.175	0	M	SR EN 14385/C91:2014
80	Ni	50	1	0	M	SR EN 14385/C91:2014
84	HCl	10000	1686	0	M	SR EN 1911-2011
76	HF	5000	91	0	M	SR ISO15713:2008
17	TOC	-	6430	0	M	SR EN 12619/2013
72	As	20	4,49	0	M	SR EN 14385/C91:2014
73	PAH	50	0,0028997	0	M	US EPA 429, ISO11338, US EPA TO-13A

*M – measurement; C – weighing; E – estimation

The equipment used for measurements is periodically checked and calibrated, with parameter monitoring carried out both by the internal laboratory and by an external RENAR-accredited laboratory.

b)EMISSION IN THE WATER (total emissions in the water)

A P A						
No. from Annex II	Pollutant name	Threshold value (kg/year)	Annual total quantity (kg/year)	Accidental emission (kg/year)	Method (M, C, E)*	Method utilized (**)
-	Suspended solids	-	3185.46	0	M	SR EN 872:2005

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LRQA: ISO 9001 ISO 14001 ISO 45001	LRQA: IATF 16949	TUV: PED/AD-2000 W0/W4 Vd TUV	TUV CPR: EN 10210-1,2 EN 10255	DNV RINA LR
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-	CBO5	-	580.08	0	M	SR EN 1899/1:2003 SR EN1899-2:2002
-	CCO-Cr (Chemical Oxygen Demand, Chromium method)	-	3981.61	0	M	SR ISO 6060-1996
79	Chlorides	2000000	1611.87	0	M	SR ISO 9297-2001
-	Sulfates	-	2328.56	0	M	EPA 9038
12	Total nitrogen	50000	356.97	0	M	SR ISO 12260: 2004
13	Total phosphorus	5000	15.75	0	M	SR EN ISO 6878- 2005, PCT8
-	Solvent-extractable substances	-	3347.80	0	M	SR 7587-96
-	Filtered residue	-	29585.84	0	M	STAS 9187-84
-	Total iron	-	23.00	0	M	SR EN ISO 11885:2009
-	Ammonium	-	162.35	0	M	SR ISO 7150/1- 2001
20	Copper	50	1.41	0	M	SR EN ISO 11885:2009
24	Zinc	100	12.36	0	M	SR EN ISO 11885:2009
-	Manganese	-	4.46	0	M	SR EN ISO 11885:2009
23	Lead	20	0.88	0	M	SR EN ISO 11885:2009
	Synthetic detergents	-	31.58	0	M	SR EN 903:03; SR ISO7875-2:1996

* M – measurement; C – weighing; E – estimation

The equipment used for measurements is periodically checked and calibrated, with parameter monitoring carried out both by the internal laboratory and by an external laboratories accredited by RENAR.

In accordance with **Law 278/2013** and the requirements of **E-PRTR**, the company maintains records of the balance of **volatile organic compounds (VOCs)**, for the purpose of identifying relevant activities and reporting emissions.

Emissions into air, water, and soil are monitored according to their nature and source of generation, in compliance with the provisions of **IPPC Authorizations**, which specify monitoring points, frequency, methodology, and reporting requirements.

The company applies the **Best Available Techniques (BAT)** and continuously monitors compliance with the conditions of the environmental permits.

E2-5 – Substances of Concern and Substances of Very High Concern (SVHC)

As a “downstream user,” **ARTROM STEEL TUBES** conducts risk assessments for substances of concern, including SVHC, in accordance with the **REACH Regulation**. The company collects information from suppliers and the supply chain and requests **Safety Data Sheets (SDS)** for all substances used.

From the perspective of **ROHS3 Directive compliance (2015/863)**, the company holds declarations of conformity from its suppliers.

The company’s products do not contain **persistent organic pollutants (POPs)** such as polychlorinated bi-phenyls (PCBs), dioxins, or furans. Substances used in the production process comply with the **REACH Regulation**, including **Annex XVII** restrictions. Raw materials and chemicals are sourced exclusively from authorized suppliers and are accompanied by the relevant technical and safety documentation.

All substances are stored, handled, and used in accordance with legal requirements and the instructions contained in the Safety Data Sheets.

Metallurgical Plant - Slatina				
Substances / mix- tures used	Storage / pack- aging method	Storage location	Quantity used in t/year or L/year 2025	Class of substances of concern and substances of very high concern (SVHC)
Hydrochloric acid for pickling, 32% con- centration	Aboveground tank	Located in an acid- resistant ceramic sump, in the hydro- chloric acid storage facility, approxi- mately 50 m from the pickling work- shop hall.	447 t	H314: Causes severe skin burns and eye damage H335: May cause respiratory ir- ritation H290: May be corrosive to met- als
GARDOLENE V 6526	Solid (powder) / plastic bag	Pickling workshop	0.63 t	H302: Harmful if swallowed H318: Causes serious eye dam- age H319: Causes serious eye irrita- tion
GARDOCLEAN R1683	Plastic contain- ers	Pickling workshop	3.9 t	H314: Causes severe skin burns and eye damage H317: May cause an allergic skin reaction H335: May cause respiratory irri- tation H412: Harmful to aquatic life with long-lasting effects H302: Harmful if swallowed

				H312: Harmful in contact with skin H318: Causes serious eye damage H319: Causes serious eye irritation H330: Fatal if inhaled H332: Harmful if inhaled H372: Causes damage to organs through prolonged or repeated exposure, or repeated inhalation H411: Toxic to aquatic life with long-lasting effects H400: Very toxic to aquatic life
GARDOBOND-ADDITIVE H 7001	Bidoane plastic	Pickling workshop	2 t	H314: Causes severe skin burns and eye damage H302: Harmful if swallowed H400: Very toxic to aquatic life H290: May be corrosive to metals
GARDOBOND Z 3490A	Plastic containers	Pickling workshop	13 t	H290: May be corrosive to metals H302: Harmful if swallowed H314: Causes severe skin burns and eye damage H335: May cause respiratory irritation H400: Very toxic to aquatic life H411: Toxic to aquatic life with long-lasting effects
GARDOBOND Z 3490E	Plastic containers	Pickling workshop - Phosphating bath	91.28 t	H290: May be corrosive to metals H302: Harmful if swallowed H314: Causes severe skin burns and eye damage H400: Very toxic to aquatic life H411: Toxic to aquatic life with long-lasting effects
VAR HIDRATAT CL 90S VRAC – Ca(OH)2	2 reservoirs	Pickling workshop - wastewater neutralization	164 t	H314: Causes severe skin burns and eye damage H290: May be corrosive to metals

Washing solvent WL 200	1 liter containers	Secured premises	1218 l	H225: Highly flammable liquid and vapour H319: Causes serious eye irritation H336: May cause drowsiness or dizziness
Siderurgical Plant - Reșița				
Substances / mixtures used	Storage / packaging method	Storage location	Quantity used in t/year or L/year 2025	Class of substances of concern and substances of very high concern (SVHC)
Boric acid Technical nitric acid	Plastic containers (1 kg, 25 kg)	Reagents storage – chemical/physical laboratory	10 kg; 475 kg	H360FD: May damage fertility and the unborn child H314: Causes severe skin burns and eye damage
Argon 5.0	In cylinders	Laboratory	523.7 mc	H280: Contains gas under pressure; may explode if heated
Compressed nitrogen	In cylinders	Laboratory	32.1 mc	H280: Contains gas under pressure; may explode if heated
Oxygen	In cylinders	Laboratory	74.9 mc	H280: Contains gas under pressure; may explode if heated
Mixture P10 – Argon and Methane	In cylinders	Laboratory	10.7 mc	H280: Contains gas under pressure; may explode if heated
Inoxiline C2, mc Feroline C18 Acetylene Aluline E50 Technical oxygen	Compressed gas (in cylinders)	Repairs and Utilities Section	21.6 mc 805.9 mc 11.0 mc 37.6 mc 42.82 mc	H280: Contains gas under pressure; may explode if heated
Sulfur hexafluoride (SF ₆)	In butelie	Energy workshop	0	H280: Contains gas under pressure; may explode if heated
Nickel	Fir, semisfere	Steel production workshop	4.17 t	H350: May cause cancer
Calcium oxide – lime	Big bags	Steel production workshop	13295.34 t	H318: Causes serious eye damage

Water and Marine Resources: Policies, Actions, Targets, Financial Implications (ESRS E3-1 – E3-5)

Water resources are important and necessary for the production process.

To conserve water resources, reduce the need for fresh water, and lower the costs associated with wastewater treatment, water is **recirculated internally at a rate of 97%** (the system is only replenished to compensate for evaporation).

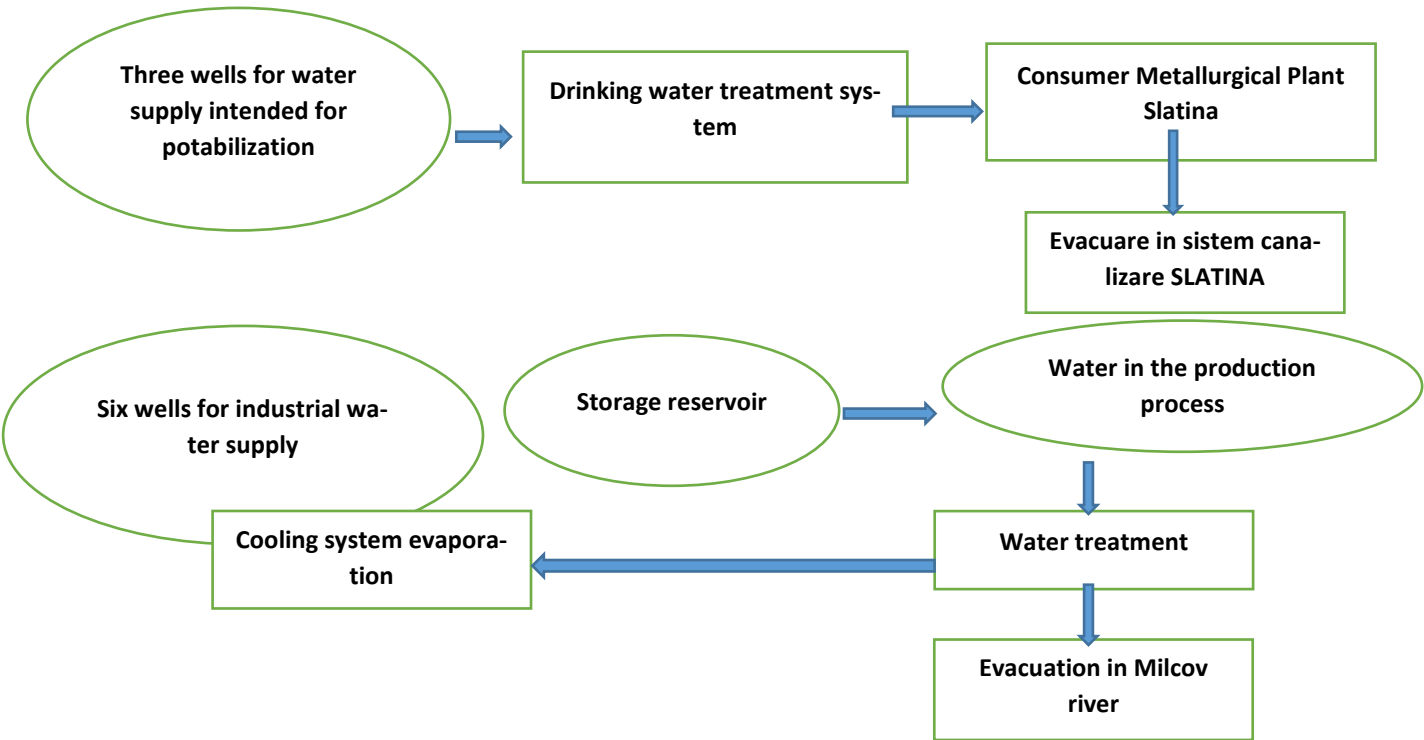
To ensure the necessary water supply at the **Metalurgical Production Plant**, **9 water wells** were drilled to a depth of 120 meters, serving both the technological area (wells 4, 5, 6, 7, 8, 9) and providing potable water for staff (wells 1, 2, 3).

Potable water from the three wells is treated locally and then transported to a **500 m³ storage tank**. At the storage tank, water is analyzed, and **automatic correction with residual free chlorine** is applied via an analyser.

The internal distribution network is **ring-type**, and pressure is maintained by a **pumping station**, from which water is distributed to consumers.

The quantity of water extracted from the potable water wells **does not affect the supply to the local community**, located approximately 5 km from the company’s site.

Technological water supply comes from **6 wells drilled within the company**. Water captured from these wells is transported to **two industrial water systems** and used for technological purposes, including **cooling machinery, furnaces, roller paths, and thermal treatment installations**. The water is then collected in the pumping station basins, filtered, pumped into cooling towers, and reintroduced into the circuit.

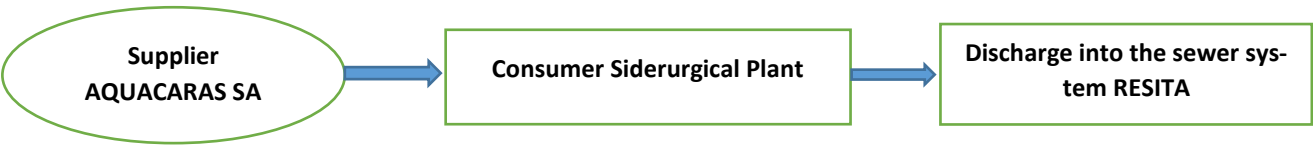


Wastewater Management

The **process wastewater** resulting from the chemical pickling process is treated in the **neutralization station**. Along with water from filter washing and **rainwater**, it is discharged into the **Milcov stream**.

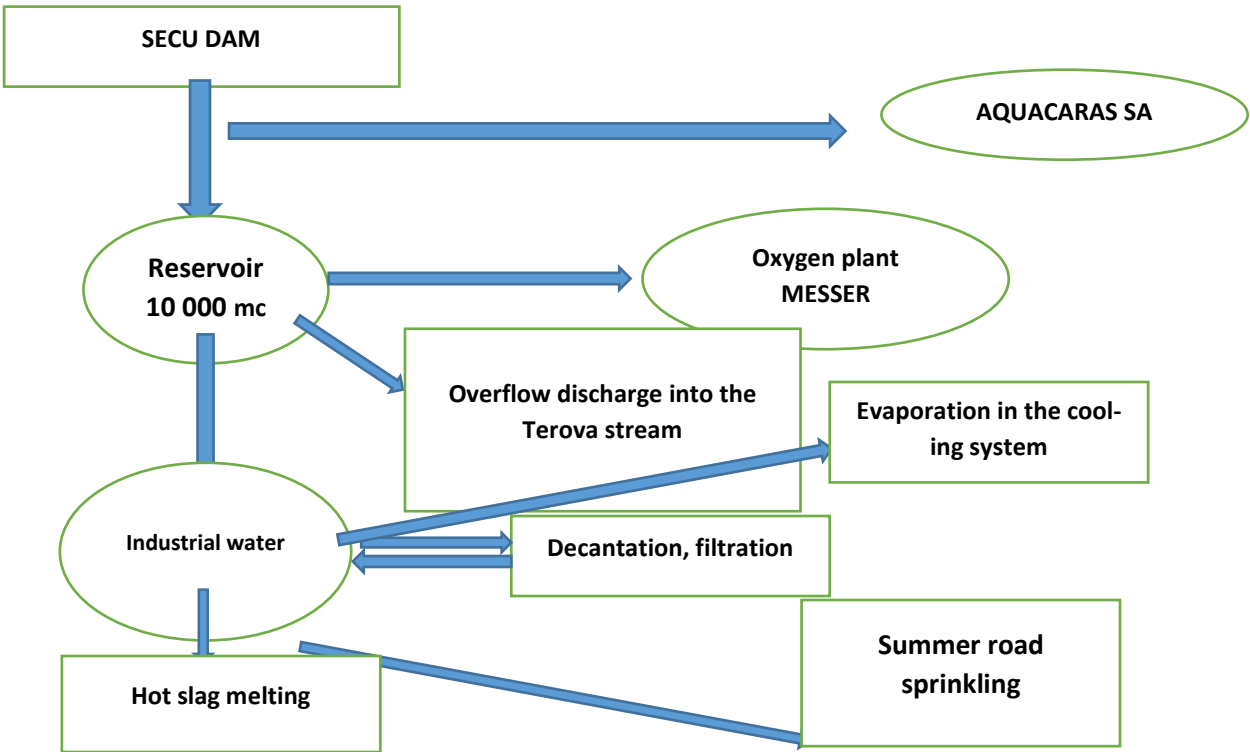
Domestic wastewater is discharged into the **municipal sewer network** operated by **SC Compania de Apa OLT SA, Slatina**.

The **Steel Production Plant** secures its potable water needs from the **municipal water supply network of Reșița** (supplier: **Aquacaras SA**) and is connected to the city’s sewer network for the **discharge of domestic wastewater** generated by routine activities.



