



Interview

LEADING WITH PURPOSE: ALUMIL'S VISION FOR SUSTAINABLE GROWTH AND INNOVATION

MARIUS IONIȚĂ, CEO, Alumil România

1. The global economy is projected to further slowdown in 2023. Many companies brace for near-term resilience amid persistent challenges. What are the main achievements of Alumil in 2023? What strategies helped you outperform?

The global economy has faced significant challenges in 2023 and is projected to further slowdown in 2024. Against this backdrop, Alumil's standout achievement has been the increase in our turnover, which, according to the latest reporting, has surpassed our budgeted figures for 2023. The strategies that have underpinned our success revolve around a dual focus: empowering our people and delivering results. The organizational transformation process began about five years ago and is built on our culture to enhance employee experience. This transformation coincidentally aligns with a period of five years of consistent growth in our turnover and company profitability. This synchronicity showcases the tangible link between our commitment to creating meaningful experiences for our employees and the company's financial performance. For us, this is a long-term strategy rooted in the

understanding that the foundation of success lies in having an engaged, motivated, and confident team.

2. Considering the challenges in office building projects in 2023, what measures did Alumil take to adjust its product portfolio and strategy? What are the strategic growth objectives for 2024?

The diversification of our product range has been a cornerstone of our 25 years of success in the Romanian market. Although the office buildings sector experienced a downturn in 2023, our systems range effectively supported projects in premium private residential buildings and the public sector. Together with our continuous striving to offer our clients the best technical, operational and financial solutions, we managed to consolidate our leading position in the aluminium systems market. As we look ahead to 2024, our strategic growth objectives remain aligned with these segments, with an increased emphasis on our Outdoor systems introduced in the market in recent years, particularly bioclimatic pergolas, railings, fences, and gates.

Last year, we established the regional HUBs in Cluj and Iasi, and they are already contributing to better results in their regions. Also, the opening of the second showroom in Cluj-Napoca the same year is meant to bring closer our products to our customers. Our showrooms offer visitors the experience of a detailed tour carried out by an Alumil well-trained consultant.

This year, we have completed and launched the regional HUB in Slatina, meant to improve our service to customers in the southeast part of Romania. For us, the city of Slatina represents the company's starting point in Romania, and the new HUB serves as a tangible statement of our commitment and continuity, representing an essential logistic point and a meeting and collaboration place for industry professionals from the Oltenia region. With a diverse range of solutions and a dedicated area for meetings and idea-sharing, the newly established space holds the potential to evolve into a vital center for the development of the company in the region.

3. How do the new changes in the fiscal regulations influence your business?

While the new fiscal regulations don't have a significant direct impact on our operations, we recognize that they indirectly affect us since we're part of a larger economic ecosystem. Ideally, a stable environment is conducive to business, but we should always be prepared for changes and challenges that come our way. The pandemic period served

as proof of our adaptability and resilience. At Alumil, we're equipped to navigate uncertainties, including potential political and fiscal changes. Our strength lies in our team - we trust in each other's abilities to collaborate efficiently, and therefore, we can overcome any challenges that come our way.

4. Employee engagement and talent retention are crucial. What steps has Alumil taken in creating workplace experiences that truly put people at the center of all actions?

First and foremost, it's essential to have an authentic organizational culture where the individual truly stands at the center of all actions. Investing in our employees' happiness is our primary goal. We envision a workplace where our colleagues feel valued, motivated, and supported at every step of their journey within the company. Open communication is crucial, and at Alumil, we've fostered an environment of psychological safety and freedom where every voice, regardless of hierarchy, is heard. By understanding what motivates our colleagues and their aspirations, we can offer a tailored experience to each one. Our experiences are diverse. For instance, could you imagine that the first day at a new job could involve climbing Moldoveanu, Romania's highest peak? That was the first workday for one of our colleagues. This expedition also fulfilled a lifelong dream for another mountain enthusiast in our team, while for another colleague, it marked his retirement. None of the participants had previous experience in climbing high-altitude mountains. The challenging and beautiful day on the mountain united us in a collective effort that transcended individual boundaries. I often wonder: which of the participants will ever forget that day? That was three years ago and now this type of activity has become a tradition; this year, we climbed with the team to Ciucas Peak and Ciuha Mare Peak in the Cozia massif. One could ask: after climbing the highest peak in Romania, what would be the motivation to climb other mountains? The question is very similar to: after being a market leader for 25 years in Romania, what would be our motivation to keep running and maintaining





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that position? The answer lies in the joy of sharing successes, either big or small, with others - colleagues, customers, and partners. We are blessed to pursue this joy, which is embedded in our mission: to improve people's lives by enhancing the performance of their buildings in a sustainable way.

5. Alumil is one of the few companies in the world that received the prestigious "OK Recycled" certification from TUV AUSTRIA. How does this trend provide new opportunities for Alumil's products, particularly in the context of its long-term aspiration?

The benefits of aluminium recycling are undeniably impressive, as production with recycled materials requires 95% less energy than primary production methods. Moreover, increasing the recycled content during the production of aluminium systems allows us to create products with a substantially reduced environmental impact in terms of carbon emissions.

The "OK Recycled" certification represents more than just the culmination of our sustainable practices but also serves as concrete evidence of our unwavering commitment to a more eco-friendly future. Our dedication, transparency, and consistency in everything we do embody this engagement.

