AROBS
Transilvania Software

AROBS 2024 Environmental, Social and Governance Report

Message from the CEO

Dear Stakeholder,

2024 was a defining year for AROBS, marked by key milestones such as a successful capital increase and the European Bank for Reconstruction and Development (EBRD) joining us as an investor, alongside eight major institutional investors. These achievements validate our trajectory of sustainable growth, resilience, and commitment to innovation.

We aspire to excel in our industry and support the development of an innovative, connected, equitable, and sustainable community. We have always been open to learn and re-learn toward building the best possible version of our company. We wish to do this in business, on the Stock Market, and on the environmental, social, and governance levels. From that perspective, we see sustainability as a **business imperative** that fuels **innovation, resilience, and long-term value creation**.

In 2024, we consider ourselves better prepared to be part of the conversation around Sustainability with our institutional and private investors that analyse environmental, social, and governance factors alongside traditional financial metrics when making investment decisions.

We aspire to be a responsible corporate citizen, to do what is right but also to create tangible business value. Embedding sustainability in our daily business and going the extra mile in innovation and quality of service enable us to meet and exceed the performance demands of global clients, investors, analysts and financiers. Moreover, our focus on resilience and risk mitigation ensures we are well-prepared to navigate an ever-changing business environment while fostering innovation and long-term success. Meanwhile, we continue to create value for society and be involved in the wellbeing of the communities we are part of.

These efforts are underpinned by our ESG objectives, which include:

- **Driving sustainability** by reducing carbon emissions and integrating circular economy principles.
- **Fostering innovation and education**, empowering both young talent and employees.
- **Enhancing community well-being** through health, sports, and social initiatives.
- **Ensuring governance excellence** through strict adherence to global standards and regulations.
- **Delivering measurable ESG results** to drive accountability and long-term impact.

Together, with our stakeholders, we will build a future where sustainability, innovation, and business success go hand in hand.

Sincerely,

Voicu Oprean
CEO & President of the Board
AROBS Transilvania Software

Introduction to Sustainability

Introduction to Sustainability

At AROBS, **sustainability** is a **business imperative** that drives **innovation, resilience, long-responsibility, and social well-being**, ensuring that we thrive while making a meaningful impact on the world around us.

The European Sustainability Reporting Standards (ESRS) is a part of the European Union's Corporate Sustainability Reporting Directive (CSRD). The standards provide a comprehensive framework for companies to disclose their environmental, social, and governance (ESG) performance in a standardized and transparent manner. The ESRS aims to ensure that businesses communicate their impact on the environment and society while aligning their sustainability strategies with the EU's broader goals, including carbon neutrality by 2050.

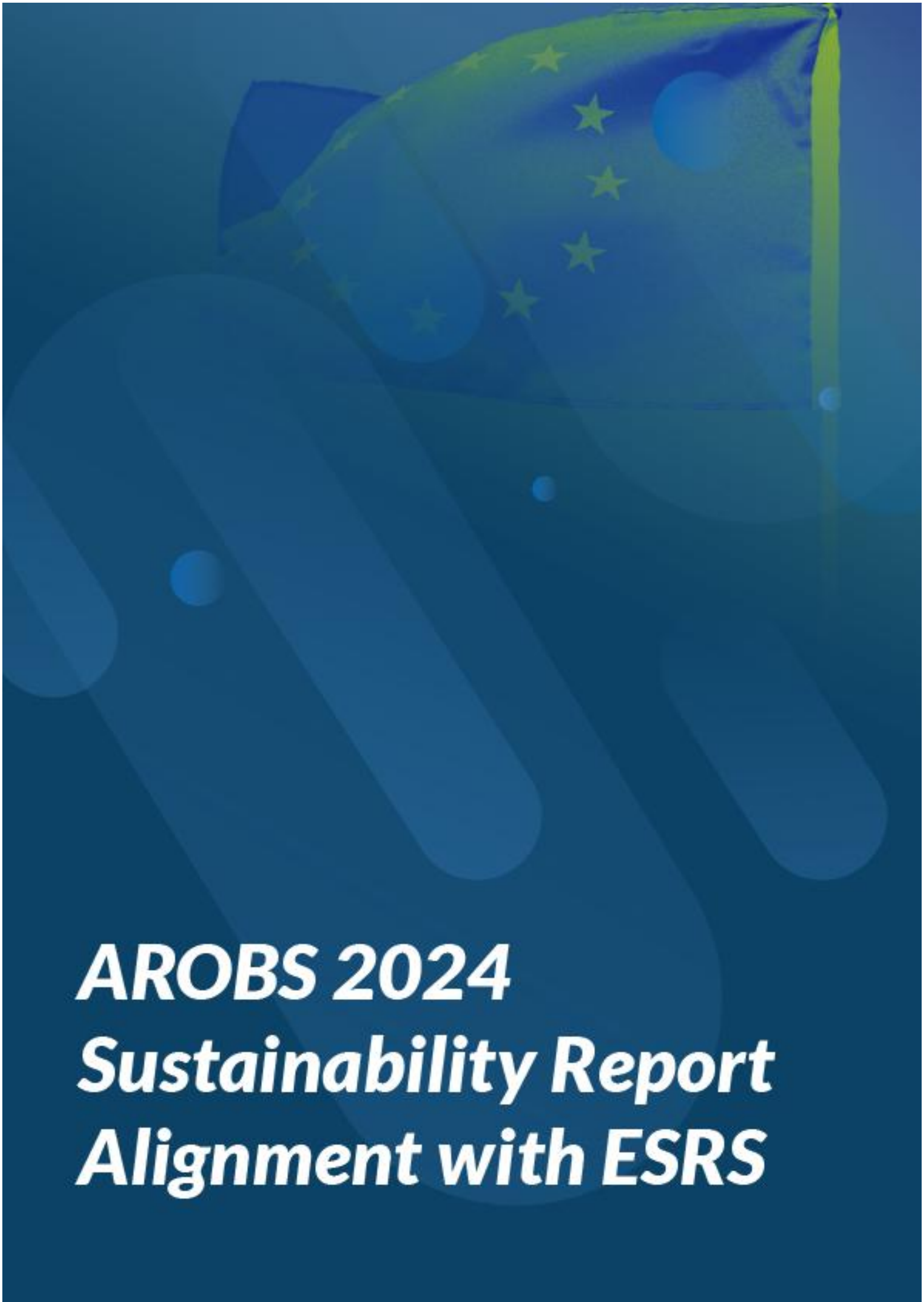
Key Features of the ESRS

1. Mandatory Reporting for Large Entities: Starting in 2024, the CSRD mandates ESRS reporting for large companies operating in the EU, expanding its reach to include non-EU companies with significant EU operations. Therefore, the 2024 AROBS Sustainability report is following the ESRS standard.

2. Alignment with Global Standards: While primarily tailored to EU-specific regulations, the ESRS incorporates elements from frameworks like the Global Reporting Initiative (GRI) and the Task Force on Climate-related Financial Disclosures (TCFD), fostering comparability across international markets, bringing a global level of transparency on the company's Sustainability disclosures.

3. Holistic ESG Scope: The ESRS uses a double materiality approach. This means it assesses both financial materiality (impacts on the company's value) and impact materiality (the company's effects on society and the environment).

4. Sector-Specific and General Requirements: The ESRS includes sector-agnostic standards as well as sector-specific guidance, ensuring tailored reporting for industries with unique sustainability challenges.



AROBS 2024
Sustainability Report Alignment with ESRS

AROBS 2024 Sustainability Report Alignment with ESRS

AROBS' alignment with ESRS involves:

- Comprehensive Reporting: Integrating ESRS requirements into our reporting framework ensures that our disclosures meet the highest standards of transparency and comparability.
- Stakeholder-Centric Approach: ESRS emphasizes stakeholder engagement, a practice already embedded in AROBS' operations, to capture the concerns and expectations of clients, investors, employees, and other key groups.
- Focus on Impact and Risk Management: ESRS-guided reporting allows AROBS to assess its environmental and social impacts while addressing financial risks such as regulatory compliance, technological shifts, and evolving market demands.

Through this alignment, AROBS positions itself as a responsible corporate citizen, demonstrating that sustainability and business success are not only compatible but also mutually reinforcing.

The report incorporates all applicable phase-in options. These disclosed statements and metrics were audited, via the limited assurance methodology, and the Independent Practitioner's Limited Assurance Report can be found starting at page 136.

The majority of our quantitative data is sourced directly from our internal systems. Where data collection relies on alternative methods, such as estimation or extrapolation within our value chain, this is explicitly disclosed.

In preparing the Sustainability Statements, AROBS has applied assumptions, judgments, and estimates that influence the reported figures, particularly concerning the Group's Scope 3 emissions. Consequently, a degree of inherent uncertainty exists in these calculations.

These estimates and assumptions are based on historical data, relevant research papers, local or national plans and various other relevant factors, and we believe they are reasonable under the given circumstances. They are continuously reviewed to enhance the accuracy of future reporting, with potential revisions impacting the disclosed amounts. Efforts to improve the precision of emissions calculations include sourcing primary data from partners wherever feasible and reducing reliance on estimates when higher-quality data becomes available.

For further details on the estimates and assumptions applied, please refer to the disclosures in the subsequent sections of these Sustainability Statements.

Disclosures Related to Specific Circumstances (BP-2): Time horizons

Unless stated otherwise, the short-, medium-, and long-term time horizons referenced in these Sustainability Statements are defined as follows:

- short-term refers to a period of one to two years
- medium-term covers two to five years
- long-term applies to periods extending beyond five years

Implementation Strategy

The company conducted a gap assessment to compare its current practices against CSRD requirements. Efforts have been focused on identifying relevant reporting topics and ensuring alignment with regulatory obligations. This sets the foundation for expanded disclosures in the coming years.

Strategic Objectives and Sustainability Integration

AROBS' strategic vision regarding sustainability integration focuses on:

- Innovation in Technology: Developing cutting-edge software solutions that support sustainable industries, such as fleet management systems that improve fuel efficiency and reduce carbon emissions.
- Global Impact: Expanding responsibly in international markets while minimizing negative impacts and contributing positively to the communities we serve.
- Workforce Development: Nurturing a diverse, inclusive, and skilled workforce that aligns with global ESG priorities and drives the company's innovation and excellence.
- Operational Efficiency: Leveraging technology to optimize our operations, reduce resource consumption, and minimize waste.
- Sustainability Leadership: Strengthen AROBS' sustainability strategy by adhering to compliance requirements, proactively addressing partner expectations through voluntary ESG initiatives, transparent reporting, and targeted actions to align with global sustainability standards.
- Resilience and Growth: Identifying opportunities for growth in sustainability-driven markets while mitigating risks associated with environmental and social challenges.

General Disclosures (BP-1-2)

The sustainability report regards the AROBS Group operations, and it has been prepared on a consolidated basis, the scope being the same as for the financial statement. The sustainability statement covers own operations of AROBS Group with respect to impacts, risks, and opportunities. The statement also covers our value chain with respect to emissions data stemming from the main parts of our upstream and downstream value chain. No information regarding intellectual property or know-how has intentionally been omitted. No subsidiary undertakings are exempt from individual or consolidated sustainability reporting.

We have not published targets in this report, as we are working on prioritizing our sustainability focus areas with an ambition to set mid- and long-term targets aligned with our overall strategic ambitions.

We report on the short-term basis, that is the reporting period in our financial statements – one calendar year. The value chain information described in this report is based on a combination of desk research, direct engagement with members of our value chain, and expert statements. Pursuant to Articles 19a (3) and 29a (3) of Directive 2013/34/EU, for this first reporting year, AROBS will not present detailed value chain information in its sustainability disclosures. For this reporting cycle, the company has no quantitative metrics or monetary amounts subject to a high level of measurement uncertainty.

Estimates, approximations, and/or forecasts used in preparing and presenting the consolidated sustainability report are subject to significant inherent uncertainty. The inclusion of qualitative, quantitative, objective, subjective, historical, and forward-looking information also entails a substantial degree of uncertainty. The selection of different—yet acceptable—estimation, approximation, or forecasting techniques in the context of sustainability reporting could have led to materially different reported values or disclosures.

As highlighted in discussions on ESRS – E1 Climate Change, the availability of emission factors is often constrained by the general methodology and scientific assumptions underpinning their development. Institutions that provide these factors frequently do not offer sufficient detail to specifically cover every analyzed category, which leads to a margin of error. Consequently, quantifying greenhouse gas emissions inevitably involves significant uncertainty due to both incomplete scientific knowledge and the generalized estimates on which emission factors are based.

The nature of sustainability matters and the lack of unified external standards may result in the use of different but acceptable measurement methodologies, potentially causing variations between entities. Moreover, these methodologies can affect the comparability of sustainability information across different organizations, as well as from one year to another within the same organization, as they evolve over time.

When preparing the consolidated sustainability report, the company's Administrators interpret certain undefined legal terms and other potentially ambiguous expressions. Because these terms may be understood differently, including in terms of legal compliance, some degree of uncertainty can arise in the reporting process.

The uncertainties and assumptions relevant to AROBS' GHG emissions calculations are presented in the Climate Change section of this report.

This report shows how environmental, social and ethical risks are managed in AROBS Group. It is an integral part of AROBS Group's Annual Report 2024 and constitutes disclosures stemming from our account of social responsibility. It is reported using the ESRS Reporting standard and the criteria established by EFRAG. No changes have been made in this first reporting year; future adjustments will be disclosed in subsequent reports.

AROBS Value Chain Overview

AROBS's value chain reflects the company's focus on software development, embedded solutions, and digital transformation services.

Upstream, AROBS collaborates with technology suppliers—such as hardware manufacturers, software license providers, and specialized consultancy partners—to secure the tools, platforms, and expertise needed for product innovation. The company also relies on outsourced services for specialized engineering or testing tasks when advanced technical capabilities are required.

On the downstream side, AROBS's primary customers are typically business-to-business (B2B) clients operating in industries such as Automotive, Life Sciences, IoT, Travel & Hospitality, and Fintech. The relationship model ranges from long-term development partnerships—where AROBS provides dedicated engineering and IT solutions—to project-based engagements focused on custom software or embedded system design. Distribution channels vary according to each product or service line, but they often include direct collaboration with client technical teams, licensing arrangements, and software-as-a-service (SaaS) frameworks. These offerings ultimately reach end-users through the client's own products, platforms, or internal operations.

In 2024, the company has integrated the value chain perspective specifically in the assessment of its carbon footprint, capturing upstream and downstream impacts in alignment with GHG Protocol scopes. A broader assessment of value chain-related Impacts, Risks, and Opportunities (IROs) in line with ESRS requirements is planned for next year, as part of AROBS's continued commitment to enhance the scope and depth of its sustainability reporting.

The value chain is further supported by a solid infrastructure, including governance aligned with public listing standards, financial sustainability, and continuous investment in employee development and R&D. These elements ensure that AROBS maintains resilience, scalability, and innovation across its operations.

Role of administrative, management, and supervisory bodies (GOV 1)

At AROBS, sustainability governance is a key focus of our leadership. While specific disclosures on the composition and diversity of our administrative, management, and supervisory bodies are not currently available, our leadership actively engages in sustainability-related initiatives and professional training. Members participate in specialized courses on Board Governance, Sustainability, and Environmental topics, reinforcing their commitment to a greener and more responsible future. Additionally, our management is directly involved in social, health, sports, and environmental causes, as well as educational projects that align with our sustainability goals.

SUSTAINABILITY-RELATED EXPERTISE AND DEVELOPMENT

AROBS recognizes the importance of sustainability expertise at all levels of governance. The company ensures access to professional training programs, enabling the administrative, management, and supervisory bodies to strengthen their knowledge and oversight capabilities regarding sustainability matters.

- **Social & Governance Expertise:** AROBS has a well-established reporting framework for social and governance topics, allowing for effective risk identification, compliance monitoring, and strategic decision-making. Prior experience in reporting on workforce-related KPIs, diversity, ethics, and governance structures has enhanced the company’s ability to address material risks and opportunities. Additionally, AROBS adheres to internal policies and procedures, as well as best practice guidelines from the Bucharest Stock Exchange (BVB) and the European Bank for Reconstruction and Development (EBRD), ensuring transparency, accountability, and alignment with international sustainability standards.
- **Environmental Expertise Development:** While AROBS has made progress in understanding climate-related impacts, our environmental reporting framework is still evolving. Expertise in climate-related assessments, risk quantification, and emissions reduction strategies is being enhanced, particularly following the integration of Scope 3 emissions into our calculations and the incorporation of climate risks into Risk Management programs. Future efforts will focus on further strengthening capabilities in greenhouse gas (GHG) emissions management, climate risk analysis, and regulatory compliance.

As part of our commitment to sustainability, we continue to refine our expertise across all ESG (Environmental, Social, and Governance) dimensions to ensure a balanced and comprehensive approach to managing material impacts, risks, and opportunities.

Governance processes, controls, and oversight mechanisms (SBM 1)

The governance processes for sustainability oversight at AROBS will include structured controls and procedures that are embedded into the company's overall Risk Management framework.

- **Integration with Internal Functions:**

  The management of sustainability-related risks will be integrated into the company’s internal Risk Management procedure, ensuring that sustainability considerations are systematically assessed alongside other business risks.
- **Oversight of Target Setting and Monitoring:**

The administrative, management, and supervisory bodies, along with senior executive leadership, will oversee the setting of sustainability-related targets and monitor progress toward achieving them. This oversight will ensure alignment with the company's broader business strategy, regulatory compliance, and risk management approach.

- **Integration with Internal Functions:**
  The management of sustainability-related risks will be integrated into the company's internal risk management procedures, ensuring that sustainability aspects are systematically evaluated alongside other business risks.
- **Oversight of Goal Setting and Monitoring:**
  The administrative, management, and supervisory bodies, together with the senior executive management, will oversee the establishment of sustainability-related objectives and monitor progress toward achieving them. This oversight will ensure alignment with the company's broader business strategy, regulatory compliance, and effective risk management.
  - **Target Setting:**
    - The management and supervisory bodies will provide strategic direction on sustainability targets, ensuring they align with corporate objectives and regulatory expectations.
    - Senior executive management will be responsible for identifying key sustainability priorities, including social, governance, and environmental goals, and integrating them into the company's long-term strategy.
    - While social and governance targets are well-defined due to previous reporting experience, environmental target-setting is still evolving as the company strengthens its climate-related expertise.
  - **Monitoring of Progress:**
    - Sustainability performance data and (KPIs) will be regularly reviewed starting with the next reporting in 2025, by the supervisory body and senior executives
    - Climate-related risks have been incorporated into Risk Management programs, ensuring systematic monitoring of environmental challenges.
    - Internal assessments will be conducted periodically to evaluate advancements in social, governance, and climate-related objectives, allowing for necessary adjustments to improve overall performance.

As AROBS continues to expand its sustainability strategy, our governance and oversight mechanisms will evolve to incorporate more structured targets and enhance data-driven decision-making in sustainability management. The corresponding list of material impacts, risks and opportunities analyzed in this reporting cycle is disclosed in the Double Materiality section of this report.

Information flow and decision-making on sustainability matters (GOV 2)

Administrative, management, and supervisory bodies will be regularly informed about material sustainability impacts, risks, and opportunities. Insights from the double materiality assessment and internal risk management procedures guide strategic planning and risk management, ensuring sustainability considerations are embedded in decision-making.

INTEGRATION OF SUSTAINABILITY INTO GOVERNANCE AND STRATEGY

Sustainability-related impacts, risks, and opportunities (IROs) are factored into corporate strategy, major transactions, and risk management through the following key actions:

- **Informing decisions through double materiality**

  Insights from the double materiality assessment shape risk identification and opportunity mapping, ensuring sustainability is integrated into high-level strategic decisions.

- **Enhancing supplier evaluation**

  Plans are underway to expand supplier assessments by incorporating environmental, social, and governance (ESG) criteria, strengthening sustainability risk management across the value chain.

- **Balancing trade-offs in decision-making**

  The company is working to assess potential trade-offs between **financial performance, environmental sustainability, and social responsibility**, aiming for a balanced and informed decision-making approach.

- **Embedding sustainability in risk management**

  Sustainability-related risks, particularly climate and social risks, have been **integrated into risk management programs**. Future efforts will enhance risk quantification and strengthen governance practices.

Although still in the early stages of sustainability reporting, AROBS is actively refining its governance framework, improving supplier evaluations, and embedding sustainability considerations into strategic oversight. Ongoing efforts will focus on enhancing trade-off analysis and deepening sustainability integration into business decisions.

Integration of sustainability-related performance in incentive schemes (GOV3)

Currently, no incentive schemes are in place that link remuneration to sustainability-related performance. The integration of sustainability metrics into incentive structures for administrative, management, and supervisory bodies has yet to be determined.

Key aspects, such as the design of incentive schemes, sustainability-related targets, performance benchmarks, and the percentage of variable remuneration tied to sustainability goals, are still under evaluation. Additionally, the approval process and governance for implementing such schemes remain to be defined.

As the company advances its sustainability strategy, future efforts will focus on assessing how sustainability-related performance can be effectively integrated into incentive schemes and remuneration policies.

Statement on due diligence (GOV 4)

Our due diligence process implemented for determining impacts, risks and opportunities is an ongoing assessment of all environmental and social impacts, integrated into the double materiality assessment. It involves stakeholder consultations, feedback mechanisms, and research. In this report our focus was on internal operations, with expansion to the supply chain planned for the next reporting cycles.

Our risk management framework (GOV 5)

At AROBS Group, risk management is integral to sustainable growth and business continuity. Our structured Risk Management Framework ensures we proactively identify, assess, and mitigate risks that could impact our operations, financial stability, and strategic objectives. This framework applies to both existing and new business activities, emphasizing risks within our control or influence.

By systematically addressing potential challenges, we **enhance resilience, safeguard assets, and strengthen governance**.

Risk Management & Business Continuity

AROBS employs a **comprehensive risk assessment strategy**, including:

✓ Regular **risk evaluations** & vulnerability assessments

✓ Continuous **monitoring & policy updates**

✓ **Third-party audits** for compliance & security benchmarking

✓ **Data backup & disaster recovery plans** (onsite & offsite)

Our **Business Continuity Plan (BCP)** ensures:
✓ **Crisis response & recovery procedures**
✓ **Documentation of key suppliers & stakeholders**
✓ **Incident resolution & “lessons learned” analysis**

The key processes within our Risk Management Framework include:

- **Risk Identification** – A **comprehensive** global risk analysis and assessment.
- **Risk Analysis** – Systematic evaluation of **risk sources, likelihood, and potential impact**.
- **Risk Assessment** – Prioritization of risks based on agreed criteria.
- **Risk Management** – Coordinated activities to **guide and control** risk-related decisions.
- **Risk Treatment** – Selection and implementation of **measures** to mitigate risks.
- **Risk Acceptance** – Acknowledgment of residual risks that align with the company's **risk appetite**.
- **Risk Communication** – Clear reporting from **process owners to top management** via the Integrated Risk Management Specialist (IMRS).
- **Continuous Monitoring & Review** – Ongoing assessment of internal and external factors, with **IMRS overseeing** global risk trends and potential security incidents.

As part of our sustainability journey, AROBS has integrated sustainability risks in the existing risks framework. This will be further developed with findings from internal controls.

All findings of sustainability related risk assessments and internal controls will be reported via the Integrated Risk Management Specialist (IMRS) on at least a yearly basis.

In relation to risks related to the sustainability reporting process, we have identified the completeness of our data inventory—particularly regarding Scope 3 emissions and waste quantities—as a key risk. To mitigate this, we will implement internal controls to enhance data accuracy and reliability. Additionally, we leverage external advisory support to ensure comprehensive data collection and reporting alignment with regulatory requirements.

To strengthen internal capabilities, we plan to develop automation solutions to streamline data collection, minimize inconsistencies, and improve overall reporting efficiency. These measures collectively reinforce our commitment to high-quality, transparent, and reliable sustainability disclosures in accordance with the European Sustainability Reporting Standards (ESRS).

Risk assessments are conducted annually or whenever significant changes occur, ensuring adaptability in a dynamic business environment.

By embedding **risk management into our corporate DNA**, AROBS Group ensures **operational stability, regulatory compliance, and business resilience**. This proactive approach enables us to **navigate uncertainties, seize growth opportunities, and maintain trust with stakeholders**, reinforcing our position as a **forward-thinking, sustainable enterprise**.

Our business model (SBM1)

A detailed description of the key elements of our general strategy together with a description of our business model are presented in the AROBS History section. AROBS is neither directly nor indirectly involved in activities related to fossil fuels, the production of chemicals, controversial weapons or the cultivation and production of tobacco. Accordingly, the company does not conduct or support operations within these sectors.

Determining material information, including the use of thresholds (IRO-2)

Our company’s determination of material information draws on ESRS 1 Section 3.2, ensuring that all relevant impacts, risks, and opportunities are carefully evaluated for both impact materiality and financial materiality. We began by compiling a broad list of sustainability topics that reflect our business activities and align with the scope of the topical ESRS standards. Through a combination of stakeholder engagement, peer benchmarking, and internal risk mapping, we assessed the significance of each topic in terms of environmental, social, and governance impacts, as well as its potential to affect future financial performance.

In conducting this analysis, we applied qualitative and quantitative thresholds to measure the magnitude and likelihood of each topic’s potential effects. Where appropriate, we reviewed existing data, sector trends, and stakeholder feedback to establish whether a topic met the conditions for materiality. This approach allowed us to distinguish between matters with a high likelihood of creating significant impacts—or materially influencing value creation—and those that do not meet the materiality criteria.

Once the process was complete, we identified our material sustainability matters and documented them in our disclosures. We provided the rationale for each decision by referencing whether the topic had met impact materiality, financial materiality, or both. For topics deemed immaterial, we included a concise explanation of our conclusions, in line with ESRS 1 paragraph 32, to show why no further disclosure on those matters was required. We also ensured that mandatory disclosures in ESRS 2 remained in scope, regardless of materiality outcomes, and that the implementation of thresholds in deciding which data points to report was clear, as required by ESRS 1 paragraph 36.

Looking forward, we recognize that materiality can shift over time based on evolving regulatory requirements, stakeholder interests, and changes in our operational footprint. We therefore plan to update our materiality assessment on a regular basis, so that our disclosures continue to reflect the most significant risks, opportunities, and impacts associated with our business activities.

AROBS' s History

AROBS' s History

AROBS Transilvania Software S.A. is an IT company founded in 1998 and is currently the largest and most liquid technology company listed on the Bucharest Stock Exchange. The company specializes in custom software development with advanced expertise in software and embedded engineering for the automotive, aerospace, medical, maritime sectors, and more. It also develops software for IoT projects, tourism, clinical studies, enterprise solutions, FinTech, and intelligent automation. Our company has no products that are banned, in any markets.

With over 25 years of experience delivering custom software solutions to clients in 14 countries across Europe, Asia, and America, AROBS has built its reputation on excellent specialists and flexible, well-honed processes. This approach consistently produces high-quality software, products, and applications while retaining ownership rights. The excellence in service and commitment of its specialists has led to strong, long-term partnerships with over 11,000 companies in Romania and Central and Eastern Europe, along with hundreds of international companies.

Since 2003, AROBS Transilvania Software has been developing its own solutions and products. Notable examples include TrackGPS, a fleet management and monitoring solution; Optimall, a sales force automation solution; RateWizz, a channel manager for the hospitality industry; and a solution for digitizing school textbooks.

Headquartered in Cluj-Napoca, the company operates regional offices in 10 additional cities in Romania and in 10 countries across three continents. In December 2021, AROBS expanded its presence in Romania by acquiring Berg Computers, which has offices in Timișoara, Oradea, and Lugoj.

Since its listing on the Bucharest Stock Exchange, AROBS has completed 10 acquisitions, the most recent being InfoBest. This acquisition has strengthened AROBS's presence in Romania and in the DACH market by adding InfoBest—a company specializing in custom software solutions with offices in Timișoara and Leverkusen, Germany—to its portfolio. The transaction was finalized on May 31, 2024.

GROUP STRUCTURE

As of December 31, 2024, the AROBS Group consisted of AROBS Transilvania Software S.A. (the "Company," "AROBS," or "Parent Company") and 30 subsidiaries.

Romanian entities

1. AROBS DEVELOPMENT & ENGINEERING SRL – 100%
2. AROBS ETOLL SOLUTIONS SRL – 100%
3. AROBS SYSTEMS SRL – 100%
4. BERG COMPUTERS SRL – 100%

5. FUTURE WORKFORCE S.A. – 100%
6. FUTURE WORKFORCE SRL – 100%
7. CENTRUL DE SOFT GPS SRL – 100%
8. INFOBEST ROMANIA SRL – 100%
9. INFOBEST ROMANIA SRL – FILIALA BURSCHEID - GERMANIA – 100%
10. NORDLOGIC SOFTWARE SRL – 100%
11. SAS FLEET TRACKING SRL (SAS GRUP) – 100%
12. SILVER BULLET SRL – 100%
13. SOFTMANAGER SRL – 70%
14. UCMS GROUP ROMANIA SRL – 97.67%

Foreign entities

15. AROBS PANNONIA SOFTWARE KFT – 100%
16. AROBS POLSKA sp. z o.o – 94,36%
17. AROBS SOFTWARE SOLUTIONS GmbH – 60%
18. AROBS SOFTWARE SRL – 100%
19. AROBS TRACKGPS SRL – 100%
20. ATS ENGINEERING LLC – 100%
21. CABRIO INVEST B.V. – 90%
22. COSO BY AROBS B.V. NL – 90%
23. COSO BY AROBS B.V. BE – 90%
24. COSO TEAM UK LTD – 90%
25. FUTURE WORKFORCE GmbH – 65%
26. FUTURE WORKFORCE Limited – 80%
27. INFOBEST SYSTEMHAUS GmbH – 100%
28. NORDLOGIC USA. INC – 100%
29. PT AROBS SOLUTIONS INDONEZIA – 70%
30. SKYSHIELD MAGYARORSZAG KFT – 100%

25+ years of Promoting Good Governance and Ethics in Software Development

At AROBS, we believe that **ethical software development is essential to trust, security, and long-term sustainability**. To promote good governance and ethical responsibility, we focus on several key areas:

- **Security & Data Protection** – Cybersecurity threats are growing, and we are committed to **developing secure, vulnerability-free software**. By prioritizing security, we protect **user data, privacy, and business continuity**. We had zero security breaches in 2024.
- **Transparency & Accountability** – We promote **open development practices**, welcoming feedback from users and peers. Transparency fosters trust, while accountability ensures that ethical considerations guide our decisions.
- **Industry Standards & Documentation** – Well-documented code and adherence to industry best practices make our software **reliable, maintainable, and scalable**. Clear documentation also supports collaboration and innovation.
- **Ethical Software Design** – We recognize the **societal impact of software** and actively work to mitigate **bias, discrimination, and unintended consequences**. Inclusivity is a fundamental principle in our development process.
- **Responsible Data Usage** – We are mindful of the **data we collect and use**, ensuring it is handled with transparency, security, and respect for privacy.

