

UBM Feed Romania ESG report 2024



The report was prepared based on and in accordance with the currently applicable GRI Standards („GRI Standards 2021“).

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A Letter to the Reader

(GRI 2-22)

Dear Reader,

In 2024, we achieved a significant milestone: the preparation of our first ESG report aligned with the GRI Standards. This was not merely a compliance exercise it was a strategic choice reflecting our firm belief that sustainability and long-term value creation must go hand in hand. Transparency, awareness, and accountability are not just expectations; they are essential principles that must be embedded in the way every organisation operates.

Over the past year, we have consistently delivered on the commitments we set, and I am pleased to report that we are firmly on track with our sustainability roadmap. We made tangible progress on several key indicators: we increased the share of renewable energy in our operations and significantly reduced our Scope 2 emissions by sourcing green electricity. We also deepened our social and economic engagement by maintaining low employee turnover and prioritising local suppliers.

We recognise that ESG is not only an internal responsibility it is also about contributing to the broader community. In 2024, we launched several sustainability-focused programmes and social initiatives aimed at fostering inclusion, creating opportunities, and nurturing a culture of shared responsibility.

I am deeply grateful to all colleagues and partners who contributed to the development of this report. Together, we are advancing our sustainability ambitions with purpose and consistency step by step, toward a more resilient and liveable future.

Sincerely,

Dénes Laczkó
CEO
UBM Feed Romania



About our report

(GRI 2-1, 2-2, 2-3, 2-5, 2-12, 2-14)

The Group's central company

UBM Feed Romania
RO-547550, 6/A Sanpaul, Mures

Scope of the report

The report covers the operational areas of UBM Feed Romania, including the operational headquarters (office building) and the production sites.

Area of operation

Romania

The company included in the report

UBM Feed Romania

Reporting period

The reporting period is the period from 1 January 2024 to 31. December 2024, corresponding to the financial year. The figures presented in this report relate to 31. December 2024.

Reporting cycle

annually from 2023 onwards

Classification of the report

GRI Standards 2021 "in accordance with the GRI Standards"

The report is the second ESG report of UBM Feed Romania and the first GRI Sustainability Report prepared based on the guidelines of the current GRI Standards 2021 and without external independent assurance.

Data sources

The collection of the data presented in this report was coordinated by the ESG - Sustainability officer of UBM Feed Romania with the involvement of the relevant entities and areas and validated by the managers of the areas concerned.

¹ The material topics of the report are identified on the basis of the 2024 materiality assessment.

Management approval

The full content of the ESG report, its material topics¹ are published with the approval of the Chief Executive Officer of UBM Feed Romania, Dénes Laczkó.

Place and means of publication

Our report is published on ubmfeed.ro. We take sustainability aspects into account when publishing the report, which is why it is published in digital format only.

Date of publication of the report

18. 08. 2025.

The following documents are mandatory annexes to this publication

GRI index and glossary

More information

Any questions about this ESG Report or the information it contains should be sent to esg@ubmfeed.ro.



About UBM Feed Romania

(GRI 2-6, 2-9, 2-10)

Five years of progress and new goals

In 2024 we celebrated the fifth anniversary of UBM Feed Romania, a significant milestone in the life of the company. We implemented one of the most important agricultural investments in the region in Sanpaul, Mures County in 2019, the result of the cooperation between three major professional players - UBM Feed Romania, East Group and Oprea Avicom. The combination of our experience as market leader in Hungary, our in-depth knowledge of the local market and our experience in the feed industry helped us to become one of the key players in the Romanian feed market in just a few years.

Over the past five years our company has shown steady growth, our plant has reached full production capacity with a production volume close to 180 thousand tonnes and our financial indicators reflect an outstanding performance. **In 2024 our turnover almost reached €65 million with an EBITDA reaching €5 million and a profit after tax of over €3 million.** These successes have been made possible by the dedicated work of our professional team.

The next period will be devoted to preparing for stabilisation and further growth. As we now fully utilise the capacities of our current plant we aim to expand geographically, with the first steps planned for 2025. The creation of a new production facility within Romania will give us the opportunity to access additional regions and strengthen our market presence.



Facts and figures: 2024 in figures



— **2016** foundation



— **Top 5** one of the most modern feed production plants in Europe



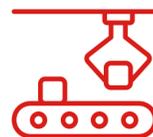
— **2019** factory inauguration ceremony



— **30** tonnes per hour production capacity



— **~64** EUR million turnover (2024)



— **220 000** tonnes / year production capacity



— **75%** green energy use in relation to total energy consumption



— **52** employees



— **No. 1** independent feed producer of the region

Activities, value chain, business policy

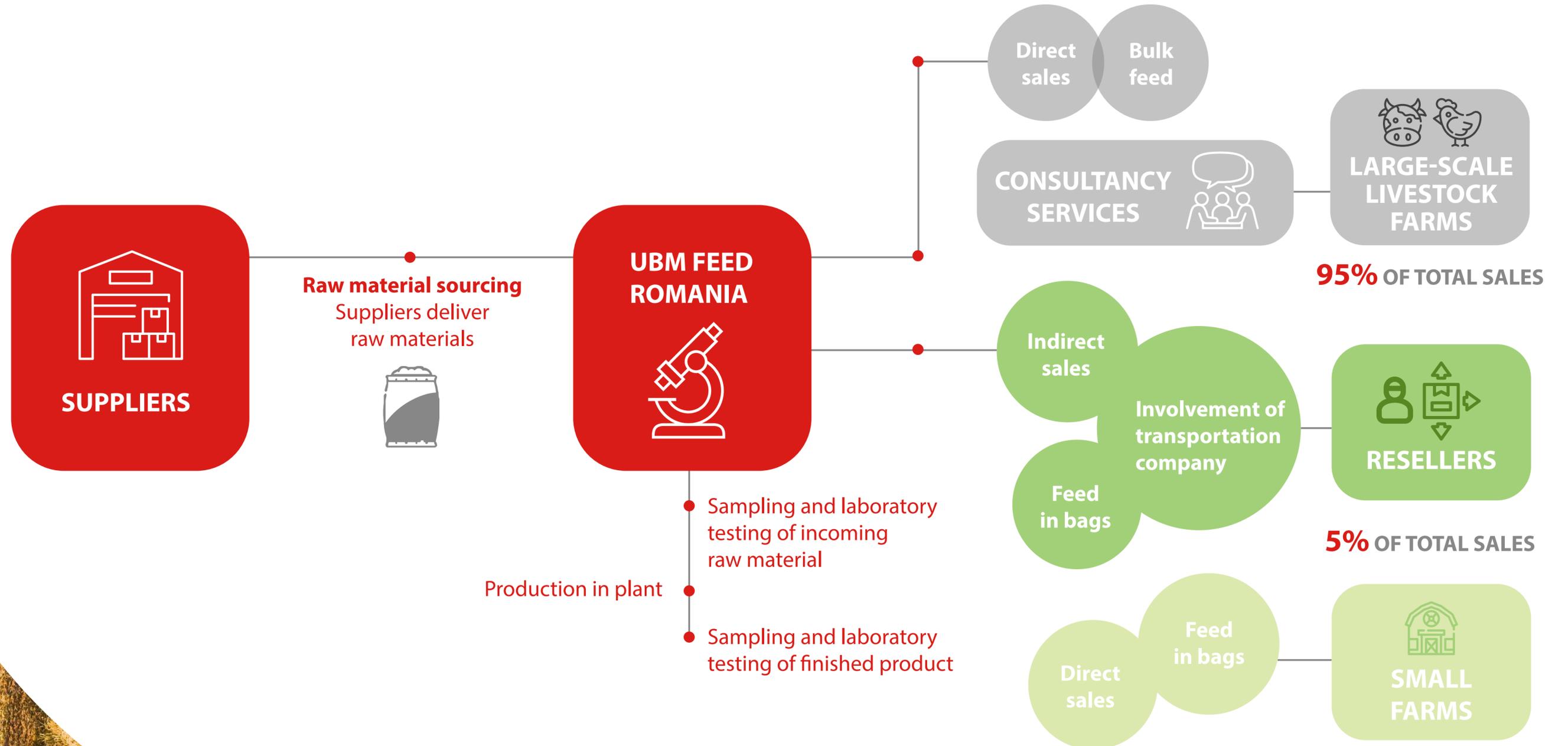
(GRI 2-6)

UBM Feed Romania is active in the agricultural sector in Romania, with a focus on feed production for large-scale livestock production. Our plant is located in Sanpaul, the largest independent feed mixing plant in the country with a capacity of 30 tonnes per hour and 220 000 tonnes per year.

Value chain

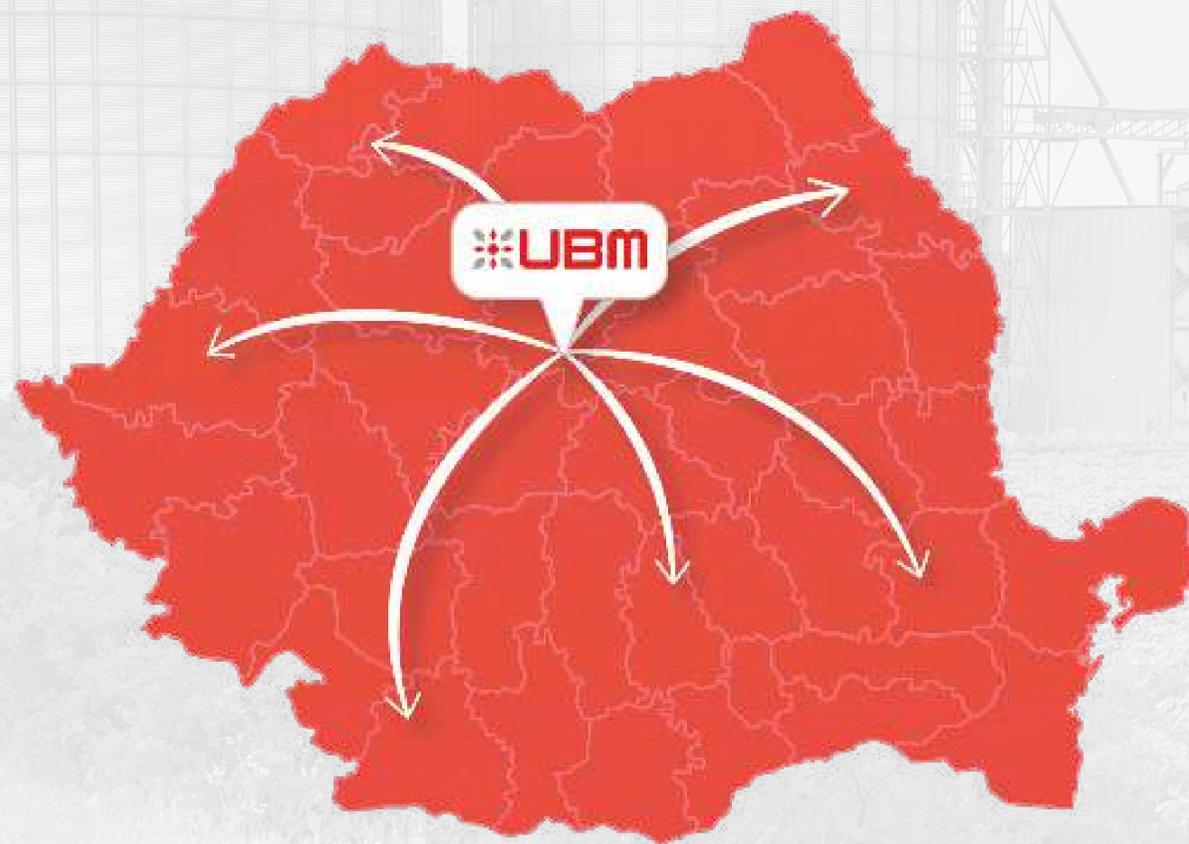


Value chain



Other relevant business contacts

Our business relationships include domestic and international suppliers, logistics partners and regional agribusinesses. We are constantly working with sustainability-focused partners to ensure environmental compliance with quality standards at all stages of our value chain.



