



TRANSAVIA

CARE AND RESILIENCE, FROM GRAIN TO FORK

Sustainability report 2020



*Well Made
in Romania*

FOREWORD



2020 was an unusual year, with vast challenges and unprecedented changes. We all witnessed a considerable change in the world as we knew it.

The pandemic affected everyone's lives, generating instability and uncertainty. But it also showed businesses they can play a more important role in society. TRANSAVIA reacted promptly by implementing measures that contributed to the safety and health of our employees, who continued to work with passion, doing things exactly as they should, in every single sector of our vertically integrated business, *from grain to fork*. Thus, we managed to avoid any disruption in our activity, being able to keep providing consumers' access to poultry, one of the essential foods.

During this pandemic year, we have increased our ongoing efforts to support the local community and the medical system, especially during the peak periods of the sanitary crisis. We



provided financial support as well as our expertise, experience, and advice for designing safety protocols based on the bio-security procedures that we always use in our facilities.

We proved that if you always do things in the right way, then you are ready for anything, even for unprecedented challenges. Thus, despite the evolution of the sanitary crisis that our country was going through, we managed to increase the number of employees as compared to the previous year and to invest in the commissioning of a new farm in Bocșa (Caraș-Severin county). We also started the construction of our new, state-of-the-art, *Libertan* farm, a European model for the slow-growing breeds standard. These investments allowed us to grow sustainably in a challenging world, contributing through our concrete actions to a better future, to the quality of life of our consumers and the communities in which we operate.

Despite the challenges of 2020, we continued our mission to educate on products quality and food safety standards, to promote transparency and honesty in marketing communication, being a role model for the industry's reducing the environmental footprint and in sustainable development implementation.

In 2020 we released our first sustainability report, concerning our 2019 activity. This was a national premiere in our field of activity, stating the transparent way in which we operate in our 100% integrated business model. We have set a number of goals that we want to meet by 2025, managing our own impact and performance, thus contributing to the development of a common vision for the positive transformation of our society.

We achieved all these things constantly, following our values and the vision based on respect for ourselves, for others, for animals, for our principles, and for the value of work.

This new Sustainability Report presents, in a clear and concise manner, how we, the TRANSAVIA Group, keep our promises on a daily basis, how we pursue and achieve our objectives. The report also provides examples of how we create sustainable value through our activities, finding the balance between performance and the impact we have on the well-being and health of people, the environment, the animals, and the society, always being connected to our stakeholders, which we influence and which influence us.

Theodora POPA

Vice-Chairman TRANSAVIA

TABLE OF CONTENTS

FOREWORD

1	ABOUT THIS REPORT	46	ENVIRONNEMENT
4	MATERIALITY ASSESSMENT	46	OUR APPROACH
9	WHO WE ARE	47	2020 MILESTONES AND ACHIEVEMENTS
11	OUR MISSION	47	WATER MANAGEMENT
12	VISION	48	WASTEWATER MANAGEMENT
12	MANAGEMENT	48	ENERGETIC EFFICIENCY
13	AFFILIATIONS	49	RAW MATERIALS PROCUREMENT
14	OUR BRANDS	50	WASTE MANAGEMENT
16	OUR PRODUCTS	50	BEDDING REUSE
17	20 AWARDS AND DISTINCTIONS	51	WASTE RECOVERY AND RECYCLING
18	OUR BUSINESS MODEL	51	WASTE SORTING
22	2020 ACHIEVEMENTS	52	COMMUNITY
24	OUR OBJECTIVES OF SUSTAINABILITY	52	HEALTH
25	OUR COMMITMENTS AND PROGRESS	53	EDUCATION
27	OUR COMMITMENTS FOR 2030	54	SPORTS
29	OUR SUSTAINABILITY STRATEGY	56	GRI CONTENT INDEX
30	THE EMPLOYEES		
32	BENEFITS FOR ALL EMPLOYEES		
32	EMPLOYMENT CONTRACTS		
33	EXTRA ACTIVITIES		
34	OPERATIONAL CHANGES		
36	RESPONSIBLE PRODUCTION		
40	RESPONSIBLE TREATMENT AND WELFARE OF CHICKEN ON OUR FARMS		
42	REPRODUCTION		
42	BROILER FARMS		
43	THE HEALTH AND WELL-BEING OF THE CHICKENS		
44	NUTRITION		
44	NATURAL BEDDING		
44	TRANSPORT OF CHICKENS		
45	OUR FACTORIES		
45	DISTRIBUTION		



ABOUT THIS REPORT





We continue to present in a transparent way the indicators of the non-financial performance, the achievements, the challenges, and the impact of our activity, launching the second sustainability report, related to the financial year 2020 (01.01-31.12.2020).

The report has been prepared in accordance with the GRI (Global Reporting Initiative) Standards and takes into account the United Nations Sustainable Development Goals (UN SDGs) for 2030.

The report meets the requirements of the Directive 2014/95/EU, as transposed into the Romanian legislation by the Order of the Minister of the Public Finance no. 1938/2016 and by the Order of the Minister of the Public Finance no. 3456/2018.

The operations of the **TRANSAVIA Group** include two companies: **S.C. TRANSAVIA S.A.** (headquartered in Oiejde, Alba-Iulia – Cluj-Napoca Road, km 11, Alba County), and **Avicola Braşov** (5, Cucului street, Braşov), with operations in 8 counties in Romania, as well as two non-profit entities: the **TRANSAVIA Foundation** (95A, Scărişoara street, Alba Iulia) and **THEODORA GOLF CLUB Association** (75C, Teleac, Ciugud commune, Alba County). In the context of this report, unless otherwise stated, **TRANSAVIA** may refer to any of the entities of the group or to the group as a whole.

The report preserves the reporting principles previously used, following the analysis of materiality by identifying material topics, more precisely the most important topics for the company, consulting stakeholder groups, to see to what extent these topics are relevant to them and which are the areas of

maximum interest. The whole process is based on the analysis of the integrated production chain, *from grain to fork*. Compared to the previous report, no major changes were identified to the reporting objectives or to the limits or process of data collection.

Our management team constantly monitors the Group's performances in terms of sustainability, setting objectives and evaluating how we interact with stakeholders in each pillar of our sustainability strategy, in order to stimulate our continuous progress and to create value for the company and for the stakeholders: employees, communities, partners, and society as a whole.

The current Sustainability Report is structured in 12 sections that detail information about us, about the evolution of our commitments, about the sustainability strategy, and about our activities and actions from 2020 on each of our strategic pillars of sustainability. The report presents both the tangible progress we have made towards the targets we have set at the level of **TRANSAVIA**, as well as our actions and initiatives, as well as their impact in a challenging year for the society, in the context generated of the Coronavirus pandemic (COVID 19).

For more information related to this report, questions, clarifications, suggestions, or feedback on our approach to sustainability, please contact us via e-mail: relatii.publice@transavia.ro.

We, **TRANSAVIA**, are committed to addressing the challenges of sustainable development in areas where we believe we can make a difference, thus contributing to the achievement of the United Nations Sustainable Development Goals (UN SDGs) *:

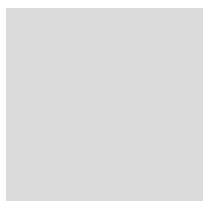
ZERO HUNGER

End hunger, achieve food security and improve nutrition and promote sustainable agriculture.



GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages.

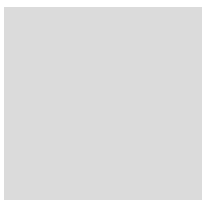


QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

GENDER EQUALITY

Achieve gender equality and empower all women and girls.

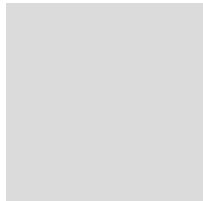


CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all.

AFFORDABLE AND CLEAN ENERGY

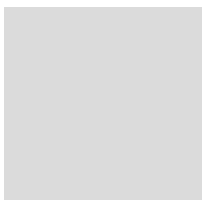
Ensure access to affordable, reliable, sustainable, and modern energy for all.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

DECENT WORK AND ECONOMIC GROWTH

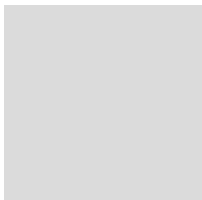
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.

RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns.

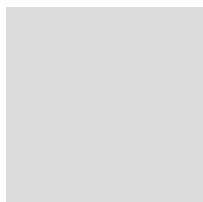


CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.



* The United Nations Sustainable Development Goals (UN SDGs) are a global agenda for addressing the most pressing environmental and social issues that the world is facing today.



MATERIALITY ASSESSMENT



One of the most reputable Romanian family businesses, the domestic leader of the chicken industry, always doing things exactly as it should, **TRANSAVIA** manages to anticipate the trends and the changes in consumers' preferences and their requirements for quality, safety, and sustainability. This is possible because **we keep an open and constant dialogue, always taking into account the needs and the feedback of all stakeholders.** Our business model, 100% integrated, ensures significant control in all stages of the value chain, and its analysis and evaluation by stakeholders highlight the opportunities and actions of **TRANSAVIA** from an economic, social, and environmental point of view.

Thus, for 2020, the structure and content of our sustainability report were established following a complex process of materiality assessment, **through which we analyzed and identified the material aspects that reflect the economic, social, and environmental impact**, significant for the business as well as for the stakeholders.

Firstly, we carried out, with the help of our colleagues from different departments, an internal process through which **we identified and evaluated the stakeholder groups relevant** to our business and established the communication channels we used in the process, necessary for this report.

In the second stage, based on the analysis of the value chain, we analyzed the list of material topics specific to our sector of activity, finding that **there are no changes compared to the topics identified and validated in the previous year.** Thus, the 19 material themes, assembled on the criterion of priority at the company level and distributed on each strategic pillar, were re-evaluated in the context of the related impact area.

We have kept the reporting principles used in the previous report:



Involvement of stakeholders

The company identifies the stakeholders and explains how it responds to their expectations and interests.



Sustainability context

The company's performance is presented in the broader context of sustainability.



Materiality

The report covers the aspects that reflect the significant economic, social, and environmental impact of the company and the influence on the perception and the decisions of the stakeholders.



Full reporting

The report presents the material themes and their limitations, to reflect the economic, environmental, and social impact and to allow stakeholders to assess the company's performance.

PILLAR	MATERIAL TOPIC TRANSAVIA Report 2020	IMPACT ZONE		
		UPSTREAM	PRODUCTION	DOWNSTREAM
 Responsible production	— Local production	●	●	●
	— Availability of various certified products		●	●
	— Product quality and safety	●	●	●
	— Responsible farm animal treatment - Animal welfare		●	
	— Business ethics	●	●	●
	— Informing consumers about sustainability			●
 Environment	— Water management		●	
	— Energy efficiency		●	
	— Waste management	●	●	●
	— Sustainable logistics	●	●	●
 Our employees	— Ethics in Human Resources		●	●
	— Education and training programs for employees		●	
	— Occupational health and safety management		●	●
	— Organizational culture		●	
 Social	— Investments to support local communities		●	●
	— Collaboration with NGOs		●	●
	— Health			●
	— Sports			●
	— Education			●



We collected, on hard copy , 94 completed questionnaires. **The increase by 77% in the number of respondents** to the questionnaire sent shows a growing

interest of our stakeholders in presenting the social, environmental, and management information of our group. The categories of stakeholders consulted were:



CATEGORIES OF STAKEHOLDERS



We processed all received answers and generated the **Materiality Matrix** – highlighting the direct relationship between the stakeholders' perception and the impact generated by **TRANSAVIA**. The result was a ranking of material topics, which will be discussed in detail in the Sustainability Report chapters. These material themes, grouped into four categories (**Employees, Responsible Production, Environment, Community**) covers those areas that our company has a significant impact on (internal materiality, analysis by the management team), and,

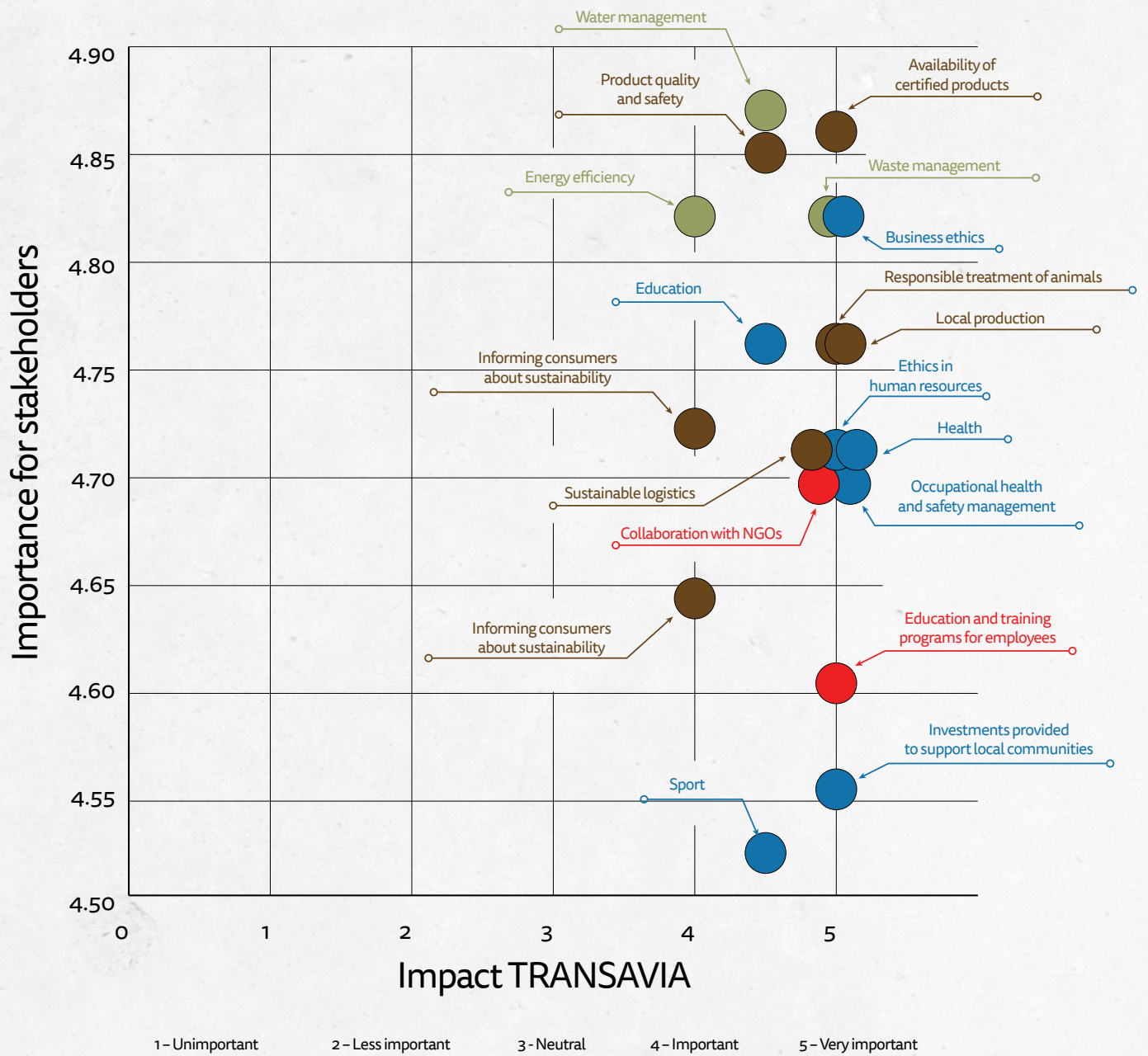
at the same time, it substantially influences the decisions and how the stakeholders evaluate our activity. Compared to the previous Materiality Matrix, **in 2020 we observed an increase in the top importance for 5 topics: informing consumers about sustainability, water management, energy efficiency, waste management, and sustainable logistics**. The rest of the topics maintained their place at the top of importance.

