



SUSTAINABILITY REPORT

VRANCART GROUP

2019

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1. General Manager's message

Dear readers,

It is my pleasure to present the Sustainability Report of Vrancart Group, where you will identify our vision on a sustainable business and the main accomplishments in this field in 2019.

With an experience of over 40 years in its field of activity, Vrancart Group has managed to make itself known on the Romanian market as one of the most important paper and cardboard producers. Being a business with a long tradition, long-term thinking is a strategic objective for us. Therefore, sustainability has always been one of our major concerns.

The mission assumed by the Vrancart Group is that of being the most important recycler of cellulose fibre-based materials in Romania. Customers' satisfaction, honesty towards our partners, professionalism, our care for our employees and shareholders, work - place safety, environmental impact reduction and the responsible use of resources are the principles that guide our activity. These objectives are realistic and have medium and long-term consequences in the communities where we carry out our activity.

Our view of sustainability is not a mere approach imposed by the legislation, but it is a constant concern. Our care for nature proven by recycling materials from all over Romania is a responsibility that we take pride in and that we successfully meet. We are confident that through our contribution to environmental protection, we will leave a cleaner healthier country to the generations to come.

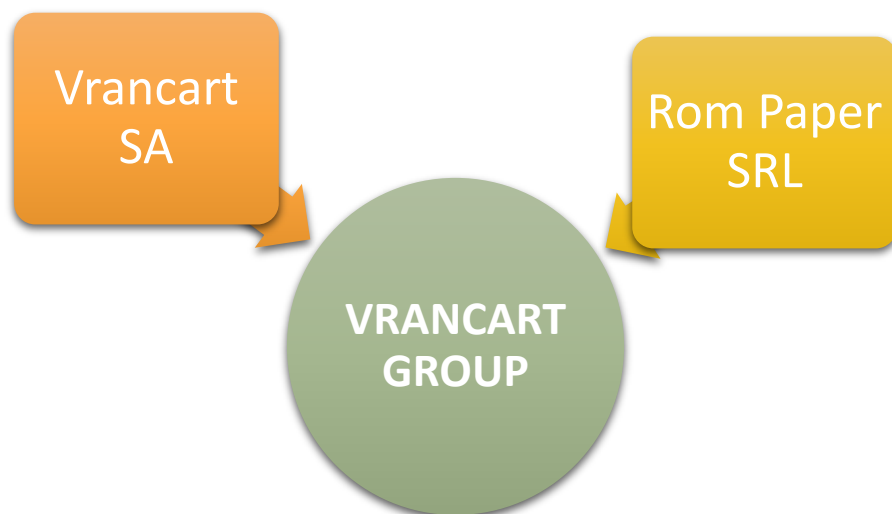


Ionel-Marian CIUCIOI

Chairman of the Board of Directors, General Manager

2. “VRANCART” Group of Companies

In 2019, the **Vrancart** Group of Companies is formed by the company Vrancart S.A. and its branch Rom Paper S.R.L.



Vrancart holds 100% of the shares of Rom Paper S.R.L. as of December 31st, 2019. The acquisition contract for Rom Paper provided the transaction to be performed in three annual stages of 70% (completed), 15% (completed) and 15% (completed in 2018).

2.1 About us

102-1, 102-2




Originally known under the name "Combinatul de Celuloza si Hartie Vrancea", founded in 1977, Vrancart S.A. became a joint-stock trade company starting from 1992, being established in accordance with Law no. 15/1990.

Over the years, Vrancart has managed to become one of the most important producers of corrugated cardboard, paperboard and tissue papers on the Romanian market, with over 40 years of activity in this field.

The main object of activity of Vrancart S.A. is represented by the production and trading of the following types of products:



Due to our wish to grow and to be among the most important producers in the market segment where Vrancart operates, the company's management decided to expand the Group, so that the majority stakes (shares) in Giant Prodimpex Targu Mures and Rom Paper Brasov have been purchased in the past 3 years. In 2016, the assets of Vilcart Calimanesti (that was in bankruptcy at that time) were purchased and currently the production activity is performed there with a second corrugated cardboard machine.

 Vilcart	<ul style="list-style-type: none"> • established in 1994 • producer of corrugated cardboard and cardboard packaging
 Giant Prodimpex	<ul style="list-style-type: none"> • established in 1994 • a Romanian privately-owned company • producer of corrugated cardboard boxes with micro-flutes, corrugated cardboard and duplex board, stationery and publicity items made of cardboard
 Rom Paper	<ul style="list-style-type: none"> • established in 2002 • a Romanian privately-owned company • producer of napkins, folded towels, tissue paper, professional rolls, dry tissues for salons and SPAs and facial tissues

Giant Prodimpex S.R.L. has become one of the most important cardboard processors in Romania due to its constant investments in technology, production areas, and not least, investments for its personnel. Following the acquisition, the Vrancart Group expanded its outlet market and its production capacity, thus completing the product portfolio of the factory in Adjud.

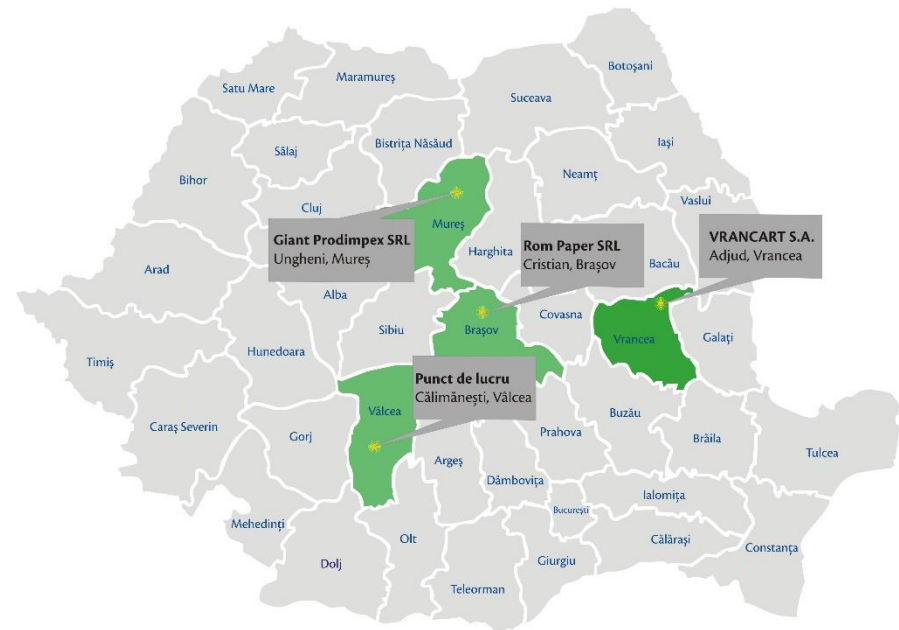
The product range provided by **Rom Paper S.R.L.** was diversified and constantly evolved, being adapted to customers' needs. The acquisition of the factory in Brasov represented a strategic move aimed at expanding the product portfolio and at increasing the degree of coverage of the distribution channels.

Location

102-3, 102-4

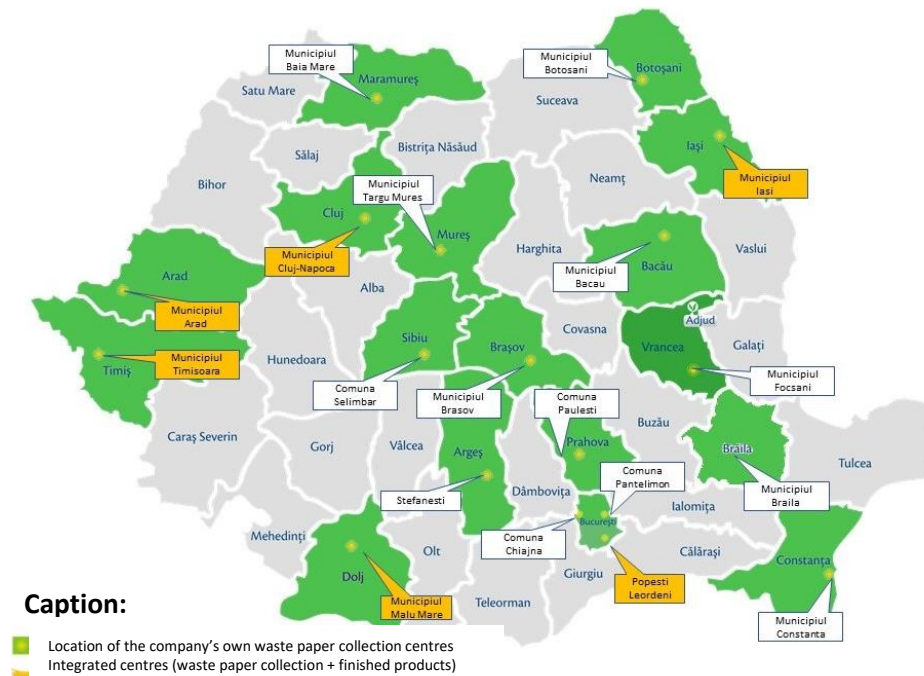
The company has its registered office in Adjud, 17th Ecaterina Teodoroiu Street, Vrancea county. Its branch is located as follows:

- **Rom Paper SRL** - Cristian locality, Braşov county



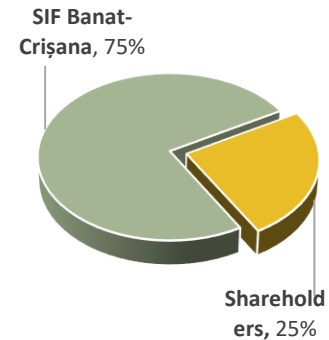
The company also has 19 work points opened in various localities in the country, operating as waste paper collection centres, in the following localities: Bucharest – 3 centres, Iasi, Focsani, Ploiesti, Botosani, Sibiu, Constanta, Arad, Brasov, Pitesti, Timisoara, Bacau, Cluj, Craiova, Baia Mare, Targu Mures and Braila, and two working points in Calimanesti and Ungheni, that produces cardboard and cardboard boxes.