Awards



2021

Top companies 1st place
Mures County Chamber of
Commerce and Industry



2022

Gold Membership
Mures County Chamber
of Commerce and Industry



2021

Gold Membership
Mures County Chamber
of Commerce and Industry



2024

Top Companies in
Mures County



Results 2024

In 2024 the company achieved several important results, including:

Dénés Laczkó, the CEO, was included in Business Magazine's "Top 100 Young Managers in Romania" and received a special award in the Top 10 category.

The company won a Top Companies in Mures County award, recognising its business success and contribution to the local economy.

Memberships

(GRI 2-28)

We actively support sustainable operations through our professional memberships and alliance partnerships. We foster sectoral development by sharing knowledge, best practices and experiences. Our activity in associations provides us with the opportunity to represent the interests of the sector, to contribute to the advocacy of the members and to strengthen the regulatory processes in the feed industry and related areas through our professional and practical experience. We also promote cooperation between the feed industry, livestock and other relevant disciplines. We aim to be actively involved in initiatives on ESG and sustainability topics.

Professional memberships of UBM Feed Romania in 2024

UCPR Uniunea Crescătorilor de Păsări din România - Romanian Poultry Federation (since 2021)

ANFNC Asociația Națională a Fabricanților de Nutrețuri Combinat

Romanian Association of Feed Manufacturers Membership since 2019 Dénes Laczkó has been the Vice President of the Association since 2022.



Megatrends

(GRI 201-2)

Globally, the production processes of feed and products of animal origin are constantly changing and our company keeps a close eye on these industry megatrends. Long-term economic, social and environmental changes present both risks and opportunities. We have assessed the physical impacts of climate change, such as the risks of flooding and earthquakes, and found them to be negligible. We also continue to prepare for the challenges of the transition towards sustainability. Compliance with tightening regulations is managed by our ESG - Sustainability officer and ESG Committee, ensuring that we proactively respond to new requirements.

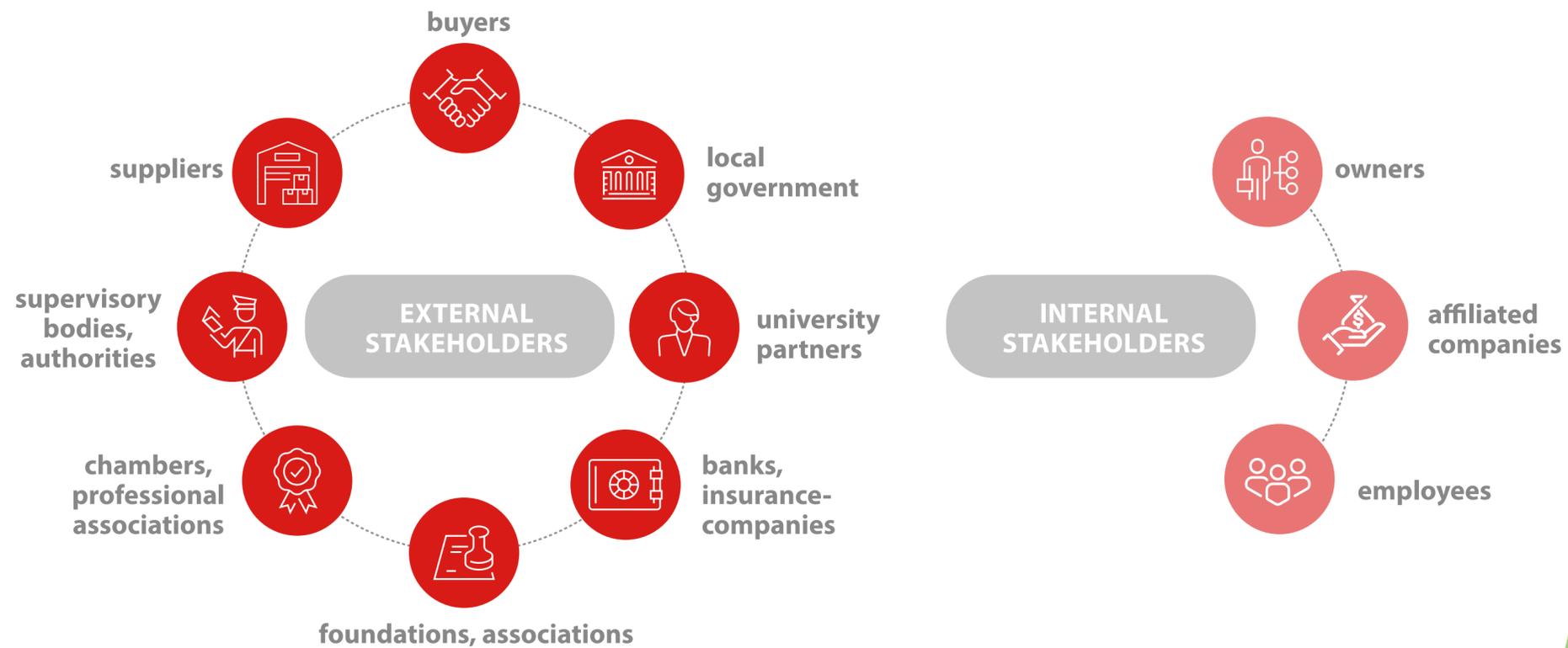
The challenges of recent years - the epidemic, supply chain difficulties, the energy crisis and inflation - have taught us the importance of adaptation. In 2024 we faced new challenges such as the introduction of a 1% sales tax in Romania, which has put additional burdens on us. In addition, political uncertainty adds to the unpredictability of the market. However, our flexibility and forward-looking strategy help us to cope with the changing economic environment. Building on our experience and in-depth analysis we aim to turn the challenges into opportunities and ensure the long-term stability of our business.

Stakeholders

(GRI 2-29)

Stakeholder engagement is important for us as it facilitates effective communication and strengthens business relationships. Stakeholders can be internal and external, and their impact on our operations is taken into account when identifying them.

Our stakeholder relationships aim to build sustainable cooperation that ensures regulatory compliance and business stability. We constantly strive to improve the way we connect with them and incorporate stakeholder feedback into our decision-making processes.



Sustainability strategy and commitments

(GRI 2-4, 2-17, 2-22, 2-24, 302-5)

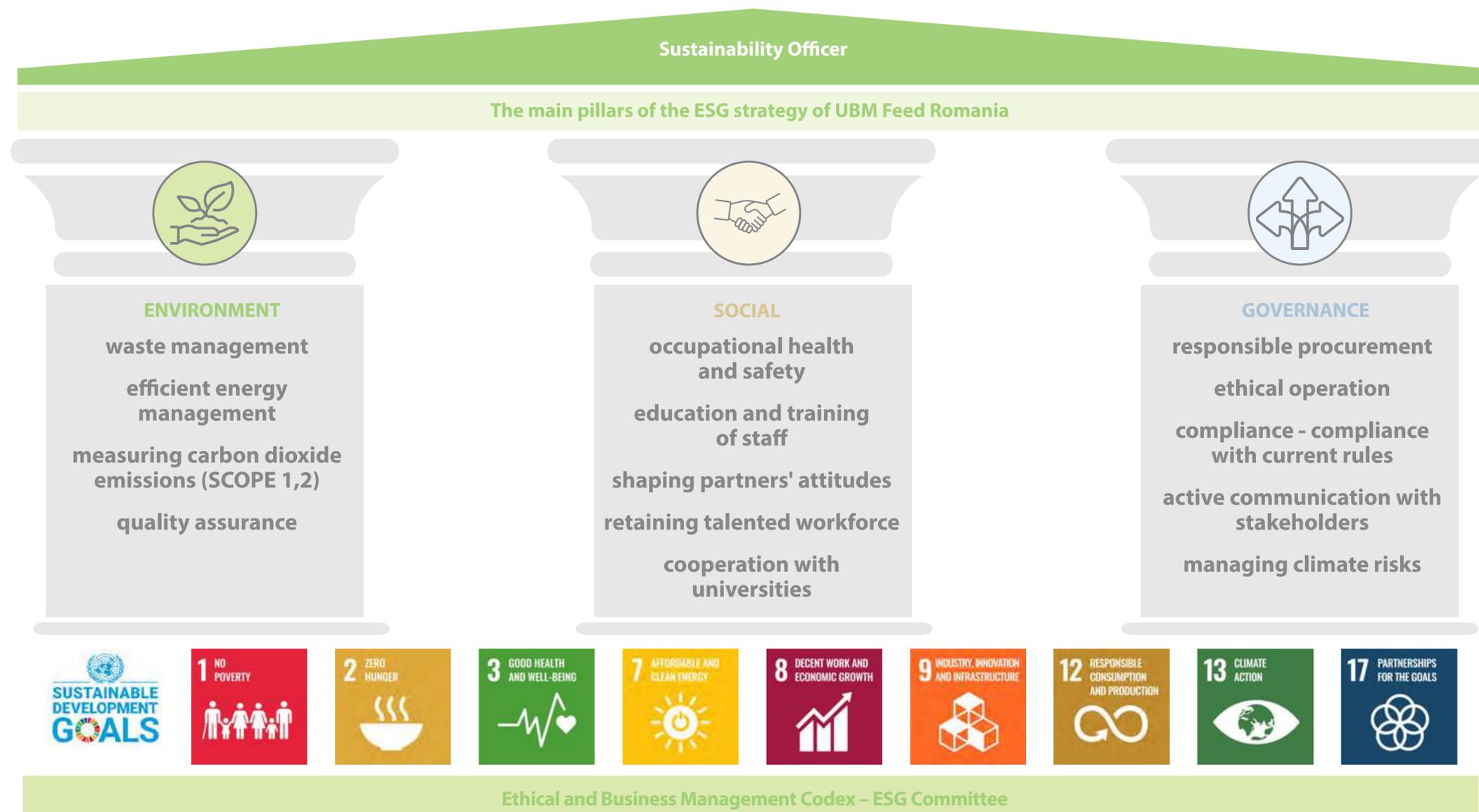
In 2023 we defined the main pillars of our ESG strategy with expert involvement. We also made concrete strategic commitments and targets on sustainability, which we reported in our first **ESG report**. We will regularly review and follow up on the achievement of our commitments in the future. In 2024 we reviewed our strategy and the current status of our objectives.

The values of UBM Feed Romania



The main pillars of the ESG strategy of UBM Feed Romania

When developing our ESG strategy we paid particular attention to formulating our objectives in line with the sustainability criteria and frameworks established by international organisations. In this context we used the UN Sustainable Development Goals as a reference to identify the areas most relevant to our operations before creating our strategy.