GRI 102-42, GRI 102-44, GRI 102-46, GRI 102-47, GRI 102-48, GRI 102-49





MATERIALITY MATRIX





WHO WE ARE

GRI 102-3



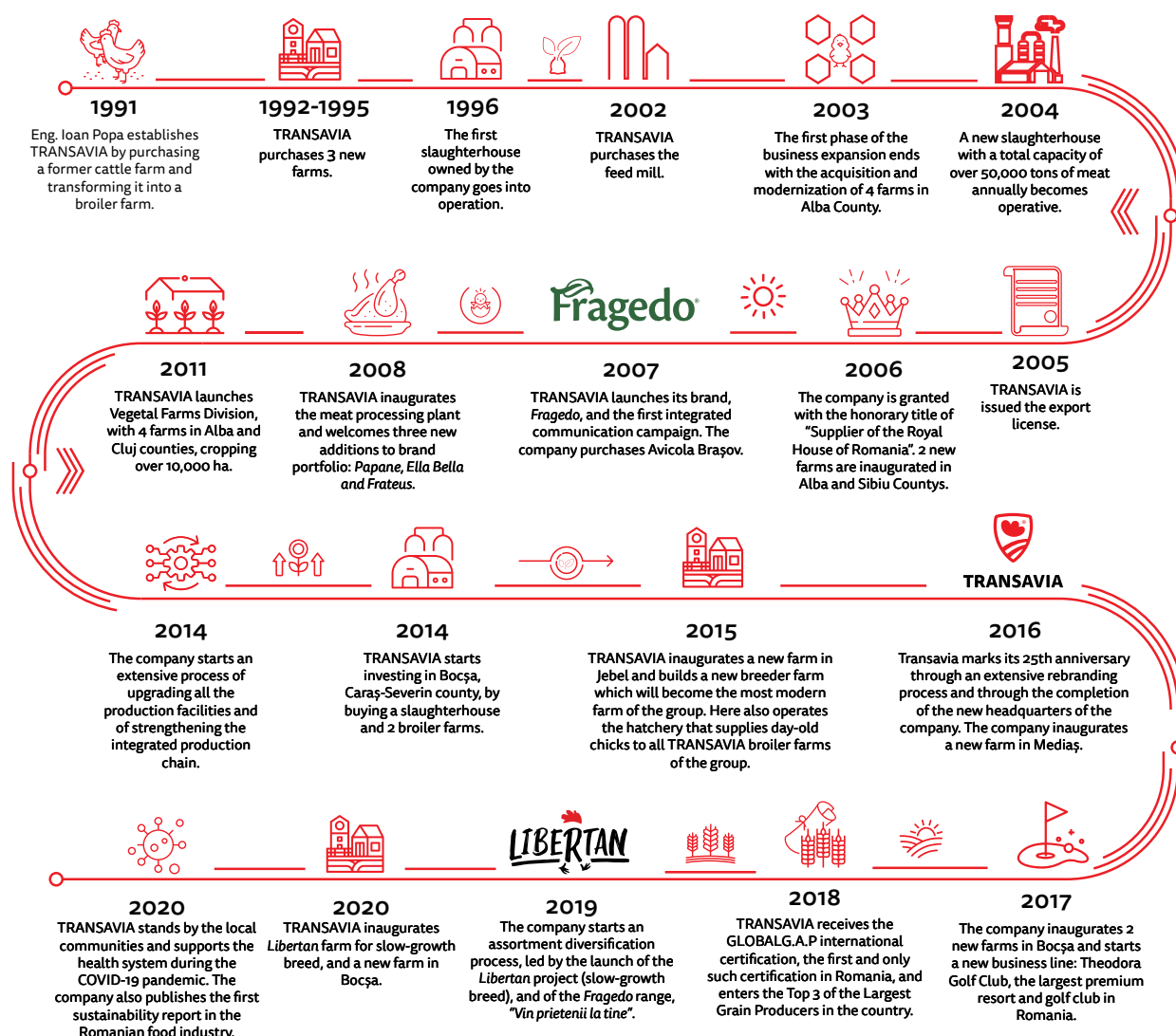
We, as **the market leader**, constantly contribute to increasing the quality of people's lives, ensuring sustainable, healthy, and safe food, from bean to fork. Looking back, we find that, year after year, **TRANSAVIA** has healthy and profitable growth, contributing to the increase of the quality of life of our customers, to the well-being of the communities in which we operate, and to the protection of the environment. **Our vision is to offer the healthiest and purest natural food, ensuring the highest food safety standards on the market.** This vision

has guided us, step by step, in building a solid and vertically integrated business, **from grain to fork**, based on the best practices and the strictest protocols, and helped us offer the highest standards of quality and food safety to consumers in Romania and around the globe: from planting cereals to harvesting them and adapting them to feed chickens, to building breeding farms, slaughterhouses, and meat processing plants, and to creating the distribution chain.

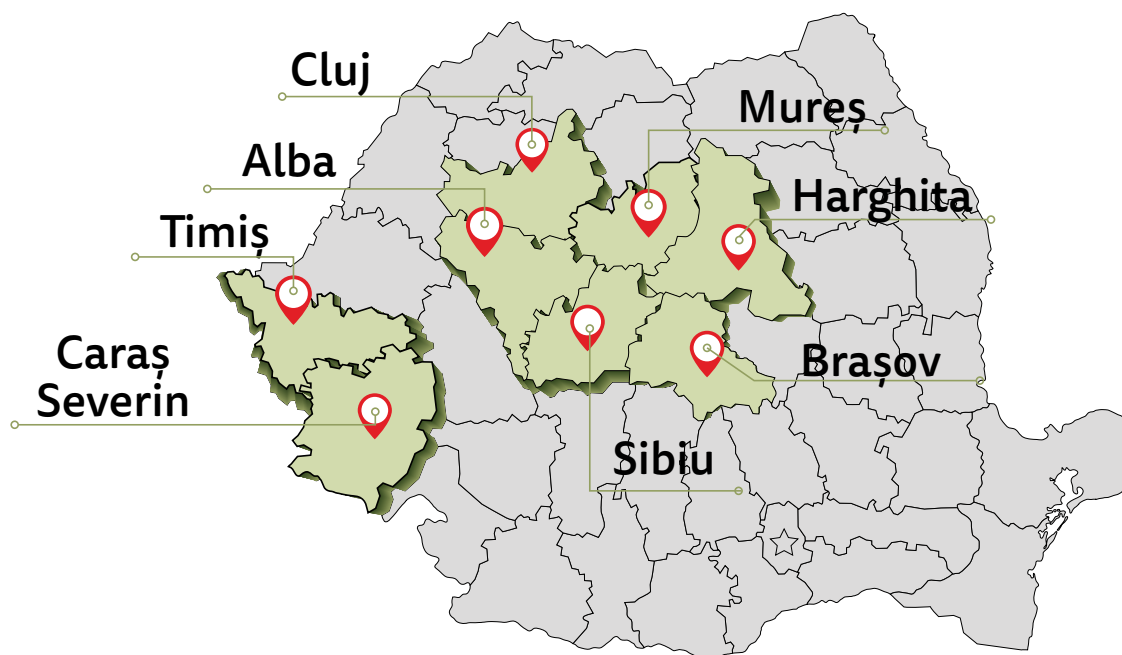
HIGHLIGHTS 1991-2020

From one chicken farm to the undisputed leader of the Romanian poultry market, TRANSAVIA has been growing steadily, constantly, and patiently. The company has been investing in the construction, acquisition and modernization of dozens of production and processing facilities, organized in an

integrated business model that proved its resilience and strength even during the COVID-19 pandemic. The TRANSAVIA Group owns now a diverse portfolio of products, that is continuously updated, allowing us to meet the expectations of consumers of all generations.



Counties with
TRANSAVIA operations



TRANSAVIA is one of the most trustworthy Romanian family businesses, the leader of the chicken meat industry, a company that directly contributes to the consolidation of the Romanian food industry. Our company constantly invests in state-of-the-art technologies, in the modernization and expansion of its production capacities, and in creating jobs with a direct impact on the local and national economy. With a turnover,

TURNOVER in 2020
167 million euros

at the end of 2020, of over 167 million euros, **TRANSAVIA** is a strong company, with approximately **2100 employees** and a **73 million euros** valued portfolio, by **Brand Finance, in 2020**. This value ranks **TRANSAVIA** in 4th place in the Top 10 Portfolios, climbing 1 position as compared to 2019.

All our actions, either we are talking about investments, innovations, or partnerships, are based on an assessment of the environment and society's impact. Following this evaluation, we clearly set out the steps for concrete actions for producing a positive impact throughout the entire value chain. We apply the principle of precaution at all stages of our integrated system: in cereal production, animal welfare, and product certification, as well as their distribution, by constantly delivering the assumed and promised quality and maintaining a high level of consumer safety.

TRANSAVIA assumes the role of the industry leader, contributing significantly to market education, thus strengthening its appreciation, recognition, and respect from customers, current and future employees, partners, the community, professional

associations, authorities, mass media, and opinion leaders. We are proud that **TRANSAVIA** is responsible for imposing numerous standards of quality, safety, and sustainability, being the first Romanian GlobalG.A.P. company-certified, in 2018.

first Romanian
GLOBALG.A.P.
company-certified, in 2018

This certification is a guarantee that our food products reach the highest level of quality and safety, a recognition of the sustainability implemented throughout the production chain and of the compliance with the most drastic requirements in terms of food safety, animal welfare, environmental impact, responsible water use, safe and sustainable feed production, and in terms of animal breeding, employee safety rules, and their welfare.

We annually produce **over 100,000 tons of chicken meat** in **TRANSAVIA** farms, located in 8 counties in Romania. About 25% of the company's annual production is exported to several European countries, on the African continent, in the Mediterranean area, and the CIS.

Annual production of chicken meat
100,000 t



OUR MISSION

GRI 102-16





Excellence in what we do:

decent work and growth through innovation, with responsible consumption and production, so that we can be a model for the other players in the industry.

VISION

TRANSAVIA is one of the most famous Romanian family businesses, the local leader of the chicken industry, **which always does exactly the right thing**, which has undertaken its mission to contribute to the quality of people's lives, ensuring sustainable, healthy, and safe food, **from bean to fork**

To fulfill our mission, we make every effort every day to offer consumers in Romania and everywhere the healthiest chickens, purely natural and with the best degree of food safety on the market. We are guided in our work **by our values**, transmitted by the owners to the employees: respect, trust, care, and responsibility. Thus, we manage to keep our promise to have the highest standard of food quality and safety.

As the main player of the market, we contribute directly to the consolidation of the Romanian food industry, directly impacting the local and the national economy through constant investments in technology, modernization, expansion of production capacities, and job creation. We export to over 17 countries in the European Union, but also on the African continent, in the Mediterranean area, or the CSI.

MANAGEMENT

GRI 102-5

- ✓ **Eng. Ioan POPA, PhD**
Chairman of the Board of Directors
- ✓ **Economist Theodora POPA**
Vice-Chairman of the Board
- ✓ **Eng. Ovidiu OPRIȚA**
General Manager
- ✓ **Economist Angela STANCIU**
Economic Director
- ✓ **Economist Bogdan NEGREA**
General Manager - Avicola Brașov



AFFILIATIONS

GRI 102-13

TRANSAVIA collaborates with various associations working in the management of the public opinion at the sectoral level, being a member of organizations such as:

The Union of Poultry Breeders in Romania – UCPR.



A professional non-profit, non-governmental, autonomous association, established to achieve the organizational unity of poultry farmers in Romania, fulfilling the role of a link between economic agents operating in the field of poultry.

Family Business Network



An international network that brings together the largest family businesses in the world. FBN Romania was established in 2012 and

aims to promote in Romania the concept of “family business”, as recognized at European level, and to bring to the attention of the authorities the existence and the potential of the family businesses and the need for a partnership with them and the need for supporting the concept of „family business” taking into account the national, regional and international climate in which it takes place.

The National Association of Combined Feed Manufacturers - ANFNC



A recognized professional association in the relationship with the State authorities, working intensively to establish official relations with OIPA organizations (Poultry,

Eggs and Processed Eggs, Pork, Cereals, and Derivatives). ANFNC promotes the common interests of its members through its official involvement in the working groups of MADR on normative projects, the Advisory Council of ANSVSA, and the Partnership within the Protocol of collaboration between the Romanian Commodity Exchange and the professional associations in the agricultural and zootechnical sectors.

GS1 Romania Association



As a non-profit Professional Association, GS1 Romania is the only entity authorized by GS1 Global to issue and manage GS1 licensed codes (EAN 8, EAN 13, SSCC, etc.) and to implement GS1 Standards in our country.

The Romanian Golf Federation



The National Golf Federation of Romania, which aims to promote, develop and popularize this sport in Romania.





OUR PRODUCTS

GRI 102-2



The constant quality and perfect taste of our products and brands support our vision to offer the highest food standards to Romanian consumers and everywhere.

We fulfill this promises by running strict and full control over the implementation of our rigorous biosecurity and the quality standards throughout the full production chain, *from grain to fork*, and by having modern and efficient production facilities in which we constantly invest. To those, we must add the high involvement of our colleagues, who, every day, **do things exactly the right way**.

TRANSAVIA, the market leader in the top of consumer preferences thanks to the excellence of the products we offer to consumers, respecting the highest standards of quality and food safety, owns the brands *Fragedo*, *Libertan*, *Papane*, *Vin Prietenii la Tine*, *Durdulan*, *Bravis*, *CumSeCade*. In 2020, according to Brand Finance Romania, the value of **TRANSAVIA** brands was estimated at 73 million euros, placing our company on the 4th place in the **Top of the 10 most valuable portfolios**.

Fragedo is the number 1 chicken brand in Romania. It is a **premium brand**, with constant superior quality, with taste and nutritional value at the highest level. **Fragedo broilers** are raised naturally, at a normal pace, due to the excellent conditions on our farms and the feed produced with the best ingredients, based on 100% cereals from our own farms.



Fragedo chickens capitalize on these advantages in nutritional quality, tenderness and flavor, highly appreciated by the most demanding consumers. Always fresh and convenient, **Fragedo** offers consumers a full range of fresh chicken meat, with carefully portioned and selected products, from traditional grilled chicken, to liver, boneless chicken breast or finely sliced wings, with diverse recipe specifications, delicious, to everyone's taste. Also, under the **Fragedo brand**, consumers can also find seasonal or ready-to-cook products: *Fragedo Deli* (Barbeque, Marines, Selected Assortments) and *Fragedo Vin Prietenii la Tine*.

Fragedo®

The **Fragedo** range contributes to the reducing of the food waste by proposing different packaging to meet specific consumption needs: **Fragedo Duo** (a range created especially for the quick preparation in small quantities - 2 recommended portions - of all tasty recipes with chicken breast, drumstick, boneless and skinless chicken thigh or sectioned wings), **Fragedo Family Pack** (a range that provides the daily menu of families, with fresh assortments and suitable for preparing the healthiest recipes, in an economical version and in a generous packaging, especially for large and tasty portions of chicken), **Fragedo Expert** (a solution for the HORECA professionals).



The **Libertan** range offers products with a craft approach, in the spirit of a circular economy, coming from a slow-growing breed, fully integrated in a natural microclimate, with access to the outdoors. Carefully selected from slow-growing broilers breeds, **Libertan** is a 63-day-old chick with access to the outdoors, grown with care and responsibility, following slow-growing and sustainable protocols, away from the urban area, in a natural and protected environment. Representing a guarantee of safety, best biosecurity and sustainability practices, the **Libertan Chicken** is a healthy choice for every tasty meal, regardless of whether you opt for grilled chicken, thighs, wings, boneless breast or liver, gizzards and hearts or mixes for soups.

