



National Company "ADMINISTRAȚIA PORTURILOR MARITIME" - S.A.
CONSTANȚA

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Non-financial statement for the year 2021

Pursuant to Order no. 1802/2014 of the Minister of Public Finance approving the Accounting Regulations on annual financial statements and annual consolidated financial statements, as amended and supplemented by Order no. 1938/2016 of the Minister of Public Finance, art. 492[^]1, the Non-financial Statement was drawn up, separately from the Administrators' Report, this statement containing information relevant to the activity of CN APM SA Constanța for 2021, related to human resources, occupational health, safety and security, the environment.

1. The strategy of CN APM SA Constanța



National Company "Maritime Ports Administration" S.A. Constanța operates under the authority of the Ministry of Transportation and Infrastructure, carries out activities of national public interest, and is organized and operates in line with the legislation in force and the Company's memorandum of association, as provided by GD no. 517/1998 on establishing National Company "Maritime Ports Administration" S.A. Constanța, as amended and supplemented by GD no. 464/2003 and supplemented by GD no. 597/2009.

The Company's activity is regulated by Law no. 235/2017 on amending and supplementing GO no. 22/1999 on the administration of ports and waterways, the use of naval transportation infrastructures belonging to the public domain, as well as the performance of naval transportation activities in ports and across inland waterways.

The Company fulfils the function of port authority in Constanța Port – Constanta area, Midia area and Basarabi area, Mangalia port and Tomis tourist port, the infrastructure of which was taken over under concession from the Ministry of Transportation and Infrastructure. CN APM SA, in its capacity of port authority, operates state-owned public property.

Throughout the COVID19 pandemic – one of the most significant disturbances in the history of modern trade – the maritime and logistics industries had to face an extremely challenge business environment. In a sector that is already strained and marked by increased uncertainty, the extensive shutdown of manufacturing sectors and interruptions along transportation networks severely affected the continuity of maritime and river-borne transportation. COVID19 directly affected supply chains and ports all over the world. The need to develop stronger and shorter supply chains, that are able to better react to future interruptions, has become ever more critical.

In 2021, the ports administered by CN APM SA Constanța remained operational and played a vital part in maintaining supply chains active and facilitating trade.

As part of the strategy adopted by CN APM SA Constanța for 2021, the following aspects were initiated:

- *Development of the maritime and river-borne traffic in the ports administered by CN APM SA Constanța*

Constanța Port can be characterized as a multimodal general port. There are no natural restrictions, and a large number of companies are active in the area. As a general cargo port, it is necessary to raise awareness on the use of maritime and river-borne transportation as a mode of transport.

- *A developed transportation infrastructure, optimization of environmental, security and safety conditions within the port*

Investments in core infrastructure, maritime access infrastructure and transport-related infrastructure (transport links to railways, roads, inland waterways) must represent priorities as part of the company's projects, as they play a critical part in developing a sustainable transportation system and eliminating bottlenecks (modal change and better connectivity).

Constanța Port's role is to be a reliable port and to manage in a sustainable manner business activities and employment efforts within the ports it administers.

Identification of risks and opportunities concerning environmental aspects and compliance obligations, risks that have to be addressed in order to ensure the effectiveness of the Environmental Management System, so as to prevent the emergence of potentially urgent situations with an impact upon the environment or to reduce the effects thereof.

Provision of security and safety within the port by means of increasing the actual depth of channels and basins within the port (maintenance dredging works), optimisation of maritime access to Constanța Port by means of renewing and upgrading the signalling system specific to port basins and the fairway.

- *Provision of an effective, safe and green supply chain.*

Being at the crossroads among supply chains, port administration bodies can play an essential part in the supply chain digitalisation process. By often being a facilitator among all the parties involved in port operations, port authorities can turn into genuine digital facilitators and neutral data administrators in the service of the transportation and logistics chain.

- *Enhancement of the company's financial performance*

The port administration's financial power is the one allowing us to invest in the future of the port. With an exceptional rating credit and using an effective management of the property given under administration to the company, we will maintain the confidence of the investor community and of access capital in the most cost-effective manner possible.

Implicitly, the port has to optimise its assets along with optimising the revenues these generate.

- *Provision of a normal competitive environment that would allow customers to promote their interests.*

The establishment of clearly defined framework of transparent, fair and non-discriminatory provisions concerning the funding and the charges on the use of the port infrastructure and the port services plays a fundamental part in ensuring full compliance with the competition rules, the compliance of the ports' commercial strategies and investment plans and, as the case may be, of the general domestic framework of port planning policies.

In order to be effective, the charges on the use of port infrastructure should be transparently established, in accordance with the port's commercial strategy and investment plans and with the requirements provided by the general port planning policy; it is necessary to consult port users, in their capacity of port users, in regard to key aspects pertaining to the proper development of the port, to its charge and fee policy, to its performance and capacity of drawing in and generating business.

By adopting the most suitable strategic variants, the company is able to carry out its mission, can fulfil its objectives and secure for itself an upward evolution marked by success in the field. The market strategy may be considered the core of the marketing policy and can arguably associate a significant importance if one takes into account its direct connection to the end result of the company's business operations, being the means by which it wishes to provide consumers with services that meet the technological requirements, so that the recipients of these services should display high loyalty levels.