AROBS aims to build **trustworthy, high-quality software** that aligns with both our values and the evolving digital landscape.

Performance Orientation

At AROBS, **efficiency, compliance, and performance excellence** drive our operations. We optimize resources to meet **stakeholder obligations** while achieving ambitious performance goals.

Confidentiality & Information Security

In our industry, **information security is critical**. To safeguard valuable information, we have implemented an **Integrated Management System (IMS)**, incorporating international standards such as:

- **ISO 9001** – Quality Management
- **ISO 27001** – Information Security Management
- **TISAX** – Automotive Information Security

The following companies in the Group are certified:

1. AROBS Transilvania Software
    - Arad (ISO 27001, TISAX)
    - Mures (ISO 27001, TISAX)
    - CBC Cluj (ISO 27001, ISO 9001)
    - Minerilor Cluj (ISO 27001, ISO 9001, ISO 14001, ISO 45001)
2. AROBS Software
    - Chișinau (ISO 27001, TISAX)
3. Berg Software
    - Timișoara (ISO 27001, ISO 9001)
4. AROBS Development & Engineering
    - București (ISO 27001, ISO 9001)
5. Future Workforce
    - Cluj (ISO 27001, ISO 9001)
6. UCMS
    - Cluj (ISO 27001, ISO 9001)

ISO 27001 Certification

AROBS Transilvania Software (ATS) entity has been **ISO 27001-certified since 2017**, with periodic audits ensuring **continuous compliance and improvement**. Our security objectives include:
✓ Securing processes, data, and intellectual property

✓ Identifying and mitigating risks

✓ Ensuring regulatory compliance

✓ Minimizing security incidents

We are continuously enhancing security awareness through **training programs, internal audits, and external evaluations**.

Future-Ready Security: ISO 27001:2022 & TISAX

By 2025, ATS will transition to the new ISO 27001:2022 standard, addressing emerging cybersecurity threats and best practices. ATS and AROBS Software MD hold the TISAX certification, the gold standard for automotive cybersecurity.

Regulatory Compliance: DORA & NIS2 Directives

AROBS proactively aligns its security and compliance framework with **EU directives** (NIS2 & DORA), ensuring compliance through:

✓ **Technical & organizational measures**

✓ **Legal document revisions** based on client requirements

Our **cybersecurity teams hold top-tier industry certifications**, ensuring expertise in **offensive security, vulnerability management, and cyber defence**.

Additional Certifications

We maintain multiple **industry-recognized certifications, for the TrackGPS division**, including:
✓ **ISO 9001:2015** – Quality Management

✓ **ISO 45001:2018** – Occupational Health & Safety

✓ **ISO 14001:2015** – Environmental Management

✓ **ORDA & HU-GO Certified** – Software and telematics

Privacy, Data Responsibility & Security

AROBS is dedicated to **privacy, data security, and ethical data management**.

Our Approach to Data Protection

- **Privacy by Design & Default** – Integrated into all software development processes.
- **Compliance with GDPR & International Standards** – Guided by our **Chief Information Security Officer (CISO) and Data Protection Officer (DPO)**.
- **Internal Security Policies** – Built into our **Integrated Management System (IMS)** for regulatory adherence.
- **Dedicated Privacy & Cybersecurity Teams** – Experts in AI, compliance, cybersecurity, and risk management.
- **Mandatory Employee Training** – Ensuring all staff uphold **privacy, security, and ethical standards**.

Software Development & Security

Security is **integrated** into our software development lifecycle:
✓ **Risk assessments** for all software projects
✓ **GDPR-compliant checklists** for “Privacy by Design” implementation
✓ **Internal policies for security, compliance, & risk mitigation**

Disclosure of aspects regarding the impact of cybersecurity efforts:

In 2024, AROBS recorded zero security breaches caused by unpatched known vulnerabilities and zero incidents with impact on employees’ or customers’ personal data. The digital infrastructure is 100% covered with advanced security solutions (EDR, firewall, encryption), and all employees are included in annual cybersecurity and data protection awareness campaigns.

Through **rigorous compliance, responsible data practices, and cutting-edge cybersecurity**, we create **trustworthy, future-proof technology**.

BUCHAREST STOCK EXCHANGE
AROBS
BURSA DE VALORI BUCUREȘTI
AROBS

Major Events in 2024

Major events in 2024

INCLUSION OF AROBS SHARES IN THE FTSE GLOBAL MICRO CAP INDEX

On **February 19, 2024**, the Company informed the market that the global index provider FTSE Russell has announced, following its quarterly review, that the Company's shares will be included in the FTSE Global Micro Cap Index, effective March 18th, 2024. The FTSE Global Micro Cap Index includes global micro-sized companies and is suitable for investment products such as funds, derivatives, and exchange-traded funds (ETFs). The inclusion of AROBS Transilvania Software S.A. shares in this index represents a significant milestone for the Company, reflecting the international recognition of AROBS' performance and providing new opportunities for the Company's growth and visibility in global markets.

INFOBEST ACQUISITION

On **February 27, 2024**, the Company informed the market about the signing of the contract regarding the complete acquisition of Infobest group, specialized in the development of customized software solutions, with offices in Timisoara and Leverkusen, Germany. Infobest has a team of over 100 specialists in the development of customized software solutions for the e-commerce, manufacturing, automotive, telecommunications, finance, media, and communications industries, covering the entire life cycle of an application - from business analysis, architecture, and UX design to development, testing, and maintenance. Infobest has a strong presence on the DACH market with many long-term clients ranging from mid-size companies to multinational corporations, including Automotive, Telecom, and Manufacturing global market leaders. More details **HERE.**

2024 REVENUE AND EXPENSE BUDGET

On **April 1, 2024**, the Company informed investors about the availability of the 2024 Consolidated Revenue and Expense Budget. The budget was approved at the Ordinary General Meeting of Shareholders, which took place on April 29, 2024. More details **HERE** .

INITIATION OF THE SHARE BUYBACK PROGRAM

On **April 18, 2024**, the Company informed the market about the initiation of its share buyback program. More details are available **HERE** .

Later, on **June 13, 2024**, the Company informed the market about the supplementing with f 2,000,000 shares the buyback program initiated on April 18, 2024. More details are available **HERE** .

Also, on **August 7, 2024**, the Company informed the market about the supplementing with 3,000,000 shares the buyback program initiated on April 18, 2024. More details are available **HERE** .

SHARE CAPITAL INCREASE OPERATION

On **April 18, 2024**, the Company informed investors regarding the Decision of the Board of Directors dated 18.04.2024 which, in accordance with the Resolution of the Extraordinary General Meeting of the Shareholders dated 22.12.2022, approved the increase of the share capital with the amount of up to RON 17,425,872.1 (nominal value) (the “Share Capital Increase”), by issuance of up to 174,258,721 new shares having a nominal value of RON 0.1 per share and a total nominal value of RON 17,425,872.1. More details are available **HERE** .

APPROVAL OF THE PROSPECTUS FOR THE SHARE CAPITAL INCREASE

On **May 30, 2024**, the Company informed the market that in the meeting held on May 30, 2024, the Board of the Romanian Financial Supervisory Authority ("FSA") approved the Prospectus for the increase of the share capital of the Company, with cash contributions, according to the information available on FSA’s website. Later, on May 31, 2024, the Company published the EU Prospectus for the share capital increase according to the FSA Approval Decision no. 507/31.05.2024. The Prospectus, subscription and revocation forms, as well as the FSA Decision approving the Prospectus were available for investors on the Company's website, **HERE**, as well as on the issuer's profile on the website of the Bucharest Stock Exchange. More details are available **HERE** and **HERE.**

PUBLICATION OF SUSTAINABILITY REPORT

On **June 18, 2024**, the Company informed the market about the availability of the Company's Sustainability Report for the 2023. The report can be accessed on the Company's website, **HERE**, for English and **HERE** for the Romanian version. The decision to issue the first Sustainability Report is part of a broad strategy implemented by the Company, the report representing the first step in its commitment to transparency regarding ESG standards.

DECISION REGARDING THE RESULTS OF THE SHARE CAPITAL INCREASE

On **July 12, 2024**, the Company informed the market about the Decision of the Board of Directors dated July 12, 2024 by which, in accordance with the Resolution of the Extraordinary General Meeting of the Shareholders dated December 22, 2022, respectively pursuant to the Decision of the Board of Directors dated April 18, 2024, whereby the Board approved the increase of the share capital with the amount of up to RON 17,425,872.1 by issuance of up to 174,258,721 new shares having a nominal value of RON 0.1 per share (the “New Shares”) (the “Share Capital Increase”), the Board of Directors, among others, ascertained and validated the results of the Share Capital Increase, respectively the subscription of a number of 174,258,721 new nominative, dematerialized shares, with a nominal value of RON 0.1 each and a total nominal value of RON 17,425,872.1 within the Share Capital Increase.

More details are available **HERE** .

AROBS is powered by EBRD

On **July 15, 2024**, The EBRD published an announcement about making a minority equity investment into AROBS, to support it in pursuing its regional growth strategy in central and eastern Europe. The EBRD investment was part of a larger primary and secondary share offering of €38.0 million (RON 189.3 million) subscribed to by other retail and institutional investors.

More details are available **HERE**

AROBS supported by
European Bank
for Reconstruction and Development

NOTICE OF MAJOR HOLDINGS >5% BY ALLIANZ SE

On **July 29, 2024**, the Company informed the market that it has received, on 26.07.2024, from Allianz SE, the notification of the increase of major holdings above the 5% threshold. More details are available **HERE**

AROBS POLSKA AND AROBS ENGINEERING SELECTED BY ESA FOR THE CRIMSON PROJECT

On **October 21, 2024,** AROBS Polska and AROBS Engineering launched the project "Development and Qualification of the Satellite Control Unit for Proximity Operations" (CRIMSON). Approved in September 2024, the project is funded by the European Space Agency (ESA) as part of the Clean Space Program within the COSMIC program, phase two of ESA's Space Safety Program (Period 2). The project addresses a specific need for future Active Debris Removal (ADR) and In-Orbit Servicing (IOS) missions by developing and qualifying an integrated control system for space missions.

More details are available **HERE**

KEBORMED AND BERG SOFTWARE ANNOUNCE A STRATEGIC PARTNERSHIP FOR MEDICAL CONNECTIVITY SOLUTIONS

On **November 12, 2024,** KeborMed—a leading software platform for digital medical solutions—and Berg Software, part of the AROBS Group, announced a strategic partnership to offer comprehensive software infrastructure and connectivity solutions tailored to the medical field. Through this partnership, Berg Software becomes the official implementation partner for the KeborMed platform, supporting medical and pharmaceutical companies in efficiently and securely launching advanced digital solutions. More details are available **HERE**

AROBS ENGINEERING LAUNCHES ALERTBOX PROTOTYPE TESTING

On **November 22, 2024,** AROBS Engineering, part of the AROBS Group, announced the commencement of testing for its AlertBox prototype. Developed under the latest R&D project funded by the European Space Agency (ESA) via the Business Applications and Space Solutions (BASS) program, the AlertBox prototype connects two global satellite networks (Starlink and Iridium) to national emergency management systems. It addresses the critical need for reliable communication during emergencies when GSM networks are unavailable—whether in isolated rural areas or urban centers. The product is an independent unit that connects via satellite to a centralized, secure server, which then communicates with local and national emergency services (112 and E-alert).

AROBS Engineering
alert box
AROBS
alert box

More details are available **HERE**

SIGNIFICANT CONTRACT WITH THE NATIONAL HOUSE OF PUBLIC PENSIONS

On **December 9, 2024,** the Company informed the market of a significant contract signed by AROBS SYSTEMS SRL—100% owned by AROBS Transilvania Software S.A.—with the National House of Public Pensions. This contract represents a partnership between AROBS Systems SRL and Wing Leading Edge SRL, in which AROBS Systems SRL holds a 40% stake. The total contract value is 109.931.387,31 (excluding VAT), of which 43,972,554.24 lei (excluding VAT) is attributable to AROBS SYSTEMS SRL. The contract duration is 17 months from the signing date.

More details are available HERE

MERGER PROJECT

On **December 19, 2024,** the Company informed investors about the publication of the Merger Project by absorption between AROBS TRANSILVANIA SOFTWARE S.A. (the acquiring company) and AROBS DEVELOPMENT & ENGINEERING S.R.L., BERG COMPUTERS S.R.L., and NORDLOGIC SOFTWARE S.R.L. (the companies being absorbed). On **February 7, 2025,** the Company further informed the market of the Board of Directors' decision to revise its approach to organizational consolidation within the Group. An internal analysis revealed that the companies initially proposed for the second phase had completed, or were nearing completion of, their integration process, making them suitable for inclusion in a single extended merger operation.

More details are available HERE

MARKET MAKER SERVICE CONTRACTS WITH RAIFFEISEN BANK INTERNATIONAL AND INTERCAPITAL SECURITIES

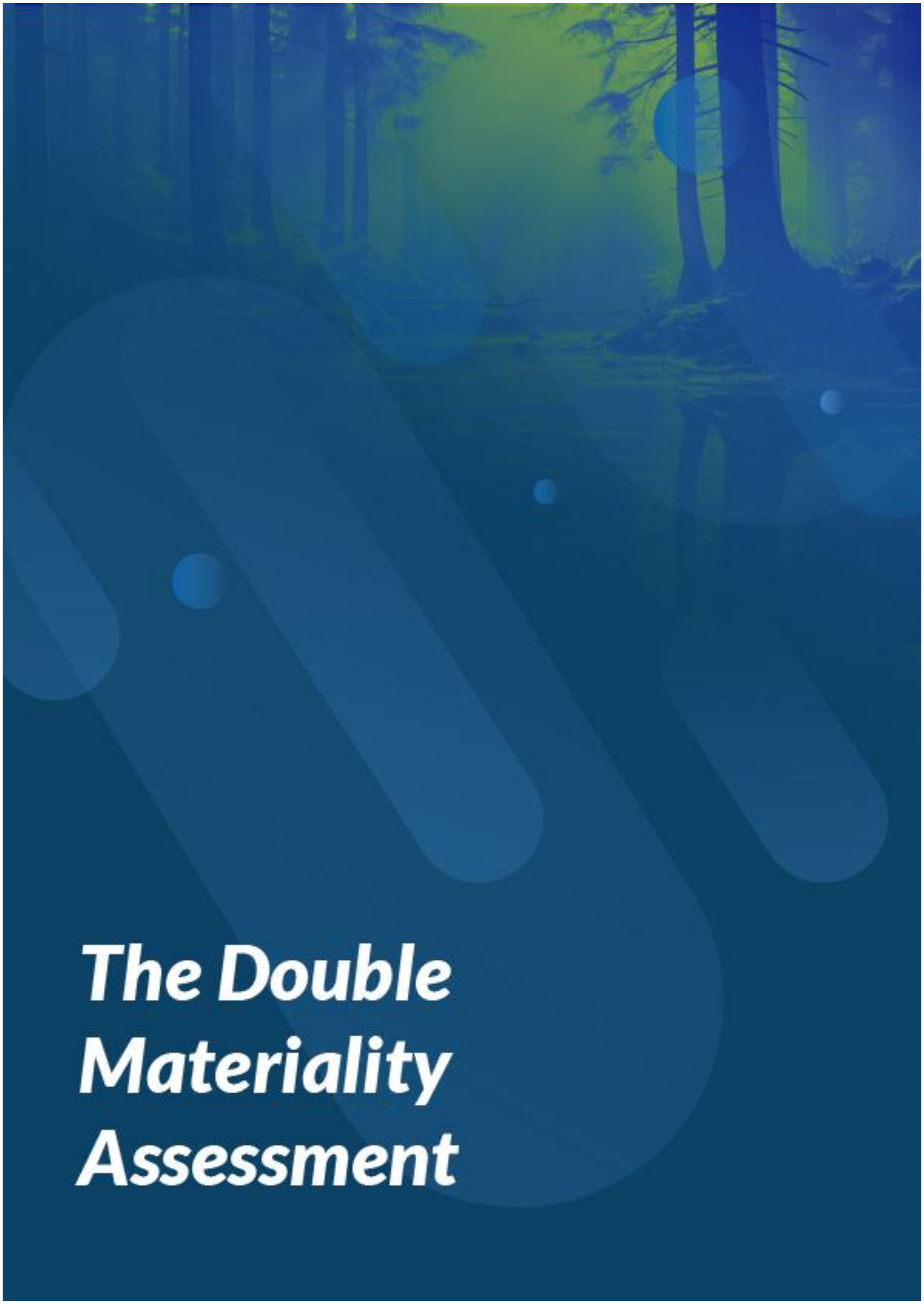
On **January 3, 2025,** the Company informed the market about the signing of two Market Maker service contracts with Raiffeisen Bank International and InterCapital Securities.

More details are available HERE

COMPLETION OF SHARE REPURCHASE PROGRAM

On **January 8, 2025,** the Company informed the market about the completion of its share repurchase program, initiated on April 18, 2024, and supplemented on June 13, 2024, August 7, 2024, and October 9, 2024. The program involved repurchasing a maximum of 11,000,000 shares in accordance with AGEA Resolution No. 1 dated March 4, 2024, published in the Official Monitor Part IV No. 1877/April 16, 2024, with a share price range of 0.1 lei to 1.4 lei. The program was managed by BRD – GROUPE SOCIETE GENERALE S.A., which made independent trading decisions regarding the timing of the share purchases.

More details are available HERE .



The Double Materiality Assessment

The Double Materiality Assessment (SBM-2, SBM-3)

Double materiality is a foundational concept in sustainability reporting that recognizes the dual perspective required to assess the significance of sustainability matters for an organization. It integrates two complementary dimensions:

1. Impact Materiality: This perspective evaluates how the organization’s operations, products, and services affect environmental, social, and governance (ESG) issues. For AROBS, this includes understanding the environmental footprint of its software development processes, the social impact of its workforce management practices, and the ethical considerations of its governance structures. Thus, impact materiality highlights AROBS’ responsibility toward society and the environment, focusing on the broader consequences of its business activities.

The topics for impact materiality were determined by building upon the existing list of impacts from the previous reporting cycle. This list underwent a comprehensive update during a dedicated workshop with the AROBS team, which incorporated enhancements from external consultants who contributed with their technical expertise. These enhancements reflected industry best practices and the consultants' professional experience.

Following this, the extended list of impacts was deliberated and refined during a subsequent session involving a mixed team of AROBS representatives and external consultants. The result of this collaborative effort was a streamlined and improved list that served as the foundation for developing stakeholder consultation questionnaires.

This rigorous approach ensured that the identified materiality topics are both technically sound and aligned with stakeholder expectations, reinforcing the company's commitment to robust sustainability reporting and strategic impact management.

2. Financial Materiality: This dimension assesses how ESG issues influence the organization’s financial performance, position, and resilience. For AROBS, this involves analyzing the financial risks and opportunities presented by changes in technology trends, regulatory developments, or market demands for sustainable solutions. It ensures that sustainability-related risks, such as impact of climate changes, climate-related regulations or shifts in client expectations toward greener technologies, are integrated into financial decision-making.

The financial materiality assessment was developed collaboratively by the team of consultants in partnership with a dedicated team from AROBS. This assessment was discussed and accepted during a focused working session with the financial department leads to ensure alignment with organizational priorities and compliance requirements.

The foundation of this process was built on an analysis of the legislative context and potential sanctions that could impact the company. Additionally, the consultants conducted thorough research to identify and quantify potential financial risks that may affect AROBS for the vast majority of them (for which we were able to identify benchmarks). This approach ensured that risks were evaluated in the context of their potential to impact the company's financial performance and sustainability objectives.

This comprehensive assessment reflects AROBS's commitment to proactively addressing financial risks and integrating these considerations into its sustainability strategy and reporting framework.

The process of double materiality within AROBS focused on all business relationships and geographies as a whole, with a strong focus on own operations.

Importance of Double Materiality for AROBS

The yearly updating process of double materiality is necessary for AROBS to align its sustainability strategy with both regulatory requirements and stakeholder expectations. It ensures that the company not only identifies and mitigates its impacts, but also positions itself to navigate financial risks and capitalize on emerging opportunities in the sustainability-focused global market.

For AROBS, operating in the dynamic software development and IT services industry, double materiality helps:

- Enhance Decision-Making: By considering both its impact on the environment and society and the financial implications of sustainability matters, AROBS can make well-informed strategic decisions that support long-term growth.
- Build Stakeholder Trust: Transparent reporting on double materiality fosters trust among clients, investors, employees, and regulators, demonstrating AROBS' commitment to responsible business practices.
- Ensure Regulatory Compliance: As a company listed on the Bucharest Stock Exchange and subject to European Sustainability Reporting Standards (ESRS), adhering to the double materiality principle aligns AROBS with the Corporate Sustainability Reporting Directive (CSRD) requirements.
- Identify Opportunities: By evaluating both external impacts and financial implications, AROBS can proactively identify opportunities for innovation, such as developing software solutions tailored to sustainability-focused industries like renewable energy, circular economy models or smart city solutions.

AROBS Supply Chain in Software Development and Engineering

AROBS operates within a complex and dynamic software development and engineering supply chain. The supply chain is structured across several key stages:

- Digital and Hardware Infrastructure Sourcing: Hardware providers, cloud service platforms, software development tools (IDEs, frameworks, cybersecurity solutions).
- Research & Development (R&D) and Talent Acquisition: Universities, research institutions, tech incubators, open-source communities.
- Software Design and Development: Internal development teams, freelance engineers, development partners.
- Deployment & Implementation: Cloud hosting providers, DevOps automation tools, IT infrastructure services.
- Customer Delivery, Support & Maintenance: IT service management (ITSM) providers, AI-driven support tools, technical training platforms.
- Governance, Compliance & ESG Reporting: Advisory firms, sustainability auditors, regulatory bodies.
- Workforce Development & Training: Online learning platforms, certification providers, industry training programs.
- Corporate & Administrative Support:
    - Rental & Utilities Suppliers: Office rental services, energy providers, internet and telecom service providers.
    - Fleet Maintenance Suppliers: Automotive service providers, fuel card programs, fleet insurance companies.

- Travel & Mobility Services: Travel agencies, car rental services, business travel management companies.
- Office Supplies & Equipment: Office furniture vendors, stationery suppliers, printing services.
- Promotional & Event Management: Marketing agencies, event organizers, branded merchandise suppliers.

Due diligence is embedded in the risk management framework, ensuring sustainability risks are identified and mitigated, key actions including:

- Stakeholder engagement
- Impact assessment
- Mitigation measures

Through the lens of double materiality, AROBS is equipped to balance its responsibilities to society and the environment with its ambition to achieve sustainable financial growth, ensuring its role as a leader in the evolving IT landscape.

Double Materiality Assessment & identification of impacts, risks, and opportunities (IRO 1)

Process to identify impacts, risks, and opportunities & materiality assessment

AROBS applies a double materiality approach, which considers both impact materiality—how the company's operations affect the environment and society, which assesses how ESG issues influence the company's financial performance. The identification of material topics is based on a structured process that includes internal workshops, external consultant input, stakeholder consultations, and a review of legislative and market trends. The methodology follows a defined threshold, where materiality is determined by selecting topics that exceed half of the maximum global average score for both impacts and financial risks or opportunities. To ensure alignment with evolving regulations and stakeholder expectations, this assessment is updated annually.

Methodologies and assumptions applied

The identification and prioritization of sustainability topics are based on stakeholder engagement surveys, tailored to different stakeholder categories. The company applies a scoring system that ranks topics based on key criteria, including magnitude, likelihood, and scope of impact. The prioritization process ensures that negative impacts are assessed based on severity and likelihood, while positive impacts are considered in terms of their scale, scope, and potential benefits. These methodologies allow AROBS to systematically evaluate material risks, opportunities, and sustainability-related concerns across its operations and business relationships.

Process to identify, assess, prioritize, and monitor impacts on people & environment

The identification, assessment, and monitoring of sustainability-related impacts are guided by stakeholder feedback, internal risk management processes, and double materiality analysis. AROBS ensures a structured approach to evaluating both potential and actual impacts on people and the environment. The company leverages insights from ESG regulatory frameworks, industry benchmarks, and internal sustainability strategies to continuously assess and refine its materiality process.

Focus on high-risk activities, business relationships, and geographies

The risk assessment process places particular emphasis on activities, business relationships, and geographical regions that present a heightened risk of adverse sustainability impacts. Key focus areas include energy usage and greenhouse gas (GHG) emissions, which relate to the company's operational efficiency and supply chain sustainability. Additionally, data security and privacy risks are a priority, given AROBS's involvement in technology and software development. Social factors, such as employee well-being, work-life balance, and ethical corporate conduct, are also central to the assessment of risks and opportunities.

Consideration of impacts from business operations & relationships

AROBS evaluates both direct and indirect impacts stemming from its own operations and those of its business partners, suppliers, and clients. The company integrates value chain analysis to assess potential risks and sustainability challenges in relation to climate change. Due diligence efforts include ESG criteria in procurement processes, data security compliance assessments, and responsible business practices within supplier and client interactions.

Stakeholder consultation & external expertise in risk assessment

Stakeholder engagement plays a critical role in AROBS's sustainability assessment. The company gathers insights through online questionnaires and structured rating systems, ensuring that stakeholders contribute directly to the identification of material impacts and risks. External consultants provide specialized expertise in ESG reporting frameworks, financial risk modeling, and sustainability impact measurement, ensuring that the process aligns with best practices and regulatory expectations.

Prioritization of negative & positive impacts in materiality assessment

The prioritization process differentiates negative and positive impacts to ensure a balanced approach to sustainability reporting. Negative impacts are ranked based on severity and likelihood, addressing key concerns such as energy consumption, data privacy risks, carbon emissions, and workplace safety. On the other hand, positive impacts are evaluated based on their scale, scope, and potential benefits, with a focus on corporate ethics, cybersecurity innovation, and employee well-being. This methodology helps AROBS determine which sustainability matters require the most attention and action.

Process for identifying financial risks & opportunities

The financial materiality assessment is conducted through internal financial reviews, regulatory impact studies, and market trend analysis. The process identifies sustainability-related financial risks, such as regulatory compliance costs, evolving market expectations, and reputational risks. Additionally, it evaluates financial opportunities, including expansion into green technologies, cybersecurity development, and sustainable product innovations.

Assessment of risk likelihood, magnitude & impact on business

AROBS employs historical data, industry benchmarks, and predictive modeling to assess the likelihood of sustainability-related risks. The magnitude of risks is determined based on their potential operational disruption, financial consequences, and regulatory implications. By systematically evaluating these factors, AROBS ensures that sustainability risks are effectively integrated into the broader corporate risk management framework.

Integration into corporate risk management & decision-making

Sustainability-related risks and opportunities are embedded into AROBS's enterprise risk management (ERM) framework. The insights from the materiality assessment directly inform strategic decision-making, investment planning, and regulatory compliance efforts. By aligning sustainability risks with overall corporate governance, the company enhances its ability to anticipate and mitigate emerging challenges while identifying opportunities for sustainable growth.

Extent of integration into management & risk control procedures

The assessment process is closely linked to AROBS's internal controls, risk monitoring systems, and financial planning. Sustainability-related KPIs are established to ensure continuous monitoring of key risks and opportunities. Regular internal reviews and oversight mechanisms enable proactive risk mitigation and data-driven decision-making across all business units.

Changes to process compared to previous reporting period

In comparison to prior reporting periods, AROBS has refined its list of material topics to reflect emerging risks and new business opportunities. Notably, the 2024 assessment introduced a more structured approach to climate-related risk quantification, a deeper evaluation of cybersecurity threats, and an expansion of stakeholder engagement methodologies. These enhancements ensure that the materiality assessment remains aligned with evolving industry standards and regulatory expectations.

Last modification & Future updates

The last modification of AROBS's materiality assessment process took place during the 2024 reporting cycle. Moving forward, the company plans to conduct its next revision as part of the 2025 assessment cycle, incorporating new regulatory developments, stakeholder feedback, and technological advancements.

Stakeholder Engagement

The identification of key stakeholders involved in the materiality process for AROBS's activities was initiated based on the list established during the previous reporting cycle. This list was expanded by including additional stakeholders identified through an analysis of the company's current status and partnerships. This analysis was conducted during a dedicated working session, ensuring that the updated list accurately reflects the evolving operational and strategic context of AROBS.

This iterative and inclusive approach underscores AROBS's commitment to engaging relevant stakeholders and aligning its materiality process with the latest organizational and industry developments.

The list of key stakeholders was established as follows:

Stakeholder	Type of stakeholder	Primary interests
Board of Directors	Internal	Long-term ESG strategy integration Risk management (climate, social, governance) Regulatory compliance and corporate responsibility
Employees	Internal	Workplace safety and well-being Career development and sustainability training
Clients	External	Sustainable and ethical business practices Affordable and responsible products/services Transparency in environmental and social impact
Corporate clients	External	ESG-compliant supply chain and partnerships Carbon footprint reduction strategies Compliance with sustainability regulations

Stakeholder	Type of stakeholder	Primary interests
Business Partners (Contractors, Suppliers, Collaborators)	External	Fair and ethical procurement practices Sustainable supply chain standards Support for emissions and waste reduction
Shareholders	External	ESG-driven financial performance and risk mitigation Transparent sustainability reporting and disclosures Long-term value creation through sustainable investments
Non-Governmental Organizations (NGOs)	External	Social and Environmental impact initiatives Corporate accountability and ethical governance Partnerships for sustainability projects
Bucharest Stock Exchange (BVB)	External	ESG compliance and reporting standards Sustainability-driven market performance Investor confidence in sustainable business practices
European Bank for Reconstruction and Development (EBRD)	External	Alignment with green financing criteria Support for sustainable economic development Climate resilience and energy transition effort
Universities	External	Collaboration on sustainability research and innovation Workforce development in sustainability fields Knowledge-sharing on environmental and social governance
Regulators	External	Compliance with sustainability laws and ESG reporting Corporate accountability in environmental and social impact Enforcement of sustainable business practices

Methods of engagement:

Stakeholder engagement was carried out through online questionnaires developed by the team of consultants in collaboration with AROBS. These questionnaires focused on the topics initially identified as material, as well as related subtopics, with the objective of aligning the company's vision with the perspectives of its stakeholders.

To enhance the relevance and accuracy of the feedback, the questionnaires were customized for each stakeholder category, as presented in the Annex to this report. This tailored approach ensured that the topics included in the questionnaires were aligned with the interests, expertise, and potential influence of each stakeholder group. By assigning relevant topics to specific stakeholders, the process encouraged meaningful input and highlighted areas where stakeholders could provide the most valuable insights.