LIBERTAN



Papane

Papane is the **TRANSAVIA** brand that brings together a range of semi-prepared products of excellent quality, prepared with the help of the latest technologies, in the best conditions. The meat from which the **Papane** products are prepared is fresh and guarantees the food safety standards that are found in all our products. The **Papane** range is diversified, offering the possibility to choose between schnitzels, blue cordon, nuggets, burgers and wings, both for home consumption and for HORECA (Papane Bistro) specialists. The dishes are pre-fried, pre-baked and quickly frozen, which gives them a delicious taste and a long freshness.



USE OF INNOVATIVE PACKAGING

An important part of our sustainability system is the packaging and the packaging systems we use. Sustainable packaging is essential for the integrity of our products. Because of this, we strive to reduce the environmental impact of our packaging while ensuring that we efficiently use the packaging that protects the safety and quality of our products.



We are determined to use **sustainable packaging** that also contributes to extending the life of our products and to **emphasize the quality and the perceived value of our product**. Thus, for **the Libertan assortment**, we introduced a new and innovative type of packaging, **Skin-Pack**, which allows the meat to be packed under vacuum by full adherence of the superior film to the product

By using this type of packaging, we have balanced the requirements for sustainable packaging with the safety and quality requirements of the product. This type of packaging has positive implications for reducing the carbon footprint. This is due both to the increase of the shelf life and to the reduction of food waste, by doubling the shelf life of products compared to the shelf life of conventionally packaged products. **This type of packaging also has a positive impact on environmental protection**, the products packaged in this system saving space and allowing to increase the efficiency of transport.

INFORMING THE CONSUMERS

Responsible, honest, transparent communication

Our communication is **honest** and we always provide **transparent and correct information to our consumers**, without exaggeration and without trying to create unfair advantages over our competitors or other players in the food industry.

We only use **clear advice** and we do not mislead the consumers. In our commercial communication, advertising, and communication materials, our ideas and arguments **do not give consumers the impression that the products do not contain ingredients or substances that anyway, from the legal point of view, cannot be used by the sector level**. Our business principles prevent us from communicating in this misleading way. We assure consumers that our products are made exactly as they should be, offering them the quality promised by the mission we have undertaken: to offer the healthiest chickens, purely natural and with the highest degree of food safety on the market.



20 AWARDS AND DISTINCTIONS:

Over the years, we kept our promises to consumers and managed to remain a solid leader of the poultry market in Romania, a status confirmed as well by a large number of awards and distinctions awarded each year. A distinguished recognition is holding the **Suppliers of the Royal House of Romania** title since 2006, a degree reconfirmed 5 times in a row.

Many select events were suspended due to pandemics in 2020, yet our company received recognition, being included in the elite charts.



4th place
Brand Finance



most valuable
50 Romanian brands



4th place
the most valuable portfolios
of Romanian brands



Smart City Excellence award for
supporting the project
Ciugud Smart School



2020
Best of Business Gala
"Quality of Employer"



2020
Best of Business Gala
"Ambassador of the Brand"



2020
Best of Business Gala
award for Agriculture



2020
GRAND PRIZE
Transilvania Leaders Foundation



2020
FRAGEDO is the BEST ROMANIAN
BRAND OF MEAT PRODUCTS



3rd place
Top of the Companies
in Alba County - **current profit**



5th place
Top of the Companies
in Alba County - **turnover**



Trophy of Excellence
companies from Alba county



1st place
in the National Top
of Companies 2020 - Agriculture



Top 300
companies



1st place - Top 5 Businesses
Top 5 Businesses for Enterprises
with Romanian Capital



1st place - Top 5 Businesses
Top 5 Businesses for Romania -
Poultry breeding



1st place - Top 5 Businesses
Top 5 Businesses for ALBA county
Agriculture, hunting and related services



3rd place
TOP COMPANIES
WITH AGRICULTURAL PROFILE



Supplier of
the Royal House of Romania.



OUR BUSINESS MODEL

GRI 102-2



TRANSAVIA is the domestic poultry industry leader, having a solid reputation built by all the actions taken, by quality, safety, and seriousness in all relationships.

The company's growth strategy is based on the managerial vision that, from the very beginning, implemented vertical integration, ensuring the expansion of the activity within the production and distribution chain, *from grain to fork*. The links in this integrated chain include all the strategic aspects of the **TRANSAVIA** business, from the cultivation of cereals, their harvesting and preparation for the feeding of broiler and breeding farms, from slaughterhouses and meat processing plants to distribution, exclusively employing transport from our fleet of cars. This operating model guarantees the security of supply for each of the **TRANSAVIA** entities and compliance with the most demanding norms specific to our industry in each stage, which leads to obtaining unparalleled quality products. We rigorously

apply the same high standards of accountability at all levels, in our relationships with partners and suppliers, pursuing traceability, a key tool for increasing transparency in supply chains. We always make sure that **our partners share the same principles of quality and safety of manufactured products or services provided**, as well as the principles of social and environmental nature that must be respected throughout the entire production chain. All our suppliers are subject to a complete risk assessment depending on the product or service provided, and in order to be approved, they must have a series of certifications, according to ISO 22000, FSSC 22000, BRC, IFS, ISO 9001 and ISO 14001 standards.



VEGETAL FARMS

In 2011, TRANSAVIA became the first local poultry producer to develop its own vegetal farming division. The 4 farms currently owned by the company have a total area of 10,000 ha and are highly mechanized, that allows us to provide to our chickens, feeding from our own sources (wheat, corn, and sunflower crops).



REARING, HATCHING AND BREEDING FARMS

We are the largest Romanian producer in the poultry field. With an annual production of over 50 million eggs, which covers the need for chickens in our facilities, we are the only producer in Romania that raises all chickens exclusively on its own farms. We have 28 farms for breeding, hatching, and rearing chickens, located in isolated areas, away from any source of pollution or contamination, ensuring a maximal level of biosecurity, protection, and comfort for the birds. Our farms are designed and managed according to the most demanding standards. We have qualified staff, modern technologies, and automated feeding, watering, and monitoring processes, controlled by sensors, that guarantee the welfare of our chickens.



FEED MILL

In the feed mill located in Sântimbru we produce feed and formulas for our birds in the broiler and breeder farms, in collaboration with expert nutritionists. The facility has a production capacity of 250,000 tons per year, a storage capacity of 120,000 tons in 21 silos and is equipped with a high-performance fodder sterilization system, unique in Romania.





We monitor and audit our suppliers in order to evaluate the product safety system, their traceability and HACCP systems and their good production practices. In the same time, the compliance with our general policies is evaluated during annual assessments. If the annual assessment or the audit show that a supplier does not meet all the requirements of our standards, that supplier will have to implement a series of corrective measures for compliance.

We simultaneously pursue two of our strategic pillars, namely **responsible production and community support**, considering it important for us to contribute to the development

of the local and national economy. The criteria followed when choosing our suppliers are based on the quality of the services and the responsibility towards the environment and communities. We prioritize purchases from local or international suppliers based in Romania. They accounted for **89.8% (up 1.4 percentage points vs. 2019)** of the more than **1,800 suppliers we had in 2020 (Disclosure 102-9 Supply chain)**.



SLAUGHTERHOUSES

The company has a production of 100,000 tons of chicken meat/year. The 3 slaughterhouses we have are equipped with modern technological production lines and high performance equipment, while the quality of the products is constantly tested in our own analysis laboratories. The meat products are packed in under controlled atmosphere, stored in dedicated freezing and refrigeration areas and delivered in safe conditions by vehicles from our own fleet. All units are audited and accredited by the relevant authorities with the highest level of certification.



PROCESSING FACTORY

The raw material is transformed into finished products by using cutting-edge production lines and innovative solutions, as well as by using fully automated operations, with minimal intervention from human operators, who rather supervise the overall process. This way, we ensure a high yield and a great diversity of products complying with the highest food safety standards.



DISTRIBUTION

TRANSAVIA owns over 400 vehicle fleet that ensures the daily delivery of our raw chicken products and specialties both in Romania and abroad. The exclusive access of the company's lorries in the production facilities maximizes the food safety degree, allowing us a strict control of the products delivery conditions. The company's vehicles and access & transport routes are disinfected daily, while the vehicle fleet is equipped with high-performance systems that guarantee the products delivery to customers in the best conditions.





„Our division includes two vegetal farms in Alba county and two vegetal farms in Cluj county, where we grow cereals. The farms are equipped with state-of-the-art machines, new combine harvesters and tractors being purchased permanently, as we continue to expand the cultivated areas. Our goals include increasing the grain output, rising product quality and enlarging areas fertilized with natural fertilizers.”

ADRIAN FARCAȘ — Vegetal Sector Director



„Our objective is to fully integrate all technology processes of the slaughterhouse and the entire company. We also encourage the implementation of innovative solutions initiated by our team members that bring improvements in the automation of the slaughtering activity.”

MARIUS LUPȘAN — Head of the Technical Department,
Oieidea Slaughterhouse



„Quality is an important pillar in the production chain. Every production facility in the company is monitored and verified by a team that pays attention to the smallest details. Our products are certified according to the highest international standards. We have authorized GFSI (Global Food Safety Initiative) certifications since 2008 – BRC Food v8, FSSC 22000 v5.1 (slaughterhouses and processing plant). Since 2017 we have been a McDonald’s supplier, audited annually and certified on 4 specific requirements schemes. We took part in all the audits performed by our partners, whose valuable feedback we used to improve the food quality and safety system. Among the recent achievements of our division I mention getting the highest score in the unannounced audit BRC Food v8: Grades AA + and maximum score, without any non-compliance, in two external audits for McDonald’s (HACCP and Animal Health & Welfare). The objectives for the next period include the transition of SMCSA (food quality and safety management system) documentation to electronic (paperless) format and getting the highest scores in special customer audits and certification audits.”

CRISTINA LUPȘAN — Quality Director, Industrialization Sector,
Meat processing factory



„We produce mixed quality fodder for chickens (both for raising and for breeding the chickens) and guarantee traceability, from both the finished product to the raw material and from the raw material to the finished product. Over the recent years, we have focused on expanding the storage capacity for cereals and finished products. Our immediate goals include increasing the capacity to weigh and unload bulk raw materials.”

DANIELA ROȘCA — Responsible for Food quality and safety, Feed Mill



„I have been working with TRANSAVIA since 1998 and I've been in charge with the poultry farming sector (broilers, heavy breeds, hatcheries) since 2020. The role of the sector I'm responsible for is to supply raw materials to the slaughterhouses and the processing factory. We work based on an annual plan so that we provide a relatively constant number of eggs needed for incubation and a constant flow for poultry farms, which depends on the processing capacity of the slaughterhouses. In the rearing sector, technological upgrades are carried out annually and production capacity is permanently increased. Recently, a farm built from scratch, equipped the latest technologies, was put into operation, and two other rearing farms are under construction and soon to be integrated into production.”



DIANA URSALEȘ – Technical Director, Rearing Farms

„I have been working with TRANSAVIA since 2009, and since 2011 I have been coordinating the export activity of the company, as part of the Commercial Department. Connecting with the international market is a source of development and of elaborating new strategies for the company. As the last link of the integrated production chain, we benefit from the results of this system that guarantees a quality product, delivered on time and in optimal conditions, which contributes to our team's confidence and to the department's results.

Among our recent achievements I would mention the maintenance of the export quota even during the pandemic and an increase of over 30% in volume for the year 2021. I would also like to mention the collaboration we developed with McDonald's. For the next period, our objectives include the initiation of new international collaborations for the retail area and the partial automation of the processes within the department, so as to integrate the most efficient and up to date technologies in order to improve the efficiency of our procedures.

The continuous and sustainable growth of the business and the permanent investments that the company makes recommend TRANSAVIA as a strategic partner for the coming years.”

DANIEL OPRÎȘ — Director of International Sales
daniel.opris@transavia.ro



2020 ACHIEVEMENTS

1st Place in chicken meat production in Romania

TRANSAVIA is a 100% Romanian funded company, built with patience and perseverance in 30 years. The excellent reputation that TRANSAVIA has in Romania and in foreign partnerships is the result of the work of a dedicated team that values product quality and continuous innovation above everything, which reflects in the company dynamic and results.



167 Mio €



is the turnover of TRANSAVIA in 2020, with significant Year on Year growth.

73 Mio €

In 2020 the company portfolio was evaluated at 73 million euros, taking the 4th place in the Top 10 most valuable portfolios by Brand Finance in 2020, 1 position higher than in the previous year*.

*the annual report of the strongest and most valuable Romanian brands, published by Brand Finance, the largest independent global consultancy company on brand evaluation.

**21
Mio €**

per year sums up the investments from own funds made by the company.

**2100
employees**

work in the farms, laboratories, slaughterhouses, factories and company divisions, as well as in the headquarters near Alba Iulia.





100.000

TONS OF CHICKEN MEAT PRODUCED EVERY YEAR.



40 Mio

DAY OLD CHICKEN,
ANNUAL PRODUCTION.

50 Mio

EGGS DELIVERED
ANNUALLY.



20%

OF THE ANNUAL PRODUCTION OF THE
COMPANY IS EXPORTED IN 17 COUNTRIES
FROM EUROPE, AS WELL AS COUNTRIES
FROM AFRICA, THE MEDITERRANEAN
AREA, AND IN THE CSI.

PRODUCTION FACILITIES

4

VEGETAL FARMS

that ensure bird forage from
internal sources.



1

FEED MILL

with a production capacity of
250.000 tons/year.

10,000 ha



OF AGRICULTURAL LAND

put into service with our own agricultural
machinery and equipment.

3

SLAUGHTERHOUSES

with a production capacity of 100.000
tons/year, audited and accredited by the
relevant authorities, and holding the
highest level of certification.

1

MEAT PROCESSING PLANT

provided with modern production lines,
in which the raw material is processed
through fully automated operations.

5

ANALYSIS LABORATORIES

where microbiological and physio-chemical
tests on meat are done, as well as
test for feed, water, serological tests
and so on.



27

BREEDING AND REARING FARMS

equipped with cutting edge
technology that follows the strictest
European norms for birds welfare.

400

OWNED VEHICLES

which ensure the safe transport of raw materials
and chicken products every day.