- *Development of a constructive organisational culture relying on results (the company capitalizes on its salaried employees who set and fulfil their own objectives) and self-development (the company capitalizes on individual creativity, quality and development)*

The efforts of reaching the highest possible performance levels shall continue in the form of:

- ❖ identifying, to the best of our abilities, salaried employee – workplace compatibilities based on training, skills and qualities;
- ❖ professional training and development;
- ❖ advancement possibilities, age average decrease, etc.

Considering that the main source of labour efficiency increase is the human factor, bearing the greatest weight on the creation of added value and variety, the main goals of the company's human resources policy are the development of employee competencies and enhancing their effectiveness, as salaried employees take part in professional training programs.

2. Health, safety, security, resilience and environmental matters

The implementation of policies on matters of environment and occupational health and security, as well as of courses of action specific to it, is supported with full responsibility and authority by the company's top management, by means of providing the required administrative, technical and organisational frameworks, human, material and financial resources, with the belief that resorting to this system will help develop a prosperous business, along the lines of the sustainable development principles and securing long-term success for the Company.

2.1. Health

Throughout 2021, namely in the existing pandemic context, the human resources policy of CN APM SA Constanța primarily focused on protecting salaried employees and taking steps intended to prevent contracting the SARS CoV 2 virus, steps materialised in: allowing the salaried employees to opt for differentiated working hours, concluding addenda on conducting business by means of telework, granting paid days off for child care as per the provisions of Law

no. 19/2020, conducting various meetings the Microsoft Teams platform, etc.

In order to carry out the occupational health physical checks stipulated by GD no. 355/2007 on monitoring workers' health, and in compliance with the requirements of Order no. 1260/1390/2013 for the approval of the Methodological rules on the medical and psychological examination of personnel with transportation safety duties, the company concluded a contract for medical services with lowemed SA.

The medical service provider makes available the entire range of medical services required by the legislation and holds a valid accreditation certificate, issued by the Ministry of Transportation and Infrastructure, for conducting medical and psychological examination in the context of transport safety. The medical service contractor also provides emergency medical assistance, as well as preventive check-ups.

In regard to other significant health benefits provided to its employees, the company has set up funds for financial support granted to employees with severe medical conditions.

In order to prevent employees from falling ill, the company grants financial support, within the limits set forth in the applicable Collective Labour Agreement, for the treatments of employees referred, at medical consultant's recommendation, to undergo treatment in treatment and recovery facilities.

In order to promote health across its structures, the company organises, on a regular basis, campaigns focused on employee ophthalmic examination and promoting and educating for a healthy lifestyle, encouraging prevention of the most frequent medical conditions, such as cardiovascular diseases or diabetes.

2.2. Safety

The prevention and protection activity pursues fulfilling the objectives and indicators specific to it, conducting the assessment / reassessment of occupational injury and illness risks, to set forth risk prevention measures, to coordinate and control the occupational health and safety activity, to train the workers, to research, register, record and report on work injuries, to monitor

the workers' state of health, to monitor the occupations requiring certification, to monitor the performance of technical inspections on work equipment, to monitor the manner of using the personal protective equipment, to monitor the proper use of said equipment, hygiene and sanitary supplies, meals and drinks for adverse working conditions, to set forth the budget requirements for expenses with occupational health and safety, and to monitor how well expenses fall within the budget allocations.

Throughout 2021, in order to contain the occupational injury and illness risks, 40 workplace inspections were conducted according to the annual schedule of verifications regarding compliance with the occupational health and safety requirements, approved at company level, according to form F02II04PSP02, rev. 2 and to the provisions of the extended work instruction - IL04PSP02, rev. 4, there were 16 internal audit sessions focusing on the integrated management system, as well as on how the OHS measures are complied with, but also two verifications performed by Constanța TLI (Territorial Labour Inspectorate) inspectors, focusing on the extent of compliance with the rules on explosive materials, on measures to limit contamination and to implement the occupational health and safety legislation, verifications that did not find any deficiencies that would require compliance measures.



The workers participated in, and were consulted during, the 4 OHSC (Occupational health and safety committee) meetings that took place across the branch offices, meetings where proposals were made to improve labour conditions and later analysed during individual company OHSC meetings, as per the protocols concluded at unit level.

For 2021, the prevention and protection plan was drawn up, starting from the assessed occupational injury and illness risks, in line with the provisions of instruction IL01PSP 02, rev. 5, for all of the company's workplaces whose overall risk level is below the acceptability limit (3.5), presenting an acceptable occupational injury and illness risk.

In order to check whether the workers assimilated the presented topics on compliance with the OHS regulations, and in order to allow the workers' skills upgrade, also in the case of persons seeking employment or to change workplaces, training and testing programs were implemented at company level, and there was constant monitoring of any possible jobs requiring certifications.

A migration was carried out towards SR EN ISO 45001:2018: Occupational health and safety management systems, allowing a permanent performance improvement in the field of occupational health and safety, the goal being to comply with the legal requirements on monitoring the health of employees and those on the provision of personal protective equipment.

