

Connecting globally  
Connecting responsibly

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**TK Group**

CORPORATE SOCIAL  
RESPONSIBILITY  
REPORT

**2021**



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## LETTER FROM CEO



## GRI 102-14

Dear Sirs,

We are a leading European manufacturer of cables and wires, and a provider of specialised offshore energy services. Our products indirectly affect the quality of life of hundreds of millions of people around the world. It is a great responsibility, which we here at TFK.Group embrace with the highest quality standards at every stage of manufacturing. We develop our organisation in a sustainable way through a synergy between good economic performance and care for the environment and for our employees, as well as having a positive impact on society.

We are a modern Group with skilled teams who take up challenges in various areas and sectors of modern power engineering, industry and the international supply chain. We are also committed to manufacturing and supplying cables for the Polish energy sector and for operators of various sea and ocean deposits. We have been monitoring modern day challenges for a long time, especially those related to climate and the environment, but also associated directly with electricity, among all from renewable energy sources. Today, TFK.Group is actively involved in the green revolution, which involves the development of offshore wind energy. This innovative sector not only engages the local industry but also fosters broad international cooperation. In our development, we focus mainly on the renewable energy sector. We have been steadily increasing competences in this area for many years, and we are looking into the future with optimism. We are also developing our research and development functions, pursuing new technological challenges and working closely with our partners from universities and research institutes, as well as international associations and industry organisations. We will continue working on our current projects, such as mobile energy storage, and pursue new ones, including high-performance subsea power cables and highest voltage power cables for the power engineering industry including the development of the Floating Offshore Wind Demonstration Programme.

Announcement of the construction of a new manufacturing plant in the United Kingdom in 2021 was a symbolic event. The plant will increase our production capacity associated with offshore wind energy. This is our response to the almost eight-fold growth of the sector that is forecast, from the current 28 GW to around 218 GW in 2030. Our products and experience in maintenance are already helping execute the most ambitious renewable energy projects.

We owe the success of TFK.Group to our employees. They are a team of outstanding specialists. Their commitment, knowledge, experience and high ethical standards in everyday work enabled us to create a Group that is not only proud of the past, but also one that can look boldly into the future. Regardless of the differences in geographies and cultures, we are a team whose goal is manufacturing products and providing services to execute even the most ambitious projects. At TFK.Group, we offer an attractive career path, a diverse training package, and a safe and engaging workplace to let our people thrive. The rules we follow, including our career path and remuneration policy, are clear and known to all employees. We also eagerly support our employees in their charitable initiatives.

TFKable and JDR corporate governance helps us to manage the company in a sustainable manner. We have introduced a number of procedures, policies and codes that clearly reflect the principles and values we aspire to follow. We share our experiences with the entire industry. We are members of several dozen Polish and global associations and organisations. TFK.Group representatives are involved in initiatives that are key for the entire cable industry, and our best practices are recognised by other market participants.

We also continue to promote internal projects within the Group, which help reduce the amount of generated waste and pollutant emissions in the production processes. We work towards a circular economy model and, in the coming years our priority will be to develop in a stable and sustainable manner. To this end, we

will gradually introduce environmentally friendly production technologies, and replace the current production lines with new, more efficient and smarter ones.

I present to you our Corporate Social Responsibility Report 2021, with confidence that we are a sustainable organization that meets the ESG criteria.

Yours sincerely,

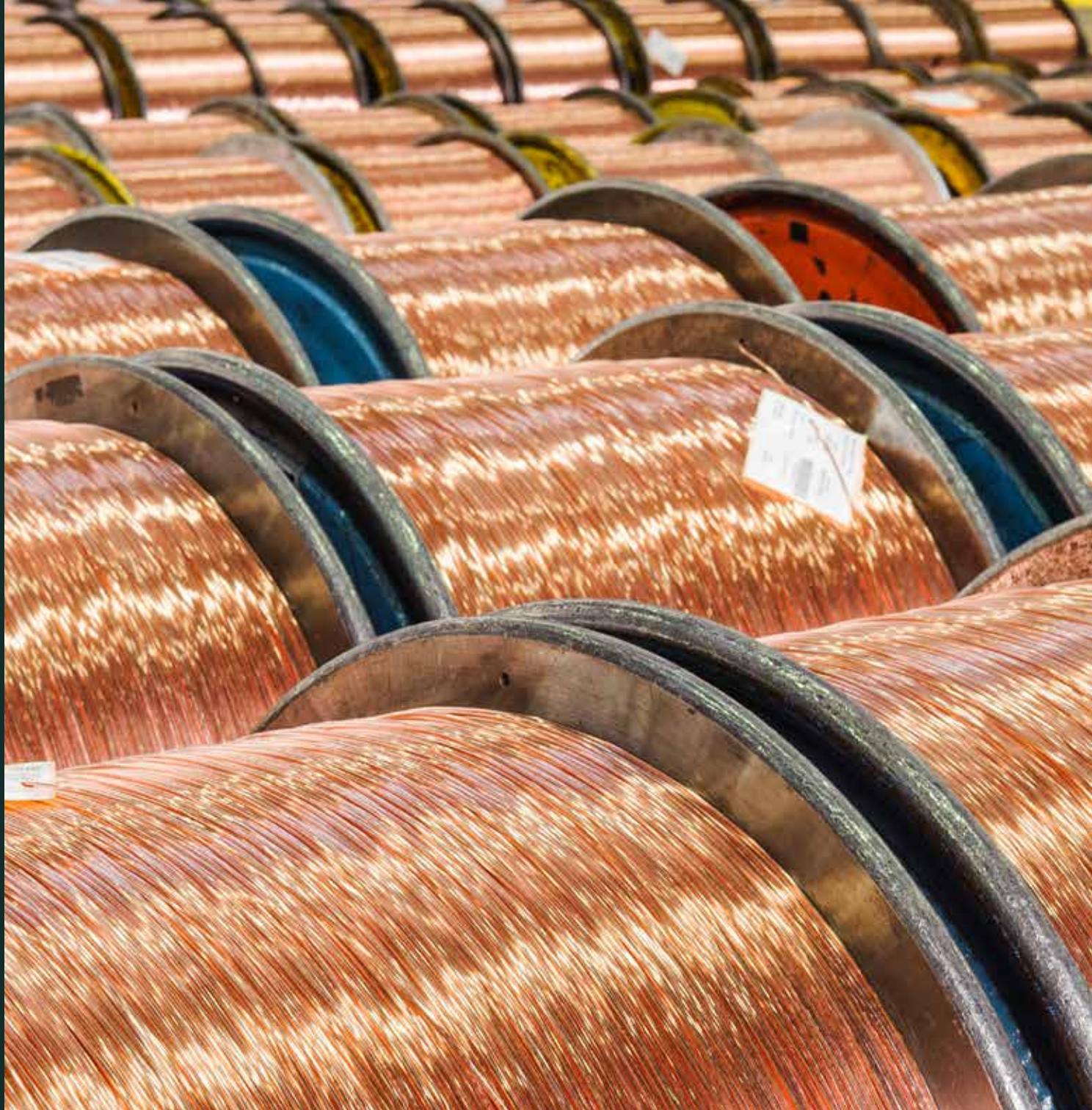
**Monika Cupiał-Zgryzek**

Chief Executive Officer, TELE-FONIKA Kable  
Executive chairman JDR Cable Systems



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TFK.GROUP



## KEY NUMBERS

100%

OF POLISH  
CAPITAL

TOP

ONE OF THE LARGEST  
CABLE PRODUCERS IN  
EUROPE

40%

SHARE IN THE POLISH  
MARKET\*

9,987 KM

OF CABLES SUPPLIED  
TO THE OFFSHORE WIND  
SECTOR SINCE 2008

No. 1

LARGEST PRODUCER OF  
CABLES AND WIRES IN  
EASTERN EUROPE

7

PRODUCTION  
PLANTS,

6

DISTRIBUTION  
UNITS,

2

SERVICE  
UNITS

4th

PLACE ON THE  
EUROPEAN MARKET  
AMONG PRODUCERS  
OF CABLES AND WIRES

NEARLY

1 BILLION  
EUR

IN ANNUAL  
REVENUE

WE DELIVER  
TO OVER

2,000

RECIPIENTS

PRESENCE  
IN OVER

80

COUNTRIES

359

INTERNATIONAL  
CERTIFICATES

TOP

ONE OF THE  
LARGEST POLISH  
EXPORTER

\*based on own data

# ABOUT THE TFK.GROUP

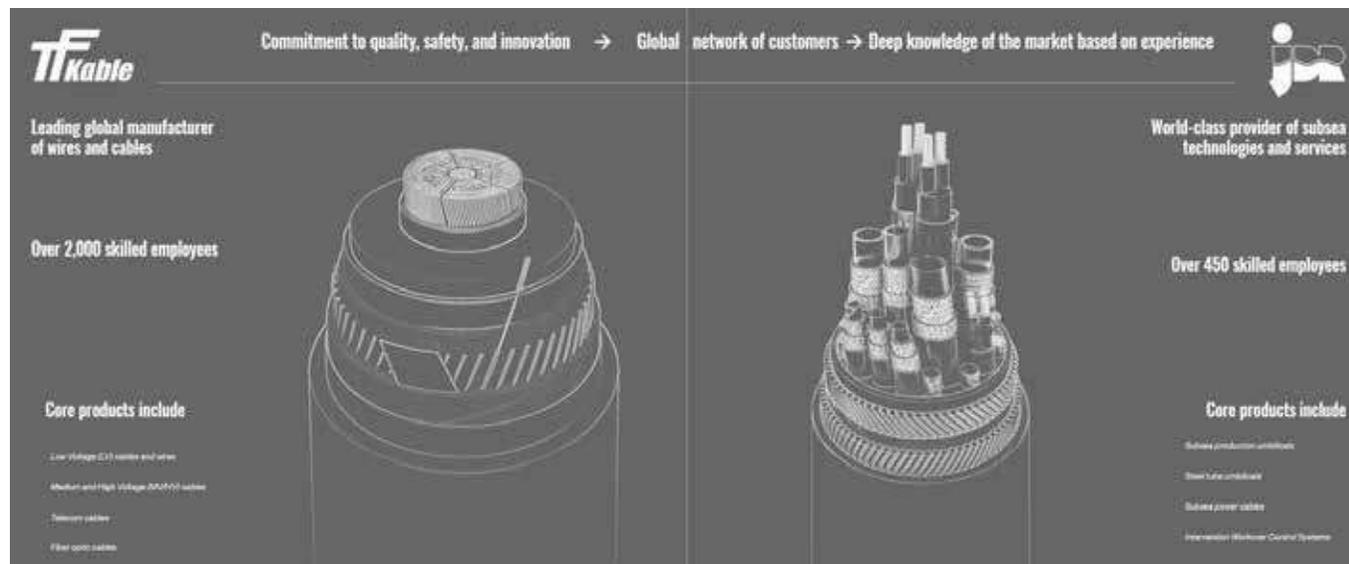
## GRI 102-1, 102-2, 102-6

TFK.Group has been operating in its present shape since 2017. It consists of the Polish company TELE-FONIKA Kable, one of the largest European producers of cables and wires, and the British company JDR Cable Systems, a world-class supplier of subsea technologies and services to the renewable energy and oil and gas industries. The group operates production plants in Europe, several distribution companies as well as maintenance and research & development centres.

TFK.Group's global customer network consists of over 2,000 entities from 80 countries in five regions of the world. Both Group companies, TFKable and JDR, have a total of about 2,500 highly-qualified employees.

TFK.Group has not been incorporated as a separate legal entity, and TELE-FONIKA Kable and JDR are two separate companies that share the same owner. The companies partnered up in 2008 and have been manufacturing complementary products, and developing their markets in close cooperation.

The synergy effect contributed by the establishment of TFK.Group allowed it to align it strategically towards expanding the offer of high voltage (HV) and extra-high voltage (EHV) products, among all by enabling research to develop prototypes and technological guidelines for the production of HVAC and HVDC cables. The integration of the companies created a strong foundation for TFK.Group to strengthen its position in the offshore subsea cable and power



cables market, and opened a new chapter in the development of the offshore wind energy sector.

TFK.Group produces, among all, cables for the energy sector in the following product groups: low voltage power cables up to 1 kV, medium voltage power cables from 6/10 kV to 18/30 kV, high voltage power cables from 36 to 150 kV, extra-high voltage power cables from 220 to 400 kV, as well as copper and fibre optic cables, telecommunication cables, rubber-insulated cables, including mining and crane cables, controlling cables used for data transmission and security solutions, inter-array cables (33 kV & 66 kV), Subsea Power Umbilicals, Steel Tube Umbilicals, rental and oil & gas services, i.e. subsea cables (including cables connecting wind towers and export cables), which are used in the construction and operation of offshore and onshore wind farms.