OUR OBJECTIVES OF SUSTAINABILITY



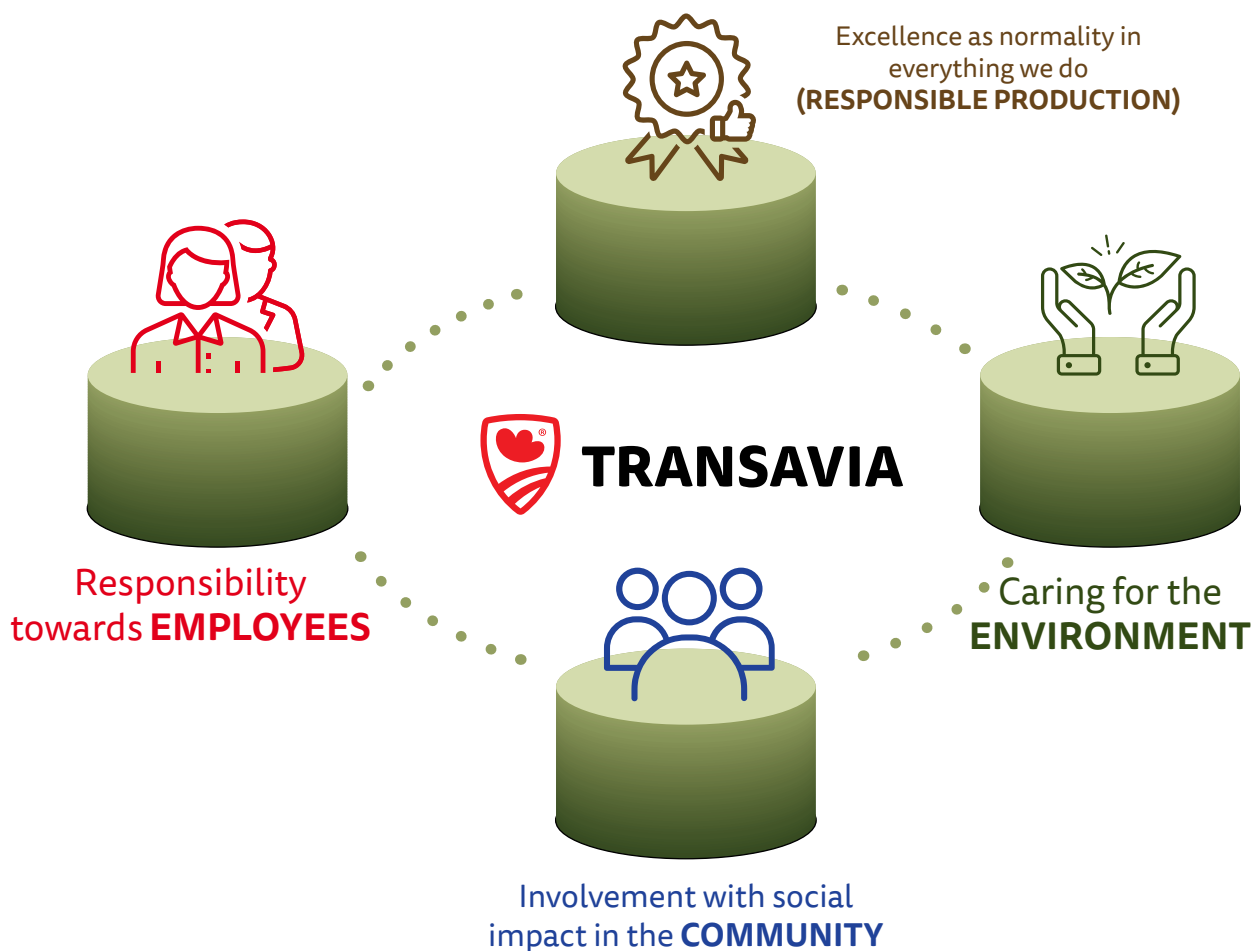


OUR COMMITMENTS AND PROGRESS

GRI 102-16



In 2019, we set and announced our sustainability goals and targets for 2025. These were organized on four pillars, equally important for the company as for our stakeholders:



We have set ambitious goals, aligned with the United Nations Sustainable Development Goals, that guide the activities and practices in every action we take

and follow. Although the previous year was one with atypical challenges, we continued to act strategically and made significant progress.

UNDERTAKEN 2025 GOALS AND OUR PROGRESS

✓ - Achieved

⚙️ - Extended or partially achieved

EMPLOYEES	RESPONSIBLE PRODUCTION	ENVIRONMENT	COMUNITY										
 Maintaining staff retention	 Sourcing raw material in sustainable production certified areas, without negative impact on the environment	 Implementation of the environmental management system in compliance with the SR EN ISO 14001:2015 requirements	 Establishing a work practice center and sustaining professional activities dedicated to young mechanics, engineers and electricians										
 Expansion of the employee transportation fleet	 Use of innovative packaging	 Identifying alternative solutions, where appropriate, and reducing greenhouse gas emissions											
	 Continuous modernization and retechnologization for sustainable productions	 Maintaining the compliance with the environmental protection legal requirements											
	 Expansion of the cargo fleet, supported by economical and efficient freight run planning	 Improving waste management											
		 Improving waste water management											
		 Reducing energy consumption by replacing outdoor lighting fixtures from 250W and 150W to 90W and replacing the existing lighting system with LED fixtures of 9W											
													



OUR COMMITMENTS FOR 2030



The significant progress and achievement of several of the objectives set out in the previous reporting exercise, lead us to take a new step in this journey of caring for people, animals,

environment, and communities. Thus, we set new targets for the coming years, until 2030 (as compared to 2020 data):

PROPOSALS: OBJECTIVES 2030 (VS. 2020)



100% digitization of the Human Resources activities by 2030.



Obtaining professional qualification authorizations in a field other than food, for minimum **1%** of staff, by **2030**.



To become a **TOP employer in Romania** (improving staff retention) by 2030.



Widespread use of the best existing technologies, from an economic and ecological point of view, in investment decisions; firm introduction of eco-efficiency criteria in all production and service activities.



Maintaining food security and safety at the highest level by capitalizing on the comparative advantages of **TRANSAVIA**, without compromising the requirements of maintaining soil fertility, conserving biodiversity and protecting the environment.



Showing the nutritional value information willingly, in a transparent and consumer-friendly way, by introducing the Nutri-Score on the label of chicken products, in phases, by product categories, starting with 2022.



Designing and running large-scale projects and programs, especially in the fields of **health, food safety, environmental protection, education, and sports**, by getting involved in local communities where we have work points.



Reduction of indirect **greenhouse gas** emissions from average combustion plants - NOx by **50%**, compared to the maximum value accepted on the reference date, until 2030.



ZERO EMISSIONS of total dust in poultry processing and preservation activities, as well as in the manufacture of meat products by 2030.



Reducing the amount of greenhouse gas emissions - **CO₂ of 431 tons** by recycling packaging waste by 2025.



Increasing the share of **electricity** from ecological and renewable sources by 2030.



Decreasing of waste quantities by **50%** of the slaughter flow by 2025.



Decreasing of the amount of waste in the poultry breeding stream by **50%** by 2025.



OUR SUSTAINABILITY STRATEGY



The 100% integrated model of our business allows us to have a significant impact in all stages of the value chain, and its analysis and evaluation by all stakeholders highlight the opportunities and actions of society from an economic, social, and environmental point of view. **We apply the precautionary principle at all stages of the integrated system both in terms of cereal production, animal welfare, product certification and distribution so that the quality assumed is always constant and at the same level of safety for our consumers.** We act by what we believe needs to be done today to create the world in which we need to operate in the future.

In 2019, following the internal analyzes based on our areas of action, we decided that the sustainability strategy of **TRANSAVIA** should be focused on 4 strategic pillars, which we continue to support through specific activities and actions:



Responsibility towards EMPLOYEES



Excellence as normality in everything we do



Caring for the ENVIRONMENT



Involvement with social impact in the COMMUNITY

These strategic pillars are reconfirmed by the directions of interest shown by all stakeholders.

Our **liability to employees**, sustainable production, care for **the environment and communities** are manifested in all our actions, in our entire supply chain, and in our partnerships.





THE EMPLOYEES

GRI 102-16



*When it comes to the Responsibility towards Employees pillar, I think of the **TRANSAVIA**'s spirit and to the fact that each colleague is different in many ways, but as well passionate about the work trainings to contribute to our common mission. In **TRANSAVIA**, people are appreciated for their professionalism, fairness, passion, and values lived every day. We are proud of the fact that people feel safe, they develop and they contribute through diversity. We all know these things support our ambition of being a Top Employer in Romania.*

Sonia Popa
Recruitment Manager

Running a responsible business, based on respect, is a priority for all of us. **TRANSAVIA** Code of Professional Ethics for Employees guides our daily activities. This Code reflects the mission and the values we are committed to permanently abide by, covering the principles and rules that every employee must adhere to. We contribute to the good reputation of the company through our actions, our professionalism, and the shown responsibility towards people, the environment, animals, and communities. We respect ethical and moral conduct and express ourselves freely, but proving morality, respect, and civilized behavior. We are receptive, attentive to the evolution of the environment, and we constantly learn to stay in the elite.

achievement of these results. In addition, we pay attention to this respect regarding the staff of the companies that provide services for the **TRANSAVIA** offices. Both our employees and those who provide services in our sectors are trained on the existing risks and measures they must comply with, based on OSH collective records and PSI training reports. The training is performed by the head of the sector, who is also the beneficiary of the works, based on a decision approved by the legal representative of the company (GRI403-8: OSH Management System for workers).

Furthermore, in the business relations with other companies or other organizations, **TRANSAVIA** establishes OSH conventions that clearly establish the coordinates of safety and

The safety and health of people are essential to reach their full potential, being fundamental concerns for us. That is why health and safety policies have always been a powerful pillar of our human resources practice.

Perhaps more than ever, in 2020, we first made sure that our employees know and feel that our organization provides them with all the necessary conditions to operate safely. There were no occupational health problems during the reference period (GRI403-10: Occupational health problems) and the incidence of accidents at work recorded was 0.00125%, without any lost life (GRI403-9: Accidents at work). Employees' regular training on the topics of occupational safety and security supported the

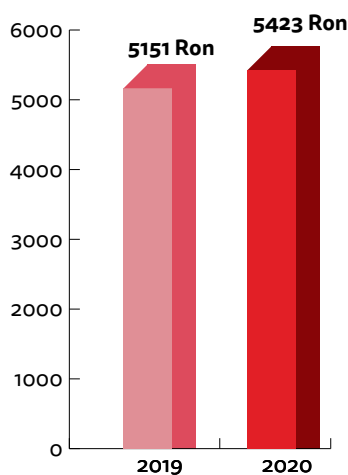




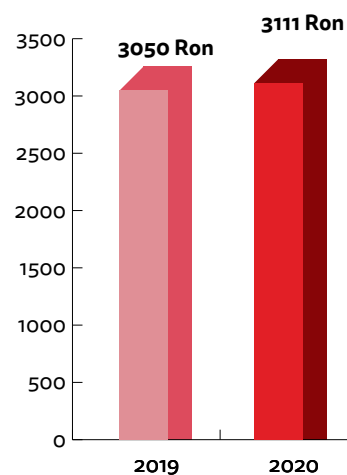
health at work. They clearly and concretely foresee, depending on the specifics of the company or organization, the way in which each of the parties involved will approach and manage the dangers and risks of OSH, both individually and in the business relationship. Also, when OSH norms are involved, **TRANSAVIA** requests specific documentation such as product marketing approvals, technical or sanitary approvals, etc. (GRI403-7: Prevention and mitigation of the impact on OSH, with reference to business relations).

This approach of always putting people's safety first, has helped us to have a quick and correct response to the challenges caused by the pandemic. We have been following the sanitary evolution since February 2020 and we acted for the protection of the staff as soon as it was needed. We made sure that all members of the staff comply with **the rules of physical distance**,

we reduced interactions to those strictly necessary, and **we made sure the staff has the necessary equipment for protection**. To protect the health of our employees, we rented additional buses to transport employees on the main route, limiting the risks that could have occurred during the commute to and from work. We tried to support the employees as much as possible from an emotional perspective, understanding the new challenges that most of them were exposed to at home, where they had to pay more attention to children who did not go to school or kindergarten. **The biggest achievement of last year was for us that through the protection measures taken and the sustained communication with our employees, we managed to be one of those companies that did not close production for a single day.** This way, we contributed to the community by providing access to quality, nutritionally superior food and ensuring income and quality of life.



Average gross salary for 2020



Average net salary for 2020

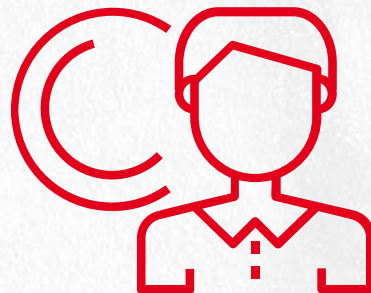
In 2020, as well as always, we made sure that within the **TRANSAVIA** there is no gap of remuneration between women and men. We promote and follow the principle of equal rights. We have set ourselves the goal zero form of any discrimination within our group. This includes not limiting to gender. Equal opportunities and equal treatment for all is a principle that works or should work in all working relationships. GRI 405-1: Diversity of management and employees

(GRI404-3) **TRANSAVIA** rewards all its employees who achieve the best results in the workplace and encourages all employees to develop and to strengthen their career plan.

General benefits for all employees

We respect each and all employees, being aware that their professionalism, fairness, and active involvement in the activities of the **TRANSAVIA Group** are essential for our organic and sustainable development.

We comply with the working conditions set by the law for each of our employees, according to employment, conditions regarding pay, working time and rest time, endowment with work and protective equipment, use of equipment, tools, and professional work tools. The stability of the job is ensured for each employee, and our financial contributions are always paid on time, so that, when retirement occurs, each employee enjoys all the rights he deserves. We make sure that both women and men benefit from legal childcare leave.



Additional benefits for employees



We guarantee each employee the full **set of benefits** provided by the regulations in force for that job, and we ensure that all our employees also benefit from additional rewards. Thus, we provide them with daily transport to and from work, we ensure them **a hot meal every day and we offer them monthly food packages with the company's products**. Our employees benefit of meal tickets and salary bonuses, as well as paid days off for special personal events.

We also invest in personal and professional development programs, and we encourage our employees to participate in pieces of **training, courses, seminars, and conferences** that can contribute to each person's development, both personally and professionally, and that can help them advance in the career plan and to promote in the position based on the skills and professional performance obtained.

Employment contracts

At the moment of signing the individual employment contract, every **TRANSAVIA** employee is trained regarding the **Internal Organization Regulation**, the notice periods, and the various situations that may arise in our relationship, as per the labor legislation in force, in our fields of activity, and according to **Labor Code**.



Extra activities

"We know that we receive trust from our employees and that we need to give them trust and support"

We are a family business in which the **"family"** value is essential because we believe that together, as a family, we can get involved, develop and grow better and more beautiful. We believe that we can increase the spirit of cohesion and loyalty within **TRANSAVIA**. Therefore, we regularly organize specific counseling programs, encouraging the relatives and children of our employees, who reach the age of access to the labor market, to specialize and possibly to be hired within the companies from

the **TRANSAVIA Group**, thus enlarging and strengthening our great family. **We have discussions with employees and their relatives and children, to help them as much as possible in the choices they want to make for a better future.**

We also encourage **inclusion, diversity and equal opportunities**. That is why we offer and accept proposals for internship programs from various universities and high schools. Young people participating in these programs have the opportunity, after graduation, to enter **the process of recruitment, selection and employment**.



We trust our employees and make sure that each of them can answer us with the same honesty and trust.

In the Code of Professional Ethics of the Employees, we have included specific rules that prohibit and help us avoid any discrimination based on criteria related to: gender, sexual orientation, genetic characteristics, age, nationality, race, color, ethnicity, religion, political opinion, social orientation, disability, family situation or responsibility, membership or trade union activity. Within **TRANSAVIA**, any form of discrimination based on gender is prohibited, regarding all issues of women's and men's access to all levels of education and training, including apprenticeships, further training and, in general, continuing education. Thus, **TRANSAVIA** did not register any incidents of discrimination.

Although neither in 2020 was the case, our Policies provide that any doubt, suspicion, or fact found in good faith regarding the misconduct of the company or any employee or any business partner should be carefully investigated and the results

of the investigation should be resolved by taking appropriate measures. **"Good faith"** means, in these situations, the provision of information which the declarant considers to be correct and accurate at that time, even if it later proves to be incorrect or inaccurate. We encouraged employees to communicate to us all issues that may arise regarding employment relationships, working conditions (ergonomics, work environment, OSH and PSI), work practices and fair treatment, the impact on society. At the same time, we made available to all our employees a series of communication channels with the management teams and we constantly encouraged them to communicate their opinions, grievances, recommendations and suggestions, to defend their opinions and to mention any unacceptable behaviors and requests. This measure has been implemented in order to improve the work environment and to increase the performance of our employees (GRI 406-1: Incidents of discrimination and corrective actions of the company).

Operational changes

In the event that operational changes are required in running **TRANSAVIA**'s activities, our employees are notified verbally and in writing (internal notes) by their superiors or sector managers and are then assisted and trained to easily adapt to the new specific requirements of each working position. We are aware of the difficulty of accepting any change in current activities, which is why every employee who could be affected by such a change is consulted in advance by colleagues in higher hierarchical positions in order to express and support their views on that change. We believe that every employee has a say, we respect their opinion and we make business decisions so as to generate a positive dynamic in their evolution.