In order to ensure business continuity within the company, as a result of the SARS CoV 2 pandemic effects and for worker protection purposes, contamination-preventing measures were taken in the form of a public tender procedure hosted for the purpose of purchasing products required to prevent contamination, consisting in protection masks and disinfectants, as well as RT PCR testing services, but also in the form of continuous monitoring of the company employees' state of health, in line with the provisions of work instruction IL11PSp02, rev. 1.

No dangerous incidents were recorded throughout 2021. The company submitted to Constanța Territorial Labour Inspectorate, for analysis and approval, four case files in which events that involved company employees were being investigated. Following the analysis performed by the inspectors with Constanța Territorial Labour Inspectorate, the documentation on the investigations into the events occurred within the company was approved and, based on it, it was concluded that the circumstances and causes that led to the event occurrence, the legal provisions infringed upon and the measures to be taken following the occurrence of similar events were all properly and

accurately established, with three injuries entailing temporary incapacity for work on record.

The company submitted to Constanța TLI the notice to attend for each OHSC meeting that took place at CN APM SA Constanța, as well as the protocols drawn up for each unit-specific OHSC meeting. The request for the permit to hold pyrotechnics was submitted to Constanța Territorial Labour Inspectorate and Constanța Police Inspectorate.

Three assessment reports on workplace maternity protection were drawn up and submitted to the occupational healthcare service provider, for the latter to draw up notices, and to Constanța TLI for approval purposes.

In order to conduct business in accordance with the legal provisions, as well as to monitor any legislative amendments, the register of legal requirements in the field of occupational health and safety, Section C-SSM F03P.03.3, rev. 1, was updated.

Purchase requisitions and forecast notes for procurement amounts were drawn up in order to include in the annual sectoral procurement plan the purchases of products and services required to conduct the prevention and protection activity. The goal is to secure the human resources required to safely carry out business.

In order to fulfil the occupational health and safety objectives for 2021, and to further improve working conditions, it is necessary to allow effective consultation and participation of workers, as well as to more thoroughly raise awareness in regard to the responsibilities attached to the prevention and protection activity.

2.3. Security and resilience

The care for the high quality of the services rendered by the company, as well as constantly meeting the requirements of its customers, the attention we pay to our employees and to all the stakeholders and, not in the least, environmental protection and the workers' occupational health and safety are among our main strategic pillars.

The main goal for 2021 – migrating towards the Occupational Health and Safety International

Management Standard - ISO 45001:2018 – was achieved by the company in March 2021 when, upon completing the efforts to implement the requirements of the new SR EN ISO 45001:2018 standard, the surveillance audit also covered the “switch to ISO 45001” component.

In March 2021, a surveillance audit on the certification for the environmental management system and the occupational health and safety management system was performed by SRAC CERT S.R.L. and concluded with retaining the certification for the ISO 14001:2015 systems and a certification for compliance with the requirements of standard ISO 45001.

The quality management system re-certification audit took place in September 2021, being performed by Certinspect Register S.R.L., and concluded with retaining the ISO 9001:2015 system.

In the context of continuously implementing the Integrated Management System, as per the requirements of standards SR EN ISO 9001:2015, SR EN ISO 14001:2015 and SR ISO 45001:2018, and to monitor and fulfil the proposed objectives, 191 IMS-specific documents were drawn up and revised in 2021.

At end of 2021, the List of documents in the IMS manual and of related documents drawn up, proposed to be entered in the system in order to regulate the respective activities, comprised 989 IMS documents, of which 182 documents withdrawn from the system. The 807 documents in force included: the IMS manual; 11 system procedures; 6 process records related to the main processes; 22 process records on secondary processes; 225 work instructions; 1 annex to a document (the agreement on environmental protection, OHS and emergency situations concluded with contractors for the provision of services/works) and 541 forms.

In terms of measuring the performance in fulfilling the objectives set forth across the IMS processes, pertaining to the 1st and the 2nd semesters of 2021, the indicators set forth were partially achieved, highlighting the applicability and effectiveness of the implemented system.

Considering the commitment to hold a long-lasting presence on the market and execute future projects of

strategic interests, the Company executives decided to merge the three components of the Integrated Management System (IMS) and express in a single document its policies on quality-environment-occupational health and safety, by purchasing a single certification service designed to embed all the three systems: ISO 9001:2015; ISO 14001:2015 and ISO 45001:2018.

Thus, the performance of the Integrated Management System (IMS), defined as an effective and competitive set of interconnected processes on quality-environment-occupational health and safety, adopted across CN APM SA, backed by solid procedures and consistently audited, will secure a maximum level of productivity that engages the Company's efficiency, effectiveness and competitiveness.

The close monitoring of the performance obtained by the system of interconnected management of all the company's processes and activities will guarantee the provision of objective evidence for a real and comprehensive diagnostic, but also a thorough assessment, which are key elements in developing the strategy by means of securing a competitive advantage and an elevated level of the services delivered by National Company "Maritime Ports Administration" S.A. Constanța to its customers.