Industrial Water Supply

The **industrial water supply** comes from **Secu Reservoir**. The raw water, extracted by **free fall from Secu Reservoir**, passes through the **hydrotechnical conveyance system** (comprising underground and above-ground pipelines, aqueducts, and underpass tunnels) and reaches the **connection chamber**, from where it is distributed to the **Steel Production Plant** and the **local water operator for potable treatment, AQUACARAS**. To ensure the plant’s utility water requirements, the water continues to flow into a **10,000 m³ storage basin**, with the water volume **continuously monitored** to maintain a constant reserve of industrial water.



The **water storage basin** consists of **two semi-circular underground tanks**, constructed from concrete, each with a **storage capacity of 5,000 m³**. The tanks are interconnected and equipped with a **water level monitoring system**. Any surplus water that cannot be accommodated in the basin is discharged via an **overflow** into the **Terova stream**.

Industrial water is used for:

- Replenishing water lost through **evaporation in the technological process** and in **cooling towers**;
- **Sprinkling access roads** during summer;
- **Sprinkling hot slag** on the slag unloading ramp.

The degree of **internal water recirculation** is **96.7%**.

Wastewater collection at the Steel Plant site is carried out via **three sewer networks**:

- A **domestic wastewater network**, which discharges into the municipal sewer system;
- A **technological water network**, including water requiring treatment and cooling water not requiring treatment;
- A **stormwater collection network**.

Technological water generated from operations is **recirculated**.

ARTROM STEEL TUBES SA complies with the **maximum permissible limits** for wastewater quality indicators as stipulated by regulations, authorizations, connection agreements, and subscription contracts.

E3-1 – Policies on Water and Marine Resources

At the **top management level**, environmental policies have been adopted, including those relating to water resources, as described in the **Sustainability Policy / Integrated Management System Policy**, covering the following aspects:

- **Conservation of water resources** through monitoring water consumption, upgrading infrastructure and internal water networks, reducing water usage, ensuring consumption stays within regulated limits, and keeping pollutant concentrations within permitted thresholds for discharge.
- **Reusing and recycling water** technologically, with a minimum recirculation rate of **97%**, and using the latest technologies for treating wastewater from the pickling process.
- **Water quality control and staff awareness** regarding water use by continuously monitoring water quality, preventing contamination, and promoting responsible water use to prevent and reduce pollution caused by on-site activities.
- **Compliance with legislation** by aligning with local and international regulations and obtaining the necessary permits.

ARTROM STEEL TUBES holds **Water Management Authorizations** in accordance with current legislation and monitors water emissions.

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ISO 14001		Vd TUV	EN 10255	LR
ISO 45001				

METALLURGICAL PLANT - SLATINA

MONITORING OF WATER EMISSIONS	
Wastewater Source	Discharge / Sampling Point / Limit
Drawing Section – Chemical Pickling – Technological Wastewater	Discharge into Milcov Stream
Stormwater	Discharge into Milcov Stream
Domestic wastewater	Discharge into municipal sewer network
WELLS MONITORING	
Sampling point	Indicator / Unit / Limit (no limits imposed)
Wells no. 1, 2, 3 Anually, according to the IPPC Authorization	Anually, according to the IPPC Authorization: pH, conductivity (µS/cm), German hardness, CODCr (mg/L), chlorides (mg/L), sulfates (mg/L), ammonium (mg/L), nitrates (mg/L), total iron (µg/L), total chromium (µg/L), manganese (µg/L), copper (µg/L), nickel (µg/L), zinc (µg/L), cadmium (µg/L), molybdenum (µg/L)
Technological wastewater from the process Monthly/anually, according to the IPPC Authorization	pH 6.5–8.5, suspended solids 60 mg/L, residue after filtration at 105°C 2000 mg/L, solvent-extractable substances 20 mg/L, CODCr 70 mg/L, chlorides 500 mg/L, total phosphorus 2.0 mg/L, sulfates 500 mg/L, total iron 5 mg/L, total chromium 0.5 mg/L, manganese 1 mg/L, nickel 0.5 mg/L, zinc 0.5 mg/L, cadmium 0.2 mg/L, molybdenum 0.1 mg/L
Domestic wastewater from internal consumption	pH: 6.5–8.5 Suspended solids: 350 mg/L COD-Mn (unregulated) Ammonium: 30 mg/L COD-Cr: 500 mg/L CBO5: ml/l
SOIL QUALITY MONITORING	
Sampling point	Indicators / Limits
Petroleum Products Depot	Annual, according to the IPPC Authorization: Hydrocarbons 1000 mg/kg dry matter, Iron (no limit imposed)
Millscale depot	Annual, according to the IPPC Authorization: Hydrocarbons 1000 mg/kg dry matter, Iron (no limit imposed)

SIDERURGICAL PLANT – RESITA

MONITORING OF WATER EMISSIONS	
Wastewater Source / Frequency	Discharge / Sampling Point / Limit
Electric Arc Furnace – Cooling Water, Continuous Casting Machine (CCM) and stormwater from central platform; Monthly/Quarterly according to Monitoring Program	Eruga Discharge: pH 6.5–8.5, suspended solids 60 mg/L, COD-Cr 125 mg/L, BOD5 25 mg/L, chlorides 500 mg/L, total nitrogen 10 mg/L, sulfates 600 mg/L, solvent-extractable substances 20 mg/L, total iron 5 mg/L, total phosphorus 1 mg/L, residue after filtration at 105°C 2000 mg/L, synthetic detergents 0.5 mg/L, ammonium 2.0 mg/L, copper 0.1 mg/L, zinc 0.5 mg/L, manganese 1 mg/L, lead 0.2 mg/L
Open Scrap Yard – stormwater from platform; Monthly/Quarterly according to Monitoring Program	Rolling Mill Discharge: pH 6.5–8.5, suspended solids 60 mg/L, solvent-extractable substances 20 mg/L, residue after filtration at 105°C 2000 mg/L
Stormwater – Slag Depot; Monthly/Quarterly according to Monitoring Program	Slag Depot: pH 6.5–8.5, suspended solids 60 mg/L, solvent-extractable substances 20 mg/L, residue after filtration at 105°C 2000 mg/L

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GROUNDWATER (WELL) MONITORING	
Sampling Point / Frequency	Indicator / Unit / Limit
Wells No. 1, 2, 3, 4, 5, 6 – Anually	Solvent-extractable substances 20 mg/L, Petroleum products 5 mg/L
SOIL QUALITY MONITORING	
Sampling Point / Frequency	Indicators / Alert / Intervention Thresholds (mg/kg)
Reșița Platform – Continuous Casting; Sampling depth 5 cm – Annual	Petroleum products 1000/2000, Cadmium 5/10, Manganese 2000/4000, Copper 250/500, Nickel 200/1000, Total Chromium 300/600, Zinc 700/1500, Lead 250/1000
Platform – LDS Work Point; Sampling depth 5 cm – Annual	Petroleum products 1000/2000, Cadmium 5/10, Manganese 2000/4000, Copper 250/500, Nickel 200/1000, Total Chromium 300/600, Zinc 700/1500, Lead 250/1000

E3-1 – Policies related to water and marine resources

The water management authorizations for both plants set limits on the quality and quantity of industrial and domestic wastewater discharged, both into natural watercourses and municipal sewer systems. In 2024, there were no exceedances of these limits.

The Olt/Banat Water Basin Administration established the quality indicators and limits for wastewater (industrial and stormwater) based on an analysis of the production processes and their impact on water quality.

Water quality is determined through weekly analyses performed by the company’s in-house laboratory and accredited external laboratories. These analyses cover the physico-chemical characteristics of the monitored indicators, in accordance with the monitoring programs. The quality indicators and limits were defined by the Olt/Banat Water Basin Administration, taking into account compliance with the applicable Best Available Techniques (BAT).

No complaints have been received from the community regarding water discharges or accidental water pollution.

The nearest marine resource is the Black Sea, located 419 km from the Metallurgical Plant (Slatina) and 746 km from the Steel Production Plant (Reșița).

The Danube River (Orșova) is 136 km from the Steel Production Plant, and the Danube River (Corabia) is 85 km from the Metallurgical Plant. The Olt River flows through Slatina, and the Bârzava River is near the Steel Production Plant.

The company’s activities do not impact the quality of the Black Sea or the Danube River.

E3-2 – Actions and resources related to water and marine resources

ARTROM STEEL TUBES maintains **Accidental Pollution Prevention and Control Plans** in compliance with legislation, which are updated as necessary.

Water-related risks are managed nationally through risk registers and implementation of flood risk management plans. These aim to prevent and reduce flood impacts in sensitive areas, such as communities located

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ISO 45001				

near rivers. Protective measures include infrastructure (dikes and dams), river rehabilitation, and the creation of wetlands to improve water management.

These measures are integrated into the **RO-FLOODS National Programs**, which also address climate change impacts on hydrological regimes.

- **Slatina**, where the Metallurgical Plant is located, is exposed to flood risks from high flows of the Olt River.
- **Reșița**, where the Steel Production Plant is located, is also exposed to flood risks, especially flash floods caused by rapid mountain runoff. Local authorities have implemented monitoring and prevention measures, including hydrometric stations and permanent or temporary reservoirs, dikes, river regularization, and diversion channels to mitigate flood peaks. However, both Reșița and Caraș-Severin County remain vulnerable to extreme events.

In emergencies such as floods or dam breaches, the County Emergency Committee notifies the president of the ARTROM STEEL TUBES crisis unit for the Metallurgical/Steel Production Plants, who informs the Private Emergency Service to implement measures according to the risk analysis and coverage plan.

If measured values exceed critical thresholds (Attention, Danger, Alarm), the following alert levels are activated in downstream communities:

- **Attention** – Minor deviation from normal parameters, without endangering dam safety.
- **Danger** – Triggered when observed phenomena could pose a risk to downstream areas.
- **Alarm** – Activated when it becomes necessary to release flows that could flood downstream areas or indicate imminent dam failure.

E3-3 – Targets related to water resources

Plant	Risk Description (R)	Risk Factors / Causes (I)	Risk Measures Management	Objectives / Targets
1. Resita Plant	Inability to extract water for the production process	Drought and excessive water consumption in a water-stressed area	- Monitor water consumption to identify losses - Raise employee awareness for efficient water use and waste elimination	- Ensure sufficient water supply for optimal operation - Compliance with inspection and repair schedules - 100% of personnel trained - “Zero” production interruptions due to lack of water
		Structural deterioration along the water adduction system		
		Cracking of the concrete walls of storage tanks Inability to extract water for the production process		
2. Slatina Plant	Reputation and legal risk in case of wastewater discharge exceeding permitted limits	Discharge of contaminated water into the Birzava/Milcov River due to improper handling or unsupervised execution of new works	- Monitor wastewater indicators in accordance with existing authorizations - Proper maintenance of water tanks at the treatment station - Comply with accidental pollution prevention and control plans	- Avoid unauthorized wastewater discharges - Maintain compliance with environmental regulations - Protect company reputation

			- Adhere to periodic and annual maintenance and repair programs	
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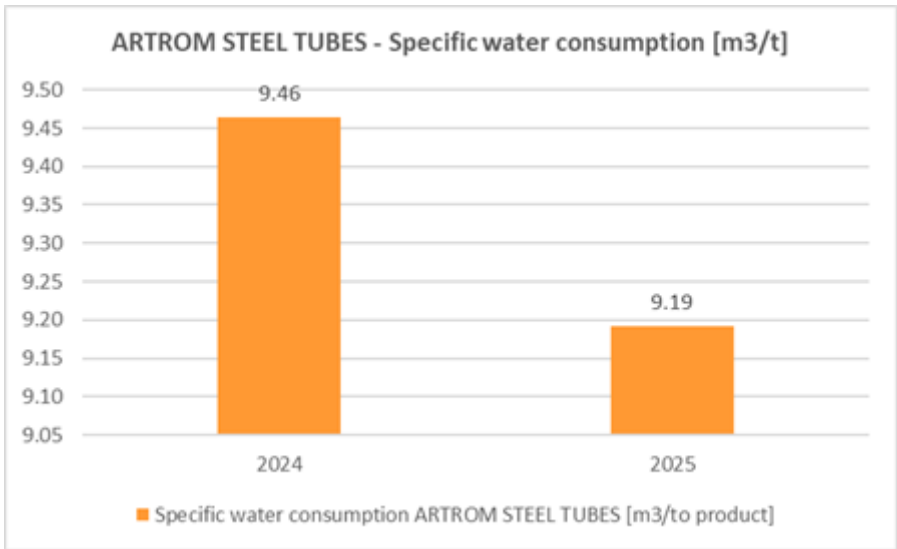
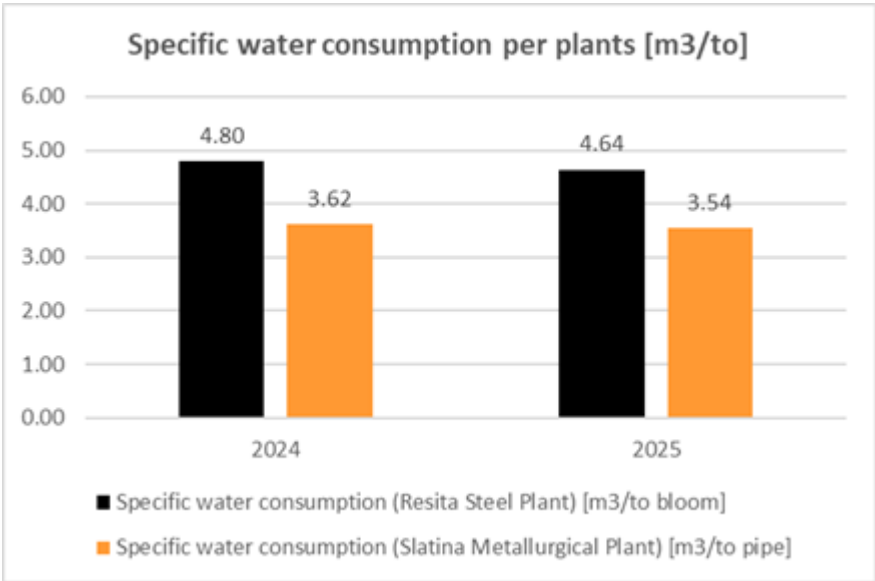
E3-4 – Water Consumption

The volumes and flow rates of water authorized for **potable and industrial water supply**, as well as for their discharge as **domestic wastewater** and **industrial process wastewater**, are established through the applicable **water management permits**.

WATER CONSUMPTION:

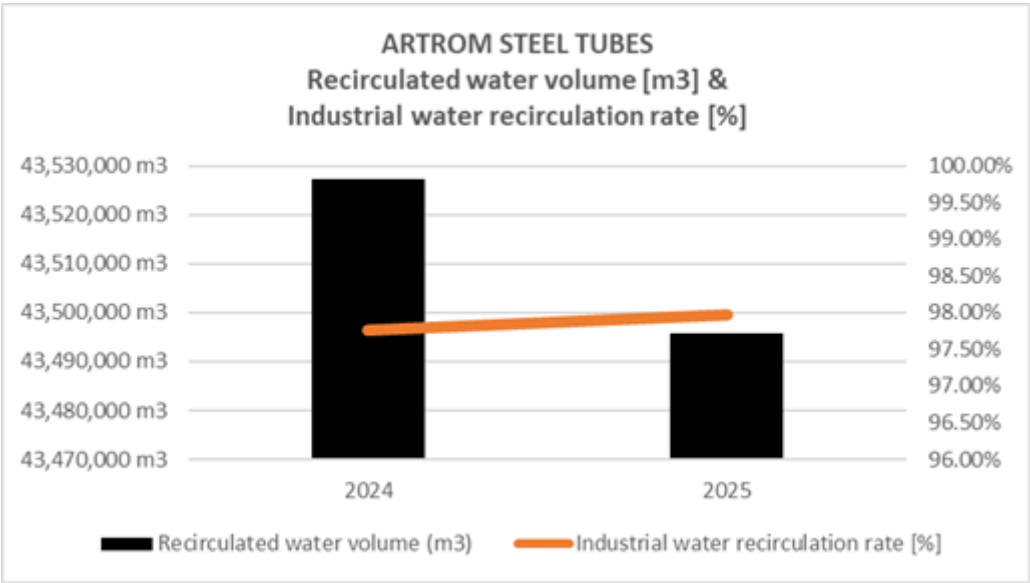
		Annual permitted limit [m³]	Annual permitted limit [m³]	Annual permitted limit [m³]
Metallurgical plant				
Drinking water		274000	218480	190546
Industrial water		584000	415425	432417
Total water quantity		858000	633905	622963
Total water quantity with hydric risk				
Industrial water recirculated		-	8 841 600	9 082 800
Industrial water recirculation rate [%]		97%	97,56%	97,96%
Make-up water		-	199662	247396
Siderurgical plant				
Drinking water		240 000	107328	120243
Industrial water		2 400 000	917150	872440
Total water quantity		2640000	1024478	992683
Total water quantity with hydric risk				
Industrial water recirculated		-	34 685 538	34 412 892
Industrial water recirculation rate [%]		96,7 %	97,95%	98,00%
Make-up water		-	724224	689948

ARTROM STEEL TUBES	2024	2025
Drinking water consumption	325,808 m3	310,789 m3
Industrial water consumption	1,332,575 m3	1,304,857 m3
Total water consumption	1,658,383 m3	1,615,646 m3



The **total specific water consumption** of ARTROM Steel Tubes, reported per ton of pipe produced, was **9.46 m³/t** in 2024. In 2025, this indicator decreased to **9.19 m³/t**, representing a **3% reduction** as a result of improved water-use efficiency at the group level.

