

IAR SA COMPANY STRATEGY

IAR SA is a strategic company of national interest, whose activity is based on high technological know-how, specialized, intended especially for the defense industries, being the only Romanian economic agent in the field on the military helicopter market in Romania. In addition to use in the defense/military field, the company's products also perform other types of missions of particular importance such as: law enforcement missions, anti-terrorist missions, search and rescue missions, intervention missions in case of natural disasters, state border surveillance, evacuation of the wounded and medical assistance, special transports, aerial surveillance missions, firefighting missions, etc.

The evolution of domestic and international markets, traditional or new, the existence of armed conflicts and the need for permanent upgrading of helicopters produced at the headquarters of IAR SA, against the backdrop of the increasingly high demands of beneficiaries, are constant and permanent challenges, to which our company responds promptly, in conditions of maximum quality and safety.

IAR SA is committed to permanently respect the following set of values:

CUSTOMER: *Satisfying customer requirements is the main priority and objective of the entire activity, taking into account the fact that, in their vast majority, the company's customers are involved in ensuring the national defense capacity, as well as in other missions of particular importance such as: law enforcement missions, anti-terrorist missions, search and rescue missions, intervention missions in case of natural disasters, state border surveillance, evacuation of the wounded and medical assistance, special transports, aerial surveillance missions, firefighting missions, etc.*

PRODUCTS: *The success of IAR SA depends on how it manages to modernize the products in the manufacturing range and to offer both new products, which fully satisfy the operational requirements of the users, as well as complete service packages related to the delivered products.*

CONCERN FOR THE COMPANY MEMBERS: *The company's management aims to select, train and motivate employees in order to achieve the best quality, in the conditions of the best possible commercial and financial results. It is convinced that success is directly proportional to the professional and human quality of the employees, as well as to the care shown by the company towards them.*

The business strategy of IAR SA, aimed at supporting the company's success, determines the current operations of the team of specialists who carry out their activities within it.

This is based on the following strategic objectives, which reflect our priorities and form the basis for the development of our strategy across our entire portfolio of products and services:

- 1. Providing the highest quality services in safe conditions for customers*
- 2. Developing the capabilities of IAR SA Braşov (including attracting appropriate investments) and adapting them to market developments and customer needs*
- 3. Developing a sustainable relationship with our customers, based on a win-win system*
- 4. Continuous development of human resources in order to achieve performance in the field, reorganizing the company in order to respond to developments and requirements*
- 5. Promoting, continuously upgrading and developing quality management*
- 6. Improving economic, environmental, social and governance performances and capacities*
- 7. Developing a sustainable policy to attract and develop young candidates, in order to succeed in rejuvenating the staff and motivating them*
- 8. Continuous training and improvement of staff, in order to master modern techniques and technologies*
- 9. Reducing risks by applying sustainable corporate policies*

The strategy developed by the administrative and executive management of IAR SA also aims to take all measures having the purpose to ensure the company's sustainability in the business environment, which translates into a series of actions aimed at reducing the negative environmental and social impact resulting from its economic activity, in parallel with improving performance in terms of corporate governance.

IAR SA's sustainability practices comply with the following criteria:

***Environmental criterion (E):** IAR SA takes all necessary measures to reduce as much as possible the impact that its activities have on the environment.*

The company's management treats the global warming process responsibly, taking a series of measures that allow for the reduction of energy consumption and environmental pollution.

Also, the administrative and executive management has implemented a series of procedures aimed at eliminating waste, reducing greenhouse gas emissions, and protecting natural resources and biodiversity.

***Social criterion (S):** IAR SA pays special attention to the relationships it has with employees, customers, business partners, but also the community in which the company operates, developing specific policies for each of the aforementioned areas. **Corporate governance criterion (G):** The*

administrative and executive management of IAR SA respects the principles of business ethics and has a responsible professional conduct towards all aspects arising from or related to the operation of the company.

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The strategic approach practiced by the administrative and executive management of IAR SA offers opportunities and value, important criteria both for the company and its shareholders, as well as for its customers, suppliers and collaborators.

In this context:

- *we are, as always, strongly committed to providing returns to our shareholders*
- *the needs of the customers we serve represent a source of inspiration of central importance for our strategy, the future of our company and their evolution being interdependent*
- *we are focused on improving the quality of the human resource available for the company, this representing the guarantee for the success of the commercial relations that the company has with its suppliers, collaborators and beneficiaries*
- *the attention we pay to the environment, but also the involvement of society in solving social challenges, bring added value to our company.*

We are determined to bring added value to our company every day.