ESG Roadmap

We also set and monitor our ESG objectives in the form of a roadmap.



Contributing to the UN Sustainable Development Goals

Our company strategy is closely linked to the UN Sustainable Development Goals (SDGs), which are a long-term commitment to sustainable development, social responsibility and minimising environmental impacts.

Many of the commitments announced in the Sustainability/ESG Report of UBM Feed Romania for the financial year 2023 have already been successfully met. We have implemented our Code of Ethics which includes a number of ESG aspects thus reinforcing our compliance with ethical, human rights and other sustainability principles. We have successfully integrated ESG considerations into our organisational and operational policies, reinforcing our commitment to sustainable operations. We have also updated our procurement policy to include ESG aspects, helping to ensure transparency in our value chain and transparent cooperation with our partners and suppliers. We have also incorporated ESG considerations into our collective labour agreements further strengthening our expectations for employees' environmental and social responsibility. In addition, we have established a 5 member ESG committee to regularly monitor and coordinate the achievement of our company's ESG goals. We planned to implement the energy management system by 2024, but we were unable to launch the project within the planned timeframe due to lack of funding. However, the good news is that the application we submitted has received the necessary funding so we expect to be able to deliver on it in 2025.

Among our longer-term commitments we have already started preparations to recycle biomass and revamp our investment decision-making processes, and related projects have been awarded the necessary funding. The past year has also seen significant innovations in the development of our ERP system, in particular in the area of ESG data collection, which allows us to manage sustainability information accurately and efficiently. We have also launched a comprehensive GDPR project which will create a policy for transparency of data management across all areas.



ESG strategic commitments

Deadline	SDGs linked to the commitment	Commitment	Description	Status
		introduction of a code of ethics	Code of Ethics is introduced, incorporating a number of ESG aspects	✓
		renewal of the procurement rules	a procurement policy that includes ESG aspects to help monitor suppliers	✓
2024		renewal of the Organisational and Operational Rules (OOP)	inclusion of ESG aspects in organisational and operational rules	✓
		renewal of collective labour agreement	inclusion of ESG aspects in collective labour agreements	✓
		setting up an ESG Committee and appointing an ESG officer	establishing a 5 member ESG committee with key stakeholders and appointment of an ESG officer within the company	✓
		introduction of an energy control system	installation of electricity meters on high-consumption machines to optimise the energy consumption of the plant	<i>preparations underway, to be completed in 2025</i>

ESG strategic commitments

Deadline	SDGs linked to the commitment	Commitment	Description	Status
2025		biomass recycling	use of energy from biomass	
		renewing investment decision-making	consciously incorporating ESG considerations into investment decision-making	
2027		renewal of the IFS system	new development in our IFS operating system: the "ESG & Sustainability" module	
2030		expanding renewable electricity sources	expanding renewable energy sources to 30% of the electricity demand of operations	
		modernisation of the vehicle fleet	50% of the car fleet to be converted to electric cars	

Materiality assessment

(GRI 3-1)

In 2023 we identified our key stakeholder groups - including employees, business partners and regulators – and conducted our second materiality survey in preparation for this ESG report, seeking the views and feedback of our key internal and external stakeholders on sustainability issues that have a significant impact on our operations. Based on the feedback received, background information and also recommendations from internal and external experts, our management finalised and approved the following list of material topics.

The results of the online survey were supplemented with benchmark, industry (e.g. MSCI)² and other relevant ESG-specific analyses and additional sustainability aspects to provide a comprehensive picture of the ways in which we impact the economy, the environment, society and people. There is particular focus on human rights representation and compliance, and also on the points where we have significant actual, potential, positive and negative impacts through our business activities.

Material topics

(GRI 3-2)

Our materiality analysis has identified our material sustainability topics with the active involvement and approval of our management team. The results are discussed in detail in the following chapters of this report.

² Morgan Stanley Capital International

Material topics of UBM Feed Romania



Environment

(GRI 2-17, 2-22, 2-24, 302-5)

Protecting the environment is a priority, and we take this into account at all levels. We have been committed to sustainable operations and regulatory compliance since the foundation of the company. As a result, we have built systems to ensure that our operations are environmentally sound in the long term. Our feed production plant in Sanpaul, Mures County, has become a strategic pillar since its launch in 2019, where we have paid special attention to environmental standards and sustainable technologies from the design stage. Modern, automated systems minimise human intervention, ensure energy-efficient operations and a low ecological footprint.

Our commitment is guaranteed by international standards and certifications. In 2022, the fourth year of operation, we obtained the ISO 9001 quality management certification, the ISO 14001 environmental management certification and the ISO 22000 food safety certification. The latter also recognised our HACCP system which ensures that all our products entering the food chain meet the highest safety and hygiene standards. The certificates not only validate our existing practices but also encourage us to continuously improve our systems and procedures.

In 2023 we took an important step forward by establishing the foundations of our corporate ESG strategy. One of its pillars is environmental protection with specific targets and commitments set. These are not only assessed annually but also made part of our daily operations - ensuring consistent and measurable progress. We reinforce an environmentally conscious corporate culture by regularly training and involving our staff.

It is important for us to use sustainable solutions in the factory and in our office operations alike. By streamlining and digitising our administrative processes we have now significantly reduced paper consumption.

The introduction of **e-Factura** in Romania has brought significant changes to our operations, especially in the digitisation of administrative processes. The mandatory e-invoicing was intended to reduce tax evasion and make transactions more transparent, but it also presented us with technical and operational challenges - for example in the form of software updates, NAV integration and employee training. At the same time, by reducing paper invoicing e-Factura can also contribute to the protection of the environment by reducing paper consumption and the environmental footprint of printing and delivery.

Our company also participated in the **CSR Awards Romania - Sustainable Companies 2024 gala**, where we were **awarded 3rd place** in the category Energy Efficiency and Carbon Reduction, with our **project "Towards a Greener Future"**. This award confirms our commitment to sustainability and highlights our corporate social responsibility at the same time.

More information: csrawards.ro



Energy consumption

(GRI 3-3, 2-17, 2-22, 2-24, 302-5)

We pay particular attention to energy efficiency and reducing environmental impact. We aim to alleviate the negative impact of emissions from energy consumption by increasing our use of renewable energy. Our energy management system is designed to comply with Best Available Techniques (BAT) recommendations while ensuring continuous, reliable production and meeting the energy needs of office operations.

Two main energy carriers are used in feed production: electricity and natural gas. Electricity is partly supplied from the local grid and partly from our own solar panel system. A 400-kW photovoltaic system installed in 2023 contribute significantly to reducing our dependence on the grid and our carbon footprint. The electricity is used mainly to power the manufacturing plant, lighting systems (indoor-outdoor) and office buildings.



From April 2024 our company has only bought green energy, so our electricity consumption from the grid is now entirely from renewable sources.

Detailed measures and results are presented in the chapter on Renewable energy and innovation.

In 2024, our total energy consumption was 11,032,720 kWh, of which 4,775,380 kWh was purchased as electricity, and 5,608,859 kWh (i.e. 576,911 m³ of natural gas) was used as heat and for technological processes. Additionally, our annual diesel consumption was 134,443 kWh, annual gasoline consumption was 168,511 kWh, and the annual renewable energy consumption was 345,531 kWh in 2024.

The size and composition of **our fleet** also has an impact on our energy use. In 2024 our fleet consisted of a total of 16 vehicles: 14 cars, 1 mini-van and 1 forklift. There are 7 hybrids, 6 diesels and 3 petrol vehicles in the fleet, a significant improvement compared to 2023 when we had only 3 hybrids. Our fleet is relatively small as we do not have our own transport operations: freight is typically delivered by our partners.

As part of our sustainability strategy, we aim to replace at least 50% of our fleet with electric vehicles by 2030.

In addition to increasing energy efficiency, in 2024 we also made an important **infrastructure development**: we built a 150 m³ emergency water tank, which will provide three days of emergency reserves to ensure business continuity. Our water consumption is linked to water used in production and office activities, with a total of 20 267 m³ of water consumed in 2024.

Energy consumption data in 2023 and 2024	2023	2024
Total energy consumption (kWh/year)	8 054 160	11 032 724
Annual purchased electricity consumption (kWh/year)	3 612 840	4 775 380
Annual consumption of natural gas (kWh)	3 888 470	5 608 859
Annual consumption of PB gas (kg/year)	-	-
Annual diesel consumption (kWh/year)	113 520	134 443
Annual petrol consumption (kWh/year)	156 251	168 511
Annual LPG consumption (litres)	-	-
Annual renewable energy production (kWh/year)	339 990	345 531
Electricity from green electricity purchases (kWh/year)	-	3 588 000
Annual renewable energy consumption (kWh/year)	283 050	3 933 530
Renewable energy share of annual energy consumption (%)	3.51	35.7
Annual reduced energy consumption (MJ)	N/A	N/A

Emissions

(GRI 3-3, 305-1, 305-2, 305-3, 305-4, 305-5)

Providing transparent, accurate and credible data on our own greenhouse gas emissions is one of the most important pillars of our contribution to climate change mitigation. To this end, in 2024, like in the previous year, an external energy expert measured our Scope 1 and Scope 2 emissions. The purpose of these measurements is to track the carbon dioxide equivalent (CO₂e) impacts of our operations using a consistent methodology, serving our long-term emissions reduction targets.

Methodological background

Emissions were determined according to the Greenhouse Gas Protocol and ISO 14064-1:2018, broken down into the following three categories:

Scope 1 - Direct emissions that occur on site, such as from the burning of natural gas in boilers, the use of fuel in vehicles or the production of process steam.

Scope 2 - Indirect emissions that result from the use of purchased energy (e.g. electricity) but for which the consumer is responsible.

Scope 3 - Other indirect emissions, such as emissions related to logistics activities of suppliers and partners. We did not measure this category in 2024, but in the future we aim to cover the entire corporate carbon footprint.

Emissions were calculated for the following main types of GHGs: carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). The different types of gases were converted to carbon dioxide equivalent (CO₂e) based on global warming potential (GWP) values according to international protocols.