The calculation of this indicator is based on allocating the total water consumption of the Slatina and Reșița plants to the final pipe production, in order to ensure **interannual comparability** and an **integrated assessment of environmental performance**.



Total water volume stored and changes in storage

Potable water storage	[m3]
Metallurgical plant	
Potable water storage tank	500
2 tanks × 250 m³	2920
1 tank × 100 m³	
2 tanks × 60 m³	
1 tank × 2,000 m³	
1 tank × 200 m³	
Siderurgical plant	
1 storage basin with 2 reservoirs of 5,000 m³ each for industrial water	10000
1 industrial water storage tank for the Maintenance and Technical Center (MTC) in case of emergency	5000

Wastewater Discharge

Metallurgical Production Plant – The **process wastewater** generated from the chemical pickling process is treated by decantation and neutralized with lime milk, and then discharged into the **Milcov stream** through the sewer network.

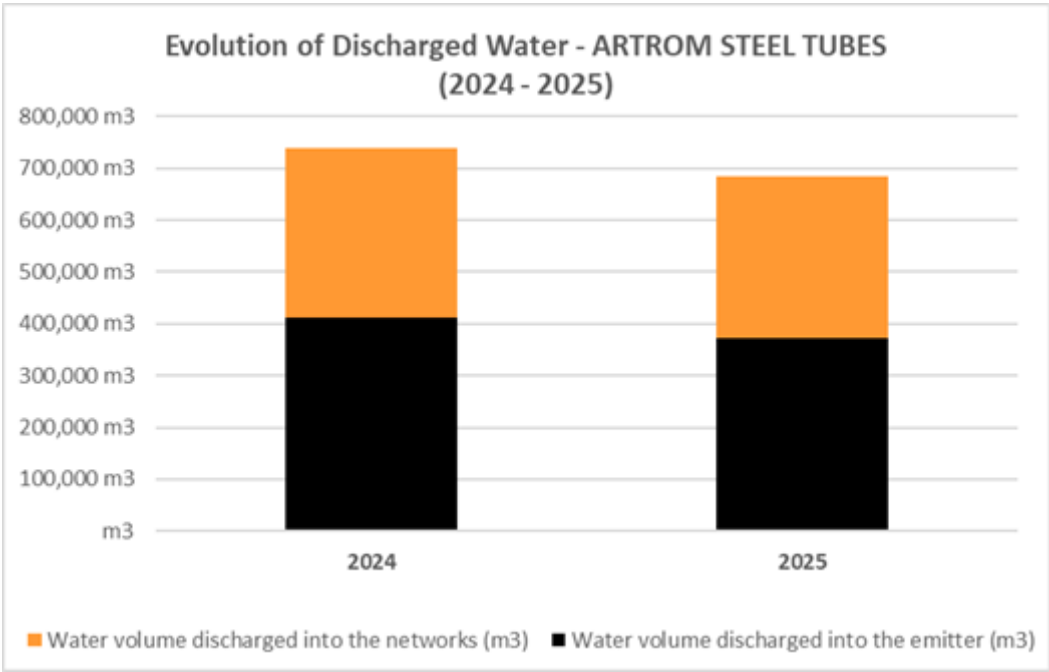
The technological water sewer network also collects **rainwater** from the site. The sewer system is made of concrete pipes, with a total length of approximately **2,800 m**. Flow measurement and metering of discharged water are performed via an **open-channel flow monitoring system** installed on-site.

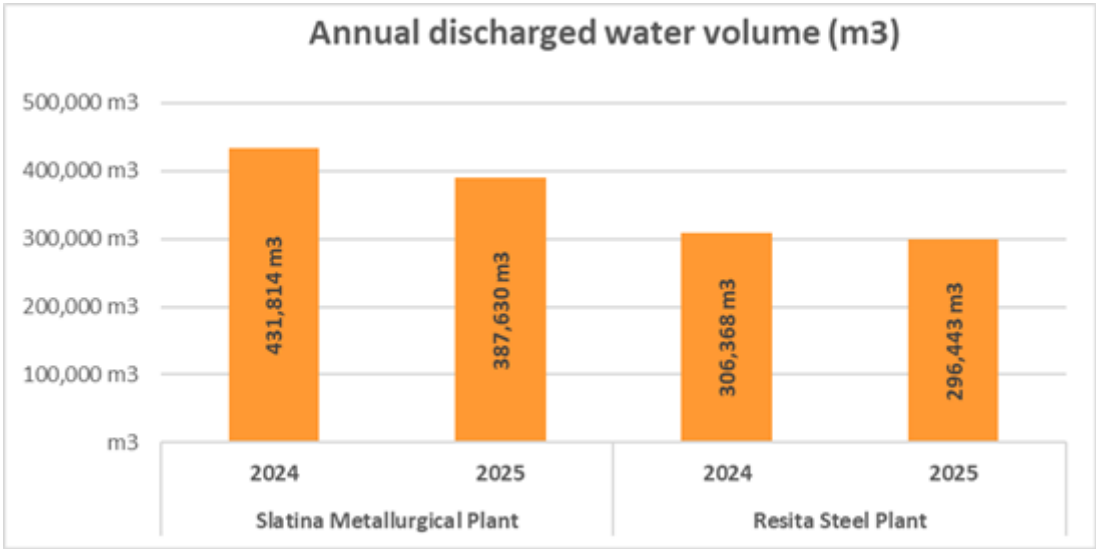
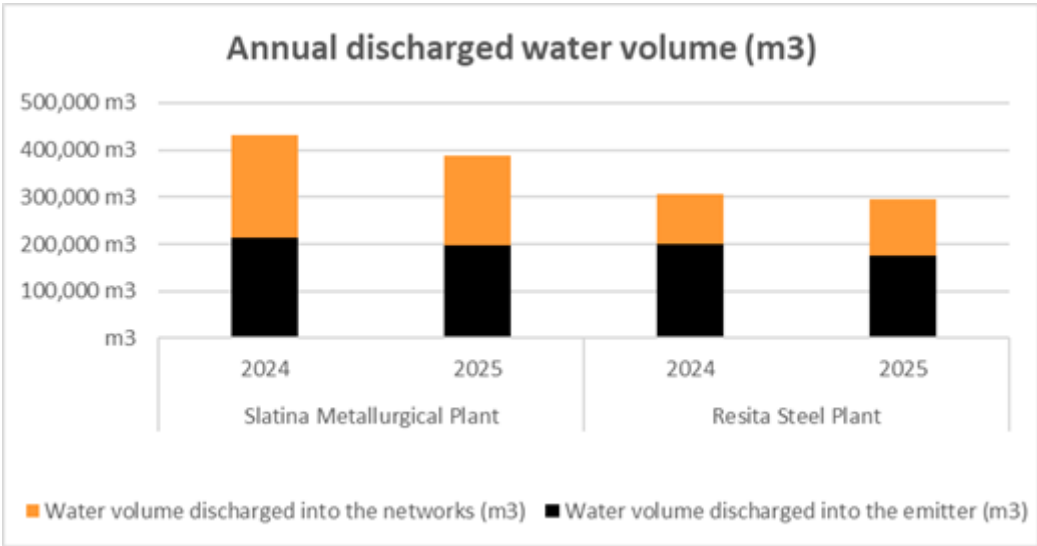
Steel Production Plant – The plant has **two discharge channels** for rainwater and wastewater at the facility: the **Eruga discharge** and the **Rolling Mill discharge**.

- The **Rolling Mill discharge** collects rainwater from the central platform and the scrap yard platform.
- The **Eruga discharge** collects and transports rainwater, cooling water, and overflow from the OE pump station settling tanks.

Additionally, rainwater from the slag storage passes through **two decanters**, with the overflow discharged into the **Terova stream**.

Wastewater discharged / Effluent discharged		Annual permitted limit according to permits [m3]	2024 Wastewater discharged [m3]	2025 Wastewater discharged [m3]
Metallurgical Plant	Domestic wastewater	274000	218480	190546
	Industrial wastewater	365000	213334	197084
Siderurgical Plant	Domestic wastewater	240000	107328	120243
	Industrial wastewater	524421	199040	176200





Water consumption intensity – industrial water and potable water consumed by both plants [total water consumption (m³) per net revenue of the company in million EUR]

Year	Water consumption [cm]	Revenue [million RON]	Total water consumption per net revenue [m³/million RON]	Revenue [million EUR]	Water consumption intensity [m³/million EUR]
2024	1,658,383 mc	1,168,298 mil lei	1.42 mc/mil lei	234,853 mil eur	7.06 mc/mil eur
Average BNR National Bank of Romania exchange rate for EUR in 2024					4.9746
2025	1,615,646 mc	1,252,015 mil lei	1.29 mc/mil lei	248,342 mil eur	6.51 mc/mil eur
Average BNR National Bank of Romania exchange rate for EUR in 2025					5.0415

In 2025, the **water consumption intensity** reported relative to net revenue showed an improvement compared to 2024, decreasing from **7.06 m³/million EUR** to **6.51 m³/million EUR** (-7.8%). This positive trend was mainly driven by an increase in total revenue (from 234.853 million EUR in 2024 to 248.342 million EUR in 2025), combined with a slight reduction in total water consumption (from 1,658,383 m³ to 1,615,646 m³, - 2.6%).

Thus, in 2025, the stabilization of water consumption along with improved financial performance led to a reduction in intensity, marking a significant step toward more efficient resource use.

Biodiversity conservation and ecosystem protection: transition plan, policies, actions, targets, financial effects (ESRS E4-1 – E4-6)

Not applicable.

Resource use and transition to a circular economy: policies, actions, targets, financial effects (ESRS E5-1 – E5-6)

Environmental risk assessments, including those related to resource use and waste management, are conducted annually or whenever necessary. Impacts on the circular economy are associated with the **waste and by-products** generated in the production process (slag, dust, scale, metal offcuts, etc.), as well as the methods of managing and valorizing them.

The company aims to **integrate waste into the value chain** by converting it into material resources, thereby reducing raw material consumption and supporting the transition to a circular economy. **Metallic by-products** are recovered and reused in the production process, including being reintroduced into electric furnaces, contributing to a reduction of the carbon footprint associated with steel production.

Risks, Measures, and Objectives Associated with the Circular Economy

Identified Risk	Causes	Risk Management Measures	Objectives
Increase in recyclable waste stocks	Limited capacity of authorized operators	Allocation of necessary resources for waste treatment	Increase the recycling rate
Fluctuations in scrap steel availability	Decrease in primary steel production	Establishment of a safety stock and market monitoring	Reuse of technological waste in production

Opportunities to increase recycling have been identified through diversifying contracts with authorized operators for the same types of waste and by-products.

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E5-1 – Policies on Resource Use and Circular Economy

The **ARTROM STEEL TUBES SA** policy on resource use and the circular economy aims to **optimize resource consumption, reduce the amount of waste generated, and increase the level of recycling and reuse of materials.**

Waste management is carried out in accordance with **European Union legislation** and is based on the **waste hierarchy**: prevention, reduction, reuse, recycling, and recovery. The company implements an annual program of measures to **prevent and reduce waste**, adapted to its ongoing activities.

E5-2 – Actions and Resources Related to Resource Use and Circular Economy

ARTROM STEEL TUBES uses **98% scrap steel in the electric furnace**, with the remaining 2% consisting of ferroalloys. All steel produced in the company’s plants uses **100% scrap steel from the European market.**

E5-3 – Targets Related to Resource Use and Circular Economy

Materials and waste generated from the production process (slag, dust, spent refractory bricks, pipe ends, scale, etc.) represent potential secondary raw materials and are **integrated into the company’s circular economy objectives.**

For **2025**, the company set the following targets:

- 1. **Recovery of 100% of waste generated in 2025** at the Metallurgical Production Plant.
 - o Achievement: 53.17%, measured strictly against the waste generated in the reference year. The shortfall is due to operational limitations and the capacity of authorized operators. In parallel, the company processed significant quantities of waste from **previous years’ stock**, helping to reduce overall inventory.
- 2. **Reduction by 5% of dust from flue gas cleaning systems** at the Steel Production Plant.
 - o Achievement: 3.94%, below the target, due to technological constraints and limited valorization options in the market. Another reason was the **reclassification of the waste under a new code**, which temporarily halted deliveries to authorized operators until the new integrated environmental permit was obtained.

Even with partial target achievement, the company continues to implement measures to **increase waste recovery and reduce inventories**, progressively aligning with circular economy objectives.

E5-4 – Resource Inputs

Use of Steel By-products and Recycled Materials

The Steel Production Plant systematically **recovers by-products generated during steelmaking**, as well as various ferrous and non-ferrous materials. In 2025, **252,260 tonnes of ferrous materials** were used, representing an increase of approximately 1% compared to 2024, when 257,254 tonnes were used.

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ISO 45001				

Raw and auxiliary materials	Metallurgical plant (t)		Siderurgical plant (t)	
	2024	2025	2024	2025
Billets	213497	211185	-	-
Mother pipes	33080	20061	-	-
Packaging tape	257	266	-	-
Straps	332	326	-	-
Hydrochloric acid	539	447	-	-
Ferrous materials	-	-	252354	252260
Ferroalloys	-	-	5133	5118
Refractory materials	-	-	5740	4444
Slag foaming material	-	-	2812	3927
Industrial lime	-	-	14358	13295
Primary aluminium	-	-	249	176
Oils and petroleum jelly	-	-	34.7	35.5
Nickel	-	-	2.5	4.2
Graphite electrodes	-	-	669	764

Integration of Recycled Materials in the Production Flow

The integration of recycled materials into the production process **significantly contributes to:**

- Reducing the consumption of **primary mineral resources**,
- Lowering **CO₂ emissions**,
- Optimizing **operational costs**.

Producing steel from scrap steel requires **60–70% less energy** compared to using virgin raw materials.

Management and Valorization of Ferroalloys

Within the principles of the circular economy, **ferroalloys** are recovered and reused through:

- **Recovery from steel plant dust**, which contains zinc, iron, and other metals,
- **Collection and valorization of solid ferroalloy waste**, including metal particles and non-conforming pieces,
- **Reuse of metal alloys** to adjust chemical composition,
- **Application of recovered ferroalloys** in secondary products such as welding alloys, cast iron, or other industrial products.

Recovery and Reuse of Auxiliary Substances

At the **Metallurgical Production Plant:**

- Cooling oil generated during the briquetting of steel chips is collected in dedicated containers, filtered through a specialized system to remove impurities, and **reused in the production process**.

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At the **Steel Production Plant**:

- Oils are used exclusively in **closed lubrication circuits** for overhead crane reducers and continuous casting machine rollers, ensuring **strict control of losses** and minimizing potential environmental impacts.

Valorization of By-products and Integration into the Production Flow

The company **fully valorizes by-products** generated during steel production, including slag, by reintroducing them into the steelmaking process.

- Ferrous waste and other by-products are considered an **integral part of the production cycle**, enhancing material efficiency and reducing the quantities of waste eliminated.
- Metallic components separated from slag are **reintroduced into the production process**, in line with circular economy principles.

Total by-products recovered by the company

Year	Metallic waste (t)	Millscale (t)	Ferrous chips (t)	Fresh slag (t)
2024	28334.43	9864.7	614.46	42346
2025	39046.26	8855.76	1362.71	52935

The metallic component is separated from the slag and reintroduced into the production process

E5-5 – Resource Outputs

Product Packaging and Delivery

- Continuously cast steel products are **delivered in bulk** and are not packaged.
- Pipes are packaged according to applicable standards, using **steel strapping**, and, where required, additional packaging such as **plastic film, cardboard, or wood**, tailored to customer requirements.
- Packaging associated with sold products is **100% recycled** through authorized recyclers under contracts aligned with **OIREP** (Extended Producer Responsibility Implementation Organizations), in compliance with **Law 249/2015** and its subsequent amendments.