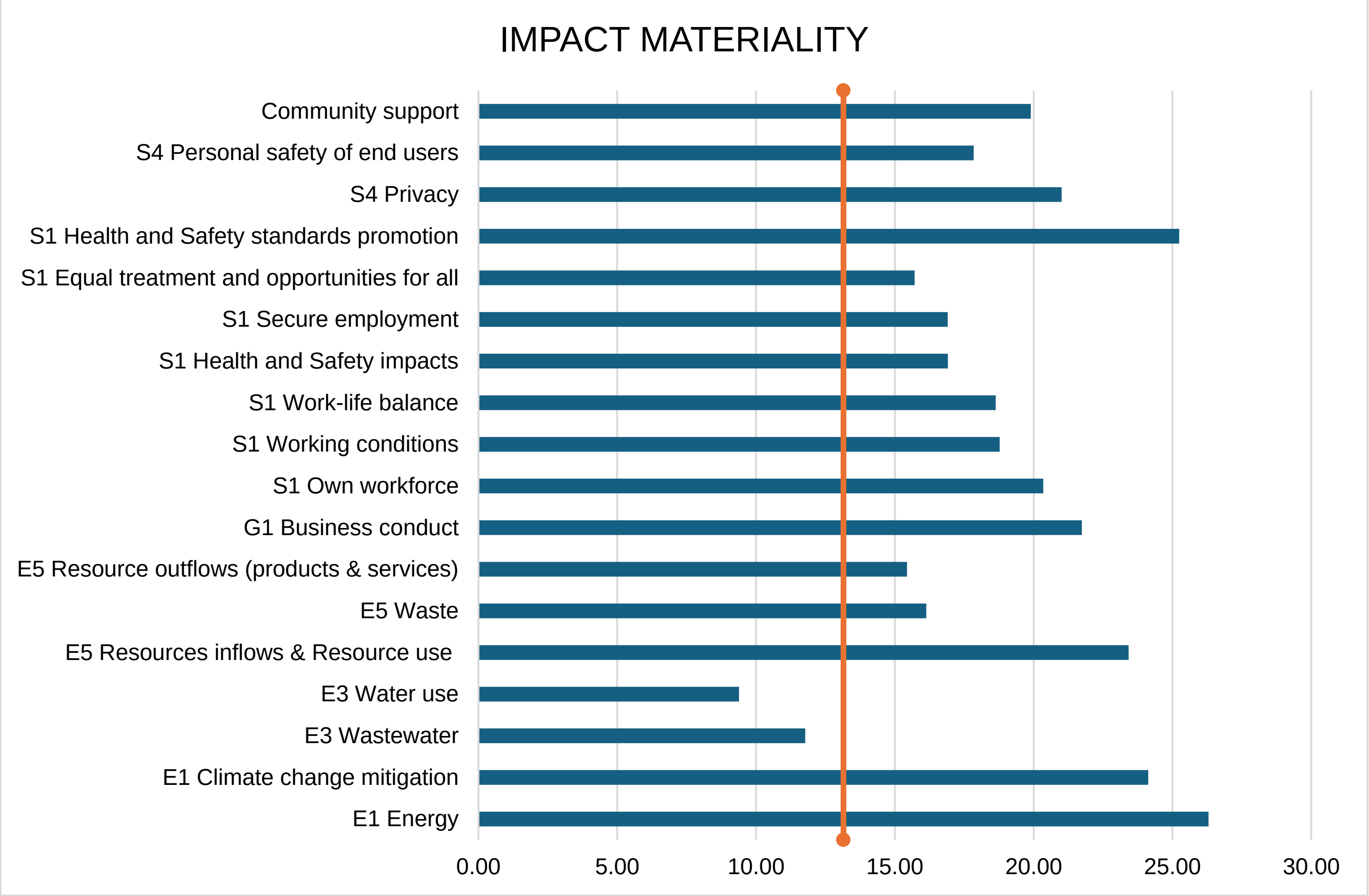
The stakeholders were asked to score assigned impacts, risks or opportunities, based on a scale developed in accordance with EFRAG Guidance IG1 on Double Materiality.

Double Materiality Assessment 2024: Summary of Results

Our Impacts, Risks and Opportunities

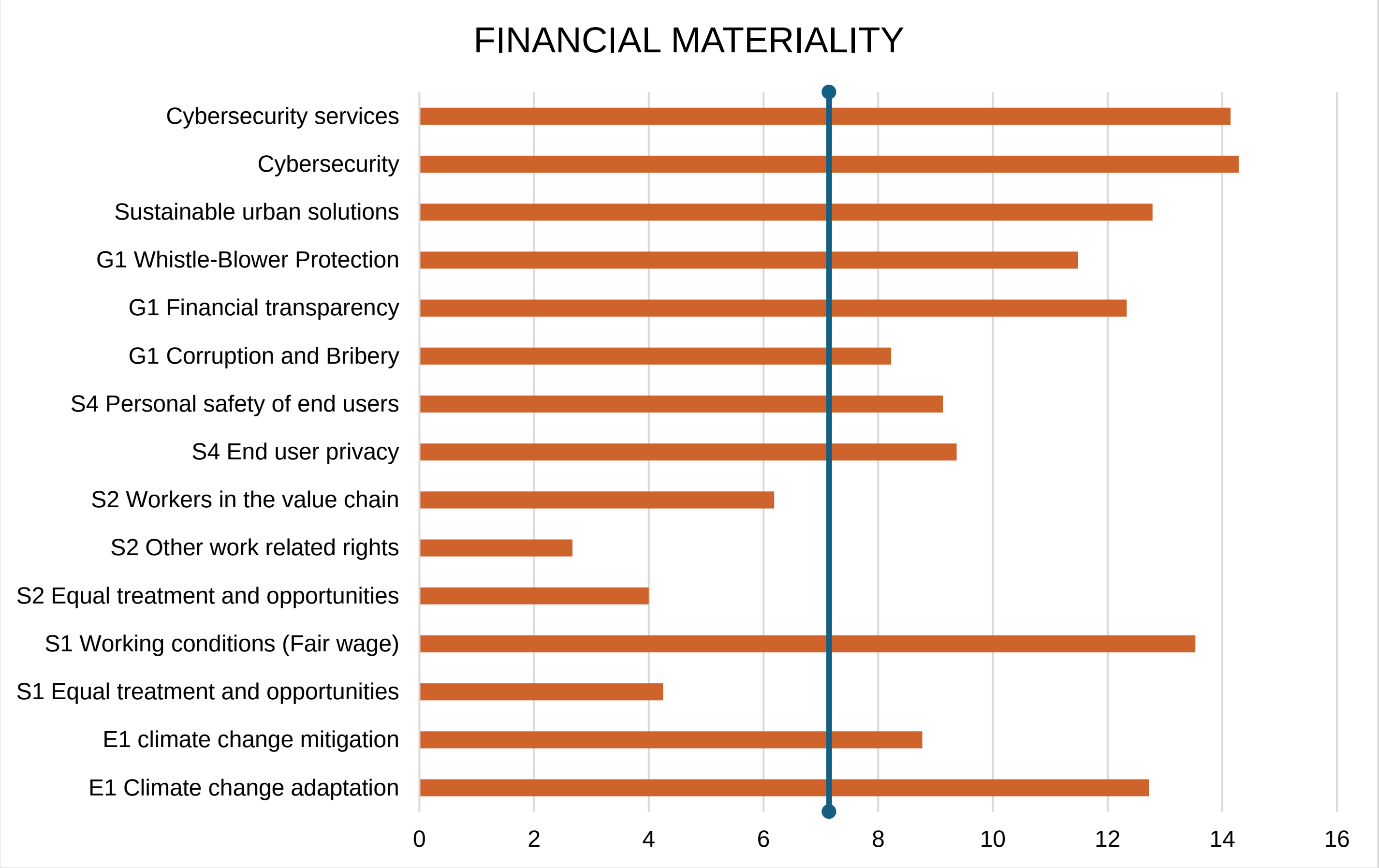
Topic	ESRS	Description	Type	Time horizon
Energy Usage	E1	AROBS relies on significant electricity for operations. Rising energy costs pose risks, requiring efficiency and renewable investments.	Negative	current
Contribution to Global Warming through GHG Emissions	E1	AROBS contributes to Scope 1 & 2 emissions through office and data center energy use. Plans include reduction strategies and supply chain engagement.	negative	current
Overuse of Non-Renewable Resources	E5	AROBS's solutions may indirectly increase resource consumption in high-energy industries. Sustainable alternatives are needed.	negative	potential
Waste generation during operations	E5	AROBS produces e-waste from operations and repairs. Improper disposal by clients could impact its environmental reputation.	negative	potential
Improved Employee Well-being through Work-Life Balance	S1	Flexible work policies improve productivity, retention, and work-life balance, strengthening AROBS's employer reputation.	positive	current
Strong Ethical Corporate Culture	G1	A strong corporate culture enhances innovation, reduces turnover, and attracts talent through inclusivity and well-being focus.	positive	current
Talent Acquisition and Retention	S1	Competition for skilled employees is high. AROBS must invest in training, fair pay, and a positive work environment.	negative	current
Own workforce working conditions	S1	High workloads and tight deadlines in IT create stress, affecting productivity, retention, and reputation if unaddressed.	negative	current
Secure Employment Enhances Workforce Stability	S1	Stable jobs improve loyalty, lower turnover, and strengthen AROBS's competitive advantage in hiring skilled professionals.	positive	current
Health and Safety Risks in Tech Industry	S1	Poor ergonomics and long hours lead to physical and mental health risks, affecting productivity and increasing costs.	negative	current
Improved Employee Morale and Engagement	S1	Engaged employees enhance productivity, lower turnover, and drive innovation, benefiting AROBS's long-term success.	positive	potential
Promotion of Health and Safety Standards	S1	AROBS implements digital tools to improve workplace safety and assist clients with compliance monitoring.	positive	current

Topic	ESRS	Description	Type	Time horizon
Promotion of Sustainable Product Life Cycles	E5	AROBS supports sustainability through digital tools that enhance efficiency, recycling, and resource management.	positive	current
Misuse of Consumer Data	S4	AROBS's technologies must ensure data security to prevent breaches, privacy violations, and regulatory risks.	negative	potential
Product Misuse or Design Flaws	S4	Flaws in AROBS's solutions could lead to safety risks, impacting consumer trust and regulatory compliance.	negative	potential
Implementing Fair Wage Systems	S1	Equitable wages improve employee retention, productivity, and trust while reducing absenteeism and turnover costs.	opportunity	short
Expansion into Green Technologies	S1	AROBS can benefit from the growing green tech sector by developing energy-efficient solutions.	opportunity	medium
Financial transparency	G1	Clear financial reporting enhances efficiency, compliance, and investor confidence while reducing regulatory risks.	opportunity	short
Establishing Whistle-Blower Protection Programs	G1	AROBS strengthened governance by encouraging transparency, preventing fraud, and mitigating legal risks.	opportunity	Medium
Reputational and Legal Risks from Non-Compliance with Privacy Laws	S4	Failure to comply with GDPR and other privacy laws could lead to fines, reputational damage, and consumer mistrust.	risk	Medium
Reputational and Legal Risks from Consumer Harm	S4	Neglecting safety, privacy, or security in AROBS's solutions can lead to legal issues and reputational damage.	risk	medium
Regulatory and Market Pressure to Reduce Emissions	E1	Regulatory and market expectations require AROBS to reduce emissions or face compliance risks and financial penalties.	risk	short
Corruption and Bribery Compliance	G1	Weak anti-bribery measures expose AROBS to legal penalties, financial losses, and reputational harm.	risk	short



The overall materiality threshold for impacts was established at half of the maximum global average score. The maximum global average score was determined by ranking impacts and selecting the highest number, the result being 26.3. In this case, the materiality threshold is thus 13.15. **All impacts ranked below this threshold are considered not material**.

FINANCIAL MATERIALITY



The overall materiality threshold for risks and opportunities (R&O) was established at half of the maximum global average score. The maximum global average score was determined by ranking R&Os and selecting the highest number, the result being 14.28. In this case, the materiality threshold is thus 7.14. **All R&Os ranked below this threshold are considered not material**.

After calculating the average scores for each stakeholder group, a consolidated average score was computed to assign a single score and corresponding level of importance for each topic from the overall stakeholder perspective. Topics that achieved at least half of the maximum possible score for the analysed subject were deemed to hold significant importance for stakeholders. These topics were subsequently categorized as material topics for further consideration in the sustainability strategy and reporting process. The prioritization of impacts, risks, and opportunities (IROs) is summarized in the table below, providing a clear overview of the topics identified as material based on the consolidated scoring methodology. This table serves as a foundation for addressing stakeholder priorities and aligning them with AROBS's sustainability strategy and reporting.

Impact - Description	Type	Global average score
Energy Usage	negative	26.30
Misuse of Consumer Data	negative	25.24
Contribution to Global Warming through GHG Emissions	negative	24.13
Overuse of Non-Renewable Resources	negative	23.42
Talent Acquisition and Retention	negative	21.73
Product Misuse or Design Flaws	negative	21.01
Own workforce working conditions	negative	20.35
Supporting Community Well-Being Through Technology & Education	positive	19.89
Improved Employee Well-being through Work-Life Balance	positive	18.77
Health and Safety Risks in Tech Industry	negative	18.63
Strong Ethical Corporate Culture	positive	17.84
Secure Employment Enhances Workforce Stability	positive	16.91
Improved Employee Morale and Engagement	positive	16.90
Waste generation during operations	negative	16.13
Promotion of Health and Safety Standards	positive	15.71
Promotion of Sustainable Product Life Cycles	positive	15.44

Exclusions based on non-materiality:

Based on the reasoning outlined—where topics receiving a score below half of the maximum possible score are deemed to represent the lowest level of interest and are therefore considered non-material—we can conclude that **Standard E3: Water and Marine Resources** is non-material for AROBS.

Risk/Opportunity - Description	Type	Global average score
Cybersecurity	risk	14.29
Development of Cybersecurity Solutions for Data Privacy and Information Access	opportunity	14.14
Implementing Fair Wage Systems	opportunity	13.53
Development of Sustainable Urban Solutions	opportunity	12.78
Expansion into Green Technologies	opportunity	12.72
Financial transparency	opportunity	12.33

Risk/Opportunity - Description	Type	Global average score
Establishing Whistle-Blower Protection Programs	opportunity	11.48
Reputational and Legal Risks from Non- Compliance with Privacy Laws	risk	9.37
Reputational and Legal Risks from Consumer Harm	risk	9.13
Regulatory and Market Pressure to Reduce Emissions	risk	8.77
Corruption and Bribery Compliance	risk	8.23

Exclusions based on non-materiality

The following risks will not be prioritized in the materiality assessment: **Legal and Reputational Risks from Value Chain Non-Compliance, Supplier's Breach of Human Rights Agreements, Low Pay or Lack of Career Advancement in the Value Chain, and Reputational Damage from Discrimination or Harassment Complaints**. Given that AROBS operates in intellectual, office-based environments, worker rights issues common in labor-intensive sectors do not apply, and the company's impact on value chain working conditions is minimal.

Similarly, AROBS's operations do not significantly affect local communities due to their digital nature and lack of resource extraction or land use. The company's work-from-home policy further reduces environmental and social disruptions. Instead, AROBS engages in Corporate Social Responsibility (CSR) initiatives, focusing on education and community support rather than mitigating negative community impacts.

While AROBS positively contributes to talent development and well-being through technology and education programs, the ESRS framework prioritizes mitigating adverse impacts over social contributions. As a result, AROBS's community engagement efforts, though valuable, are not classified as material risks within the ESRS reporting framework.

Other subjects analysed by the entity, which were found to be specific to the group and not part of any ESRS topics, were:

Supporting Community Well-Being Through Technology & Education: AROBS can contribute positively by developing or supporting digital tools that promote access to adequate housing, food, and water for affected communities. For example, using data analytics and geospatial technologies, AROBS can enable efficient planning for housing or water infrastructure projects. Also, AROBS is already contributing to local communities by partnering with local Universities and various authorities for R&D projects (ex. AlertBox prototype).

Cybersecurity, as a risk: Cybersecurity is integral to AROBS's core business of providing IT and software solutions. Ensuring secure software and data protection is critical to maintaining client trust and delivering high-quality technology solutions and products. With increasing global emphasis on data protection and the rise in cybersecurity threats, this is a strategic and operational priority.

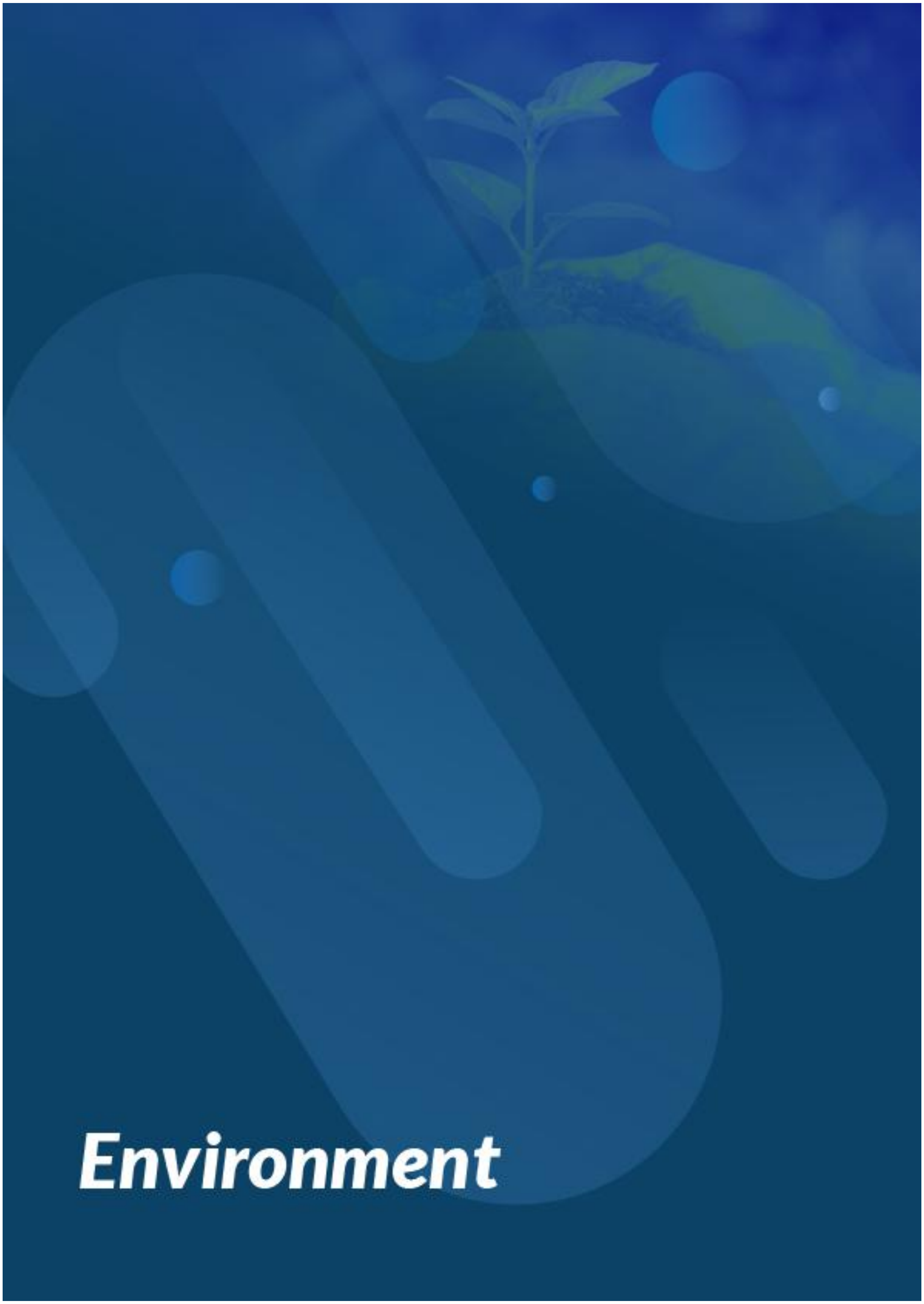
Stakeholder Expectation: Clients, investors, and regulators expect AROBS to have robust cybersecurity measures in place to mitigate risks and protect sensitive data.

Global Trends: Cybersecurity is a significant emerging trend across the IT industry. It is crucial for maintaining competitiveness and aligning with international standards like GDPR and ISO certifications.

Development of Cybersecurity Solutions for Data Privacy and Information Access as an opportunity: The global rise in cyberattacks has heightened the need for robust cybersecurity solutions across industries. Organizations are prioritizing investments in secure systems to protect sensitive data. Stringent data protection regulations, such as the GDPR in the EU and similar frameworks globally, are driving demand for advanced cybersecurity solutions.

AROBS's expertise in software development and IT services positions it well to develop tailored cybersecurity solutions for clients across industries, such as automotive, life sciences, and enterprise software. Developing cybersecurity solutions aligns with AROBS's strategic objective of driving innovation and addressing emerging client needs in technology.

Cybersecurity threats, if unaddressed, can lead to financial losses for businesses. AROBS's solutions can help clients mitigate these risks, creating a strong value proposition. Strong cybersecurity offerings enhance client trust by ensuring data privacy and protecting critical information, which is a priority for stakeholders. By addressing data privacy and access, AROBS supports responsible business practices and aligns with ESG commitments, particularly in governance and risk management.



Environment

EU Taxonomy

EU TAXONOMY

As part of our commitment to sustainable business practices, our company has conducted a taxonomy screening to evaluate the alignment of our economic activities with the EU Taxonomy Regulation (Commission Delegated Regulation 2021/2139). This assessment focused on identifying activities that contribute to climate change mitigation and adaptation, along with determining the necessary steps for alignment. The process involved reviewing our operations, analyzing regulatory criteria, and assessing eligibility based on NACE codes.

Following this evaluation, our company identified 2 eligible activities, with a subset related to data-driven solutions for greenhouse gas (GHG) emissions reductions and provision of IT/OT data-driven solutions. However, none of these fully meet the substantial contribution criteria under the EU Taxonomy due to gaps in climate risk assessments, life-cycle emissions tracking and third-party verification. To address these, we plan to enhance climate-related risk assessments, improve emissions reporting, explore energy efficiency measures, and assess renewable energy sourcing options.

From an investment perspective, our CapEx and OpEx strategies are in the early development stages, focusing on sustainability assessments, IT infrastructure optimization, and compliance initiatives. Future reports will provide updates on our progress in aligning revenues, CapEx, and OpEx with EU Taxonomy requirements, ensuring transparency and long-term sustainability integration into our business strategy.

TURNOVER				**Substantial Contribution Criteria**						**DNSH criteria ('Does Not Significantly Harm')**						
Economic Activities (1)	**Code (2)**	**Absolute turnover (3)**	**Proportion of Turnover (4)**	**Climate Change Mitigation (5)***	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity and ecosystems (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**
A. TAXONOMY-ELIGIBLE ACTIVITIES			**19%**													
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**Y**	**Y**	**N**	**Y**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Data-driven solutions for GHG emissions reductions		77,671,565	19%													
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**77,671,565**	**19%**													
Total (A.1+A.2)		**77,671,565**	**19%**													
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																
Turnover of Taxonomy-non-eligible activities		**337,729,465**	**81%**													
Total (A+B)		**415,401,030**	**100%**													

CAPEX				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						
Economic Activities (1)	**Code (2)**	**Absolute CapEx (3)**	**Proportion of CapEx (4)**	**Climate Change Mitigation (5)***	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity and ecosystems (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**
A. TAXONOMY-ELIGIBLE ACTIVITIES			**18%**													
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**Y**	**Y**	**N**	**Y**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																
Data-driven solutions for GHG emissions reductions		7,856,334	18%													
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**7,856,334**	**18%**													
Total (A.1+A.2)		**7,856,334**	**18%**													
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																
Capex of Taxonomy-non-eligible activities		**36,716,367**	**82%**													
Total (A+B)		**44,572,701**	**100%**													

OPEX				**Substantial Contribution Criteria**						**DNSH criteria ('Does Not Significantly Harm')**						
Economic Activities (1)	**Code (2)**	**Absolute OpEx (3)**	**Proportion of OpEx (4)**	**Climate Change Mitigation (5)***	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity and ecosystems (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**
A. TAXONOMY-ELIGIBLE ACTIVITIES			**18%**													
A.1. Environmentally sustainable activities (Taxonomy-aligned)																
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.00**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**Y**	**Y**	**N**	**Y**
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																
Data-driven solutions for GHG emissions reductions		23,260,084	95%													
Provision of IT/OT data-driven solutions		0.00	0%													
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**23,260,084**	**95%**													
Total (A.1+A.2)		**23,260,084**	**95%**													
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																
OpEx of Taxonomy-non-eligible activities		**1,296,561**	**5%**													
Total (A+B)		**24,556,635**	**100%**													

GHG Reporting Scope 1, 2 & 3 -Extras

E1 Climate Change

ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes

Currently, our company does not integrate climate-related performance metrics into the remuneration structures of its administrative, management, or supervisory bodies. As a result, no portion of the remuneration recognized in the current period is linked specifically to climate-related performance indicators or to the achievement of any GHG emission reduction goals.

At this stage, performance assessments and incentive structures remain centered on financial, operational, and strategic objectives without explicit consideration of climate-related criteria. Because our performance has not been assessed against any formal GHG emission reduction targets, no adjustments have been made to remuneration based on climate-related outcomes.

However, in line with our broader commitment to sustainability governance, we continue to explore the feasibility of incorporating climate-related performance metrics into future incentive schemes. As part of these evaluations, we aim to identify relevant climate-related key performance indicators, so that we can more effectively align management incentives with our long-term climate objectives once formal climate targets are established.

Should the company decide to adopt climate-linked remuneration in upcoming periods, we will disclose the percentage of total remuneration tied to climate-related considerations, the nature of these considerations (e.g., specific emission-reduction milestones or energy-efficiency improvements), and the process by which performance will be measured and verified.

Transition Plan for Climate Change Mitigation (E1-1)

Our company has not yet formalized a transition plan for climate change mitigation. Nevertheless, we recognize the importance of aligning our business model and strategy with global climate objectives, including limiting global warming to 1.5°C and achieving climate neutrality by 2050. Although we currently have no internal or external GHG emission reduction targets, we have begun establishing the building blocks for such targets and broader transition efforts.

No formal GHG reduction targets have been established yet. We therefore do not currently have any emissions goals that are explicitly aligned with the 1.5°C pathway of the Paris Agreement. Our ongoing greenhouse gas (GHG) emissions assessments—inclusive of Scope 1 and 2 for 2023, and Scope 3 starting in 2024 - will provide a baseline for identifying and setting appropriate targets in the future.

Although formal climate-related targets are not yet in place, we have identified several initial mitigation approaches that will feature in our eventual transition plan:

- **Energy Efficiency**: We are exploring opportunities to reduce energy consumption in our offices and data centers, focusing on efficiency improvements across our IT infrastructure.
- **Renewable Energy Sourcing**: We aim to assess renewable electricity options, particularly in our core markets (Romania, Poland, Germany, the UK, Indonesia, and Hungary).
- **Product & Service Portfolio**: We see market potential in low-carbon IT solutions and in sustainable software offerings, as clients increasingly seek climate-aligned services.

Our strategic review process will eventually integrate a climate-focused transition plan to help us allocate resources and guide investment in low-carbon initiatives. Scenario analyses and risk assessments—including those covering potential changes in carbon pricing and energy costs—will be used to inform future decisions, once our GHG emissions baseline is fully established.

Because our transition plan is still under development, there is **no defined process or timeline** for seeking approval from administrative, management, or supervisory bodies. We do, however, anticipate that the final plan—once drafted—will be subject to review and endorsement at these highest governance levels. After we adopt a formal transition plan, we will establish specific objectives, timelines, and performance metrics. Regular public updates will follow to measure our progress toward achieving these objectives.

We have not yet allocated specific timelines or budgets for these actions but view them as key levers for future decarbonization. Thus, no dedicated budget, funding line, or capital expenditure (CapEx) has been earmarked for climate change mitigation activities.

Our company does not engage in coal, oil, or gas-related activities and does not hold energy-intensive assets. Consequently, we consider our exposure to “locked-in” carbon emissions to be low. However, because our IT infrastructure and data centers source electricity that may include fossil fuels, we recognize that future procurement decisions can help reduce potential locked-in emissions.

We have not yet completed a formal alignment assessment with the EU Taxonomy for climate mitigation and adaptation. As part of our sustainability strategy, we plan to review our economic activities to determine potential alignment with the technical screening criteria under relevant delegated acts.

Anticipated Timeline

Although a final transition plan is not yet in place, we aim to develop and adopt one by **the next reporting period (March 2026)**. At that point, we expect to:

1. Finalize internal GHG reduction targets aligned with global climate goals, where feasible;
2. Define relevant CapEx and OpEx to support low-carbon initiatives; and
3. Present the transition plan for approval by the appropriate governing bodies.

Material impacts, risks and opportunities and their interaction with strategy and business model (ESRS 2 SBM-3)

Material Impacts Related to Climate Change

1. **Energy Usage**: AROBS relies heavily on electricity to power its data centers, offices, and specialized equipment, reflecting a broader trend in which IT operations account for an increasing share of global electricity consumption. This energy usage not only has a direct environmental footprint but also exposes the company to cost volatility in global energy markets.

As part of its broader ESG initiatives, AROBS continually explores energy-efficiency measures and renewable energy solutions to minimize both carbon emissions and operational costs.

2. **Contribution to Global Warming through GHG Emissions**: AROBS’s operations contribute to Scope 1 and Scope 2 GHG emissions, primarily through office energy consumption, data center operations, and company facilities. These emissions constitute a negative impact on the climate and underscore the need for proactive reduction strategies.

In 2024, AROBS began calculating its carbon footprint in more detail and intends to develop actionable reduction measures in 2025, recognizing the importance of lowering its overall climate impact.

Material Climate-Related Risks

In line with ESRS 2 SBM-3, AROBS has identified one principal climate-related transition risks:

1. **Regulatory and Market Pressure to Reduce Emissions**: Climate-related **transition risk** arising from evolving EU regulations (e.g., CSRD) and stakeholder demands for stringent emissions disclosures and reductions. Non-compliance could lead to financial penalties, reputational damage, and potential loss of investor confidence. Conversely, a robust emissions management approach can enhance AROBS's competitive positioning and access to sustainable finance.

Currently, AROBS has not identified any material **physical** climate-related risks (e.g., extreme weather events, flooding) that significantly threaten its operations, given the nature of its business model and geographies. However, the company continues to monitor evolving climate scenarios for potential physical risk factors.

Resilience of the Strategy and Business Model in Relation to Climate Change

AROBS's resilience analysis covers the company's global operations, including offices, data centers, and relevant upstream/downstream activities where energy usage or GHG emissions are significant. The company conducts its resilience analysis as part of its broader risk management and strategic planning processes.