UBM Feed Romania Scope 1 and Scope 2 emissions in 2023 and 2024

SCOPE emissions	2023	2024
SCOPE 1 (tonnes CO(2) e)	854.58	1 210.70
natural gas consumption (nm3)	368 575	576 911
petrol (litres)	17 145	18 781
gas oil (litres)	11 610	13 557
PB gas (kg)	0	0
SCOPE 2 (tonnes CO(2) e)	1 318.70	433.39
electricity purchased (kWh)	3 612 870	4 775 380
SCOPE 3 (tonnes CO(2) e)	-	-
Total SCOPE 1 + SCOPE 2 emissions (tonnes CO(2) e)	2 173.28	1 644.09

GHG intensity of UBM Feed Romania in 2023 and 2024

	2023	2024	Difference (%)
Scope 1-2 (tCO ₂ e)	2174	1644	-24%
Quantity produced (t)	140676	172218	+22%
GHG intensity (g CO ₂ e/tonne)	15.5	9.5	-38%

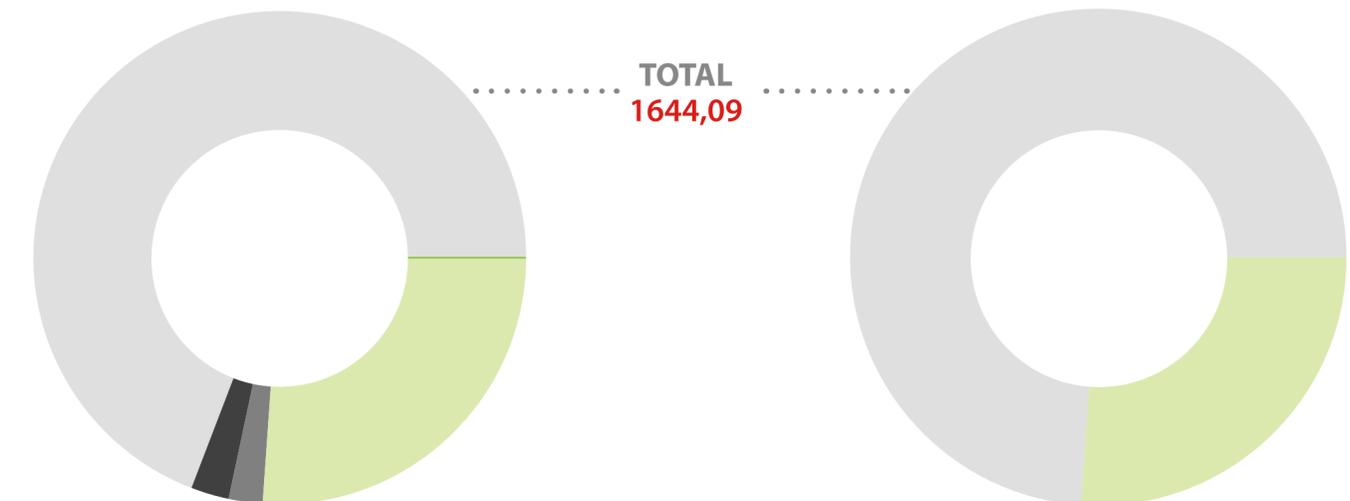
In terms of GHG intensity, 38% less CO₂ emissions per kg of feed was produced compared to 2023. This is a significant improvement that clearly demonstrates our commitment to sustainability.

Non greenhouse gas emissions in 2023 and 2024 (kg/year)

	2023	2024
NO _x	1 023	1 587
SO _x	-	-
persistent organic pollutants (POPs)	-	-
toxic air pollutants (HAPs)	-	-
particulate matter (PM)	38	50
other air pollutants subject to central regulation - CO	407	521
NMVOC ³	143 723	175 379
Total	145 191	177 537

³ Non-methane volatile organic compound

Company's aggregated Scope 1 and 2 emissions in 2024, t CO₂/year



Sources		Scope 2	Scope 1
Purchased electricity	433,39	433,39	1210,70
LPG	0,00		
Diesel	35,87		
Gasoline	42,04		
Natural gas	1132,79		

"We give preference to the use of locally and sustainably sourced raw materials in our procurement, thus contributing to the reduction of transport-related CO₂ emissions. Our achievements include installing solar panels at the manufacturing plant which reduces dependence on conventional energy sources, and optimising transport to minimise fuel consumption. Looking ahead, we are focusing on increasing automation and digitisation to improve production efficiency and resource use."

Nimród Bajkó,
Operational Manager



Waste management

(GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5)

Waste management is a sustainability priority for UBM Feed Romania, driven not only by our legal obligations but also by our own environmentally conscious approach. Our aim is to prevent waste generation, to continuously reduce its volume, and to put recycling and circular economy principles into practice.

In 2024 we generated a total of 76.3 tonnes of waste, a significant decrease compared to 177.1 tonnes in 2022 and 103.5 tonnes in 2023. This shows that, despite an increase in production volume (172 000 tonnes of feed in 2024), our waste reduction measures have become more effective.



Annual waste generated by UBM Feed Romania between 2022 and 2024

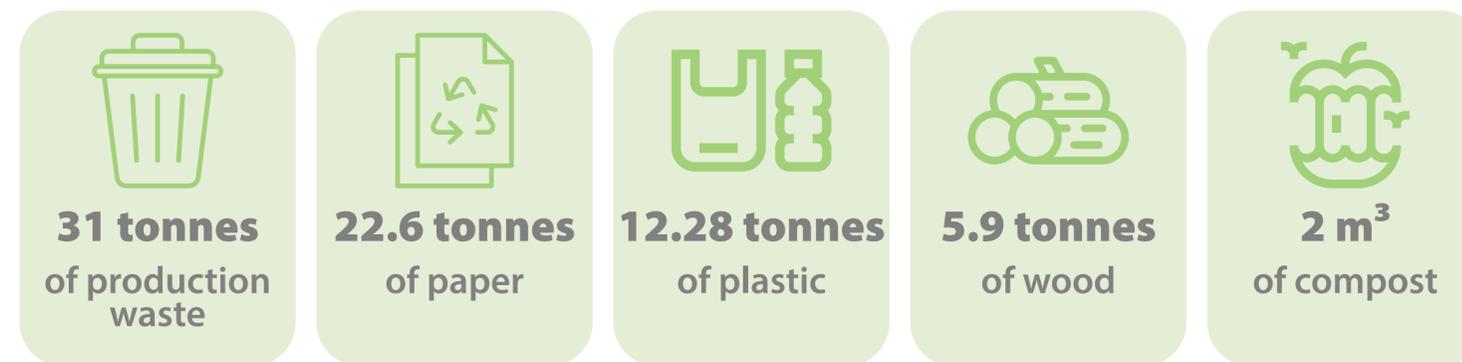
	2022	2023	2024
total waste generated (tonnes)	177.1	103.5	76.3
non-hazardous waste (tonnes)	177.1	103.5	76
amount of hazardous waste (tonnes)	0	0	0
amount of waste recycled (tonnes)	-	-	68
percentage of waste recycled (%)	-	-	89%
total amount of waste disposed (tonnes)	-	-	8.3

types of hazardous waste	No hazardous waste is generated during the activity.	No hazardous waste is generated during the activity.	No hazardous waste is generated during the activity.
types of non-hazardous waste	plastic packaging (tonnes): 11.1 paper and cardboard packaging: 14.5 materials not suitable for consumption or processing (tonnes): 139.7 household waste (tonnes): 11.8	plastic packaging (tonnes): 8.8 paper and cardboard packaging: 16.2 materials not suitable for consumption or processing (tonnes): 78.5 household waste (tonnes): 11.9	Of the waste generated, 31 tonnes is manufacturing waste, 23.3 tonnes is paper, 5.9 tonnes is wood, 12.5 tonnes is plastic, 35 m ³ is household waste.

All the types of waste generated are non-hazardous, so their processing, disposal and recycling are fully regulated and safe.

Recycling and reuse

In 2024 more than 89% of the waste generated was recycled, reaching the recycling rate targets set earlier. Recycled waste included:



Composting initiative

After an internal training we launched a composting pilot project involving office staff in 2024. Our aim was to reduce the amount of municipal waste and educate our colleagues about sustainable solutions that can be applied at a household level. In less than half a year we collected 20 buckets of compostable food waste (about 2 m³) which was recycled as compost rather than sent to landfill.

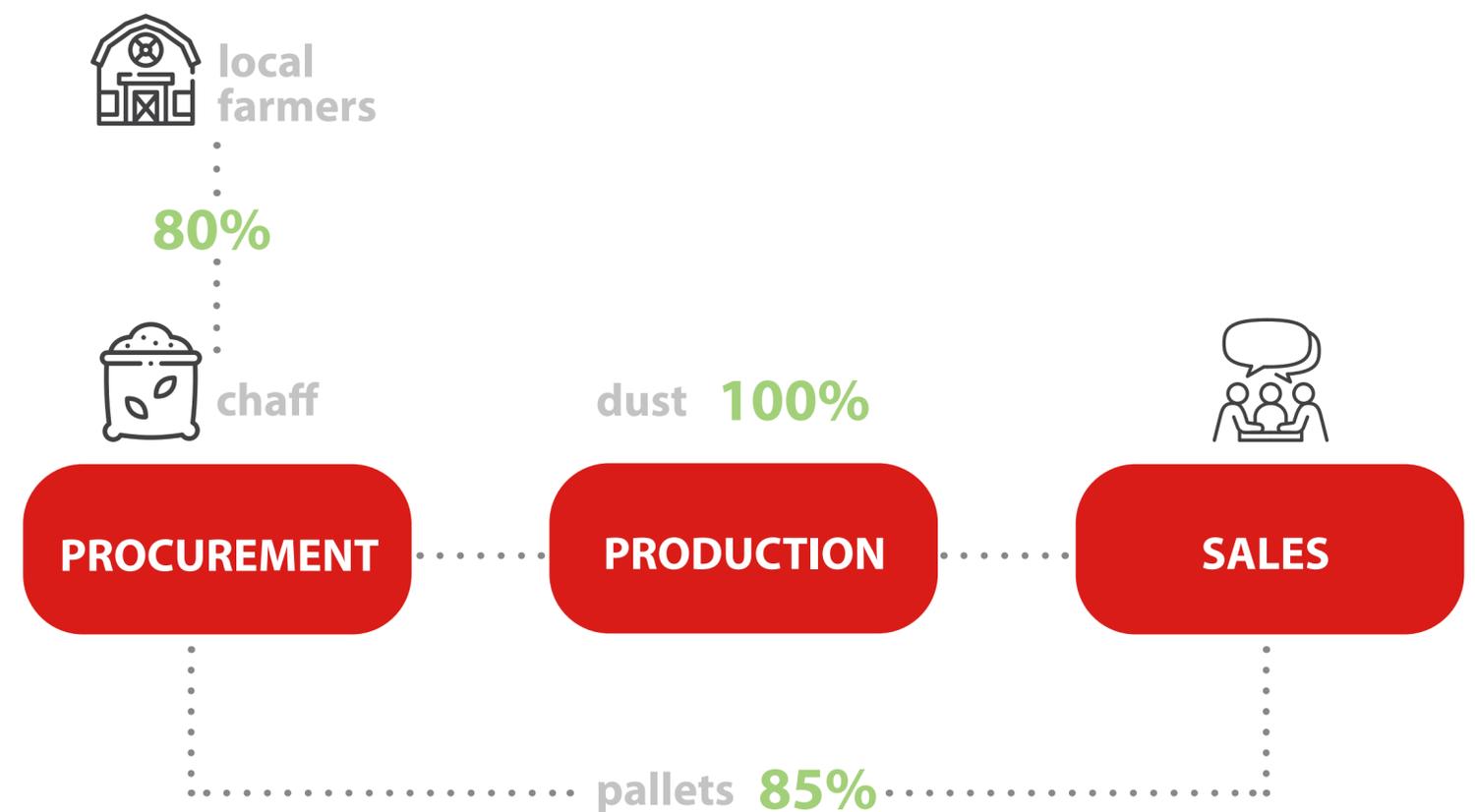
The circular economy

Our strategic objectives for waste management are in line with the principles of the circular economy, meaning that all materials used, if not fully consumed, are returned to the economy in a recycled form.