CN APM SA Constanța management continuously maintain and improve the implemented Integrated Management System, allowing the company, which holds the role of port authority for the ports of Constanța (Constanța, Midia, Basarabi areas), Mangalia and Tomis tourist port, to ensure by means of the activity carried out that:

- customer requirements are met

In this respect, the main courses of actions are:

- making available to port customers, freely and without discrimination, the naval transportation infrastructure administered by the company, and providing quality and competitive services, in a manner that is safe and in harmony with the natural environment;

- encouraging and drawing in freight traffic with a solid degree of effectiveness and strengthening relations with domestic and international customers;

- continuing the investment activity in order to modernise and develop the naval transportation infrastructure under the company's administration.

- business is conducted in full compliance with the legislation in force and with other requirements applicable to the environmental aspects generated by the company's activities and services, and in full awareness of the occupational health and safety risks, over the entire port premises administered by the company.

In this respect, activities will follow the courses of action below:

- correlating the effective operation of the various compartments, so that the environmental aspects generated by the administration's activities and services (emissions of air pollutants, solid and liquid waste) should comply with the legal requirements and other requirements applicable to the company's field of activity, avoiding accidental pollution instances as much as possible;

- adopting all the control measures required in order to lower the number of work injuries and to prevent occupational illnesses (both among its own employees and for the other categories of persons who may come into contact with our business) by constantly reducing risk levels;

- raising awareness among the company's own staff and the staff operating on its behalf in order to ensure active participation in fulfilling and carrying out the environmental management and occupational health and security objectives and programs.

- performance in the areas of quality, environment and occupational health and security are constantly improved, which leads to optimising the processes carried out by the company, ensuring the provision of professional services and increasing the level of customer trust in the services rendered by the company.

2.4. Environment



The goal of our company is to minimise the negative impact upon the environment, at all times, in regard to waste, oil leaks, energy efficiency, gas emission and water management.

In order to become a *green port*, it is necessary to identify sustainable solutions for key infrastructure design, acting together with port operators and its other partners towards promoting and implementing and organisational culture focused on improving environmental quality, protecting the marine environment adjacent to the port areal, lowering carbon emissions that fuel the greenhouse effect. Furthermore, port development will take into account the EU policy in the area of Green Deal and climatic change.

Changes relevant to the Environmental Management System

These changes primarily focused on the efforts undertaken to revise the Environmental Management System in line with the requirements of standard ISO 14001:2015.

The planned, unintentional or strategic changes that may affect system functionality, as well as the methods to keep them under control and analyse the implications of such changes, were documented in the *“Management of Change”* system procedure.

The company identified the stakeholders relevant to the Environmental Management System, their requirements, as well as the methods to meet these requirements and the persons involved on various tiers and holding various positions, in order to monitor the fulfilment of company’s obligations in regard to said requirements. The stakeholders’ requirements are documented in the Integrated Management System

and are available on the Company’s intranet at <http://in.constantza-port.ro/>.

The risks and opportunities regarding the environmental aspects and the compliance obligations were determined, as these risks have to be addressed in order to ensure the effectiveness of the Environmental Management System, thus preventing the occurrence of potentially emergency situations with an impact on the environment or mitigating their effects.

The manner of identifying risks and opportunities is set forth in the *“Management of risks and opportunities”* system procedure. Documented information regarding risks and opportunities, as well as related to them measures planned to control them (*the Register of risks and opportunities related to objectives, processes, environmental aspects and compliance obligations and the Action plan for handling risks and opportunities*) is available on the Company’s intranet at <http://intonstantza-porLro/>.

The procedure on identifying environmental aspects was revised, the environmental aspects were reassessed and efforts were made to identify significant environmental aspects that can result from risks and opportunities. Documented information about the company’s environmental aspects and the significant environmental aspects is available on the Company’s intranet at <http://in.constantza-port.ro/>.

Enhancing the environmental performance of the Company’s activities by measuring and monitoring the water, air and soil environmental factors

The quality indicators that have to be measured for water, air and soil and the measuring frequency are established as part of the annual monitoring program, in accordance with the requirements of the environmental permits and water rights permits issued by the competent authorities for Constanța, Midia and Mangalia ports. All the quality indicators measured throughout 2021 fell within the maximum limits admissible as per the legislation in force.

Increasing the awareness level among the Company’s personnel, as well as among economic operators, on increasing environmental performance

Monitoring indicators:

I₁ - % training topics covered from the annual professional training program

I₂ - no. of commercial contracts concluded and work licences / permits issued in the absence of the agreement on the agreement on environmental protection

In 2021, these indicators reached the values set forth:
I₁ = 100% , I₂ = 0

Information on the Company's environmental performance related to:

✓ **The fulfilment of the company's compliance obligations; non-compliances and corrective actions**

The company's fulfilment of its compliance obligations was inspected by the environmental authorities (Constanța County Commissariat of the National Environmental Guard and "Dobrogea – Litoral" Water Basin Administration).

The measures established in the inspection reports and their implementation progress status relate to:

- sanitizing the intervention ramp of the car repair shop;
- annual non-destructive tightness verifications of the underground fuel tanks;
- the adequate maintenance of the rainwater sewage network and the water treatment mini-stations, identifying the causes behind the values that exceed the maximum admissible limits of the analysed indicators (rainwater pollution sources) and solutions to return said values to the maximum admissible limits;
- the regular emptying of the collection tanks receiving household wastewater from facilities and plumbing of the containers in Midia port.