Vrancart's waste paper collection network



Form of organisation, size of the organisation

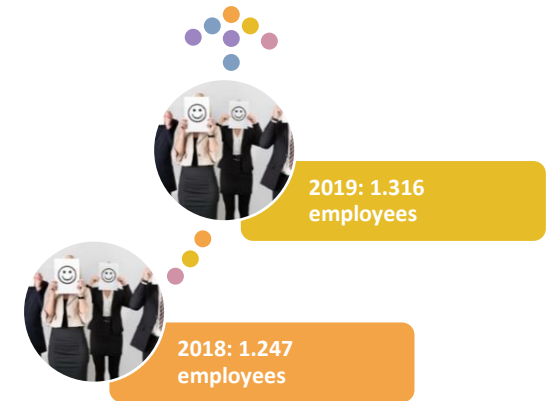
102-5, 102-7



Vrancart is established as a joint-stock trade company with a juridical personality; its shares are listed at the Bucharest Stock Exchange. As at December 31st, 2019, the Company was held in a proportion of 75% by SIF Banat – Crisana S.A. and in a proportion of 25% by other shareholders.

In 2019, the average number of employees of the Group was 1.316 (2018: 1.247).

As of December 31st, 2019, the average number of employees of Rom Paper branch was 136 employees (2018: 129).



The Group's main production activities are organised by three distinct business lines managed based on their own budgets, which form the Group's general budget, manufacturing products for three distinct markets, namely:

- the paperboards market;
- the corrugated cardboard and corrugated cardboard packaging market;
- the tissue paper products market.

The productions on these markets in 2019 are presented in the table below:

Market	M.U.	Amount
Paperboards	to	88.941
Corrugated cardboard and packaging	to	62.563
Tissue papers	to	25.658

The share of each category in the Group's total turnover for 2019 is presented in the table below:

Product category	M.U.	Value
Paperboards	%	11%
Corrugated cardboard and packaging	%	65%
Tissue papers	%	18%
Other activities	%	6%

The main raw material of the Vrancart paper mills is wastepaper. It is purchased through its own collection centers or directly from generators. In 2019, 65% of the total waste acquisitions were purchased through its own collection centers.

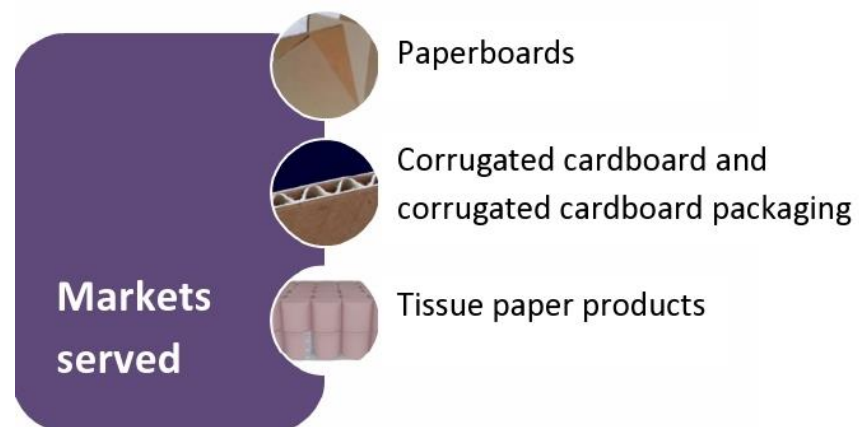
The investments made in 2019, by groups of fixed assets, were as follows:

Investments made	Value (RON)
Buildings and building facilities	2.198.545
Technological equipment	39.218.543
Working apparatus and machines	301.984
Means of transport and other fixed assets	4.597.470
Intangible assets	895.359
TOTAL	47.211.901

Markets served

102-6

As explained above, the Group's main production activities are organised by three distinct business lines, manufacturing products for three different markets.



The products are sold both on the Romanian territory and abroad, by means of store chains (hypermarkets, supermarkets, cash & carry), and also by means of distributors. The products distributed target a varied range of customers, the most important categories being represented by end consumers, customers from the HORECA sector, as well as from the industrial field: furniture, automotive, constructions, foodstuffs.

Information related to the employees and other workers

102-8

In 2019, the Group's average number of employees was 1.316, out of which 1.180 were employed by Vrancart. Vrancart remains the main operator on the labour force market in Adjud and one of the most important employers in Vrancea county.

Employment agreement	VRANCART Group		Vrancart		Rom Paper	
	W	M	W	M	W	M
Permanent	393	846	316	789	77	57
Temporary	22	55	22	53	-	2

Employment agreement	VRANCART Group		Vrancart		Rom Paper	
	F	B	F	B	F	B
Full-time	414	898	337	841	77	57
Part-time	1	3	1	1	-	2

Note: W – women; M – men

The supply chain

102-10

In order to control the quality of the products and services provided by the suppliers, a procedure which presents the evaluation, re-evaluation and selection process was implemented.

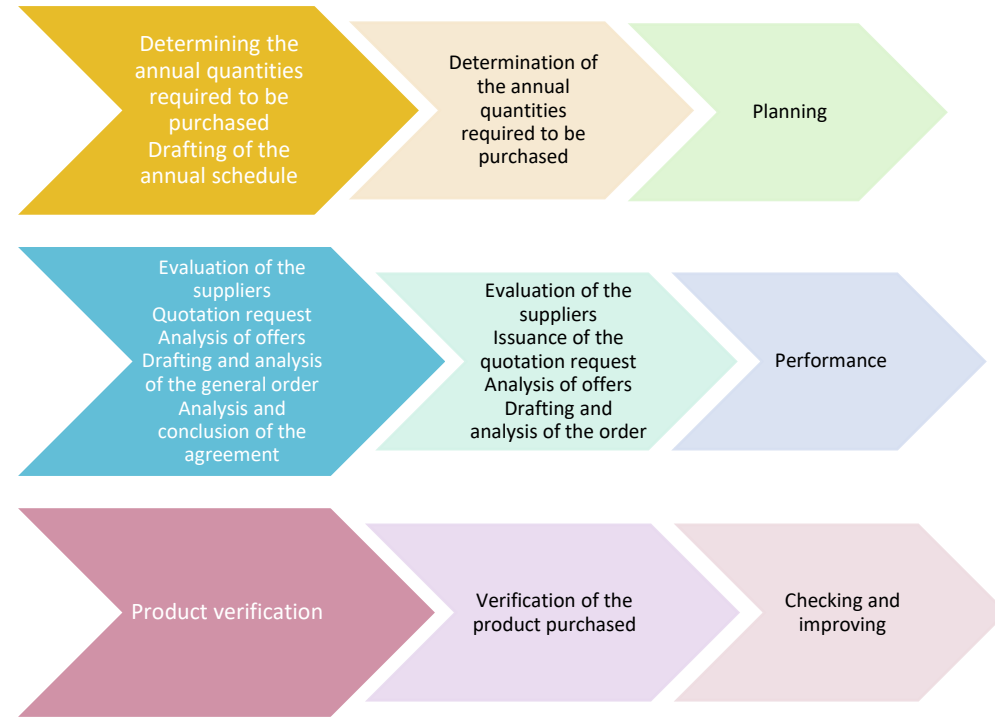
All the external processes, namely the processes that are performed by third companies, involving the provision of a service, which are able to influence the compliance of the final product, of the environmental performances and/or of the labour health and security performances, were identified.

The methodology to control the external processes



The quality parameters for the purchases of raw materials, auxiliary materials, spare-parts and equipment necessary to manufacture the products were established within Vrancart, in order to make sure that the products purchased meet the specified requirements.

A schematic presentation of the purchasing process implemented within the group and of the activities corresponding to each stage of the process flow can be seen below.



The records related to the purchase process, including those related to the evaluation, re-evaluation and selection of the suppliers are maintained in accordance with the documented procedures.

The results of the latest evaluation of the suppliers show that over the years, the Vrancart group has managed to establish an ecosystem of reliable partners and it maintains long-term commercial relations with these.

Out of all the suppliers assessed in 2019, there were no partners unable to meet the eligible score according to the procedure of the management system.

2.2 Strategy and objectives

Values, principles, standards and behavioural rules

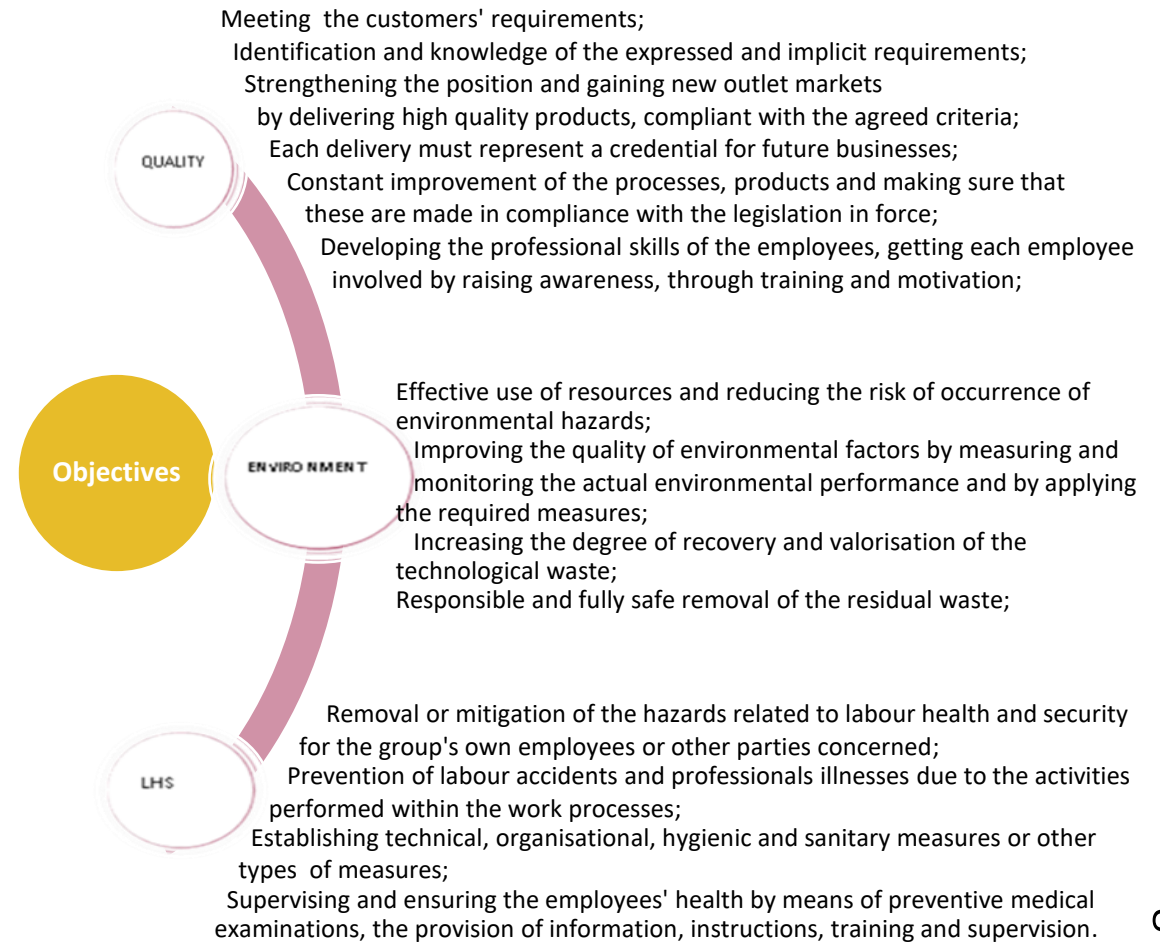
102-16

The mission assumed by Vrancart group is that of being the most important recycler of cellulose fibre-based materials in Romania.