Our circular model is implemented in the following areas:

The production process involves a dust separation and filtration system that recovers otherwise wasted feed dust. The chaff from the grain cleaning process (about 80%) are returned to local farmers for use as fertiliser or litter. 85% of the pallets are reused within the logistics chain. Only 5% of the packaging materials used by the company are bags - 95% of the feed produced is marketed in bulk, significantly reducing packaging waste.

All our biomass waste (materials from grain cleaning, such as broken grains, chaff, other seeds etc.) **is recycled** and offered to backyard farms free of charge.



At all stages of the value chain - **from procurement** through **production to sales** - we pay special attention to recycling, reuse and minimising material flows. This not only brings environmental benefits but also ensures long-term economic efficiency.

Renewable energy and innovation

(GRI 302-5)

In 2024 we once again met the requirements of the environmental authorities. We submitted our annual environmental report, and ad hoc inspections have found us to be in good working order in all cases. Our aim is to use renewable energy to have a positive impact on our environment and our innovative solutions to have a positive impact on society through the economy.

From April 2024 we only buy green energy from the national grid, 100% from renewable sources. As a result, 75% of our annual energy consumption was green energy even as our production volume increased significantly from 140 000 tonnes to 175 000 tonnes in 2024.

Already started in 2023, our investment in a solar PV system with a capacity of 400 MWh continues to cover around 10% of our annual electricity consumption. This system consists of more than 1,000 solar panels installed on the roofs of our warehouses as a result of an investment of around €330,000.

Improvements planned for 2024 included the purchase of energy consumption meters, but we were unable to implement this commitment during the year due to lack of funding. This is planned for 2025 and we are committed to implementing more accurate energy metering and management.

Innovation

Our innovations go beyond energy management: in 2024 we obtained the RINA certificate certifying that our entire feed portfolio is antibiotic-free. This certification also provides credible feedback to our partners that our products are safe and meet the highest animal health standards. From 2025, the antibiotic-free certification will also be included on our new micro-perforated packaging bags which not only improves quality (by controlling humidity and reducing moisture) but also draws attention to local ingredients and local production. In addition, 95% of the feed we produce is sold in bulk without packaging, with only 5% being bagged and packaged.

In 2024 we also took part in an exemplary environmentally friendly agricultural initiative: we partnered in the Grazing4AgroEcology project organised by the University of Agricultural Sciences and Veterinary Medicine in Cluj-Napoca. The aim of the competition was to promote the sustainable integration of grazing livestock production in Romanian agriculture

More information about the initiative can be found here:

revistafermierului.ro

Our strategy and approach to innovation and sustainability is described in more detail in the press releases below:

investors.ubm.hu/denes-laczko

investors.ubm.hu/laczko-denes

"Our feed manufacturing business uses state-of-the-art automated production lines to produce efficient, safe and consistently high quality products. We are constantly researching new technologies to ensure that our production processes meet the most stringent industry and sustainability requirements.

We pay particular attention to minimising the environmental impact of our production and contributing to a more sustainable industry.

Our aim is to continuously improve not only the quality of our products but also the quality of life of our employees as we develop our technology and expand our capacity. Our long-term goal is to maintain a stable, supportive and safe working environment where growth does not come at a disproportionate cost but ensures a win-win development for all concerned. We believe that a balance between modern technology, sustainable development and responsible corporate governance is the key to success."

István Kőmives
Deputy CEO



Society

HR strategy and workforce management

(GRI 3-3, 2-19, 2-20, 401-2, 404-2)

In 2024 we continued to invest a lot of energy in developing our workforce management and HR strategy to ensure that our employees have the best possible working environment, development opportunities and appreciation. We aim to be one of the best employers in the region, offering attractive working conditions that encourage employees to stay engaged and improve their performance in the long run. Competitive remuneration, innovative HR programmes and a supportive working environment enable us to offer an attractive workplace, thereby making a positive impact on society.

Our HR strategy and 2024 programmes

Throughout the year we organised a number of programmes for our employees to support their personal and professional development. For example, our support for the **EFIKOT Travelling Conference** provided a dynamic platform for young entrepreneurs, giving them the chance to build relationships and find new business opportunities, with the main topic being innovation.

Work-life balance and employee well-being

The well-being of our employees and maintaining work-life balance are core values. We provide **flexible working** and **teleworking options** to allow our employees to perform their duties comfortably while taking care to avoid overwork and to distribute tasks appropriately. Our company emphasises the importance of **holidays** and **days off**, especially for family events so that employees can fully relax and recharge their batteries.

Our participation in the **Wizz Air marathon** has become a tradition and is another example of the importance of work-life balance. The event aims to bring our colleagues together to promote a healthy lifestyle, a core value of our company.

We also celebrated the **5th birthday of UBM Feed Romania** in a friendly atmosphere, where our employees celebrated the success of the company together. We also regularly organise family days, team-building trainings and joint sporting events, which contributes to a sense of community and togetherness.



We also organised a **family day** which has become a traditional event, giving employees the opportunity to spend time with their families and fostering a sense of community in the company. And in the **annual team building** we reinforced the principles of teamwork (effective communication, cooperation and mutual support) through various team building activities such as canoeing and forest survival exercises.



Employee remuneration and benefits package

Our competitive remuneration and benefits system is a key element of our HR strategy, as it is essential to retain and motivate talented employees. The elements of our remuneration package apply to all our employees, including e.g. **private health insurance, year-end bonus and annual bonuses**. These benefits not only ensure the well-being of our employees but also strengthen employee loyalty and commitment.

In 2024 we upped the value of meal vouchers by 50% and also paid the related tax ourselves. In addition, since the state eliminated the tax relief for agricultural workers, **we took it on** and gave our employees a **16% gross pay-rise**. We also provide bonuses in the form of **loyalty benefits** after 3, 6 and 10 years of service, as well as **bonuses** linked to various life situations.

Organisational culture and employee satisfaction

Our company culture is based on a friendly atmosphere which contributes to employee satisfaction and motivation. A smaller staff and working around shared values allow all our employees to easily share their opinions, ideas and problems. We rely on honest communication which helps to solve problems quickly and builds trust within the team. In addition, we hold annual **performance reviews** where we not only assess results but also give employees the opportunity to provide feedback to managers, helping to foster continuous improvement and honest, open relationships.

The **360-degree performance appraisal** evaluates the performance of our employees from multiple perspectives. This system uses feedback from managers, peers and subordinates to provide a comprehensive picture of each employee's strengths and areas for improvement. This feedback system is not just a tool but a strategy to help the organisation to continuously improve.

To ensure the well-being of our employees we offer flexible working, with **teleworking** for those living in other cities and flexible hours for those working in the field. In order to achieve a healthy work-life balance we strive to provide an appropriate workload for all our employees and offer opportunities for thoughtful distribution of tasks.

Our internal HR mentoring programme is also an important part of our HR strategy for 2024. This programme serves to develop professional skills and has a long-term positive impact on the culture and results of the organisation at the same time. Our mentoring programme aims to help employees progress in their careers while contributing to the stable and sustainable development of the organisation. The relationship between mentors and mentees strengthens trust between our employees and also helps to improve internal communication within our company.



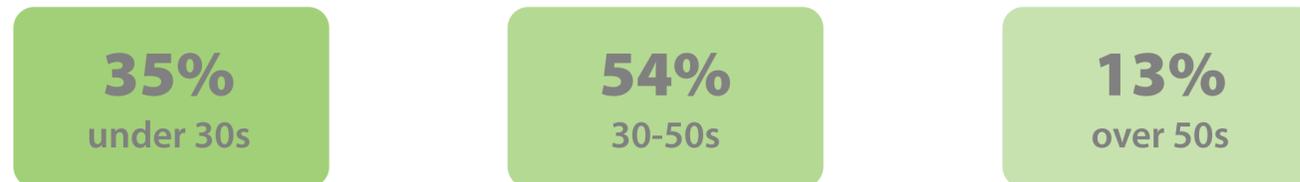
Employment

(GRI 2-7, 2-8, 2-19, 2-20, 2-30, 401-1, 401-2, 401-3, 403-8, 403-9, 403-10, 405-1)

At the end of 2024 UBM Feed Romania has **52 employees, of which 22 are women and 30 men**. All of these employees are on permanent contracts and we do not have any other non-employed workers such as temporary workers, hired labour or trainees. Workplace safety is important to the company and accordingly **there were 0 workplace accidents during the year**. 100% of our employees are subject to internal health and safety management which ensures that all employees are provided with a safe working environment.

In 2024 we had no employees who took parental leave or were entitled to it. Employee turnover indicators in 2024 were positive as **turnover rate was only 2% for exits and 12% for entries**, quite low compared to previous years.

The age composition of our workforce at the end of 2024 is as follows:



This age distribution contributes to a dynamic working environment that combines the drive of our young staff with the experience of our older colleagues.

The **collective labour agreement** was renewed in 2024 for all our employees, ensuring that their rights and benefits are protected in line with best labour practices.





	2022	2023	2024
total number of employees	43	47	52
women	18	18	22
men	25	29	30
number of employees leaving	6	9	1
women	3	6	1
men	3	3	0
number of workers dismissed	0	0	0
number of workers resigning	6	9	1
new hires	11	13	6
women	7	6	4
men	4	7	2

	2022	2023	2024
number of employees under 30	19	22	18
 women	10	11	9
 men	9	11	9
number of employees aged 30-50	23	27	28
 women	10	12	12
 men	13	15	16
number of employees over 50	7	7	7
 women	1	1	1
 men	6	6	6
new employee turnover rate	26%	28%	12%
 women	64%	46%	67%
 men	36%	54%	33%
exit turnover rate	14%	19%	2%
 women	50%	67%	100%
 men	50%	33%	0%



Training and education

(GRI 2-17, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 404-1, 404-2, 413-1)

For UBM Feed Romania, employee training and education is key to sustainability and business growth. In 2024 we continued to focus on mandatory trainings and professional development programmes to keep our employees up to date and in line with industry and regulatory requirements. All these trainings and collaborations help our employees stay up-to-date with the latest industry trends while contributing to the sustainable development and success of the company. **We also aim to provide a detailed breakdown of our training hours in 2025, in line with the GRI standards.**

Our mandatory trainings



Fire and occupational safety training is mandatory for all our employees every year, which in 2024 totalled 173 hours, and we also carried out 10 hours of testing per employee to ensure effective knowledge acquisition. These trainings are essential to maintain safety in the workplace and ensure that all employees are aware of safety standards and procedures.



ESG and sustainability training

In 2024 we further expanded our **ESG training**, including training for our senior managers to ensure that end-users have access to the most accurate and relevant information on current ESG trends and the precise details of the regulatory framework. We also regularly provide specific training on environmental legislation at our sites.



University partnerships and talent management

We pay special attention to university partnerships and talent management. Through our cooperation with the GTK (Economic Consulting Club) and the Agro Consulting Club (ACC), we provide practice-oriented education for young talents. Our CEO, Dénes Laczkó, is actively involved in the life of the GTK club, while in ACC we provide students with the opportunity to follow the day-to-day activities of management, helping them prepare for future leadership roles.

In addition to the mentoring programme, shadowing provides students with a unique opportunity to learn how a company's management works in a real working environment, under the direct guidance of experienced managers.