The non-compliant aspects found are analysed, corrective actions and execution deadlines are set forth and persons in charge with implementing them are appointed.

✓ **Results of measuring and monitoring environmental factors**

➤ **Measurement of water quality indicators**



For the "water environmental factor, readings are taken for the quality indicators of the water treated in the wastewater treatment mini-stations and in berth 79 wastewater treatment plant, as well as of the rainwater and the standing port waters.

Port Technical Vessels Branch (SNTP) renders services consisting in taking over liquid and solid waste resulted from operation of the vessels calling the Romanian maritime ports.

The services are rendered using the Nereus and Nicolae Zeicu self-propelled collector vessels and the 101 non-self-propelled collector vessel.

The liquid residues taken over from other vessels are deemed hazardous for the environment and are temporary stored, for primary treatment, inside the 101 collector's tanks, to allow gravity to separate the hydrocarbon fraction from wastewater. Wastewater is transferred to the treatment station, whereas the hydrocarbon fraction is delivered to authorised processors to be neutralised.

Hazardous solid waste (fuel and oil filters, hydrocarbon-contaminated rags, other waste resulted from vessel maintenance operations) are selectively collected and temporarily stored inside dedicated spaces, located aboard the 101 collector vessel, until they have been delivered to authorised processors to be neutralised.

The customers of the Branch are representatives (agents and ship-owners) of commercial (sea-borne and river-borne) vessels, operators of port technical

vessels and military units in possession of military vessels.

According to the notifications received pursuant to agent / ship-owner contracts, in 2021, SNTP took over from vessels stationed in Constanța port, Constanța area and Midia area liquid residues and solid residues resulted from the operation of the vessels, as follows:

- 11,200 m³ of liquid residues, of which:
 - 5.700 m³ of bilge well residues;
 - 3.000 m³ of wastewater resulted from facilities and plumbing;
 - 2.500 m³ of wastewater resulted from washing cargo holds;
- 13 m³ of solid waste (fuel and oil filters, hydrocarbon-contaminated cloths, other waste resulted from the operation of facilities).

➤ **Monitoring of emissions from heating plants running on liquid fuel and the tightness of underground liquid fuel tanks**

For the annual monitoring of emissions from heating plants running on liquid fuel, Port Energy Branch holds a gas analyser that is used to perform CO, SO₂, NO_x measurements. The tightness of the underground liquid fuel tanks (R9, pertaining to Pier 1S - Constanta South heating plant, and R10, pertaining to Administrative Pavilion - Constanta South heating plant) was monitored by means of regular readings of the fuel level present inside the tanks, both at the end of the heat supply period (in spring) and in the beginning of the heat supply period (in autumn).

➤ **Monitoring of the former landfill near Gate 6**

The landfill (the Gate 6 area) was shut down in 2005, in accordance with the environmental permit requirements and, since 2009, there have been annual measurements of the quality indicators for the underground water, leachate and landfill gases, and land sinking measurements, as per the monitoring program approved by Constanța Environmental Protection Agency.

In order to monitor underground water quality, the landfill location hosts 5 drillings used to collect samples. The readings obtained for the measured

indicators are compared with their reference values from 2009 (the monitoring starting year).

Leachate is collected in a pit located at the foot of the landfill, along the eastern side, and is analysed for quality on a biannual basis.

The fact that certain leachate quality indicators do not comply with standard NTPA 002/2005 does not infringe upon the environmental requirements given that, prior to being discharged in the sewage network, the leachate is pumped from the pit where it accumulates to the leachate treatment plant, operated by the Port Services Branch (SSP) personnel.

➤ **Specific activities required by the revision of environmental permits issued for maritime ports as a result of the new activities conducted by the Company as of March 2019 (taking over refuse and household waste from vessels, installing anti-pollution dams at oil terminals)**

✓ **Environmental protection costs**

Environmental factor quality and post-closure monitoring services for the landfill near Gate 6: 12,400 lei;

Taking over solid waste resulted from the decontamination activity: 8,718 lei;

Taking over oil-based residues resulted from the decontamination activity: 215,940 lei;

In November 2016, CN APM SA Constanța drew in CEF funds via the project entitled "Infrastructure upgrades and environmental protection in Constanța Port – PROTECT", part of the "Connecting Europe Facility" (CEF) financing program.

CN APM SA Constanța, in its capacity of beneficiary, and the Innovation and Networks Executive Agency (INEA), in its capacity of management authority, signed on October 24, 2016 financing contract no. INEA/CEF/TRAN/M2015/1131569.

The project budget is 12,696,125 EUR (VAT-exclusive), of which:

- 85% as the CEF funding share

- 15% as state budget aid

The main objectives of the project are:

1. To upgrade Constanța Port infrastructure by extending in a straight line the existing mooring quay, pertaining to Berth DA2 and 130-meter long, and building a platform behind the new mooring site, over an area of 4,370 square meters, to be fitted with various utilities required by the technological processes specific to technical vessels;
2. To place items of equipment and utilities on the newly created platform, including a new treatment plant for the wastewater collected from vessels, in order to have it separated and treated;
3. To improve maritime access to Constanța Port by renewing and upgrading the signalling system pertaining to the sea docks and the fairway;
4. To upgrade the technical vessel fleet of Constanța Port through the purchase of a 500 TDW multi-purpose self-propelled tanker designed to collect waste from vessels.