Waste Management

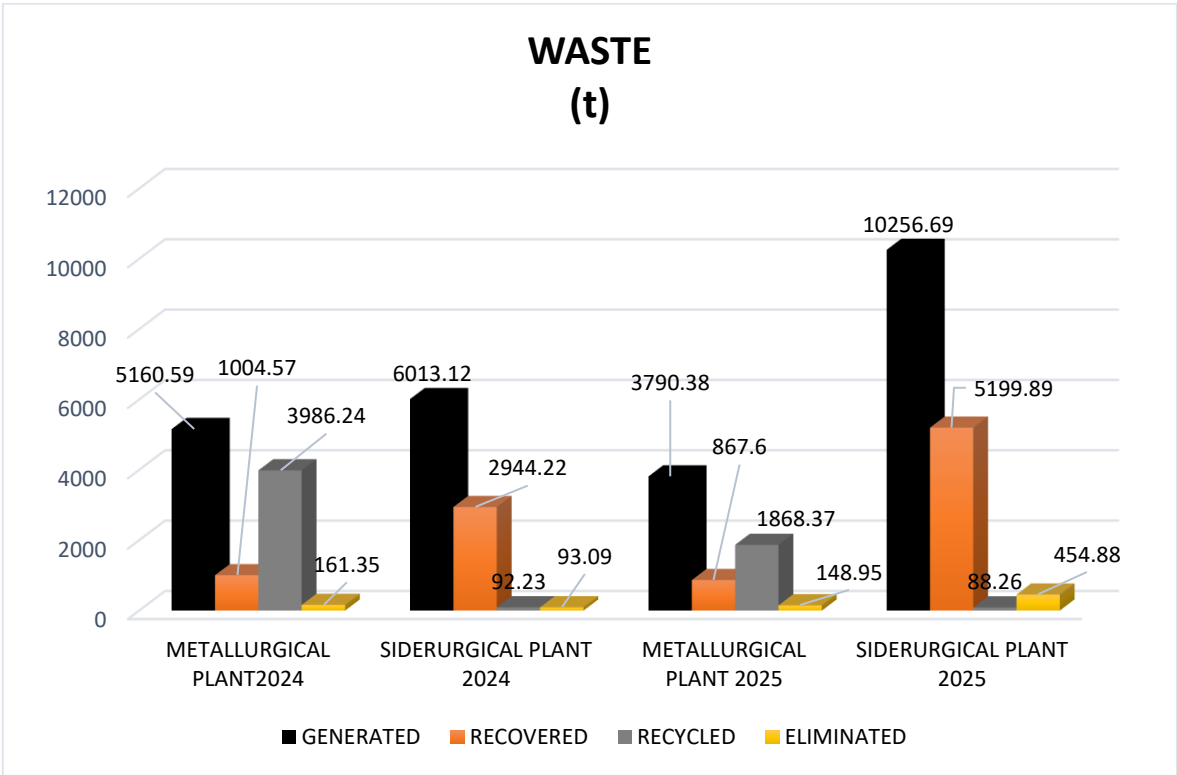
- Waste generated from production activities, including **hazardous and non-hazardous waste**, is **collected separately**, temporarily stored, and delivered to **authorized operators** for recycling or disposal.
- The quantities of waste **recycled, valorized, or disposed of** are **monitored monthly and annually**, and **reported to the competent authorities** in accordance with applicable legal requirements.dd

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•	Metallurgical Plant [t]			Siderurgical Plant[t]		
	Generated	Recovered + recycled	Eliminated	Generated	Recovered + recycledd	Eliminated
2024	5160.07	4990.8	161.35	6013.12	3036.45	93.09
2025	3790.38	2735.95	148.95	10256.69	5288.15	454.88

Metalurgical plant						
Waste	2024 [t]			2025 [t]		
	Generated	Recovered and recycled	Eliminated	Generated	Recovered + recycled	Eliminated
Non-hazar-dous	4907.078	4746.14	161.332	3440.246	2366.23	148.938
Hazardous	252.99	244.66	0.0172	373.854	369.72	0.00912

Siderurgical plant						
Waste	2024 [t]			2025 [t]		
	Generated	Recovered + recycled	Eliminated	Generated	Recovered + recycledd	Eliminated
Non-hazar-dous	5959.98	3011.4	65	6562.87	3607.29	453.72
Hazardous	53.14	25.05	28.09	3693.82	0.1	1.164



LRQA:
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ISO 14001
ISO 45001

LRQA:
IATF 16949

TUV:
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Vd TUV

TUV CPR:
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EN 10255

DNV
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WASTE RECOVERY:

	METALLURGICAL PLANT		SIDERURGICAL PLANT [t]	
	2024	2025	2024	2025
Non-hazardous waste disposed	4746.14	2366.23	3011.4	3607.3
Incineration with energy recovery	0	0	0	0
Incineration without energy recovery	3986.24	1861.71	92.23	88.26
Disposal by final landfill	759.91	504.53	2919.17	3519.04
Hazardous waste recovered + recycled	244.66	369.72	25.05	0.1
Prepared for reuse	0	0	0	0
Recycled	0	6.66	0	0
Other recovery operations	244.66	363.06	25.05	0.1

WASTE ELIMINATION:

	METALLURGICAL PLANT		SIDERURGICAL PLANT [t]	
	2024	2025	2024	2025
Non-hazardous waste disposed	161.332	148.938	65	453.72
Incineration with energy recovery	0	0	0	0
Incineration without energy recovery	0.012	0.008	0	0
Disposal by final landfill	161.32	148.93	65	453.72
Other disposal operations	0	0	0	0
Hazardous waste disposed	0.0172	0.00912	28.09	1.164
Incineration with energy recovery	0	0	0	0
Incineration without energy recovery	0.0172	0.00912	0.0057	0.00486
Disposal by final landfill	0	0	0	0
Other disposal operations	0	0	28.08	1.16

The quantities were obtained through direct weighing.

E5-6 – Anticipated Financial Effects of Resource Use and Circular Economy

- In **2025**, the use of **scrap steel** and other **recycled materials** continued to influence **raw material costs**, amid market price volatility.
- The company **managed these risks** through optimization of the raw material mix and the **reintroduction of by-products into the production process**, without recording any **significant negative financial impacts** directly attributable to resource use or circular economy activities.
- The use of **recycled materials** and reintegration of by-products created **opportunities to reduce costs** and **decrease dependency on primary raw materials**.

Recycling Rates Achieved in 2025:

Scrap steel	98%
Slag	109%
Millscale	114%
Paper	100%

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- All quantities were determined through **direct weighing**.
- The above data reflects **both operational efficiency and alignment with circular economy objectives**, showing that ARTROM STEEL TUBES successfully maximized resource recovery while mitigating financial risk.

EU Taxonomy (according to ESRS and EU Regulation 2020/852) (ESRS E1 – E5)

Assessment of activities in accordance with the taxonomy criteria
Impact on sustainability strategy

EU Taxonomy

The following information is provided in accordance with Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council, supplemented by Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021, Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022, Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023, and Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 collectively referred to as the "Taxonomy Regulation."

The Tubes Segment of Artrom Steel Tubes includes the production of seamless pipes for industrial uses, including for the mechanical engineering and automotive industries. The main business activity of the company is the production of tubes, pipes, tubular profiles, and related accessories from steel. Our processes include steelmaking and the subsequent transformation of the steel into pipes. The steel we manufacture for producing seamless pipes is obtained in electric arc furnaces (EBT - Eccentric Bottom Tapping) using metal scrap (scrap iron).

On the other hand, to produce seamless steel pipes, we purchase raw materials for the steel manufacturing process: scrap iron, ferroalloys, and auxiliary materials.

IDENTIFICATION AND ASSESSMENT OF ECONOMIC ACTIVITIES

Taxonomy Eligibility

We have reviewed all economic activities performed by Artrom Steel Tubes and identified the following activities as eligible economic activities for the taxonomy, in accordance with Commission Delegated Regulation (EU) 2021/2139, Activity 3.9 - Manufacturing of Iron and Steel:

1. Production of billets for seamless pipes, continuously cast from carbon steel, low-alloyed and alloyed steel, CAEN code 2410 - Production of ferrous metals in primary forms and ferroalloy production.
2. Manufacturing of steel pipes, CAEN code 2420 - Production of tubes, pipes, tubular profiles, and related accessories from steel.

Alignment with Taxonomy. Substantial Contribution

An economic activity is aligned with the taxonomy if it meets the technical screening criteria for substantial contribution to one of the six environmental objectives and does not cause significant harm (DNSH) to any of

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the other five objectives.
Furthermore, the company will demonstrate its alignment with minimum safeguards.

For the fiscal year 2025, we concluded that both eligible activities for the taxonomy carried out by Artrom Steel Tubes – the production of billets and the manufacturing of steel pipes – make a substantial contribution to mitigating climate change (CCM) based on the technical screening criteria for substantial contribution to CCM, as outlined in the Taxonomy Regulation, as described below:

Steel Pipe Production: According to the technical screening criteria established in Annex I of Commission Delegated Regulation (EU) 2021/2139, the activity "3.9. Manufacturing of Iron and Steel" contributes to CCM if the activity meets one of the following technical screening criteria:

- Greenhouse Gas emissions for the electric arc furnace (EBT) for high-alloy steels do not exceed 0.266116 t CO2-eq (Scope 1 + 2) per produced ton, and/or
- The input of steel waste in relation to the production of the product is no less than 70% for high-alloy steel production.

Artrom can demonstrate compliance with the second criterion regarding the input of steel waste in relation to the final product, as it produces steel in electric arc furnaces (EBT) that produce high-alloy steel, and the proportion of steel waste at the consolidated level is over 70%.

No Significant Harm (DNSH)

We have assessed the DNSH criteria for both eligible activities for taxonomy that contribute substantially to CCM by evaluating the sites where we carry out those economic activities.
For the fiscal year 2025, we performed an assessment of all DNSH criteria.
The reason for our compliance with DNSH regarding our pipe manufacturing activities is outlined below.

Adaptation to Climate Change

Regarding DNSH for Climate Change Adaptation, a physical climate risk assessment was conducted in 2025 in accordance with the Taxonomy Regulation.
This assessment varies based on the timeframe of the activity, following the best available methodology for assessing climate risks and vulnerabilities.
The risk assessment is carried out by considering exposure, climate hazards, and the vulnerability of the economic activity.

Sustainable Use and Protection of Water and Marine Resources

Artrom has procedures in place that cover the use and protection of water.
These include mapping potential sources of pollution, implementing water treatment system maintenance programs, monitoring programs, and defining improvement actions based on identified imminent hazards.
Water stress risk is assessed for each location, allowing Artrom to prioritize imminent hazards for different sites and set actions for improving water management. Additionally, 100% of our production units operate under management systems certified according to ISO standards.

Pollution Prevention and Control

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Artrom holds all the necessary EU and national legal permits for the use of chemicals, including some CMR substances, applicable to its manufacturing process for seamless steel pipes in compliance with local requirements.

Protection and Restoration of Biodiversity and Ecosystems

As mentioned earlier, 100% of our two production plants operate under management systems certified according to ISO standards.

The main sites have been evaluated to determine if they are located in key biodiversity areas.

Our analysis showed that none of our major sites, including steel processing plants and/or rolling mills, are located in such areas.

Minimum Social Safeguards (MS)

The final step in determining the alignment with taxonomy is compliance with minimum safeguards to ensure that the company has adopted procedures to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights established in the eight core conventions identified in the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

Artrom has adopted appropriate policies and procedures to ensure that both eligible activities for taxonomy are compliant with MS. We understand that the conduct of business by our employees, general managers, executives, and other participants across our value chain plays a central role in complying with MS. Our Code of Conduct includes provisions covering, among other topics, human rights, corruption and bribery, taxation, and fair competition.

Throughout this report (especially in the "Governance" section) and in our 2025 report, we describe in detail our commitment, objectives, and actions to ensure a corporate culture of transparency and integrity, based on ethical behavior and legal compliance.

Key Performance Indicators (KPI)

Below is a summary of the EU taxonomy KPIs for our economic activities aligned with the taxonomy and eligible for taxonomy. Full disclosures of the KPIs related to these activities.

Artrom Group

Financial Indicators	2025	2024
Sales of ARTROM pipes (tons)	176,271	164,030
Revenues (thousand lei)	1,252,015	1,168,298
Profit (loss) for the period (thousand lei)	20,438	10,586
Adjusted EBITDA (thousand lei)	56,796	125,838

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Definition and Calculation of KPIs

The KPIs to be disclosed regarding eligible and aligned activities with the taxonomy have been calculated based on the accounting policies applied in the consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS).

Total Turnover

The KPI indicators for turnover represent the proportion of net turnover derived from products or services that are eligible for the taxonomy and the proportion derived from products or services that are aligned with the taxonomy.

Taxonomy Eligibility: All sales derived from our Tubes segment were considered eligible for taxonomy.

Capital Expenditures

The Group defines capital expenditures as cash purchases of tangible assets, as well as intangible assets. The capital expenditures of the parent company in 2025 were RON 116,639,291 (2024: RON 115,522,227) and had as their main destination the investment projects for the Slatina Work Point, the billet cutting complex in Section no. 1 ASSEL, the Reducer Cages Rayonating Machine – ASSEL and at the Resita work point the start of the construction of a new access road to the plant, for trucks transporting raw materials. Investment expenses were also made, IT equipment, repairs capitalized in the value of tangible assets, equipment to ensure the increase of the added value of products, modernizations and new equipment to reduce the energy costs of production plants, to increase the dimensional range of products, to comply with environmental regulations as well as to increase the degree of labor protection of employees and other equipment necessary for operational safety.

Social Responsibility (ESRS S1 - S4)

Development and Diversity of Human Resources (ESRS S1-1 – S1-9)

In the context of continuous optimization of operational processes and adaptation to new technologies, the evolution of human resources represents an essential indicator of organizational stability and performance. In 2025, ARTROM STEEL TUBES recorded a workforce of 1,997 employees, representing a decrease of 5.16% compared to 2024, as a result of the implementation of automation processes within the production flows. Despite this reduction in personnel, the level of employee turnover remained relatively low, reflecting a high degree of workforce stability and a trend toward strengthening loyalty to the organization, as well as the effectiveness of human resources policies oriented toward retention.

Indicators	2025
Total number of employees	1997
with permanent contracts	1689
with fixed-term contracts	308

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with part-time contracts	3
with full-time contracts	1994
Number of female employees	285
Number of male employees	1712
Number of new employees	179
Number of employees who left	262
Number of female employees	22
Number of male employees	157
Proportion of women in total hires	12,29%
Number of women in management positions	6
Number of men in management positions	13
Proportion of women in management positions	31,58%
Number of persons with disabilities	18

The structure of individual employment contracts, reported according to their duration and correlated with the age categories of employees within the company, is presented as follows:

Period	Fixed - Term						Permanent					
Age	< 30		30-50		50 <		< 30		30-50		50 <	
	Num-ber	Per-cent-age	Num-ber	Per-cent-age	Num-ber	Per-cent-age	Num-ber	Per-cent-age	Num-ber	Percent-age	Num-ber	Per-cent-age
ARTROM STEEL TUBES Headquarter Slatina	32	2,31%	92	6,65%	85	6,14%	50	3,61%	489	35,33%	636	45,96 %
ARTROM STEEL TUBES working point Reșița	11	1.79%	45	7.34%	43	7.01%	15	2,45%	315	51.39%	184	30.02%

The double materiality analysis conducted by ARTROM STEEL TUBES highlighted a series of significant impacts on the workforce, with direct implications for health status, occupational safety, the level of employee motivation and productivity, as well as the overall performance of the organization. In an economic and social context undergoing continuous transformation, ensuring adequate working conditions – including compliance with the highest health and safety standards, a balanced working schedule, competitive remuneration

policies and a stable organizational climate – represents essential factors for attracting, motivating and retaining qualified personnel.

ARTROM STEEL TUBES reaffirms its commitment to creating and maintaining a safe, fair and mutually respectful working environment by promoting open and transparent social dialogue, respecting freedom of association and supporting collective bargaining as fundamental instruments for strengthening relationships of trust and cooperation between employees and management.

At the same time, continuous investments in professional training programs and skills development are treated as a strategic priority, aiming to increase workforce adaptability, support individual and organizational performance, and prepare employees to cope with technological changes and the future requirements of the labor market.

At the same time, ARTROM STEEL TUBES actively promotes the principles of equal opportunities, diversity and inclusion, with a particular focus on gender equality, recognizing that valuing diverse perspectives and experiences contributes to fostering innovation, improving the decision-making process and increasing the organization’s capacity to adapt in a competitive environment.

The gender distribution of employees, namely the share of women and men, is presented in summary form in the table below.

	Fixed - Term			Permanent	
		Nr.	%	Nr.	%
ARTROM STEEL TUBES Headquarter Slatina					
	WOMEN	23	1,66%	198	14,31%
	MEN	186	13,44%	977	70,59%
	TOTAL	209	15,10%	1175	84,90%
ARTROM STEEL TUBES working point Reșița		14	2%	50	8%
	WOMEN				
	MEN	85	14%	464	76%
	TOTAL	99	16%	514	84%

S1-1 Policies related to own workforce

Also in 2025, ARTROM STEEL TUBES carried out its activities based on a firm commitment to ensuring a safe, fair and respectful working environment for all employees. Internal policies and practices are designed to support the professional development, well-being and engagement of employees, in full compliance with applicable legislation and relevant international standards.