The principles that guide our activity and that will help us perform our mission and reach our strategic objectives are presented below.

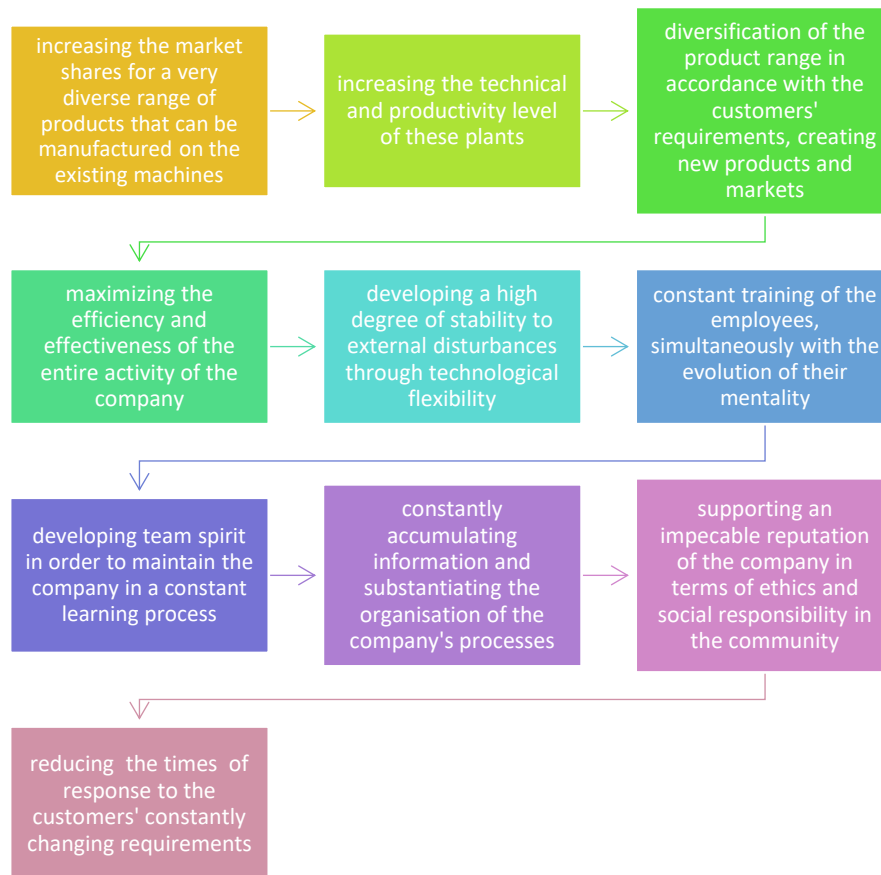


Note: LHS – labour health and security



The company holds certificates that prove the compliance of the management system with the following standards: ISO 9001:2015 Quality management systems, ISO 14001:2015 Environmental management system and OHSAS 18001:2007 Labour health and security management that were issued by Lloyd's Register Romania. The certificates are valid until 2021. The company also holds a certification for the FSC Chain of Custody Management System according to the standards FSC-STD-40-004/FSC-STD-40-007 valid until 2024 and with annual supervision.

The strategic directions of Vrancart are as follows:



Vrancart's environmental policy aims at reducing the impact of the company's activities onto the environment, at maintaining the ecological balance and at assuring the compliance with the environmental requirements throughout the entire lifetime of the products. Through the implementation of the environmental management system in accordance with the standard ISO 14001, the top management assumed its commitment to:

- compliance with the legislation in force and with the environmental regulations;
- constant improvement of the environmental management system and the prevention of pollution;
- reaching, demonstrating and communicating a real environmental performance to the parties concerned, through the effective management of the environmental aspects;
- employees' involvement to implement the measures provided by the Environmental management programs and the improvement of the environmental performance indicators;
- active participation to pollution reduction;
- constant concern to provide an adequate working environment to the employees, so that all the processes can be properly performed.

Both through the authority delegated to the management's representative, through the activity of the person responsible for environmental protection, and through the responsible behaviour of each employee, the top management makes sure that the environmental policy is implemented. The policy is communicated to all employees that are regularly informed of the importance of having the environmental protection-related aspects integrated within their activity.

The reaching of the objectives ensures the premises for the continuous improvement of all the environmental indicators and for the reduction of the company's environmental impact. The general objectives substantiate the environmental targets that are performed in accordance with the

Environmental management program and are regularly analysed/ revised, in order to ensure their adequacy to the company's current context. Material, financial and human resources are allotted for the purpose of reaching the environmental objectives and targets.

Vrancart constantly performs activities in accordance with the company's social responsibility strategy, supporting every year, either directly, or by means of specialised foundations/ non-governmental organisations, the disadvantaged categories of people in the communities where it performs its activity.

The company also supports scientific, cultural, sports, medical, educational, environmental initiatives, events of national or local interest.

Adherence to external initiatives, membership in associations

102-11, 102-12, 102-13

Vrancart has been a member of the Romanian Pulp and Paper Industry Patronage – ROMPAP for over 20 years.

The Romanian Pulp and Paper Industry Patronage – ROMPAP (established in 1992) has a current number of 24 members, respectively all the pulp, paper, cardboard and corrugated cardboard producers in Romania (20 companies) and the Institute of Research and Design for the Pulp and Paper Industry in Braila. ROMPAP represents the general and group interests of all its members in their relations with the state institutions and the trade unions.

Vrancart is associated with the Forest Stewardship Council A.C., Oaxaca, Mexico (FSC) and adheres to the principles of this initiative, by accepting not to be directly or indirectly involved in any of the following unacceptable activities:

- illegal forestry, trading of illegally harvested timber;
- violation of the traditional and human rights in forestry operations;

- the destruction of important values for preservation through forestry operations;
- the significant conversion of forests into plantations or use for purposes other than forestry;
- the introduction of genetically modified organisms into forestry operations;
- the violation of any of the basic conventions of the International Migration Organization, as defined in the IMO Declaration on the fundamental principles and rights at the work-place.

The document issued by TUV SUD Czech certifies the fact that Vrancart is authorised to sell its products in accordance with the FSC requirements and this certificate is valid until October 14th, 2024.

The mission of Rom Paper is to meet customers' needs through a varied range of high quality products and to create long-term partnerships that will lead to an increase in the profitability of both partners. The vision of Rom Paper is to become the most effective producer of napkins, tissue paper, professional rolls and facial tissues in Romania.

The values that guide Rom Paper are as follows:

- reliability, by meeting the commitments assumed towards its partners;
- exactingness, high quality products according to the customers' standards;
- perseverance, by getting directly involved in reaching the company's objectives through a constant optimisation of the activity flows, the compliance with the quality standards and by providing specialised training courses to employees.

2.3 Ethics, integrity and anti-corruption principles

102-17, 205-2

Within the Group companies, a set of rules is observed regarding the behavior and obligations of employees and administrators in areas such as anti-corruption or giving and taking bribes.

These rules are comprised in internal documents of the companies, namely in the Internal Regulation, in Internal decisions issued by the management, as well as in the Corporate Governance Regulation. Also, the Internal Regulation forbids and sanctions several types of behaviour related to the social and professional ethics of the employees, to actions that can be considered acts of corruption and offering/accepting of undue benefits.

In order to avoid any events of corruption or any anti-competitive practices, a series of measures were adopted, through which the employees and the members of the management declared any potential conflict of interests, according to the position held within the company. The person in question was excluded from the decision-making process in the case in question, thus avoiding any disputes or situations of legitimate suspicion.

Also, the use of any privileged information related to the company's policies by the management or by the employees, when they make transactions with financial instruments in their own portfolio is forbidden and any situation where the company's interests are divergent from the personal interests of the employees or of their close relatives or of the people they come into contact with, on personal or business-related matters are deemed to be conflicts of interests.

The decisions adopted by the management over time led to the formation of a business environment based on integrity, through the application of sanctions to those that fail to comply with the internal standards, norms and procedures and the granting of incentives to those that comply with these. Moreover, Vrancart's listing at the Bucharest Stock Exchange led to the adoption and compliance with high standards of integrity and decisional transparency, which led to an increase of the stakeholders' trust in the company.

Even though fight against corruption is not addressed within the company as a distinct factor and there is no formalised policy in this field, all the employees are informed of the conduct rules on the field of anti-corruption and these take note of and adhere to this set of rules, by signing the Internal Regulation. However, there were no training sessions on anti-corruption organised within the company, as regular information was deemed sufficient.

The Board of Directors adopted a procedure for the purpose of identifying and adequately solving the events of conflict of interests, which provides that all the investments or sales of securities must be made only for the shareholders' benefit, not for any other purposes.