CSR education activities

CSR education is also an important part of our training strategy. Our One Minute with UBM video series features our staff sharing their knowledge on optimising poultry production, and there is also educational content on feeding, feed protein and the use of concentrates. This educational series is designed to share the company's expertise not only with large poultry farms but also with smaller farmers. The videos can be found here: youtube.com/playlist



International trainings and professional forums

We also supported the professional development of our staff on the international stage: two of our colleagues participated in the **Sustainable Feed Manufacturing seminar** organised by the U.S. Soybean Export Council (USSEC) in England, and we were also present at the XVI European Poultry Conference to learn about the latest industry research and best practices. In 2024 we participated in Agraria, Transylvania's emblematic agricultural exhibition.

We held a traditional Romanian folk costume evening at the **Dealers Convention 2024** event, a gala dinner where we rewarded our loyal partners and expressed how much we care about local values and sustainability. The annual meeting with our dealers provides a valuable opportunity to discuss our common vision, learn from our shared experiences and strategically plan for a successful future together. Sustainability, responsible feed production and the representation of traditional values were highlighted at the event.

Organized by ANFNC (Romanian Feed Manufacturers Association) we welcomed special visitors to our feed mill including US farmers and representatives from the Iowa Soybean Association, who discussed the sustainability of the Romanian feed industry and soybean production.

Local economic development/ Social responsibility

(GRI 413-1)

UBM Feed Romania is committed to sustainable development and social responsibility, and in 2024 it launched a number of initiatives to support local communities and promote the development of young people. Contributing to the betterment of the community through various social projects and educational financial support is a means to this end, together with strengthening team spirit and employee engagement.

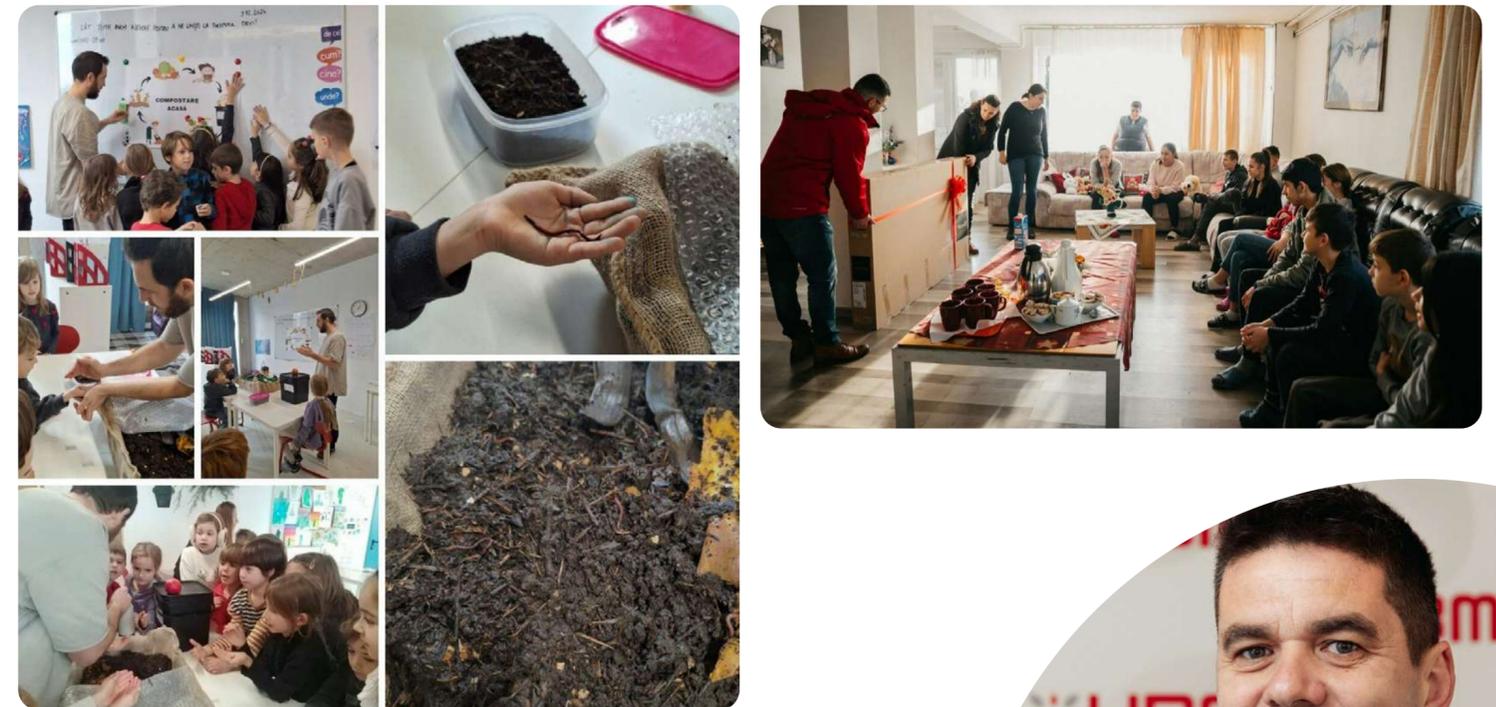
We focus on community and education programmes supporting young talent and promoting sustainability. In total, the company provided more than 450,000 lei in donations and sponsorships to support local communities and contribute to work in the field of social responsibility. Such initiatives provide direct support and strengthen team spirit at the same time as our employees actively participate in the implementation of projects, thus reinforcing the company's corporate social responsibility.

Key sponsorships and financial support

Support for education, young talent and sustainability programmes are an integral part of our social responsibility. In 2024 we were involved in a number of significant corporate social responsibility (CSR) activities in different areas.



By participating in the Seeds of the Future project organised by the **Sustainable Living Association** we helped to raise awareness of sustainability among young people. The aim of the project is to educate children aged 7-9 about recycling, composting and environmental protection, helping to build a greener and more responsible society for the future.



"We believe that lasting success comes from finding a balance between economic performance, social responsibility and environmental protection. For us, strong corporate governance means transparency, ethics and responsible decision-making. We ensure that the development of the company is consistent with respect for employees, equal opportunities and support for local communities. These are the principles on which we build a sustainable future for all stakeholders."

Cristian Tudose
Deputy CEO



Corporate governance

Corporate governance

(GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-16, 2-17, 2-18, 2-23, 2-24)

The organisational structure and governance of UBM Feed Romania is designed to operate in a flexible and agile way, taking into account the dynamically changing competitive environment of the agricultural industry and the impact of climate change and ESG regulatory pressures. The management of the company includes the highest levels of management to middle managers, all of whom contribute to sustainable development, the day-to-day running of the company and strategic decision making.

Supreme governance body

UBM Feed Romania is managed by two Managing Directors. Dual management ensures the proper management of the company while representing the interests of the different groups of companies. Each of the two majority-owned groups delegated one Managing Director who have joint signatory powers:

- **Dénes Laczkó** (Managing Director delegated by Hodler Capital and East Grain)
- **Péter Horváth** (Managing Director delegated by the UBM Group in Hungary)

The decision-making body of the company is the 5-member Board of Directors, which is made up of middle managers (Chief Operating Officer, Chief Quality Officer, Chief Financial Officer) and senior managers (two Deputy Directors). At the top level are the two Managing Directors who appoint the Deputy Directors and the directors of the different fields. Our top management body carries out its day-to-day activities without an external, independent member.

ESG Committee

UBM Feed Romania aims to ensure its long-term sustainability and compliance by taking into account ESG (Environmental, Social, Governance) aspects. To this end, in 2024 it established the ESG Committee composed of five members:

- **Dénes Laczkó** - CEO
- **Tudose Cristian** - Deputy CEO
- **István Kőmives** - Deputy CEO
- **Levente Deák** - CFO
- **Tímea Demeter** - Sustainability Officer

Our ESG Committee is responsible for adopting ESG criteria, preparing the ESG report, identifying material topics and participating in ESG training. Each year, our committee reviews and approves the ESG report which is finally presented to the Board of Directors before publication. In addition, the ESG Committee is actively involved in data validation and the development of the sustainability strategy.

"ESG is no longer a peripheral indicator — it is a strategic lens through which we view every financial decision. As CFO, I fully support embedding environmental, social, and governance criteria into capital allocation and risk assessment. Our vision is one of sustainable growth, where economic value and positive impact go hand in hand. Through transparency and action, we are building a business ready for the future."

Emerging technologies, especially AI are helping, accelerating how we track, forecast, and respond to sustainability metrics with greater precision and accountability. In this new landscape, finance is not just measuring outcomes — it's helping define what responsible growth looks like.

Levente Deák
CFO



Integrating policy commitments into our day-to-day operations

We delivered on a number of commitments in 2024 including the renewal of our Articles of Association and Code of Ethics as well as the introduction of a new Procurement Code, all of which contribute to sustainable and transparent operations. We aim to integrate ESG and sustainability guidelines into our daily operations thereby strengthening corporate social responsibility and our market position.

An important role was given to our new procurement rules and the renewal of the Code of Ethics, both of them promoting sustainability and the use of local products in feed production. Our objective is to launch a GDPR project in 2025 that will create a code of conduct covering all areas, ensuring transparency of data management and legal compliance.

In order to improve internal communication, the company set up an email address (reclamatii@ubmfeed.ro) to handle complaints by employees and external partners alike. The ESG - Sustainability officer is the first to receive complaints and forward them to the appropriate manager. All responses should include a solution to the problem and, if necessary, there is consultation with senior management.

Delegation system in the operation of UBM Feed Romania

	Responsible position	Name
sustainability strategy	CEO	Dénes Laczkó
strategic commitments on sustainability	CEO	Dénes Laczkó
HR strategy and workforce management	Deputy CEOs	István Kőmives Cristian Tudose
training, education	Deputy CEOs	István Kőmives Cristian Tudose
energy, renewable energy	Deputy CEO	István Kőmives
waste management	Deputy CEO	István Kőmives
water management	Deputy CEO	István Kőmives
economic performance	Chief Financial Officer	Levente Deák
procurement practices	Operations Manager	Nimród Bajkó
supplier certification, sustainability assessment	Deputy CEO	Cristian Tudose
customers and customer satisfaction	Deputy CEO	Cristian Tudose
CSR	Marketing	Demeter Tímea
product quality	Quality Manager	Dorin Rus
quality management	Quality Manager	Dorin Rus

Organisation chart of UBM Feed Romania 2024



Ethical operation

(GRI 2-15, 2-23, 2-24, 2-25, 2-26, 2-27, 205-1, 205-2, 205-3, 403-1, 403-7, 406-1, 418-1)