Human resources practices

Recruitment, selection and promotion processes are transparent and based exclusively on objective criteria – competencies, qualifications and professional experience. The company applies the principle of equal treatment and non-discrimination in all stages of the employment relationship, promoting relationships built on mutual respect and long-term collaboration.

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The remuneration and benefits system aim to ensure internal equity and the recognition of performance. The benefits package is competitive and adapted to the specifics of the industry, including both salary components and non-salary benefits intended to support the health and personal well-being of employees.

Development and well-being

The company continuously invests in the professional development of employees through annual training programs that cover both technical competencies and leadership and management skills. At the same time, measures that support the balance between professional and personal life are promoted, contributing to a healthy and sustainable working environment.

Social dialogue and organizational climate

The relationship between management and employees is based on open dialogue, continuous communication and active involvement. The participative management style facilitates the expression of opinions and the constructive resolution of potential disagreements. The absence of collective labor conflicts in recent years reflects the stability of labor relations and the effectiveness of internal dialogue mechanisms.

Diversity, inclusion and prevention of social risks

ARTROM STEEL TUBES promotes a diverse and inclusive working environment, free from any form of discrimination or abuse. Internal policies cover the prevention of discrimination, forced labor, child labor and any practices incompatible with ethical and legal standards, both within the organization and across the supply chain.

Occupational health and safety

Protecting the health and safety of employees, contractors and visitors represents a permanent priority. The occupational health and safety management system includes clear objectives, defined responsibilities and preventive measures aimed at reducing the risks of accidents and occupational illnesses.

Governance, communication and monitoring

Internal policies are developed by the specialized structures, reviewed within the integrated management system and approved by the executive management. They are communicated to all employees through internal channels and integrated into the onboarding process for new employees.

Alignment with relevant international standards in the field of human rights and labor is monitored through clearly assigned responsibilities at management level, training programs, updated internal records and functional mechanisms for handling complaints.

Through these practices, the company aims to maintain a safe, fair and responsible working environment, aligned with current sustainability and corporate governance requirements.

S1-2 Processes for engaging with own workforce and workers’ representatives about impacts

Governance of dialogue with the workforce

Collaboration with the company’s own workforce and workers’ representatives is coordinated by a multidisciplinary team that brings together expertise from the areas of human resources, production, occupational health and safety, procurement, finance and other relevant functions. To strengthen the internal capacity for dialogue,

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members of this structure periodically benefit from training in areas such as effective communication, conflict management and sustainability.

Through this framework, the management of ARTROM STEEL TUBES ensures a structured and open dialogue with trade union organizations and responds to requests regarding the negotiation of employees’ rights and obligations.

Forms and frequency of collaboration

Dialogue with employees and their representatives takes place regularly, on specific occasions or whenever necessary from an operational or legal perspective. This includes both formal mechanisms, such as the periodic meetings of the Occupational Health and Safety Committee and recurring collective bargaining processes.

The three trade union organizations within the company initiate annually the negotiation of the Collective Labor Agreement, the provisions of which apply to all employees, regardless of trade union membership. Within these processes, measures regarding working conditions and social and environmental impacts are identified and assessed, and the results of the consultations are integrated into organizational decisions.

Methods of engagement

- The type of collaboration is adapted to the complexity and impact of each initiative:
- information and consultation for changes to internal policies;
 - consultation in situations with major operational impact;
 - active participation in mixed working groups, where employees contribute directly to solutions and decisions.

This flexible approach enables genuine and effective involvement of the workforce.

Rights, benefits and active involvement

Under the Collective Labor Agreement, employees benefit from an extended package of rights and benefits, which include salary and non-salary components, social protection measures, facilities for health and mobility, as well as paid leave for personal or family events.

At the same time, the company encourages the direct involvement of employees in improving activities. An internal system for collecting ideas allows proposals to be submitted from all areas of activity, and each year an initiative dedicated to innovation and process efficiency is organized, with a focus on youth involvement, production modernization, digitalization and sustainable practices.

Communication and continuous adaptation

To support informed participation, internal communication is adapted to the various categories of employees, using clear, concise and accessible channels and formats. Through the constant monitoring of feedback, the company seeks to ensure that collaboration policies and practices are effectively implemented and adjusted according to the real needs of the workforce.

The choice of the collaboration method depends on the complexity and impact of the project on employees.

In 2025, the unionization rate within the three trade unions of ARTROM STEEL TUBES S.A. was 96%.

At the end of 2025, the meeting between the three trade unions and the management resulted in the annual negotiation and signing of an addendum to the Collective Labor Agreement regarding collective salary increases and other employees’ rights applicable starting from 01.01.2026.

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S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns

To facilitate the expression of opinions and the reporting of potential irregularities, the company has implemented clear and accessible internal mechanisms for submitting and resolving complaints. These cover aspects such as ethics, conflicts of interest, harassment, equal treatment and the protection of personal data.

The procedures ensure the prompt and confidential handling of reports and contribute to maintaining a climate based on trust, transparency and respect for the fundamental rights of employees, in accordance with applicable legislation and relevant international standards.

S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and opportunities related to own workforce, and the effectiveness of those actions and approaches

Information regarding the measures adopted to manage material impacts, mitigate risks and capitalize on relevant opportunities related to own workforce, as well as the evaluation of the effectiveness of these actions, are integrated into the section dedicated to material impacts, risks and opportunities.

S1-5 Targets related to managing material impacts, promoting positive impacts, and managing material risks and opportunities

The targets established for managing material impacts, strengthening positive effects and managing relevant risks and opportunities are presented within the integrated analysis of impacts, risks and opportunities, reflecting how they support the organization’s strategic direction.

S1-6 Characteristics of the undertaking’s employees

The number of employees within the ARTROM Group as of 31 December 2025 is 2,017 employees, distributed as follows,

- ARTROM STEEL TUBES has 1,997 employees, of which 1,384 are employed at the headquarter SLATINA and 613 are employed at the working point REȘIȚA;
- ARTROM ITALIA has 8 employees,
- ARTROM USA LLC has 4 employees,
- has ARTROM Deutschland GmbH has 8 employees.

Artrom Group	Artrom Steel Tubes		Artrom Italia	Artrom USA LLC	Artrom Deutsch-land GmbH
Gender	Headquarter Slat-ina	Working Point Reșița			
Male	1.163	549	2	2	4
Female	221	64	6	2	4
Other	0	0	0	0	0
Not declared	0	0	0	0	0
Total employees	1.384	613	8	4	8

Reporting period: 01.01.2025-31.12.2025 Artrom Steel Tubes Headquarter Slatina					
	Male	Female	Other	Not declared	Total
Number of employees	1.163	221	0	0	1.384
Number of permanent employees	1.163	221	0	0	1.384
Number of temporary employees	0	0	0	0	0
Number of employees with non-guaranteed working hours	0	0	0	0	0
Number of full-time employees	1.162	220	0	0	1.382
Number of part-time employees	1	1	0	0	2

Reproting period: 01.01.2025-31.12.2025 Artrom Steel Tubes working point Reșița					
	Male	Female	Other	Not declared	Total
Number of employees	549	64	0	0	613
Number of permanent employees	549	64	0	0	613
Number of temporary employees (internship)	0	0	0	0	0
Number of employees with non-guaranteed working hours	0	0	0	0	0
Number of full-time employees	548	64	0	0	612
Number of part-time employees (internship)	1	0	0	0	1



ARTROM STEEL TUBES S.A.

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 EUID: ROONRC.J1991000009283; J1991000009283; VAT No. RO 1510210/1992
 Subscribed and Paid Share Capital: 1.276.594.955,68 lei

Employee turnover rate during 2025

Employee turnover – FIRST HALF OF 2025

2025		January	February	March	April	May	June
Artrom Steel Tubes Head-quarter Slatina	Number of departures	11	16	13	14	13	11
	Employee turnover rate %	0.80%	1.17%	0.95%	1.03%	0.96%	0.81%
Artrom Steel Tubes Working Point Resita	Number of departures	22	8	16	8	11	7
	Employee turnover rate %	3,36%	1,25%	2,54%	1,29%	1,80%	1,14%

Employee turnover – SECOND HALF OF 2025

2025		July	August	September	October	November	December
Artrom Steel Tubes Head-quarter Slatina	Number of departures	13	9	12	14	11	17
	Employee turnover rate %	0.97%	0.66%	0.89%	1.03%	0.81%	1.25%
Artrom Steel Tubes Working Point Resita	Number of departures	7	9	5	3	3	9
	Employee turnover rate %	1,13%	1,46%	0,81%	0,49%	0,49%	1,46%

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Number of employees with fixed-term and permanent contracts

PERIOD	FIXED TERM						PERMANENT					
AGE	< 30		30-50		50 <		< 30		30-50		50 <	
	Num- ber	per- cent- age	Num- ber	per- cent- age	Num- ber	per- cent- age	Num- ber	per- cent- age	Num- ber	percent- age	Num- ber	percent- age
ARTROM STEEL TUBES Headquar- ter Slatina	32	2,31%	92	6,65%	85	6,14%	50	3,61%	489	35,33%	636	45,96%
ARTROM STEEL TUBES Working Point Reșița	11	1.79%	45	7.34%	43	7.01%	15	2,45%	315	51.39%	184	30.02%

ARTROM STEEL TUBES	Fixed term			Permanent	
		No.	%	No.	%
ARTROM STEEL TUBES Headquarter Slatina	WOMEN	23	1,66%	198	14,31%
	MEN	186	13,44%	977	70,59%
	TOTAL	209	15,10%	1175	84,90%
ARTROM STEEL TUBES Working Point Reșița	WOMEN	14	2%	50	8%
	MEN	85	14%	464	76%
	TOTAL	99	16%	514	84%

The structure of employees who left in 2025, from the perspective of gender differentiation, is as follows:

Gender	Women		Men	
ARTROM STEEL TUBES	Number	Percent- age	Number	Percentage
ARTROM STEEL TUBES Headquarter Slatina	20	7,63%	134	51,15%
ARTROM STEEL TUBES Working point Reșița	28	10,68%	80	30,53%
total	48	18,32%	214	81,68%

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REASON FOR LEAVING	EMPLOYEE REQUEST	DEATH	DISCIPLINARY	EXPIRY OF FIXED-TERM EMPLOYMENT CONTRACT	RETIREMENT	DISMISSAL AND PROBATION PERIOD
ARTROM STEEL TUBES Headquarter Slatina	57	3	7	27	51	9
ARTROM STEEL TUBES Working Point Reșița	24	3	6	34	24	17

S1-7 Characteristics of non-employee workers in the undertaking's own workforce

Not applicable.

S1-8 Collective bargaining coverage and social dialogue

These aspects have been addressed in section S1-2.

S1-9 Diversity indicators

Within the management of ARTROM STEEL TUBES S.A., there are no minority or vulnerable groups.

Working conditions and health (ESRS S1-10 – S1-17)

S1-10 Adequate wages

The current remuneration framework of ARTROM STEEL TUBES is based on principles of equity, transparency and responsibility, with the primary objective of attracting, motivating and retaining employees. The company ensures equal pay for work of equal value and applies firm measures to prevent any form of discrimination, regardless of sex, age, sexual orientation, genetic characteristics, nationality, race, ethnicity, religion, political opinions or disability.

In the context of aligning national legislation with the European framework, Romania adopted Law No. 283/2024, applicable from 17 November 2024, through which Directive (EU) 2022/2041 on adequate minimum wages was transposed. ARTROM STEEL TUBES complies with this legal framework and continuously adapts its salary policies to ensure a level of remuneration aligned both with legal requirements and with economic and social developments.

The remuneration structure within the company includes, in addition to the base salary, other salary and non-salary components such as bonuses, allowances and benefits (meal vouchers, guaranteed holiday vouchers, private health insurance), granted in accordance with applicable legislation and internal policies. The gross minimum wage guaranteed for payment is established annually at national level by Government decision, and at the level of ARTROM STEEL TUBES it is subject to periodic analysis and negotiations,

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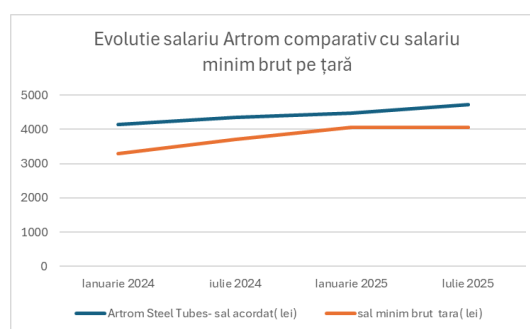
taking into account indicators such as the inflation rate, labor market conditions and dialogue with social partners.

Compared to January 2024, the minimum salary granted by the company increased by approximately 8.1% by January 2025, while for the period July 2024 – July 2025 the increase was approximately 8.7%.

The comparative analysis with the national gross minimum wage shows that the salary level applied by ARTROM STEEL TUBES has consistently remained above the legal minimum threshold. Thus, in January 2024 the minimum salary granted by the company was approximately 25.5% higher than the national minimum wage; the difference was 17.5% in July 2024, 10.6% in January 2025 and 16.7% in July 2025. These differences reflect the company's commitment to ensuring competitive salary conditions and supporting employees' purchasing power.

By maintaining a salary level above the national minimum and through periodic salary adjustments, ARTROM STEEL TUBES contributes to increasing the attractiveness of its jobs, ensuring workforce stability and strengthening long-term organizational performance.

Date	Artrom Steel Tubes – salary granted (lei)	National gross minimum wage (lei)
January 2024	4141	3300
July 2024	4348	3700
January 2025	4478	4050
July 2025	4728	4050



In the case of ARTROM STEEL TUBES employees carrying out their activity in Italy and Germany, salary levels are established in accordance with the minimum remuneration requirements applicable at European level, ensuring compliance with local legal standards and maintaining a fair standard of living. This approach enables the company to remain competitive on international labor markets and to ensure fair salary conditions for its personnel.

For operations carried out in the United States of America, the remuneration policy is aligned with the specific legislative framework, in particular the provisions of the Fair Labor Standards Act (FLSA), which regulates the federal minimum wage and overtime pay. By complying with these regulations, the company guarantees the protection of employees' rights and ensures fair working conditions in accordance with the applicable legislation.

S1-11 Social protection

Within ARTROM STEEL TUBES, every employee carrying out professional activity benefits from working conditions appropriate to the nature of the activity, social protection measures, occupational health and safety protection, as well as respect for dignity, integrity and personal conscience, without any form of discrimination.

The social protection provided by the company includes a set of measures aimed at ensuring access to medical services and providing financial support in difficult life situations, such as temporary loss of

employment, the birth or adoption of a child, the death of a family member, family emergency situations or temporary incapacity for work.

Access to medical services:

The company ensures employees' access to first-response medical services through qualified personnel within medical offices equipped with modern equipment, serving the units in Slatina and Reșița.

Occupational health services are carried out by the company in collaboration with external partner medical offices. Their main objective is to protect employees' health, prevent occupational accidents and occupational diseases, conduct medical examinations at hiring and during the employment relationship, monitor workplace hygiene conditions, and develop and implement measures for the continuous improvement of the working environment.

In addition to internal medical services, the company provides employees with access to private health insurance, which allows the use of a wide range of medical services such as consultations, laboratory tests, investigations, treatments and surgical interventions. This benefit provides employees with security and financial protection in the event of unforeseen medical situations.

The company also provides employees with life insurance, which ensures financial support in situations where the employee faces serious illness or accidents resulting in permanent total or partial disability, thereby contributing to maintaining financial stability during periods of incapacity for work

Social assistance and benefits:

ARTROM STEEL TUBES annually allocates financial resources for granting social benefits and assistance, with the aim of directly supporting employees' well-being and contributing to the improvement of social conditions.

The main forms of support provided include:

- Retirement allowance, granted to employees who retire, regardless of the type of pension, the amount being determined according to the length of service within the company.
- Social assistance for the birth or adoption of a child, intended to support the employee parent in covering expenses related to childcare.
- Death allowance granted either to the employee in the event of the death of a family member, or to the employee's family in the event of the employee's death.
- Financial support in the event of work accidents resulting in Grade I or II disability, intended to cover expenses necessary for care and recovery.
- Career's leave, granted to employees in order to provide care or personal support to a relative or to a person living in the same household in cases of serious medical conditions, for a duration of up to 5 working days per year, this leave being paid by the company.
- Technical unemployment allowance, granted to employees in situations of temporary reduction or suspension of activity, amounting to at least 75% of the base salary corresponding to the occupied position.
- Protective measures in the case of collective dismissals, provided for in the collective labor agreement in the form of compensatory salaries, although the company has not applied such measures to date.
- Compensatory salaries in the case of position abolishment, granted to employees whose contracts terminate for reasons not related to their person, in order to reduce the social impact of dismissal.