From day one, the integration of TELE-FONIKA Kable and JDR has been based on cooperation, strengthening mutual business relations, and promoting two commercial brands. Some of JDR's initiatives, including Th!nk Safety and Th!nk Quality, have become a standard throughout the TFK.Group, benefiting all areas of its activity. JDR also leveraged the opportunities offered by the shared supply chain and by making major improvements in production processes.



More information about the history of TFK.Group companies has been presented in the Corporate Social Responsibility Report for 2020 available on our website in the ABOUT US CSR tab.

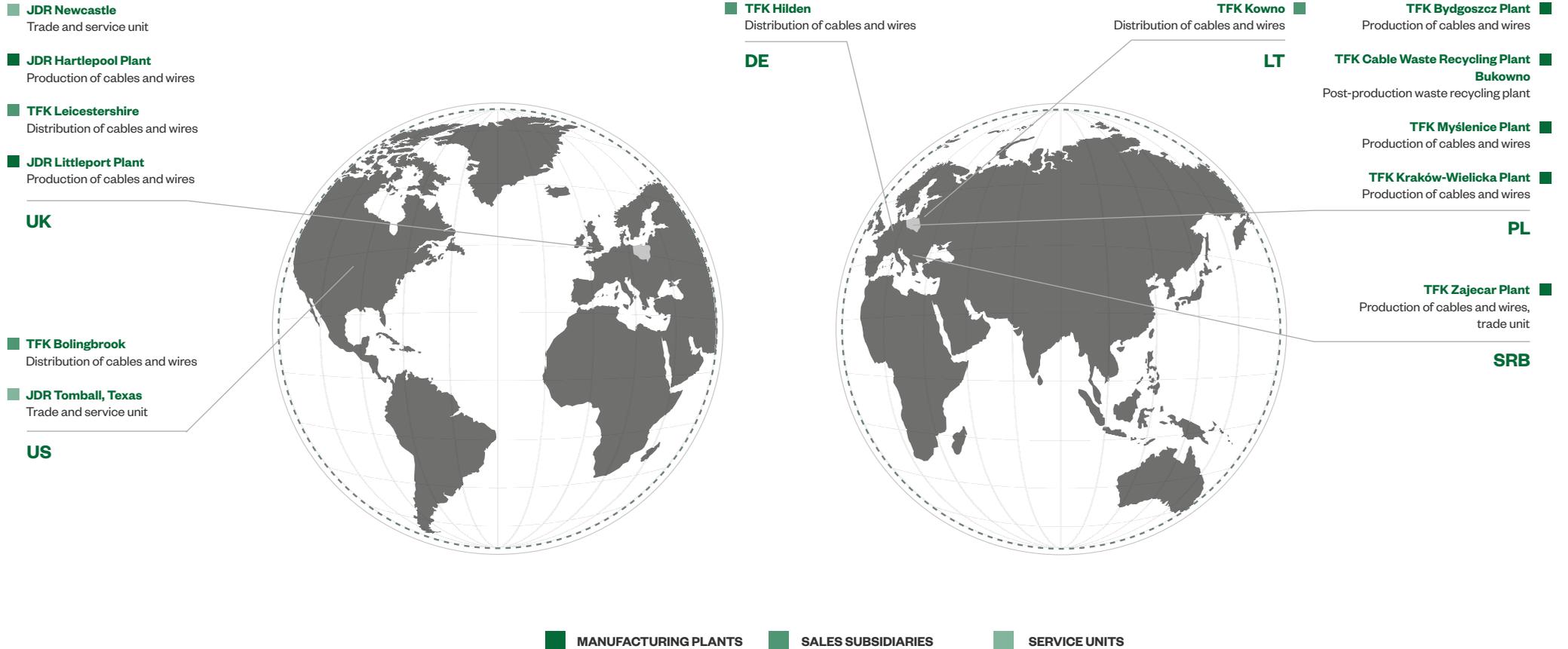
## GOOD PRACTICE

We support sharing knowledge and experience between the employees of TELE-FONIKA Kable and JDR. Employees of our Polish company have the opportunity to complete a 6-month internship at one of JDR's production plants in the United Kingdom. The aim of the programme is to recruit engineers with diverse educational backgrounds, enable them to learn the Polish/English project-based production and sale model, and integrate employees even better. By attending the programme, trainees also get to know other operational processes related to planning, designing, bidding, and execution of projects.

Participants are supervised by highly-qualified JDR staff, remuneration is in line with the UK rates, and they are provided with accommodation, insurance and airline tickets.



## PRODUCTION AND DISTRIBUTION - GLOBAL LOCATIONS



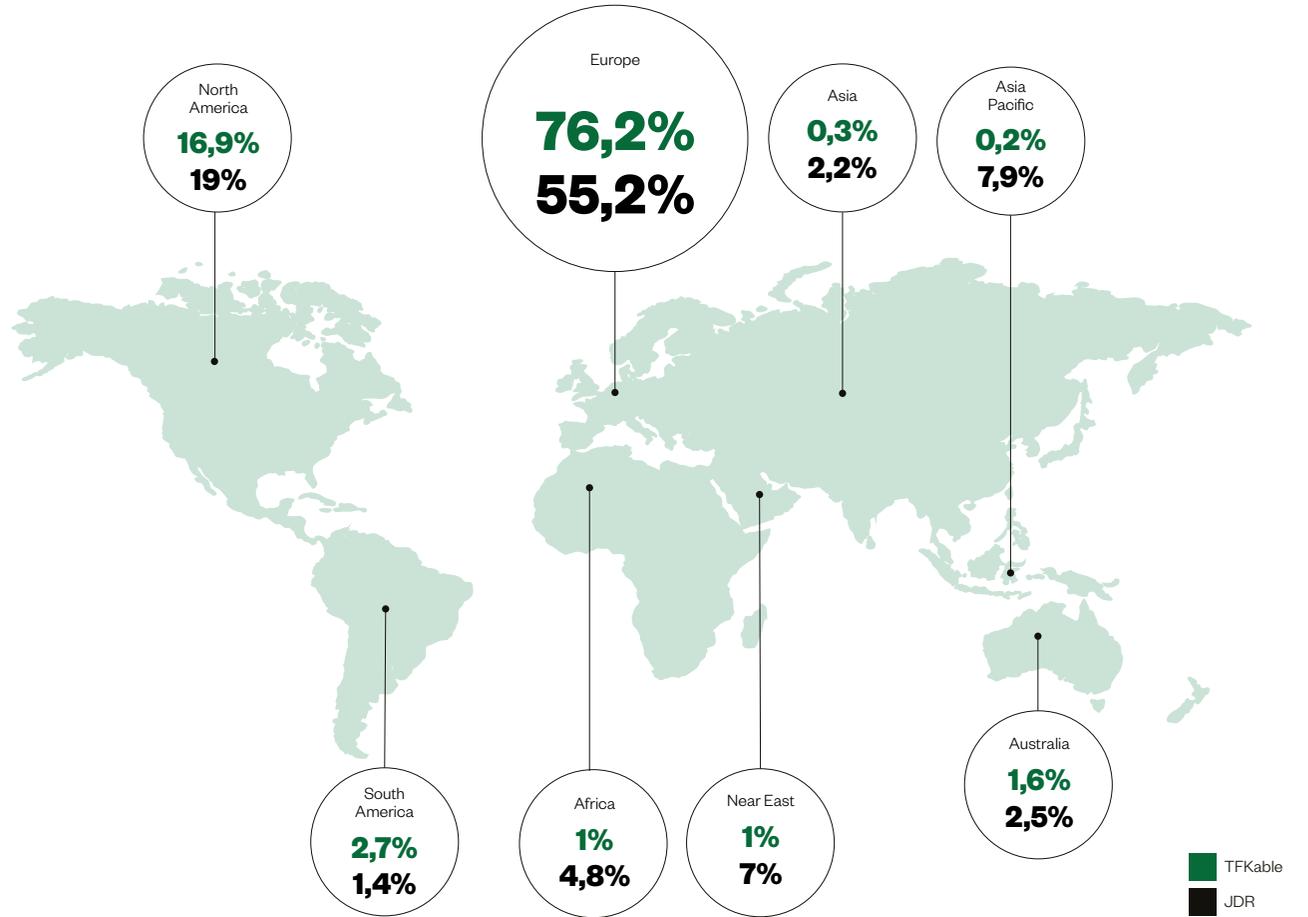
## SALES BREAKDOWN IN 2021

**TFK.GROUP**

**7** PRODUCTION PLANTS IN 3 COUNTRIES

WE SUPPLY OVER **25,000** KINDS OF CABLES AND WIRES

OVER **2,000** RECIPIENTS FROM MORE THAN **80** COUNTRIES IN **5** REGIONS OF THE WORLD



## THE MOST IMPORTANT EVENTS OF 2021 FOR TFK.GROUP:



### GRANTING FUNDING BY THE NATIONAL CENTRE FOR RESEARCH AND DEVELOPMENT (NCBIR) FOR A PROJECT TO DEVELOP INDUSTRIAL MOBILE ENERGY STORAGE

As part of a formed consortium, together with the Lublin University of Technology and MPK Lublin, we have started working on modern tech prototypes that will revolutionise the energy market in the coming years.

### END OF WORKS ON THE PREPARATION OF THE TEST CRANE IN THE LABORATORY AT THE KRAKÓW - BIEŻANÓW PLANT

The test crane is a specialized equipment that simulates the actual operation of control and power cables in a 1:1 scale. The laboratory crane is supplemented by a device for testing the bending resistance at ultra-low temperatures, even up to -30 ° C.

### RELEASING IMPROVED HALOGEN-FREE LSOH CABLES FOR PRODUCTION

Completing the three year research and development project conducted with the West Pomeranian University of Technology.

### END OF WORK ON THE EXTENSION OF THE R&D CENTRE FOR A MODERN EXTRA HIGH VOLTAGE LABORATORY IN THE BYDGOSZCZ PLANT

In the Centre will be carried out extensive research the field of prototyping HVDC DC cables and EHVAC alternating current cables for higher rated voltages and technological guidelines for their production.

### LAUNCHING THE CONSTRUCTION OF THE EXTRA HIGH-SPEED CABLES LABORATORY AT THE KRAKÓW-BIEŻANÓW PLANT

The conducted research will allow optimization in conditions as close to real as possible, the structures of high-speed cables. As a result, the works will enable the development of a new sales sector in the transport and transshipment industry.

2021



### TOMBALL CENTRE HAS MOVED TO A NEW, LARGER HEADQUARTERS

The activities of the three existing JDR facilities have been concentrated in one place. Completion of this project provides 10 acres of space, allowing the increase in production and service support, incorporate innovation and improve the efficiency of activities supporting the oil & gas industry.

### THE DECISION TO BUILD A NEW MANUFACTURING FACILITY NEAR BLYTH IN NORTHUMBERLAND, UK HAS BEEN ANNOUNCED

The aim of the project is to launch comprehensive production and supply products to the rapidly growing offshore renewable energy market. The new plant will allow JDR and TFKable to develop their current subsea and high voltage cable production technology.

### ADDING THE OFFSHORE RESONANCE TEST SYSTEM (RTS) TO THE OFFER, WHICH HAS BEEN DESIGNED WITH WIND FARMS IN MIND

The system allows for detection of all potential installation failures and prevents the more serious ones.

### WORK RELATED TO JOINING THE SCIENCE BASED TARGETS (SBTI)

SBTI is an initiative that defines and promotes best practice in setting greenhouse gas emission reduction targets, based on the latest scientific knowledge. It also independently verifies reported emission reduction targets. We plan to join the initiative and work on setting emission reduction targets for our organization for 2022.

2021

TFK.Group operates globally. The international renewable energy market is one of our priorities. Our products and services support the implementation of the Sustainable Development Goals (SDG) and the goal of the European Climate Policy, which assumes a reduction in greenhouse gas emissions by 40% by 2030 (compared to 1990 levels) and ensures at least 27% share of renewable energy in the EU.

SINCE 2008, WE HAVE SUPPLIED

9,987 km

OF CABLES TO THE RENEWABLE ENERGY SECTOR

### GOOD PRACTICE

The Global Wind Report data suggests that 2020, despite supply chain disruptions caused by COVID-19, was the best year in history for the global wind industry. Installations assembled in 2020 generate 93 GW of energy annually, increasing the total global wind power capacity to 743 GW. At TFK.Group, we support the construction and operation of onshore and offshore wind farms around the world. Our low, medium, and high voltage cables and wires are used, among all, for construction, along with controlling and optical cables used for telecommunications, data transmission, and security. In 2021, we supplied 657 km of cables for the construction of offshore wind farms.