The need to implement this project resulted from the obligation of CN APM SA Constanța to provide, in its capacity of port administration, a series of facilities in terms of infrastructure, environmental conditions and navigation safety.

CN APM SA has to make sure that port facilities and properly fitted and permanently available to take over any type and any quantity of waste generated by vessels, as well as of freight residues from vessels calling the port de.

At present, the capabilities of taking over / storing / treating waste generated by vessels are insufficient in a context where Constanța Port is the transit point for a growing number of the high-capacity vessels.

Adhesion to international conventions imposes clear rules for taking over various types of wastewater, ballast water, grey water and more, under restrictive conditions that entail the use of specialised vessels with optimum capacities, so as to limit the number of trips from the vessels in the port to the onshore treatment / neutralising facilities. These facilities will process or treat this wastewater and then discharge it

under the conditions imposed by the international conventions.

This project appears among the concerns of Constanța Port Administration in terms of providing a clean and danger-free environment, thus helping to protect area ROSPA 0076 "The Black Sea".

In 2021, this project helped in fulfilling the investment objective entitled *Infrastructure for safe operations and environmental protection in Constanța Port*, as follows:

- Technical vessel mooring infrastructure: 7,822 thsnd. lei;
- Superstructure setup for the platform (equipment and utilities) required for services related to technical vessels: 4,351 thsnd. lei.

As part of the project, in December 2017, National Company "Maritime Ports Administration" S.A. Constanța signed with SC NAVROM SHIPYARD SRL Galați a contract for the engineering, execution and delivery to Constanța Port of a self-propelled tanker. The contract was awarded via a public tender procedure through the Electronic System for Public Procurement.

At present, the vessel is registered according to the legislation in force, under the Romanian flag.

The multi-purpose vessel has 500-ton deadweight, a speed of 11 knots, high navigation performance and operates by taking over oil-based residues and wastewater from vessels stationed in the Romanian maritime ports and the associated harbours. At the same time, the vessel operates by taking over fuels from vessels lifted on the docks or undergoing repairs.

In 2019, National Company "Maritime Ports Administration" S.A. Constanța signed with SC Shipyard ATG Giurgiu a contract for the engineering, execution and delivery to Constanța Port of two multi-purpose vessels. The contract was awarded via a public tender procedure through the Electronic System for Public Procurement.

The current physical status is 100%, whereas the financial progress status is 85%. At present, the vessel is registered according to the legislation in force, under the Romanian flag.

The vessels are designed to render the following port-related services:

- to collect bile well waters and wastewater from vessels that call the Romanian maritime ports;
- environmental protection actions: intervention in cases of pollution across the sea docks, the removal of solid waste from the waterways;
- intervention in cases of fire within the quay perimeter or fire on other vessels, containment of danger zones;
- towing operations within the sea dock.

3. Human rights



Human rights and fundamental freedoms allow us to develop, to use to the full extent our human qualities, our intelligence, talent, and conscience, as well as to fulfil our spiritual needs. They are underpinned by the human desire to live in a world where each person's dignity and welfare will enjoy respect and protection.

One of the major pillars of our company's strategy is to protect human rights, an aspect embedded in the way we behave and carry out our activities.

The matter of the human rights is among the company management main elements. In this respect, the company gave priority to responsibilities related to human rights.

At the same time, we ask our business partners (suppliers and customers) to comply with our company's policy and encourage them to develop similar standards.

4. Diversity and human resource development

In 2021, staff employment and allocation by functional compartment took place in manner aimed at conducting business across the company in optimum conditions, in observance of the organisational set-up and the maximum number of personnel provided in the Income and Expenditure Budget.

At the start of 2021, in order to implement the provisions of art. 1 and 4 in OMTIC (*Order of the Minister of Transportation, Infrastructure and Communications*) no. 991/2020, according to which it became mandatory to render the navigation service for maritime and sea/river-borne vessels within the ports administered by National Company "Maritime Ports Administration" S.A. Constanța, by its navigator corps, steps were taken to employ navigators and dispatchers required to carry out the navigation service for maritime and sea/river-borne vessels within Constanța (Constanța area and Midia area) and Mangalia ports.

Furthermore, throughout 2021, staffing activities were conducted in order to eliminate the staff deficit present within certain functional structures and to continue the staff rejuvenation process, at the end of 2021 the structure by age group being as follows: 8.26% persons aged below 35, 40.88% persons aged between 35 and 50, and 50.86% persons aged above 50. Throughout 2021, 61 salaried employees ended their activity through retirement.

Within CN APM SA Constanța, the work environment does not foster any discrimination in terms of gender, religion, age, ethnicity or other factors.

The Company staff benefit from:

- Working and hygiene conditions designed to protect their health and physical integrity;
- Facilities that allow them to fulfil their occupational duties under normal and expedient conditions;
- Professional training and development and preparatory programs and actions organised or facilitated by the Company;
- Participation in conferences / symposiums / workshops in the country or abroad;
- Rights / regulations acknowledged by the law.