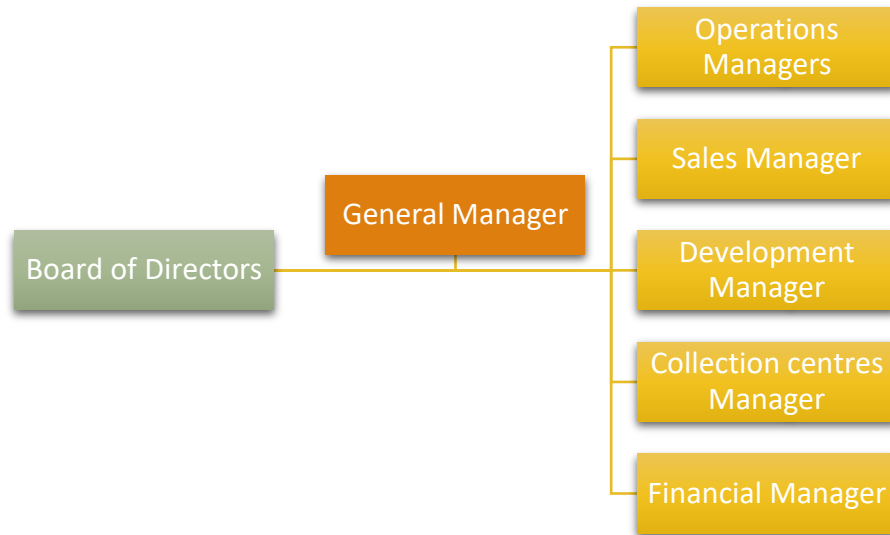
A conflict of interests represents any event where the company's interests are divergent from the personal interests of the employees or of their close relatives or of the people they come into contact with, on personal or business-related matters.

In the event of a conflict of interests, the usual solution is for the person in question to withdraw from the decision-making process. When a conflict of interests occurs among the directors, they must inform the Board of Directors and refrain from taking part in the debates and voting on the issues in question.

2.5 The governance structure

102-18

According to the Articles of Incorporation, the Company is managed based on a unitary system, and the corporate governance structures are represented by the Board of Directors and by the Executive management.



The Board of Directors is formed of 5 members, natural persons that are elected by the General Meeting of the Shareholders (GMS) for a 4 years period, with the possibility of being re-elected. The election of the members of the Board of Directors through the shareholders' vote within the General Meeting of the Shareholders is based on a transparent procedure, by informing the shareholders casting a vote of the contents of the candidacy file and of the criteria that must be met in order to become a director of a joint-stock company. The members of the Board of Directors can be revoked exclusively by the general assembly, through a vote cast within the extraordinary meetings. The Board of Directors includes both

executive and non-executive directors, providing a balance between these positions.

The executive management is provided by the General Manager and the Executive Managers that are appointed by the Board of Directors. The main medium and long-term objective of the Board of Directors, which is defined and determined by the particular aspects of Vrancart and by the macroeconomic context where it operates, is to provide a balance between the business continuity under optimal conditions and by meeting the shareholders' expectations.

The Board of Directors may establish consultative committees formed of members of the Board, having the responsibility to conduct investigations and to draft recommendations for the board, in fields such as audit, the remuneration of the directors, personnel, appointing candidates for various management positions and to establish the internal rules of these committees. The Board of Directors establishes the remuneration policy for the directors and managers, as well as the participation to profit, having regard to the reaching of the performance indicators, the economic and financial results, the performance criteria and the responsibilities imposed through the activity program, the expense and revenue budget, that are submitted for approval to the General Meeting of the Shareholders on an annual basis.

The Chairman of the Board of Directors – the General Manager is elected by the Board of Directors from among its members, being also the General Manager and leading the company. As Chairman of the Board, he/she convenes the Board of Directors at least every 3 months, he/she chairs the meetings, monitors the compliance with the resolutions and leads the activities of the General Meeting of the Shareholders. In his/her position as the General Manager, he/she is responsible to enforce the decisions of the Board of Directors by issuing written resolutions and dispositions, that are enforceable and effective from the date when they are brought to the attention of the people authorised to enforce these.

The Executive Managers are appointed by the Board of Directors following the proposition of the General Manager. In the absence of the Chairman – General Manager, the Executive Managers authorised by the Board of Directors fulfil his/her attributions as the General Manager.

On the company's website, information related to the corporate governance policy is disseminated, comprising the following:

- the list of members of the Board of Directors, the members of the executive management;
- the company's Articles of Incorporation;
- the „Apply or Explain” statement;
- the Corporate Governance Regulation.

An Audit Committee was established within the company, which regularly examines the efficiency of the financial reporting, the internal control and the risk management system.

The audit committee is a permanent committee subordinated to the Board of Directors, formed of at least 2 members elected from among the non-executive directors. At least one member of the Audit Committee must be specialised in accountancy and/or audit and the Committee's activity is coordinated by a president, elected from among its members for a three years period.

In what concerns the branch Rom Paper, it is governed by its own Board of Directors, subordinated to the Group's management, which has 3 members in its Board of Directors.



3. About the report

3.1 Purpose, limits and other relevant aspects

Purpose of the report

Directive 2014/95/EU of the Parliament and of the Council amending Directive 2013/34/EU concerning the submission of non-financial information and of information related to diversity by certain enterprises and large groups provides the obligation for large enterprises which are entities of public interest, exceeding the criterion of having an average number of 500 employees during the financial year, to include a non-financial statement in their management report.

This Directive was partially transposed into the national legislation by Order no. 2844/2016 for the approval of the Accounting regulations compliant with the International Financial Reporting Standards. In light of its statute as a company listed to trading, Vrancart falls under the provisions of Directive 2014/95/EU, and the accounting regulations approved through Order no. 2844/2016 establish the obligation for companies whose securities are admitted to trading on a regulated market to report non-financial information starting from the financial year 2017.

Both the Directive and the aforementioned Order are flexible in terms of the modality in which the companies can report non-financial data. This information may be submitted in the form of a “non-financial statement” included in the (consolidated) report of the directors, posted along with this report or through a separate non-financial report that must be posted on the Company’s website within no more than 6 months from the balance sheet date. The reporting methodology is also flexible and the companies reporting non-financial information may use national or European guidelines or standards, respectively international guidelines.

According to the applicable regulations presented above, the non-financial statement or the separate report must include information concerning at least environmental, social and staff-related aspects, the respecting of human rights, combating of corruption and bribe offering, including:

- a short description of the entity’s business model;
- a description of the policies adopted by the entity in relation to these aspects, including of the due diligence procedures applied;
- the results of those policies;
- the main risks related to these aspects, arising out of the entity’s operations, including, when relevant and proportional, its business relations, its products or services that may have a negative impact onto those fields and the modality in which the entity addresses those risks;
- key indicators of non-financial performance relevant to the entity’s specific activity.

Vrancart has a clear approach concerning compliance with the applicable legislation and it has started internal discussions to assess the modality of implementation of the legal provisions related to the reporting of non-financial information. It was decided to post a separate report that will present as clearly as possible the company’s approach in fields related to non-financial reporting and to performance in these fields. We decided to post a detailed separate report out of respect for our stakeholders (shareholders, customers, suppliers, management, local communities, etc.) and out of our wish to be as transparent as possible towards these.

We chose the difficult way: we started a complete process of non-financial reporting based on the most frequently used standards worldwide, we took into consideration the stakeholders’ opinions in defining the contents of the report and we collected information from all the group’s entities, from several departments and people for which this type of reporting and the related data are elements of interest. The entire process has been a challenge to all those involved, but we are convinced that this effort will pay off and we will be able to offer those concerned a relevant publication

that will help them have a clear and accurate perception over the Vrancart group.

Entities included in the consolidated financial statements

102-45

The entities included in the consolidated financial statements are those presented in the introductory part of the report as being part of the Vrancart Group, namely:

- Vrancart S.A.
- Rom Paper S.R.L.

This report presents non-financial information for the two entities of the Group.



Reporting period, reporting cycle

102-50, 102-52

The period considered in the process of drafting of the report is the calendar year 2019 (January 1st – December 31st), similarly to that considered in drafting of the financial statements, respectively of the

annual report of the directors. In the event that any data was not available in final form on December 31st, 2019 and if the submission of a preliminary statement or the drafting of any estimates for consistency were required, this must be mentioned within the report.

We will draft such a report on an annual basis and we declare our intention to progress constantly in our practices of non-financial reporting used. Also, we want to meet our stakeholders' expectations and wishes and we will re-analyse on an annual basis the aspects considered by these as relevant to be included in the non-financial report, in order to make sure that the reported information is included in the current organisational context.

Points of contact for questions related to the report, assertions related to the reporting according to GRI

102-53, 102-54

For any questions, clarifications or additional information required in relation to any of the aspects approached within this report, please send an e-mail to office@vrancart.com. We will be glad to come into contact with any reader interested in our activity and to respond to his/her requests!

This report contains elements taken from the GRI standards; these are marked as such with the specific labels included in the reference standards (for example **102-1**). However, considering the fact that this is the first reporting action and not all the information required according to the standards was available, we will not declare our compliance with any of the GRI application levels ("basic" or "extended").

3.2 Definition of the report contents

Definition of the contents and scope

102-46

The content of the report was defined taking into consideration both elements of the GRI standards, and the European Commission Communication no. 2017/C 215/01- Guideline on the reporting of non-financial information (the methodology for reporting of non-financial information). A process for the consultation of the relevant internal and external stakeholders was started, being based on aspects taken from the aforementioned documents. Based on the results of the process of involvement of the stakeholders and on the economic, social and environmental impact for each of the topics presented in the extended list, the material subjects that represent the fundament of defining the contents of this report were determined.

The report covers all the entities of Vrancart Group included in the consolidated financial statements: Vrancart SA (including its working points), Giant Prodimpex SRL and Rom Paper SRL. In the event that information was not available for all of the Group's operations, it is mentioned specifically which entity the statement refers to or which operations are covered by certain indicators presented.

The terms used will be interpreted as follows:

- "The Group" – all of the three entities included in the consolidated financial statements;
- "Vrancart Adjud" – the location in Adjud;
- "Working points" – the 19 wastepaper collection centres of Vrancart, plus the production sites (the corrugated cardboard production facilities in Calimanesti Valcea and Ungheni Targu Mures);
- "the Branch" –Rom Paper S.R.L.