Our cables respond to the evolving needs of the developing world. At TFK.Group, we invest in development research and use cutting-edge technologies in our products. We create our innovations at the Fire Test Laboratory in Krakow, the R&D Centre with High and Extra-High Voltage Laboratories in Bydgoszcz, the Tomball Service Centre (USA), and the Newcastle Service Centre (United Kingdom). The Group's experts, world-class specialists, develop prototypes and technological guidelines to produce increasingly more modern cables, including high voltage (HV) and extra-high voltage (EHV) products.

WE HAVE **359**  
INTERNATIONAL QUALITY CERTIFICATES  
GRANTED BY 39 CERTIFICATION CENTRES  
FROM AROUND THE WORLD

IN THE COURSE OF THE YEAR, WE HAD **650**  
DEVELOPMENT PROJECTS IN PROGRESS  
ASSOCIATED WITH NEW PRODUCT GROUPS

WE CREATED **840** PRODUCT CODES  
AND CONDUCTED 561 TECHNOLOGICAL TESTS

### GRI 102-3, 102-4, 102-5, 102-1

TFKable is a joint-stock company based in Myślenice, Poland. JDR is a limited liability company based in Edinburgh, UK. Bogusław Cupiał is the sole shareholder and owner of TFKable and JDR. Key managers of TFKable also have leading managerial roles across all TFK.Group entities.

The Consolidated Financial Statement of the companies within the Group is reported quarterly as required by the information obligation of the Loan Agreement dated 10th April 2020, concluded with the Bank Consortium. The annual and semi-annual Financial Statements are audited or reviewed (respectively) by a financial auditor

Financial data for 2019 presented below includes adjustments made in the 2020 financial statement and therefore differs from data presented in the CSR report for 2019.

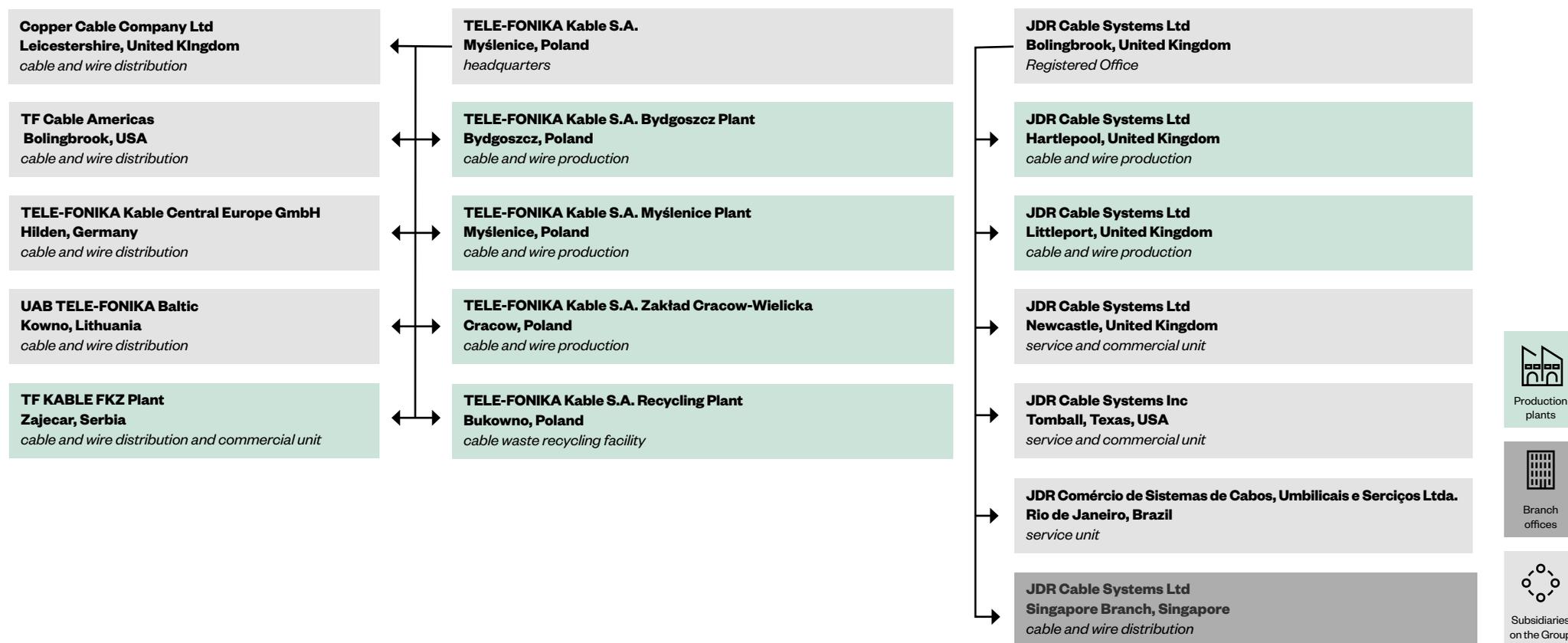
### Key financial 'pro forma' for TFK.Group for 2019-2021 [EUR 1,000]

Position	Value in 2019	Value in 2020	Value in 2021
Total assets	783,077	685,704	784,399
Equity capital	178,916	171,273	194,328
Sales revenue	925,728	782,572	953,160
EBITDA	58,096	57,814	83,712
Current income tax	8,051	6,230	6,201
Net profit	1,781	1,258	41,429
Investment outlays (CAPEX)	18,317	21,347	22,114

Exchange rates of Polish zloty (PLN) to euro (EUR) applied in financial reporting:  
Year Balance: (year, Balance sheet rate | result rate) 2021 4,57 | 4,60, 2020 4,61 | 4,47, 2019 4,26 | 4,30

<sup>1</sup> <https://gwec.net/wp-content/uploads/2021/03/GWEC-Global-Wind-Report-2021.pdf>

## ILLUSTRATIVE STRUCTURE OF TFK.GROUP



**GRI 102-18**

The management of our largest companies - Polish TFKable and British JDR - complies with the regulations on commercial companies in individual countries. Bogusław Cupiał is the only shareholder and owner of TFKable and JDR.



**THE BOARD**

- Chairman of the Board,
- Vice President of the Management Board, Treasury, M&A, Investor Relations,
- Member of the Board

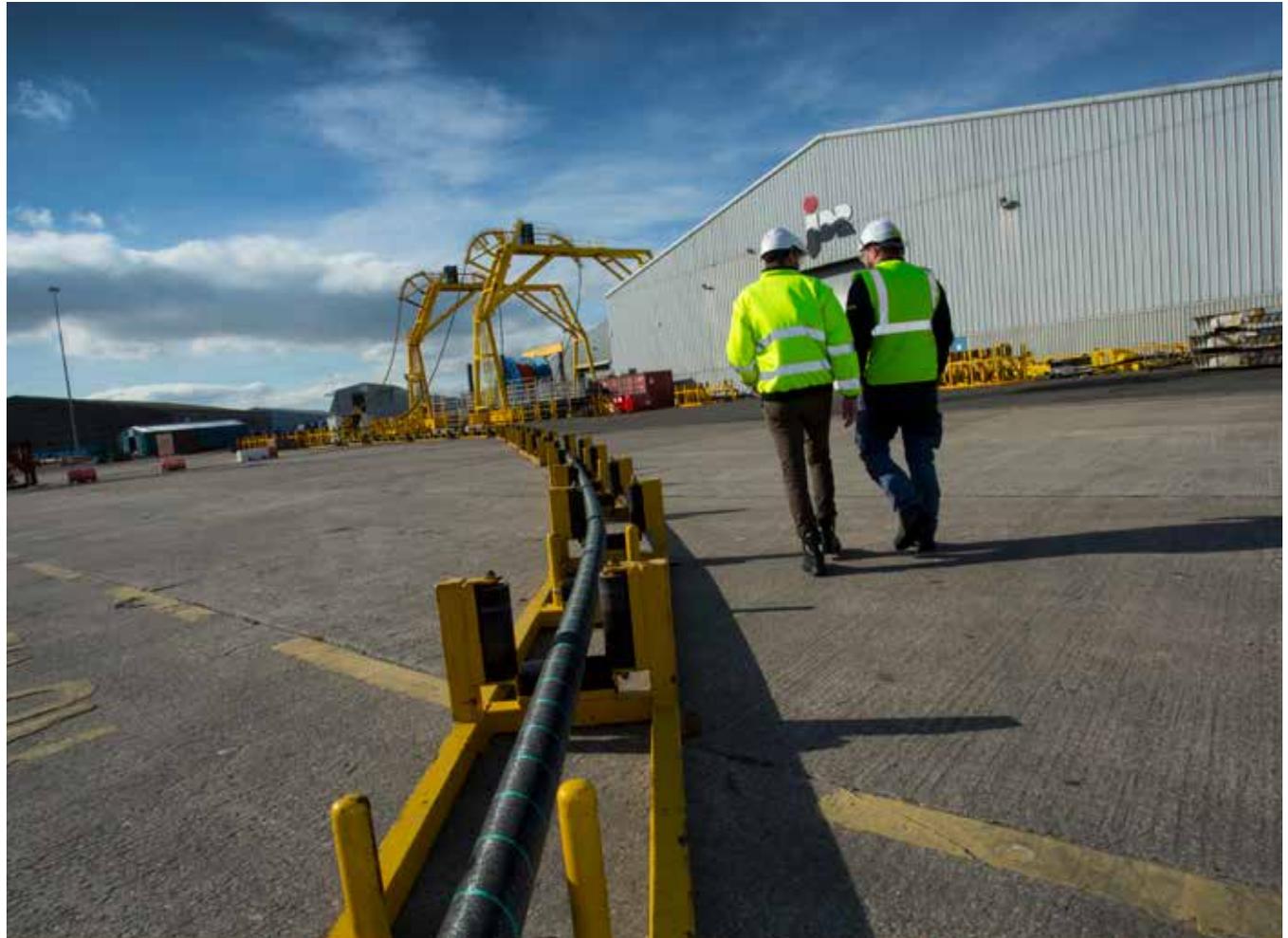


**THE BOARD**

- Executive Chairman
- Chief Executive Officer (CEO)
- Chief Financial Officer (CFO)
- Chief Operating Officer (COO)
- Directors



Detailed information on the tasks of the bodies of both companies can be found in our Corporate Social Responsibility Report for 2020 on page 15 link to the report.



# TFK.GROUP ON THE MARKET AND INDUSTRY ENVIRONMENT

## GRI 102-13

We are developing our Group, but we also want to contribute to the responsible development of the entire industry. Our experts share their knowledge and the best market practices within dozens of associations we are part of.

### THE LEADING INDUSTRY ORGANISATIONS WE ARE ACTIVE IN:

- EUROPACABLE
- Port Equipment Manufacturers Association
- Polish Committee of Large Electric Systems
- Polish Wind Energy Association
- Polish Offshore Wind Energy Society
- British Polish Chamber of Commerce
- Polish Energy Storage Association
- British Cable Makers Association
- Electrical Distribution Association
- American Wind Energy Association (AWEA)
- Wind Europe
- RenewableUK
- Global Wind Energy Council (GWEC)
- Subsea UK
- NOF Energy
- Business Network for Offshore Wind (IPF - US)
- Umbilical Manufacturers Federation (UMF)
- Energi Coast
- CIRGE

### GOOD PRACTICE

In September 2021, we took part in the ENERGETAB International Fair, the largest cyclical meeting of the members of the energy and power industry in Poland. The TFK.Group team presented innovative and safe solutions for the industry, including a dedicated line for the installation of cable routes, cables for mechanical laying, and innovative flame blocker cables. Our experts also presented samples of cables used in renewable energy projects.

### GOOD PRACTICE

**GOOD PRACTICE**  
Both of our companies, JDR and TFKable, took part in ADIPEC 2021 in Abu Dhabi, where advanced technologies, design experience and the production base for umbilical, subsea and other cables as well as wires offered on the offshore market, were presented. ADIPEC is one of the most impactful events in the world where oil, gas and energy companies as well as professionals meet to discuss the current opportunities in the energy sector.



## GOOD PRACTICE

### GRI 102-12

Europacable, established in 1991, is one of the most important industry associations, which brings together the largest European producers of cables and wires. Europacable members employ over 70,000 people all over the world. Joining Europacable and signing the Europacable Industry Charter declaration emphasises TELE-FONIKA Kable's commitment to adhere to the shared ethical principles and goals, and champion sustainable development in the production of cables. Monika Cupiał-Zgryzek has been the vice-president of Europacable since September 2015.

In 2021, our representatives were members of nine Europacable working groups. During the meetings, positions were developed on topics of key importance for the development of the entire industry, among all related to the circular economy, supply chain sustainability, CO2 emissions, and support for e-mobility.