The professional training of the salaried employees has the following main objectives:

- Allowing the salaried employee to adapt to the job or workplace requirements;
- The issuance of professional qualification certificates;
- Updating the knowledge and skills specific to the job or workplace and enhancing professional training with skills upgrades for the main occupation;
- Professional re-training determined by social and economic restructuring;
- The acquisition of advanced knowledge, of modern methods and procedures required in order to conduct occupational activities;
- Work promotions and professional career development.

Furthermore, in regard to the quality of work, the company deemed it necessary to invest in the professional training of the human resources capital through a multitude of professional training courses attended by the salaried employees, courses the goal of which was to provide professional training on certain topics of interest for the respective structures.

Considering the COVID-19 crisis, the measures taken nationwide to counter the virus spread and the significant disturbance in terms of providing new professional training and mobility opportunities for both lecturers and students, the Company ensured continuity for the performance of training activities by organising them both traditionally (face to face) and online or as a mixed/hybrid system. As such, the professional training programs that took place in 2021 were attended by 230 salaried employees, both at the company headquarters and in locations set up by professional training service providers.

The main topics tackled were: Management (including: the integrated management system, the internal managerial control system, prevention of, and fight against, corruption, money laundering prevention), Internal Audit, Human Resources, Occupational Health and Safety, Legal matters, Finance and Accounting, Trade, Development (including: project management, European projects, FIDIC, Public Procurements), Information Technology (IT), Operation, Maintenance (including: monitoring construction behaviour over time, Railroads - certification/retesting of SC LFI (*traffic safety – industrial railways*) officer, skills upgrade and certification for the personnel in charge with

maintaining and operating electrical installations, port operation – ISPS, GMDSS - ROC courses), IMO courses, Annotations on boarding / disembarking stages for cabin crew and validity extension for seaman's book / certificate of capacity, GMDSS – RO courses, thus ensuring that the company's employees get to enhance their problem-solving capacity, in the context of specific works, which will secure their suitable performance in the activities carried out.

The company provided support for workforce development across Constanța municipality port platform and for the progress of collaborative relations with local educational establishments, by means of partnership agreements on conducting internships for students at Constanța Maritime University, namely at the Faculty of Marine Engineering (specialisations: Electromechanics, Electrical engineering, General Engineering and Environmental protection in the field) and the Faculty of Navigation and Naval Transport (specialisation: Economic engineering), students at "Mircea cel Bătrân" Naval Academy or Ovidius University in Constanța.

Thus, CN APM SA Constanța got involved in the practical training of students, supporting the academia's initiatives towards the students obtaining certifications related to the field of study, while also providing them with a professional framework suitable to the development of practical skills.

The general courses of action concerning continuing professional development, as formulated in the policies drawn up at company level, are regulated in the specific legislation on the labour market and on the issuance and recognition of professional qualifications. All the professional training programs were authorised and certified by the National Council for Adults' Professional Training (CNFPA), in collaboration with the Ministry of Education and the Ministry of Labour, and the courses were delivered by trainers certified by ANC (*National Authority for Qualifications*) and accredited state-owned higher education institutions.

In the existing pandemic context, the human resources policy of CN APM SA Constanța was further applied by means of protecting the salaried employees and taking steps to prevent contracting the SARS COV2 virus, steps materialised in: allowing the salaried employees to opt for differentiated working hours, concluding addenda on conducting business by means of

telework, granting paid days off for child care as per the provisions of Law no. 19/2020, conducting various meetings on platforms such as Microsoft Teams, Skype, etc.

5. Business ethics, the fight against corruption and money laundering

CN APM SA Constanța believes that trust and integrity are among the most significant assets a company can have.

Following the adoption, as per Government Decision no. 583/2016, of the 2016-2020 National Anti-Corruption Strategy, the sets of performance indicators, the risks associated to the objectives and measures in the strategy, the verification sources, the inventory of institutional transparency and corruption prevention measures, the assessment indicators, as well as the general standard on publishing information of public interest, the General Manager, in their capacity of legal representative of CN APM SA, committed to the fundamental values and principles promoted by the 2016-2020 National Anti-Corruption Strategy and acknowledged the importance of its objectives and of the mechanisms designed to monitor it, by signing the *Declaration of adhesion* to the fundamental values, principles, objectives, measures and deadlines stipulated by the National Anti-Corruption Strategy for the 2016-2020 period, adopted within CN APM SA Constanța, registered under no. 2250/14.01.2021, in which they *“condemn corruption in all the forms in which it manifests itself and firmly express their commitment to counter this phenomenon through all the legal means available to them”*. With this declaration, the company made a commitment to comply with the national and international legislation on the corruption phenomenon and the Anti-Corruption Policy, registered under no. 2248/ 14.01.2021 and applicable at company level.

The Integrity plan adopted across the company, the Declaration of adhesion and the Anti-Corruption Policy are posted on the company's own webpage and can be easily accessed, in a transparent manner, by anyone interested.



In order to comply with the measures in the integrity plan, the company monitored the observance of the legal provisions on the publication of information of public interest, namely Annexes no. 4 and 5 in GD no. 583/2016, the transparency of the resource management processes, accessible on the company's portal, consisting in information related to the IEB, PAAS (*Annual Sectoral Procurement Plan*), ROGOP (*Register of operations generating payment obligations*), making sure there was full compliance with the legal provisions on the publication of information of public interest, in line with the provisions of GD no. 583/2016, Annex no. 4 – General standard for the publication of information of public interest, as well as Annex no.5 – Standard.