While a formal climate scenario analysis is not yet complete, initial assessments consider potential energy market fluctuations and regulatory shifts over short- and medium-term horizons. Data gathered for GHG emissions (Scopes 1, 2, and soon 3) informs internal discussions on strategic investments (e.g., technology upgrades) and policy decisions (e.g., exploring renewables).

The company plans to refine its climate scenario analysis in tandem with further developments in its ESG and risk frameworks, with more robust modeling anticipated in future reporting cycles.

Results of the Resilience Analysis (Including Scenario Analysis)

1. **Short-Term Resilience** (1–3 years):

AROBS has partially mitigated energy cost volatility by improving energy efficiency in data centers and offices. Ongoing operational reviews aim to reduce overall electricity demand and incorporate renewable energy where feasible.

By proactively monitoring and reporting on its GHG footprint, AROBS positions itself to respond more quickly to emerging regulations and sustainability criteria demanded by customers and investors.

2. **Medium-Term Resilience** (3–10 years):

Anticipated tightening of EU climate regulations (e.g., higher carbon pricing, stricter emission reporting) could heighten transition risks. In response, AROBS is aligning its internal processes (e.g., carbon tracking systems, supplier engagement) to comply with stricter standards.

Expansion into **green technologies** offers a substantial opportunity for portfolio diversification and revenue growth, mitigating regulatory cost pressures while enhancing the company's value proposition.

3. **Long-Term Resilience** (10+ years):

If global decarbonization trends persist, high energy prices from conventional sources and heightened emissions regulations may favor businesses that adopt renewables and low-carbon processes. AROBS's potential shift toward providing energy-efficient IT solutions could thus confer a competitive edge.

The company's strategic exploration of software and technology solutions for sustainability can reduce both its own impact and customers' footprints, bolstering resilience as climate policies and market expectations evolve.

Overall, while AROBS's resilience analysis remains in development, preliminary findings suggest that the company's exposure to climate-related transition risks can be actively managed through a combination of energy-efficiency improvements, regulatory compliance measures, and market-driven expansion into green tech. As AROBS refines its scenario analysis and completes more detailed risk assessments, it intends to enhance resilience by setting formal emissions targets and further integrating climate considerations into corporate strategy and operational decision-making.

Next Steps

- **Monitoring and Strategy Alignment**: AROBS will continue monitoring energy market dynamics, regulatory developments, and stakeholder expectations, refining its resilience analysis as more data becomes available.
- **Scenario Analysis Enhancement**: In future reporting cycles, AROBS aims to strengthen its use of quantitative climate scenarios to better evaluate the financial and operational implications of various decarbonization pathways.
- **Leveraging Opportunities**: Expansion into green technologies remains a key strategic avenue, aligning the company's digital expertise with the growing global demand for sustainability-oriented solutions.

By maintaining a proactive stance on energy usage, emissions reduction, and regulatory compliance, AROBS seeks to ensure its strategy and business model remain resilient and well-positioned in a rapidly evolving climate and policy landscape.

Processes to Identify and Assess Material Climate-Related Impacts, Risks, and Opportunities

Our company follows a structured process to identify and assess climate-related impacts, risks, and opportunities, with a strong focus on GHG emissions, physical risks, and transition risks. This approach ensures consistency with GHG Protocol standards and aligns with evolving climate policies and market expectations.

We established the GHG reporting boundary by examining several criteria indicative of potential impact, including revenue, workforce size, vehicle fleet, and operational space. Based on these criteria, we excluded certain smaller entities whose combined contribution to overall emissions was deemed non-material. This approach ensures that our GHG calculations accurately capture the most significant sources of emissions while remaining aligned with the principle of proportionality.

GHG Emissions Assessment

We calculate our GHG emissions using the GHG Protocol standard, ensuring accuracy and adherence to best practices. Our emissions inventory has evolved over time:

- 2023: Initial assessment covering Scope 1 (direct emissions) and Scope 2 (purchased energy).
- 2024: Expansion to Scope 3, assessing indirect emissions across our value chain.

We collect and evaluate emissions data from operational sources, applying emission factors to estimate our total footprint. Future improvements will enhance Scope 3 accuracy and integrate findings into climate risk assessments.

Climate-Related Physical Risks Assessment

As an IT company, our direct exposure to physical climate risks is minimal. However, we conducted an initial assessment using high-emission climate scenarios to evaluate potential hazards like extreme weather, rising temperatures, and infrastructure disruptions.

- **Own Operations**: Our facilities, including data centers, are in areas with low exposure to acute climate hazards. We monitor risks related to energy availability and cooling system efficiency as part of our long-term strategy.
- **Value Chain**: Future assessments will explore supplier dependencies and potential climate-related disruptions within our upstream and downstream operations.

Although the direct exposure of AROBS's IT-based operations is currently assessed as relatively low, management remains attentive to possible disruptions—such as grid outages or heatwaves affecting data center cooling—in both primary office locations and critical supplier operations.

Transition Risks and Opportunities

We assess climate transition risks and opportunities across our operations in Romania, Poland, Germany, the UK, Indonesia, and Hungary. AROBS considers a range of potential regulatory, economic, and technological shifts associated with climate change. At a minimum, the company will reference a climate scenario aligned with limiting global warming to 1.5°C, which implies significant policy actions, carbon pricing, and market expectations for lower-emission products and services.

Key transition factors include:

- Short-Term (0–3 years): Rising energy costs, regulatory carbon disclosure obligations, and increased client sustainability expectations.
- Medium-Term (3–10 years): Expansion of renewable energy policies, stricter data center efficiency regulations, and supply chain decarbonization.
- Long-Term (10+ years): Shift toward net-zero targets, emergence of low-carbon IT solutions, and innovation in energy-efficient digital services.

We anticipate operational cost fluctuations, evolving regulatory requirements, and market opportunities, particularly in green IT solutions and low-carbon cloud computing. Future climate risk analysis will incorporate scenario modeling to quantify financial implications.

By continuously evaluating climate-related risks and opportunities, we aim to enhance business resilience, regulatory alignment, and long-term sustainability. Future reporting cycles will refine our climate strategy, integrating climate risk assessments into decision-making and investment planning.

Policies related to climate change mitigation and adaptation (E1-2)

At present, our company has not yet adopted a formal climate policy addressing climate change mitigation and adaptation. However, we recognize the importance of structured climate governance and are actively working toward integrating climate considerations into our business strategy and risk management frameworks.

While a dedicated policy is not in place, our ISO 14001 certification for the TrackGPS division demonstrates our commitment to environmental management. Additionally, climate risks identified through our double materiality assessment have been incorporated into our Risk Management programs, ensuring ongoing monitoring and mitigation as part of our broader corporate risk strategy.

Scope and Future Plans

Since no standalone climate policy has been established, there are currently no defined scope or exclusions. However, we plan to expand ISO 14001 certification across the entire group, laying the foundation for broader environmental and climate-related commitments.

Governance and Accountability

Currently, there is no designated senior executive accountable for climate policy implementation. However, climate-related risks are managed within our Risk Management programs, which are overseen at the executive level. Future policy development may involve assigning clear accountability to senior leadership within our sustainability and risk management functions.

Alignment with Third-Party Standards and Stakeholder Interests

The ISO 14001 certification serves as the primary reference for environmental management standards. Additionally, climate risks are addressed through stakeholder engagement, ensuring alignment with the expectations of investors, regulatory bodies, customers, and employees.

Future Policy Development and Transparency

Although we do not yet have a formal climate policy, our current environmental initiatives reflect our commitment to sustainability. As we expand our environmental initiatives and develop a structured climate policy, we will ensure stakeholder engagement, transparency, and public disclosure in alignment with evolving sustainability regulations and best practices.

Actions and resources in relation to climate change policies (E1-3)

AROBS has not yet implemented formal climate mitigation or adaptation actions. While the company recognizes the importance of reducing greenhouse gas emissions and enhancing climate resilience, no dedicated initiatives were executed during this reporting period. Areas such as energy efficiency, renewable electricity procurement, and low-carbon product development remain under consideration for future integration into a structured climate plan once clear GHG reduction targets and accountability frameworks are established.

Because no formal actions have been taken, there are currently no reported GHG reductions or specific allocations of capital (CapEx) and operating (OpEx) expenditure for climate-related initiatives. However, AROBS intends to pursue these measures as part of its ongoing sustainability strategy, which will also evaluate potential taxonomy-aligned expenditures under Commission Delegated Regulation (EU) 2021/2178. Going forward, the company plans to track and disclose the outcomes of any climate actions undertaken, including achieved emission reductions and alignment with relevant financial statement line items.

Targets related to climate change mitigation and adaptation (E1-4)

Current Status and Future Commitments

Our company has not yet established formal climate-related targets or a structured transition plan for climate change mitigation. However, we recognize the importance of aligning our strategy with global climate goals, including limiting global warming to 1.5°C and achieving climate neutrality by 2050.

While we have not yet adopted a formal climate policy, and we do not currently have a specific baseline year, reduction percentages or intensity metrics, we have integrated climate risks into our Risk Management programs, ensuring continuous monitoring and mitigation of financial and operational impacts. The ISO 14001 certification for the TrackGPS business line demonstrates our commitment to environmental management, with plans to expand this certification across the group as a foundation for broader climate commitments.

While no specific GHG emissions reduction targets have been set, we have taken initial steps toward assessing our climate impact and mitigation strategies, including:

- GHG Emissions Calculation: Implemented an emissions assessment process covering Scope 1 and 2 emissions (2023) and expanding to Scope 3 (2024) in line with the GHG Protocol standard.
- Energy Efficiency Measures: Exploring ways to reduce energy consumption across our IT infrastructure and operations in Romania, Poland, Germany, the UK, Indonesia, and Hungary.
- Future Strategy: Evaluating renewable energy sourcing and potential emission reduction pathways as part of our broader sustainability initiatives.

Additionally, our company does not engage in coal, oil, or gas-related activities, minimizing exposure to fossil fuel-related transition risks.

Planned Timeframe for Climate Targets and Actions

- Policy Development (Next 2-3 Years): We aim to adopt a formal climate policy as part of our broader sustainability strategy.
- Implementation of Actions (Next 3 Years): Initial actions will focus on energy efficiency, improved emissions tracking, and sustainability-driven IT infrastructure optimization.
- Defining Climate Targets (Next 3-5 Years): Once our emissions footprint is fully assessed, we will define measurable climate-related targets, ensuring alignment with global climate commitments and business objectives.

Challenges and Justifications for Delayed Target Setting

We have not yet established measurable climate targets due to:

- The need for comprehensive emissions data, particularly in Scope 3, following our recent assessment expansion.
- Ongoing internal evaluations of feasible emission reduction pathways and low-carbon technology solutions.

- The requirement to align future targets with evolving regulatory frameworks and corporate strategic objectives.

Tracking and Monitoring Climate-Related Performance

Since a formal transition plan and climate targets are still under development, we do not yet have a structured framework for tracking climate performance. However, we monitor climate risks and opportunities through:

- Periodic risk assessments that consider transition risks such as energy price volatility and regulatory shifts.
- Environmental performance tracking within the ISO 14001-certified TrackGPS business line.
- Future plans to develop a systematic approach to measuring sustainability impact and progress toward emission reductions.

Future Outlook

We expect to formalize a transition plan and define climate targets by 2025-2026, ensuring compatibility with global climate goals and regulatory expectations. As we refine our climate strategy, we will continue integrating sustainability into our business model, enhancing resilience and competitiveness in a low-carbon economy.

Disclosure of energy consumption and mix (E1-5)

The energy mix presented in the data is predominantly reliant on natural gas, which accounts for 30% of the total energy supply. This is followed by petrol, highlighting a significant reliance on fossil fuels. Other conventional sources, such as coal, diesel, and nuclear, also contribute to the mix, indicating a strong presence of both thermal and non-renewable energy sources. Renewable energy sources, while present, make up a smaller share of the mix. Hydropower contributes 7%, while wind, solar, and biomass play relatively minor roles. The data suggests a strong dependency on fossil fuels, with limited but growing participation of renewable sources in the overall energy landscape.

	2024
Energy consumption related to own operations	3311.1 MWh
Energy consumption from fossil sources	2932.33 MWh
Fuel consumption from coal and coal products	*0*
Fuel consumption from crude oil and petroleum products	1617.64 MWh
Fuel consumption from natural gas	980.35 MWh
Fuel consumption from other fossil sources	*0*
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	334.4 MWh
Percentage of fossil sources in total energy consumption	88.6 %
Energy consumption from nuclear sources	161.75 MWh
Percentage of energy consumption from nuclear sources in total energy consumption	4.9 %

Energy consumption from renewable sources	378.72 MWh
Fuel consumption from renewable sources	*0*
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	378.72 MWh
Consumption of self-generated non-fuel renewable energy	*0*
Percentage of renewable sources in total energy consumption	11.4 %
Non-renewable energy production	*0*
Renewable energy production	*0*

AROBS does not operate in high climate impact sectors (e.g., extractive industries or heavy manufacturing). Accordingly, no energy-intensity ratio (consumption per net revenue in a high-impact sector) is disclosed.

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

The calculation domains, referred to as **SCOPE** in this report, represent the type and source of emissions across the value chain:

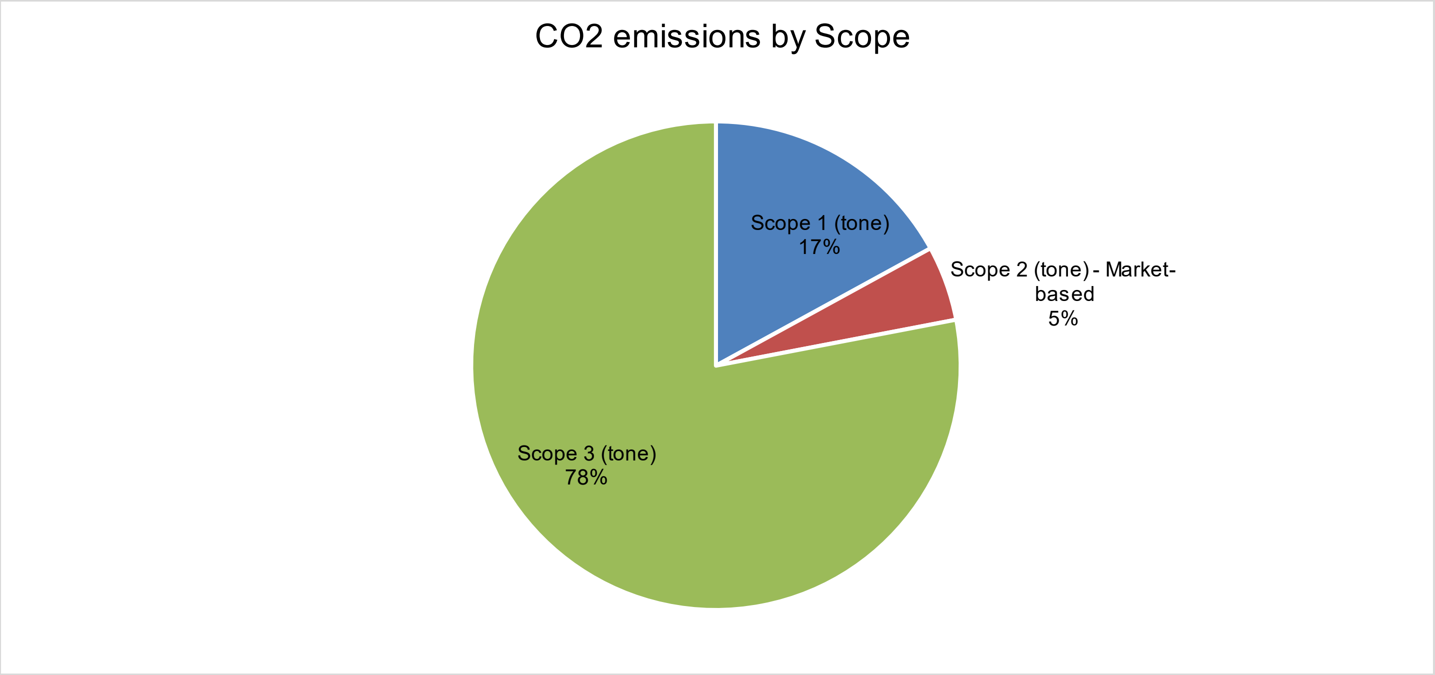
- **SCOPE 1:** Direct emissions from the combustion of fossil fuels within the company's operations.
- **SCOPE 2:** Exclusively indirect emissions from purchased energy.
- **SCOPE 3:** Indirect emissions from the remainder of the value chain, including suppliers and partners.

The selected method for calculation is Equity.

Results by SCOPE

The results are expressed in **tons of CO2 equivalent (tCO2e)**, a unit that encompasses emissions of carbon dioxide (which accounts for the majority), methane (CH4), nitrous oxide (N2O), sulfur hexafluoride (SF6), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs), as per the calculation requirements outlined in the GHG Protocol standard.

Below, a percentage distribution of emissions by domain is presented to highlight the activities with the most significant impact.



The global emissions overview is also presented in absolute values, providing a benchmark for future calculation exercises aimed at reducing these quantities. It is worth emphasizing that the breakdown of emissions into the three SCOPE categories (1, 2, and 3) enables a more precise identification of major emission sources. This facilitates prioritizing reduction measures where the impact is most significant, thereby supporting the effectiveness of the carbon footprint reduction strategy. Additionally, it allows for systematic long-term monitoring of progress.

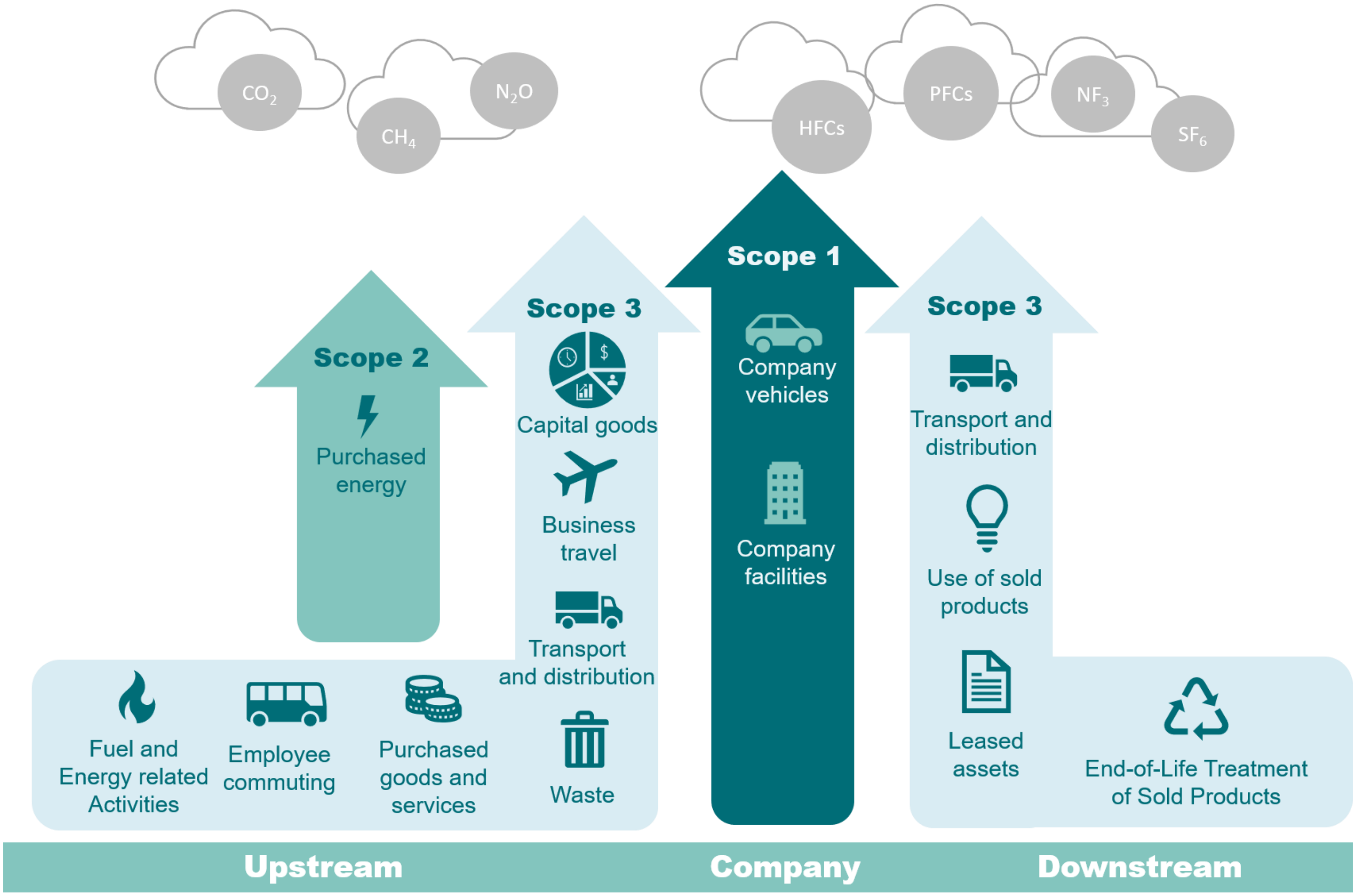
	Retrospective			Milestones and target years			
	Base year (N) 2024	**N-1 = 2023**	**% N / N-1**	**2025**	**2030**	**- 2050**	**Annual % target / Base year**
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO2eq)	708.04	825.07	-14%	n.a.	n.a.	n.a.	n.a.
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0	n.a.	n.a.	n.a.
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO2eq)	166.70	204.04	-18%	n.a.	n.a.	n.a.	n.a.
Gross market-based Scope 2 GHG emissions (tCO2eq)	206.32	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Significant scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	3,244.99	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1 Purchased goods and services	1,235.66	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2 Capital goods	716.02	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3 Fuel and energy-related activities	172.10	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

		Retrospective			Milestones and target years			
		Base year (N) 2024	**N-1 = 2023**	**% N / N-1**	**2025**	**2030**	**- 2050**	**Annual % target / Base year**
	(not included in Scope1 or Scope 2)		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4	Upstream transportation and distribution	55.54	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5	Waste generated in operations	11.77	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
6	Business traveling	76.09	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
7	Employee commuting	117.22	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
8	Upstream leased assets	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
9	Downstream transportation	509.69	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10	Processing of sold products	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
11	Use of sold products	178.83	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
12	End-of-life treatment of sold products	0.01	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13	Downstream leased assets	172.05	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14	Franchises	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
15	Investments	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)		4119.73	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Total GHG emissions (market-based) (tCO2eq)		4159.35	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

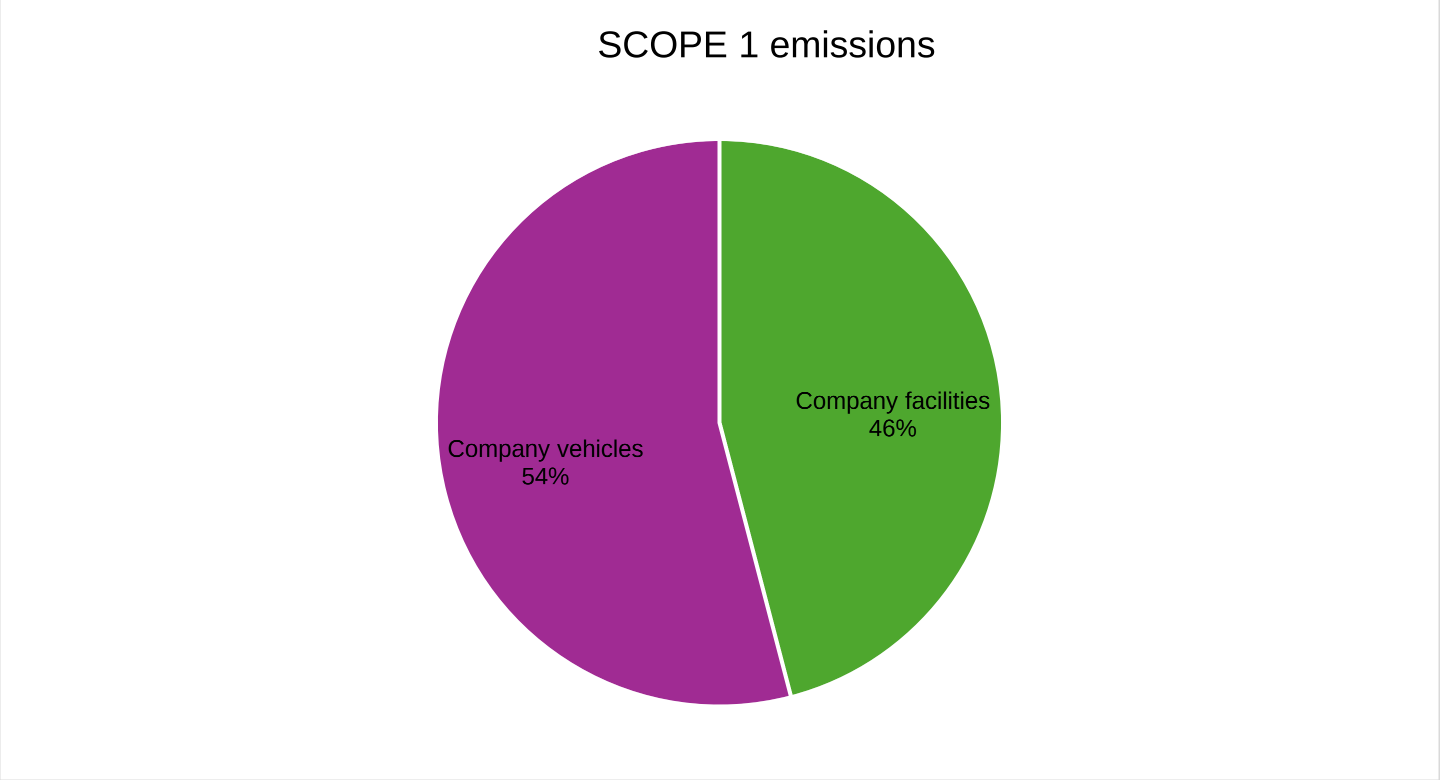
Uncertainty was assessed via the GHG Protocol’s prescribed data uncertainty methodology, yielding an overall 15.1% degree of uncertainty for this first reporting cycle. This result reflects a combination of factors, including reliance on assumptions where direct measurements were unavailable (e.g., average commuting distances), as well as the inherent challenges of consolidating information from multiple company sites during our inaugural emissions inventory. Over time, improved data collection processes, closer supplier engagement, and enhanced internal record-keeping are expected to further reduce the overall uncertainty.

Our company has used internal data and data from national and local authorities in order to determine SCOPE3. Thus, no primary data was used.

The company's activities and their classification into SCOPE categories were carried out in accordance with the technical guidelines provided by the GHG Protocol, with the final mapping presented below.

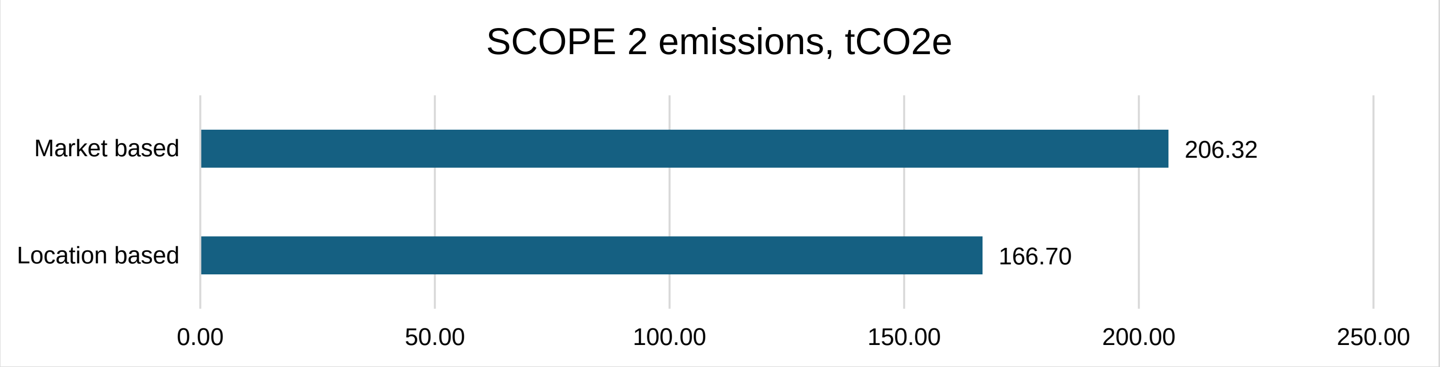

CO2
CH4
N2O
HFCs
PFCs
NF3
SF6
Scope 2
Purchased energy
Scope 3
Capital goods
Business travel
Transport and distribution
Scope 1
Company vehicles
Company facilities
Scope 3
Transport and distribution
Use of sold products
Leased assets
Fuel and Energy related Activities
Employee commuting
Purchased goods and services
Waste
End-of-Life Treatment of Sold Products
Upstream
Company
Downstream

Within SCOPE 1, two categories of emissions were identified: emissions resulting from the fuel consumption of company-operated vehicles, totalling 382.81 tCO2e, and emissions generated by the company's facilities, including natural gas consumption and fluorinated gases, amounting to 325.22 tCO2e. AROBS does **not** combust or biodegrade biomass for energy in its direct operations, so **no biogenic CO_2** is reported separately in Scope 1.