Together with its partners from Europacable, since 2019 TFKable has also been running the "Fire protection is our responsibility. Yours too." campaign concerning CPR fire safety regulations. The campaign includes the My CPR Trainer free online training programme.



# CORPORATE GOVERNANCE AND RISK MANAGEMENT

## 103-1, 103-2, 103-3 Aspect: Anti-corruption, 102-16 GPW G-P2

At TFK.Group, we know that an organisation's values and principles of ethics do not depend on latitude or the language in which they are expressed, but rather on people and their everyday approach to doing business. When we decided to establish TFK.Group, what we have been guided by is the belief that both companies, TELE-FONIKA Kable and JDR, share the same highest standards of ethical behaviour, albeit sometimes differently worded. Although work on the formal alignment of codes and policies within the Group has not yet been completed, we can say with full responsibility that we are a uniform organisation in terms of values and principles.

Two documents regulate ethics at TFK.Group: the Code of Professional and Ethical Conduct at TFKable and the Code of Ethics at JDR. Both companies, so essentially the entire Group, also have common standards concerning work, suppliers, corruption prevention, adhering to social norms and respecting human rights.

## 102-12

TFK.Group is a global organisation. Wherever we work in the world, we are committed to complying with the United Nations Declaration of Human Rights and the standards of the International Labour Organisation. We do not, to any extent, rely on child labour. We refuse any business relationships with individuals, companies or organisations that do not respect fundamental standards, principles, or human rights.

We treat TFK.Group's business partners like we would want to be treated – with honesty and professionalism.

We do not tolerate any form of bribery or corruption within the Group. We scrupulously comply with anti-corruption laws in Poland and the United Kingdom.

JDR's Anti-Bribery and Corruption Policy sets out anti-bribery and anti-corruption rules and expectations for employees and third parties representing JDR or dealing with JDR, and provides all information necessary, among all, to understand and identify bribery and corruption, and information about available training options.

The formal adoption of TFKable's Anti-Corruption Policy was being finalised in 2021. Legal and internal consultations have been completed, and the Policy is expected to be approved by the company's management in 2022.



## VALUES OF TFK.GROUP



### RELIABILITY

Reliable and efficient products, professional services and expert knowledge

### INTEGRITY

Acting properly, earning trust & respect

### RESPONSIBILITY

Respect for human dignity, rights and freedom

### PASSION

Inspiration, creativity and expanding our knowledge & competences

### QUALITY

To be proud of our products and services

### INNOVATION

We work together within a safe, communicative and transparent organisation

### TEAMWORK

Encouraging responsibility, development, leadership and equality

### HEALTH, SAFETY AND ENVIRONMENT

Always our priority

### LEADERSHIP

We lead by example, at all levels

### FLEXIBILITY

Responsiveness to the needs of our customers

### CUSTOMER FOCUS

Working in partnership with our customers

### ETHICS AND INTEGRITY

Honesty, fair play and respect

### RESPONSIBILITY

We care about our employees and the communities in which we operate

### TEAMWORK

Better ways of doing things, every day

**GRI 205-3, SDG 16, GPW G-P3**

There were no cases of corruption at TFK.Group in 2021.

**GRI 205-1, SDG 16, GPW G-P3**

At TFKable, 28 economic events (70%) were analysed in terms of potential risks of corruption. The company has defined five main risks:

- Making a defective product available on the market;
- Purchasing defective or non-compliant raw material;
- Inflated purchase price;
- Reduced scope of purchased services;
- Potential seizure of property.

**GRI 102-17, GPW G-P4**

At TFK.Group, we understand the role of whistleblowers in modern organisations. These are people who decide to report possible irregularities in how the organisations function. Both TFKable and JDR have dedicated mechanisms in place that enable reporting irregularities anonymously. All persons who make a report in good faith will be protected against any form of retaliation.

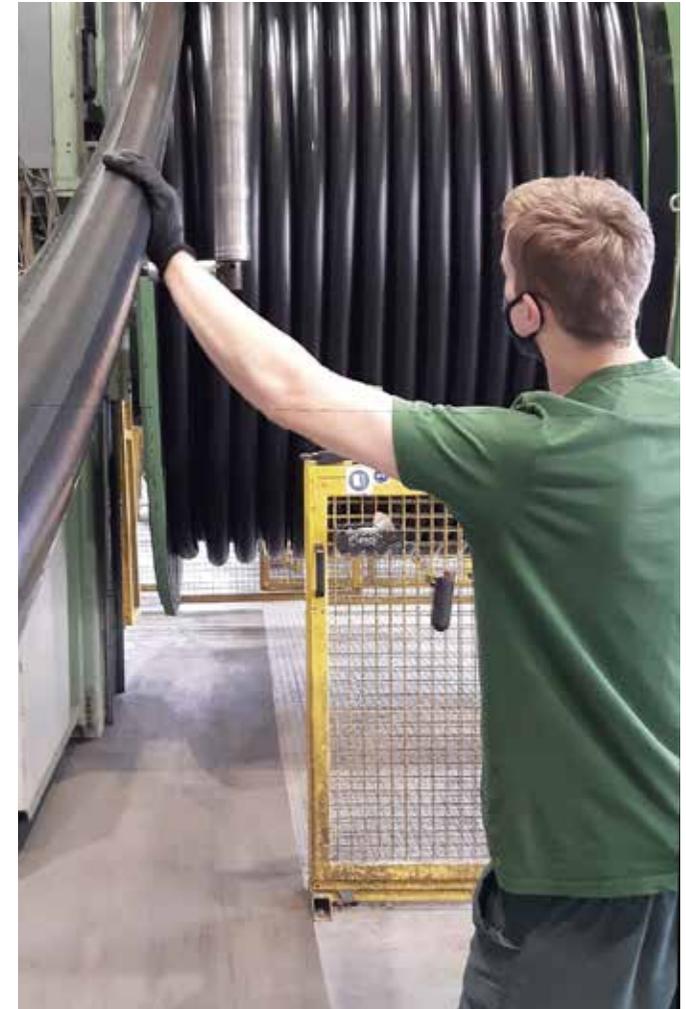
At TFKable, our employees can leave messages in the message box available at each site, send an e-mail, call or report inappropriate conduct to trade unions. The company also has a path for submitting formal complaints and requests. The Head of Human Resources and Administration oversees the proper functioning of reporting procedures. There were no reports submitted by whistleblowers in 2021.

A Whistleblowing Policy is in place at JDR. Employees have access to a hotline operated by an external independent organisation using Ethicspoint software. Reports can be made anonymously. Not a single report was made in 2021.

At TFKable, all employees are e-mailed the Code of Professional and Ethical Conduct, and the rules are also posted on information boards at our plants. New hires also undergo mandatory induction training, during which they are familiarised with the Code.

**GRI 102-9**

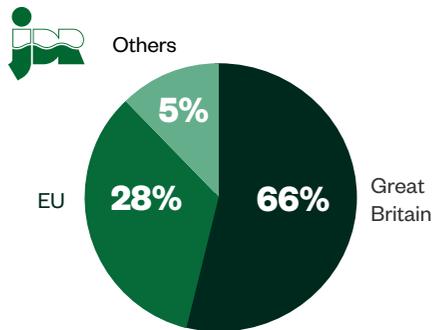
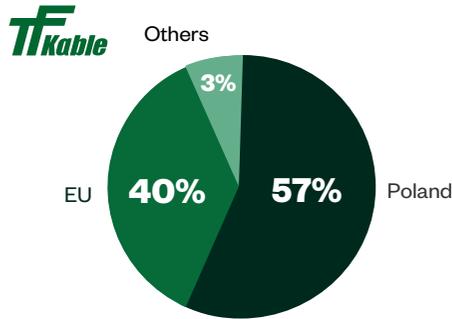
We want to build a responsible supply chain. To cooperate with TFK.Group, the potential business partner needs to meet ethical standards and be socially and environmentally responsible. When looking for vendors, we always first check whether they can be found on the local market or, more broadly, in the European Union. Deliveries from local suppliers take priority in the Group. We know that through this we have a positive impact on local economies and communities close to where we manufacture our products. This way we indirectly create jobs and increase the incomes of households.



**GRI 103-1, 103-2, 103-3 Aspect: Supplier Environmental and Social Assessment**

We see an opportunity to make our Group more competitive in a sustainable supply chain. When organising deliveries, we follow clearly defined goals and

**SOURCES OF DELIVERIES**



principles. What matters is:

- Safety and quality;
- Vendor risk assessment;
- Vendor management and evaluation of cooperation;
- Keeping deliveries secure and permanent;
- Identifying key suppliers and goods.

At TFKable, vendors are required every year to submit information about their ethical principles, by completing a special questionnaire. Compliance is verified during vendor audits carried out by the company. JDR has introduced the Responsible Sourcing Code, which sets out the requirements for vendors. Each potential business partner also completes the JDR Supplier Declaration that concerns ethical issues, consistent with the Code of Ethics. The declaration was prepared in accordance with the UN Guiding Principles on Business and Human Rights.

Due to the nature of our business, the Conflict Minerals Policy is of particular importance to TFK.Group. Tin is one of the key intermediates in the production of cables. We use 64 tonnes of tin annually in our plants. The global production of tin is mainly concentrated in the Democratic Republic of the Congo and neighbouring countries, where mining may involve a violation of human rights. The Group never buys tin from regions of armed conflicts. We strictly require all our tin suppliers to declare the origin of their tin down to the refinery. We only work with companies that are able to confirm the legality and sustainable origin of the tin they offer.

Both TFKable and JDR have an Anti-Modern Slavery and Human Trafficking Policy. When signing contracts all over the world, we select only those companies that we are certain to have no slave practices and are not involved in human trafficking. Every year, we regularly conduct due diligence processes at our vendors. As part of the process, we ask vendors to complete questionnaires in which companies report on their approach to human rights, child and forced labour, anti-discrimination and employee rights. The policy is consistent with the Integrated Management System based on ISO standards.

**GRI 308-1, 414-1, SDG 8, GPW S-P6**

**GOOD PRACTICE**

TELE-FONIKA Kable contracts services from over 200 vendors. The key selection criterion is the timeliness of deliveries, which allows to maintain production continuity while optimising storage costs. 56% of our vendors are Polish companies. Every vendor we cooperate with is required to provide TFKable with the documents required for preliminary assessment, including a self-assessment questionnaire and, if purchased services are concerned, statements regarding chemicals and environmentally hazardous substances as well as ISO 14001 environmental certificates.



## CORPORATE GOVERNANCE

We are an organisation based on lasting and transparent relationships with stakeholders: employees, suppliers, partners, and investors. We build TFK. Group's development on trust and everyday business integrity. Our corporate governance enables us to manage and supervise the organisation to the best corporate standards and in compliance with the law in force.

### TFK.GROUP MISSION

**Constant improvement** of competencies and actionable expertise, proven with required certificates and resulting in a strong team of world-class experts.



**Sustainable development** - health, safety and wellbeing of our employees as well as the environment in which we operate.



Design, manufacturing and **supply of modern technologies - based innovative solutions** to ensure its versatile adaptability.



**Investments raising production capacity** including use of modern technologies and the effective use of market opportunities, enabling us to deliver a wide range of product on time, and expedient growth ensured.



The Corporate Social Responsibility Policy has been in place at TFKable since 2019, and it identifies the company's goals. These are:

- Investments in work safety and comfort;
- Implementation of the Code of Professional and Ethical Conduct;
- Supporting employees in development;
- Preserving the natural environment by sustainable management of raw

materials and energy carriers, launching environmentally friendly products, rational management of the generated waste, and implementation of the circular economy model;

- Introducing the corporate social responsibility principles into the supply chain – defining standards for contractors pertaining to human rights, labour law, and environmental protection.

### SELECTED POLICIES IN THE AREA OF SUSTAINABLE DEVELOPMENT IN TFKABLE AND JDR



- Policy in the field of "conflict minerals"
- Health and safety policy
- Quality policy
- Environmental policy
- Policy of counteracting contemporary slavery and human trafficking
- CSR policy
- Code of professional and ethical conduct



- Responsible Sourcing Code
- External Grievance Policy
- Code of Ethics
- Anti-corruption policy
- Quality, health and safety and environmental protection (QHSE) policy
- CSR policy
- Conflict minerals and human trafficking policies



# THINK SAFETY      THINK QUALITY

THINK SAFETY and THINK QUALITY are programmes that are in place at JDR and in the entire TFK.Group. The programmes introduce the highest standards of managing risk associated with health, safety, and the environment. They constitute the basis for TFK.Group's activity, incorporate principles such as continuous improvement, the LEAN approach, and waste prevention. The TFKable plant in Bydgoszcz already has both programmes in place.