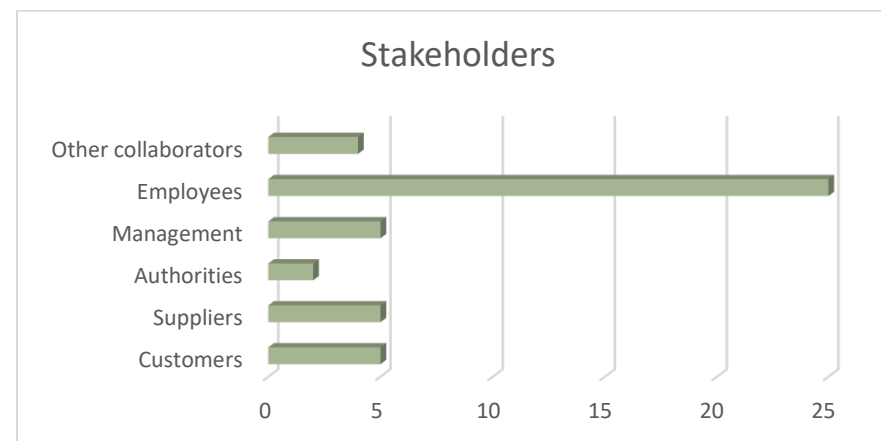
Stakeholders' involvement

102-40, 102-41, 102-42, 102-43, 102-44

Vrancart Group has a constant dialogue with the stakeholders and it intends to be informed of their current concerns, of their expectations from the group and from the products traded, and also of any dissatisfactions or useful recommendations in order to improve the activity and to increase the level of satisfaction of those involved or of those that have an impact onto the Group.

We identified the main categories of stakeholders and we prioritized them, according to their impact onto the group's activity and according to the group's influence onto each category.

The main categories of stakeholders consulted are as follows:



The modalities that were used for the consultation and involvement of the stakeholders are as follows:

- Individual discussions – most important customers, the group's management,
- questionnaires – sent and filled in both by internal and external stakeholders.

These methods involved a great level of importance being given by the stakeholders consulted, for each of the aspects included in the original list: very important, important, average importance, low importance, very low importance. According to this level, each aspect was allotted a score between 0 and 5 – 0 for „very low importance” and 5 for „very important”.

In order to define the material subjects and the contents of this report, approximately 50 internal and external stakeholders were consulted in reference to the significance they give to some aspects specific to the 3 piles of sustainability (economic, environment, social). These aspects were selected from an exhaustive list drafted following a thorough analysis of the GRI standards, of the Guidelines published by the EC, as well as of a selection of reports available on the GRI website, posted by companies having the same activity profile, which have a well-known history in sustainability reporting and an equally good reputation.

List of material subjects

102-47

Given that we are at the beginning with such reports prepared for the Vrancart group, the list of material topics is an essential element for defining relevant content that is useful to readers and has the expected impact.

The first step in determining the material subjects was represented by the definition of the exhaustive list of fields from the three main areas of reporting (economic, environment, social), according to the process described in the previous section.

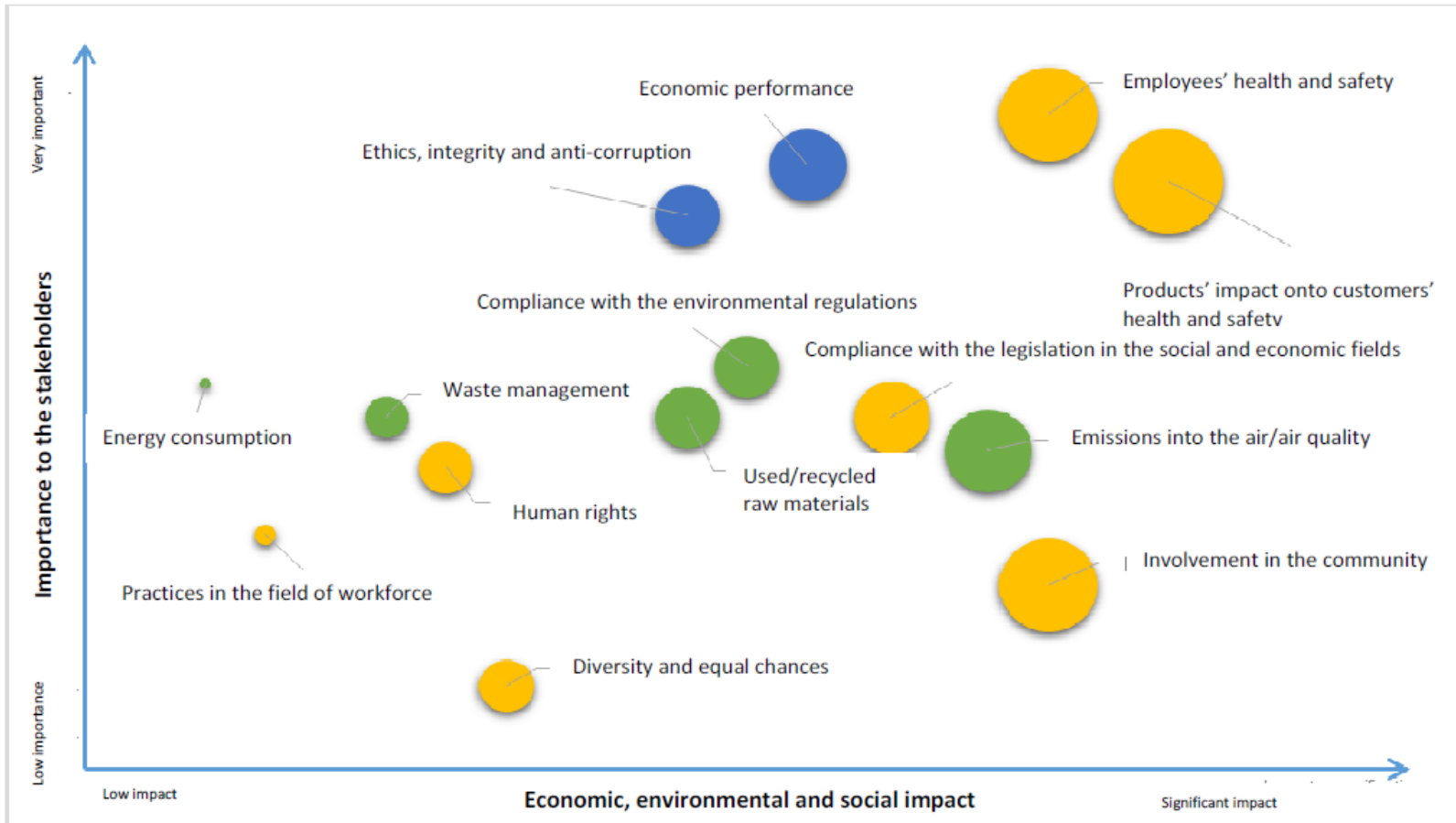
The following stage consisted of the consultation of the relevant stakeholders, also detailed in the previous sub-chapter. Following the opinions expressed by these stakeholders, the subjects originally defined by the 3 fields were prioritized, according to the score obtained from processing the results of the questionnaires filled-in and of the interviews.

The economic, social and environmental impacts of these aspects onto the group’s activity were taken into consideration, starting from an analysis based on internal and external factors: standards, impact assessment methodologies, the assessment of the products’ lifecycle etc. The material subjects for each of the 3 fields are listed below, in the order of their priority determined following the calculation of the score obtained, considering both the score given by the stakeholders and the score given to assess the impact of each subject.

ECONOMIC	ENVIRONMENTAL	SOCIAL
<ul style="list-style-type: none"> • Economic performance • Ethics, integrity and anti-corruption 	<ul style="list-style-type: none"> • Emissions into the air, air quality • Used or recycled raw materials • Compliance with the environmental regulations • Waste management • Energy consumption 	<ul style="list-style-type: none"> • Products' impact onto customers' health and safety • Employees' health and safety • Involvement in the community • Compliance with the legislation in the social and economic fields • Human rights • Diversity and equal chances

The materiality matrix, drafted based on the processes described above and validated by the company's management, is presented below.

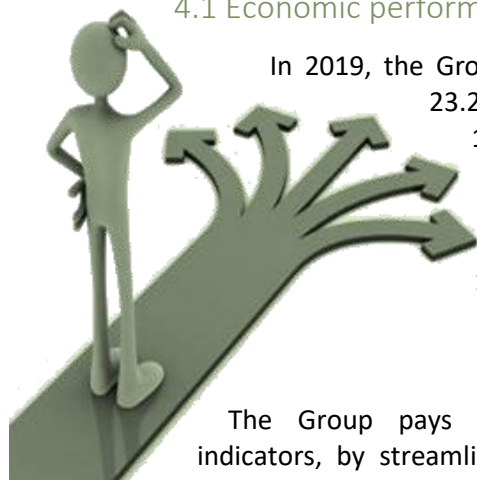
These subjects deemed important will be further described in the report, in terms of the management's approach, of the policies and procedures implemented, of the risks involved, as well as of the performance achieved, measured by means of specific indicators.



4. Our economic activity

The consolidated financial statements are drafted by the Company in accordance with the requirements of the Order of the Finance Ministry no. 2844 of 2016, for the approval of the Accounting regulations compliant with the International Financial Reporting Standards (OMFP 2844/2016). The International Financial reporting Standards (“IFRS”) are the standards adopted according to the procedure provided by the (EC) Regulation no. 1.606/2012 of the European Parliament and of the Council dated July 19th, 2002 on the application of the International Accounting Standards.

4.1 Economic performance



In 2019, the Group recorded a net profit of RON 23.210.201 RON (2018: RON 16.818.568). As of December 31st, 2019, the net working capital was positive, of RON 6.139.495 (December 31st, 2018: RON 15.601.946).

The Group pays great attention to profitability indicators, by streamlining its operational and liquidity processes and through the effective use of resources.

Direct, generated, distributed economic value

201-1

Economic value		Currency (RON)
I.	Direct economic value: Income	
	Turnover	362.000.902
II.	Distributed economic value	
	Expenses related to materials and raw materials	183.234.053
	Salaries and benefits paid to employees	45.592.583
	Payments to capital providers	37.998.761
	Payments to the state budget	57.340.504
	TOTAL	324.165.901
III.	Withheld economic value	37.835.001

Financial assistance from the Government

201-4

Type of assistance	Currency (RON)
Tax reductions and fiscal deductions	2.053.395
Subsidies	-
Investment grants	-
Premiums	-
Financial incentives	-
Benefits from the government (“RABLA” program)	-

5. Environmental protection

The company gives great significance to environmental protection, assuming the commitment to integrate the best available practices in the activities carried out. Therefore, the compliance with the applicable environmental regulations and the establishing of some operating conditions to provide the premises for environmental protection is a key element of the company's environmental policy.

Vrancart Group has implemented an integrated quality-environment-health and labour security system, according to the international standards ISO 9001:2007, ISO 14001 and OHSAS 18001, certified by Lloyd's Register England, Bucharest agency.

