

SUCCESSION PLAN
for ensuring
THE EXECUTIVE LEADERSHIP OF THE IAR SA COMPANY

The Board of Directors has developed this succession plan for the executive management of IAR SA in order to create the necessary conditions for the smooth running of the Company's business, even in the event of vacancies of directors.

The Board shall, in accordance with the succession plan for the executive management of IAR SA, at least observe the following principles:

- *the principle of diversity in terms of gender, age, experience and skills*
- *the principle of non-discrimination, whether direct or indirect, based on sex, sexual orientation, genetic characteristics, age, nationality, race, color, ethnicity, religion, political opinion, social origin, disability, family status or responsibility*
- *the principle of mutual respect and good faith*
- *the principle that improving the performance and development of the organization is dependent on the diversity of thought of the Society's directors, managers and employees.*

Labor relations in IAR SA are based on the principle of mutual respect and good faith, the Company complying with the legal provisions on non-discrimination and the elimination of any form of harassment (moral, sexual) and violation of human dignity.

The organizational culture developed within IAR SA is an inclusive one, in which administrators, directors and employees of the company feel comfortable, respected and treated fairly and non-discriminatorily, being appreciated individually, depending on the attitude and results of each one. Actuala structură organizatorică și de personal a Societății IAR SA curpinde următoarele poziții de top management:

- *one post of Director-General*
- *one post of Deputy Director-General*
- *one post of Executive Director Commercial and Economic*
- *one post of Executive Director Development - Production*
- *one Head of Quality Department.*

The principles adopted by the Board in order to ensure succession of executive leadership in the event of a vacancy are as follows:

- *The Deputy Managing Director, the Executive Director Commercial and Economic and the Executive Director Development - Production shall undergo specialized training in order to assimilate the knowledge necessary to perform the duties of Managing Director, in the event of a vacancy in the post in question*
- *The Nomination and Remuneration Committee shall draw up and propose to the Board of Directors the procedure for the selection of candidates for the positions of Director and other management positions, recommend to the Board of Directors candidates for the listed positions, make proposals on the remuneration of Directors and other management positions*
- *The Board determines the desired characteristics and traits of candidates for the position of Chief Executive Officer, including factors such as diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to executive management responsibilities in the context of the needs of the Company*
- *The list of proposals to be considered for the selection of the Director-General in the event of a vacancy for this post shall also include the persons holding the posts of Deputy Director-General, Executive*

Director for Commercial and Economic Affairs, Executive Director for Development - Production and Head of the Quality Department

- *The Board may determine that, in the process of evaluating candidates for the post of Chief Executive Officer, the Nomination Committee shall be assisted by an independent expert, a natural or legal person specialized in human resources recruitment, whose services are contracted by the Company in accordance with the law*
- *The Board must ensure that the vacant post of Managing Director is filled by the most suitable candidate who guarantees the performance of the Company's management.*
- *Some of the practices included in the Policy for Diversity, Equality and Inclusion developed by IAR SA, applicable also in the case of selecting the best candidate for the position of General Manager of the Company, are as follows:*
 - *vocational training*
 - *specialized trainings;*
 - *induction program in the Society's field of activity*
 - *gender equality*
 - *involvement of women in management positions*
 - *dignity at work*
 - *protection against harassment and abuse*
 - *application of the principles stipulated in the Code of Ethics and Integrity of IAR SA*
 - *inclusion*
 - *organization of events aimed at allowing the inclusion of managers in the collective to which they belong*