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Through the set of measures implemented, ARTROM STEEL TUBES demonstrates a constant commitment to protecting the health and safety of its employees, as well as to ensuring a fair and inclusive working environment. Social protection policies, extended access to medical services and the benefits granted to employees contribute to improving their well-being, strengthening professional stability and developing a responsible organizational culture. Continuous investment in people represents an essential pillar of the company's sustainability and a determining factor for its long-term performance and development.

S1-12 – Persons with disabilities in the undertaking's own workforce

ARTROM STEEL TUBES carries out its activities in accordance with high standards of conduct, values and ethical principles, with the primary objective of ensuring a safe, respectful and inclusive working environment for all employees. In this regard, the company applies a zero-tolerance policy toward any form of discrimination in the workplace, promoting equal treatment and respect for the dignity of every individual.

Employee well-being represents a strategic priority and a central element of the organizational culture, reflected in the company's decisions and actions. The company recognizes the importance of creating a fair working environment that supports the professional and personal development of employees and ensures equal conditions for participation for all.

In accordance with applicable legislation, the company defines a person with a disability as an individual who has long-term physical, mental, intellectual or sensory impairments which, in interaction with various barriers, may limit their full and effective participation in society on an equal basis with others. In this context, the company has implemented a policy dedicated to equal opportunities, applicable to all employees regardless of their individual characteristics.

The company promotes the inclusion of people with disabilities and ensures their integration into professional activity in accordance with the law, depending on professional qualifications and the physical and intellectual capacity of everyone, on the basis of an individual employment contract. At present, 18 people with disabilities are employed within the company, representing 0.9% of the total number of employees.

ARTROM STEEL TUBES Headquarter Slatina	<30 years	30-50 years	50< years	total
Women	0	1	3	4
Men	2	1	9	12
ARTROM STEEL TUBES working point Reșița	<30 years	30-50 years	50< years	total
Women	0	0	1	1
Men	0	1	0	1

S1-13 – Indicatori de formare și de dezvoltare a competențelor

The professional performance evaluation process is implemented across the entire organization and applies to all employees, in accordance with the responsibilities and requirements of each position. The

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company considers human resources to be a strategic factor, essential for efficient operations, performance growth and the achievement of long-term development objectives.

Individual performance evaluation is conducted annually and represents a key instrument for assessing the degree of achievement of professional objectives, as well as each employee's contribution to the fulfilment of organizational objectives. This process includes the continuous monitoring of results, the identification of professional development needs and the analysis of potential difficulties encountered, with the aim of improving both individual and collective performance.

The main objective of the evaluation is to strengthen the company's performance through the fair and transparent assessment of professional results, as well as through the development of employees' competencies. The evaluation of each employee is carried out at least once a year, in compliance with the applicable legal framework and the internal procedures approved at company level.

ARTROM STEEL TUBES continuously invests in the training and professional development of its employees, recognizing their role as the main driver of performance and innovation. Creating and maintaining a competent team contributes to the optimization of internal processes, the stimulation of innovative initiatives and the development of an efficient and inclusive working environment.

In order to support performance and innovation, the company implements structured integration programs for new employees, promoting inclusion, diversity and the development of young talent. At the same time, the Equity, Diversity and Inclusion Policy is applied, reflecting the organization's commitment to the professional development of each employee and to the creation of a fair and responsible working environment.

Skills development and continuous professional training represent strategic priorities for the company, having a direct impact on its sustainability and competitiveness. In this regard, both continuous training programs for employees and initiatives aimed at attracting new talent through partnerships with higher education and pre-university institutions are carried out. These collaborations aim to develop a pool of qualified specialists prepared to meet the current and future demands of the labor market.

In 2025, the company actively participated in events organized by higher education institutions, addressed to future generations of technically qualified personnel, promoting opportunities for practical training placements and internship programs. In addition, partnerships with pre-university educational institutions aimed at preparing students in essential technical professions, such as electricians, mechanics and CNC operators, who benefited from practical training placements carried out under the guidance of the company's specialists.

Personnel training expenses – comparison 2025 vs 2024

Year	Amount(lei)
2025	1,016,892
2024	788,208

Occupational health and safety represent a major priority for the company and are ensured through the periodic training of employees regarding occupational safety regulations, in accordance with legal requirements and the specific nature of the activities carried out. Each employee benefits from monthly training sessions aimed at preventing occupational risks and ensuring that activities are carried out under safe conditions.

In 2025, all employees participated in internal training sessions addressing technological changes, revisions of operational procedures and updates regarding applicable legislative developments. These activities contributed to strengthening an organizational culture oriented towards safety, responsibility and compliance.

The company attaches particular importance to the development of professional competencies, with continuous training being considered an essential element for improving performance and achieving strategic objectives. In this context, the value of investments in training and professional development increased by 29% compared to the previous year, reflecting the company's commitment to continuously invest in people and in the development of human capital.

Metallurgical Plant – Slatina			
No.	Workplace	Date	Number of persons present
1.	WS REPairings and Utilities, mechanical repair team of CPE WS	20.11.2025	3
2.	COLD WS, Finishing line team, shift A	03.03.2025	3
3.	CPE WS (Work shop); SDV (Scule, Dispozitive, Verificatoare) - Tools, Devices, Testers - Tools preparation team	19.03.2025	4
4.	WS of quality control and product testing: Laboratories; Sample Preparation Area	07.02.2025	3
5.	WS REPairings and Utilities; Pumps and Compressors Team	26.02.2025	4
6.	WS REPairings and Utilities; Electrical maintenance Team for ASSEL and CPE WSs	05.09.2025	4
Total employees – Slatina			21
Siderurgical Plant - Reșița			
No.	Workplace	Date	Number of persons present
1.	WS R1 Steel Shop and Continuous Casting Machine – Area of Steel Shop and Ladle preparation zone.	14.01.2025	8
2.	WS R3 Repairing and Utilities – Energy supply Area	04.02.2025	4
3.	Technological Transport and Logistics	26.02.2025	4
4.	WS R2 Raw Materials and Steel Materials Warehouse, Raw Materials Warehouse, Scrap Discharge Zone, Scrap Zone and RMSMW Area	11.04.2025	3
5.	Administrative Edile - Woodworking Area, Personal Protection Equipment Warehouse, Registry	29.05.2025	3

6.	WS R1 Steel Shop and Continuous Casting Machine – Finishing line Area	10.09.2025	5
7.	WS R3 REPairings and Utilities – Reparation Area – Assembly, Welding and Reconditioning of Slag Ladles, Reparation of Hydraulic & Transmission Fluid Zone.	13.10.2025	7
Total employees Reșița:			34
Total employees ARTROM STEEL TUBES S.A.:			55

Professional training programs focused in particular on the qualification and upskilling of technical staff for the professions of welder and computer numerical control (CNC) machine tool operator, which are essential for carrying out production activities. These programs combined theoretical training with practical instruction at the workplace, enabling employees to develop their technical competencies, operate modern equipment, comply with quality requirements and observe safety standards.

The qualifications of technical personnel generated benefits both for the company, through increased operational efficiency, improved process quality and reduced risks, and for employees, through professional development, enhanced competence levels and strengthened job stability.

S1-14 – Health and safety metrics

Workers within ARTROM STEEL TUBES S.A. benefit from health surveillance through an external occupational health service, with the objective of preventing, detecting and monitoring occupational diseases and work-related illnesses, as well as maintaining employees' health and work capacity. The services include medical examinations at hiring, adaptation examinations, periodic examinations, examinations upon return to work, special medical surveillance and workplace health promotion activities.

In order to ensure compliance with applicable occupational health and safety legislation and to continuously improve working conditions, ARTROM STEEL TUBES S.A. carries out periodic internal inspections and plans system-type audits aimed at verifying compliance with internal regulations, procedures and work instructions, as well as with the applicable legal requirements in the field of occupational health and safety.

System-type audits – Metallurgical Production Plant – Slatina and Steel Production Plant – Reșița

During 2025, at the level of ARTROM STEEL TUBES S.A., no deaths caused by work-related accidents, occupational diseases or illnesses associated with the activities performed and exposure to specific workplace risk factors were recorded. Likewise, no other types of incidents unrelated to professional activity were reported.

Throughout the reporting period, no events or accidents occurring during work-related travel or during daily commuting between home and the workplace were recorded. At the same time, no injuries or illnesses associated with activities performed under remote working arrangements were reported.

Regarding mental health, no notifications were recorded concerning the occurrence of psychological conditions generated by professional activity. In addition, no reports were registered regarding health problems caused by factors not associated with professional activity, such as smoking, alcohol or prohibited substance consumption, sedentary lifestyle, inadequate nutrition or psychosocial factors outside the workplace environment.

Currently, two cases of occupational disease are reported at the level of the company.

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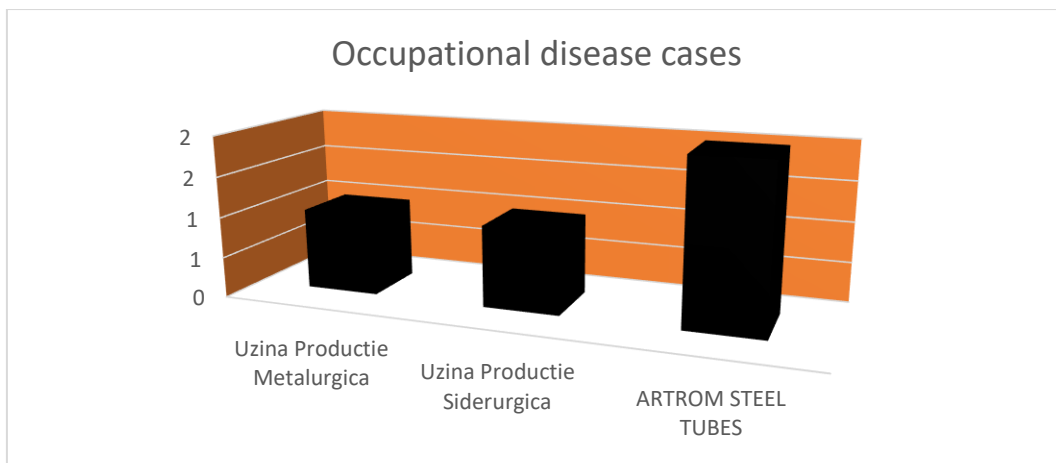
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Number of occupational disease cases – ARTROM STEEL TUBES

No.	Working point	Number of cases
1.	Metallurgical Production Plant	1 (classification decision issued by another employer)
2.	Steel Production Plant	1
3.	ARTROM STEEL TUBES - total	2

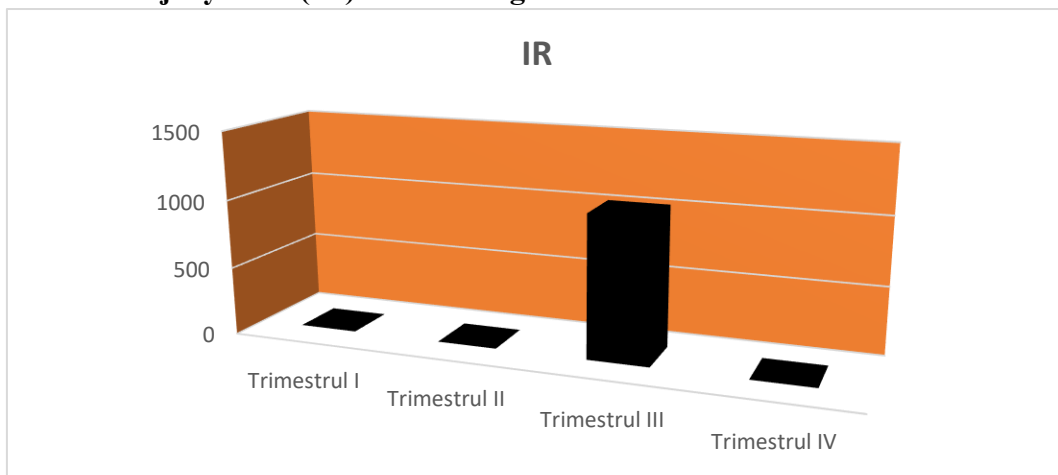


The rate of work-related injuries (for the two plants and the total at company level) is presented in the table below:

Table – Injury Rate (IR) and Lost Day Rate due to accidents (LDRI), Metallurgical Production Plant – Slatina

	IR	LDRI
Quarter I	0,342	9,944
Quarter II	0	0
Quarter III	1,036	51,122
Quarter IV	0,691	40,110

Injury Rate (IR) – Metallurgical Production Plant – Slatina



Lost Day Rate due to accidents (LDRI) – Metallurgical Production Plant – Slatina

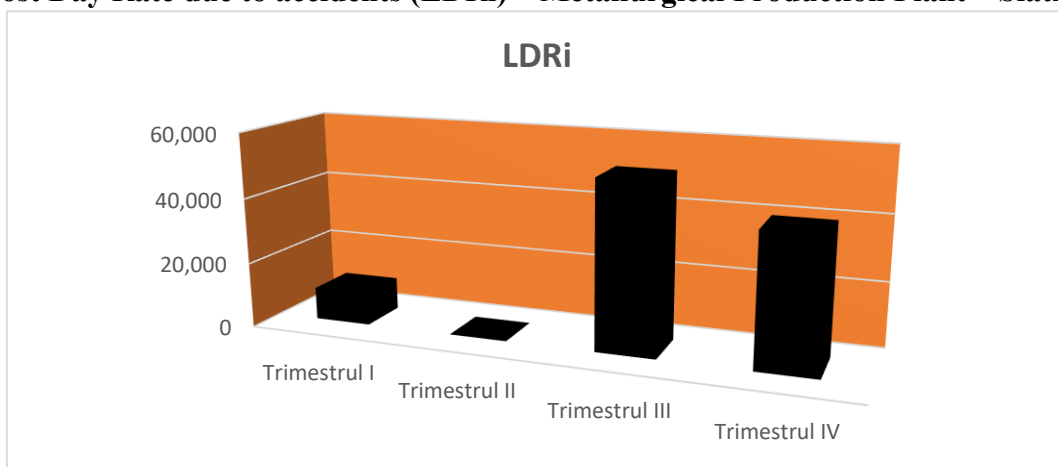
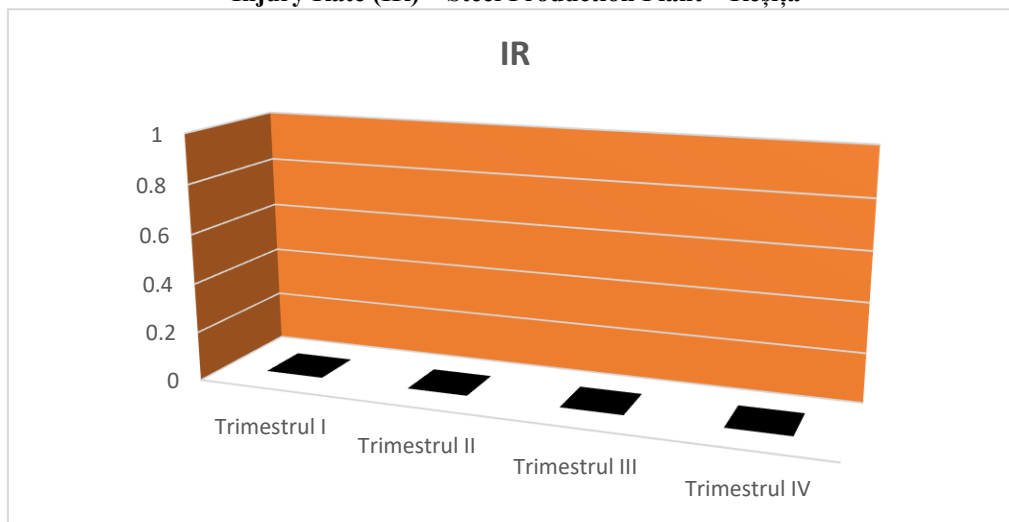
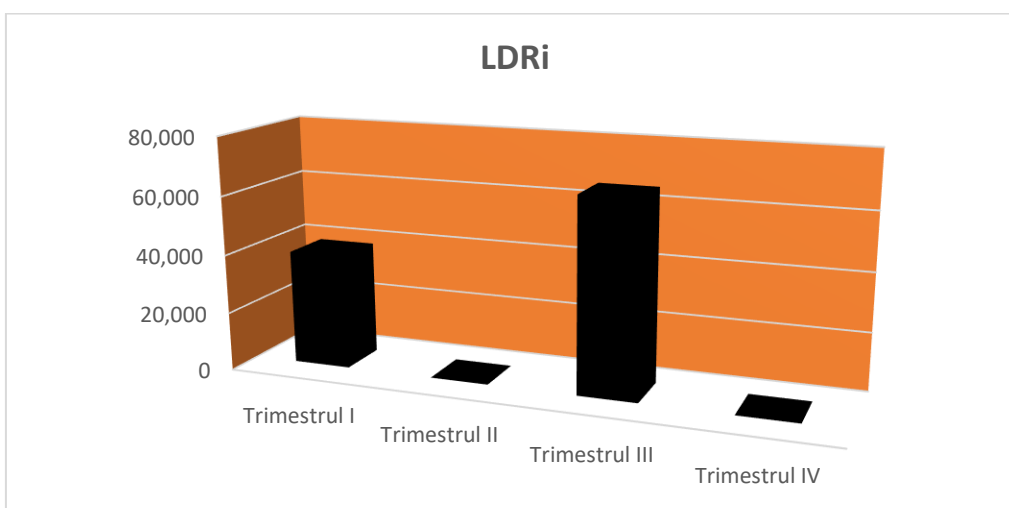