Due to the fact that the activity carried out at the Adjud facility is included in list 1 of Appendix 1 of Law no. 278/2013 on industrial emissions, Vrancart holds for this location the integrated environmental authorisation no. 1/18.03.2015, valid for 10 years. The categories of activities for which the integrated environmental authorisation was issued are as follows:

- production by industrial paper or cardboard plants, with a production capacity of over 20 tons per day;
- removal of non-hazardous waste > 50 tons per day.

Ungheni working point operates based on the environmental authorisation no. 59/20.04.2011 for the production of paper and cardboard packaging, which is valid until 2021. For the Rom Paper branch there is no environmental authorisation, as this is not required according to the legislation in force.

These regulatory deeds establish the operating conditions by authorised emplacements, to provide the compliance with the legal requirements in the field of environmental protection. Through the compliance with the provisions of the environmental authorisations and of the operating procedures implemented within the environmental management system,

the effective management of the environmental impact and the implementation of organisational measures are provided, aimed at preventing and controlling pollution. The main risks with effects onto the environment were also identified and specific measures for their reduction were proposed.

5.1 Materials used

301-1

The products in the company's portfolio involve operational processes that require raw materials, consumption of natural resources, as well as auxiliary materials that are included in the final product. These are presented in the table below. Information related to the stated quantities is determined based on the actual consumptions in 2019 and there were no estimates made for their calculation according to the products' recipes.

VRANCART			
Process	Material	Consumption	M.U.
Tissue paper production	Raw wastepaper	20.406	tons
	Semi-finished cellulose products	1.331	tons
Paperboards production	Raw wastepaper	107.837	tons
Corrugated cardboard & corrugated cardboard boxes production	Paperboards	68.060	tons
Industrial water	River water	1.982.722	m ³
Water treatment (purification)	Phosphoric acid	35.435	kg
	Urea	75.330	kg
	Coagulant	1.292.650	kg
ROM PAPER			
Tissue paper production	Semi-finished cellulose products	6.215	tons

5.2 Recyclable raw materials used

301-2

The use of paper and cardboard waste (wastepaper) in the production process as raw material is a major advantage of the company in terms of environmental protection. Thus Vrancart is considered an end recycler of the abovementioned waste that it collects by means of its 20 work points spread all over Romania, thus contributing to the implementation of the modern concepts of circular economy, according to which waste is a very important resource and a potential raw material.

The percentage of recyclable raw materials used, in relation to the total amount of raw materials used in 2019 is presented in the table below. The auxiliary materials or other consumptions presented in the previous section are not taken into consideration and the ratio calculated for each product category in the company's portfolio is as follows:

% recyclable materials = recyclable materials (wastepaper)/total raw materials in the products' composition

Product	Production (to)	Raw materials (to)	Recyclable materials (to)	Recyclable materials (%)
Paperboards	91.061	109.526	109.526	100
Tissue paper				
<i>i. from wastepaper</i>	16.707	19.392	19.392	100
<i>ii. from cellulose</i>	6.615	6.733	0	0
Corrugated cardboard	62.563	68.060	62.417	91,71
TOTAL	177.162	203.849	190.660	93,53

As it can be seen, a significant percentage of Vrancart's production is based on recyclable raw materials, namely paper and cardboard waste collected by the company or taken from third parties to be recycled. If this waste had not been separately collected and introduced into a production process, it would have been dumped at landfills mixed with household waste or, in a happy scenario, it would have been recovered through another valorisation method, inferior to recycling in the waste hierarchy.

The basic raw material used within the Rom Paper branch is the semi-finished product made of cellulose and recycled raw materials.



5.3 Energy consumption

302-1

Vrancart uses natural gas at the Adjud site to produce technological steam in the thermal boiler and in three steam generators, as well as for the burning through co-incineration of the waste resulting from the production processes (industrial waste and sludge resulting from wastewater treatment). The electricity supply required for the company' own consumption is made through the National Energy System based on a supply contract and the following aspects are considered in order to comply with the best available techniques on the efficient energy use:

- the proper operation of the ventilation system must be provided;
- the lighting fixtures will be selected to have the lowest specific consumption possible.

In the activities of Rom Paper branch, natural gas is used for heating (boiler, heating plant, radiant tubes) and electricity is required for the functioning of the equipment used in the production process and for lighting of the sites.

The energy consumed at the sites of the Group's entities – according to the data in the table below – is not from renewable sources and it is purchased based on contracts concluded with specialised suppliers. The company constantly explores opportunities to upgrade its equipment, so as the energy consumption, the generated emissions and the environmental impact can be reduced.

Energy consumption	M.U.	Vrancart	Rom Paper	TOTAL
Electricity	MWh	63.256	1.392	64.648
Natural gas	Nmc	13.285.379	31.422	13.316.801
Thermal energy	gcal	144.103	-	144.103

The calculation presented above was made based on the actual consumptions recorded at the companies' production emplacements, by reading the meters or by totalising the consumptions recorded on the invoices issued by the suppliers in 2019.

Therefore, the total energy consumption registered in the Group's locations, corresponding to 2019, is **378,612 MWh** (2018: 368,707 MWh).

The conversion factors used for the conversion from cubic metres (natural gas consumption), respectively from Gigacalories (thermal energy consumption) into Megawatts/hour are as follows:

- 1 gcal = 1,16222 MWh
- 1 Nmc=0,011 MWh

5.4 Direct greenhouse gas emissions

305-1

For the Adjud facility, the company holds an authorisation on greenhouse gas emissions for the period between 2013 – 2020 no. 126/05.03.2013, that was revised on February 18th, 2019, for the activities presented in the table below, that fall under the provisions of the Government Decision no. 780/2006, as subsequently amended, on the establishing of the scheme for the capitalisation of greenhouse gas emission certificates.

Category of activity carried out at the facility	Type of fuel/raw material	Process generating greenhouse gas emissions
Paper or cardboard production, with a production capacity of over 20 tons/day	Natural gas Biomass (sludge – wastewater treatment) Industrial waste	Burning of fuels
Burning of fuels in plants with a nominal heating power of over 20 MW (except for plants for the burning of hazardous and municipal waste)		

The monitoring of greenhouse gas emissions, including the monitoring methodology and regularity, are made in compliance with the plan for the monitoring and reporting of greenhouse gas emissions and with the monitoring methodology approved by the Ministry of Environment, in compliance with the requirements of the (EU) Regulation no. 601/2012 of the Commission dated June 12th, 2012 on the monitoring and reporting of greenhouse gas emissions in accordance with the Directive 2003/87/EC of the European Parliament and of the Council.

During the first quarter of each year, following the year for which the greenhouse gas emissions were monitored, Vrancart submits to the Ministry of Environment the monitoring report on emissions, according to the legal provisions in force in the field of trading of greenhouse gas emission certificates for the period between 2013 - 2020.

According to the verification report drafted by the certified independent assessor contracted by the company, **the equivalent of 25.938 tons of CO₂** was issued in 2019 (2018: 27.146).

For the other locations of the company, greenhouse gas emissions are not monitored, as these locations do not fall under the provisions of the legislation applicable in the field.

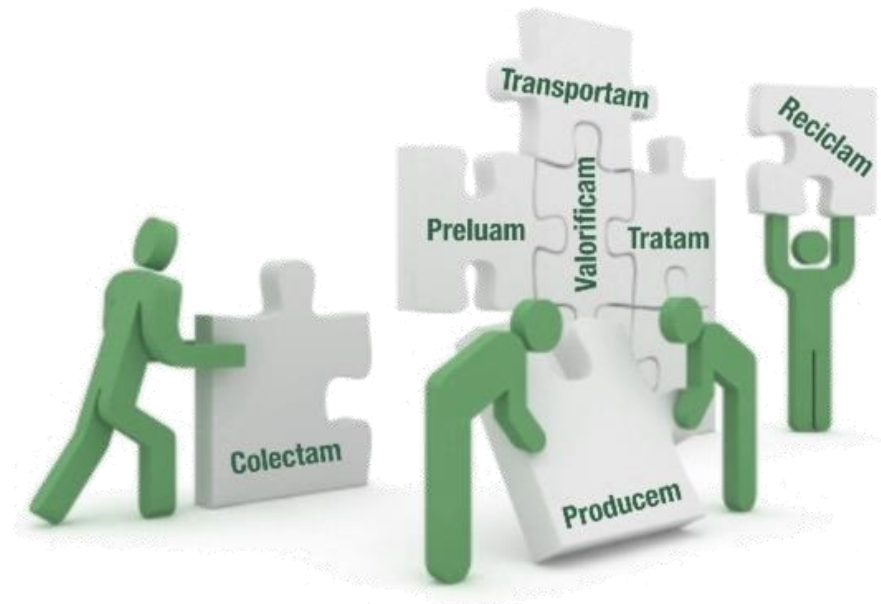
5.5 Waste management

306-2

Waste management is a critical aspect, considering the company's field of activity. As mentioned above, wastepaper is the main raw material for the products in Vrancart's portfolio, but a series of wastes – both hazardous and non-hazardous – are generated by the company's activities. These are adequately stored and managed in accordance with the legal requirements and they are valorised by means of authorised third parties. At Group level, there is an operating procedure within the integrated waste management system.

Vrancart complies with the waste management hierarchy and makes efforts to prevent waste production, constantly looking for solutions for the recycling, respectively the recovery of the waste generated by its own activity, to the detriment of their removal either by landfilling or by incineration.

The company concluded agreements with business operators authorised to collect and recycle/recover or remove the waste which is subject to the commercial relation between the parties. Prior to signing the agreement, the environmental authorisation of the operator is requested in order to check the provisions that allow it to manage a certain type of waste, the maximum authorised quantity, as well as other conditions that might indirectly affect the Company, if not met. Moreover, in the contracts concluded with the waste management suppliers, Vrancart imposes special clauses for the compliance with the environmental legislation.



The tables below present the types of waste generated by the Company in 2019, the amounts and the modality in which they were managed.