According to the calculation standard, SCOPE 2 encompasses a single category of emissions related to the consumption of electricity, heat, and steam. This data was calculated by applying 2 different emission factors:

- One is specific to the actual energy suppliers (electricity label) – market-based option
- One is specific and applicable at national level – location-based option

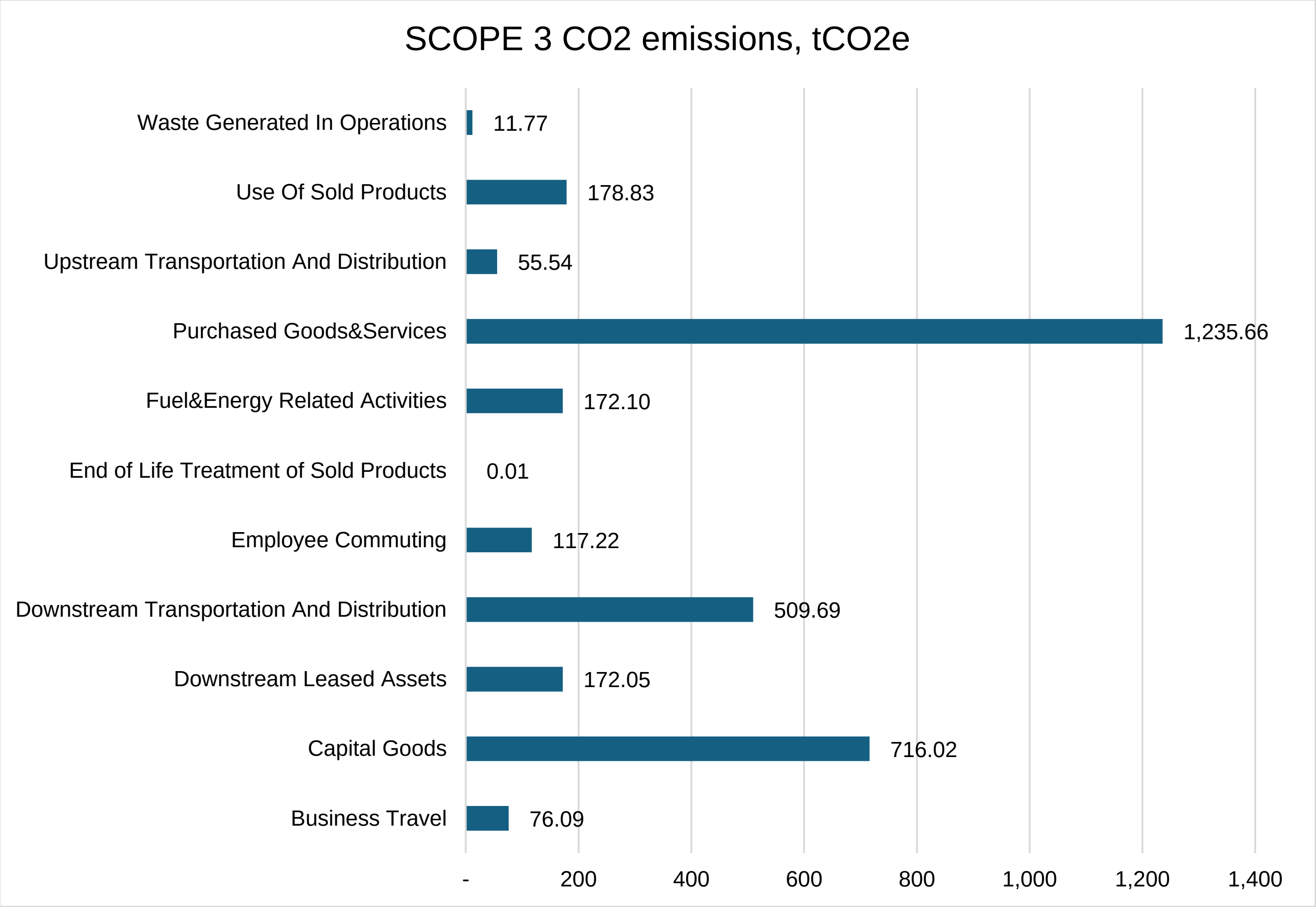


The main reason why the market-based calculation is higher than location based, is due to a high energy consumption from energy suppliers with a higher emission factor compared to the national average, in the case of Romanian locations, and high emissions factors for countries like Poland, Moldova, Hungary and Indonesia which have a higher percentage of non-renewables in their national energy mix.

SCOPE 3 emissions, totalling 3244.99 tCO2e, are driven by goods and services, capital goods and by how AROBS' products are used and transported. In our upstream and downstream value chain, we have **no** known use of **biogenic materials** (e.g., biomass fuels, biodegradable packaging) and **no** known end-of-life combustion or biodegradation processes that generate measurable biogenic CO_2. Any minimal CH_4 or N_2O from disposal is included in the normal waste factors.

GHG intensity based on net revenue

Net revenue used to calculate GHG intensity (see Annual Report, page 21), RON	415,401,030
Total GHG emissions (location-based), tCO2eq	4119.73
Total GHG emissions (location-based) per net revenue, tCO2eq/RON	0.0000099
Total GHG emissions (market-based), tCO2eq	4159.35
Total GHG emissions (market-based) per net revenue, tCO2eq/RON	0.0000100



Where AROBS is already efficient emissions from employee commuting, stemming from the groups preferred method of remote working.

Very low emissions from the end-of-life treatment of products, as the equipment sold by the company can be recycled. Moreover, the B2B focus of the company further guarantees recycling as businesses are more careful with electronic waste vs consumers. Our company has not identified assets and business activities that are incompatible with or need significant efforts to be compatible with a transition to a climate-neutral economy.

Methodologies, Assumptions, and Emission Factors Used for GHG Emissions Calculation (E1-6)

Scope 3 Emissions Calculation Methodology

Our GHG emissions inventory follows GHG Protocol guidelines, incorporating primary data where available and estimates based on industry best practices where necessary.

The emission factors used for the calculations are:

Emission Group	Calculation Methodology	Significant Assumptions	Primary Databases for Emission Factors	Reason for Selection
Company Facilities (offices, refrigerants)	Scope 1 calculation for on-site natural gas and refrigerant leaks. Emissions = Activity Data × Emission Factor (kg CO_2e per unit).	Missing gas or refrigerant data estimated by building surface area; refrigerant types (R22, R134A, etc.) from HVAC equipment info.	DEFRA	DEFRA is compatible with GHG Protocol.
Company Vehicles (fleet)	Scope 1 approach for direct fuel combustion (diesel/gasoline). Emissions = liters of fuel × Emission Factor (kg CO_2e/liter).	If partial fuel logs are missing, average consumption by vehicle type is used. No Electric Vehicles included unless invoiced separately for electricity.	DEFRA	DEFRA is compatible with GHG Protocol.
Energy (purchased electricity/heat/steam)	Scope 2, using both location-based and market-based methods in line with GHG Protocol Guidance. Emissions = kWh × Emission Factor.	If supplier-specific data is absent, location-based average grid factors are used. Where invoices are missing, consumption was estimated.	European Residual Mix (AIB), ANRE national data, or supplier labels if available.	Meets ESRS for location vs. market-based reporting; supplier data captures real energy mix where disclosed.

Emission Group	Calculation Methodology	Significant Assumptions	Primary Databases for Emission Factors	Reason for Selection
Business Travel	Flights, rail, car rentals, hotel stays (excluding company-car use) were considered based on accounting registries. Distance × Emission Factor.	Missing city pairs default to major airports or typical routes. One hotel room per traveler/night.	DEFRA flight/car factors;	DEFRA is compatible with GHG Protocol.
Capital Goods	Item-based approach for major assets (servers, large equipment, buildings).	If brand-level LCA (Life Cycle Assessment) is lacking, use average electronics manufacturing factors.	EIO-LCA or published LCA data (e.g., Dell); DEFRA, EXIOBASE (spend based)	LCA-based approach captures embodied emissions in technology; DEFRA and EXIOBASE are compatible with GHG Protocol
Downstream Leased Assets	Energy use of leased devices (e.g., GPS trackers). Emissions = (annual kWh × Emission Factor × lease duration).	Estimated usage from device specs.	Manufacturer product specs for kWh; DEFRA database for emission factors;	DEFRA is compatible with GHG Protocol.
Downstream Transportation and Distribution	Freight from AROBS to customers. Emissions = weight × distance × Emission Factor by mode (truck, van, air, sea).	Missing exact addresses replaced by city-to-city distances; same-city assumes max cross-city route.	DEFRA	DEFRA is compatible with GHG Protocol.
Employee Commuting	(employees × typical distance × working days) × EF for modes not covered by company vehicles.	Local or national mobility surveys for modal split (car, bus, train). If no data, standard city-level assumptions are used.	DEFRA	DEFRA is compatible with GHG Protocol.
End of Life Treatment of Sold Products	All electronics sold. Emissions = weight × Emission Factor (WEEE or landfill).	Electronics assumed recyclable; average product weights (GPS trackers, probes) used if exact data unavailable.	DEFRA	DEFRA is compatible with GHG Protocol.

Emission Group	Calculation Methodology	Significant Assumptions	Primary Databases for Emission Factors	Reason for Selection
Fuel & Energy Related Activities	Well-to-Tank (WTT) for upstream fuel production plus T&D losses for electricity.	Baseline from Scope 1 & 2 volumes. Default WTT multipliers if local data is missing.	DEFRA	DEFRA is compatible with GHG Protocol.
Purchased Goods & Services	Non-capital items (e.g., paper, small electronics) via item-based, and spend-based calculations for services.	Missing product-level Emission Factor replaced with average (paper, packaging, small electronics). Laptops under 10kg grouped similarly. The value of services in RON x emission factors, except for collaborators for whom the number of hours worked was determined and multiplied by the emission factor related to working from home from DEFRA.	EIO-LCA or standard product Emission factor; DEFRA; EXIOBASE	Covers intangible/tangible goods as well as services. EIO-LCA suitable for large variety in purchased items. DEFRA and EXIOBASE are compatible with GHG Protocol.
Upstream Transportation and Distribution	Freight from suppliers to AROBS. Emissions = weight × distance × Emission Factor by mode.	Unknown addresses replaced with city-to-city. Unknown transport mode defaults to the most common (truck).	DEFRA	DEFRA is compatible with GHG Protocol.
Use Of Sold Products	Annual kWh usage over product lifetime for electronics. Emissions = (kWh × Emission Factor × lifetime × sold).	Battery devices assumed powered by grid or vehicle battery (fossil). Lifespans from product manual or typical usage.	DEFRA	DEFRA is compatible with GHG Protocol.
Waste Generated In Operations	Municipal waste, WEEE, wastewater from offices. Emissions = quantity × Emission Factor (landfill, recycle, treatment).	Wastewater = water inflow in typical office. Municipal waste mostly assumed landfilled unless data shows recycling.	DEFRA	DEFRA is compatible with GHG Protocol.

Scope 3 GHG Emissions Inventory exclusions:

- Upstream leased assets
- Processing of sold products
- Franchises
- Investments
  The above categories are not applicable to AROBS's operations.

Scope 2 & Energy Contractual Instruments

- No contractual instruments are currently in place for Scope 2 emissions.
- No energy attribute certificates (bundled or unbundled) are used for energy procurement.

Extent of Scope 3 Emissions Data Collection

Most Scope 3 inputs were collected directly from AROBS operations, with some data estimated when primary sources were unavailable. Third-party inputs were primarily related to leased office utilities.

Our GHG emissions calculation approach ensures transparency and continuous improvement, integrating available data, industry benchmarks, and operational insights to enhance reporting accuracy.

Resource Use and Circular Economy

E5 Resource use and circular economy

Material resource use and circular economy-related impacts, risks and opportunities (E5-IRO1)

Screening of Assets and Activities for Resource Use and Circular Economy Impacts

As part of our double materiality assessment, we have conducted a systematic screening of our assets and activities to evaluate their actual and potential impacts, risks, and opportunities related to resource inflows, resource outflows, and waste management. This screening covered our own operations, as well as our upstream and downstream value chain, ensuring a comprehensive understanding of circular economy challenges.

To conduct this assessment, we utilized:

- ISO 14001 Environmental Management System (EMS) as a framework to monitor and evaluate resource consumption, waste generation, and sustainability practices within our telematics business line.
- Industry Best Practices for evaluating potential resource efficiency improvements and waste minimization strategies.

Our screening methodology focused on:

- Resource inflows: Identifying materials and products entering our operations, prioritizing opportunities to reduce resource dependency and improve efficiency.
- Resource outflows: Examining how products and materials exit our operations, including reuse, recycling, and end-of-life management.
- Waste management: Assessing waste streams, including electronic waste and packaging materials, to maximize circularity and minimize disposal.

Through this process, we have identified key areas for improvement, such as enhancing product lifecycle circularity, reducing raw material usage, and increasing recovery and reuse rates.

Stakeholder Engagement and Consultations

While we have not yet conducted direct consultations with affected communities, we have engaged with internal and external stakeholders, including:

- Suppliers: To evaluate resource sourcing practices and explore sustainable alternatives for materials.
- Customers: To understand expectations regarding circularity, product lifecycle management, and potential recycling or take-back programs.
- Regulatory and Industry Bodies: To ensure compliance with environmental regulations and align with emerging circular economy frameworks.

Future efforts will focus on expanding stakeholder engagement to include broader consultations with affected communities and industry partners, ensuring a holistic approach to circular economy transition.

Our Policies related to resource use and circular economy (E5-1)

Our company has successfully implemented ISO 14001 for the telematics division (the business line that manages the TrackGPS software product). By integrating ISO 14001, we have established an effective Environmental Management System (EMS) that enables us to monitor and control our resource use, waste management, and energy consumption. The standard aligns our operations with sustainability goals, reduces environmental risks, and improves our environmental practices. It also ensures compliance with local and global environmental regulations.

The standard has helped us reduce waste and resource consumption; it supports the reuse and recycling of materials throughout our operations. We develop regular reviews and improvement cycles to identify new opportunities to enhance sustainability and move toward a circular business model.

ISO 14001 strengthens our risk management processes by helping us identify and address environmental risks and opportunities associated with our activities. The standard also promotes transparency in environmental reporting, enabling us to engage stakeholders effectively and build trust with investors, customers, and regulators.

SASFleet, the other telematics solution owned by the Group and managed by SASFleet Tracking SRL, follows the same procedures for resource use and circular economy.

The key contents of policy

The ISO standard implementation demonstrates the organization's dedication to managing and reducing environmental impacts by implementing an effective Environmental Management System (EMS) for the telematics business line. It sets specific, measurable objectives such as reducing waste, lowering energy consumption, and optimizing resource use. The policy also supports our compliance with relevant environmental laws, regulations, and industry standards, ensuring that the organization meets or exceeds legal requirements.

The ISO 14001 policy identifies key environmental aspects and risks and outlines how the business line assesses and manages these ecological risks, including resource, pollution, and waste management issues.

We understand the importance of monitoring and measuring environmental performance, regularly reviewing and updating our procedures and approaches, and engaging all employees in environmental initiatives. The policy highlights transparency and communication, ensuring stakeholders, including customers, regulators, and the community, are informed of the organization's environmental efforts and progress.

Description of the scope of policy or its exclusions

The policy aligns with the requirements of ISO 14001 for the scope of business related to the telematics business line, with no exclusions. It applies to all environmental aspects and obligations, operations, processes, and activities across the business line. It addresses all aspects of environmental management, including waste reduction, resource efficiency, pollution control, and legal compliance. The policy is relevant to employees, suppliers, contractors, and other stakeholders involved in the business line operations.

The most senior-level person accountable for implementing the policy is the executive director in charge of the Telematics Business line.

The policy addresses the following layers in the waste hierarchy: prevention, Preparation for reuse, Recycling, Other recovery operations, and Disposal. It prioritizes the avoidance/minimization of waste (Reuse, Repair, Refurbish, Remanufacture, and Repurpose) over waste treatment (Recycling).

Actions and resources related to resource use and circular economy (E5-2)

AROBS has comprehensively assessed its carbon footprint, encompassing various emission sources. The company is committed to transparently disclosing its carbon footprint data for Scope 1, 2, and 3.

Sustainable sourcing of energy: According to information collected in 2023 from the leading energy supplier in Romania, Electrica Furnizare SA, 51,44% of the total energy produced in Romania is from renewable sources.

Sustainable sourcing for telematics devices: The telematics business line uses Teltonika products. They are developed with a strong commitment to environmental responsibility, meeting strict international standards and certifications such as RoHS (it addresses the production and use of chemical substances and their potential impacts on both human health and the environment), REACH (**Restriction of Hazardous Substances Directive 2002/95/EC -** Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment), the WEE (Waste Electrical and Electronic Equipment Directive - the European Community Directive 2002/96/EU), and **VerpackG** (**The Verpackungsgesetz -** requirements for the production, placing on the German market and recovery of packaging). The Teltonika design and manufacturing processes prioritize sustainability, ensuring that each device minimizes environmental impact. This rigorous adherence to environmental norms underscores Teltonika's proactive approach to reducing its ecological footprint.

Waste Management: The fleet management division collects devices at the end of their life cycle according to ISO 14001.

Ethical and sustainable sourcing in general supply acquisitions: We prioritize ethical sourcing in our supply chain. We also prioritize locally sourced products for gifts and recycled materials, marketing giveaways for events, and office use—RPET bottles, pens, and 100% recyclable paper stone agendas.

We believe in the role of education in raising awareness towards sustainability and environmental issues, so we invest in continuous education and anti-waste internal communication campaigns.

Future Actions and Long-Term Strategy

AROBS is committed to continuously improving its sustainability performance and integrating circular economy principles into its operations. The company plans to develop its carbon management strategies further, explore innovative solutions for resource optimization, and strengthen its stakeholder engagement processes.

AROBS will analyze a future action plan for resource use and circular economy. Challenges are mostly connected to the general waste management approach, as many of the Group's offices are rentals.

Targets related to resource use and circular economy (E5-3)

Current Resource Utilization

AROBS primarily consumes energy and materials related to software development and consultancy services. Our key resource usage includes:

- Electricity for office operations and IT infrastructure.
- Natural gas for heating.
- IT-related materials for hardware and digital infrastructure.

Circular Economy Objectives

We are committed to transitioning towards a circular economy model by focusing on:

- Reducing Energy Consumption: Implementing energy-efficient technologies to minimize reliance on non-renewable energy sources.
- Optimizing Material Use: Reducing resource consumption through efficient design, procurement, and waste management.
- Promoting Reuse and Recycling: Encouraging material reuse and recycling programs to divert waste from landfills.
- Extending Product Lifespan: Developing durable software solutions and consultancy services that promote longevity and minimize frequent replacements.
- Sustainable Procurement: Prioritizing suppliers with strong environmental practices and adherence to sustainability standards.

Key Initiatives and Actions

To achieve these objectives, AROBS is implementing the following actions:

- Energy Efficiency Programs: Optimizing lighting, heating, and cooling systems to reduce overall consumption.
- Waste Management Programs: Establishing comprehensive recycling and electronic waste disposal systems.
- Sustainable Procurement Policies: Integrating environmental criteria into procurement processes, selecting eco-friendly suppliers.
- Employee Engagement: Educating employees on sustainable practices and fostering a culture of environmental responsibility.
- Collaboration and Partnerships: Working with industry partners, stakeholders, and research institutions to explore innovative circular solutions.

Measurement and Reporting

AROBS is committed to transparently measuring and reporting progress toward circular economy goals. We actively track resource consumption, waste generation, and sustainability performance to:

- Monitor and improve efficiency.
- Identify key areas for improvement.
- Inform long-term sustainability strategies.

Through these initiatives, AROBS aims to reduce environmental impact, enhance resource efficiency, and contribute to a more sustainable, circular business model.

Resource inflows – general (E5-5)

As part of our sustainability assessment, we have we have made efforts to actively collect and analyse data on resource inflows, including products, materials, water, and property, plant, and equipment used in our operations and upstream value chain. This process involved a dedicated training session for the entire team, multiple rounds of data collection from internal and external partners, and several working meetings to ensure accuracy and comprehensive insights.

However, at this stage, we do not have sufficient data to provide a comprehensive disclosure.

Despite our efforts to assess material inflows, we encountered significant limitations due to:

- Lack of standardized tracking systems for material usage across our operations.
- Limited availability of supplier-specific data on the composition and sourcing of materials.
- Challenges in quantifying secondary materials, recycled content, or sustainably sourced inputs in a verifiable manner.

While we recognize the importance of resource inflow transparency, we currently do not have verified data on:

- Total weight of materials used in our products and services.
- Percentage of sustainably sourced biological materials or bio-based components.
- Proportion of reused, recycled, or secondary materials in our resource consumption.

Moving forward, we aim to enhance data collection processes, engage with suppliers for improved reporting, and explore methodologies for estimating material inflows. As our sustainability reporting matures, we will work towards establishing reliable tracking systems to ensure compliance with circular economy principles and resource efficiency standards.

Resource outflows – general (E5-5)

Circular Economy and Product Lifecycle Approach

Our company is committed to integrating circular economy principles into our GPS tracking services by maximizing device lifespan, minimizing electronic waste, and ensuring responsible end-of-life management. While GPS hardware is sourced from suppliers, we focus on:

- Software optimization to enhance performance and extend device usability.
- Remote diagnostics to reduce unnecessary replacements.
- Repair and refurbishment programs to extend product life before disposal.

For out-of-warranty defective devices, we follow a repair-first approach to restore functionality whenever possible. If repairs are not feasible, we divert devices to recycling, aligning with our sustainability commitments and waste reduction strategies.

Waste Management and Resource Outflows

Our company tracks waste generation and diversion, with the following recorded data:

- Total waste generated: 357.37 tones
- Waste diverted from disposal: 230.48 tones
- Waste directed to disposal: 126.89 tones
- Non-recycled waste: 126.89 tones (35.5% of total waste)

Waste Composition:

- Household residual waste: 126.89 tones

- Packaging waste: 227.94 tones
- Other recyclable waste: 0.3 tones
- Electronic waste: 2.24 tones

The materials present in the waste are comprised mainly of plastic, paper, metals and non-metallic minerals. At this stage, we do not have specific data regarding hazardous or radioactive waste, but we will seek to improve our tracking and reporting in future assessments.

Engagement in Product End-of-Life Waste Management

- For leased GPS tracking devices, we operate a take-back program, where returned products are either repaired or sent for recycling.
- For sold devices, customers have the option to return products for repair, and if repairs are not possible, we ensure proper recycling or disposal.

Methodologies Used for Waste Data Calculation

The data was collected from:

- Official surrender documents, including transport annexes, transfer documents, and invoices.
- Estimated calculations for shared office buildings, where waste quantities were allocated based on the percentage of space leased by AROBS.

Waste data was measured directly for three companies, while for the remaining entities in the group, we applied an estimation based on the average amount of waste generated per employee, in line with the National Waste Management Plan. In addition, we accounted for the fact that approximately 50% of employees' working time is spent in a work-from-home arrangement.

Product Durability and Reparability

- Expected Product Lifespan: Our GPS tracking devices are designed for a 3-year warranty period, ensuring long-term usability.
- Reparability: Our company prioritizes product repair before considering replacement, reducing waste and unnecessary consumption.

Recyclable Content in Products and Packaging

Currently, no data is available on the rates of recyclable content in our products and packaging. We recognize this as an important aspect and aim to enhance future reporting and supplier collaboration to improve data collection and transparency.

Through our repair-first approach, take-back programs, and waste management initiatives, AROBS continues to align with circular economy principles, reducing waste and extending product life while exploring opportunities for improved data accuracy and reporting.

Social - Our People

S1 Own workforce

Material impacts, risks and opportunities and their interaction with strategy and business model (S1.SBM-3)

Our disclosure includes all employees within our workforce and non-employees who can be materially impacted by our operations. This encompasses full-time, part-time, and contract-based workers, as well as external service providers directly engaged in company operations.

Types of Employees and Non-Employees Subject to Material Impacts

Our workforce consists of:

- Employees: Permanent and temporary staff working in software development, IT services, consulting, and support roles.
- Non-employees: Contractors, consultants, and outsourced professionals supporting specific business functions such as IT infrastructure, data management, and administrative tasks.

Material Negative Impacts on the Workforce

While our operations do not involve high-risk physical labor, we acknowledge the potential negative impacts on employees, including:

- Work-related stress and mental health concerns due to high workloads and tight deadlines.
- Remote work challenges, including ergonomic risks and digital fatigue.
- Job security concerns arising from automation and AI integration in software development.

Positive Impacts on Workforce and Beneficiaries

We actively engage in initiatives to enhance employee well-being and job satisfaction, including:

- Flexible work arrangements to promote work-life balance.
- Professional development programs to upskill employees and support career progression.
- Employee well-being initiatives, including mental health support and ergonomic workplace improvements.
- Diversity and inclusion programs ensuring equitable opportunities across the workforce.

Material Risks and Opportunities Related to Workforce Impacts

Key risks and opportunities associated with employee impact and business dependencies include:

- Risk of talent attrition: Given the competitive nature of the IT industry, retaining skilled professionals is a challenge.
- Upskilling opportunities: As technology evolves, reskilling and continuous learning programs present growth potential.
- Regulatory compliance: Adhering to labor laws and ESG reporting requirements ensures business sustainability.

Impacts of Transition to a Climate-Neutral Economy on Workers

Transitioning to greener and climate-neutral operations may lead to:

- Need for workforce reskilling to integrate sustainability-focused digital solutions.
- Increased demand for IT professionals with expertise in energy-efficient software development.
- Operational changes in infrastructure management, requiring employees to adapt to energy-efficient IT systems.

Forced and Child Labor Risk Assessment

Given our industry and operational model, our company does not operate with forced labor or child labor. However, we actively monitor our supply chain and external partners to ensure compliance with ethical labor standards.

- Countries and Operations Assessed:
    - We do not operate in regions with a high risk of forced or child labor.
    - IT and digital industries generally present low exposure to such risks.

Understanding Workforce Characteristics and Risk Exposure

We assess workforce vulnerabilities through:

- Regular employee engagement surveys to identify workplace concerns.
- Health and safety assessments focusing on remote work risks.
- Inclusion programs targeting underrepresented groups in the tech industry.

Workforce Risk and Opportunity Disclosures by Group

Our material workforce risks and opportunities relate to:

- Software developers and IT professionals: Exposure to automation risks, but also growth opportunities in green IT and AI integration.
- Support staff and external contractors: Need for job stability and fair working conditions in outsourced services.
- Remote and hybrid employees: Need for enhanced digital well-being initiatives.

Moving forward, we will continue monitoring workforce impacts, ensuring equitable treatment, and enhancing employee engagement while aligning with sustainability and circular economy principles.

Policies related to own workforce – general (S1-1)

AROBS recognizes the interconnectedness of its operations with the well-being of its workforce, value chain partners, affected communities, and consumers. This commitment is reflected in comprehensive policies and proactive measures designed to manage material impacts and leverage associated opportunities.

Important disclosure: For the understanding of the Social standard reporting requirements, we define as a “significant number of employees” in countries that meet both of the following criteria: at least 50 employees in the respective country and the number of employees in that country is greater than 10% of the group's total.

Workforce Policies and Practices

AROBS prioritizes fair labour practices, fostering positive employee engagement through policies on fair pay, living wages, workplace health, and safety. The Company champions diversity, equity, and inclusion, promoting a respectful and inclusive work environment. AROBS invests in employee engagement and development, recognizing its workforce as a key driver of innovation and success. These policies are regularly reviewed and updated to ensure alignment with best practices and evolving employee needs.

Description of AROBS' Policy covering human rights and working conditions

AROBS prioritizes respect for human rights and labour standards, aligning its operations with the UN Guiding Principles on Business and Human Rights. AROBS framework policies encompass a Code of Conduct, a Human Rights Policy, a Compliance Policy articulating our expectations for ethical conduct throughout our operations and supply chain. These policies address key areas such as forced labour, child labour, discrimination, freedom of association, and workplace health and safety.

We implement a rigorous due diligence process to identify, assess, and mitigate potential human rights and labour risks. This process includes:

- **Risk Assessments:** Regular assessments identify potential risks in our operations and supply chain, considering geographical location, industry sector, and specific business activities.
- **Elaborating on a Supplier Code of** Conduct that will also include yearly Supplier declarations/self-assessments of compliance and a supplier grievance mechanism (due in 2025)
- **Grievance Mechanisms:** We maintain accessible grievance mechanisms that allow employees, suppliers, and other stakeholders to raise concerns regarding human rights and labour violations.

Stakeholder Engagement

We recognize the importance of stakeholder engagement in promoting human rights and labour standards. We actively engage with various stakeholders, including employees, suppliers, customers, investors, and non-governmental organizations, to gather feedback, share best practices, and address concerns.

Continuous Improvement

We are committed to continuous improvement in our human rights and labour practices. We regularly review our internal regulations, policies, procedures, and monitoring mechanisms to ensure they remain effective and aligned with evolving best practices and international standards. Our commitment to ongoing learning and improvement reflects our dedication to upholding the highest ethical standards in all aspects of our business.

Alignment with Specific Standards

Our policies and practices are specifically designed to align with the UN Guiding Principles, European Union directives, and national laws.

Disclosure of matters that are material about, as well as the general approach to respect for human rights, including labour rights

The AROBS management team members are involved in developing the **Policy covering human rights and working conditions** and ensuring its implementation in the Company's areas of operations.

This Policy applies to all employees, shareholders, directors, divisions, and companies from the Group. It also applies to our suppliers, business partners, subcontractors, and AROBS consultants to a reasonable, relevant extent. We expect and require all our business partners to understand and support these commitments.

When we refer to Human Rights:

✓the right to life,

✓the right to human dignity,

✓the right to liberty and security,

✓the right to lawful and favourable working conditions,

✓the right to daily and weekly rest,

✓the right to paid annual rest leave,

✓the right to social security benefits by the law,

✓the right to fair wages,

✓the right to form and join a trade union and the right to collective bargaining,

✓the right to equal opportunities/treatment in employment relations,

✓the right to respect for human dignity and personality in employment relations, by the law and this Policy/Internal Regulations,

✓the right to health and safety at work,

✓the right to vocational training, following the law,

✓the right to appropriate working conditions, to the establishment and improvement of working conditions/ working environment,

✓the right to information, by the law,

✓the right to petition, addressed to the employer, under the conditions provided by law,

✓the right to protection in the event of dismissal,

✓right to protection of personal data,

✓Prohibition of all forms of forced or compulsory labour,

✓Prohibition of child labour,

✓Prohibition of discrimination and harassment,

✓freedom of opinion and the like.

Our general approach to engagement with people in our own workforce, value chain workers, affected communities, consumers and end-users

AROBS prioritizes stakeholder engagement as a cornerstone of its ESG strategy. The Company recognizes that open communication and stakeholder collaboration are essential for informed decision-making and building strong relationships. AROBS has implemented a robust materiality assessment process involving C-suite executives and the board of directors to identify and prioritize ESG issues based on their importance to the business and its stakeholders.

AROBS engages with a diverse range of stakeholders, both internal and external. Internal stakeholders include employees, shareholders, executive directors, and board members. External stakeholders encompass clients, suppliers, local communities, regulators, and social advocacy groups. AROBS tailors its engagement approach to each stakeholder group, recognizing their unique needs and priorities.

Disclosure of matters that are material about, as well as a general approach to measures to provide and (or) enable remedy for human rights impacts (S1-3)

All AROBS employees and non-employees must comply with the **Policy covering human rights and working conditions**. Violations may result in disciplinary action, including termination of the employment agreement.

Suppose a supplier, subcontractor or business partner fails to comply with or violates these commitments. In that case, AROBS will take appropriate action, which may ultimately result in the termination of a business relationship.

We expect the Parties to participate actively and in good faith in discussing alleged violations, investigate potential breaches, and implement corrective action as appropriate.

Description of how policies are aligned with relevant internationally recognized instruments

The **Policy covering human rights and working conditions** aims to outline the general principles and framework that AROBS respects. It promotes labour law and human rights through legal regulations, international human rights principles outlined in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights, conventions, internal rules and policies.