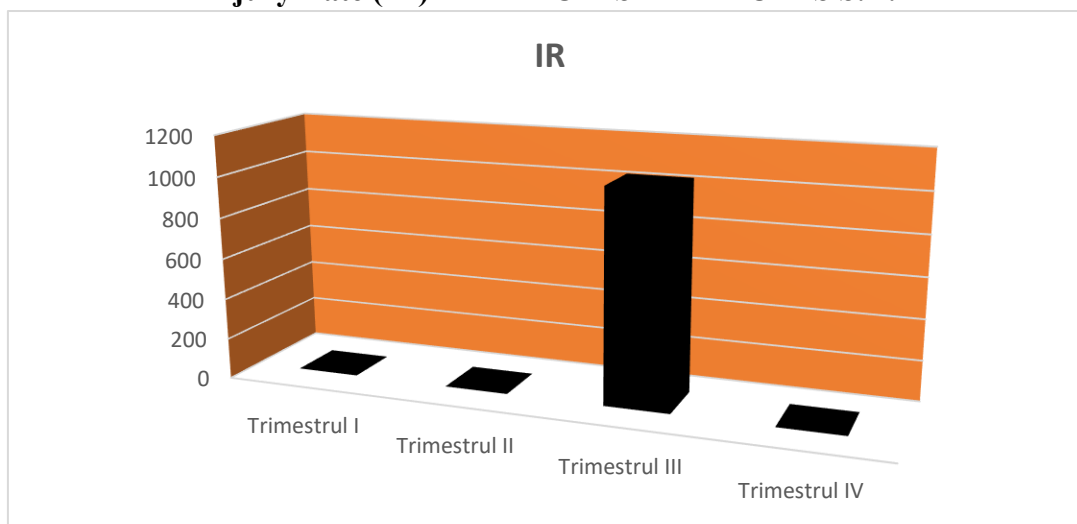
Table – Injury Rate (IR) and Lost Day Rate due to accidents (LDRI), Steel Production Plant – Reșița

	IR	LDRI
Quarter I	0,750	39,046
Quarter II	0	0
Quarter III	0,784	65,926
Quarter IV	0	0

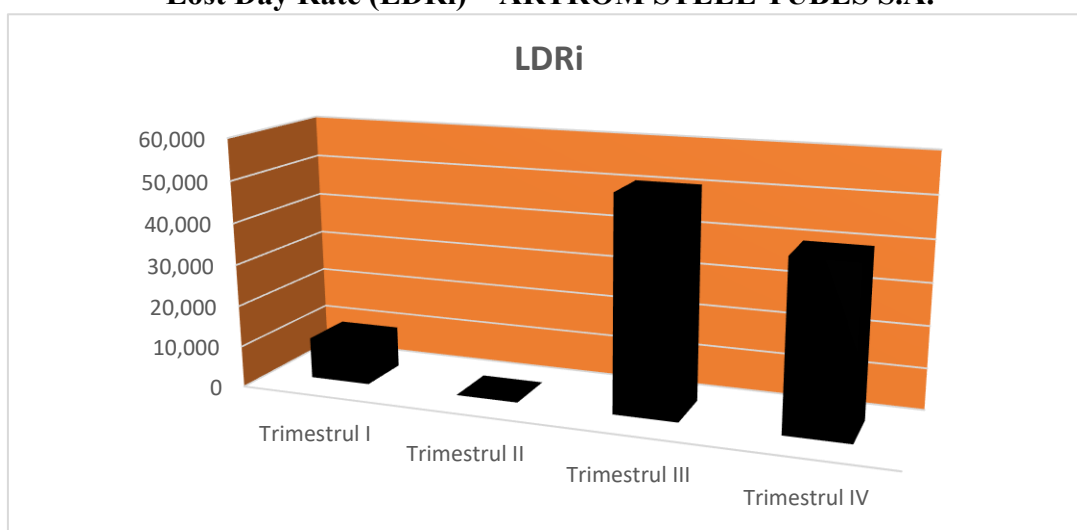
Injury Rate (IR) – Steel Production Plant – Reșița**Lost Day Rate due to accidents (LDRI) – Steel Production Plant – Reșița****Table – Injury Rate (IR) and Lost Day Rate due to accidents (LDRI) ARTROM STEEL TUBES S.A.**

	IR	LDRI
Quarter I	0,470	19,067
Quarter II	0	0
Quarter III	0,959	55,646
Quarter IV	0,488	28,304

Injury Rate (IR) – ARTROM STEEL TUBES S.A.



Lost Day Rate (LDRI) – ARTROM STEEL TUBES S.A.



The number of working days lost due to work-related accidents and occupational diseases is presented in the table below:

Table – Number of working days lost

	Work-related accidents	Occupational diseases
Metallurgical Production Plant – Slatina	293 days	18 days
Steel Production Plant – Reșița	136 days	0 days
ARTROM STEEL TUBES	429 days	18 days

Number of working days lost due to work-related accidents

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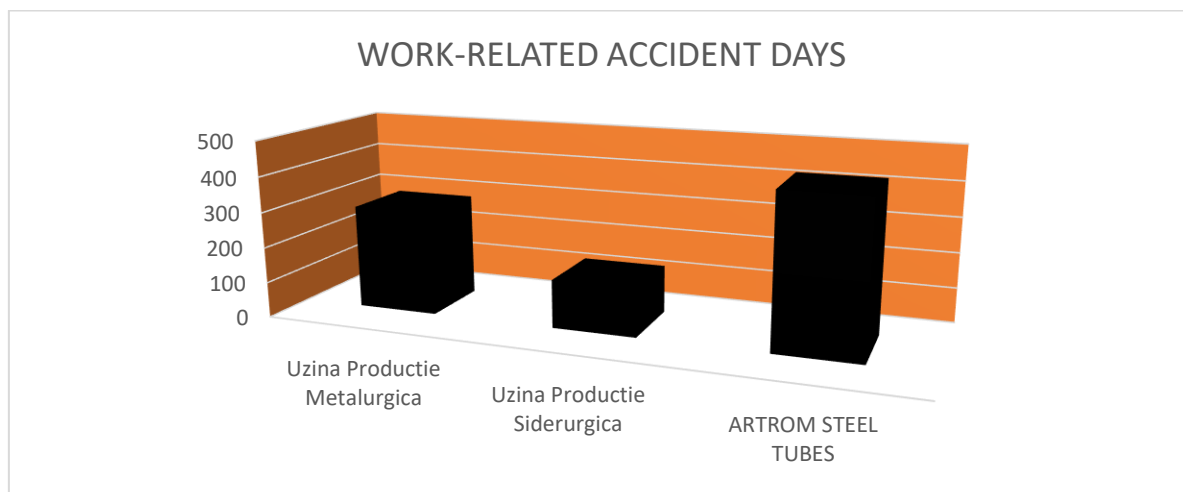
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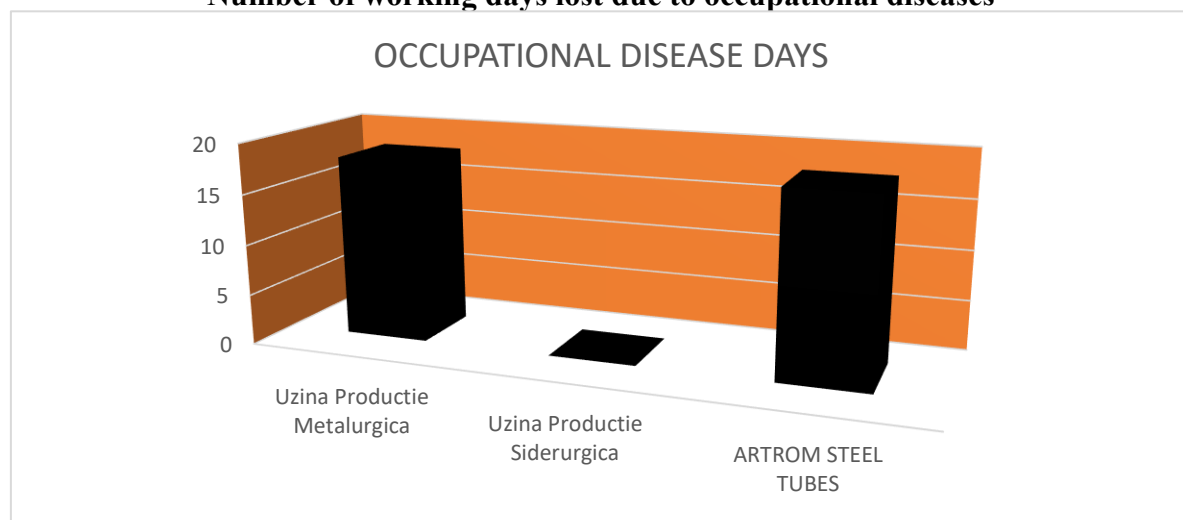
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Number of working days lost due to occupational diseases



S1-15 - Work-life balance

ARTROM considers the balance between professional and personal life an essential element of organizational culture and a key factor for the long-term well-being and performance of its employees. The company provides a working environment that supports both professional development and employees' personal and family needs.

Employees benefit from an annual paid leave of 28–30 working days, depending on seniority, as well as one paid day off on the occasion of their birthday. In addition, ARTROM fully applies the legal provisions regarding special leave (maternity, paternity, parental and care leave), justified absences for urgent family situations and the granting of additional days for employees in special circumstances.

The company recognizes the importance of significant moments in employees' personal lives and grants paid leave for family events, both for joyful occasions and for difficult situations, as well as additional facilities beyond legal requirements where applicable. Employees may also request unpaid leave to resolve personal matters, under clearly regulated conditions.

Through these measures, ARTROM aims to support employees' emotional balance and quality of life, contributing to a stable, motivating and sustainable working environment.

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S1-16 – Remuneration metrics (pay gap and total remuneration)

For ARTROM STEEL TUBES, the principle of equal pay for equal work represents a fundamental value. The implementation of fair internal salary structures, supported by job evaluation systems, contributes to fulfilling the company's commitment to prevent and eliminate any form of pay discrimination. The benefits policy includes an attractive and competitive remuneration package aligned with practices specific to the metallurgical industry. In addition to the base salary, the company places particular emphasis on rewarding performance through the annual granting of bonuses linked to the achievement of established objectives.

The internal framework, regulated through the internal regulations and the collective labour agreement at company level, in accordance with applicable national legislation, guarantees a transparent and non-discriminatory process for determining salaries and working conditions. At company level, differences are observed between the average gross salary of women and that of men, these being determined by the occupation of positions with different levels of complexity, regardless of gender.

The company promotes an inclusive working environment for all categories of employees, supporting fairness, diversity and equal opportunities in access to promotion. Through these practices, gender balance is encouraged, including at management level, contributing to the development of diverse and high-performing teams.

Indicators	Percentage
Male/Female salary ratio among administrative staff with higher education	9,73%
Male/Female salary ratio among operators	1,03%

For ARTROM STEEL TUBES, balancing professional and personal life represents a fundamental aspect. In this regard, the organization offers employees the possibility to benefit from flexible working arrangements, as well as personnel policies that allow activities to be carried out under remote working arrangements. These initiatives have had a positive impact on team continuity and have contributed to improving employee retention.

At the same time, all employees are protected through social protection mechanisms that ensure income stability, even in the event of significant personal or professional life events, such as medical conditions, accidents, retirement, childbirth or family loss.

S1-17 Incidents, complaints and severe human rights impacts

During the reporting period, no incidents, complaints or severe human rights violations related to the undertaking's own workforce were recorded.

Relationships with workers in the value chain (ESRS S2-1 – S2-5)

S2-1 Policies related to value chain workers

ARTROM STEEL TUBES S.A. addresses the respect for human rights and working conditions in the value chain as part of its commercial relationships and responsible supply management. The company seeks to prevent negative social impacts and reduce risks associated with workers in the value chain through internal policies, contractual clauses and supplier assessment processes, in accordance with applicable legislation and the requirements of the ESRS standards.

The company's approach in its relationship with the value chain focuses on preventing social risks from the supplier contracting stage.

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Commitments regarding ethical responsibility and respect for human rights are integrated into commercial contracts through provisions that prohibit forced labour and child labour, require compliance with labour legislation and ensure alignment with relevant international standards. Depending on the type of goods and services purchased, the company includes, where applicable, requirements regarding their origin and traceability, as well as compliance with applicable regulations related to minerals originating from conflict-affected areas.

S2-2 – Processes for engaging with value chain workers about impacts

Considering that workers in the value chain are not under the company's direct control, ARTROM addresses engagement on this topic through its relationships with suppliers and through supplier management processes. Engagement takes place at relevant stages of the commercial relationship, including during the supplier qualification and periodic evaluation process, as well as when clarifications are required regarding compliance with social requirements. The integration of social criteria within procurement processes contributes to reducing the risks of supply chain disruption and maintaining stable commercial relationships.

Through these processes, the company seeks to ensure that expectations regarding respect for human rights and working conditions are known and applied by its business partners. The frequency and depth of engagement are adapted depending on the nature of the goods and services supplied and the risk profile associated with suppliers.

S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns

ARTROM maintains internal mechanisms through which concerns or situations with potential social impact can be reported, including those related to the value chain. For this purpose, the general reporting channels made available by the company are used, applicable to all stakeholders, <https://www.artrom.com/ro/sistemul-de-raportare-a-incalcarilor/>.

Suppliers and business partners are informed about the company's expectations regarding ethical conduct and their obligation to notify any relevant situations. For the reporting year 2025, no complaints or cases requiring remediation in relation to workers in the value chain were recorded.

S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and opportunities

ARTROM's approach to managing impacts and risks associated with workers in the value chain is focused on prevention. The company integrates social and ethical responsibility criteria into procurement processes and supplier evaluations, and the results of these assessments are used to maintain or adjust commercial relationships depending on the situations identified.

Risk management also includes measures to reduce the risk of supply chain disruption, including through the geographical diversification of suppliers and the avoidance of cooperation with suppliers with uncertain legal status. The effectiveness of these measures is monitored through periodic evaluations and by integrating relevant risks into the company's Risk Register.

The assessments carried out for the 2025 reporting exercise did not identify any suppliers with high social risk within the value chain.

S2-5 – Targets related to managing material impacts, risks and opportunities related to value chain workers

For the 2025 reporting period, ARTROM has not established quantified and time-bound targets dedicated exclusively to workers in the value chain. The topic is managed through internal policies, contractual clauses, periodic supplier evaluations and by integrating relevant social risks into the company's overall risk management system.

Relationships with affected communities (ESRS S3-1 – S3-5)

S3-1 – Policies related to affected communities

ARTROM STEEL TUBES S.A. recognizes the impact of its operations on local communities and assumes responsibility for respecting and promoting fundamental human rights in its relationship with them. The company applies at group level a Human Rights Policy, which forms the basis of its approach to social responsibility and is aligned with relevant international standards and instruments, including the Universal Declaration of Human Rights, the principles of the International Labor Organization, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, the UN Convention on the Rights of the Child and the European Convention on Human Rights.

The policy is consistently applied across the company's activities and aims to prevent negative impacts on affected communities, promote open dialogue and maintain relationships based on transparency, respect and cooperation. For the 2025 reporting period, the company did not record any reported cases of human rights violations or significant negative impacts on local communities.

S3-2 – Processes for engaging with affected communities about impacts

ARTROM promotes an active and constructive relationship with the communities in which it operates, taking into account respect for local cultures, cultural heritage and specific traditions. The company contributes to the economic and social development of communities by supporting educational, cultural and social initiatives considered relevant for their long-term development.

A central element of collaboration with communities is the involvement in technical and vocational education, aimed at supporting the training of future generations of specialists. In this context, ARTROM runs practical training programs for students from technological high schools in local communities.

In 2025, a total of 48 students from the 9th and 10th grades participated in these programs. Among these students, for the 2024–2025 school year (January–June 2025), a total of 11 scholarships were granted: two scholarships for the top two students from the 9th grade and five scholarships for the top five students from the 10th grade. For the 2025–2026 school year, a total of 15 scholarships will be granted for the duration of the school months: two scholarships for the top two students from the 9th grade and five scholarships for the top five students from the 10th grade.

Thus, the total value of the scholarships paid during 2025 amounted to RON 42,800.