## THE GOALS OF THE THINK SAFETY AND THINK QUALITY PROGRAMMES:

- Reducing operating costs arising from quality loss, and limiting threats to the health and life of employees;
- Ensuring greater repeatability, while maintaining quality and safety at a high level;
- Increasing employee engagement, motivation, and indirect attachment to the workplace through direct involvement in projects;
- Building strategic competitive advantages of TFK.Group on the markets;
- Building the image of TFK.Group among clients and employees as a reliable and responsible supplier/employer;
- Promoting a culture of thinking about quality and safety among employees.

THINK QUALITY is part of the continuous improvement initiative implemented through the change management procedure. The purpose of the process is to control the life cycle of all changes affecting production processes, machinery, and equipment used in production processes or facilities in which these processes occur. We strive to ensure that all changes are recorded, assessed, authorised, prioritised, planned, tested, implemented, documented, and reviewed in a controlled and sustainable manner, without compromising health, safety, or the environment.

We encourage employees to submit their ideas for improvements. Initiatives can be suggested in three ways:

- Think Quality cards;
- Engineering process change form;
- Continuous improvement form.

The THINK SAFETY programme instils a sense of responsibility in our employees for safety in the work environment. The programme encourages employees to monitor 21 key risk factors, and report on dedicated THINK SAFETY cards their observations and the actions are taken.



## ESG RISK MANAGEMENT

We develop TFK.Group in a sustainable manner. We are pleased to see the growing importance of ESG (environmental, social, and corporate governance) factors in regulations and ratings of financial and rating institutions over the past few years. We are convinced that sustainable development will make our organisation more resistant to risks, maintain competitive advantages and build good relations with stakeholders based on credibility and trust.

### GRI 102-11, GPW E-P3

We comprehensively analyse risks and trends, and monitor the impact of our activities and products on the environment and surroundings. We mitigate risks through policies and procedures that regulate our activities: from sourcing raw materials, through production, sales, and relationships with business partners, to employee management.

The Group has defined ESG risk factors. They have been grouped into three main categories by their nature: operational risks, financial risks and megatrends.



MEGATRENDS	
Macroeconomic factors	Changes in GDP, interest rates, loan availability, costs of raw materials, and overall energy consumption that will affect investment expenditures.
Geopolitical factors	The economic and political situation in some regions of the world can cause instability, disrupting the efficiency of business operations and the supply chain.
Urbanisation and smart cities	Growing demand for smart city infrastructure, ageing energy infrastructure, and the need for flexibility and new solutions.
Revolution in energy	The need to diversify energy sources, deploy smart grids and reduce energy production costs, coupled with more regulation, require a new approach to product innovation.
FINANCIAL	
Climate change and a low-emission strategy	Risk related to more regulation and pressure on improving products and processes.
Cost and availability of raw materials	Depletion of non-renewable raw materials, increasing costs of their purchase and disruptions in supply chains.
Transparency and the expectations of investors	Reporting and open communication requirements.
OPERATIONAL	
Obsolete technologies	The growing need to create modern technologies and solutions.
Quality	Risk of product defects.
Vendors	The risk associated with violating employee and/or environment-related rights, or with quality standards, which require additional actions to be taken, e.g., running vendor and project audits.
Occupational Health and Safety	Standards and procedures introduced to monitor and ensure safety.

## RELATIONSHIPS WITH STAKEHOLDERS

We want to be heard, but we also want to listen. That is why we focus on having a transparent dialogue on partner terms that lets us get to know each other's expectations and capabilities. Good relationships with stakeholders based on mutual understanding and trust enable us to execute long-term strategies and sustainably develop our organisation.

### GRI 102-40



### GRI 102-42, 102-43

At TFK.Group, we have created a map of stakeholders, classifying them into individual groups by the strength of the relationship and the level of impact. We build relationships with each of the groups based on different measures

and tools, so as to align the dialogue methods to the needs and expectations of stakeholders. An Information Policy has been in place in the Group since 2018, which defines the ways and methods of communication with stakeholders.

#### Shareholders

- Reporting
- Direct communication – meetings, phone calls
- Marketing communication

#### Employees

- Direct communication – meetings, phone calls
- Online communication / Intranet
- Employee assessment
- Consultations
- Providing information

#### Financing institutions

- Meetings
- Reporting

#### Public administration / EU

- Reporting
- Consultations
- Working groups

#### Competition

- Meetings
- Fairs and conferences (online in 2020)
- Online communication
- Monitoring

#### Suppliers / Carriers

- Direct communication – meetings, phone calls
- Marketing communication
- Safety Days

#### Clients

- Product information
- Sales representative visits
- Product training
- Satisfaction surveys and interviews
- Marketing communication
- Online audits

#### Local authorities

- Meetings
- Reporting

#### Local communities

- Meetings
- Charity and sport activities
- Factory visits

#### Certification units

- Meetings
- Audits
- Reporting

## GRI 102-46

When preparing this report for publication, we conducted a survey among the stakeholders of our Group using an online questionnaire – separately for TELE-FONIKA Kable and JDR. The aim of the survey was to identify major issues that should be included in the report. In this process, we were guided by the principle of double materiality, as presented in the Corporate Sustainability Reporting Directive (CSRD), which points to important issues (social, environmental and economic) that the organisation can influence and/or factors (social, environmental and economic) that have an impact on the activity and financial performance of the company. In both surveys, we asked stakeholders to assess the importance of sustainable development issues, with regard to the principle of double materiality referred to above.

120 stakeholders participated in the survey for TFKable. More than half of them were our employees working at various levels in the organization. Detailed charts presenting the stakeholders participating in the survey for TFKable are presented in the section 2.2. Sustainable development priorities.

The survey concerning JDR was completed by 113 stakeholders, of which the most numerous group were also employees. Detailed charts presenting the stakeholders participating in the survey for JDR are presented in the section 3.2. Sustainable Development Priorities.

Having analysed the stakeholders' responses, we made a list of the most important sustainable development issues from their point of view: Detailed materiality matrices are presented in the chapters on individual companies.

## TOP 10 issues for TFKable and JDR according to stakeholders

TFK	Impact of TFK	JDR	Impact of JDR
Recycling	4.22	Employee health and safety	4.37
Employee health and safety	4.06	Employees' well-being	4.24
Waste and waste management	4.05	Product quality	4.21
Energy and energy consumption	3.95	Waste management	4.07
Green/low-emission infrastructure (e.g. low-emission buildings, including buildings using new technologies)	3.92	Recycling	4.05
Employee education and development	3.90	Diversity and equal treatment	3.98
Employees' well-being	3.90	Low-carbon infrastructure	3.97
Green logistics (e.g., low-emission fleet, energy-efficient warehouses)	3.88	Liability in the supply chain	3.96
Employment and job creation	3.78	Salaries	3.95
Carbon footprint	3.77	Employee training and development	3.94

**GRI 102-44**

The most important issues identified by the stakeholders have been presented in this report.

Topic	Place in the report
Recycling	49
Employee health and safety	42
Waste and waste management	50
Energy and energy consumption	46
Product quality	43
Employee education and development	43
Employees' well-being	39
Diversity and equal treatment	40
Employment and job creation	39
Carbon footprint	47
Liability in the supply chain	18
Salaries	40



## TAX STRATEGY

**GRI 103-1, 103-2, 103-3 Aspekt: Podatki, 207-1, SDG 10, SDG17**

TFKable meets the legal obligation to draw up and publish information about its tax strategy defined as a set of rules the company follows when discharging its tax obligations. Adhering to the strategy makes it possible for TFKable to effectively and consistently manage its tax governance and risk.

The company is committed to complying with tax law. Mechanisms have been introduced within the company to ensure the proper discharge of tax obligations and timely payment of public liabilities. The company does not engage in any tax optimization or tax avoidance, and does not increase its tax risk which could, to whatever extent, reduce the central or local government budget. Before engaging in any economic activity, the company first thoroughly verifies its tax consequences to avoid undertakings that generate tax risks.

In 2021, TFKable did not settle taxes in countries that engage in harmful tax competition, listed the implementing acts issued pursuant to Art. 11(2) of the Corporate Income Tax Act and pursuant to Art. 23(2) of the Personal Income Tax Act, and in the notice of the public finance minister issued pursuant to Art. 86a(10) of the Tax Code. The company is not and has never been registered as a taxpayer in any of these countries.

As regards tax settlements, the company's and the group's priority is tax security interpreted as mitigating the risk of tax arrears and the risk of sanctions under specific regulations. Discharging its obligations, the company complies with the tax law and, as a rule, settles taxes in a timely manner including making tax payments.

<sup>2</sup> As a company regulated by British law, JDR is not required to publish information about its tax strategy.

When doing business on local or foreign markets, the company is guided by honesty and the utmost care, also when it comes to taxes. The company's business activity is regulated by a number of procedures and policies that concern the performance of obligations under the tax law, and which ensure they are discharged properly, including:

- Procedure determining the responsibility for completing tasks related to tax settlements;
- Framework procedure for preventing non-compliance with the obligation to make tax scheme disclosures;
- Procedure for screening vendors for potential VAT-related fraud;
- Car policy;
- Procedure for recording the mileage of company cars;
- Procedure for submitting requests and making purchases.

The company's internal procedures are well-aligned with its structure, size and area of activity, including the economic sector and the scale of domestic and foreign transactions.

In 2021, TFKable made every effort to properly conduct its tax settlements and relations with the National Tax Administration as well as with other tax authorities, provide the required information, and be transparent about taxes. The company did not identify any events that prompted reporting tax scheme information referred to in Art. 86a(1)(10) of the Tax Code.

The company's tax strategy for 2020 public and has been published on the corporate website.



# HUMAN RIGHTS AND EMPLOYEES RIGHTS

TFK.Group employees know that only competences are relevant in our organisation. We counteract all forms of discrimination and promote diversity and inclusive organisational culture at every stage of the recruitment process and during employment. TFKable has an Internal Anti-Harrasment Policy, whose purpose is to counter violence and discrimination in the daily conduct of all employees in the company. At JDR, these issues are exhaustively regulated by JDR's Code of Ethics.

The competences, commitment, and experience of our employees are the foundation of our business success. We want and know how to show our team how much we value their work. We provide everyone with equal opportunities and create space for professional development within the company. Our organisational culture is centred around courtesy, attention, respect, and dignity. We act with the utmost integrity in our mutual relations, and always respect all employee rights and human rights.

Our basic principles regarding employment relationships include:

- Equal opportunities and diversity of employees;
- Personal dignity and right to privacy;
- Zero tolerance for harassment, intimidation, bullying, discrimination, coercion, threats, insults, and exploitation;
- Attention to cultural differences;
- Statutory minimum wage;
- Complying with general working time regulations;
- Child labour prohibition;
- Proper working conditions that meet OHS requirements.

## GRI 102-41, GPW S-P4

We also value the feedback from our employees, and pay close attention to their comments and suggestions. We support the freedom of association. There are four independent trade unions at TFKable and 30% of the employees are members. JDR employees have not established any trade unions. Neither TFKable nor JDR have a collective bargaining agreement with any of the trade unions. All changes to TFKable's internal regulations, such as the Work Regulations or Remuneration Regulations, are consulted with the trade unions.



## Pillars of information flow in TFK.Group

### TFKable

- TFPportal intranet, with key resources for all employees;
- Message boards;
- Boxes for suggestions and remarks accessible to production workers;
- A regular mailing/postmaster containing important employee information regarding organisational changes, company meetings or administrative matters;
- Meetings for crews and employees from given operational areas;
- Yearly High Voltage (HV) industry meetings that focus on know-how exchange on current industry undertakings, upcoming projects, further plans according to the sales strategy and team integration.

### JDR

- Regular communication of Safety Alerts covering our response on safety measures to protect all our staff and customers during the COVID-19 pandemic;
- Global Business Update Meeting – yearly review of past performance and future plans;
- Email Updates from CEO (and noticeboards);
- Weekly Senior Managers calls;
- Employee Forums in Littleport and Hartlepool, reviewing policies and performance;
- Monthly Team Briefings, covering JDR's performance against our Key Performance Indicators (KPIs) and a monthly business update;
- Sales conference for all product areas – know-how sharing and internal coordination;
- Ad hoc announcements if needed.

## COVID – 19 -INITIATIVES SUPPORTING EMPLOYEES AND EXTERNAL STAKEHOLDERS

At TFK.Group, we ensured our employees stayed safe throughout the COVID-19 pandemic. The necessary precautions recommended by national and international health authorities were introduced throughout the Group. We facilitated remote work wherever possible, limited business trips and meetings, and reduced access to production plants and offices of TFK.Group companies. We have introduced additional hygiene and sanitary measures in all areas.