In today's world, environmental concerns have taken center stage, and the energy crisis impacts us all. At our company, we recognize the urgency of these issues and aim to make a meaningful impact by offering advanced architectural aluminium systems that are created with a strong sense of having a minimal ecological impact, are distinguished for their exceptional thermal insulation performance, contribute to substantial energy savings, with a reduction of up to 50% in monthly heating and cooling costs, all while promoting environmental responsibility. We are progressing towards the development of high-quality products that seamlessly blend innovation and sustainable development, as at Alumil, every challenge is an opportunity, and every innovation – is a step forward. Our involvement in landmark, LEED-certified projects worldwide demonstrates that we consistently stay ahead of the curve, securing all the essential certifications to showcase

that our systems are highly efficient and, most importantly, environmentally friendly.

6. What are Alumil's key objectives and plans for the next three years, and how do they align with your long-term strategic vision?

At the core of Alumil's vision lies our commitment to being a leading force in developing and producing aluminium systems for architectural applications. Over the following years, anchored in this vision, our objectives revolve around maintaining our market leadership in producing and selling aluminium profiles in Romania. This leadership entails a dual focus: introducing innovative, internationally certified products and enhancing our commercial network performance.

Digital transformation remains a cornerstone of our strategy. Platforms like My Alumil, launched last year, embody this digital pivot. It provides our partners with an automated, streamlined process for order placements, stock verifications, and staying updated with our latest technical system advancements. Further exemplifying our dedication to our partners is our recent loyalty initiative called 'Alumilia'.

This program serves as a gesture of appreciation, celebrating and rewarding the unwavering trust our partners place in us. The first edition ended in June 2023 and exceeded our expectations, marking a real success. Therefore, we launched the second edition in October 2023, which is designed to extend over a span of twelve months. Our commitment to nurturing and strengthening our partnerships remains steady, and this extended program is proof of our dedication to recognizing and rewarding the invaluable relationships we share with our partners.

Diversification is another strategic pillar. Beyond our continuous innovation in aluminium architectural profiles, we have expanded our product range, encapsulating outdoor systems such as pergolas, railings, and gates, as well as interior doors and decorative panels. Our aim is to increase our market presence across these segments. On an international scale, Alumil Romania resonates with the overarching vision of our Group, and we aspire to sustain our leadership in Southeastern Europe and

explore avenues in new markets. For example, we are already cooperating and supporting Alumil Ukraine, with the intent to prepare operationally for future exports of our production to Ukraine as soon as, hopefully, the war ends.

Enhancing customer service quality, assuring prompt order deliveries, and reducing lead times are areas we're keenly focusing on. Our investment in state-of-the-art equipment at our Filipeștii de Pădure facility exemplifies this commitment. Further amplifying our distribution capabilities, we're pioneering the concept of regional Hubs, designed to provide increased regional adaptability and ensure our partners receive improved service.

7. Could you elaborate on Alumil's approach to innovation and digital transformation? How do you see the impact of technological advancements, especially in AI and automation, on Alumil's operations and product offerings?

Digital transformation and technological advancements have been pivotal for Alumil. We have always believed in the power of innovation, and this belief has guided our efforts in embracing new technologies. One of our significant strides has been the development of new products with high insulation characteristics. But beyond product development, we've also integrated digital solutions into our operations. Besides the already mentioned My Alumil platform, we've been implementing a series of automation using RPA technology in the Operations and Commercial division in the last 3 years. These are prime examples of our commitment to leveraging technology for operational efficiency. Operational tasks that were once time-consuming are now automated, leading to increased efficiency and accuracy. Our focus is to create an improvement and automation culture to have all our colleagues involved and contribute to the transformation of our company. Having already a dedicated team to process improvements and automation, we are currently exploring the potential of integrating Artificial Intelligence through what is known as 'Intelligent automation.' This integration is expected to optimise our processes and transform how we operate



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and serve our clients in the following years.

8. What do you see as the emerging trends in your industry, and how is Alumil positioning itself to capitalize on them?

The industry is witnessing several emerging trends, with a significant focus on ESG (Environmental, Social, and Governance) principles and environmentally friendly operations and products. Another trend rapidly gaining traction is the 'future of work,' which revolves around integrating AI and automation. At Alumil, we're proactive in aligning our strategies with these trends. Our efforts towards introducing sustainable and environmentally friendly products are a testament to our commitment to ESG principles. Furthermore, as previously mentioned, we're deeply invested in exploring the capabilities of AI and automation to redefine our operational efficiency and enhance our product offerings.

9. What message would you like to send to underline the power of transformational leadership in a world of increasing pressure, constant change and untapped business opportunities?

Alumil's approach to ensuring long-term growth and sustainability is three-fold. Firstly, we emphasize building solid teams. Our belief is that a cohesive, skilled and motivated team is the foundation of any successful enterprise. This is also evident from our emphasis on mentoring the younger generation, ensuring they are equipped to lead business and society in the coming years. Secondly, our focus is on employee happiness. We believe in creating a work environment where our employees are working to be happy and truly happy to work.

This approach is entangled with our belief in the strong correlation between employee satisfaction and organizational success. Lastly, our focus on results is unwavering. We're continuously exploring new technological avenues, like AI and automation, to optimize our processes and enhance our offerings. These efforts position us at the forefront of industry innovations and ensure our growth trajectory remains upward.