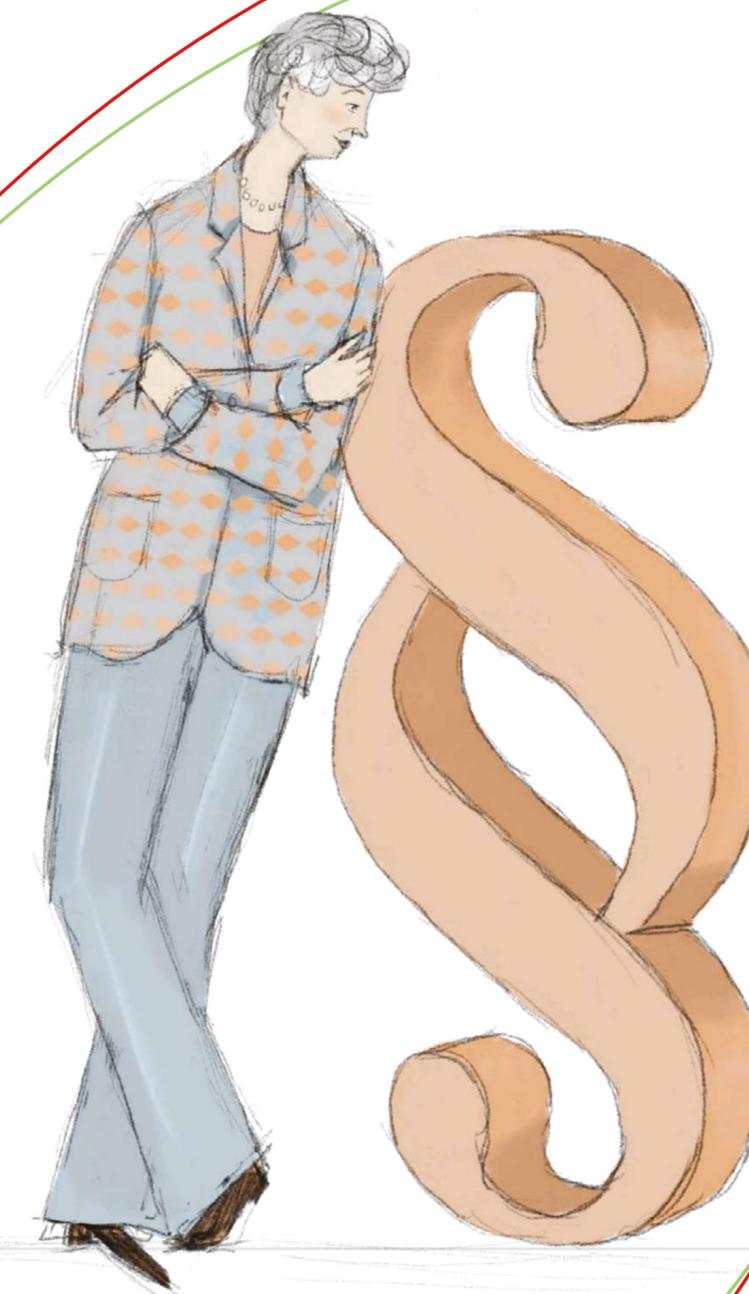
UBM Feed Romania is committed to fair, transparent and ethical operations. We take great care to ensure that all our operations comply with the highest ethical standards and legal requirements. In 2024 there were no unethical or illegal incidents, no confirmed corruption incidents, no data breaches, no ethics notifications and no fines.

The ethical operation of the company is ensured by the Code of Ethics and Professional Conduct and the internal Code of Conduct (OC), which sets out the company's behavioural guidelines and obligations for employees and business partners. The document not only guides the day-to-day activities of our employees but also sets out our corporate expectations in the areas of sustainability, data protection, anti-corruption, conflict of interest and social responsibility. One of the tools we use to ensure compliance with our Code of Ethics and Professional Conduct is our whistleblowing system which allows employees to report violations of our corporate policies safely and anonymously.

Code of ethics and professional conduct

The Code of Ethics and Professional Conduct is the company's fundamental operating document setting out the principles that apply to all our employees. The general principles of the Code of Ethics and Professional Conduct are built around integrity, fairness, transparency and responsible decision-making, which ensure that our company operates ethically. Our Code of Ethics and Professional Conduct covers the following:

1. **Sustainability, environment, health and quality:** adherence to environmental and health protection principles is essential for UBM Feed Romania. The Code sets as a priority the minimisation of the impact of production and logistics processes on sustainability as well as the improvement of energy efficiency and safety. The company is continuously improving its products and production processes to meet the highest environmental and safety standards.
2. **Data protection:** UBM Feed Romania is committed to complying with data protection regulations. We are committed to respecting the privacy of our employees and business partners.



- 3. Human rights:** UBM Feed Romania respects human rights, equal opportunities and labour legislation. The Code ensures that all employees are treated fairly, regardless of their gender, age, religion or origin. The company rejects discrimination and harassment in all its forms and ensures that all employees have an equal opportunity.
- 4. Anti-corruption:** we strongly condemn all forms of corruption. The company does not tolerate any form of solicitation or giving of benefits, whether in the form of gifts, money or other favours, by its employees or business partners. The Code requires business transactions to be conducted fairly and all decisions must be based on objective criteria.
- 5. Conflict of interest:** to avoid conflicts of interest, the document requires all employees to declare any interest in business transactions that may conflict with the interests of the company. Employees should pay particular attention to the conflict of interest rules in their employment contracts and to mandatory local legislation.
- 6. Abuse reporting system:** the Code of Ethics and Professional Conduct provides employees with the possibility to report any unethical behaviour or abuse anonymously. The system is designed to provide protection for whistleblowers and to ensure that all cases are investigated with the utmost discretion and with the involvement of the legal department.
- 7. Social responsibility:** UBM Feed Romania also considers social responsibility a priority. The Code includes guidelines to ensure that the company is responsibly and actively supports the community and society. The company's sponsorship activities, support to local communities and sustainability initiatives are all part of this responsibility.



Economic performance

(GRI 201-1, 201-4)

Directly generated and distributed economic value	Unit of measurement	2022	2023	2024	Total monetary value of financial assistance received from general government during the reporting period	Unit of measurement	2022	2023	2024
	Lei								
Economic value generated									
revenue (net revenue + other revenue + financial revenue)		59 601 846	59 092 500	64 506 093	tax relief and tax credits	Lei	-	-	-
Economic value distributed					subsidies	Lei	498 110	3 216	-
operating expenses (material expenses + other expenses excluding taxes + financial expenses)		55 821 319	55 054 669	58 163 793	investment grants, research and development grants	Lei	-	-	-
salaries and allowances (personnel costs excluding related taxes and contributions)		775 211	1 334 477	1 764 306	awards	Lei	-	-	-
payments to investors (dividends and interest payments approved in the financial year)		1 088 178	1 115 166	782 670	royalty holidays	Lei	-	-	-
contributions to the state treasury (profit tax + business tax + innovation contribution + environmental product charge + environmental pollution charge and also wage contributions)		308 455	261 450	766 025	financial assistance from export credit agencies	Lei	-	-	-
community investment (donations)		-	-	-	Financial incentives	Lei	-	-	-
Total economic value distributed		57 993 163	57 765 761	61 476 793	other financial benefits received from any government	Lei	-	-	-
Retained economic value					if the state is present, what is its share in the share structure	%	-	-	-
retained earnings (profit after tax + depreciation - dividends)		1 608 683	1 326 739	3 029 300					
Costs of measures taken to address climate change risk or opportunity		-	-	332 379					

Quality management

(GRI 403-1, 403-2, 403-3, 403-4)

The quality management system of UBM Feed Romania is designed to meet the highest industry standards, ensuring continuous improvement and the production of the highest quality products. In 2024 we did not receive any fines, a result of adhering to strict quality management principles.

In 2024 we successfully obtained RINA certification confirming that the feed we produce is free of antibiotics, ensuring the highest levels of safety and quality. This certification reflects not only the quality standards of our products but also our commitment to sustainability and health.

Certificates

We have 3 ISO certificates:

- 9001 - Quality Management Certificate,
- 14001 - Environmental certification,
- 22000 - Food Safety System Certificate HACCP certification

Our awards, recognitions and certificates are available at the following link:
ubmfeed.ro/despre-noi/#calitate



ISO 9001

A quality management certificate proving that our company meets the quality standards set by the International Organisation for Standardization.

Issue date: **02.11.2022**

Validity: **01.11.2025**

ISO 22000

Food safety certificate. This certification is the adoption of an international food safety standard, one of the most widely known and used standards globally. By applying this standard our company guarantees the safety of the food produced and the most effective management of potential risks.

Issue date: **02.11.2022**

Validity: **01.11.2025**

HACCP (included in ISO22000)

A food safety system based on incident prevention. The HACCP certification provides a systematic method for analysing food-related processes, identifying potential risks and identifying the critical control points needed to prevent unsafe food from reaching consumers.

Issue date: **02.11.2022**

Validity: **01.11.2025**

ISO 14001

Environmental management certificate. The recognised international standard for the implementation and maintenance of environmental management systems. This certification demonstrates our commitment to continuous improvement and reduction of environmental impacts.

Issue date: **02.11.2022**

Validity: **01.11.2025**

RINA

An internationally recognised certificate for quality and sustainability systems that certifies that the company complies with relevant industry standards and environmental regulations.

Issue date: **09.07.2024**

Validity: **09.07.2026**



The company conducts several external audits each year to ensure the quality and compliance of its operations:

- financial audit: one major audit is carried out each year divided into two phases: at the end of the first half-year and at the end of the financial year.
- quality assurance audit: the three ISO certificates are audited annually, for a total of 12 hours of audits.
- antibiotic-free feed audit: 9 hours of audit per year.
- environmental audit: compliance with environmental requirements is checked annually.

These audits ensure the strictest quality control to ensure compliance with production and safety standards and confirm the commitment of UBM Feed Romania to quality and environmental standards.

The company is subject to several external audits per year and continuously carries out quality, animal health, environmental and occupational safety audits. The purpose of external audits is to ensure the company is compliant with regulations and is operating in line with industry standards.

"The Quality Department supports the company's commitment to sustainability by implementing rigorous standards for assessing the quality and traceability of raw materials. We pay particular attention to the selection of suppliers, rigorously verifying the origin of the cereals and feed additives used, as well as the suppliers' adherence to the principles of sustainability and transparency in their operations, and compliance with international quality standards.

Rigorous checks by our team of experts and our laboratory ensure that the finished products meet the highest standards of quality and safety, contributing to responsible and sustainable production. We continuously improve our activities not only to maintain the highest quality standards, but also to support responsible production. By strengthening our cooperation with suppliers and by continuously adapting our requirements to the principles of sustainability, we actively contribute to sustainable, ethical and transparent development."

Dorin Rus
Quality Manager



Procurement practices

(GRI 3-3, 203-1, 203-2, 204-1, 414-1, 414-2)

The procurement system of UBM Feed Romania is closely aligned with its sustainability principles, minimising environmental impact and ensuring economic efficiency. This allows us to reduce negative risks and sustainable sourcing reduces our environmental footprint in the supply chain.

Our most important sourcing criterion is that we do not buy soy that has been grown in areas where deforestation has taken place, ensuring that the sourcing of raw materials does not contribute to environmental degradation.

In 2024 70% of our total feedstock consumption was Romanian grain. With this practice we both reduce transport costs and environmental impact and also support local farming communities.

Our new procurement policy introduced in 2024 aims to ensure transparency, efficiency and compliance. The principles in the Code - transparency, economic efficiency, competitiveness, compliance, sustainability and ESG criteria - are applied to all procurement. Sustainability and environmental impact reduction are key, so when selecting suppliers we consider how they manage environmental impacts, respect ethical standards and ensure fair working conditions for employees.

Our Purchasing department prepares a quarterly procurement plan which includes the categories of products and services required and the sources of funding. During the procurement process particular attention is paid to quality, value for money, sustainability and meeting deadlines. Accordingly, all procurement is carried out according to industry best practices. The inclusion of ESG criteria is mandatory for each procurement to ensure the company's compliance with environmental and social requirements.