Every business decision involving our employees is analyzed and then implemented so as to comply with the laws in force, the working agreement, and the welfare of our employees.

Employee Skills Improvement Programs and Transition Assistance Programs

GRI404 – 2

During 2020, the management teams from **TRANSAVIA** undertook actions designed to inspire employees and increase their cohesion and loyalty to the company and their colleagues. We have provided a number of attractive **benefits based on performance at work**, we have provided constant feedback to employees, through supervisors, we have implemented a series of actions to reward employees – our company has proven in this way that it can inspire its employees and has shown that employees are always first.

At **TRANSAVIA**, we offer buddy assistance accommodation programs to help our employees adjust more easily to the position they are going to work in. These programs included compulsory training activities, such as first aid and hygiene courses. **We also offered employees in-house qualification programs**, such as poultry farming. For the sectors where the need for employee training arose, we turned to training companies that designed specialized courses, based on the needs of the employees in that sector.

Our concern for employees is a permanent one, in accordance with the latest directives and policies in the field of human resources. According to these, we periodically develop and implement sets of procedures that cover the entire process of staff recruitment, selection, induction and retention.

TRANSAVIA has set itself the objective of offering as much as possible specialized courses, professional development courses, targeting in particular food industry engineers, zootechnical engineers and agronomists, but also veterinarians.

GRI410-1

All security personnel are trained in human rights policies or procedures. In 2020, there was no case for human rights analyzes or impact assessments on any of our operations

GRI412-1

The theoretical or practical training courses or activities of the specialists were organized both internally and externally, nationally and internationally, and the participants benefited from current information and the latest discoveries of the industry.

We also take care of those who end their careers by reaching the retirement criteria or at the end of the contract after retirement.

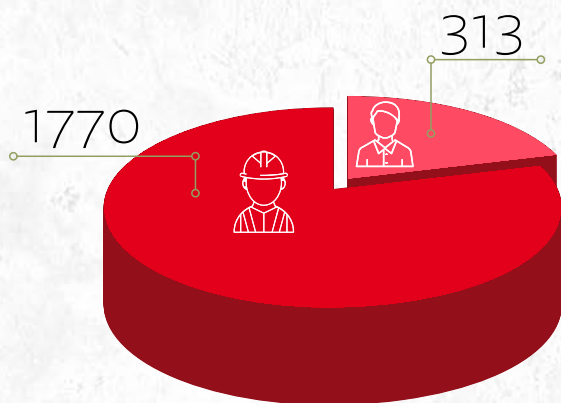
Also in 2020, **TRANSAVIA** employees had the possibility to elect their representatives freely, by voting, according to legal procedures, without the involvement of the company's management. Within each production unit of **TRANSAVIA**, our employees elected their representatives who could not be part of the management (board of directors). All employee representatives were allowed to carry out activities related to the rights and interests of employees, without the intervention of management, and were guaranteed access to the Group's production units in order to optimally carry out their representation activities.

At **TRANSAVIA**, our **core values are an integral part** of our current business and activities. We expect our suppliers to respect and promote these values, and our expectations are often met. Last year, we have developed and strengthened partnerships based on transparency and honesty. The principle of good collaboration and that of good faith have been respected, our suppliers and their units respecting and promoting our standards.

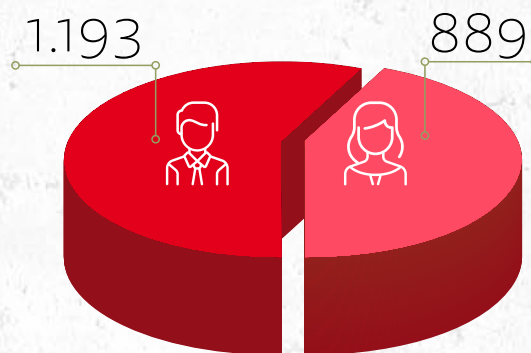
Our standards complement the provisions of any legal agreements or contracts concluded between the supplier and **TRANSAVIA** or its affiliates. Our suppliers must maintain their production and supply chain, including subcontractors and third-party employment agencies, at the same standards, without giving rise to any rights for the third-party beneficiary or any benefits for suppliers, subcontractors, their employees or other parties. **In terms of training, policies and procedures in the field of human rights, each provider trains its employees according to their own policies and standards.**

(GRI408-1, GRI409-10) Neither in 2020, nor ever in all years of activity, **TRANSAVIA** did not use the work of minors. Our suppliers do not use such resources and we have no suspicions about such a risk. We make sure of this by applying a questionnaire once a year or when we start working with a new supplier. **TRANSAVIA** has never resorted to forced labor and we completely reject these practices. Our suppliers do not use forced labor either and we have never, nor in 2020, had any suspicions in this regard.

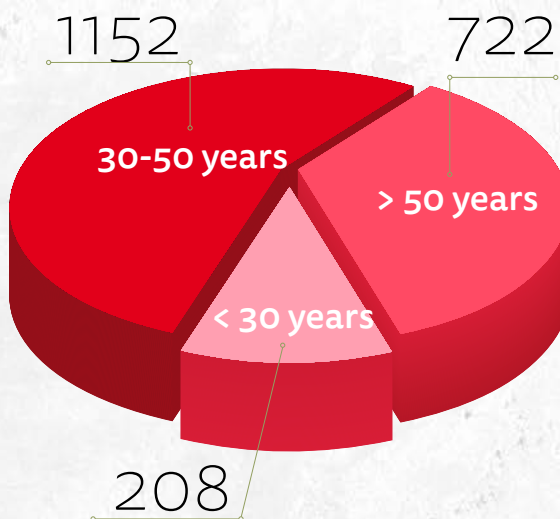
GRI 405-1: Diversity of management and employees



Personnel Category
2020



Gender distribution
2020



Employees age
groups distribution

	TOTAL Employees	TESA	Workers	Men	Women
Year 2020	2083	306	1681	1133	854
Average Age	45-68 Years	46-47 Years	36-45 Years	32-45 Years	45-68 Years

Number of employees and average age
(gender and personnel categories distribution) 2020



RESPONSIBLE PRODUCTION



QUALITY AND SAFETY OF TRANSAVIA PRODUCTS

We, the **TRANSAVIA Group**, are proud of our products that respect and exceed the food safety and the quality standards imposed by the regulations in force, offering consumers in Romania and abroad the opportunity to eat healthy and well.

Within our vertically integrated business model, we carefully control every stage and every aspect of raising chickens, always making sure that we respect the promise of the company's founders, **WELL MADE IN ROMANIA**, through the standards certified at company level:

- ✓ **GMP** – Good Manufacturing Practices
- ✓ **SQMS** – McDonald's Supplier Quality Management System
- ✓ **ISO 22000:2018** - Food safety management systems
- ✓ **FSSC 22000** – Food safety system certification, version 5.1
- ✓ **GlobalG.A.P** – Good Agricultural Practices Integrated Farm Assurance version 5.2
- ✓ **BRC** – British Retail Consortium version 8
- ✓ **SMETA** - Sedex Members Ethical Trade Audit Best Practice Guidance
- ✓ **SWA** - Supplier Workplace Accountability
- ✓ **Halal**

The **certifications** and the results of the internal and external **audits** confirm to us that we respect our commitments and that our products have the highest quality, always, being safe, due to the implementation of the most rigorous food standards:



BRC Food v8 – BRC Food certification, obtained since 2008, guarantees our level of competence in HACCP, hygiene, food safety and quality systems, demonstrating our commitment to consumer safety and stakeholder relations. **TRANSAVIA** is the only national producer with an AA + rating.

BRC 2020 certified work points	BRC rating
Oiejdea slaughterhouse	AA+
Meat processing factory	AA+
Avicola Braşov slaughterhouse	AA+
Bocşa slaughterhouse	A+



FSSC 22000 v5.1 – The transition from ISO 22000 to FSSC 22000 for meat slaughtering and processing units carried out since 2014 attests to the quality and professionalism of the administration of the processes and activities that make up the food quality and safety management system, in all stages of production.



ISO 22000:2018 – This certification, obtained in 2008, is the fundamental standard in food quality and safety management. The certification confirms that each department directly or indirectly involved in the food chain has the ability to identify, control and eliminate any risk in an effective manner.



TABA HALAL FOOD – Certification that demonstrates that all the stages that our food products go through (production, packaging, storage and transport) are carried out in accordance with Islamic religious rules.



GlobalG.A.P. 5.2 – In 2018, we were the first poultry producer in Romania to receive the Global G.A.P. certification, the most important global certification program that certifies the use, in farms and in production facilities, of good agricultural practices.

This certification is the guarantee that food reaches the highest level of quality and food safety, being produced in a sustainable way throughout the production chain, respecting the most drastic requirements in terms of food safety, animal welfare, environmental impact, the responsible use of water, the safe and sustainable production of feed, the breeding activities and the rules on the safety and well-being of employees.



Certificări McDonald's (GMP, SQMS, Chicken Slaughter&Deboning, Global Animal Health & Welfare) – Our partnership with McDonald's is built on trust and attention we each pay to quality standards. Thus, we

manage to bring to Romanian customers premium, safe and tasty products.

TRANSAVIA has also been a **Supplier of the Royal House since October 18, 2006**. We believe that this is a sign of recognition and appreciation of our products and services. To the same extent, the quality of **Supplier of the Royal House** makes us responsible and obliges us to prove that we have the ability to always keep our promise to deliver the highest standard of quality of our products and services, to demonstrate consistency, seriousness and high professionalism.

External audits are a critical part of our operations and of carrying out the mission of sustainability. They make us responsible for our goals, draw our attention to areas that need improvement, giving us the certainty that all our farms have the same high international standards. The audits encourage the company to implement a management system that ensures the continuous improvement of the vision on sustainability. In 2020, all **TRANSAVIA** production facilities underwent inspections carried out by the veterinary health authorities and recorded **0 (ZERO) incidents of non-compliance with the legislation** in force regarding the health and safety of the consumer.

In addition, **internal audits** on chicken welfare are carried out at least once a year by a team of qualified auditors, monitoring the health and welfare of broilers, the biosecurity, the hygiene and the traceability in all **TRANSAVIA** farms. Thus, the whole process starting from the hatching stage, including the breeding, feeding and rearing of the chickens in **TRANSAVIA** farms and the preparation for slaughtering is verified by external and internal audits.

Certification



In **TRANSAVIA**, food safety involves the application of all national and European regulations in force, rules that support and ensure the production of products with a high nutritional value and whose consumption is the basis of a healthy diet.

Food safety is an integral part of our mission, and we fulfil our mission every day. Every employee is carefully trained to strictly follow all biosecurity protocols, so we can say with confidence that our products are of constant quality and that they always comply with food safety standards. The impact of **TRANSAVIA** in terms of health and safety is manifested both at the level of consumers and at the level of our employees, on the entire integrated production chain.

TRANSAVIA owns **5 analysis laboratories**. 4 laboratories carry out analysis for determining the quality and the safety of meat and meat products and the poultry welfare, and 1 laboratory carry out analysis of the raw materials that make up poultry feed.

The laboratories, located in **Alba, Braşov and Caraş-Severin counties**, perform daily analysis for microbiological and physicochemical testing of meat and meat products, testing of the quality of water used for watering and feeding of the chickens and also the water that is a component of meat products, testing on the quality of poultry feed and poultry welfare.

Determinations in 2020

Determinations / week

FEED RAW MATERIALS AND FEED



FNC laboratory



128760



2430

MEAT AND MEAT PRODUCTS



TOTAL determinations on
meat and meat products

50740

960

POULTRY WELFARE



TOTAL determinations
on drinking water

5462

103



Total chicken welfare
determinations

45000

850



We guarantee the quality of our products, the animal welfare and the minimal impact on the environment. We are able to offer this guarantee thanks to the latest technologies we use, thanks to the tests we perform in accordance with the latest legal requirements and specific customer requirements, as well as the results of internal and third-party audits. We introduce the results of nutritional analyses on the packaging of chicken meat since 2016, although it is not a mandatory requirement.

In order to increase the degree of food safety, in the production units owned by **TRANSAVIA** we allow access only to the company's vehicles, which are disinfected both at the entrance and at the exit of our units. In addition, at the end of the daily program all transport vehicles are additionally washed and disinfected. Also daily, the access and transport alleys in our units are disinfected.

In the company's production units, the staff uses sterile protective equipment with a high degree of biosecurity and all personnel is regularly trained to strictly comply with the rules and regulations on access, movement and biosecurity of production units.

In each of our facilities and in all the processes we carry out, **we strictly control the water used** (for irrigation, in feeding and watering the broilers, in production), so as to avoid and eliminate any risks that could arise for the health of consumers, employees and chickens.

We constantly measure and apply control measures for air, soil, water, and feed contaminants, fertilizers, pesticides and other agents used in our production facilities, following the recommendations of the competent authorities. **We perform physicochemical and microbiological analyses of feed** and constantly monitor the health of our chickens.

Before the population of the farm we carry out sanitation tests to check the hygiene of all breeding houses, through our sanitary-veterinary specialists, as well as analyses on the finished product before leaving the out production units.

TRANSAVIA has several analysis laboratories in Alba, Braşov, and Caraş Severin counties:



Meat safety and quality laboratory Oiejdeia

in which microbiological and physicochemical analyzes of meat and meat products are performed daily.



Meat safety and quality, poultry health and welfare laboratory Avicola Braşov

in which microbiological, physicochemical analyses, water analyses and serological analyses of poultry are determined.



Feed safety and quality laboratory

microbiological, physicochemical analyses of raw materials and feed are determined.



Poultry health and welfare laboratory

in which microbiological analyses specific to poultry farms are performed, as well as serological analyses.



Meat safety and quality, poultry health and welfare laboratory

where microbiological analyses specific to poultry farms as well as microbiological analysis of meat are performed.

Meat quality testing is a part of meat quality assurance that majorly ensure that safe, clean and good manufacturing practices are followed in the complete meat supply chain.

Every day, before delivery, we perform the microbiological analysis of each batch of products.

In addition to the 16 external audits carried out by certification bodies and by clients of the **TRANSAVIA Group**, we perform annually, with the team of certified internal auditors, at least 2 unannounced internal audits for each work point.

Incidents of non-compliance with the impact of products and services on consumer health and safety

In 2020, there were no incidents of non-compliance with existing legislation on consumer health and safety. 2020 was again a year of no warnings, no penalties, and no fines following the controls carried out by the authorities.

We know, in the **TRANSAVIA Group**, that we must invest in the experience, expertise, and work of our specialists, as well as many other human and financial resources, in the quality management of our products and in ensuring the food safety of our consumers. Equally, we are confident that our investments are rewarded by the trust and loyalty of our customers and consumers.

FROM GRAIN TO FORK

The integrated production chain - *from grain to fork* - is a unique strategy in SE Europe, being one of the engines of our business. Thanks to this business model, within **TRANSAVIA** we have the guarantee of the quality of our products, and the certifications we have obtained confirm the correctness of our corporate responsibility policy. This sustainable approach helps us create a long-term business that will contribute to the well-being of future generations.

Within **TRANSAVIA** we cultivate over 10,000 hectares with cereals needed for poultry feeding, we own broiler breeder farms and broiler chicken farms, for which we produce food in our feed mill factory, we own slaughterhouses, and a meat processing factory and we provide distribution of our products.

In 2020 too, we continued to **invest in state-of-the-art technologies** for our production facilities and in permanent modernizations. We are confident that innovation is a source of healthy, sustainable growth that also gives us predictability for the future.



RESPONSIBLE TREATMENT AND WELFARE OF CHICKEN ON OUR FARMS



We are committed to ensuring animal welfare. We honour this commitment every day, through the actions and initiatives we implement in each of our production units and facilities.