Hazardous waste

Waste/Code	Amount (kg)	Management
Waste oil (13 02 05*)	6.340	Recovery*
Contaminated packaging (15 01 10*)	1.200	Recovery *
Sanitary waste (18 01 03*)	6	Recovery *
Oil filters waste (16 01 07*)	460	Recovery *
Oil hoses waste (16 01 21*)	140	Recovery *

* Recovery by means of specialised companies, authorised to manage hazardous waste



Non-hazardous waste

Waste/Code	Amount (kg)	Management
Sludge resulted from water purification (03 03 10)	11.295	Recycling
Solid waste resulted from wastepaper sorting (03 03 08)	4.905	Recycling
Ash (19 01 02)	405	Storage
Refuse (03 03 08)	249.958	Recycling
Scrap iron (16 01 07)	12.832	Recovery*
Scrap iron (20 01 40)	143.780	Recovery*
Scrap iron (19 12 02)	52.931	Recovery*
Used air filters (15 02 03)	10	Recovery*
Wood waste (15 01 03)	2.107.920	Recycling
Plastic waste (15 01 02)	26.181	Recovery*
Waste rubber (20 01 99)	640	Recovery*
DEEE (16 02 14)	6.613	Recovery*
DEEE – printer cartridges (08 03 18)	159	Recovery*
DEEE – air conditioners, refrigerators without Freon (20 01 36)	159	Recovery*
Used tyres (16 01 03)	7.560	Recovery*
Household waste (20 03 01)	59.200	Recovery*
Wood packaging waste (15 01 03)	68.820	Recycling
Plastic packaging waste (07 02 13)	21.220	Recovery*

* Recovery by other methods than recycling

5.6 Environmental incidents, nonconformities

307-1

The voluntary implementation and certification of an environmental management system according to the requirements of the international standard ISO 14001 proves the company's concern not only for the compliance with the legislation, but also for the constant improvement of the company's environmental performance. During the audits carried out in 2019 by the certification body, there were not identified any nonconformities with the clauses of the reference standard.

There were no fines applied by the control authorities in the environmental protection field and there were no measures imposed to comply with the legislation, which confirms the good performance of the environmental practices implemented, as well as the compliance with the legal provisions applicable in this field.



During the reporting period, there were not recorded any environmental incidents at any of the locations where the group entities carry out their activities. Moreover, during the past years, there have not been any incidents/accidents to cause any environmental damages. This statistic makes us feel confident that the environmental approach of the Group companies is efficient, the organisational and technological measures implemented were successful and the personnel are aware of the importance of protecting the environment. The regular training sessions on environmental protection issues, respectively the constant awareness of the employees and of other stakeholders have the expected result, therefore, the actions will be continued in order to maintain the increasing trend of the environmental performance and the “untainted” statistics related to environmental incidents.

6. Social aspects

Vrancart is the main employer in Adjud municipality and one of the most important employers in Vrancea county. As it holds a significant workforce, the company takes all the measures for its employees to perform their activities in a proper environment, the focus being on adequate working conditions and with the intention to constantly improve these conditions.

At the group level, there are a series of internal procedures addressing various aspects from the social field and these present in detail processes such as personnel recruitment, training, employees' rights and obligations, the work conduct and other relevant aspects related to the activities within the Group's companies. The Internal Regulation and the Collective Labour Agreement are internal norms drafted in consideration of the legislation in force, aimed at creating a work environment focused on equal chances, correctness and mutual respect, as well as on promoting a transparent environment, where each person can express their ideas freely, without being afraid of any consequences.

As it is a responsible organisation, Vrancart is concerned of the well-being of its employees and it has adopted all the measures required to protect its employees' health and security, including the measures required to prevent and mitigate the risks of professional illnesses. In turn, the employees comply with these measures, being encouraged to inform the management of any improvement proposals deemed necessary.

Also, for the purpose of having competent staff at all times, the organisation established through an internal procedure the methodology based on which the employees benefit of training and thus acquire the skills required to perform the activities specific to their jobs. At the company level, there is an annual program for staff training and a report on the status of these training sessions is drafted on a half-yearly basis. In order to have clear records of the attendance of all the staff within Vrancart in these training sessions, the specialised training inspector

appointed through an internal decision keeps records of all the individual training sheets and of all the supporting documents (diplomas, certificates, etc.) at the personal file of each employee.

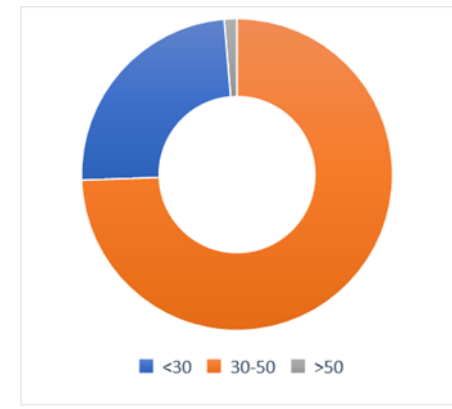
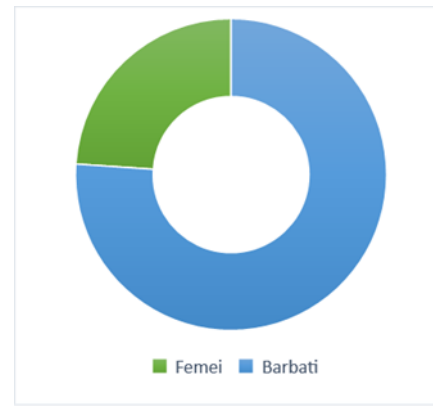
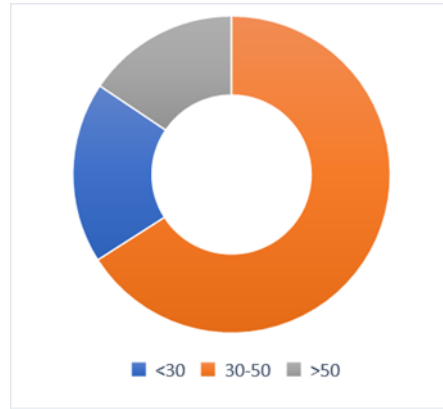
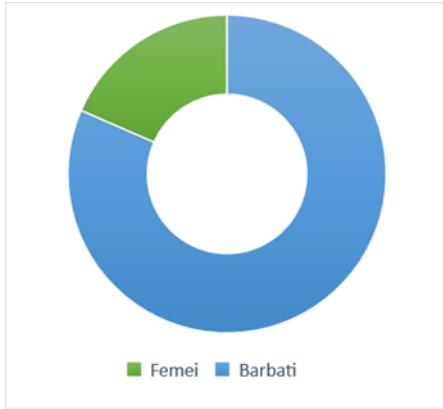
6.1 Employees: turnover

401-1

Due to its position in a labour market that is not very offering and due to the lack of specialised personnel in the region, the number of new employments at Vrancart was relatively low in 2019. However, the company concluded a partnership with the Gheorghe Bals College, whose purpose is to provide specialised staff, giving the pupils the possibility to get familiarised with the technologies used, with a professional working environment and not least, with team work. Through this partnership, the company wants to increase the percentage of new employees, also focusing on the pupils' gathering of professional skills that will be beneficial to the company and useful for these in the future.

NEW EMPLOYEES

Information related to the employees' dynamics in 2019, at the level of Vrancart Group, is presented below.



Number of new employees



Number of new employees

< 30 years old	51
30 - 50 years old	182
> 50 years old	43

Number of resignations/dismissals



Number of resignations/dismissals

< 30 years old	73
30 - 50 years old	224
> 50 years old	4

A measurable indicator closely monitored by the Group management is the labour force fluctuation. In 2019, this index was 20% (2018: 21%) (number of employees that left the company/average number of employees x 100). This indicator is a barometer of the employees' turnover and we are trying to maintain it at the lowest level possible, offering our employees a series of benefits and a working environment that motivates them to remain with the company.

6.2 Diversity at the level of governance structures and among the employees

405-1

Even though we want to have a great diversity among our employees, in 2019 approximately 32% of the Group's employees were women (2018: 33%). This percentage is specific to the industry where the company operates. Within the production departments which are the largest departments in terms of the number of employees, there are certain positions that require a certain level of physical strength and resistance, so the staff employed within these departments is mostly formed of men.



There is a single trade union at the Adjud site and the Group has not faced any strikes or any other work conflicts. As of December 31st, 2019, 274 employees of Vrancart were trade union members (2018: 307 employees). The working conditions are regulated by the Collective Labour Agreement concluded for a 1 year period, with the possibility of extension for a similar period.

The governance structure


(No.)	Gender Age	VRANCART Group		Vrancart		Rom Paper	
		Women	Men	Women	Men	Women	Men
Board of Directors	< 30	0	0	0	0	0	0
	30-50	0	7	0	4	0	3
	>50	0	0	0	0	0	0
Directors	< 30	0	0	0	0	0	0
	30-50	5	7	3	5	1	1
	>50	0	0	0	0	0	0
Managers	< 30	0	0	0	0	0	0
	30-50	5	19	6	16	1	3
	>50	5	7	5	7	0	0

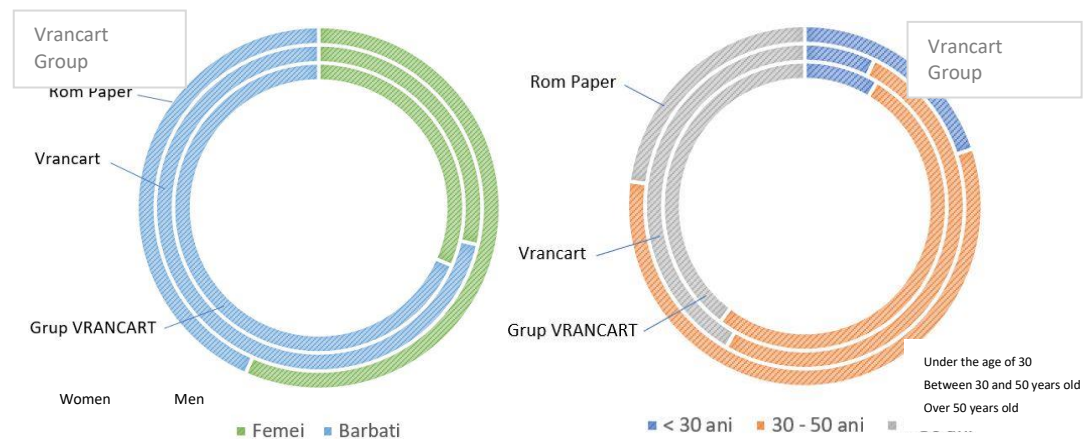
At the group level, we can see that the management positions are held mostly by men, the ratio between the number of women and the number of men being of 1 to 2. Also, we can see that there are no people under the age of 30 in management positions, which can be explained by the fact that a certain level of professional experience, preferably in the field of activity where the company operates, is required in order to hold a management position.