Disclosure of how policies are implemented through specific procedures to ensure discrimination is prevented, mitigated and acted upon once detected and (or) to advance diversity and inclusion

Commitment to Diversity and Inclusion: AROBS embraces diversity and inclusion as core values, recognizing the importance of a workplace that respects individual differences and provides equal opportunities. The Code of Ethics and Conduct enforces this commitment and other policies that address various aspects of the employment lifecycle, from recruitment and hiring to promotion and development.

Specific Procedures:

- **Policy covering human rights and working conditions:** it respects and promotes labour law and human rights by legal regulations, international human rights principles outlined in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on

Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights, conventions, internal rules and policies.

- **The Code of Ethics and Conduct**: the employment relationship operates on the principle of equal treatment of all employees. Any direct or indirect discrimination against an employee, discrimination by association, harassment or victimization based on race, citizenship, ethnicity, colour, language, religion, social origin, genetic traits, gender, sexual orientation, age, disability, etc are prohibited
- **Recruitment and Hiring Procedures:** AROBS employs recruitment practices to minimize unconscious bias during selection. Job descriptions are carefully crafted to avoid gendered language, and diverse interview panels are used to ensure a fair and objective assessment of candidates.
- **Training and Development:** Training programs educate employees on diversity and inclusion principles, unconscious bias, and appropriate workplace behaviour. These programs aim to create a culture of respect and understanding among all employees.
- **Promotion and Advancement:** AROBS has established established clear criteria for promotion and advancement based on merit and performance, ensuring all employees have equal opportunities to progress in their careers. Regular yearly performance reviews are conducted to provide feedback and identify areas for developments; the best of our colleagues join the Rising Star program, coaching and public speaking training, preparing them to become the next business leaders.
- **Grievance Mechanism:** A confidential grievance mechanism is in place for employees to report any instances of discrimination or harassment.
- **Monitoring and Evaluation:** AROBS regularly monitors its diversity and inclusion efforts to assess their effectiveness and identify areas for improvement.

AROBS has a dedicated procedure in place to ensure the protection of personal information, adhering to strict data security protocols and compliance with relevant privacy regulations such as GDPR.

Continuous Improvement: AROBS recognizes diversity and inclusion as an ongoing journey and is committed to constantly improving its practices. The Company regularly reviews its policies and procedures to ensure that they remain relevant and practical. New initiatives are also explored to advance diversity and inclusion within the organization and the wider community.

Transparency and Accountability: AROBS is committed to transparency and accountability in its diversity and inclusion efforts. The Company publishes regular reports on its progress, including data on employee demographics and diversity metrics.

The Policy covering human rights and working conditions was adopted and published in 2024 and contains Supplier codes of conduct provisions. The Policy is published on the intranet, highlighted in internal newsletters, and publicly accessible on the company website. The Company also organizes staff training on non-discrimination policies and practices during onboarding and yearly workshops. The Company analyses the potential barriers to dissemination and works toward new channels and tactics to raise awareness.

Recruiting with fairness and inclusivity in mind

At AROBS, we are committed to ensuring that all job requirements posted on recruiting platforms are defined with fairness and inclusivity and have never been crafted to disadvantage any particular group. We analyse job descriptions and recruitment processes for potential language, qualifications, or requirements bias that could disproportionately affect specific demographic groups. The Company conducts regular reviews of hiring data, promotion rates, and employee demographics to identify any patterns of systemic disadvantage. Every time, we establish clear and objective criteria for evaluating candidates based on skills and experience rather than subjective factors. Programs to promote access to skills development are also in place.

Engaging with own workforce and workers' representatives about impacts (S1-2)

AROBS is committed to open, transparent communication about our ESG impacts. Our streamlined engagement approach includes the following:

- **Employees:** We use newsletters, yearly report meetings, online platforms, and surveys to encourage two-way communication on ESG issues and sustainability initiatives.
- **Investors:** We communicate regularly and transparently with our investors through market updates, newsletters, press releases, Investor calls, and detailed reporting on our ESG performance and strategic initiatives.
- **Value Chain Workers:** We collaborate with suppliers under a strict contract; in 2025, we will start developing procedures and documents to educate our supply chain about environmental protection, human rights, and fair labour practices (the procedures will include self-assessment surveys and open dialogue).
- **Communities:** We build strong local relationships through consultations, events, and partnerships, actively incorporating community feedback into our decision-making.
- **Consumers and End-Users:** We gather insights via customer service channels,, online feedback, social media, and market research to align our products and services with sustainable needs.
- **Representatives:** We engage with trade unions, NGOs, and industry associations to address shared sustainability challenges through meetings and forums.

The perspectives of own workforce, value chain workers, affected communities, consumers and end-users inform decisions and activities aimed at managing actual and potential impacts.

The Company is committed to fostering open dialogue with our stakeholders. To support this, we have established a grievance mechanism inviting stakeholders to share concerns or complaints about our environmental and social performance.

We also regularly undertake materiality assessments to identify our business's most pressing ESG issues, as seen in our Double Materiality report.

To track our progress, we have developed key performance indicators that measure how effectively we manage current and potential impacts. We are dedicated to transparent reporting on these metrics, allowing our stakeholders to see the tangible results of our work.

Understanding that meaningful stakeholder engagement starts with our team, we provide comprehensive training on engagement practices and human rights principles.

AROBS continuously evaluate and improve our stakeholder engagement processes to keep them practical and relevant. We aim to nurture a culture of openness, accountability, and ongoing improvement across our organization through these efforts.

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

AROBS established a comprehensive code of conduct and an extensive anti-harassment guide and adopted a policy covering human rights and working conditions. Both policies clearly outline the Company's commitment to ethical behaviour and respect for human rights. The Company ensures that all employees receive thorough training on policies covering harassment, discrimination, and health and safety.

In parallel, AROBS implemented a whistleblower protection policy designed to encourage the reporting of unethical behaviour while safeguarding individuals from any form of retaliation.

In its pursuit of responsible business practices, AROBS also develops a robust due diligence process to identify and assess potential negative impacts on affected communities and consumers.

AROBS actively engages with stakeholders—including community representatives and consumer advocacy groups—to gain insights into their concerns and perspectives. Based on this Feedback, AROBS formulates specific mitigation measures.

The Company maintains open lines of communication by regularly issuing yearly ESG reports and quarterly, half-year and annual financial reports.

Furthermore, AROBS instituted a grievance procedure for employees and value chain workers to report any negative impacts. This procedure ensures that reports remaine confidential and are resolved promptly. The Company provides multiple reporting channels, and a structured remediation process is also developed, which involves thorough investigations, the implementation of appropriate actions, and clear communication of outcomes to those affected.

AROBS follows a structured process for addressing negative impacts:

- **Impact Assessment:** Upon identifying a potential or actual negative impact, we conduct a thorough assessment to determine its scope, severity, and root causes. This assessment involves gathering information from various sources, including internal data, stakeholder feedback, and expert opinions. Given the diverse nature of AROBS' activities, impact assessments are tailored to the specific context.

- **Stakeholder Engagement:** We engage with affected stakeholders to understand their concerns, perspectives, and needs. This engagement informs the development of appropriate remediation measures and ensures they align with stakeholder priorities.

- **Remediation Plan Development:** Based on the impact assessment and stakeholder engagement, we will develop a remediation plan plan that outlines specific actions, timelines, and responsible parties.

- **Implementation and Monitoring:** We will implement the remediation plan and will closely monitor its progress.

- **Evaluation and Learning:** After implementing the remediation plan, we evaluate its effectiveness and identify lessons learned.

So far, we have had no material adverse impact on people in our workforce, value chain workers, affected communities, consumers, or end-user incidents.

The channels in place for own workforce, value chain workers, affected communities, consumers and end-users to raise concerns or needs directly

AROBS prioritizes open communication and seeks stakeholder feedback, including employees, partners, investors, communities, and consumers.

Internal Channels:

- **Open-Door Policy:** Encourages employees to speak directly with managers and leadership, promptly resolving issues.
- **Regular Employee Surveys:** A confidential way to capture employee insights on the work environment, management practices, and sustainability initiatives.
- **Confidential Whistleblowing Mechanism:** Allows secure reporting of unethical or illegal activities without fear of retaliation.
- **External Channels:**
- **Dedicated Contact Details:** Provides specific email addresses and phone numbers for key departments, ensuring stakeholders can easily connect and receive timely responses.
- **Online Contact Forms:** A convenient digital method for stakeholders to share feedback, suggestions, and concerns.
- **Stakeholder Engagement Events:** AROBS organizes workshops, forums, and other events.
- **Active Social Media Channels and segmented newsletters engage stakeholders in real-time** by sharing information, responding to inquiries, and addressing concerns.
- **Addressing Concerns and Providing Feedback:**
- **Review & Resolution:** The appropriate departments carefully review all stakeholder input to ensure prompt resolution of concerns.
- **Continuous Improvement:** Feedback is used to drive ongoing enhancements in stakeholder relationships.

Key characteristics of AROBS' workforce (S1-6)

AROBS is proud of its diverse and skilled workforce, a key driver of its success in the dynamic technology sector. The Company values diversity and inclusion by maintaining a balanced gender distribution and fostering an intergenerational team. Employees bring extensive experience and a wide range of expertise—from engineering and software development to consultancy and business management—which fuels innovation and growth.

AROBS also emphasizes high educational standards and invests in employee motivation and retention through competitive salaries, ESOP programmes, and opportunities for professional development. This commitment to human capital enhances the Company's performance and positions it as a leader in the industry.

In total, in AROBS Group, we have the following general statistics: The total number of people (headcount during the period) by country is as follows:

- **Romania**: 1,155
- **Moldova**: 94
- **Germany**: 6
- **Poland**: 16
- **Indonesia**: 12
- **Hungary**: 10
- **United Kingdom**: 6
- **Netherlands**: 3
- **Belgium**: 2
- **United States**: 1

	2024
Number of people (head count), at end of period	1211
Number of people (head count), during period	1305
Number of people who have left undertaking (head count), during period	337
Percentage of people turnover	25.8 %

End of Period
1211

During Period
1305

Description of methodologies and assumptions used to compile data (employees)

AROBS gathers employee data through a collaborative effort involving all departments. Key data is sourced from internal HR records and payroll systems, with estimates made as needed using historical trends and expert judgment. Rigorous checks and cross-references made by the Reporting Department ensure the information is accurate and reliable.

Any gaps in data are addressed with clearly documented assumptions. Strict confidentiality and privacy data security measures are maintained throughout the process to protect sensitive information. Additionally, AROBS continuously refines its methods based on stakeholder feedback and changing requirements.

Description of methodology for employee turnover rate

AROBS calculates its employee turnover rate to inform workforce planning and talent strategies. The key steps are:

- **Data Collection:** Employee data is gathered from all departments and subsidiaries, covering full-time, and part-time while ensuring confidentiality.

- **Calculation:** The turnover rate is calculated as *Employee Turnover Rate = (Number of Employees Who Left During the Period / Average Number of Employees During the Period).* The period is usually a fiscal year.
- **Analysis:** Turnover data is segmented by department, role, tenure, etc., and benchmarked against industry averages to identify trends and areas for improvement.
- **Stakeholder Engagement:** Feedback from surveys and exit interviews helps explain turnover reasons and guide retention strategies.

Disclosure of contextual information necessary to understand data (employees)

Employee Demographics

AROBS employs a diverse workforce across various departments, including software development, consultancy, marketing, financial, and other support functions. Detailed information on employee demographics, such as age, gender, and nationality, is available upon request and subject to data privacy regulations.

Employee Contracts and Working Arrangements

AROBS offers various employment contracts and working arrangements, including full-time, part-time, and contract positions. This information is relevant for assessing the stability and flexibility of our workforce.

Employee Training and Development

AROBS invests in employee training and development programs to enhance skills and promote professional growth. Data on training hours, types of training offered, and participation rates are essential for evaluating our commitment to human capital development.

Employee Turnover and Retention

Employee turnover and retention rates are key indicators of workforce stability and employee satisfaction. Understanding the reasons for employee departures and the effectiveness of retention strategies is crucial for assessing our human capital management practices.

Social Dialogue and Employee Representation

AROBS fosters open communication and social dialogue with its employees. Mechanisms for employee representation or employee surveys ensure that employee voices are heard and considered. This information is relevant for assessing the level of employee engagement and the effectiveness of our social dialogue practices.

Health and Safety

AROBS prioritizes the health and safety of its employees. Data on workplace accidents, occupational illnesses, and health and safety training are essential for evaluating our performance. This information also informs our efforts to improve workplace safety and prevent work-related injuries and illnesses.

Fair Reward and Motivation

AROBS is committed to providing its employees with fair and competitive compensation and benefits packages. This information also provides insights into our efforts to attract and retain talent in a competitive labour market.

Data Privacy and Protection

AROBS respects the privacy of its employees and protects their personal data. We comply with relevant data protection regulations and have implemented appropriate policies and procedures to ensure the security and confidentiality of employee data. This information is applicable for assessing our commitment to data responsibility and ethical data handling practices.

Explanation of why it is not possible to disclose data about employees for gender categorized as other than female and male and why this category is not applicable

AROBS does not collect or disclose employee gender data beyond the traditional male/female categories to protect individual privacy and comply with data protection laws like GDPR. Detailed gender data is considered sensitive under laws such as GDPR.

Disclosure of reference of information reported on total number of employees to most representative number in financial statements

The employee count should accurately reflect the workforce contributing to the Company's financial performance during the reporting period and be consistent with employee-related expenses disclosed in the financial statements. AROBS considers several key metrics:

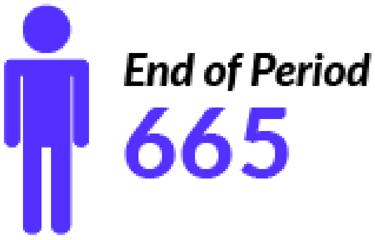
- **Average Number of Employees:** This metric smooths out fluctuations and is helpful for ratio analysis by averaging employee numbers at different points in time.
- **Full-Time Equivalent (FTE) Count:** This count converts all hours worked by full-time, part-time, and temporary staff into full-time equivalents for a more accurate picture of workforce contribution.
- **End-of-Period Headcount:** This represents the number of employees at the end of the reporting period.

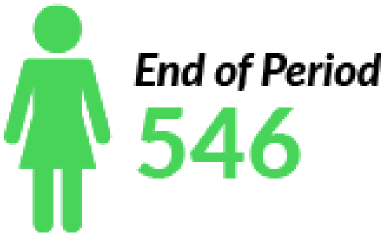
To ensure transparency, the selected employee count should be reconciled with financial statement disclosures by:

- **Aligning with Employee-Related Expenses:** Matching the count with salary, wage, and benefits expenses reported in the income statement.
- **Segment Reporting:** Allocating the employee count to different business segments based on their workforce contributions.
- **Explaining Workforce Changes:** Disclosing significant changes due to acquisitions, divestitures, or restructuring, which provides context for fluctuations in the employee count.

Characteristics of undertaking's employees - number of employees by gender

	Male	Female
Number of employees (head count), at end of period	665	546
Number of employees (head count), during period	728	577





Characteristics of undertaking's employees - number of employees in countries with 50 or more employees

	Romania
Number of employees in countries with 50 or more employees representing at least 10% of total number of employees, at end of period	1084
Number of employees in countries with 50 or more employees representing at least 10% of total number of employees, during period	1155

Characteristics of undertaking's employees - information on employees by contract type and gender

	Full-time Male employees	Part-time Male employees	Full-time Female employees	Part-time Female employees
Methodology of employees' measurement	Head count	Head count	Head count	Head count
Number of employees (head count), at end of period	616	49	483	63
Number of employees (head count), during period	676	51	510	68

Characteristics of undertaking's employees - information on employees by contract type and region

	UK- Full-time employees	Asia -Full-time employees	Asia- Part-time employees	Moldova-Full-time employees	Moldova-Part-time employees	EEA*-Full-time employees	EEA*-Part-time employees
Methodology of employees' measurement	Head count	Head count	Head count	Head count	Head count	Head count	Head count
Number of employees (head count), at end of period	6	12	0	61	12	1020	100
Number of employees (head count), during period	6	9	3	76	17	1093	101

*EEA Countries where AROBS operates: Romania, Hungary, Poland, Belgium, Netherlands and Germany

Characteristics of non-employees in AROBS' externalized resources (S1-7)

Consultants and Independent Contractors: These individuals bring specialized expertise to specific projects—such as software development, cybersecurity, and business optimization—on a project-based basis. Their contributions provide the flexibility and scalability needed to support our operations.

Interns and Trainees: AROBS actively invests in developing future talent through internship and traineeship programs. These initiatives offer practical experience and mentorship to students and recent graduates, fostering their professional growth and strengthening our workforce pipeline.

Management Mandates: AROBS also collaborates with external experts through management mandates. These professionals take on leadership or advisory roles to guide strategic initiatives and drive operational improvements. Their targeted contributions ensure AROBS benefits from diverse perspectives and industry best practices while maintaining agile decision-making.

The number of **non-employees in AROBS' externalized resources** at the end of the period was 253, while the number of collaborators - self-employed, at the end of period was 238.

Collective bargaining coverage and social dialogue (S1-8)

AROBS acknowledges the significance of fostering a positive and productive work environment for all employees. This commitment extends to recognizing the role of collective bargaining and employee representation in shaping working conditions and terms of employment.

Collective Bargaining Agreements -The Company prioritizes direct engagement with employees and their representatives to address workplace matters and ensure fair treatment. AROBS Transilvania Software S.A. fulfils the legal requirements for a collective labour agreement (CLA). We initiated the procedures for collective bargaining and invited employees for the selection of employee representatives starting June 2023 – procedure still ongoing.

We shared several internal email campaigns with all employees, informing them about the employer's initiative for the collective bargaining on the labour agreement and inviting them to present their **representatives** for the company to have a dialogue partner**.** We also informed them about potential candidates who reached out to us, encouraging employees to contact these candidates and organize an election. We will arrange the first negotiation meeting once the employee representatives are elected.

Employee Representation in Social Dialogue - AROBS actively promotes social dialogue and values employee feedback. The Company maintains open communication channels and encourages employees to voice their concerns and suggestions.

European and National Level Social Dialogue - AROBS recognizes the importance of social dialogue at both the European and national levels. The Company stays informed about relevant labour relations and social Policy developments within the EEA and Romania. While AROBS does not directly participate in European-level social dialogue bodies, the Company adheres to all applicable European and national regulations concerning employment practices. As a proud member of both ANIS and ARIES, AROBS rigorously adheres to their codes of good practice for IT professionals, ensuring excellence, ethical conduct, and quality in all our operations. As a representative employer in the software and services industry and a member of the Concordia Employers' Confederation, ANIS actively participates in the trilateral dialogue among Government, Employers, and Unions, championing a balanced and competitive labor market that attracts and retains top talent both regionally and internationally.

Percentage of total employees covered by collective bargaining agreements - 0%

Undertaking has one or more collective bargaining agreements (EEA) - No.

Disclosure of the extent to which non-employees working conditions and terms of employment in the workforce are determined or influenced by collective bargaining agreements - Not Applicable.

The percentage of non-employees whose contractual terms are determined or influenced by collective bargaining agreements is - 0.

Disclosure of the existence of any agreement with employees for representation by the European Works Council (EWC), Societas Europaea (SE) Works Council, or Societas Cooperativa Europaea (SCE) Works Council – not applicable

As of the reporting date, AROBS does not have any formal agreements in place with a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council. This is primarily due to the Company's current operational structure, which predominantly focuses on Romania. While AROBS acknowledges the value of these representative bodies, the current scale and scope of its operations do not necessitate the establishment of such formal agreements under the relevant European regulations.

Romania: Collective bargaining coverage and social dialogue by country (EEA) in which undertaking has significant employment

The coverage rate of employees in country (EEA) that are covered by collective bargaining agreements - 0

The coverage rate of employees in the country (EEA) that are covered at the establishment level by workers' representatives - 0

Diversity (S1-9)

Gender Distribution at Top Management

AROBS values gender diversity in its leadership. The Company ensures equal opportunities for all genders to reach top management through initiatives like mentorship and leadership development, striving for balanced representation at the highest levels.

Age Distribution Amongst Employees

AROBS embraces a multigenerational workforce. It values senior employees' experience while nurturing our younger colleagues' fresh ideas. The Company supports career growth for all ages, fostering respect and collaboration across generations.

Data Collection and Reporting

AROBS gathers data on gender and age using internal surveys and HR systems, ensuring privacy and transparency. The methods are regularly updated to meet best practices and regulatory standards.

Disclosure of own definition of top management used

AROBS defines defines "top management" as the individuals responsible for setting the organization's strategic direction and overseeing its performance. This Group includes the Board of Directors and the executive leadership—specifically, the Chief Executive Officer (CEO) and other C-suite executives. This report defines top management as Board members, executive directors, directors, and managers.

Diversity metrics - distribution by age categories

The data presented in the table below has limitations, as AROBS did not quantify the age distribution in the workforce, during period. The available data refers to the number of employees (head count), at end of period.

	2024
Number of employees (head count) under 30 years old, at end of period	391
Percentage of employees under 30 years old	32.29 %
Number of employees (head count) between 30 and 50 years old, at end of period	783
Percentage of employees between 30 and 50 years old	64.66 %
Number of employees (head count) over 50 years old, at end of period	37
Percentage of employees over 50 years old	3.06 %

Diversity metrics - distribution by gender (the data was collected exclusively for the end of period. The data are collected and reported for Romania as we calculated the pay gap following the same indicators, for consistency.

	Female	*Male*
Number of employees (head count) at top management level, at end of period	8	15
Percentage of employees at top management level	35%	65%

Adequate wages (S1-10)

AROBS is dedicated to providing fair and equitable compensation as part of our commitment to ethical business practices and social responsibility.

- **Adequate Wage:** We define an adequate wage as meeting or exceeding legal minimums while considering industry benchmarks, local cost of living, and the skills required for each role.
- **Wage Determination:** Our process involves regular market research, ensuring internal equity, and factoring in performance evaluations to adjust salaries and promotions.
- **Transparency:** We communicate compensation factors, along with specific programmes as ESOP (in our financial reporting documents) fostering open dialogue and addressing concerns.
- **Continuous Improvement:** We regularly review our compensation policies and actively work to identify and close wage gaps related to location, experience, or job role.

By ensuring fair wages, AROBS attracts and retains top talent and builds a positive work environment that drives sustainable success.

BENEFITS GRANTED TO EMPLOYEES

The Company grants the following benefits:

- Employees Stock Options Plan Programs – started in 2021.
- meal vouchers – according to legal requirements,
- occupational medicine controls - according to legal requirements,
- private health insurance,
- additional vacation days depending on seniority,

- material aid on specific events in the employee's life,
- periodic participation in training and other specialized courses,
- involvement in team building.

Through the listing memorandum at the Bucharest Stock Exchange, AROBS has undertaken as one of the Company's strategic directions to focus on motivating and retaining employees by adopting several actions.

A prominent approach was to co-interest our team members in the Company's superior performance through the "stock option plan" financial mechanism. This approach was a natural step in building an open culture of communication and innovation within AROBS with a community spirit that encourages professional and personal growth and creates a space for involvement and, at the same time, partnership.

Such a program represents a differentiator in the technology job market, where recruiting and retaining highly qualified staff is challenging. The quality of human resources and collective expertise are vital components of AROBS, both in the business line of software services for the global market and in developing software products for the domestic market and beyond.

The general allocation criteria are as follows:

- Employee/management status.
- Continuous seniority in the Company of more than 1 year.
- Outstanding results in current activity.
- Actively and effectively involved in promoting the interests of the Company.

Social Protection (S1-11)

AROBS is committed to safeguarding its employees against income loss during significant life events by providing comprehensive social protection benefits that offer financial security during difficult times.

Social Protection Benefits:

- against loss of income due to sickness
- against loss of income due to unemployment
- against loss of income due to employment injury and acquired disability
- against loss of income due to parental leave
- against loss of income due to retirement

AROBS offers these benefits worldwide while adhering to local laws and customs. Although specific benefits may vary by country, the core protection principles remain consistent. All our colleagues are covered for the following: against loss of income due to sickness, due to unemployment, due to employment injury and acquired disability, loss of income due to parental leave and due to retirement.

The Company discloses relevant information in its annual reports and official documents, ensuring stakeholders are informed about its commitment to employee well-being.

AROBS regularly reviews and updates its social protection programs, actively seeking employee feedback to keep the measures adequate and relevant.

AROBS' social protection measures demonstrate its dedication to employee well-being by providing financial security and support during major life events, reinforcing its role as a responsible employer.

Persons with disabilities (S1-12)

0.31% of our colleagues are persons with disabilities; the percentage of employees with disabilities by gender is 0.08% women and 0.23% men. The statistic originates from the four persons' declarations; they have fiscal facilities after filling out official documents stating their disabilities. The percentages are calculated relative to the total number of employees.

AROBS recognizes the sensitive nature of disability data and prioritizes the privacy and dignity of its employees. Collecting and disclosing such information requires careful consideration of ethical implications. AROBS commits to upholding the highest data protection standards and ensuring compliance with relevant privacy regulations.

Employee Training and Development at AROBS (S1-13)

AROBS is dedicated to employee growth through a comprehensive training and development strategy. Key elements include:

- **Educational Partnerships:** Collaborations with universities and NGOs to bridge academic learning with practical application.
- **Internal Programs:** Tailored courses enhance technical and soft skills, supporting long-term career development.
- **Customized Training:** Individualized programs address specific skill gaps and career aspirations - Raising Stars programs for the next generation of leaders.
- **Continuous Learning:** Regular workshops, training sessions, and online resources keep employees updated on industry trends.

This approach drives innovation and competitiveness, benefiting both employees and the Company.

Training and skills development metrics

	Employees
Percentage of employees that participated in regular performance and career development reviews	100.0 %
Average number of training hours per employee	0.18

Health and safety (S1-14)

AROBS ensures employee well-being through a robust health and safety system that meets international standards.

The system covers all employees—including full-time, part-time, temporary staff, and non-employees.

Key Components:

- **Policies & Procedures:** Clear guidelines and reporting mechanisms accessible to all.
- **Training Programs:** Regular, mandatory online and offline sessions on hazards, safe practices, and emergency procedures tailored to specific roles.
- **Risk Assessments:** Regular evaluations to identify hazards and enhance safety measures.
- **Emergency Preparedness:** Comprehensive plans for emergencies (e.g., fires, natural disasters) to ensure a coordinated response.

TrackGPS division of AROBS Group is certified by ISO 45001:2018 standard, represents a working model for organizations with better control over occupational risks, is based on explicit requirements for the most effective risk management professional, and creates a culture of prevention among employees.

We constantly promote actions to prevent and reduce risks to health and safety by assessing potential risks of injury and occupational diseases for each individual activity. We regularly train our staff to comply with prevention measures and reduce and eliminate health and safety risks through the annual training plan. We conduct general introductory training for newly hired staff, visitors, and non-employees and periodic training for all employed personnel.

According to Romanian legislation, AROBS issues a yearly Report for Employees' Health and Safety at Work. A Labor Medicine Doctor issues another report, which informs the management; the report contains statistics about periodical medical checks, the number of checks for new employees, the number of pregnant women, and the classification of health issues split by disease and cause.

- Another important policy is the Occupational Health & Safety Policy, which focuses on the following:
- Eliminate hazards and reduce OSH risks to prevent occupational accidents – zero accidents!
- Ensuring safe and healthy working conditions to prevent injuries, deterioration of the condition of health, and work-related diseases.
- Consultation and involvement of employees and their representatives in security issues and occupational health.

Due to our specific activities in development, implementation, support, maintenance, consulting, etc.; several companies from the Group signed contracts with OHS External Service. The external OHS service (external provider) consists of dedicated personnel trained by legal requirements. They identify occupational risks in the OSH, develop Prevention and Protection Plans, and propose measures to reduce or eliminate them.

Monitoring & Communication: The system is continuously monitored, audited, and improved through employee feedback, meetings, and safety briefings.

For existing contracts between AROBS TRANSILVANIA SOFTWARE and its contractors/ subcontractors, we do not currently monitor data related to safety and health at work. Still, we intend to develop this aspect as part of our Supply chain strategy.

Standards for internal audit or external certification of health and safety management system

AROBS is committed to a robust health and safety system that meets international standards. The Company uses internal audits and external certifications to ensure a safe workplace.

- **Internal Audits:** These are conducted independently and reported to the Audit Committee. These audits review health and safety policies, risk management, training, incident reporting, and emergency plans. We conduct audits, manage reports, and consolidate data in the Non-Conformities Journal, where we periodically monitor issues for resolution in line with identified corrections and corrective actions. All findings are documented in audit reports and the Non-Conformities, Observations, and Recommendations Journal, including necessary corrective measures. A summary of these is included in the management review, in accordance with ISO 27001:2022. All internal audits, reports, and evidence focus exclusively on the certified locations, as per the audit scope communicated previously.

- **External Certification:** AROBS seeks certifications like ISO, where independent auditors assess its practices against international standards. Certification is maintained through periodic audits.
- **Combined Approach and Continuous Improvement:** Internal audits prepare the organization for external certification, while external reviews validate the system's effectiveness. Feedback from both processes drives ongoing improvements.

During the reporting period, our company recorded no (zero) fatalities or work-related illnesses among its own workforce, as well as no (zero) fatalities for other workers operating on our sites. Likewise, we experienced no (zero) recordable work-related accidents, resulting in a 0% accident rate for our own workforce. These figures underscore our commitment to maintaining a safe, healthy environment across all operations.

Work-life balance: Employee Leave Entitlements and Utilization at AROBS (S1-15)

At AROBS, we recognize the importance of work-life balance and offer various leave options to support our employees' personal and family needs. We are committed to providing comprehensive leave benefits, including family-related leave, and promoting their utilization in our workforce.

Our internal policies are designed to meet the legal requirements whenever possible. A generous leave policy is an investment in our employees' well-being and, ultimately, in the success of our Company. AROBS Transilvania Software SA grants employees a **seniority bonus** in the form of additional leave days. Employees receive **one extra day** upon completing **one year** with the company, followed by **one additional day for every two years** of service thereafter.

We offer a range of family-related leave options to cater to diverse needs. These include:

- **Parental and Child-rearing Leave:** New parents are eligible for paid parental leave, allowing them to bond with their children and adjust to their new family dynamics. The duration and specific terms of **Parental / Child-rearing** leave are outlined in our company policy and comply with relevant legal provisions.
- **Maternity Leave:** Specifically designed for expectant and new mothers, maternity leave provides paid time off before and after childbirth. This leave is essential for the health and well-being of both mother and child.
- **Paternity Leave:** We encourage fathers to take paternity leave to actively participate in childcare responsibilities and support their partners during this important time.
- **Adoption Leave:** Employees who adopt a child are entitled to adoption leave, allowing them to welcome their new family member and establish a strong parent-child bond.
- **Marriage Leave**: We understand that happy moments must be celebrated.
- **Leave for Family Emergencies:** We understand that unforeseen family circumstances may require employees to take time off work. We offer leave for emergencies, such as caring for a sick family member or attending to urgent family matters.