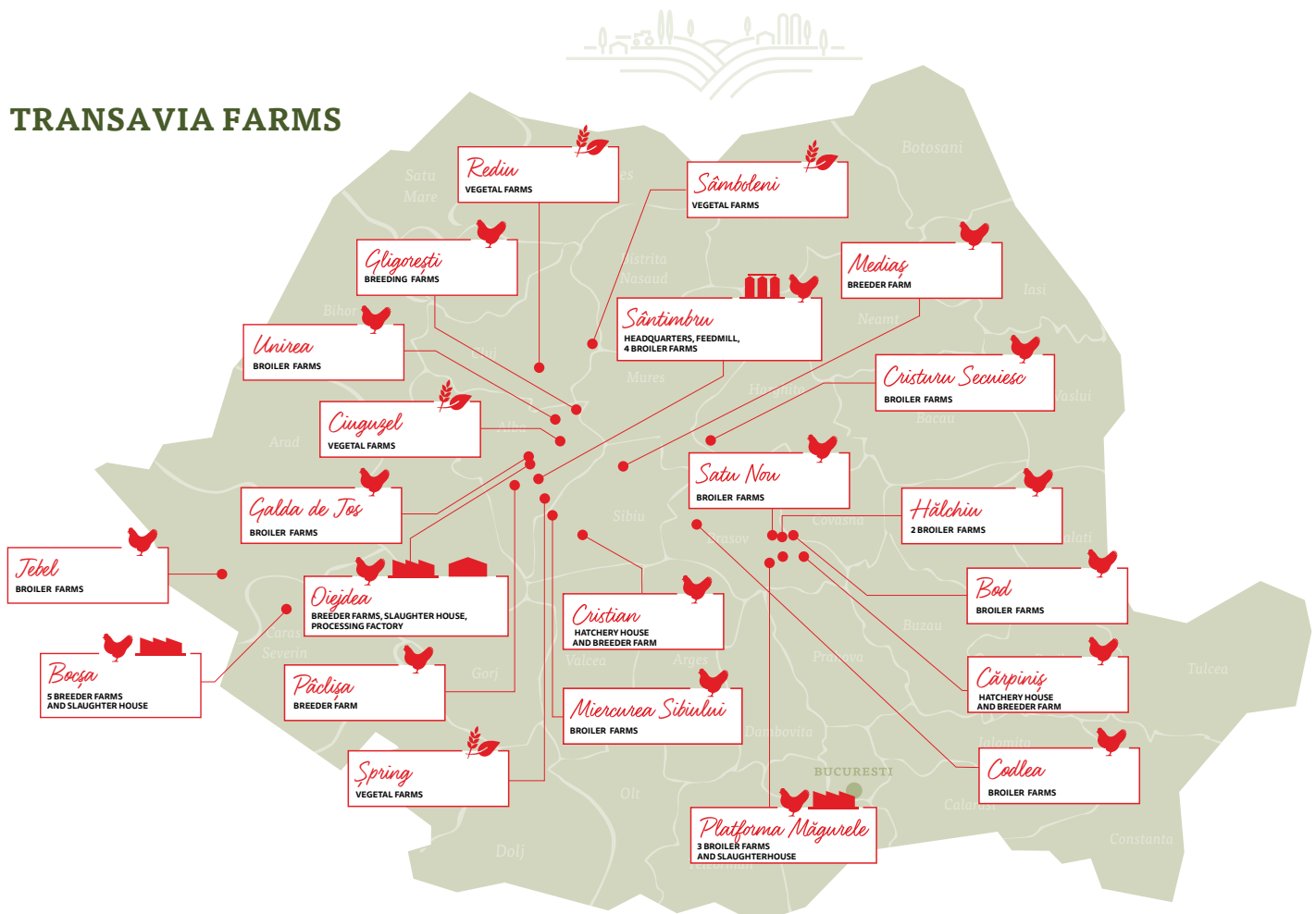
Our involvement in this regard has been recognized since 2018, through the GlobalG.A.P. certification, which certifies the use of Good agriculture practices in farms and production facilities. In 2020 too, we continued to make every effort to achieve excellence in the management practices of our farms and a high level of welfare of the chickens, ensuring them a healthy growth in modern shelters, where they have the opportunity to move freely and to manifest naturally.

Our integrated business helps us control every step and every detail of raising chicken. Our active and permanent involvement in complying with the highest standards of farm management, our practices, and the veterinary sanitary and prophylactic measures we currently implement, help us to ensure the responsible treatment of chickens to generate a sustainable and quality production and to keep our promise: **WELL MADE IN ROMANIA.**

Our farms

In the poultry field, feed plays a vital role and is what ensures the quality and safety of the final product. Starting from this premise, in **TRANSAVIA** farms we provide feed from our own resources, coming from our farms in the vegetable division, since 2011, when we were the first meat producer company in Romania with such an approach. Constant and solid investments have allowed us to cultivate today, using our own fleet of tractors and high-performance agricultural equipment that contributes to the activities of growing grains needed to feed the chickens on our farms.

TRANSAVIA FARMS



„The care TRANSAVIA demonstrates for every aspect, from poultry welfare, to care and respect for the final consumer, is extremely important. We appreciate all their efforts and enjoy a partnership that follows ethical business principles, in which sustainability plays an important role.”

Raw materials supplier



„It is my turn to express my gratitude for our long-term collaboration. Together we have learned that every link in an integrated production chain is important and that the strength of each link is crucial for the development of a healthy business. We also learned that when you can rely on people and on trustable assets, you get the feeling of safety and this is how you can grow. And I strongly believe that work done in good faith, with common sense and respect for people and nature, is bound to bring good results.”

Raw materials supplier

„Very good impression and professional at all cooperation stages.”

Raw materials supplier

Reproduction

For a complete control of the quality of the products, at **TRANSAVIA** we use exclusively chickens raised in our breeding farms. With an annual capacity of over 50 million eggs, all three breeding farms generate carefully selected day-old chickens and whose health is closely monitored by a veterinary laboratory. Our hatchery uses only eggs produced in the **TRANSAVIA** breeding farms. Here we obtain, fully automated, day-old chicks that are transferred to broiler farms in conditions of maximum bio-security.

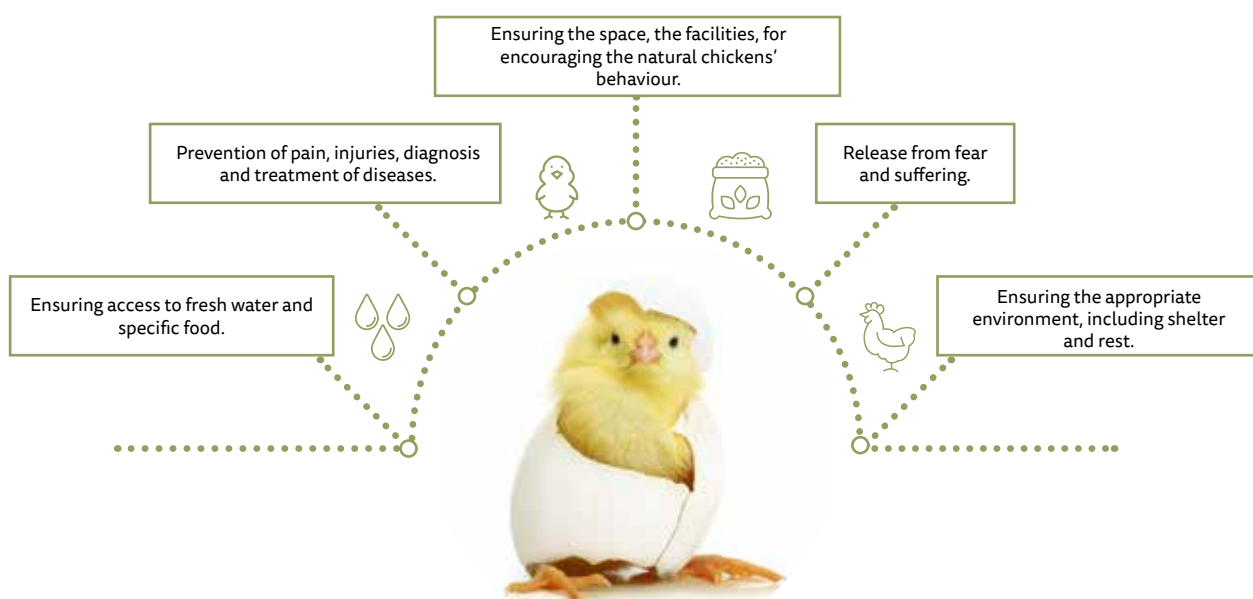
TRANSAVIA Group owns 2 modern hatchery units, one located in Braşov, and another in Cristian, in Sibiu County, specially built, with separate rooms for each operation, thus completely eliminating the risks that may arise. The 25 broiler farms and the 3 breeding farms are located in isolated areas from other animal farms and possible sources of contamination, so that maximum biosecurity and protection is ensured.

BROILER FARMS

Animal welfare is an integral part of our business strategy, which is why we have constantly adopted new ways to ensure the best conditions for shelter, food, and treatment of our chickens. The experience gained and the constant concern for animal welfare has helped us to understand their physiological needs and preferences to guide our decisions to ensure the best shelter conditions for encouraging the natural behaviour of broilers. We are also committed to leading our industry (poultry sector) to best welfare practices, adopting rigorous animal care standards. All of our farms operate following our animal welfare policy and best practices established by industry experts. Responsible

treatment of animals is not just an ethical responsibility, it is about protecting food safety and public health at the same time. Ensuring higher animal welfare standards are part of the company's goals to improve the quality of life and contribute to a healthier future.

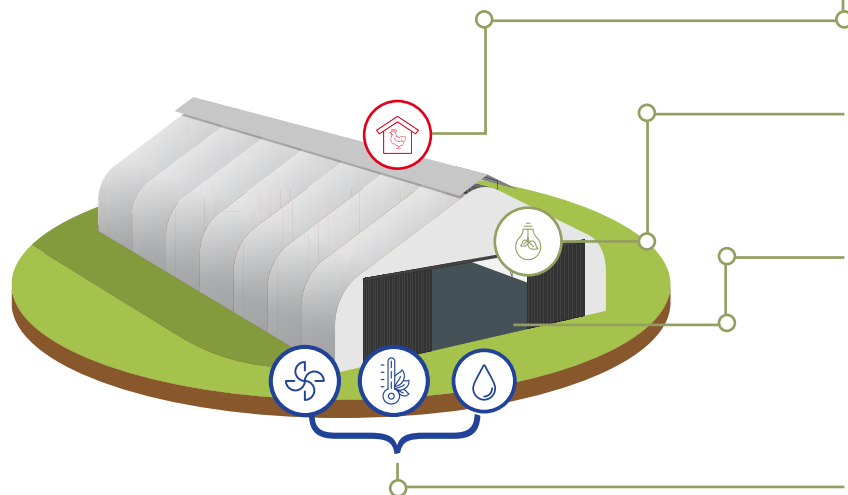
Our farm employees are dedicated to the five freedoms of the World Organization for Animal Health (OIE) and implement plans to continuously improve farm management to ensure a daily state of physical and mental harmony for broilers. In **TRANSAVIA** farms, the 5 freedoms are respected exactly:



Our efforts revolve around the best key animal welfare indicators (KWIs) on all our farms. Starting with 2020, we have implemented an additional program for daily monitoring of broiler welfare on **TRANSAVIA** farms. This program involves the inspection of a common set of parameters that help establish and assess the welfare of chickens that will allow us to monitor and address more objectively and better the welfare of chickens on our farms.

More than 60 inspections carried out in 2020 to verify the degree of compliance with the legislation in the field of biosecurity and welfare of chickens by veterinary health authorities, guarantee that we have implemented a system of raising broilers following the strictest European animal welfare regulations. Our chickens have rearing conditions ensured exclusively by automated processes. Feeding, watering, and monitoring of environment conditions are constantly monitored by sensors. The latest generation technology contributes to the well-being of our chickens, as well as through the permanent presence of qualified staff, consisting of veterinarians.

The houses where we raise the chickens are designed and built for this function, being equipped with modern equipment that increases the welfare and comfort of the broilers:



Thermal insulation

helps us to maintain a constant temperature for chickens, but also to save energy, substantially reducing the volume of natural gas and electricity used for heating or cooling.

Lighting

we use LED technology, with a sustainable infrastructure and a positive impact on the environment.

The bedding

we use in the houses is 100% natural and comes from our own vegetable farms, where we grow cereals for the feed administrated to chickens. We collect and process the straw obtained after harvesting and use it exclusively for the chickens in our houses.

Automation and sensors

we constantly monitor both temperature and humidity, as well as ventilation, feeding, and watering equipment, adjust the operating parameters according to the age and needs of the chicks, preventing feed and water waste.

The health and well-being of the chickens

For us, the **TRANSAVIA Group**, maintaining the health of the chickens is a priority, that is why we have implemented in all our farms the Veterinary Surveillance and Prophylaxis Program through which we permanently monitor the health of the entire chicken flock. The veterinary medical staff is present in each of our farms, together with auxiliary staff for raising the chickens.

Our biosecurity practices, which we strictly follow, are extremely well defined throughout the entire process of raising chickens, being crucial for ensuring and maintaining animal health.

Our colleagues from **TRANSAVIA** farms, in charge with the daily care of the chickens, inspect each house at least twice a day, check all the environmental factors in the house, as well as the health of the chickens, checking their behaviour. The broilers are checked and examined to ensure that they are in good health and can access food and water independently. Weekly, 850 determinations are performed both in **TRANSAVIA** laboratories and in external laboratories, which carefully monitor the conditions in the house environment and the health status of the chickens.

Our colleagues from the **TRANSAVIA** farms who deal with the daily care of the chickens regularly participate in training sessions on animal welfare, in order to minimize the stress of the chickens on the farms.

Veterinary prophylaxis measures and specialized staff help maintain the optimal health of the chickens, which allows us to ensure the high quality of our products and a constant level of food safety for our consumers. We apply measures to prevent infections in animals, such as vaccination, and we are constantly tightening biosecurity measures.

Our animal welfare programs include specific requirements and procedures to protect the health and well-being of chickens throughout their lives from egg hatching, to time spent on the farm, during transport, unloading, and handling. External audits are carried out annually to monitor the condition and welfare on the slaughterhouse level. Through these audits, we are offered the guarantee of best practices for handling and protecting the welfare of chickens throughout their lives.



Nutrition

From the day the chickens reach our farms, the food is adapted to each stage of their lives, and this is because the nutritional needs of a day-old chicken are very different from those of a broiler chicken that has reached maturity.

In **TRANSAVIA** farms we use 100 % feed of vegetal origin, without by-products and without medicines. Thus, the feed is properly formulated by certified nutritionists and consists only of corn, soybean meal, wheat, and triticale, to which is added, depending on the specific needs of chickens, minerals, and vitamins, in an appropriate balance.

We contribute to reducing food waste throughout the production chain. Thanks to our feed technology, production processes are extremely efficient, requiring only a minimal number of natural resources to generate a high-value protein source for the harmonious growth and development of the chicken.

In the vegetable farms of the **TRANSAVIA Group**, we cultivate 10,000 ha of cereals annually, and we process the harvest in our own Feed Mill Factory, thus providing, daily, fresh feed to the breeding and broiler farms. Equipped with a unique feed sterilization installation in the country, the Feed Mill Factory produces about 500 tons of feed per day for all **TRANSAVIA** farms, without any contact with the outside environment.

Together with world-renowned specialists, we develop our feed recipes to ensure a good assimilation of nutritional principles that meet the needs of the broilers and help them grow up healthy and harmonious. To optimize recipes and raw material consumption, our laboratory performs over 3500 microbiological and physicochemical analyzes and determinations weekly.

In this way, we implement sustainable practices regarding the production of chicken feed and the avoidance of food waste.