Furthermore, the inventory of institutional transparency and corruption prevention measures was monitored and the implementation of said measures was ensured – as per Annex no. 3 to GD no. 583/2016.

For 2021, work instructions on “Conflicts of interests”, “Cases of public-to-private sector crossover” and “Incompatibility cases” were introduced in the IMS manual.

In order to secure the tools that facilitate strengthening institutional integrity, the company hosts the activity of the Working Group for implementing the Standard Methodology for the assessment of corruption risks within central government authorities and institutions, approved as per Decision no. 599/2018, focused on identifying corruption-prone vulnerabilities and regular self-assessment of risks.

In regard to the capacity of addressing management failure, there is a correlation among the tools with an

impact upon early identification of institutional risks and vulnerabilities.

CN APM SA Constanța has elaborated the *Fraud, corruption and money laundering risk analysis and assessment methodology* in order to identify and analyse fraud, corruption and money laundering risks that may emerge across the activities and processes carried out within the company, focusing on both internal and external risks, as part of relations with third parties (customers, suppliers, collaborators, public institutions, etc.).

This methodology was adapted to the risks specifically applicable, directly or indirectly, to the company and takes into account the company's size, complexity and objectives and the industry specifics.

The activity of assessing fraud, corruption and money laundering risks shall take place on a yearly basis. The working group coordinator may request the participation of representatives within key company structures.

An effective assessment is carried out by means of the participation, active involvement and input of personnel the duties of whom also include the company's operations, operations or activities with significant exposure to fraud, corruption and money laundering risks.

The implication of both executive personnel within the structures and operating personnel will bring added value to the risk identifying and assessment process, so that there may exist not only an outlook of the operations carried out, but also a picture of actually performed activities.

For the managerial tier employees, training in business ethics and the fight against corruption is mandatory. Moreover, all the employees in areas with elevated risk levels (doe instance: employees working in procurements or interacting with government institutions) have to undergo business ethics and anti-corruption training.

Additionally, In order to expand the employees' level of knowledge and comprehension of the integrity and ethical standards and to increase their awareness and level of anti-corruption education, thematic informative

materials were disseminated through the company's internet network.

At the same time, the Company ensured the participation in training and skills upgrade programs, specifically focused on countering corruption, of persons in charge with implementing integrity plan and the inventory of anti-corruption measures, as well participation in events (also online) organised by the Ministry of Justice and the American Chamber of Commerce in Romania / the Chamber of Commerce and Industry of Romania, with topics focused on promoting a culture of integrity across public enterprises.

In 2021, with support from the Ministry of Internal Affairs through the Anti-Corruption General Directorate – Constanța County Anti-Corruption Service, National Company "Maritime Ports Administration" S.A. Constanța hosted 12 information and awareness-raising sessions related to means to prevent and counter acts of corruption, for 163 salaried employees.

Through all these forms of professional interaction and training, the company's employees were able to acquire and enhance professional competencies both in formal settings (by means of the programs organised by the identified professional training providers) and non-formal settings (by means of effectively performing specific activities at their workplace/self-training).

6. Risk management

CN APM SA Constanța possesses a Risk Management System that allows avoiding crises and resource waste by means of effectively allocating and using resources.

This system allows the prevention of risks across all company tiers and minimising the negative effects in cases where undesired events occur.

Risk-based thinking allows the company to determine the factors that might cause the deviation of its processes and of the Integrated Management System from the planned results, to put preventive or corrective controls (measures) into place so as to minimise the negative effects upon its objectives, compliance obligations, upon the environmental aspects and the OHS risks generated by its activity, and to make full; use of opportunities as they emerge.



The monitoring committee for the development of the internal/managerial control system, by means of the risk management team, coordinate and supervise the risk management process.

The main categories of monitored risks are grouped under the following categories: strategic and operational, project, process, compliance and regulatory, litigation, as well financial, fiscal and reputational risks.

The introduction of risk and opportunity management as a decision-making support allows the company management and personnel to identify elements of uncertainty surrounding the fulfilment of the objectives set forth (both the general and the specific ones) and the risk associated to them (deciding upon the actions intended to limit or eliminate it).

7. The relationship with the community and communication with the outside world

CN APM SA Constanța wishes to contribute to the welfare and economic growth of the community in which it operates by providing effective services.

Our company acknowledges its role and the moral responsibility it has when it comes to its contribution to elevating the quality level of the community at the heart of which it conducts business, and provided active support to social responsibility projects, by facilitating the promotion, set-up and performance of events and manifestation of a social and cultural nature and, in particular, by means of the assistance provided to disadvantaged social categories and vulnerable persons.

Its conduct in the relationships it maintains with civil society is characterised by permanent transparency, respect and care for the Company's image.

CN APM SA Constanța acknowledges the fundamental informational role of the media. In this respect, it collaborates with all the means of information, with no discrimination, under mutual compliance with the parties' roles and obligations and in line with the commercial confidentiality requirements, in order to promptly, fully and transparently satisfy both the public's need for accurate information and other requests for public information.