The SARS-CoV-2 epidemic response team was formed in 2020 at TFK.Group and continued its work in 2021. Members of the team represented various business areas, including the legal department.



Further information on our activities during the COVID-19 pandemic can be found in the Social Responsibility Report 2020 on page 17.



## SOCIAL ENGAGEMENT

TFK.Group companies focus on supporting local communities as a part of their social engagement efforts. We particularly focus on children and adolescents, as we believe that by presenting the engineering profession in an interesting way, we can help the youngest develop interest in exact sciences.

JDR employees have been involved in the STEM (Science, Technology, Engineering and Mathematics) project for years, presenting the secrets of offshore energy at local schools, and sharing their passion for their profession. Many JDR employees have become STEM ambassadors or mentors. They attend career fairs, organise tours around our plants, and encourage attendance at internal events and workshops. Classes conducted by our experts prove that you can talk about engineering in a way that is engaging for children. The workshops organised at St Teresa's RC Primary School in Hartlepool is a good example, where children constructed freestanding structures from spaghetti and marshmallows.

In addition to the STEM programme, employees of the JDR company took part in the annual Bring it On event, during which one of the company's employees visited a local school to talk about working in the engineering industry.

There are also many examples of sharing knowledge with the youngest in Poland. One of such initiatives was a visit of the TELE-FONIKA Kable health and safety inspector to a kindergarten. Our employee, 6-year-old Ania's dad, talked about his work and safety at the Kraków-Wielicka production plant. He also helped prepare unique instructional materials – illustrations that made children aware of situations that require special attention and precautions. This initiative fitted perfectly with the "Mum, Dad, work safely during the coronavirus pandemic" campaign launched by the Group in 2020, which we covered in greater detail in last year's report

In addition to sharing knowledge, we also share our products. In 2021, TELE-FONIKA Kable made a donation to the Association of Narrow Gauge Railways

of Upper Silesia. We donated a kilometre of controlling cable to the association, which enabled them to launch two-track insulation semaphores, and two electric drives at the Bytom Karb station.

### GOOD PRACTICE

JDR donated cable spools to students at a local school in Littleport, which children decorated with paintings and used as tall tables.

TFKable and JDR teams also take part in charity initiatives. JDR employees entered the Charity Endurance Karting Team Race. The winner of the karting race was Dominic Wheatley, chief engineer, but the most important aspect of the event was charity. Over £1,900 was raised and donated to Mesothelioma UK, a specialist centre for treating cancer caused by asbestos.

In 2021, the employees of TELE-FONIKA Kable in Poland took part in the Noble Gift (Szlachetna Paczka) initiative. The collected toys, food, sweets, cosmetics, and household chemicals were donated to a family in need selected by the organiser. The employees also raised PLN 3,300 in cash which was used to buy vouchers for popular stores and was also donated to the family directly.

### GOOD PRACTICE

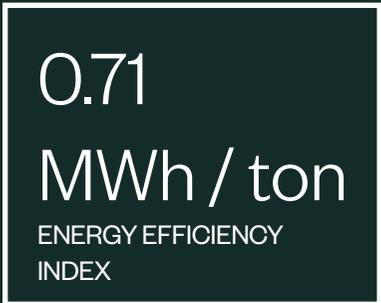
Very popular with our employees in 2021 was the Christmas Fair, where Christmas decorations made by employees of TFKable were sold. Proceeds to the amount of over PLN 5,200 were donated to the Single Mother's Home and the Shelter for the homeless requiring permanent medical care due to severe health conditions.

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TELE-FONIKA KABLE S.A.



KEY FACTS AND FIGURES



\*based on own data

# ABOUT TELE-FONIKA KABLE S.A.

## OUR PRODUCTS AND PLANTS

TELE-FONIKA Kable is one of the largest producers of cables and wires in Europe. We have built our position thanks to the high quality of our products and reliable deliveries. Our cables and wires enable execution of the most demanding industrial and infrastructural projects;

At TFKable we produce;

- Low voltage cables;
- Medium voltage cables;
- High and extra-high voltage cables;
- Installation cables;
- Signalling (controlling) cables;
- Copper telecommunication cables;
- Fibre optic cables;
- Rubber-insulated cables and wires.

### OUR PORTFOLIO INCLUDES, AMONG OTHERS THE FOLLOWING PRODUCTS:



low voltage cables



installation wires



fibre optic cables



medium voltage cables



signalling (controlling) cables



rubber cables



high and extra high voltage cables



copper telecommunication cables

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## UNIQUE FEATURES OF TELE-FONIKA KABLE PRODUCTS

### HIGH VOLTAGE

- Safe
- Failure-free energy transmission
- Reliable water-proof design, sealing
- Meet high current carrying capacity requirements

### CONSTRUCTION

- Flexible
- Non spreading flames, gases, and fumes
- Excellent identifiability (structural and visual marking)
- Easy to handle – separating thread
- Durable – high-quality insulation
- Anti-rodent barrier
- Torsion-resistant and works in low temperatures

### POWER GENERATION AND RAIL

- Durable
- Resistant to extreme conditions
- Guarantee safe operation
- Resistant to mechanical damage
- Resistant to flame spreading and low emission

### TELECOMMUNICATION

- Wide application – installation in cable ducts or directly in the ground
- Reinforced structure preventing mechanical damage
- High performance
- Durable
- Flame retardant

### MINING

- Safe and reliable in demanding conditions
- Resistant to high temperature, humidity and UV radiation
- Resistant to tearing, abrasion, twisting, bending, water, oils, and other chemicals
- Flame retardant
- Uninterrupted operation underground and on the surface
- Visible from a considerable distance (reflective cables)



Our products are made in plants in Poland, located in Krakow, Bydgoszcz, and Mysłenice, and abroad, in Zajecar, Serbia.



### KRAKÓW-WIELICKA PLANT

is one of the largest cable factories in Europe. It manufactures power cables and wires, including rubber-insulated products, used in the mining industry and wind farms, both onshore and offshore. As one of a few European producers, it supplies to the mines in the United States, Canada, South America, and Africa. It also manufactures cables for the rail and shipbuilding industry.

100 production lines

1,458 tonnes of monthly cable manufacturing capacity

GMMO1 and GMMO2 rubber compound mixers



### BYDGOSZCZ PLANT

is the oldest cable and wire factory in Poland and the largest plant producing medium, high and Extra-High voltage cables in Europe. Along with the Hartlepool and Littleport plants owned by JDR, it belongs to the elite group of direct suppliers of solutions for the submarine power transmission industry. Located in the plant are specialised research facilities, including the Extra-High Voltage Laboratory, which develops prototypes and technological guidelines for the production of HVAC and HVDC cables.

50 production lines

10–500kV voltage range

50–3,000 mm<sup>2</sup> cross-section range



### MYŚLENICE PLANT

manufactures telecommunication and fibre optic cables.

69 production lines

1,169 tonnes of monthly manufacturing capacity

Classes I, II, V, and VI produced in the plant



### ZAJECAR PLANT

in Serbia produces copper and aluminium wires, low and medium voltage cables, signalling and controlling cables, telecommunication cables, and halogen-free wires and cables.

57 production lines

300/300 V to 20/35 kV voltage range

1x0.5 mm<sup>2</sup> to 4x300 mm<sup>2</sup> cross section range



### THE WASTE PROCESSING BUKOWNO PLANT

processes waste from the production of cables and post-operational cables from renovation and construction works at TFK.Group facilities. The plant recovers valuable raw materials

that are used for re-production and thus supports the circular economy.

Ability to process up to 10,000 cable waste per year  
recovery of fractions with a purity of over 99.5%



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## KEY PROJECTS IN 2021

### DRESDEN, GERMANY

We started working on the order from SachsenEnergie AG in September 2021. It concerns the delivery and installation of 12.5 km of 110 kV XLPE cables with integrated fibre optic modules and high voltage cable accessories. The project is one of the stages in the modernisation of the energy infrastructure of Dresden and the region, the main goal of which is to improve the energy supply security, both for individual residents and for businesses located there.

A special system recommended for long cable lines will be used in the project, which will reduce transmission losses and increase the potential load on the current cable line.



### WIND FARM, KOSOVO

An ALU MV Cable 19/33 (36) kV was supplied to the wind farm, located around 40 km from Pristina. The farm has 27 wind turbines and a total capacity of almost 103 MW, and the investment totals €170 million. The wind farm supplies electricity to over 100,000 households.



### BLYTHE, CALIFORNIA, USA

For a 1000 acre solar installation with a capacity of 125 MWac we supplied a 646MCM DLO power cable. The cable was used in a part of the expanded 485-megawatt photovoltaic installation. The end customer was the power plant located in the Blythe desert in California.



### GSM-R PROJECT, POLAND

Supply of nearly 8,000 km of fibre optic and copper cables for the GSM-R system, which will be used in the future to manage railway traffic precisely and safely. Completion of the project is scheduled for mid-2023. The GSM-R system has been based on the regular GSM system. It will be upgraded with dedicated functions for train traffic management, as well as the operation and maintenance of railway infrastructure. The system enables employees responsible for train traffic to exchange information faster and more precisely. This will make rail traffic management more accurate, and journeys more efficient and safer.



### GUTINAS, ROMANIA

Delivery of the HV 400kV cable of a length of 7,920 metres for the Gutinas–Smardan Electric Line project in Romania. The project's main goal is to increase the capacity of the Romanian energy system to receive renewable energy from the Dobrogea area and transport it to centres across the country.



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## OUR CLIENTS

TELE-FONIKA Kable's cables and wires are used in the most important industry sectors. Our offer is based on market expertise and customer needs. We are developing our portfolio thanks to our considerable research and development potential. TELE-FONIKA Kable's clients include companies from the energy, rail, construction, telecommunication and mining sectors.

We want our business partners to be guaranteed not only the highest quality of products but also superior service. We build strong and long-term relationships. In each project, we carefully analyse the needs of our business partners, and TFKable employees offer support with their knowledge and experience, which is unique in the industry.

We meet with our clients during the implementation of individual projects, and we also attend all important industry events. We present our offer in a clear and honest way and inform about changes as well as new TFKable solutions and innovations. We want customers to view us the way we perceive our company – as a reliable manufacturer, supplier, reliable service provider and socially responsible employer.

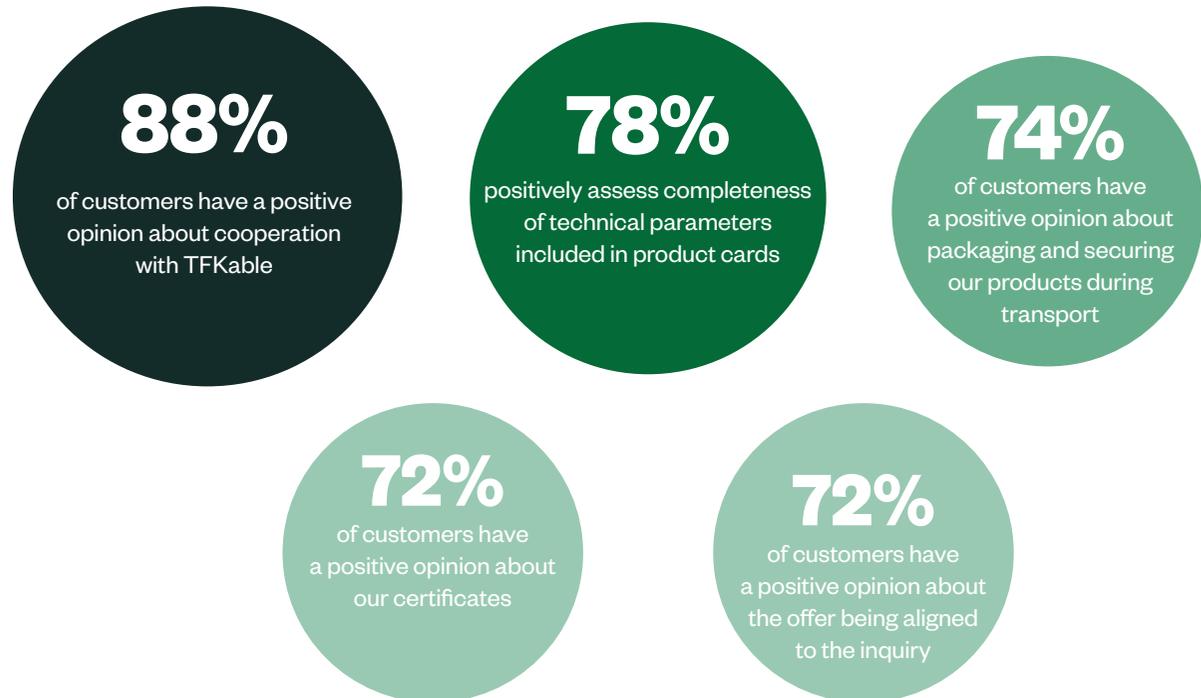
We consider the opinion of clients about TFKable essential. Every year, we conduct a Customer Satisfaction Survey among domestic and foreign business partners, based on the ISO IJ-0-33 procedure. In 2021, the target group was 1,442 respondents, including customers from Great Britain (41), USA (146), Germany (305),



Poland (50), other countries (900). We asked them for their opinions about, among all, our product offer, order fulfillment, the complaint process and customer relations. The responses we analysed allow us to identify areas within the organisation that require improvement.