The company also continues to run internship programs dedicated to students from higher education institutions, offering opportunities to participate in relevant activities and projects under the guidance of company specialists. In 2025, the internship programs involved 11 students from the University of Craiova and the Polytechnic University of Bucharest.

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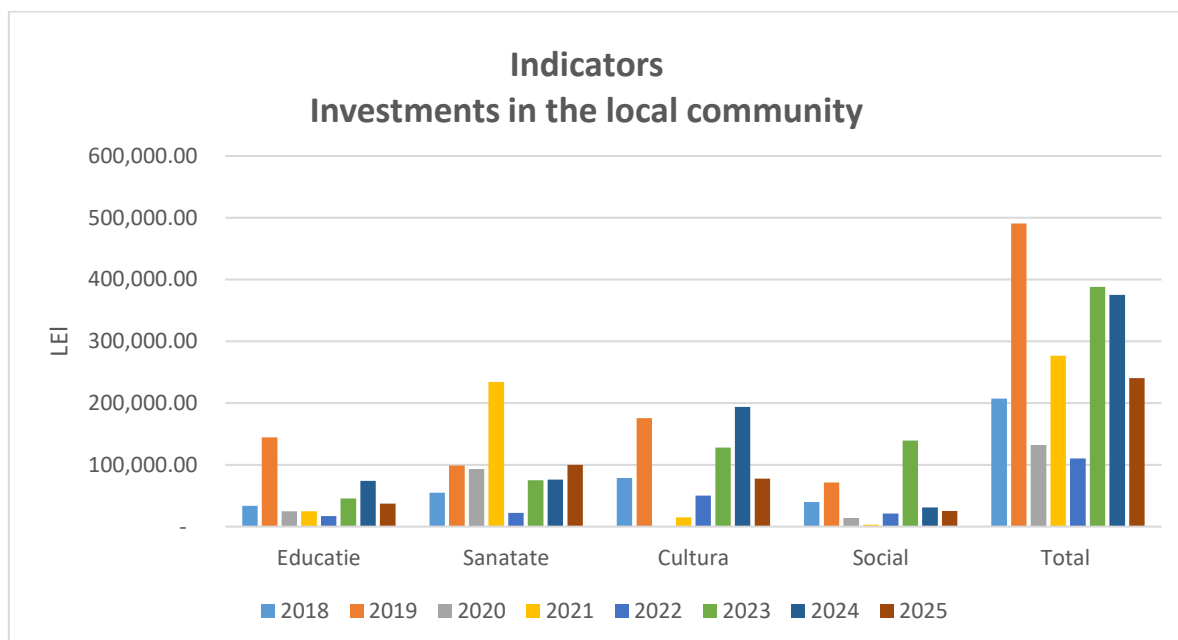
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ARTROM's involvement in the community also includes providing sponsorships to non-governmental organizations, public institutions and, where applicable, individuals, as well as supporting cultural and social events intended for the community and employees.

The total value of sponsorships and community engagement projects in 2025 amounted to RON 240,320.76, distributed across areas as follows:



S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns

ARTROM has established internal mechanisms through which local communities can submit complaints or concerns related to the impact of the company's activities. These mechanisms are integrated into the company's general communication and reporting channels and enable structured and transparent dialogue with stakeholders, <https://www.artrom.com/ro/sistemul-de-raportare-a-incalcarilor/>.

For the 2025 reporting period, the company did not receive any complaints regarding negative impacts on affected communities, either through the reporting channels or through direct interactions with local communities.

S3-4 – Taking action on material impacts on affected communities, and approaches to managing material risks and opportunities

ARTROM approaches the management of impacts on local communities in a preventive manner, through the periodic evaluation of its activities and the integration of social considerations into risk management processes. The company seeks to identify potential risks at an early stage and to adopt appropriate measures to prevent or reduce negative impacts.

At the same time, ARTROM leverages opportunities to contribute positively to community development through educational initiatives, social projects and sponsorship activities. For the 2025 reporting period,

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no social, economic or human rights-related issues or incidents were reported in the communities within the company's area of activity.

S3-5 – Targets related to managing material impacts, risks and opportunities related to affected communities

For the 2025 reporting period, ARTROM has not established quantified and time-bound targets dedicated exclusively to affected communities. The company's approach is based on maintaining and developing existing practical training, internship and sponsorship programmes, as well as on continuous involvement in projects with a positive impact on local communities, adapted according to the identified needs.

Consumers and end-users (ESRS S4-1 – S4-5)

S4-1 – Policies related to consumers and end-users

ARTROM STEEL TUBES S.A. applies policies and procedures that regulate the relationship with customers and end-users throughout the entire operational chain, with a focus on product safety, technical compliance and commercial transparency. The management of customer relationships is structured to ensure a coherent and responsible approach, from the quotation and contracting stage through to delivery and post-delivery services.

Internal processes address the analysis of customer requirements, including those related to delivery conditions and the intended use of products, as well as the requirements necessary to ensure product safety and performance, even in cases where certain aspects are not explicitly stated. In all cases, applicable regulations and legal requirements, as well as relevant technical standards, are taken into consideration.

For new products or for those involving modifications to the standard range, requests are subject to interdepartmental analyses aimed at validating technical and commercial compliance, identifying potential risks and ensuring that solutions are adapted to market requirements and the needs of end-users.

S4-2 – Processes for engaging with consumers and end-users about impacts

ARTROM maintains a framework for active engagement with consumers and end-users, focused on identifying and managing impacts associated with the products and services provided. Engagement is based on the continuous monitoring of feedback received through commercial interactions, direct communication with customers and the tools used to assess their satisfaction.

The information collected is analyzed in order to identify potential impacts on product safety, quality and use, as well as to assess compliance with applicable legal requirements and relevant standards. In situations where aspects requiring improvement are identified, the company adopts appropriate measures and communicates transparently with the affected customers.

Dialogue with consumers and end-users is supported through permanent communication channels that allow the transmission of observations and suggestions relevant to improving the products and services offered.

S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

ARTROM has implemented internal processes for identifying and remedying negative impacts that may arise in its relationship with consumers and end-users. These processes enable the prompt and structured handling of complaints, notifications or other situations that may affect product safety, quality or customer satisfaction.

Consumers and end-users may submit concerns and requests through the company's usual communication channels used within the commercial relationship. The information received is analysed by the responsible structures, and the measures adopted are tailored to each situation, with the objective of preventing the recurrence of similar issues.

For the 2025 reporting period, no significant incidents or situations generating confirmed negative impacts on consumers and end-users were recorded.

S4-4 – Taking action on material impacts and managing material risks and opportunities, including the effectiveness of those actions

ARTROM's approach to managing impacts on consumers and end-users is focused on prevention and control, through the integration of safety and compliance requirements into production and delivery processes. The company periodically analyses potential risks associated with the use of its products and implements measures to reduce them, including testing, verification and certification, where applicable.

The effectiveness of these measures is monitored through the analysis of customer feedback and by tracking product performance in use. The results of these evaluations are used to adjust internal processes and to support the continuous improvement of product quality and safety.

At the same time, the company seeks opportunities to improve the consumer experience, including by adapting the solutions offered to market requirements and by optimizing commercial interaction with end-users.

S4-5 – Targets related to managing material negative impacts, promoting positive impacts and managing material risks and opportunities

For the 2025 reporting period, ARTROM has not established quantified and time-bound targets dedicated exclusively to managing impacts on consumers and end-users. The management of this topic is carried out through internal policies, operational processes, monitoring of customer feedback and the integration of relevant risks into the company's overall risk management system.

Business conduct (ESRS G1)

Policies related to business conduct and corporate culture (ESRS G1-1)

G1-1 – Business conduct and corporate culture

ARTROM STEEL TUBES bases its long-term success on a responsible organizational culture grounded in ethics and respect for the rights of employees, customers and other stakeholders.

The Code of Ethics establishes the principles of professional conduct applicable at all levels of the organization, promoting transparency, mutual respect and responsibility. ARTROM STEEL TUBES expects all parties involved in professional or business relationships with the company to ensure compliance with applicable laws and to make every effort to protect the environment.

In order to maintain a responsible and sustainable corporate culture and to manage risks and opportunities related to business conduct, ARTROM STEEL TUBES has implemented a solid framework of corporate governance policies and procedures. These are periodically updated and widely communicated, being made available to employees through internal communication platforms.

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Responsibility for promoting and upholding the ethical culture lies with senior management, which integrates the principles of professional conduct into decision-making processes and the company's development strategy. In this way, it contributes to strengthening an organizational culture focused on performance and responsibility, reducing operational risks and creating sustainable long-term value.

Oversight and control functions (internal audit, the Compliance and Risk Management Committee) monitor the effectiveness of the governance framework, ethics policies and risk management processes. Their main responsibilities include:

- ◆ periodic evaluation of the effectiveness of the governance framework, anti-corruption policies and risk management processes;
- ◆ verification of compliance with internal policies and applicable legal requirements;
- ◆ independent reporting to the management and governing bodies of relevant findings, including non-compliances and recommendations for improvement.

Management of relationships with suppliers (ESRS G1-2)

In order to mitigate risks associated with the supply chain – including risks related to forced labour, human trafficking, violations of fundamental rights or corruption practices – ARTROM STEEL TUBES S.A. requires its suppliers to comply with the applicable legal framework, as well as with the company's internal rules and standards.

Procurement activities are regulated through internal procedures that establish a structured process for the evaluation, selection and continuous monitoring of suppliers. A first step in the contracting process is the evaluation and selection of suppliers, through which the technical and economic capability, the maturity of the management system and the commercial conditions of the potential partner are analysed in order to ensure compliance with contractual requirements.

The internal procedures PL-ACZ-02 "Supplier Evaluation and Selection" and PL-ME-10 "Procurement of non-standard spare parts and technological tools. Engagement of repairs and services with third parties" regulate the criteria and evaluation methodology applicable to suppliers and subcontractors for products, services and repairs related to the company's production facilities. The instrument used in this process is the General Supplier Evaluation Questionnaire, which assesses, among other aspects, the quality of materials potentially supplied, technical performance, commercial analysis, environmental responsibility, as well as the supplier's economic performance and capability.

The company also places particular emphasis on the Know Your Customer (KYC) process, applicable to both suppliers and customers, with the aim of preventing money laundering, financial fraud, identity theft and the financing of terrorism. The dedicated internal procedure establishes the steps required to clearly identify the beneficial owner, and partners are subject to periodic reassessments and analyses whenever necessary.

In addition, through procedure PL-ME-07 "Control of Service Providers' Activities", the company regulates the monitoring and control of activities carried out by service suppliers within its facilities. This includes supplementing contracts with specific clauses regarding environmental protection and occupational health and safety, as well as conducting periodic inspections to verify compliance with legal requirements in the fields of environment, ISCIR regulations, emergency situations and occupational health and safety.

Future outlook

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As procurement practices continue to evolve, the company aims to strengthen the integration of sustainability principles into the supplier selection process and the management of supplier relationships. The planned directions include promoting compliance with the company's internal Code of Conduct among business partners, integrating sustainability criteria into commercial evaluations, and progressively managing the carbon footprint associated with purchased goods and services. In this context, the company seeks to collaborate with suppliers in defining common objectives related to emissions reduction and the responsible use of resources, thereby contributing to climate change mitigation and to the development of a more sustainable value chain.

Prevention and detection of corruption and bribery, and reporting of incidents (ESRS G1-3, G1-4)

ARTROM STEEL TUBES has adopted and promotes a zero-tolerance policy towards corruption and bribery across all its operations. The prevention and combating of corruption and bribery constitute fundamental priorities within the company's corporate governance strategy. The company has implemented an internal control system that includes rigorous monitoring and verification measures to ensure compliance with anti-corruption legislation, both internally and in relation to its business partners.

Code of Ethics – a key document that guides the conduct of employees, management and external stakeholders. Combating corruption is one of the main topics addressed by the Code of Ethics, alongside areas such as conflicts of interest, the prevention of money laundering and terrorist financing, the policy on gifts and business hospitality, the policy on philanthropic activities, information security and the protection of personal data, among others.	
Internal Procedure on the Prevention and Reporting of Corruption – establishes the organization's core anti-corruption principles, as well as the measures for the prevention, detection and reporting of corruption-related acts.	Internal Procedure on Reporting Breaches of the Law – ensures a secure and confidential mechanism for reporting violations of legal provisions and ethical standards.
Regulation on Conflicts of Interest – establishes measures for the prevention, identification, management and resolution of conflicts of interest	Internal Procedure on Risk Management – establishes the methodology for identifying, assessing and managing risks and opportunities.

To protect the company's reputation and minimize corruption risks, ARTROM STEEL TUBES has adopted and implemented measures to integrate anti-corruption principles across all its operations:

- ❖ **External (customers, suppliers, service providers, partners, etc.)** – through specific contractual documentation that includes business ethics and anti-corruption clauses, the Sustainable Procurement Policy and Codes of Conduct applicable to business partners;

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❖ **Internal (employees)** – through training and professional development programs for employees, which include sessions addressing ethics and compliance aspects relevant to the industry in which the organisation operates. These training sessions target all company employees, including members of the Executive Committee and the Board of Directors. Training activities carried out during the past year focused on strengthening the culture of compliance through:

- raising awareness among new employees regarding the organizational culture and the appropriate response to unethical behavior, in accordance with the Training Plan for the onboarding of new employees;
- promoting reporting mechanisms for misconduct, ensuring confidentiality and protection against retaliation.

The Internal Audit supports the organization in preventing and combating corruption by independently identifying and assessing corruption risks, vulnerable functions and areas, detecting potential fraud and issuing recommendations to strengthen anti-corruption controls and enhance the culture of compliance. The Internal Audit Department periodically communicates to senior management and the Board of Directors the findings and results of audits regarding the effectiveness of governance, risk management and control processes, thereby supporting the company in achieving its strategic objectives and integrating ethics and compliance principles across all aspects of its activities.

Employees and other stakeholders are encouraged to report any unethical behavior, incidents or suspicions regarding corruption, bribery, money laundering or other irregularities through **secure reporting channels** that ensure confidentiality and protection for those who raise such concerns.

Where incidents of corruption or bribery are identified, the company follows a strict investigation process, managed with transparency and accountability. All cases are analysed rigorously and corrective measures are implemented without delay.

Zero confirmed corruption incidents: ARTROM STEEL TUBES promotes a culture of transparency and accountability, aiming to create an ethical and secure business environment for both employees and business partners. Accordingly, during the year 2025 the company did not record any confirmed incidents of corruption or bribery.

Responsible Transparency and Reporting (ESRS G1-5, G1-6)

ARTROM STEEL TUBES does not grant and has not granted political contributions of any kind to political parties, representatives of political parties or individuals seeking political office.

ARTROM STEEL TUBES has established a Policy on Payments and Receipts. According to this policy, payment terms for suppliers and collection terms for customers are negotiated and contractually agreed with business partners, with the objective of remaining within the defined timeframes and ensuring a standardized approach to payment conditions for our suppliers.

Annexes

Glossary of Terms

CAPEX (Capital Expenditures – Capital Investments) – Expenditures incurred by a company for the acquisition, upgrading or maintenance of fixed assets such as buildings, equipment or infrastructure.

CSRD (Corporate Sustainability Reporting Directive – A European Union directive requiring companies to disclose detailed information regarding their environmental, social and governance impacts.

DNSH (Do No Significant Harm – “Do No Significant Harm” principle” – A key principle under the EU Taxonomy according to which economic activities must not cause significant harm to environmental objectives, such as climate change mitigation or biodiversity protection.

ESG (Environmental, Social and Governance) – A framework used to assess a company’s performance in relation to environmental impact, social responsibility and governance practices.

ESRS (European Sustainability Reporting Standards) - A set of standards developed by EFRAG to guide companies in sustainability reporting in accordance with Corporate Sustainability Reporting Directive.

GES (Greenhouse Gases) – Gases that contribute to climate change by trapping heat in the atmosphere, including carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O).

GRI (Global Reporting Initiative) – An international sustainability reporting standard used to enhance transparency and comparability of information related to economic, environmental and social impacts.

ISO (International Organization for Standardization) – An international body that develops and publishes standards for various industries, including sustainability-related standards such as ISO 14001 (environmental management) and ISO 26000 (social responsibility).

KPIs (Key Performance Indicators) – Metrics used to measure and evaluate the effectiveness and success of an organisation in achieving its objectives, including sustainability objectives.

OECD (Organisation for Economic Co-operation and Development – An international organisation that promotes policies aimed at improving economic and social well-being worldwide, including initiatives related to sustainability and corporate responsibility.

OPEX (Operational Expenditure) – Ongoing costs associated with the day-to-day operation of a business, such as salaries, utilities, maintenance and consumable materials.

REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) – A European Union regulation governing the production and use of chemical substances in order to protect human health and the environment.

SDGs (Sustainable Development Goals) – A set of 17 global goals adopted by United Nations to address major global challenges, including poverty, inequality, climate change and environmental degradation, with a target year of 2030.

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Date

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