Promoting Leave Utilization

We actively encourage our employees to utilize their leave entitlements, including family-related leave. Taking time off for personal and family needs is essential for maintaining a healthy work-life balance and preventing burnout. We promote leave utilization through various initiatives:

- **Transparent Communication:** We ensure that our leave policies are clearly communicated to all employees, making them easily accessible and understandable.
- **Supportive Management:** Our managers are trained to support employees in taking leave and to create a work environment where taking time off is not stigmatized.
- **Flexible Work Arrangements:** We offer offer flexible work arrangements to help employees balance their work and family responsibilities, such as **remote work, hybrid schedules, flexible working hours, and part-time opportunities**. We recognize that flexibility is essential for employee well-being, productivity, and overall job satisfaction, particularly for those balancing family commitments, caregiving, or personal development.
- **Return-to-Work Support:** We support employees returning from leave to ensure a smooth transition back into the workplace.

Data Collection and Reporting

We collect data on employee leave utilization, including family-related leave, to monitor trends and identify potential barriers to leave usage. This data is analysed to inform our policies and practices and ensure that our leave benefits meet our employees' needs.

Work-life balance metrics

	2024
Percentage of employees entitled to take family-related leaves	100.0 %
Percentage of entitled employees that took family-related leave	26.0 %

Percentage of entitled employees that took family-related leave by gender

	Male	*Female*
Percentage of entitled employees that took family-related leave	11.0 %	15.0 %

Remuneration metrics (S1-16)

To calculate the gender pay gap, we analyse the average remuneration of all male employees compared to the average or median remuneration of all female employees. This analysis considers base salary, bonuses, and other forms of compensation. The basis for calculations is the entire workforce in Romania, as the vast majority of the employees are based in Romania. This approach will deliver a rational and correct image of the remuneration metrics.

Ratio Between Highest Paid Individual and Median Remuneration

We also disclose the ratio between the remuneration of the highest-paid individual within the Company and the median remuneration of all employees. This disclosure provides further insight into our compensation practices and helps stakeholders understand the distribution of remuneration within our organization.

Our Remuneration Policy

Our remuneration policy is publicly available on our website. This Policy outlines the principles and processes that guide our compensation decisions. Transparency in our remuneration policy is crucial for building trust and ensuring fairness. The Gender pay gap is 24% and the Annual remuneration ratio is 8.15 %.

Contextual information necessary to understand data, how data has been compiled and other changes to underlying data that are to be considered

AROBS collects data from internal sources—such as operational databases, HR records, etc—and external sources like industry benchmarks, public datasets, and expert opinions. The data is gathered under strict protocols and compiled using standardized methods.

Incidents, complaints and severe human rights impacts – general (S1-17)

AROBS registered no incidents**, complaints, or severe human rights impacts in 2024. The juridical team is responsible with receiving the complaints. The Company** is committed to transparency and accountability in handling workplace incidents, complaints, and human rights impacts. A safe, respectful, and inclusive work environment is vital to our success and employee well-being.

We disclose:

- **Workplace Incidents:** Total numbers and types of incidents to highlight workplace hazards = 0.
- **Complaints:** Figures on complaints regarding misconduct, including harassment and discrimination =0.
- **Human Rights Impacts:** Serious issues related to forced labour, child labour, discrimination, and freedom of association = 0.
- **Fines, Penalties, and Compensation:** Details of any fines, penalties, or compensation related to incidents or violations = 0.

We regularly review and update our policies and practices, engaging with stakeholders to ensure our approach remains effective and aligned with best practices.

Consumers and End-Users

S4 Consumers and end-users

Interactions with Strategy and Business Model (ESRS 2 SBM-3)

AROBS provides technology and software solutions to corporate clients and public-sector entities, while also affecting end-users such as employees of client companies or private individuals. Within this business model, consumer data handling, product quality, and the reliability of software solutions play a key role in maintaining trust and safeguarding brand reputation.

1. **Misuse of Consumer Data**

In solutions such as fleet monitoring (SAS Fleet, TrackGPS) or HR management (TrueHR), AROBS processes personal data—e.g., drivers' behavioral data and location details, or employees' payroll/HR data. Consequently, potential misuse, unauthorized access, or mishandling of sensitive information could adversely impact end-users' privacy.

Recognizing data protection as a pillar of its business, AROBS has integrated cybersecurity measures, privacy-by-design principles, and relevant certifications (e.g., ISO 27001, TISAX) into product life cycles. This ongoing commitment to data security informs the Company's decisions on product development roadmaps and partnerships.

2. **Product Misuse or Design Flaws**

Solutions delivered to both B2B and B2C contexts (e.g., GPS tracking hardware/software) carry a potential risk of malfunction if not properly tested or maintained. Such flaws could expose consumers or end-users to unintended functionality, data inaccuracies, or safety concerns.

The Company maintains robust quality assurance (QA) procedures, invests in R&D, and adopts industry-specific standards (e.g., automotive or embedded software standards). These procedures drive continuous upgrades and close coordination with clients, ensuring that consumer/end-user welfare is reflected in design specifications and testing protocols.

3. **Reputational and Legal Risks from Consumer Harm**

If end-users are harmed (financially or physically) by software malfunctions—such as inaccurate route guidance in telematics solutions—AROBS could face legal claims and reputational damage.

AROBS' strategic approach emphasizes engagement with clients and end-users for feedback, thorough product documentation, and transparent communication on system limitations. These measures are embedded in training programs for the sales and technical teams, shaping how the Company refines offerings and prevents consumer harm.

4. **Reputational and Legal Risks from Non-Compliance with Privacy Laws**

Non-adherence to GDPR or other data protection regulations could trigger financial penalties and harm consumer trust are the origins of this risk.

AROBS invests in internal compliance mechanisms (e.g., data protection officers, privacy committees), routine privacy audits, and training employees on data handling. Lessons from these audits guide adjustments in product features and contractual terms with business partners.

Overall, these consumer/end-user impacts directly inform how AROBS refines its software development methods, data governance, and customer support processes.

Relationship between material risks/opportunities and the Company's strategy and business model

From a strategic perspective, consumer/end-user demands for data security and reliable solutions generate growth opportunities in cybersecurity, compliance consulting, and advanced analytics. By addressing Misuse of Consumer Data and Product Misuse or Design Flaws, AROBS aims to strengthen its position as a trusted provider, maintaining a competitive edge. In parallel, mitigating Reputational and Legal Risks through robust privacy and quality standards reduces long-term financial and legal exposures, reinforcing AROBS' business model built on recurring partnerships and continuous improvement.

Scope of impacted consumers/end-users

AROBS includes in its assessments all end-users whose personal data, security, or well-being might be affected by the Company's software solutions, including:

- **Drivers** monitored via fleet management applications and their managers (TrackGPS, SASFleet)
- **Employees** or associates whose personal data is processed through HR/payroll solutions
- **Potentially vulnerable users** if solutions are adapted for sectors like healthcare or essential public services.

While AROBS predominantly acts in a B2B context, **individual consumers** or end-users can experience material impacts through data misuse, product design flaws, or non-compliance with privacy laws.

Brief description of types of consumers/end-users subject to material impacts

- End-users (fleet managers) who rely on accurate GPS tracking data for safety and route management.
- Users whose personal information is stored and processed in digital HR platforms, including sensitive payroll or performance data.

These solutions do not inherently involve products that are "inherently harmful" nor consumer segments such as children, but potential negative impacts arise around privacy and data protection.

Nature of material negative impacts

- **Widespread/systemic:** Potential systematic data privacy incidents if solutions are deployed across large enterprises in multiple locations (e.g., an enterprise-wide data breach).
- **Individual incidents:** Product misuse or defective modules could lead to isolated end-user harm.

Description of activities that result in positive impacts

AROBS' robust data protection architecture, user-friendly interfaces, and quick support can protect personal data, enhance driver safety, and reduce risk in mobility contexts.

Material risks & opportunities

- **Opportunity:** Strengthening leadership in secure data management and compliance solutions to build trust and differentiate offerings.

- **Risk:** Potential lawsuits or regulatory fines could affect financial performance and brand if consumer harm occurs.

Understanding vulnerable consumers/end-users

AROBS primarily operates in a B2B framework; thus, direct end-user relationships vary by project. However, the Company monitors local regulations, GDPR requirements, and client feedback to ensure it identifies special categories of data (e.g., sensitive HR information, location data) that could pose higher risks for vulnerable users. Internally, AROBS has a data protection officer and a compliance team.

Our end-users

- **Specific groups**:
    - *Fleet management drivers* – subject to location-tracking, usage data.
    - *Employees in HR modules* – storing personal/confidential HR data.
- **General consumer base**:
    - *Any individuals using or impacted by AROBS' solutions.*

Material risks like **Misuse of Consumer Data** or **Non-Compliance with Privacy Laws** may affect all end-users, while **Product Misuse or Design Flaws** primarily affects driver safety or enterprise productivity. AROBS' strategy addresses both universal data protection requirements (e.g., encryption protocols for all users) and group-specific measures (driver safety analytics, role-based access for HR staff).

Policies related to consumers and end-users (ESRS S4-1)

AROBS maintains written policies to safeguard consumer/end-user rights, data, and well-being. These policies apply across the Company's business lines (including software development, fleet management, and HR solutions) to ensure:

1. **Respect for data privacy and protection**:
    - *GDPR Data Protection Policy* defines requirements for lawful data collection, processing, storage, and retention. It emphasizes consent management, security controls, and breach notifications for consumer/end-user data.
    - Contractual clauses (Data Processing Agreements) are in place to ensure suppliers and partners follow the same data protection standards.
2. **Information security and confidentiality**:
    - *Top Management Security Policy* sets out responsibilities for safeguarding information assets, including encryption, secure system configurations, and incident management, protecting end-users from potential misuse of sensitive information.
3. **Human rights, fair treatment, and non-discrimination**:
    - *Business Ethics requirements from The Code of Conduct* require non-discriminatory practices in product design and marketing, prohibiting deceptive advertising, and mandate fair dealing.

  - *Sustainability Requirements toward Suppliers* will be created to extend similar obligations to third parties, ensuring that consumer/end-user rights are upheld throughout the value chain.

4. **Safety and quality of products and services**:
  - Internal and security audits are conducted to verify product functionality and security. No product functionality and security breaches have been signaled.

These policies incorporate commitments under the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles, and OECD Guidelines for Multinational Enterprises. AROBS tracks any reported non-compliance incidents in its downstream value chain (no such reports registered in 2024).

Processes to monitor compliance

AROBS regularly trains staff on GDPR compliance, data handling, business ethics, and remediation of consumer-related incidents (cybersecurity measures, data breaches, software flaws). Any privacy-related complaint triggers internal reviews led by the Data Protection Officer and follow-up with the affected consumers/end-users (no privacy-related complaints registered for 2024).

Remedy and engagement with consumers/end-users

Feedback channels (support lines, ticketing systems, satisfaction surveys) are in place for consumers/end-users to raise concerns on data privacy, product usability, or service quality. These complaints are handled by each business division to enable timely remediation.

Processes for engaging with consumers and end-users about impacts (ESRS S4-2)

AROBS' consumer/end-user engagement generally fits into its broader stakeholder consultation practices, as outlined in its materiality assessments and data protection policies. While many of AROBS' clients are enterprises (B2B), the Company recognizes that end-users (e.g., drivers and fleet managers using fleet solutions, employees using HR modules) can still experience material impacts, such as data privacy or software usability.

Engagement format and whom AROBS engages

AROBS typically gathers feedback from affected consumer groups via customer support channels (helpdesks, ticketing systems), user experience (UX) reviews, or input from partner companies who represent or employ end-users.

It engages mostly *indirectly* through "credible proxies," such as enterprise clients that oversee end-user deployment in large-scale rollouts.

Stage, type, and frequency of engagement

- **Project initiation / Onboarding**: At product kickoff or rollout, AROBS discusses potential risks (privacy, security) with client representatives, who relay relevant end-user requirements.
- **Post-deployment**: End-user satisfaction is monitored through support tickets, incident reports, or feedback forms.
- **Continuous improvement**: Input from end-users is channeled to product managers or QA teams to inform patches, updates, and feature enhancements.

Responsible functions and senior oversight

Operational responsibility for consumer/end-user engagement typically rests with the **Customer Support** (ticketing systems) and **Project/Product Management** (UX reviews) teams.

The most senior role ensuring that consumer/end-user perspectives feed into decision-making is the **Software Services Executive Director** or **Division Directors** (for B2B projects) or the **Head of Product/ Chief Technical Oficers** (for in-house solutions), who escalates significant issues to top management if needed.

Effectiveness and outcomes

AROBS monitors key metrics—time to resolve user-reported incidents, user satisfaction rates, rate of repeated data privacy incidents—to evaluate whether engagement yields improved outcomes.

Processes to remediate negative impacts and channels for raising concerns (ESRS S4-3)

AROBS has formal mechanisms to address grievances that consumers/end-users (or, in relevant cases, employees) encounter, whether related to data misuse, product or service flaws, or broader human rights concerns (see Grievance Mechanism ROI excerpts, Human Rights Policy, and Compliance policy).

Remedy design and effectiveness

If an impact is identified as materially negative and attributable to AROBS, the Company either applies internal corrective measures or cooperates with external third parties to enable fair resolution.

AROBS assesses remedial effectiveness through direct follow-up and feedback from affected users, ensuring the solution adequately addresses the original harm.

Specific channels for raising concerns

- **Dedicated support channels**
    - *Product/Service Helpdesks*: End-users (e.g., employees of client companies, drivers using fleet tools) typically raise concerns via our ticketing and customers service systems.
    - *Company Website Contact*: If a consumer or end-user cannot use the standard helpdesk route, they may contact AROBS through the website’s contact form or email addresses.
- **Grievance committee**

  While primarily designed for employees, the Committee for Receiving and Resolving Harassment or Other Grievances (as described in the AROBS Internal Organization Regulations) can incorporate external user grievances, if applicable. For instance, an end-user claiming personal data mishandling may be referred to the Data Protection Officer or a relevant manager. These channels operate under confidentiality commitments, and no retaliation is permitted against those raising issues.

Support or requirements for channels via business relationships

Under AROBS’ business contracts and *Human Rights Policy*, the Company expects suppliers and contractors to maintain their own complaint-resolution paths (including data protection incidents or user feedback).

Tracking, monitoring, and ensuring effectiveness

- **Compliance and Reporting**

  The *Compliance policy* outlines how AROBS documents and reviews legal/regulatory obligations, including follow-up on user complaints if they trigger compliance or contractual concerns. Complaints are logged in a register (physical or electronic), with relevant details (timing, nature, resolution, etc.).

- **Stakeholder Feedback**

  Effectiveness is gauged through follow-up communications, for instance verifying if the user's concern was resolved, or if repeated complaints signal suboptimal remediation. In serious or repeated cases, the matter escalates to senior management or a specialized committee for root-cause analysis and long-term solutions.

Awareness and trust in grievance structures

AROBS works to ensure end-users know about helpdesks and relevant contact points via onboarding documents or instructions from corporate clients. For *retaliation* concerns, AROBS has internal guidelines (including Code of Conduct and ROI harassment policy) that explicitly protect individuals raising complaints in good faith.

Taking action on material impacts, managing risks/opportunities, and effectiveness (ESRS S4-4)

A. Overview of actions and resources

AROBS maintains action plans, resource allocations, and formal processes to address material impacts, risks, and opportunities related to consumers and/or end-users. These primarily cover:

1. **Data Protection and Privacy**: Ensuring compliance with GDPR and internal data policies to prevent or mitigate misuse of consumer data.
2. **Product/Service Integrity**: Designing software (e.g., fleet management, HR solutions) with robust QA processes and user-friendly features.
3. **Remediation and Grievance**: Deploying effective grievance mechanisms to provide timely recourse for negative impacts.
4. **Positive Impacts**: Encouraging innovations that potentially benefit end-users (e.g., accessible interfaces, secure data management).

B. Actions addressing material negative impacts

1. **Preventive and mitigative measures**
   - *Data Security Controls*: Encryption, role-based access, and specialized training minimize data privacy breaches.
   - *Product QA Reviews*: All new releases go through usability/security tests to mitigate flaws that could harm end-users.
2. **Providing or enabling remedy**

   - If a material privacy breach or software defect occurs, AROBS coordinates with affected users, issues patches, notifies relevant authorities where required, and provides direct support through helpdesks. Where needed, refunds or product/service adjustments are offered.

3. **Initiatives for positive impact**
   - As part of ongoing product development, AROBS invests in features like enhanced data anonymization or simpler UIs.
4. **Tracking effectiveness**
   - End-user feedback is collected via ticketing tools, satisfaction surveys, or periodic client check-ins.

C. Determining appropriate actions

- **Identifying needs**: Dedicated teams review user reports, incident data, or risk analyses to decide on the scope of changes or remedies.
- **Own practices & collaborative action:** Internally, AROBS may adjust marketing or data-analytics practices if these pose potential risk to end-user privacy or well-being. Externally, if cross-industry collaboration is needed, AROBS participates in relevant associations or working groups.
- **Ensuring effective remedy processes**: Grievances are logged in a register, assigned to relevant teams, and followed up by a central coordinator for each division and a representative of the Juridical team.

D. Approaches to material risks and opportunities

1. **Risk mitigation**
   - *Data Privacy Risks*: Staff receive ongoing GDPR training, penetration testing is conducted, and compliance audits are performed.
   - *Reputational Risks*: Clear disclaimers, transparent marketing, and timely resolution of negative consumer feedback are employed to protect brand trust. Effectiveness is tracked through: (a) zero or minimal regulatory infractions, and (b) positive user feedback trends.
2. **Opportunities pursuit**
   - AROBS seeks growth in new software markets (IoT solutions, advanced automotive telematics) by emphasizing secure design, user-friendly interfaces, and robust data protection. Potential expansions are informed by positive consumer surveys and market analysis.

E. Avoiding material negative impacts through own practices

- **Marketing and sales**: Marketing materials and campaigns follow internal ethics guidelines. If a tension arises (e.g., push for user data collection vs. privacy concerns), the Data Protection Officer and top management weigh risks and proceed with a minimal data philosophy.
- **Data use**: Defaulting to anonymization or marketing aggregated usage insights where feasible. Should a conflict emerge between data-driven business goals and user privacy, senior management is consulted before finalizing decisions.

F. Severe human rights issues or incidents

To date, no severe consumer/end-user human rights incidents have been reported. Any future issues would be escalated through the Grievance Committee process, with immediate actions taken.

G. Resource allocation

AROBS dedicates budget to specialized staff (QA engineers, Data Privacy teams), invests in compliance tools (ticketing, monitoring systems), and provides continuous training in order to maintain our 0 incidents baseline. These resources form part of the integrated approach to managing and preventing negative impacts on end-users.

Targets for managing material impacts, risks, and opportunities (ESRS S4-5)

At present, AROBS has not set specific, measurable outcome-oriented targets aimed at managing consumer/end-user impacts, nor for mitigating risks or capitalizing on opportunities in this area.

Future Plans

AROBS is evaluating whether to institute formal indicators and timeline-based targets in the near future to track ongoing improvements in data privacy, software reliability, and user satisfaction.

Currently, the Company focuses on qualitative measures and real-time resolution of issues reported through ticketing and helpdesk channels. This practical approach suits the predominantly B2B model, where many consumer/end-user interactions come indirectly via enterprise clients.

Tracking effectiveness without formal targets

Despite not having measurable, outcome-oriented targets, AROBS does track the effectiveness of its policies and actions:

Processes to track effectiveness

- **Helpdesk & Ticketing systems**: Collect real-time feedback on software performance, user experience, and data/privacy concerns.
- **Incident reviews**: Cross-functional teams (e.g., Data Protection Officer, Technical leads) conduct root-cause analysis whenever user reports emerge.
- **Compliance & Audit**: Internal compliance checks and informal user satisfaction checks with enterprise clients provide insights into areas for improvement.

Ambition level & indicators

- *Qualitative Indicators*: User sentiment from support tickets; internally documented improvement actions (e.g., software patch rollouts, training sessions).
- *Base Period*: Current performance is typically compared qualitatively to the previous year’s volume and type of issues.

Governance and Corporate Culture

G1 Business conduct

Roles and responsibilities of administrative, management and supervisory bodies (G1.GOV-1)

AROBS Top Management and Shareholding Structure

The current AROBS shareholding (as of February25, 2025) is as follows:

- **OPREAN VOICU** – 47.2700%
- **Other shareholders** – Individuals: 16.4170% and Legal Entities: 26.3129%.
- **Cabrio Investment** – 10,0001%

On **September 29, 2023**, the Ordinary General Meeting of Shareholders of AROBS Transilvania Software appointed the following individuals as members of the Company's Board for a term valid until **September 29, 2027**:

- **Voicu Oprean**
- **Mihaela-Stela Cleja**
- **Aurelian-Călin Deaconu**
- **Ioan-Alin Nistor**
- **Răzvan-Dimitrie Gârbacea**

Furthermore, **Voicu Oprean** has been appointed Chairman of the Board for the same term, valid until **September 29, 2027**.

The members of the Board of Directors are:

- **OPREAN VOICU** – Executive Member of the Board
- **CLEJA MIHAELA STELA** – Non-Executive Member of the Board
- **GÂRBACEA RĂZVAN-DIMITRIE** – Independent Non-Executive Member of the Board
- **DEACONU AURELIAN-CĂLIN** – Executive Member of the Board
- **NISTOR IOAN-ALIN** – Independent Non-Executive Member of the Board

40% of the Board members are independent.

The AROBS Board has established an Audit Committee and a Nomination and Remuneration Committee. The members of these committees have been appointed for a four-year term, from **September 29, 2023**, until **September 29, 2027**.

Audit Committee Members:

- **Ioan Alin Nistor** – Chairman
- **Răzvan-Dimitrie Gârbacea** – Member
- **Mihaela-Stela Cleja** – Member

Nomination and Remuneration Committee Members:

- **Voicu Oprean** – Chairman
- **Ioan Alin Nistor** – Member
- **Răzvan-Dimitrie Gârbacea** – Member
- **Mihaela-Stela Cleja** – Member

Management Committee

- **Aurelian Deaconu—**Since 2011, he has been the Executive Director of the Software Services Division within AROBS Transilvania Software and a member of the AROBS board.
- **Ovidiu Bojan** joined AROBS in 2011, and since 2015, he has been the Executive Director responsible for the Fleet Management division—*TrackGPS*, the AROBS group's flagship solution for managing and monitoring vehicle fleets.
- **Ovidiu Teodorescu -** Since 2022, he has been Director of the Optimall Division and CEO of UCMS Group Romania, which delivers national-level human resources management and payroll solutions.
- **Marius Bene—**Since 2018, Marius Bene has been the General Manager of S.A.S Group, CoSo by AROBS in the Netherlands and Belgium, and Future WorkForce Group (since 2023), part of AROBS Group.
- **Andreea Marcu** has been the Head of Marketing and Communications since 2018 and has coordinated the sustainability reporting since 2023.
- **Adrian Hădărean -** Adrian Hădărean coordinates the IT support functions across the Group, managing local IT services within a hybrid cloud infrastructure. He also designs and implements the hybrid cloud infrastructure for the Fleet Management business line.

Business Group Managers – Software Services Division

- **Silvan Morariu** is the Head of Automotive within the Software Services Division and has been with AROBS since 1998, being part of the Company since its early days.
- **Vlad Ghinescu** joined AROBS in 2006 as a Software Developer. He served as Project Manager from 2012 to 2016 and has been leading Automotive projects as a Business Group Manager since 2017.
- **Cristian Balc** joined AROBS in 2015 as a Software System Test Manager. He served as a Project Manager from 2018 to 2024 and has been leading Automotive projects as a Business Group Manager since 2024.
- **Claudiu Mailat—With** AROBS since 2011, Claudiu Mailat has held successive positions as a Software Developer, Team Leader, and Project Manager. Since 2017, he has been the Business Group Manager for the Travel and Hospitality Technology specialization within the Software Services Division.
- **Camelia Cristureanu** joined AROBS in 2001 as a programmer and has built her professional career within the Group. She has held successive positions as Project Manager (2005–2014) and Head of Project Management (until 2017). Since 2017, she has coordinated the Enterprise Solutions specialization and, more recently, Fintech as Business Group Manager within the Software Services Division.
- **Horațiu Pop** joined AROBS in 2007 as a Team Leader and was promoted to Project Manager in the same year. Since 2017, he has served as the Business Group Manager for the IoT and Life Sciences specializations within the Software Services Division.

AROBS management actively champions sustainability by participating in specialized courses on Board Governance, Sustainability, Environment, and leading initiatives that drive our commitment to a better and greener future – involvement in social and environmental causes, in educational projects.

Processes to identify and assess material business conduct-related impacts, risks and opportunities (G1 IRO-1)

Approach and Methodology

AROBS applies double materiality principles to assess business conduct risks, impacts, and opportunities, aligning with ESRS G1 standards. This structured process integrates stakeholder input, regulatory frameworks, and industry best practices to ensure ethical and transparent operations.

Identification and Assessment

- Data Sources: Internal reports, stakeholder feedback, legal requirements, and research studies.
- Stakeholder Engagement: Employees, clients, business partners, investors, and regulators provide input via questionnaires and structured feedback.
- Materiality Criteria:
  - Sector & Regulatory Context: Evaluates relevance to IT and software services.
  - Transaction Risks: Assesses supplier relations, procurement policies, and financial transparency.

Key Business Conduct Risks and Prioritization

- Whistleblower Protection: Evaluates reporting channels and retaliation prevention.
- Supplier Payment Practices: Focuses on fair payments, particularly to SMEs.
- Anti-Corruption & Compliance: Reviews policy enforcement and training programs.

Integration into Risk Management

Business conduct risks are continuously monitored, with due diligence aligned to OECD Guidelines and UN Principles on Business and Human Rights. The Board of Directors ensures these risks are embedded into corporate governance and strategic planning, reinforcing ethical business practices.

Business conduct policies and corporate culture (G1-1)

Business conduct policies and promoting corporate culture are essential for building trust, fostering ethical behaviour, and driving sustainable growth. AROBS' commitment to innovation, open communication, and employee empowerment demonstrates a strong understanding of this connection.

Our internal Code of Ethics and Conduct and our Anti-Harassment Guide describes the culture of trust, loyalty, and integrity that we promote, along with our ethical values.

In addition, our Compliance Policy and the Policy covering human rights and working conditions cover ethical aspects that apply to our suppliers and business partners.

In addition to those mentioned above, we have several policies in place to follow legal requirements and corporate governance recommendations: Internal Regulation, the Anti-Corruption Code of Conduct, Regulation of the Board of Directors, Regulation of The Audit Committee, Regulation of The Nomination And Remuneration Committee, the Risk Management Policy, Policy on Processing of Personal Data, Policy for Artificial Intelligence Acceptable Use, Investor Relations Policy, Whistleblower Policy, Guidelines on preventing and combating sexual harassment and moral harassment in the workplace.

Corporate Culture at AROBS: Establishment, Development, Promotion, and Evaluation

Our corporate culture is rooted in our mission and values. These core principles are the foundation upon which all our activities are built. We believe in innovation, collaboration, customer focus, and employee empowerment. These values are embedded in our policies, procedures, and decision-making processes.

Developing a Thriving Culture

At AROBS Transilvania Software, our culture strongly emphasizes the success of our employees and clients, innovation, and accountability. We constantly ensure our employees feel safe, valued, and truly part of the team.

To foster a healthy organizational culture, we concentrate on the following aspects:

- Creating an environment built on trust;
- Taking good care of our employees;
- Promoting autonomy;
- Stimulating continuous learning and innovation.

We also aim to encourage initiatives that empower our employees to actively contribute to the Company's development.

The organizational culture at AROBS Transilvania Software is founded on these core values:

- Innovation and Creativity
- Communication and Team Spirit
- Respect and Loyalty
- Effectiveness, Efficiency, and Performance
- Flexibility and Commitment
- Social Responsibility

Implementing a strong organizational culture is closely tied to the Company's leadership. At AROBS, our management is composed of passionate and empathetic leaders who actively contribute to the well-being of their teams.

Among the initiatives that promote employee well-being are:

- **Internal Talent Scholarship:** An in-house program dedicated to developing and discovering talent through courses to enhance leadership skills.
- **Generational and Cultural Diversity:** Actively promoting diversity within our teams.
- **Equal Opportunity and Inclusion:** Upholding principles of diversity, non-discrimination, inclusion, and equal opportunity in the workplace.

- **Team Building Events:** Organizing team-building activities for all company groups to recognize and celebrate collective success and foster better collaboration among colleagues.
- **Special Inclusive Events:** Creating events tailored for specific internal groups based on shared interests and cultural similarities, as well as more significant events designed to build relationships among the diverse segments of the AROBS community.
- **Pulse System:** Implementing a "Pulse" system to measure employee satisfaction.
- **Internal Mobility Policy:** Encouraging employees to transition between projects and departments as part of their personal development.
- **Professional Retraining:** Facilitating career transitions—for instance, converting testers into business analysts or low-code/no-code developers—by providing opportunities for role changes or training in different departments, with a strong focus on personal growth.

First and foremost, it is essential to note that AROBS promotes a culture of innovation by:

- **Fostering an Internal Culture:** Centered on open communication, engagement, innovation, intrapreneurship, and flexibility.
- **Incremental Innovation Strategy:** Focusing on developing new services aligned with global market trends for our software services division and creating new modules and functionalities for our software products.
- **Continuous Innovation:** Ensuring our solutions remain agile and adaptable through analysing market needs.
- **Launching Proprietary Research Projects:** Initiating our research projects—primarily in the aerospace and automotive sectors, independently or in partnership with universities in Romania and Poland—to develop innovative solutions.
- **Specialized Team Expertise:** Developing teams that excel not only in technical skills but also in business acumen. This dual specialization underpins our business model, which leverages deep business expertise in highly competitive areas such as Automotive, Embedded (Medical, Aerospace, Maritime), Travel Tech, IoT, Life Sciences, Enterprise Solutions, Fintech, Retail Automation, Intelligent Automation, and more.
- **Structured Innovation Processes:** Implementing organizational processes that nurture the development of new ideas through continuous learning and knowledge sharing.
- **Encouraging Risk-Taking and Experimentation:** Motivating employees to explore innovative ideas and take on complex projects with full support—knowing they can fail and learn from those experiences.
- **Close Client Collaboration:** Working closely with clients to understand their needs enables our specialists to propose innovative solutions for overcoming various challenges. (We even implement "Voice of Customer" initiatives at the project level.)

Promoting Our Values

We promote our corporate culture through internal and external communication. Our website, social media platforms, internal newsletters, and platform showcase our values and highlight examples of how they are lived out within the organization. We also actively participate in industry events and conferences.