The specificity of JDR's activity, consisting in long-term projects, means that satisfaction is assessed on the basis of daily and periodic contacts and project statuses, therefore JDR's clients are not included in the study.

## SELECTED RESULTS OF THE CUSTOMER SATISFACTION SURVEY:



# SUSTAINABLE DEVELOPMENT PRIORITIES

At TELE-FONIKA Kable, we want to grow in a sustainable manner. When preparing this report for publication, we conducted a survey among our company's stakeholders. We asked them about the most pressing issues concerning the sustainable development of the company and asked them to state the importance and impact of our organisation on them.

116 stakeholders completed the survey. Over half of them are our employees working at various levels in the organisation.

We used the significance matrix to compile a list of the most important sustainability issues for TELE-FONIKA Kable, which we present in Chapter 1, in the section "Relationship with Stakeholders". We cover all identified and relevant issues in this report.

## NUMBER OF STAKEHOLDERS WHO COMPLETED THE TFKABLE SUSTAINABLE DEVELOPMENT SURVEY

24

SUPPLIERS

19

CLIENTS

2

FINANCIAL INSTITUTIONS

1

MARKET ANALYSIS

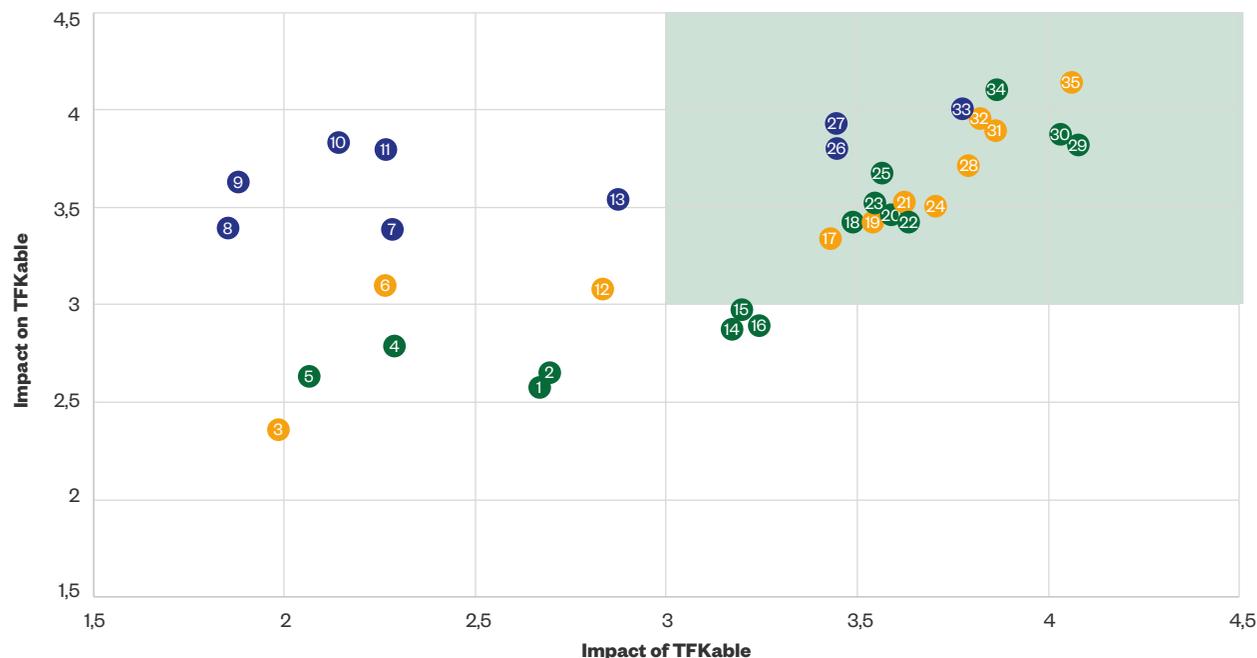
66

ACADEMIA EMPLOYEES

4

INDUSTRY ORGANISATIONS

Based on the feedback, we have prepared significance matrices for issues reported to us by stakeholders:



### ● environmental aspects

- 1 Increase in the average temperature in the world
- 2 Biodiversity (variety of ecosystems, species of living organisms and their genes)
- 4 Water / Water Resource Availability
- 5 Violent weather phenomena
- 14 Water pollution
- 15 Environmental awareness of the society
- 16 Air pollution
- 21 Carbon footprint
- 22 Green /low-emission infrastructure (e.g. low-emission buildings, including those using new technologies)
- 23 Green logistics (e.g. low-emission fleet, energy-saving warehouse facilities)
- 25 Use of natural resources
- 26 Recycling
- 30 Waste / waste management

### ● social aspects

- 3 Migration crisis
- 12 Corruption / anti-corruption
- 17 Relations with local communities
- 18 Human rights
- 20 Discrimination / anti-discrimination
- 21 Diversity and equal treatment
- 22 New forms of work (remote work, etc.)
- 23 Employee well-being
- 24 Employee education and development
- 25 Employee health and safety
- 35 Aging society in Europe

### ● economical aspects

- 7 The Sars-Cov2 pandemic
- 8 High inflation
- 9 Instability of media prices (e.g. electricity, gas)
- 10 Volatility of raw material prices (e.g. copper, steel, aluminum)
- 11 Global problems in supply chains (limited availability of goods)
- 13 Digitization/ automation
- 28 Sustainable supply chains (social and environmental responsibility of suppliers)
- 27 Economic development of the country
- 33 Employment and job creation

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## RESEARCH AND DEVELOPMENT

We build our future, among all, on technologically advanced submarine cables and launching the production of innovative high and extra-high voltage cables. We can accomplish our goals thanks to TELE-FONIKA Kable's modern research facilities. Our laboratories and the experienced team enable us to develop cables that meet the strictest standards, ensuring failure-free and cost-efficient operations.

We have specialised measuring instruments and high-class laboratory equipment, which is used every year to perform hundreds of tests and trials of cables and wires. We work with national and international academic and certification institutions, as well as universities.

Our main research and development facilities are the **Fire Test Laboratory at the Kraków-Wielicka Plant** and the **High and Extremely High Voltage Laboratory in Bydgoszcz**.

The Fire Test Laboratory at the Kraków-Wielicka Plant has equipment that allows conducting a variety of flame spread tests on individual samples and bundles, as well as equipment for testing the density of emitted fumes and corrosive gas emissions in accordance with the requirements of the Construction Products Regulation (CPR). The laboratory carries out several hundred preliminary flammability tests annually.

The High and Extremely High Voltage Laboratory in Bydgoszcz is equipped with Faraday chambers for routine and type tests of cables, as well as cable systems with a surge generator with its own test field for qualification tests with a 500



kV test system and 5000 A heating transformer sets. Using a surge generator, we locate potential damage to the cables and wires. In 2021, we completed the expansion of the Laboratory in the R&D Centre, which allowed us extensively research HVDC direct and EHVAC alternating current cable prototypes for higher-rated voltages, and technological guidelines for their production.

One of the most important research projects pursued by our company is the development of energy storage modular systems. The project was launched in 2021 together with our partners – the Lublin University of Technology and MPK

Lublin. Three pilot energy storages will be constructed at the university, at one of the TFKable production plants and in the MPK Lublin depot.

The storages will have a structure of a containers with the option of a parallel connection to increase the total power or capacity, depending on the user's needs. The solution is intended for businesses and is a response to the need to reduce power consumption. The problem is very apparent in enterprises such as MPK Lublin because the peak power consumption exceeds 1500 kW, and the daily average is 70 kW. This generates huge costs of providing contracted

power by the energy company. The storage under development is intended to partially satisfy the demand for energy and power during peaks. This will enable to reduce the total amount of contracted power and the associated costs.

Importantly, the energy storages will be able to be connected to a photovoltaic farm, which will reduce energy losses, and eliminate the need of turning it off due to, for example, voltage spikes in the grid.

Our research laboratories develop, among among others, the 66 kV cable production technology, which is essential for the offshore wind energy industry.

## GOOD PRACTICE

The growing need for accelerating container handling prompts the use of ultra-fast handling equipment. To respond to the market needs, we have created the Extra High-Speed Cable Laboratory in TELE-FONIKA Kable as part of the "Support for investments in R&D infrastructure of enterprises" measure of the Smart Growth Operational Programme 2014–2020. The Laboratory conducts research on cable structures with rubber insulation and sheath for high-speed mobile applications, and for use in handling and transport equipment. Specialised equipment has been prepared – a test crane, which simulates the actual operation of controlling and power cables on a 1:1 scale. In addition to the laboratory crane, there are also devices for testing the bending resistance at ultra-low temperatures, even down to -30°C. The research will let us optimize the structures of high-speed cables in conditions as close to the real world as possible. The R&D work will contribute to the development of a new sales sector in the transport and transshipment industry.

66kV cables enable more energy to be transmitted between turbines in higher capacity offshore wind farms. The new cables have already been delivered by JDR and TFKable, and installed in the East Anglia One project (the world's first large scale commercial use of 66kV cable technology). 66kV cable technology has also been deployed for the Windfloat Atlantic project, which is the first global floating wind farm to use dynamic 66kV cables, and is also soon to be used on the Golfe du Lion and Hywind Tampen projects.

They are becoming a standard solution in next generation wind farms.

In 2021, we completed a research and development project at our Kraków-Wielicka plant conducted since 2018 together with the West Pomeranian University of Technology, whose goal was to launch the manufacturing of improved LSOH flame retardant cables. The developed solutions allowed to create cables that improve fire safety in buildings. The new cables minimize the release of harmful chemical compounds during fires, slow down rapidly spreading flames, and prevent fumes. The cable sheath is more flexible and resistant to mechanical damage, which makes them easier to install. The project was co-funded by the European Union.

## GOOD PRACTICE

In 2021 we started cooperating with the Faculty of Telecommunications, Informatics and Electrical Engineering of the University of Technology and Life Sciences in Bydgoszcz, which will introduce an undergraduate 3.5-year BEng programme in Power Engineering. The programme curriculum was based on a full-time hybrid education model, which means that certain practical and theoretical classes will be conducted by the university staff, and additional practical activities, including a 6-month apprenticeship, will be organised in the training centre of the Bydgoszcz TFKable Group plant. The power engineering programme has been designed to prepare undergraduates to work in the cable or power industry, in Poland or abroad.



# HIRING AND EMPLOYEE DEVELOPMENT

## GRI 103-1, 103-2, 103-3 Aspect: Employment, 102-8

TELE-FONIKA Kable employs over 2,100 people, the vast majority of whom are employed under a full-time permanent employment contract. For natural reasons that reflect the nature of our production processes, the majority of our staff are men. As at the end of 2021, the TFKable staff also included 81 employees from Ukraine, employed by a temporary employment agency. 16 people cooperated with our company in 2021 under a Civil law contract.

### Data on TFKable employees in 2021

Number of employees according to the form of employment	
<b>Fixed-term employment contract</b>	
Women	36
Men	199
<b>TOTAL</b>	<b>235</b>
<b>Permanent employment contract</b>	
Women	264
Men	1,640
<b>TOTAL</b>	<b>1,904</b>
<b>TOTAL</b>	<b>2,139</b>

Number of employees by the type of employment	
<b>Full-time contract</b>	
Women	293
Men	1,828
<b>TOTAL</b>	<b>2,121</b>
<b>Part-time (1/2 FTE)</b>	
Women	4
Men	5
<b>TOTAL</b>	<b>9</b>
<b>Different FTE proportion</b>	
Women	3
Men	6
<b>TOTAL</b>	<b>9</b>
<b>TOTAL</b>	<b>2,139</b>

## GRI 102-41

At TFKable, we create a respectful, ethical and inclusive work environment. We are convinced that in order to create products of the highest quality, we need to foster commitment and good relations with employees every day, and ensure a friendly and safe environment to work in. There are four independent trade unions at TFKable where 30% of staff are members. There is no collective bargaining agreement in place at TFKable, but all changes to our internal regulations, such as the Work Regulations or Remuneration Regulations, are consulted with the trade unions, in accordance with the Labour Code and the Trade Union Act.