Employees

Gender	VRANCART GROUP	Vrancart Adjud	Rom Paper
	415	338	77
	901	842	59

Age	VRANCART GROUP	Vrancart Adjud	Rom Paper
< 30 years old	112	85	27
30 - 50 years old	680	602	78
> 50 years old	524	493	31

Vulnerable groups	VRANCART GROUP	Vrancart Adjud	Rom Paper
	10	5	5



From the data for 2019, it can be seen that at the Group level, the number of men is double the number of women, due to the reasons mentioned above related to the jobs in the production departments where the physical strength and resistance of men is required. Therefore, the high percentage of men is in no case a discrimination, but it shows respect and an expression of the wish to protect women and not to engage them in activities that could overstress them.

Moreover, it must be stated that most of the employees are aged between 30 and 50 years old, the number of employees under the age of 30 being relatively low – 9% of the total staff. This is due to the lack of young work force in the areas where the Group operates. In this case, we are endeavouring to provide our employees' loyalty and to offer them benefits that make them want to stay with the company.

6.3 Wage ratio women/men

405-2

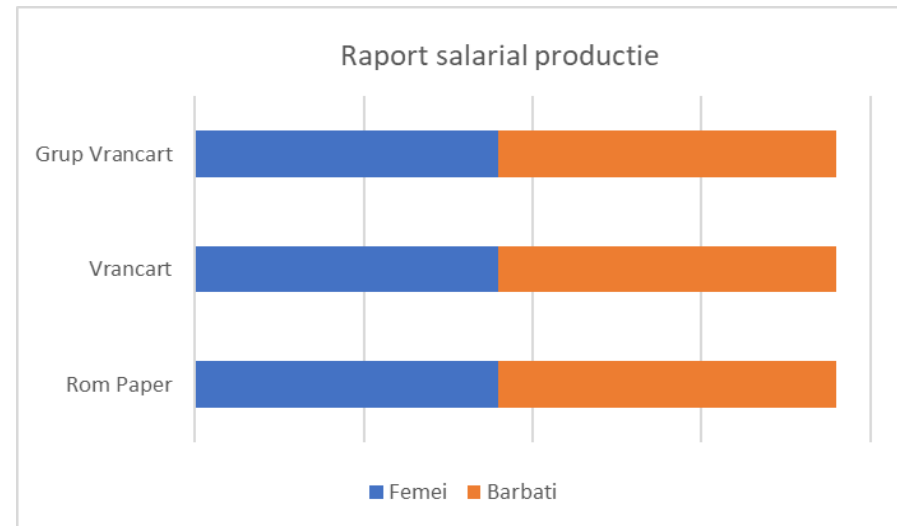
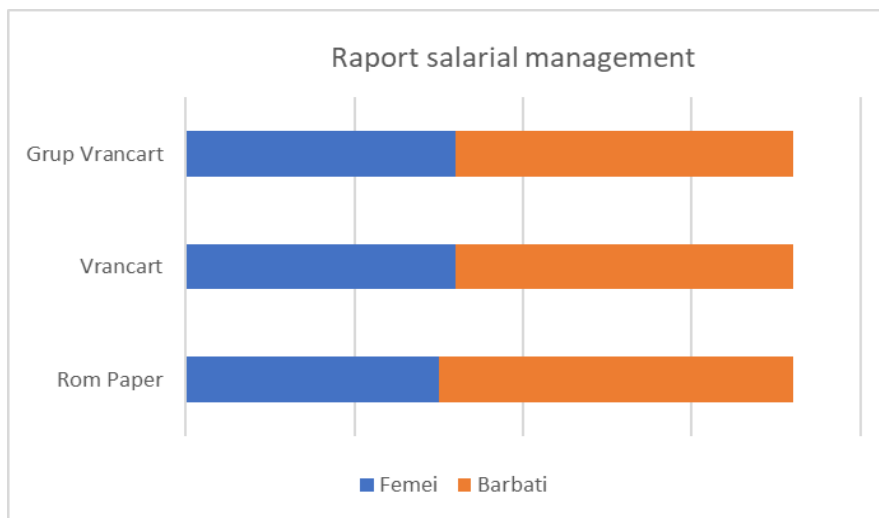
$$\text{Wage ratio for the Management} = \frac{\text{Average salary of TESA women}}{\text{Average salary of TESA men}}$$

$$\text{Wage ratio for the production staff} = \frac{\text{Average wage of women in production}}{\text{Average wage of men in production}}$$

Wage ratio women/men	VRANCART GROUP	Vrancart Adjud	Rom Paper
Management	0,8	0,8	0,7
Production	0,9	0,9	0,9

The ratio was determined at group level, for each individual entity.

As it can be seen in the graphical representations, there are not great discrepancies between the wages of female and male employees, both in what concerns the members of the management and the production staff. The differences are since both the members of the top management (the Board of Directors, the General Manager) and the production staff that holds management positions (department chiefs) are mainly men.



6.4 Occupational health and security

403-2

The main concern of the Labour Health and Security Department of Vrancart is to achieve and prove the company's performance in the field of labour health and security through its personnel competent in meeting their work tasks, through efficient means of production and through an effective system for labour health and security. Due to these considerations, a system for the management of labour health and security aspects was implemented and certified within the entities of Vrancart Group, in accordance with the requirements of OHSAS 18001:2007.

The labour health and security objectives defined within the labour health and security policy are regularly analysed and revised by the top management in order to provide their adequacy. Their fulfilment is also analysed in the event that any deviations from the established parameters are notified, in which case corrective and preventive measures are adopted in order to avoid the occurrence of such events in the future.

The prevention principles adopted at the company level are as follows:

- avoidance of risks;
- assessment of the risks that cannot be avoided;
- combating the risks at source;
- adopting the collective protection measures with priority from individual protection measures;
- informing the employees of the adequate instructions and of their obligation to comply with these.

The personnel appointed constantly checks the state of materials, of the machines and substances used to perform the activities, providing the conditions for first aid in the event of work accidents, for fire prevention, as well as for the evacuation of the employees in special cases and in the

event of imminent hazard. The employees are informed of the labour health and security measures, and these are learned and applied.

Once a year, all the employees are requested to undergo the regular medical examination, and the failure to be present for this examination represents a disciplinary misbehaviour. The status of undergoing of the regular medical examination by the employees is checked according to the rules of labour medicine in force. The employees have the right to get involved in the drafting and enforcement of the decisions in the field of labour health and security through the labour health and security committee.

Even if these measures were adopted, during 2019 the Group registered a work accident as a result of which the cumulative number of days of temporary incapacity for work was 141 days. This event took place at the location in Adjud. There were no accidents ^{Men} ... work resulting in deaths.

6.5 Human rights, aspects related to discrimination

412-2, 412-3

The principle of equal chances and fair treatment of all employees is applied at Group level and any form of discrimination, either direct or indirect, based on gender, sexual orientation, genetic characteristics, age, nationality, race, ethnicity, religion, political option, social background, disability, material situation or responsibility, membership or activity in trade unions is forbidden. Managers at all levels have the responsibility to order firm measures to provide discipline within the sector they lead, in compliance with the legal rules and with the employer's decisions.

Within Vrancart, the employees have equal chances both before the management and of their direct superior and any actions that could cause inequity, either directly or indirectly, are strictly forbidden. The employees'

rights to their own image, prestige and dignity in their work relations are guaranteed and addressing offensive statements, insults or calumnies is considered a disciplinary misbehaviour. In their relation with their work colleagues, each employee has the obligation to have a civilised behaviour, based on respect and collaboration. Sexual harassment is strictly forbidden and it is sanctioned accordingly. Vrancart does not allow and will not allow sexual harassment at the work place and it makes public the fact that it encourages the reporting of such cases, regardless of who the offender is, and the latter will be sanctioned by dismissal due to disciplinary reasons.

Within the activity of the Group companies, there were no cases of human rights violation, any kind of discrimination or sexual harassment, but we will continue our activities to raise awareness and to educate the personnel in reference to these aspects and to the potential consequences, in order to avoid such situations.



6.6 Consumers' health and security

416-1, 416-2

Vrancart established a quality management system in accordance with the requirements of ISO 9001:2015. Through the implementation, maintenance and certification of this system, the focus is on giving great significance to customer satisfaction and to the legal requirements applicable. An internal control and integrated management system at all management and execution levels is in progress, with the intention to establish long-term partnerships with the main suppliers and customers and to provide a working environment adequate to the proper performance of all processes.

The reaching of the quality objectives provides the premises for the continuous improvement of all the processes included in the integrated management system, in full compliance with the declared policy. The general objectives substantiate the objectives specific to the processes, that are set in accordance with the program for the improvement of the quality management system and these are regularly revised, in order to provide their adequacy to the current context.

In 2019, there were no incidents or events of non-compliance with the regulations in terms of risks to the consumers' health and safety in relation to the products traded by Vrancart.

6.7 Community relations: donations, sponsorships

Vrancart Group carries out regular activities related to the company's social responsibility and every year it supports either directly or by means of foundations and associations the disadvantaged categories from the community where it operates.



Vrancart supported the endowment of high schools and schools in the city of Adjud by providing students with a favorable framework for the educational process. The company provides financial support to associations and non-governmental organizations, whose activity is intended to support the treatments and therapies necessary for children with cancer, or who have Down syndrome or autism. Locally, Vrancart contributed to the endowment with the equipment necessary for the activity of the Adjud Municipal Hospital. The company also contributes to the support of scientific, cultural, sports, medical, educational, environmental, events of national or

regional interest.

The company participates as a partner in various research and development projects. Thus, in 2019 the "Gheorghe Asachi" Technical University of Iasi submitted a project for funding under the Program: PN-III-CERC-CO-PED-2016 entitled "Novel materials with optical properties for anti-counterfeiting paper" (OptiPaper).

The objective of the project is to make some papers for the manufacture of money, so that it is not possible to falsify them and it will take place over a period of 2 years.

6.8 Compliance with the legal provisions in the social and economic field

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In 2019, at the organisation level, there were not reported any nonconformities and there were not imposed any sanctions for the failure to comply with the legislation or the regulations in force in the social and economic field.