Evaluating Our Progress

We regularly evaluate the effectiveness of our corporate culture initiatives using employee surveys, feedback sessions, and performance reviews. We use this data to identify areas for improvement and make necessary adjustments to our programs and practices.

Our Business Ethics Policies are:

✓ Code of Ethics and Conduct,
✓ Compliance policy,
✓ Policy on Working Conditions and Human Rights,
✓ Regulation of the Board of Directors,
✓ Regulation of The Audit Committee,
✓ Regulation of The Nomination And Remuneration Committee,
✓ the Risk Management Policy,
✓ Policy on Processing of Personal Data,
✓ Artificial Intelligence Acceptable Use,
✓ Investor Relations Policy,
✓ Whistleblower Policy,
✓ Guidelines on preventing and combating sexual harassment and moral harassment in the workplace.

1. Code of Ethics and Conduct

The Code applies to all employees of the Company, regardless of their position within the Company. Employees are expected to behave themselves reasonably, comply with the legal provisions, act with honesty and integrity, treat people fairly, respect diversity, take responsibility, and communicate openly and transparently. The Board is accountable for the implementation of the Policy. The Code of Ethics and Conduit is an internal policy. Therefore, it applies only to the company workforce.

2. Compliance policy

The compliance policy outlines the process of identifying and evaluating compliance with requirements from government entities, applicable local as well as European regulations of the Company, and the field of activity, as well as other requirements adopted by the Company (regulatory agency requirements, etc.), including those of stakeholders.

The provisions of this Policy apply to all organization personnel responsible for identifying and evaluating compliance obligations.

3. Policy on Working Conditions and Human Rights

The Policy on Working Conditions and Human Rights completes and is completed by other AROBS internal policies and rules on areas that are important to human rights, including safety, labour rights, diversity, equity, inclusion and privacy: the Code of Ethics and Conduct, the Occupational Health and Safety Policy, the Policy on Processing of Personal Data, the Guidelines on Preventing and Combating Gender-based Harassment and Workplace Bullying, the Environmental Policy, the Internal Human Resources Procedures, Internal Regulations.

This Policy applies to all employees, shareholders, directors, divisions, and companies from the Group. It also applies to our suppliers, business partners, subcontractors, and AROBS consultants to a reasonable, relevant extent. We expect and require all our business partners to understand and support these commitments.

All AROBS employees must comply with these Policies. Violations may result in disciplinary action, including termination of the employment agreement. Suppose a supplier, subcontractor, or business partner fails to comply with or violates these commitments. In that case, AROBS will take appropriate action, which may ultimately result in the termination of a business relationship. We expect the Parties to participate in the discussion of alleged violations, actively and in good faith investigate potential breaches, and implement corrective action as appropriate.

Mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of the Code of conduct or similar internal rules

The Whistleblowing procedure establishes the framework through which AROBS receives, manages, and investigates reports from individuals—hereinafter generically referred to as public interest whistleblowers ("whistleblowers" or "reporters" within this procedure)—regarding facts, acts or situations that have attracted the attention of the Company's employees, its clients, or suppliers, and which may constitute irregularities, omissions, offences, or other violations of the law.

Through this procedure, AROBS ensures that appropriate reporting channels and processes are in place to report suspected violations that fall within the scope of the EU Whistleblower Protection Directive (Directive (EU) 2019/1937) and Romania's Law no. 361/2022.

This alert procedure aims to strengthen transparency by encouraging legitimate and substantive alerts regarding illegal acts or serious offences brought to the attention of AROBS employees, clients, or suppliers. It also enables the disclosure of incidents that give rise to suspicions of serious breaches of AROBS's procedures and policies, including fraud, corruption, coercion, or other irregularities or violations. Doing so ensures an environment of trust and security for AROBS employees, partners, and collaborators.

This procedure may be supplemented by the Disciplinary Misconduct Section in Chapter 8 of the Internal Organizational Regulations.

Establishment of internal whistleblower reporting channels

Individuals reporting violations of the law that have occurred or are likely to occur within AROBS have the following reporting methods available:

- **Internal Channels:** Telephone, Email, Mail/Courier.
- **External Channels:** The National Integrity Agency and other public entities; see Chapter IV of Law no. 361/2022 for more details.
- **Public Disclosure:** By Chapter V of Law no. 361/2022.

The Company organizes training during onboarding and yearly seminars on business ethics. The policies are published on the internal platform and disseminated to all employees through internal newsletters. Measures to protect against retaliation to own workers who are whistleblowers by applicable law transposing Directive (EU) 2019/1937

AROBS ensures that individuals for whom an alert has been reported are protected against any potential negative impact—if the investigation does not substantiate any violation and no measures are taken against them.

Suppose the investigation confirms a violation and measures are taken against the individual(s) concerning whom an alert was submitted. In that case, additional protection is provided to shield these individuals from any potential adverse effects that go beyond the measures implemented by AROBS.

Please note that judicial or legal procedures may request the whistleblower's identity in the context of the subsequent investigation of the case, in which event AROBS is obliged to disclose such information by the law.

Functions within undertaking that are most at risk regarding corruption and bribery

1. Procurement and Supply

- **Reasons for Exposure:** Involves direct negotiations with suppliers and subcontractors, where selection decisions can be influenced by bribery or personal benefits.
- **Specific Risk:** Acceptance of gifts, commissions, or other benefits in exchange for awarding contracts.

2. Sales and Business Development

- **Reasons for Exposure:** Close relationships with clients and the need to secure large contracts can lead to bribery risks to ensure sales or win contracts.
- **Specific Risk:** Illegal payments to clients or intermediaries intended to influence their decisions.

3. Project Management

- **Reasons for Exposure:** Managing large budgets and subcontractors creates opportunities for irregularities.
- **Specific Risk:** Approval of fictitious or inflated payments to third parties.

4. Government Relations and Regulatory Compliance

- **Reasons for Exposure:** Interaction with authorities to obtain licenses, certifications, or other approvals.
- **Specific Risk:** Payments or favours to expedite processes or secure decisions.

5. Human Resources

- **Reasons for Exposure:** Recruitment, the awarding of bonuses, or promotions may be influenced by unethical practices.
- **Specific Risk:** Favouritism in exchange for personal benefits.

6. IT Department

- **Reasons for Exposure:** Selecting suppliers for software and hardware involves managing significant contracts.
- **Specific Risk:** Acceptance of bribes for procuring underperforming or overpriced IT solutions.

7. Top Management

- **Reasons for Exposure:** High-level strategic decisions like mergers and acquisitions are vulnerable to unethical external influences.
- **Specific Risk:** Acceptance of third-party commissions or benefits in exchange for favourable decisions.

Management of relationships with suppliers (G1-2)

Oversight and Responsibility: The Business Group Managers (BGM) and the directors oversee supplier relationships and monitor compliance with contractual obligations, with the support of the Procurement, IT Support, Juridical team and the Financial department. This oversight ensures consistent communication and accountability throughout the supply chain.

AROBS implements a Management of Suppliers – Compliance policy. Its purpose is to define the purchasing process, starting from the offer, the order, and the contract until the receipt of the assets and services. The Policy also includes aspects related to the Company's external suppliers, such as selection criteria and evaluation methods. The focus relies upon suppliers that have access to AROBS GROUP assets.

Monitoring Process: Regular internal and external meetings are conducted to monitor supplier relationships. These meetings facilitate open communication, address potential issues, and foster collaborative problem-solving. This ongoing engagement strengthens relationships and promotes shared sustainability goals.

Compliance Evaluation: The monitoring process includes evaluating supplier compliance with all contractual responsibilities. This evaluation ensures adherence to agreed-upon terms, quality standards, and ethical practices. Regular assessments help identify and mitigate potential risks within the supply chain.

Contractual Requirements: Contractual agreements with suppliers clearly outline quality, delivery, and ethical conduct expectations. These agreements are a foundation for strong supplier relationships and provide a framework for addressing discrepancies or performance issues.

Stakeholder Engagement: Yearly engagement activities (sustainability questionnaires, etc.) with suppliers, customers, and internal teams facilitate information sharing and collaboration. This engagement lays the ground for a more substantial future alignment on sustainability goals.

Impact on Supply Chain: By fostering strong partnerships with suppliers, AROBS can minimize disruptions, improve product quality, and promote ethical sourcing practices.

Continuous Improvement: AROBS is committed to continuously improving its supplier relationship management practices. In 2025, the Company will develop an extended policy for regular evaluations and feedback mechanisms to ensure that the Company's supply chain remains sustainable and ethical.

Description of approach to prevent late payments, specifically to SMEs

AROBS employs several strategies to prevent late payments:

- **Clear Contractual Agreements:** Contracts stipulate payment terms, including due dates, accepted payment methods, and any applicable penalties for late payments. The approach ensures both parties are aware of their obligations from the outset.
- **Regular Invoicing:** Accurate and timely invoices are issued to clients and requested from partners, providing detailed information about the services rendered and the corresponding payment amount. This clarity helps prevent disputes and facilitates prompt payment.
- **Open Communication Channels:** AROBS maintains open communication channels with clients and partners to address potential issues before they escalate into late payments.

Preventive Measures for Supplier Payments

- **Streamlined Payment Processes:** Internal payment processes are streamlined to ensure efficient processing and minimize delays.
- **Early Payment Discounts:** Where feasible, AROBS negotiates early payment discounts with suppliers, incentivizing prompt payment and strengthening supplier relationships.
- **Dispute Resolution Mechanisms:** Clear procedures are in place to address any disputes regarding invoices or payments, ensuring fair and timely resolution.

Internal Controls and Monitoring

AROBS has implemented robust internal controls to monitor payment performance and identify potential issues:

- **Regular Reporting:** Management generates and reviews regular reports on payment status, providing insights into payment trends and potential areas for improvement.
- **Performance Metrics:** Key performance indicators, such as average payment time and the percentage of late payments, are being tracked.
- **Continuous Improvement:** The approach is regularly reviewed and updated to reflect best practices and address emerging challenges.

Information about AROBS's approach to relationships with suppliers

AROBS prioritizes maintaining strong and fair financial relationships with its stakeholders, including clients, suppliers, and employees.

Key Principles

- **Transparency:** Maintaining open communication with all parties regarding payment terms and schedules.
- **Accuracy:** Ensuring accurate invoicing and payment processing to minimize discrepancies.
- **Timeliness:** Adhering to agreed-upon payment deadlines and promptly addressing any potential delays.
- **Fairness:** Implementing equitable payment practices for all stakeholders.

Social and (or) environmental criteria are taken into account when selecting suppliers.

AROBS is committed to continuous improvement in its supplier relationship management practices. In 2025, the Company will develop an extended policy for regular evaluations and feedback mechanisms to ensure that the Company's supply chain remains sustainable and ethical, including in the payment practices.

Prevention and detection of corruption and bribery (G1-3)

AROBS prioritizes preventative measures to minimize the risk of corruption and bribery. These measures include:

- **Code of Ethics and Conduct:** A comprehensive Code sets clear expectations for ethical behaviour and prohibits any form of corruption or bribery.

- **Training and Awareness:** Regular training programs (at onboarding and yearly) educate employees on the Company's anti-corruption policies, relevant laws and regulations, and how to identify and report potential violations.
- **Risk Assessments:** Periodic risk assessments identify potential vulnerabilities and inform the development of targeted prevention strategies.
- **Due Diligence:** Thorough due diligence processes are conducted on third-party partners and vendors to ensure they adhere to ethical standards.
- **Internal Controls:** Strong internal controls, including segregation of duties and regular audits, help prevent and detect fraudulent activities.
- **Detection Mechanisms by Whistleblowing Channels:** Confidential whistleblowing channels allow employees and other stakeholders to report suspected violations without fear of retaliation.

AROBS Anti-Corruption and Bribery Procedures are built upon the procedures described by the Code of Ethics and Conduct and the Whistleblowing Policy.

AROBS recognizes the importance of continuous improvement in its anti-corruption and bribery efforts. The Company regularly reviews its policies and procedures, seeking feedback from employees and stakeholders. Investigators or investigating committees are separate from the chain of management involved in preventing and detecting. There were no incidents throughout 2024.

Through our established onboarding and annual anti-corruption training, we ensure 100% coverage for all at-risk functions, while also extending these sessions to members of our administrative, management, and supervisory bodies to reinforce our collective commitment to ethical conduct.

To date, there have been no convictions or fines for violations of anti-corruption or anti-bribery laws, resulting in a total amount of zero fines, penalties, or compensation for damages.

AROBS's Internal Communication Channels:

1. **The company intranet.** The intranet serves as a central repository for company policies. These policies are readily accessible to all employees, ensuring easy reference and familiarity.

2. **Targeted email communications** to reach specific employee groups allow us to tailor our messaging and ensure that relevant information reaches the appropriate audience.

3. **Onboarding and yearly training sessions and workshops** to reinforce our policy awareness and knowledge provide employees with a deeper understanding of the policies, practical guidance on their application, and a platform to raise questions and concerns.

External Communication

We publish our anti-corruption and bribery stance on our company website – the ESG reports, the Policy for workers' health and human rights, etc.- making them readily available to external stakeholders, including clients, partners, investors, and the public.

Continuous Improvement

We regularly review and update our communication strategies to remain relevant and practical. We actively solicit feedback from employees and other stakeholders to identify areas for improvement and enhance our communication efforts.

In 2025, we will also organise internal training on antibribery, and corruption; we will analyse the implementation of ISO 37001 at Group wide level.

Political influence and lobbying activities

AROBS does not implement activities and commitments to exert political influence, including lobbying activities related to material impacts, risks and opportunities.

Payment practices - general (G1-6)

Disclosure of payment practices, especially concerning late payments to small and medium enterprises (SMEs)

Preventive Measures for Payments

AROBS employs several strategies to prevent late payments:

- **Clear Contractual Agreements:** Contracts stipulate payment terms, including due dates, accepted payment methods, and any applicable penalties for late payments. The approach ensures both parties are aware of their obligations from the outset.
- **Regular Invoicing:** Accurate and timely invoices are issued to clients and requested from partners, providing detailed information about the services rendered and the corresponding payment amount. This clarity helps prevent disputes and facilitates prompt payment.
- **Open Communication Channels:** AROBS maintains open communication channels with clients and partners to address potential issues before they escalate into late payments.
- **Preventive Measures for Supplier Payments**
- **Streamlined Payment Processes:** Internal payment processes are streamlined to ensure efficient processing and minimize delays.
- **Early Payment Discounts:** Where feasible, AROBS negotiates early payment discounts with suppliers, incentivizing prompt payment and strengthening supplier relationships.
- **Dispute Resolution Mechanisms:** Clear procedures are in place to address any disputes regarding invoices or payments, ensuring fair and timely resolution.

Internal Controls and Monitoring

AROBS has implemented robust internal controls to monitor payment performance and identify potential issues:

- **Regular Reporting:** Management generates and reviews regular reports on payment status, providing insights into payment trends and potential areas for improvement.
- **Performance Metrics:** Key performance indicators, such as average payment time and the percentage of late payments, are being tracked.
- **Continuous Improvement:** The approach is regularly reviewed and updated to reflect best practices and address emerging challenges.

Description of undertaking's standard payment terms

Our standard payment terms are clearly communicated to suppliers upon contract initiation. These terms are established based on industry best practices, and the specific circumstances of each agreement are considered. We strive to ensure that our payment terms are fair and reasonable for all suppliers, including SMEs. Our internal processes are designed to facilitate timely payment processing, including invoice verification and approval procedures.

We have a designated person as a treasury expert who is responsible for organizing, monitoring, and making payments by their due date.

During the reporting period, our company's **average payment term** was **27 days** from the date when the contractual or statutory payment period began. **88%** of all invoices were settled within this payment term. The remaining **12%** of payments experienced delays due to specific disputes regarding supplier deliveries, rather than systemic issues related to cash flow or payment processes.

Disclosure of contextual information regarding payment practices

Payment Organization and Responsibility

The treasury department is responsible for orchestrating payments. This process addresses the outstanding balance, respecting the agreed-upon due dates established within commercial agreements and supplier credit arrangements. This structured approach ensures timely and accurate payment processing, fostering positive supplier relationships and maintaining financial stability.

Payment Procedures and Policies

AROBS maintains established payment procedures and policies that govern all payment transactions. These procedures contain a range of controls and checks to ensure accuracy, prevent fraud, and maintain compliance with relevant regulations. A robust approval process is in place, requiring authorization from designated personnel before any payment is released. This multi-layered approach minimizes the risk of errors and safeguards company resources.

Payment Terms and Conditions

Contracts with suppliers clearly define payment terms and conditions. These terms outline the payment schedule, accepted payment methods, and any applicable discounts or penalties for late payments.

Stakeholder Engagement and Communication

AROBS actively engages with its suppliers to maintain open communication regarding payment practices. Regular communication channels are established to address any payment-related inquiries or concerns promptly.

Compliance and Regulatory Adherence

AROBS is committed to complying with all relevant regulations and legal requirements related to payment practices. The Company stays informed about any changes in legislation and adapts its procedures accordingly. This proactive approach ensures adherence to best practices and minimizes legal risks.

Continuous Improvement and Monitoring

AROBS continuously monitors and evaluates its payment practices to identify areas for improvement. Regular reviews are conducted to assess existing procedures' effectiveness and identify optimization opportunities.

AROBS standard payment terms are built upon the outstanding balance, supplier credit and agreed due dates by contract commercial agreement.

The number of legal proceedings outstanding for late payments: none.

Events and Social Involvement in 2024

Events and Social Involvement in 2024

Afforestation – open events

In 2024, our efforts involving green initiatives have continued with our seasonal afforestation in partnership with CERT Transilvania.

- The first took place in Tăuți, Florești, Cluj in April. It was also the first in collaboration with CERT Junior, the young division of CERT dedicated to children of all ages. The goal is to teach the little ones the importance of nature, passing knowledge about planting trees and caring for the new generations. We planted about 4000 seedlings with the help of over 150 volunteers.
- The second afforestation was in October, in Deleni, Cluj, using the same partnership formula with the support of CERT and CERT Junior. We planted 5000 seedlings with the help of over 200 volunteers.

Both activities were sponsored by AROBS and open to the public and the internal community.

Green projects competition – employees only

Six strong projects graced our internal competition, Fight for Your Green Cause 2024. The three best of them won sponsorships that supported the organizations in implementing the activities.

1.Creștem Împreună, Asociația Prietenii lui Filip – 1st place

Coordinated by Bogdan L., a father with an excellent project for integrating children with Down Syndrome and other disabilities into normal collectives through outdoor activities in parks and countryside spots. This should help raise acceptance among healthy children towards children with disabilities as well as create normality for everyone to blend in easily in educational units as well as in the community later on in life.

2.Relaxare și reciclare prin tradiție, Atelierul de Meșteșuguri ASDR Dezmir– 2nd place

A small community project introduced by Casiana B., our colleague, originated from Dezmir, where the project was implemented. A series of workshops gathered the community in one place to transform old clothes into colourful rugs, teaching the young members the art of weaving and recycling. Grandparents, parents and children participated in the project, animating the community and creating a hands-on educational experience for everyone.

3.Grădina Bucuriei, Căsuța Bucuriei – 3rd place

A project supported by Denisa C. brought to our attention the garden of Căsuța Bucuriei, a foster home for children aged between 7 and 17 where young girls receive support and education in living a normal life. The garden project aimed to teach the girls about cultivating vegetables and renovating and creating a relaxation space outdoors.

Sports and Health initiatives

Over the years, AROBS has supported sport in various contests, from drone competitions swimming, running, marathons, and triathlon enthusiasts to football teams and sports competitions.

- X-Man Romania – June 8, 2024 - We've again been part of the X-Man triathlon race. Our partnership aimed to encourage athletes and sports fans to exceed their limits by participating in this thrilling competition.

- Academia de Handball" UHandbalCluj2021" – we support this project by offering handball courses to Cluj County children. The project aims to encourage children to have a healthy and active life, focusing on sports, particularly handball.

Arts & Culture

Starting in 2024, the AROBS Foundation has a new focus derived from a complex societal need. Arts & Culture is our latest area of interest; thus, we aim to support and invest in cultural initiatives that promote our national heritage, equal access to Culture, contemporary initiatives, innovation, and sustainability.

- ASTRA Rock Festival – A yearly green rock festival by ASTRA Museum in Sibiu convinced us that" green" and heritage make a great team. Supporting ASTRA Museum initiatives is our way of supporting sustainability through Culture.

- #FRESH by Elite Art Gallery – national contemporary art contest, our partnership aims at promoting young and emerging Romanian artists.

- Ethnographic Museum of Transylvania – This museum is the first ethnographic museum opened in Romania, and it is our neighbour in Cluj. Hence, supporting it came naturally, whilst our common initiatives focus on restoring the national heritage houses curated by the museum and on promoting the museum.

Education

- Marea Aventură Digitală by Logiscool – a famous IT & Digital contest for children in schools, Logiscool fits perfectly into our objectives and priorities: making education, especially digital education, accessible to everybody.

List of datapoints in cross-cutting and topical standards that derive from other EU legislation (IRO-2)

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS 2 GOV-1, Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table 1 of Annex 1	-	Commission Delegated Regulation (EU) 2020/1816 (27) , Annex II	-	Material	88, 106
ESRS 2 GOV-1, Percentage of board members who are independent paragraph 21 (e)	-	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	106
ESRS 2 GOV-4, Statement on due diligence paragraph 30	Indicator number 10 Table 3 of Annex 1	-	-	-	Material	12
ESRS 2 SBM-1, Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	-	Not material	14
ESRS 2 SBM-1, Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table 2 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	14
ESRS 2 SBM-1, Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table 1 of Annex 1	-	Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	-	Material	14
ESRS 2 SBM-1, Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	-	-	Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	-	Material	14

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS E1-1, Transition plan to reach climate neutrality by 2050 paragraph 14	-	-	-	Regulation (EU) 2021/1119, Article 2(1)	Material	48
ESRS E1-1, Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	-	Art. 449a, Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2	-	Not Material	-
ESRS E1-4, GHG emission reduction targets paragraph 34	Indicator number 4 Table 2 of Annex 1	Article 449a, Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	-	Material	48
ESRS E1-5, Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table 1 and Indicator n. 5 Table 2 of Annex 1				Material	56
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table 1 of Annex 1	-	-	-	Material	56
ESRS E1-5, Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table 1 of Annex 1	-	-	-	Not material	-

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS E1-6, Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table 1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)	-	Material	58
ESRS E1-6, Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)	-	Material	58
ESRS E1-7, GHG removals and carbon credits paragraph 56	-	-	-	Regulation (EU) 2021/1119, Article 2(1)	Not material	-
ESRS E1-9, Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	-	-	Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	-	Material	Phase-in
ESRS E1-9, Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	-	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.	-	-	Material	Phase-in
ESRS E1-9, Location of significant assets at material physical risk paragraph 66 (c).			-	-		Phase-in

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	-	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral	-	-	Material	Phase-in
ESRS E1-9, Degree of exposure of the portfolio to climate-related opportunities paragraph 69	-	-	Delegated Regulation (EU) 2020/1818, Annex II	-	Material	Phase-in
ESRS E2-4, Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table 1 of Annex 1 Indicator number 2 Table 2 of Annex 1 Indicator number 1 Table 2 of Annex 1 Indicator number 3 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E3-1, Water and marine resources paragraph 9	Indicator number 7 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E3-1, Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E3-1, Sustainable oceans and seas paragraph 14	Indicator number 12 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E3-4, Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table 2 of Annex 1	-	-	-	Not material	-

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ESRS E3-4, Total water consumption in m ^{3} per net revenue on own operations paragraph 29	Indicator number 6.1 Table 2 of Annex 1	-	-	-	Not material	-
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table 1 of Annex 1	-	-	-	Not material	-
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table 2 of Annex 1	-	-	-	Not material	-
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E4-2, Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E4-2, Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E4-2, Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table 2 of Annex 1	-	-	-	Not material	-
ESRS E5-5, non-recycled waste paragraph 37 (d)	Indicator number 13 Table 2 of Annex 1	-	-	-	Material	71,72
ESRS E5-5, Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table 1 of Annex 1	-	-	-	Material	71, 72
ESRS 2- SBM3 - S1, Risk of incidents of forced labor paragraph 14 (f)	Indicator number 13 Table 3 of Annex I	-	-	-	Material	75
ESRS 2- SBM3 - S1, Risk of incidents of child labor paragraph 14 (g)	Indicator number 12 Table 3 of Annex I	-	-	-	Material	75

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ESRS S1-1, Human rights policy commitments paragraph 20	Indicator number 9 Table 3 and Indicator number 11 Table 1 of Annex I	-	-	-	Material	75
ESRS S1-1, Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21	-	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	76
ESRS S1-1, processes and measures for preventing trafficking in human beings' paragraph 22	Indicator number 11 Table 3 of Annex I	-	-	-	Material	76, 77
ESRS S1-1, workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table 3 of Annex I	-	-	-	Material	91
ESRS S1-3, grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table 3 of Annex I	-	-	-	Material	79
ESRS S1-14, Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table 3 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	93
ESRS S1-14, Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table 3 of Annex I	-	-	-	Material	93

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS S1-16, Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table 1 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Material	94
ESRS S1-16, Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table 3 of Annex I	-	-	-	Material	95
ESRS S1-17, Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table 3 of Annex I	-	-	-	Material	95
ESRS S1-17, Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table 1 and Indicator n. 14 Table 3 of Annex I	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	-	Material	100
ESRS 2- SBM3 – S2, Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table 3 of Annex I	-	-	-	Not material	-
ESRS S2-1, Human rights policy commitments paragraph 17	Indicator number 9 Table 3 and Indicator n. 11 Table 1 of Annex 1	-	-	-	Not material	-
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table 3 of Annex 1	-	-	-	Not material	-
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table 1 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	-	Not material	-

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Materiality	Page
ESRS S2-1, Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	-	-	Delegated Regulation (EU) 2020/1816, Annex II	-	Not material	-
ESRS S2-4, Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table 3 of Annex 1	-	-	-	Not material	-
ESRS S3-1, Human rights policy commitments paragraph 16	Indicator number 9 Table 3 of Annex 1 and Indicator number 11 Table 1 of Annex 1	-	-	-	Not material	-
ESRS S3-1, non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table 1 Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	-	Not material	-
ESRS S3-4, Human rights issues and incidents paragraph 36	Indicator number 14 Table 3 of Annex 1	-	-	-	Not material	-
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table 3 and Indicator number 11 Table 1 of Annex 1	-	-	-	Material	99
ESRS S4-1, Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table 1 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	-	Material	108
ESRS S4-4, Human rights issues and incidents paragraph 35	Indicator number 14 Table 3 of Annex 1	-	-	-	Material	102

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ESRS G1-1, United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table 3 of Annex 1	-	-	-	Material	116
ESRS G1-1, Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table 3 of Annex 1	-	-	-	Material	116
ESRS G1-4, Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table 3 of Annex 1	-	Delegated Regulation (EU) 2020/1816, Annex II)	-	Material	116
ESRS G1-4, Standards of anti-corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table 3 of Annex 1	-	-	-	Material	115

Our phase-in data points

ESRS	DR	Paragraph	Phase-in period
ESRS 2	SBM-1	40 b	Until adoption of ESRS Sectors
	SBM-1	40 c	Until adoption of ESRS Sectors
	SBM-3	48 e	1 year
E1	E1-9	66 a	3 years
	E1-9	66 a	3 years
	E1-9	66 a	3 years
	E1-9	66 a	3 years
	E1-9	66 c	1 year
	E1-9	AR 70 c i	1 year
	E1-9	66 b	3 years
	E1-9	66 d	3 years
	E1-9	66 d	3 years
	E1-9	AR 69 a	1 year
	E1-9	AR 69 b	1 year
	E1-9	AR 71 b	1 year
	E1-9	AR 71 b	1 year

ESRS	DR	Paragraph	Phase-in period
	E1-9	67 a	3 years
	E1-9	67 a	3 years
	E1-9	67 b	3 years
	E1-9	67 c	3 years
	E1-9	AR 72 a, AR 73 a	1 year
	E1-9	AR 72 b	1 year
	E1-9	AR 73 a	3 years
	E1-9	AR 73 a	3 years
	E1-9	AR 73 b	3 years
	E1-9	67 d	3 years
	E1-9	AR 74 c	3 years
	E1-9	AR 74 c	3 years
	E1-9	AR 74 d	3 years
	E1-9	AR 74 e	3 years
	E1-9	AR 74 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	67 e	3 years
	E1-9	AR 76	3 years
	E1-9	AR 76 b	1 year
	E1-9	AR 76 b	1 year
	E1-9	68 a	1 year
	E1-9	68 b	1 year
	E1-9	69 a	3 years
	E1-9	69 a	3 years
	E1-9	69 b	3 years
	E1-9	69 b	3 years
E5	E5-6	43 a	3 years
	E5-6	43 a	1 year

ESRS	DR	Paragraph	Phase-in period
	E5-6	43 b	1 year
	E5-6	43 c	1 year
	E5-6	AR 35	1 year
	E5-6	AR 35	1 year
S1	S1-7	55 a	1 year
	S1-7	55 a	1 year
	S1-7	55 a	1 year
	S1-7	AR 61	1 year
	S1-7	56	1 year
	S1-7	55 b	1 year
	S1-7	55 b i	1 year
	S1-7	55 b ii	1 year
	S1-7	55c	1 year
	S1-7	57	1 year
	S1-8	60 a	1 year for non-EEA countries
	S1-8	60 b	1 year for non-EEA countries
	S1-8	60 c	1 year for non-EEA countries
	S1-8	61	1 year for non-EEA countries
	S1-8	62	1 year for non-EEA countries
	S1-8	63 a	1 year for non-EEA countries
	S1-8	63 b	1 year for non-EEA countries
	S1-8	AR 70	1 year for non-EEA countries
	S1-11	74 a	1 year
	S1-11	74 b	1 year
	S1-11	74 c	1 year
	S1-11	74 d	1 year
	S1-11	74 e	1 year
	S1-11	75, 76	1 year
	S1-11	75	1 year
	S1-11	75	1 year
	S1-11	75	1 year
	S1-11	75	1 year
	S1-11	75	1 year

ESRS	DR	Paragraph	Phase-in period
	S1-12	79	1 year
	S1-12	80	1 year
	S1-12	AR 76	1 year
	S1-13	83 a	1 year
	S1-13	83 a	1 year
	S1-13	83 b	1 year
	S1-13	83 b	1 year
	S1-13	84	1 year
	S1-13	84	1 year
	S1-13	85	1 year
	S1-14	88 d	1 year
	S1-14	88 e	1 year
	S1-14	89	1 year
	S1-14	89	1 year
	S1-14	AR 94	1 year
	S1-15	93 a	1 year
	S1-15	93 b	1 year
	S1-15	93 b	1 year
	S1-15	94	1 year

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