Natural bedding

The bedding used in the breeding houses comes from a reusable source. Thus, the vegetable residues, respectively the straw obtained from the harvesting of the cereals used for feed are collected, chopped, and used exclusively for the creation of the bedding in the houses.



Transport of chickens

Animal welfare at all stages of our supply chain, including during transport, is important to us. Our goal is to avoid transporting chickens over distances of more than three hours to the destination slaughterhouse to avoid injuries and stress caused by environmental factors such as noise and extreme temperatures. Due to the strategic location of all farms, the maximum distance travelled is three hours, and the shortest distance travelled by chickens is less than 10 minutes to the slaughterhouse of destination.

Drivers carrying broilers are also qualified by taking frequent courses in the physiology and recognition of chickens' behaviour, ensuring comfort and adequate conditions while driving to ensure their well-being. Additional measures are applied depending on the weather, the chickens being permanently protected from moisture, so the driver can adjust the side tarpaulins if necessary to avoid cold or injury caused by a slippery surface.



FARMS	TRANSPORTATION TIME*
14 farms (50%)	<10 min
7 farms (25%)	10 - 30 min
5 farms (18%)	30 - 60 min
2 farms (7%)	1 - 3 hours

**the legislation sets up to 8 hours on transport*

Our factories

Our welfare procedures for receiving live animals require them to be placed in specially designed rooms called “quiet areas” with controlled temperatures in which the chickens spend up to an hour in order to eliminate the stress accumulated during transport. We make sure that this procedure is strictly followed with the help of the 5 certified colleagues, responsible for the welfare of the chickens.

In the 3 poultry slaughterhouses owned by the **TRANSAVIA Group** in Oiejdeia (Alba County), Braşov, and Bocşa (Caraş-Severin County), we have our own analysis laboratories and modern technological lines, with a production capacity of over 100,000 tons/year. Our slaughterhouses and meat processing factory are certified against BRC version 8 and FSSC 22000 version 5.1 certifications.

Our meat preparations are made with the help of production lines equipped with state-of-the-art technology, where the transformation of raw materials into finished products is achieved through fully automated operations, the human factor intervening only for supervision. We combine essential elements of the traditional way of preparing meat dishes with innovative elements, while increasing the processing efficiency to obtain products with a high degree of food safety.

Our meat products are packaged in a controlled atmosphere and are stored in freezing or refrigeration spaces, from where they are then distributed in the safest conditions to customers, with cars from their own fleet.

Distribution

Our fleet includes over 400 vehicles with which we ensure the transport of raw materials and **TRANSAVIA** products, in conditions of maximum food safety.



*„**TRANSAVIA** = safety, quality, involvement, responsibility, fairness, perseverance. Undoubtedly, it is a privilege and a great pleasure to be part of **TRANSAVIA's** team.”*

TRANSAVIA EMPLOYEE

„Here I found an environment in which I gained a lot of experience. Working with professionals made the years I spent here a pleasant experience that I want to continue as much as possible.”

Amalia Olaru,
TRANSAVIA employee



ENVIRONEMENT



My responsibility as a leader and as a specialist is to think of the environment and how the future will look like for all the next generations. What impact will we make for them? This is why I am proud and motivated to work for a company that puts sustainability at the core of the business. All the actions we make lead the way for our industry, transforming mentality towards acting economically and environmental efficient while reducing pollution and producing sustainable food.

Diana Pavel

Environmental Director TRANSAVIA

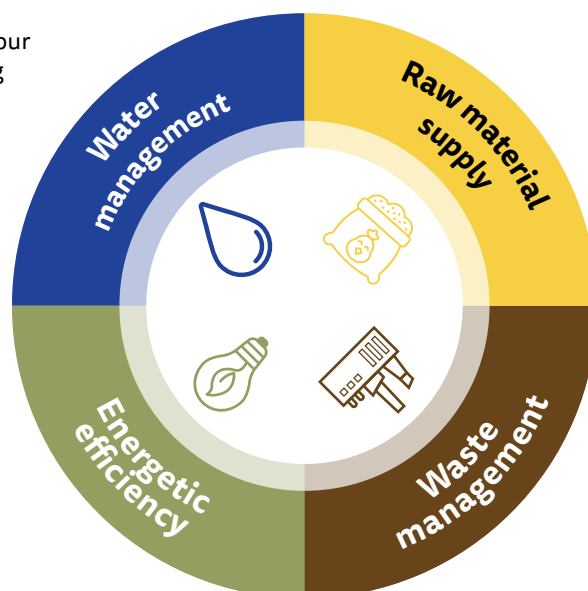
The future depends on a healthy planet. The current climate and environmental challenges require an urgent and ambitious response, to which each of us, authorities, companies, and individuals must contribute. At the European level, the new Green Pact strategy aims to transform Europe into a climate-neutral, equitable and prosperous society with a modern, resource-efficient, and competitive economy. In 2020, the European Council reaffirmed its commitment to the EU's green transition, approving the EU's new mandatory target for

net domestic greenhouse gas emissions reduction of at least 55% by 2030 compared to 1990 levels. This goal translates into an increase over the emission reduction target agreed in 2014 by at least 40% by 2030. The European Green Pact (CAP) aims to turn climate and environmental risks into opportunities and ensure a fair and inclusive transition to climate change. neutrality in terms of climate impact.

OUR APPROACH

We are concerned and make continuous efforts to reduce our environmental footprint and to ensure sustainable production, improving and optimizing activities throughout our production and distribution chain, *from grain to fork*. We are constantly taking steps to maintain and increase compliance with legal requirements in the field of environmental protection and we have additional initiatives to minimize our impact.

We are committed to reducing our impact on the environment, acting to continuously improve sustainability by building and developing a standardized Environmental Management System (EMS), through which we identify environmental issues and risks and take actions to minimize the impact on the environment. EMS's key areas of action are the following: water management, energy efficiency, raw material supply, and waste management. Our efforts are constantly focused on saving water and wastewater management, increasing energy efficiency, reducing emissions throughout the supply chain, and reducing food waste, *from grain to fork*.



2020 MILESTONES AND ACHIEVEMENTS

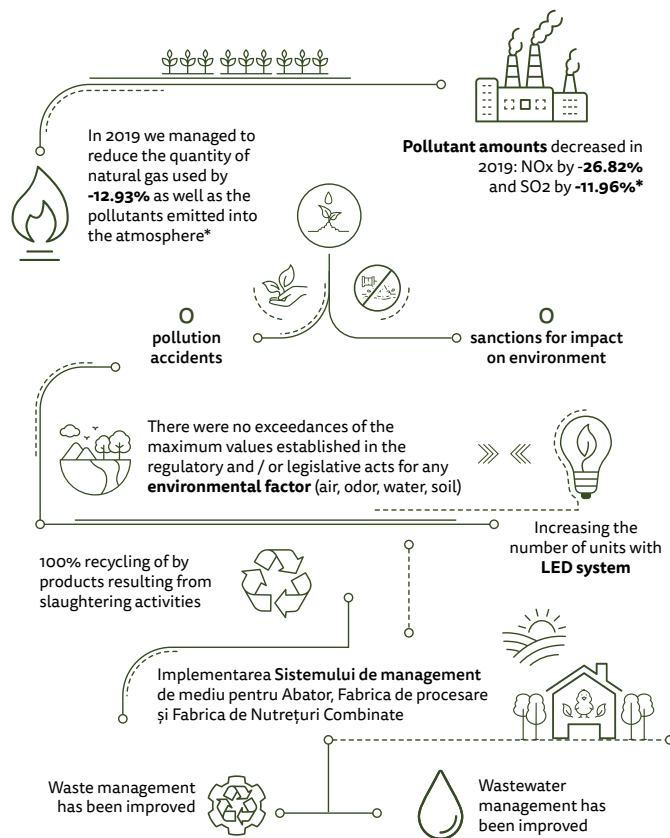
We reduced the consumption of natural gas by about 29% in 2020 vs. 2019 and by 47% vs 2018, mainly due to taking measures in the field of poultry processing activities. In the case of the chicken farms, the consumption of natural gas does not support a comparison with the previous period due to new farms purchase.

The quantities of pollutants emitted into the atmosphere from fixed sources (medium and small combustion plants) decreased by about 6% compared to 2018 (the reference year for the Sustainability Report), being at a level similar to 2019.

The specific water consumption for the slaughtering activities falls within the limits provided by Best Available Technics / Technologies (BAT): 5.07 - 67.4 m3 / ton.

As a result of the rational use and implementation of the water management strategy, the quantities of water registered at the level of all operating units indicate a reduction of consumption by about 10,800 cubic meters in 2020, compared to 2019.

We accelerated the replacement of outdoor lighting from 250 W and 150W to 90 W - LED lighting and the replacement of existing lighting (fluorescent lamp fixtures) with LED fixtures at all possible work points, reaching a level of over 95 % of the proposed target by 2025). The reduction in energy consumption related to the lighting generated was 15%.



*Reduction due to the production process in the chicken meat processing farm and reduction of other company activities

WATER MANAGEMENT

Water is an essential resource, affected by climate change. We are aware that water is a vital resource for any form of life, therefore it must be responsibly consumed and protected. Water is one of the main components used in our activities: for cultivating land and making fodder, for raising birds and processing poultry meat, and making meat products. For this reason, we are constantly making sustained efforts to use water as efficiently as possible, by protecting this resource that we want future generations to benefit from.

We rigorously control, to the provisions of the Best Available Techniques (BAT) the supply of drinking water in the technological processes we carry out, from the cultivation of cereals, the manufacture of compound fodder, the raising of birds, to the slaughter and processing of products, but also in administrative activities (office, maintenance of green spaces). We strictly comply with all legal regulations and follow the internal standards that allow us to apply best practices ensuring responsible actions for sustainable water management. The water sources we feed on are underground, from the existing public supply networks in the localities where we carry out our activities. We use water resources rationally using high-performance equipment and modern technologies with low water consumption.

Our monitoring strategy focuses on the quality and quantity of drinking water used to increase efficiency.

We had ambitious commitments to sustainable water management and we are proud of the results we achieved as a result of the water efficiency measures we took:



We used water supply equipment with low recovery or consumption systems, high-pressure pumps, and low water flow.



We implemented systems with sensors at the sinks of headquarter and other important operating units.



We carefully monitored the monthly consumption in all operating units to detect any losses.



We equipped the raising-birds houses with computer systems that measure and monitor water consumption on the farm, which allows us to track any deviation from normal water consumption and to identify problems such as accidental leaks. Thus, we minimize and prevent additional water consumption.

We equipped all our farms with a drinking system provided with suspended drips with recovery cups, specially designed to save water. This system helps to limit significant water losses, which in their absence can fall into the bedding, causing waste and degradation of the bedding, leading to the elimination of ammonia and carbon dioxide in the house and thus in the atmosphere. With the help of the system equipped with recovery cups implemented by us, it supports a rational water consumption that leads to a significant saving of water compared to the consumption recorded in conventional systems (bell type):



In all activities (feed manufacturing, poultry farming, slaughtering) we have implemented general techniques to reduce, as per BAT requirements, the water consumption and the volume of wastewater discharged. The specific water consumption in the poultry breeding activity is between 6 - 8 l / chicken/ series and 48 - 60 l / chicken/ year, in line with the BAT parameters (4.5 - 11 l / bird / series respectively, 30 - 70 l / chicken/ year). At the slaughterhouse, the water consumption per unit of product in 2020 was lower than in previous years by about 37 - 38%, (in 2020 it was 5.9 m³ / ton, vs. 2019 with 9.4 m³ / ton, 2018 vs. with 9.6 m³ / ton).

The specific water consumption is within the limits provided in BAT (Best Available Techniques / Technologies) BAT 5.07 - 67.4 m³ / ton.

WASTEWATER MANAGEMENT

Our company has several treatment plants designed to protect the environment and comply with the principle of sustainable development, a significant amount of water returning to the natural circuit, and in addition to this come with other advantages:

» The impossibility of draining wastewater directly into the ground as a result of the transport of technological and domestic wastewater, for some operating units, through a watertight sewerage system;

» Zero risk of soil pollution due to the small distances between the consumer and the treatment plants;

» Low risk of air pollution due to the modern technology used and the fact that the treatment plants are compact and do not allow odor emissions;

» Zero negative impact in surface waters due to the technology used that ensures the quality of treated water complies with NTPA 001. We constantly ensure the quality of these waters through periodic tests on the quality of treated water, according to environmental permits, integrated permits environment, of the norms and regulations in force, using both our laboratory and external laboratories.



We are proud of what we have already done and we are ready to set new targets for 2030, being prepared to do even more in all our operations to ensure sustainable water management.

ENERGETIC EFFICIENCY

To make energy consumption more efficient, we adopted the use of high-performance technologies and equipment and we encouraged their reliable, efficient operation to prevent potential losses. Thus, we contribute directly to reducing greenhouse gas (GHG) emissions and combating the effects of climate change.

We use natural gas to produce steam to ensure the technological flow, to heat the spaces for raising birds, and to heat the administrative spaces. Through careful management of natural gas consumption, we managed to reduce the amount of natural gas and the emitted pollutants used by 29% in 2020.

As well, to further improve the energy efficiency, we continued the thermal insulation of some houses, we used automatic heat monitoring equipment in the broiler houses and we implemented a series of specific measures for each operating unit, depending on the geographical area and the winter-summer temperature variation.

In the Timiș County operating unit, we use solid pellet fuel, a source of green, renewable, clean, carbon-neutral energy. The number of pellets used in 2020 was 16 6079 kg.

RAW MATERIALS PROCUREMENT FROM AREAS CERTIFIED AS SUSTAINABLE PRODUCTS, WITHOUT NEGATIVE IMPACT ON THE ENVIRONMENT

Beyond our supply chains, we are expanding our influence through a deep commitment to a variety of initiatives. As an industry leader, we feel responsible for taking the lead in building and maintaining meaningful dialogue. We double all our sustainable production actions by encouraging others to act responsibly for the protection of biodiversity and natural resources.

Forests are essential for conserving biodiversity and for combating climate change while providing livelihoods for millions of people around the world.

Conservation of forests and native vegetation helps prevent the increase in global carbon dioxide emissions (a major factor in climate change). Respect for biodiversity and the interests of stakeholders emphasizes our responsibility as a company with an extensive presence in the value chain. Thus, in 2020, 100% of the amount of soybean meal purchased for poultry feed was certified as coming from outside the Amazon Biome, thus fulfilling the proposed goal of using raw materials from sustainable sources only in the production of poultry feed. In addition, during the reference period, the transport of the soybean meal was ensured by trucks and train cars, reducing the impact of transport on the environment.

1726
trucks



SOY GROATS
bought in 2019

1650
trucks



SOY GROATS
bought in 2020

62
train cars



Sustainable food systems are built on sustainable obtained products based on responsible, traceable supply. Our commitment is to know where the raw materials we use are coming from, and how they are produced and what impact they have on the environment. In addition to our direct commitments, we have and will continue to engage other stakeholders to work together to improve supply chain transparency, including traceability.

By aligning with the international Round Table on Responsible Soy initiative, we took another important step

towards achieving our goal of promoting sustainability in the supply chain, in 2020. For the reference year, we purchased RTRS credits, which help support responsible soy production, ensuring that it comes from an environmentally sound production process that is environmentally sound, socially appropriate, and viable. economically. All this is an unprecedented effort to address society's concerns about sustainability, highlighting the high level of responsibility on the part of our company to meet the challenges posed by future climate change.

WASTE MANAGEMENT

We actively take responsibility and concrete measures having a sustainable approach in all stages of the production process, *from grain to fork*. Through the rigorous control of the production processes we contribute to a significant reduction of the food waste on the production chain, and through the actions taken regarding waste management, including through selective collection, we contribute to the protection of the environment. Concerning reducing carbon emissions, our efforts in the field of packaging waste recycling have led to a reduction in the amount of carbon dioxide by 399,332 tonnes.