In doing so, the company not only supports the local economy but also takes environmental protection and sustainability into account. To ensure long-term success we evaluate our supplier relationships annually to ensure that any negative trends are detected and addressed in a timely manner. As part of this process, our operations manager, with the involvement of colleagues working in procurement, evaluates suppliers through questionnaires.

The procurement policy is reviewed annually to ensure that it always reflects changes in legislation and sustainability requirements. Our aim is to ensure that our procurement continuously supports sustainable development, reduces environmental impacts and contributes to strengthening local communities.



General principles for sourcing at UBM Feed Romania



Glossary

Expression	English Meaning	Romanian Meaning
CEO	Chief Executive Officer	Director General
CFO	Chief Financial Officer	Director Financiar
CSR	Corporate Social Responsibility	Responsabilitate Socială Corporativă
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	Venituri înainte de dobânzi, taxe, depreciere și amortizare
ESG	Environmental, Social, and Governance	Mediu, Social și Guvernanță
EU	European Union	Uniunea Europeană
GDPR	General Data Protection Regulation	Regulamentul General privind Protecția Datelor
GHG	Green House Gases	Gaze cu Efect de Seră
GHG Protocol	Greenhouse Gas Protocol	Protocolul Gazelor cu Efect de Seră
GRI	Global Reporting Initiative	Inițiativa Globală de Raportare
GWP	Global Warming Potential	Potențialul de Încălzire Globală
HACCP	Hazard Analysis and Critical Control Points	Analiza Pericolelor și Punctele Critice de Control
HAP	Hazardous Air Pollutants	Poluanți Aerieni Periculoși
IFS	The International Featured Standard	Standardul Internațional pentru Produse Alimentare
ISO	International Organization for Standardization	Organizația Internațională pentru Standardizare





Expression	English Meaning	Romanian Meaning
ISO 14001	Environmental Management System Standard	Standardul pentru Sistemul de Management al Mediului
ISO 22001	Food Safety Management System Standard	Standardul pentru Sistemul de Management al Siguranței Alimentare
ISO 9001	Quality Management System Standard	Standardul pentru Sistemul de Management al Calității
LPG	Liquefied Petroleum Gases	Gaze Petroliere Lichidificate
MSCI	Morgan Stanley Capital International	Morgan Stanley Capital International
MWh	Megawatt Hour	Megawatt - oră
NM VOC	Non-Methane Volatile Organic Compound	Compuși Organici Volatili Ne-Metanici
OC	Organisational and Operational Rules	Reguli Organizaționale și Operaționale
POP	Persistent Organic Pollutants	Poluanți Organici Persistenți
PM	Particulate Matter	Materie în suspensie
RINA	Registro Italiano Navale, Antibiotic-Free Certification	Organism de Certificare Internațională, Certificare Fără Antibiotice
Scope 1	Direct emissions generated on the company's sites, such as the combustion of natural gas, emissions from manufacturing processes, and fuel use in vehicles.	Emisii directe generate pe site-urile companiei, cum ar fi arderea gazului natural, emisiile din procesele de fabricație și utilizarea combustibilului în vehicule.
Scope 2	Indirect emissions linked to the energy sources used, such as purchased electricity, district heating, and steam consumption.	Emisii indirecte legate de sursele de energie utilizate, cum ar fi electricitatea cumpărată, încălzirea centralizată și consumul de abur.
Scope 3	Indirect emissions (upstream and downstream) outside the company's direct control, like the treatment of waste, use of public transport by employees, or emissions from product transport.	Emisii indirecte (upstream și downstream) care sunt în afacerea directă a companiei, cum ar fi tratamentul deșeurilor, utilizarea transportului public de către angajați sau emisiile din transportul produselor vândute.
SDG	Sustainable Development Goals	Obiectivele de Dezvoltare Durabilă
UNITED NATIONS	United Nations	Organizația Națiunilor Unite

GRI Content Index

Statement of use

UBM Feed Romania has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector standard(s)

At the time of writing, no industry-specific standard linked to the GRI standard was available.

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
General disclosures				
GRI 2: General Disclosures 2021	2-1 Organisational details	About our report	4	
	2-2 Entities included in the organisation's sustainability reporting	About our report	4	
	2-3 Reporting period, frequency and contact point	About our report	4	
	2-4 Restatements of information	Sustainability strategy and commitments	14	
	2-5 External assurance	About our report	4	Our report has not been externally assured.
	2-6 Activities, value chain and other business relationships	About UBM Feed Romania Activities, value chain, business policy	5 7	
	2-7 Employees	Employment	31	
	2-8 Workers who are not employees	Employment	31	
	2-9 Governance structure and composition and composition	About UBM Feed Romania Corporate governance	5 36	

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
	2-10 Nomination and selection of the highest governance body	About UBM Feed Romania Corporate governance	5 36	
	2-11 Chair of the highest governance body	Corporate governance	36	
	2-12 Role of the highest governance body in overseeing the management of impacts	About UBM Feed Romania Corporate governance	5 36	
	2-13 Delegation, of responsibility for managing impacts	Corporate governance	36	
	2-14 Role of the highest governance body in sustainability reporting	About our report	4	
	2-15 Conflicts of interest	Ethical operation	39	
	2-16 Communication of critical concerns	Ethical operation	39	
	2-17 Collective knowledge of the highest governance body	Activities, value chain, business policy	7	
		Sustainability strategy and commitments	14	
		Introduction Corporate governance	36	
	2-18 Evaluation of the performance of the highest governance body	Corporate governance	36	
	2-19 Remuneration policies	HR strategy and workforce management	28	
		Employment	31	
	2-20 Process determining remuneration	HR strategy and workforce management	28	
		Employment	31	
	2-21 Annual total compensation ratio			Our Group considers it a trade secret.
Strategies, policies, practices				
	2-22 Statement on sustainable development strategy	A Letter to the Reader Sustainability strategy	14	

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
	2-23 Policy commitments	Corporate governance Human rights and ethical operation	36 39	
	2-24 Embedding policy commitments	Sustainability strategy and commitments Introduction Corporate governance Ethical operation	14 36 39	
	2-25 Processes to remediate negative impacts	Ethical operation	39	
	2-26 Mechanisms for seeking advice and raising concerns	Ethical operation	39	
	2-27 Compliance with laws and regulations	Ethical operation	39	
	2-28 Membership associations	Ethical operation	39	
Stakeholder involvement				
	2-29 Approach to stakeholder involvement	Stakeholders	13	
	2-30 Collective bargaining agreements	Employment	31	
Material topics				
GRI 3: Material topics 2021	3-1 Process to determine material topics	Materiality assessment	20	
	3-2 List of material topics	Material topics	20	
Energy				
GRI 3: Material topics 2021	3-3 Management of material topics	Energy consumption	22	

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Introduction Energy consumption Renewable energy and innovation	22 27	
	302-2 Energy consumption outside of the organisation			
	302-3 Energy intensity			
	302-4 Reduction of energy consumption			
	302-5 Reductions in energy requirements of products and services			
Emissions				
GRI 3: Material topics 2021	3-3 Management of material topics	Emissions	23	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions	23	No GRI 305-3 Scope 3 emissions calculations have been prepared for our report. The results of the Scope 3 measurements and calculations will be published in a later report.
	305-2 Energy Indirect (Scope 2) GHG emissions			
	305-3 Other indirect (Scope 3) GHG emissions			
	305-4 GHG emissions intensity			
	305-5 Reduction of GHG emissions			
Waste				
GRI 3: Material topics 2021	3-3 Management of material topics	Waste management	25	

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management	25	
	306-2 Management of significant waste-related impacts	Waste management	25	
	306-3 Waste generated	Waste management	25	
	306-4 Waste diverted from disposal	Waste management	25	
	306-5 Waste directed to disposal	Waste management	25	
Renewable energy and innovation				
GRI 3: Material topics 2021	3-3 Management of material topics	Renewable energy and innovation	27	
	Own disclosure	Renewable energy and innovation	27	
HR strategy HR and workforce management				
GRI 3: Material topics 2021	3-3 Addressing the material topics	HR strategy HR and workforce management	28	
	Own disclosure	HR strategy HR and workforce management	28	
Employment				
GRI 3: Material topics 2021	3-3 Management of material topics	Employment	31	
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Employment	31	
	405-2 Ratio of basic salary and remuneration of women to men			We offer a competitive benefits package for our employees, with no gender pay differentiation.

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	HR strategy and workforce management Employment	28 31	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	HR strategy and workforce management Employment	28 31	
	401-3 Parental leave	Employment	31	
Training and education				
GRI 3: Material topics 2021	3-3 Management of material topics	Training and education	34	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	HR strategy and workforce management Training and education	28 34	404-1 A comprehensive tracking and recording of training hours data and indicators is presented in our report for 2025
	404-2 Programs for upgrading employee skills and transition assistance programs	HR strategy and workforce management Training and education	28 34	
	404-3 Percentage of employees receiving regular performance and career development reviews	HR strategy and workforce management Training and education	28 34	
Local economic development/ Social responsibility				
GRI 3: Material topics 2021	3-3 Management of material topics	Local economic development/ Social responsibility	35	
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Training and education Local economic development/ Social responsibility	35	
	413-2 Operations with significant actual and potential negative impacts on local communities	Training and education Local economic development/ Social responsibility	35	No potential negative impacts under GRI 413-2 have been identified.

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
Corporate governance				
GRI 3: Material topics 2021	3-3 Management of material topics	Corporate governance	36	
	Own disclosure	Corporate governance	36	
Ethical operation				
GRI 3: Material topics 2021	3-3 Addressing the material topics	Ethical operation	39	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethical operation	39	
	205-2 Communication and training about anti-corruption policies and procedures	Ethical operation	39	
	205-3 Confirmed incidents of corruption and actions taken	Ethical operation	39	
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Ethical operation	39	
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Ethical operation	39	
Economic performance				
GRI 3: Material topics 2021	3-3 Management of material topics	Economic performance	41	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Economic performance	41	
	201-2 Financial implications and other risks and opportunities due to climate change	Megatrends	12	
	201-3 Defined benefit plan obligations and other retirement plans			Our company has no such obligation.

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
	201-4 Financial assistance received from government	Economic performance	41	
Quality management				
3-3 Management of material topics	Quality management	Quality management	42	
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system			
	403-2 Hazard identification, risk assessment, and incident investigation			
	403-3 Occupational health services			
	403-4 Worker participation, consultation and communication occupational health and safety			
	403-5 Worker training on occupational health and safety	Training and education Ethical operation Quality management	34 39 42	
	403-6 Promotion of worker health			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships			
	403-8 Workers covered by an occupational health and safety management system			
	403-9 Work-related injuries			
	403-10 Work-related ill health			

GRI Standard	Disclosure	Chapter	Page number	Direct answer / Omission explanation
Procurement practices				
GRI 3: Material topics 2021	3-3 Management of material topics	Procurement practices	44	
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	Procurement practices	44	
	203-2 Significant indirect economic impacts	Procurement practices	44	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Procurement practices	44	
	414-2 Negative social impacts in the supply chain and actions taken	Procurement practices	44	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Procurement practices	44	



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