Our continuous concern for increasing environmental performance is visible in how we handle waste management, minimizing the negative impact on the environment, by knowing the legislative changes in the field, and being always aligned with the new requirements. We identify solutions and technologies of treatment, recovery, recycling, or disposal of waste since the conception and design phase for our products. We are demanding in the management of waste and by-products generated as a result of activities. We manage to significantly reduce waste, through rigorous control of production processes and actions taken in the field of waste management, recovering over 99%, and less than 1% being sent for removal. All waste generated is collected selectively, stored in specially designed spaces, transported for recovery, recycling, or disposal, in special means appropriate to the type and nature of waste to meet the requirements of human health and the environment.

By-products are used as rationally as possible within the company. 3rd category products, those not intended for human consumption, and the by-products generated in slaughterhouses, are used for the most efficient recovery of protein and fat, being processed in our protein flour preparation facilities. This finished product is used as a raw material in the manufacture of pet food.

TRANSAVIA SA has contributed, through packaging recycling, to the reduction of carbon emissions amounting to:

399,332 tons of CO₂



The equivalent of
17.969 fir trees
that breathe over 1 year



The equivalent of
neutralizing
3.0071.661 km
covered by car



The equivalent of
saving
1.451.971 kWh

Coefficients for offset CO₂ and their equivalent in fir trees, km, kWh are calculated based on public information released by the EC (European Commission), U.S. Environmental Protection Agency, IEA (International Energy Agency), ONU (Department of Economics and Social Issues).

The by-products from the incubators are processed in our facilities, resulting in a sterile from a microbiological point of view protein flour with the high calcium content. These raw materials fall into categories 2 and 3 (art.3, paragraph 3 of the Regulation (EC) No 1.774 / 2002) used as fertilizer for own crops on vegetable farms.

Animal tissue resulting from poultry farms and during transport to slaughterhouses are 100% used by an authorized economic operator. Another category of by-products and/or waste managed efficiently from environmental protection and economic point of view is manure from birds mixed with breeding bedding. This category is managed to the provisions of Best Applicable Techniques (BAT) and the Code of Good Agricultural Practice for the Protection of Waters against Pollution by Nitrates from Agricultural Sources. The quantities generated in our farms respect the values of the regulatory and legislative acts: 2 - 5 kg/unit bird/year, values that fall within the provisions of BAT: 10 -17 kg/unit bird/year.

BEDDING REUSE

We pay special attention to the management of used bedding taken out of the houses, which we use circularly as an organic fertilizer on the lands managed in our cereal farms. Manure from birds is collected and stored in our authorized landfills being deposited for stabilization, a mandatory step before its use as organic fertilizer for crops on our cereal farms.

The use of this more environmental-friendly organic fertilizer is made as per the soil requirements, set through specific analyzes by our specialists. We are thus able to use less mineral fertilizer and reduce greenhouse gas emissions.

WASTE RECOVERY AND RECYCLING

We constantly strive to minimize the consumption of natural resources and to significantly reduce the impact on the environment. An important component contributing to the achievement of these objectives is the recovery and recycling of waste. We collect and ensure, by handing over to authorized economic agents in the field, plastic, cardboard, metal, wood, technological waste (from slaughtering, poultry farming).

During the reference period, we continued to recycle 100% of the by-products resulting from the production chain (results from incubation and slaughter, such as eggshells, organs, feathers, and blood) in our protein flour facilities, as previously presented.



Paper



Glass



Waste



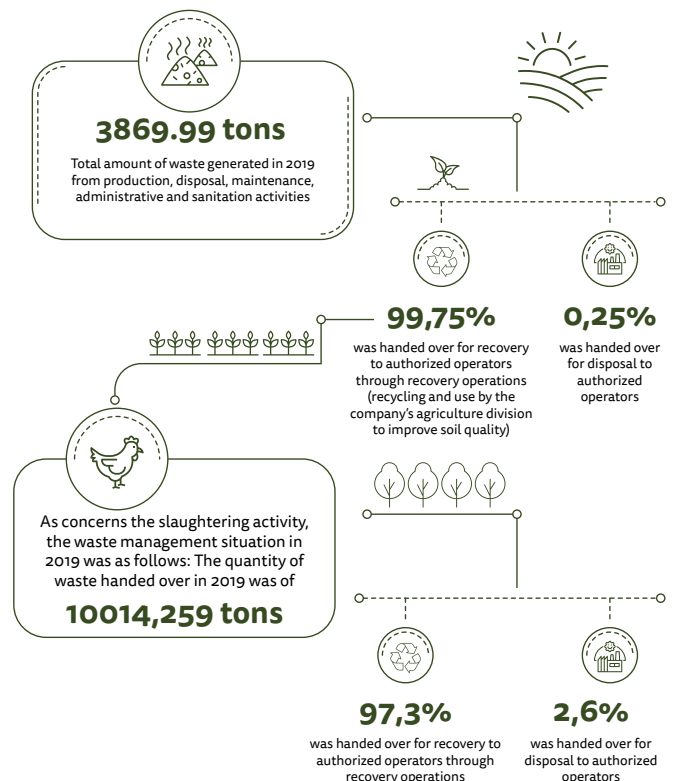
Plastic

WASTE SORTING

Our high standards of environmental protection, from grain to fork, are supported by the joint effort of all our employees. They are regularly informed about the importance of these actions and about the procedures and techniques we follow in this regard. We follow, as a priority, the principle of waste prevention through practical and concrete actions ensuring that the management of waste generated is carried out following the legal provisions:

- » we have arranged special spaces for the temporary storage of waste,
- » we collect selectively, by types of waste,
- » we have specially designed containers for storing by types of collected waste,
- » we concluded contracts with authorized companies to hand over waste for recovery or disposal.

The high level of awareness among employees contributes to the high percentages of waste recovery. Thus, in 2020, at some operating units, the percentage of recovery varies from 92.91% to 99.94%, and the percentage of elimination from 0.3% to 7%.





COMMUNITY



*Doing well is one of the guiding principles for all of us in **TRANSAVIA**. It refers to both doing things responsibly, as it must, and contributing to the well being of those around us, who lives and works within the communities we operate on. Our long term vision of the company's development is embedded in all aspects of our business. One of my main priorities concerning **TRANSAVIA** business' consolidation as a sustainable company, incorporating the latest management principles and innovative technologies, for having a healthy, prosperous business, adapted to the expectations of our customers, now and in the future.*

Theodora Popa

Vice-Chairman & Board Member TRANSAVIA

HEALTH

In addition to our mission to contribute to people's quality of life by providing sustainable, healthy, and safe food, *from grain to fork*, we ensure that our impact in the community is positive. We achieve this through the investments we make and the funds we allocate for contributions that we consider significant and auspicious in the life of communities and in the well-being of the environment in which we work. We help and want to contribute to the development of priority areas, such as health, sports, and education. Despite all the challenges that all companies have faced in 2020, we believe that we have a duty of honour to stay connected to the environment in which we operate and try to contribute to the development of a better, healthier, and more responsible society.

"As a resilient and responsible leader, we will keep in touch with the community and we are convinced that together we can get through these moments through responsibility, trust, and discipline."

Eng. Ioan Popa, PhD

President and Founder of TRANSAVIA

In 2020, **TRANSAVIA** allocated over 2 million lei for sponsorships of the medical system and for its actions to support the community.

TRANSAVIA was the first private company in Romania to take action and make a substantial donation consisting in COVID-19 tests and related materials to the health units in Alba County, this being one of the first counties that could start mass



testing COVID-19. **TRANSAVIA** provided for the Alba County Hospital the necessary equipment for performing the COVID-19 tests, at a time when the respective facilities did not exist in the county. **TRANSAVIA** has allocated, in addition, 1 million lei for the purchase of auxiliary medical equipment, disinfectants, protective equipment and masks, medicines, and other materials, bringing its contribution, together with the local authorities and the Alba County Hospital, to the management of a situation of a health crisis. At the same time, **TRANSAVIA** provided support and collaboration with local authorities at all levels.

TRANSAVIA also stood by the World Health Organization (WHO) through the special partnership with the Oncological Institute „Prof. Dr. Ion Chiricuță” from Cluj-Napoca, supporting the action of raising awareness of the population on cervical cancer in Romania and on the efforts of doctors in the fight against this condition.

TRANSAVIA has also helped local communities and communities close to its workplace areas by supporting 29 organizations and entities directly or through the **TRANSAVIA** Foundation, as well as various individuals through sponsorship activities or financial aids for medical treatments.

In Alba County, we were involved in the implementation of the “Children’s City Hall” project, the first participatory budgeting

initiative for children in Romania. The project, initiated by the City Hall and the Ciugud Secondary School, aims to educate children on citizenship involvement and participatory democracy, teaching about the rights and obligations of a citizen, how to elect representatives in local public administration, and how the City Hall and Local Council work. Moreover, in order to support the healthy development of children, we got involved in financing investments for more playgrounds in the Ciugud community.

In Caraș-Severin County, **TRANSAVIA** has supported the local community in Bocșa by responding promptly to the call of the City Hall, which requested food support for people in a precarious financial situation. **TRANSAVIA** also supported with food packages 30 social centres belonging to the Alba Iulia Orthodox Philanthropy Association.

EDUCATION

The education pillar was further supported by our involvement in actions aimed at reducing school dropout, promoting educational alternatives, and providing access to technology for students. As part of the team of representatives of the Alba County Council, the Alba School Inspectorate, and four of the most important economic agents in the county, we facilitated meetings with local communities, both urban and rural, in order to promote and reduce school dropout. We provided career counselling for students and parents in the county and promoted both classical and dual vocational education. The project was implemented in 30 schools, by moving the project team to the respective localities and organizing meetings with students in their final years and with their parents. More than 200 students and parents were counselled. Due to the pandemic situation, the project was suspended starting March 15. The project was resumed in 2021.

In order to support the access to modern education, **TRANSAVIA** allocated 50,000 lei for the endowment with IT equipment of the “Avram Iancu” Gymnasium School from Alba Iulia.

We invest funds and trust in projects that can improve and contribute to increasing the quality of life of our consumers and the communities they belong to.



SPORTS

The pandemic situation in 2020 did not allow the development of sports activities, causing the suspension of training and competitions, regardless of the scale. Yet, our investments in this pillar have not been reduced. In last year’s pandemic conditions, **TRANSAVIA** was involved in supporting and organizing 11 golf competitions.





Organizations and entities supported by the TRANSAVIA Group in 2020:

 AVP MAMUT ASSOCIATION Alba Iulia	 FILANTROPIA ORTODOXĂ ALBA IULIA ASSOCIATION Alba Iulia	 ALBA PATIENT ASSOCIATION Alba Iulia	 DOCLIN COMMUNE Doclin (Caraș Severin)
 INTERNATIONAL ASSOCIATION OF POLICE OFFICERS romanian section, Ciugud	 MARIA BEATRICE NGO Alba Iulia	 SÂNTIMBRU COMMUNE Alba Iulia	 DSP ALBA Alba Iulia
 ROMANIAN ONCOLOGICAL ASSOCIATION ION CHIRICUȚA Cluj-Napoca	 REGIONAL ASSOCIATION OF PROFESSIONAL AND PERSONAL DEVELOPMENT Alba Iulia	 OAȘA MONASTERY Șugag (Alba)	 NANE FOUNDATION București
 ROTARY CLUB ALBA IULIA ASSOCIATION Alba Iulia	 The MEDICAL SOCIETY NEUROSURGERY 2005 ASSOCIATION Alba Iulia	 TRANSILVANIA LEADERS FOUNDATION Cluj-Napoca	 ROMANIAN ORTHODOX MONASTERY BÂRSANA București
 "EDU XXI PLUS" ASSOCIATION Alba Iulia	 HIS MAJESTY'S HOUSE ASSOCIATION București	 THE CITY OF BOCȘA Bocșa (Caraș-Severin)	 BABEȘ-BOLYAI UNIVERSITY Cluj-Napoca
 OPERA 2 YOU CULTURAL ASSOCIATION Cluj-Napoca	 INTERNATIONAL ASSOCIATION OF CRAFTS Cluj-Napoca	 ALBA IULIA COUNTY EMERGENCY HOSPITAL Alba Iulia	 CLUJ COUNTY EMERGENCY CLINICAL HOSPITAL Cluj-Napoca
 THE ROMANIAN ORTHODOX PARISH TOTOI Totoi (Alba)	 THE ROMANIAN ORTHODOX PARISH SÂNTIMBRU-FABRICA Sântimbru (Alba)	 THE RÎMETEA MONASTERY Rîmetea (Alba)	 THE ROMANIAN ORTHODOX PARISH COȘLARIU Coșlariu (Alba)



GRI CONTENT INDEX

GRI reference no.	Description	Page
-------------------	-------------	------

GENERAL DISCLOSURES

102-1	Name of the organization	2
102-2	Activities, brands, products and services	14-16
102-3	Location of headquarters	2
102-4	Location of operations	39-40
102-5	Ownership and legal form	2
102-6	Markets served	9
102-7	Scale of the organization	22
102-8	Information regarding employees and other workers	30-33
102-9	Supply chain	18-21
102-10	Significant changes to the organization or its supply chain	34-35
102-11	Precautionary principle	38-39
102-12	External initiatives	2
102-13	Membership of associations	13
102-14	Statement from senior decision-maker	2-3
102-16	Values, principles, standards and rules of behavior	11-12
102-18	Governance structure	12
102-40	List of stakeholder groups	6
102-42	Identifying and selecting the stakeholders	4-7
102-43	Approach to stakeholder engagement	7
102-44	Key topics and concerns raised by stakeholders	7
102-45	Entities included in the consolidated financial statements	2
102-46	Defining report content and topic boundaries	2-3, 7
102-47	List of material topics	4-5, 7
102-48	Restatements of information	9-10
102-49	Changes in reporting	7
102-50	Reporting period	22-23
102-51	Date of most recent report	2
102-52	Reporting cycle	2
102-53	Contact point for questions regarding the report	2
102-54	Claims of reporting in accordance with the GRI Standards	2
102-55	GRI content index	56-57
102-56	External assurance	-

GRI reference no.	Description	Page
-------------------	-------------	------

ECONOMIC DISCLOSURES

201-1	Direct economic value generated and distributed	10
-------	---	----

EMPLOYEES

103-1, 103-2, 103-3	Management approach	18-19
401-1	New employee hires and employee turnover	30-31
403-7	Impact on SSM prevention and attenuation, with regards to business affairs	31
403-8	SSM Employee Management	30
404-2	Programs for upgrading employee skills and transition assistance programs	31
404-3	Percentage of employees that undergo regular performance and career development evaluations	31
405-1	Diversity of governance bodies and employees	35
405-2	Ratio of basic salary and remuneration of women to men	31, 35
406-1	Incidents of discrimination and corrective actions taken	31

RESPONSIBLE PRODUCTION

103-1, 103-2, 103-3	Management approach	18-19
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	39
FP10 (GRI G4)	Policies and practices on animal welfare and the use of anaesthetic	40

ENVIRONMENT

103-1, 103-2, 103-3	Management approach	46-49
302-1	Energy consumption within the organization	43
303-1	Water consumption	47
306-2	Waste by type and disposal method	50
307-1	Non-compliance with environmental laws and regulations	

COMUNITATE

103-1, 103-2, 103-3	Management approach	52-53
203-2	Significant indirect economic impact	54
413-1	Operations with local community engagement, impact assessments, and development programs	54



TRANSAVIA



Transavia SA

Blajului Street 244, Romania
Sântimbru, 517675, Alba County, Romania

Tel: +40 (258) 813 515;

Fax: +40 (258) 851 043

Email: relatii publice@transavia.ro

www.transavia.ro

*Well Made
in Romania*