We offer professional development opportunities to all employees. TFPortal, our internal information site, has been introduced in 2020, and it integrates the entire internal communication and employee-related resources. The TFKable Academy section on TFPortal offers access to webinars and e-learning materials concerning, among all, renewable energy, digitisation of internal documents and information security.

### GOOD PRACTICE

The TFKable Academy is our largest training project for employees. It is a series of lectures and seminars, and a resource centre for new employees. The Academy staff are a dozen or so trainers, both internal and external. The TFKable Academy trainers receive regular feedback from the participants, which they can use to organise even better training and present the issues to the participants in a more illustrative way. The 16 external and internal training courses organised in 2021 for employees were attended by 650 people.

**TFK.Group**

**AKADEMIA  
TFKABLE**

### GOOD PRACTICE

We share our knowledge with pupils and students, encouraging them to get to know our organisation and industry better. We invite them to organise school trips to our plants, and we organise career days, apprenticeships, and internships for people assisted by employment offices and university students. We also provide access to materials for research papers and engage in partnerships with research institutions.

## GOOD PRACTICE

We treat internships at TFKable as an opportunity to get to know each other - interns get to know our company, and we can assess the competence potential of the interns. Our experience shows that each year at least one intern stays with the company on a permanent basis - this is how many of our specialists-engineers started their professional careers.

In 2021, at TFKable, we accepted 18 students from the University of Technology in Bydgoszcz, Gdańsk, Poznań and Szczecin and the University of Kazimierz Wielki in Bydgoszcz for a paid internship. 4 students from high school in the field of logistics also completed their internships. One of the trainees was hired to work in the quality control laboratory as a specialist.

### GRI 401-2, SDG 3, SDG 5, SDG 8

The salaries of TFKable employees are always paid on time and in the full agreed amount. In addition to competitive remuneration, we offer attractive benefits, which include, among others, shopping vouchers, additional life insurance, hardship benefits for employees covering against an accident or disease, and medical care. We also offer rewards and preferential working conditions to employees with a long employment history.

We also run the Kabel holiday resort in Zakopane. Employees and their families, as well as retired employees, can use it under their benefits plan. A major part of our employee benefits package is financed from the Company Social Benefits Fund. Funds are allocated by the Social Committee on the basis of applications submitted by employees.

### GRI 405-2, SDG 5, SDG 8, SDG 10, GPW S-P2

In 2021, the proportion of women's remuneration to men's remuneration at various levels and positions was as follows:

#### The ratio of the basic salary of women and men at TFKable in 2021

<b>Top management</b>	91%
<b>Managers</b>	111%
<b>Administration</b>	112%
<b>Manual workers</b>	94%
<b>Production workers</b>	98%



### 401-1, GPW S-P3

#### Employee turnover rate, including breakdown by gender and age at TFKable in 2021

Gender	
Women	2%
Men	12%
Age	
Under 30	2%
30-50	7%
50 and above	5%

#### The total number and percentage of new employees and of departures during the reporting period at TFKable

#### Total number of new employees hired in the organization, including by gender and age at TFKable in 2021

Gender	
Women	41
Men	280
Age	
Under 30	117
30-50	154
50 and above	50

**Total number of employees who left the organization period, including breakdown by gender and age at TFKable in 2021**

Gender	
Women	45
Men	285
Age	
Under 30	48
30-50	167
50 and above	115

**The rate of new employees hired in the organization, including breakdown by gender and age at TFKable in 2021**

Gender	
Women	2%
Men	11%
Age	
Under 30	5%
30-50	6%
50 and above	2%



**[401-3]**

**Data on parental leave at TFKable in 2021**

**Total number of employees entitled to parental leave in the reporting period**

Women	13
Men	1

**Total number of people who took parental leave in the reporting period**

Women	13
Men	1

**Total number of employees who returned to work after parental leave in the reporting period**

Women	7
Men	1

**Total number of employees who returned to work after parental leave and 12 months after returning to work continue to be employed in the organisation**

Women	6
Men	0

**Rate of return to work of employees who took parental leave**

Women	54%
Men	100%

**Retention rate among employees who took parental leave**

Women	33%
Men	0%

# HEALTH AND SAFETY OF EMPLOYEES

**GRI 103-1, 103-2, 103-3 Aspect: Occupational Health and Safety, 403-2, 403-3, 403-10, 403-4, 403-7, SDG 3, SDG 8**

There are no negotiation or compromises at TFKable when it comes to safety. We want working at TFKable to be, most importantly, safe. All our plants employ appropriately qualified health and safety staff. We conduct audits on an ongoing basis, identify threats and assess occupational risks associated with working in individual positions.

A special committee is appointed to assess the risk, consisting of the heads of individual departments, a representative of the employees, a technologist, and a health and safety expert. If any irregularities are identified, corrective actions are taken immediately and a deadline for their removal is set. Each change that affects a given position by increasing risk prompts re-identification of hazards and reassessment of risk. Every employee is familiar with the Occupational Risk Assessment Card assigned to their position and is informed about the risks and factors related to their work that may be potentially harmful. All persons employed at TFKable are required to immediately report anything that may have a negative impact on health or is life-threatening. Near misses are reported to our OHS services. No cases of occupational diseases have been recorded at TFKable in 2021.

## **GRI 403-8, SDG 8**

### **GOOD PRACTICE**

At the TFKable plant in Bydgoszcz there is a work management and safety system that covers all employees. In the other facilities, supervision over employees is based on procedures and instructions to the ISO 45001 standard.

Our entire organization also has an accident management procedure. The location at risk of accidents is always secured by OHS department employees. The post-accident team determines the causes and circumstances of the incident. A post-accident report is written and appropriate measures are taken to minimise the likelihood of a similar situation occurring in the future. At TFKable, we never ask or require employees to work in locations that have been poorly prepared for work, which could pose a threat. Every employee has the right to refuse to work in a life-threatening situation.

Health and safety issues are discussed during meetings with trade unions, and employees also have the opportunity to submit their feedback and suggestions during regular training and visits of the OHS representatives at the production halls.

## **GRI 403-9, SDG 3, SDG 8**

There were **no fatal or serious accidents at work** in our entire organization in 2021. We recorded 58 injuries, mostly superficial wounds and finger injuries.

**The serious work-related injury rate was 0** among the employees not employed by TFKable, but whose work was controlled by our company, three accidents were recorded – a contusion, fracture, and hand-wound.

## **Accidents and potential accident events at TFKable in 2021**

<b>Number of accidents at work/1000 employees</b>	27.8
<b>Number of near misses/1000 employees</b>	5.7
<b>Number of days of sickness absenteeism caused by accidents at work/1000 employees</b>	1,304

## **GRI 403-5, 403-6, SDG 3, SDG 8**

We conduct regular health and safety training at TFKable. All new employees receive general safety training before starting work. All employees periodically undergo refresher training in health and safety, and special training on hazards at the plant is also organised for employees of external companies. We also organise training for production hall fire teams every year, and there is a nurse on duty on the site.



## THINK SAFETY THINK QUALITY

The THINK QUALITY and THINK SAFETY programmes created by JDR and successfully launched in the Bydgoszcz plant also concern occupational safety. Their broad scope supports the continuous improvement of the organisation and, at the same time, builds a culture of caring about quality, safety, and elimination of waste. We use a number of tools and methodologies, and the key to success is to ensure space and offer employees real opportunities to contribute to introducing improvements within their area of competence and in their workplace.

In Bydgoszcz, we accomplish this among others all thanks to the KAIZEN method. In 2021, our employees submitted **77 ideas: 30** concerning the elimination of waste, **23** for improving work safety, and **24** for improving quality.

### GOOD PRACTICE

Each activity performed as part of our work adds value to the products that leave our factory. We realize that the losses caused by the loss of quality can be enormous and irreversible. Therefore, we implement procedures that improve the work of our production machines. In accordance with the principles of Total Productive Maintenance, TMP allows you to schedule regular inspections of key devices, prevent failures and effectively use the time of people operating the equipment. In 2021, the programme included 35 most important machines in the production line, which were subjected to 46 planned inspections according to a strictly defined schedule.



We wrote in detail about the THINK QUALITY and THINK SAFETY programs in the report for 2020:



# OUR IMPACT ON THE NATURAL ENVIRONMENT

**GRI 103-1, 103-2, 103-3 Aspect: Environmental Compliance, 307-1, 302-4, SDG 7, SDG 12, SDG 13, SDG 16**

We minimise our impact on the natural environment with our environmental management system, environmental policy, and compliance with internal company standards. We follow our Environmental Policy by making efficient use of resources and raw materials, responsible risk management, and adopting the best production practices. In 2021, no significant financial penalties or non-financial sanctions were imposed on TELE-FONIKA Kable for non-compliance with environmental law or regulations.



## GOOD PRACTICE

We modernize our production capabilities to protect the natural environment. One such example is the project completed in 2021 that involved transferring the technological boiler room at the Bydgoszcz plant to a new location and installing a new boiler. During the 9 months of operation of the new installation, we reduced energy consumption by 2,311 GJ.

At TFKable, we avoid using raw materials that contain substances harmful to humans or the environment, and wherever technologically feasible, we use eco-friendly substitutes. We reduce our pollutant emissions and waste production, and efficiently manage the consumption of natural resources and energy in the production process.

Through education and sharing knowledge, we strive to build awareness among our employees of being responsible for the environment and to develop eco-friendly innovations.

## GOOD PRACTICE

We have created information material for our customers and the users of our products on how to handle cable and wire waste in an environmentally friendly manner. In the document made available on our website, we recommend recycling and reusing the materials that the cables are made of along with their packaging. In our material, we comment in detail on the individual materials and suggest how they should be handled in a responsible manner.

The document is available at:



## HOW WE PROTECT WATER RESOURCES

### GRI 103-1, 103-2, 103-3 Aspect: Water and effluents

- directly from surface waters – rivers
- from own water wells
- from the municipal network

We have implemented advanced water recovery technologies, which allow us to use the same water many times in the production process, even several dozen times.

### GRI 303-2, 303-3, SDG 6, GPW E-S4, GPW E-S3

Wastewater discharged by our plants does not exceed the parameters specified in water-law permits and contracts with recipients of municipal wastewater. Our internal sewage treatment plant receives wastewater from the production process and sewage. The amount of wastewater is precisely monitored with meters and flow meters. The sewage is also tested by external laboratories every two months. The equipment operated by TFKable is maintained and kept in a proper technical condition, and the discharged effluents do not adversely affect the surface and ground waters in environmental terms. The total volume of treated effluents discharged to rivers in 2021 was 23,090 m<sup>3</sup>. Our company does not use water from areas with water stress.

### GRI 303-3, SDG 6

#### Total water consumption by the organization at all locations, broken down by source (in megaliters) at TFKable

	2017	2018	2019	2020	2021
Surface waters	2.04	3.66	5.77	4.10	4.06
Groundwater	30.13	25	28.19	27.81	21.48
Sea waters	0	0	0	0	0
Production water (obtained from the extraction, processing or use of any other raw material)	-	-	-	-	0
Water obtained from an indirect source (e.g. local water supply)	290.17	269.83	301.84	279.40	258.34
TOTAL	322.34	298.49	335.80	311.31	283.88

### GRI 303-4, SDG 6

#### Total water discharged (in megaliters) at all locations, due to the discharge destination at TFKable

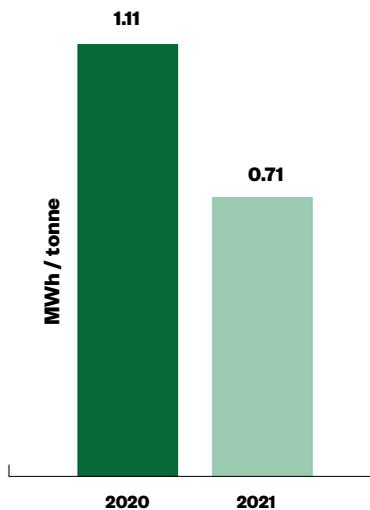
	2017	2018	2019	2020	2021
Surface waters	24.34	22.64	22.05	26.44	23.09
Groundwater	0	0	0	0	0
Sea waters	0	0	0	0	0
Water obtained from an indirect source (e.g. local water supply) and an indication of how much of this value has been transferred to other organizations (if applicable)	-	-	-	-	175.76
TOTAL	24.34	22.64	22.05	26.44	198.85

## HOW WE REDUCE OUR EMISSIONS AND ENERGY CONSUMPTION

### GRI 103-1, 103-2, 103-3 Aspect: Energy and emissions

We want to reduce energy consumption and greenhouse gas emissions across the entire value chain. We use new technologies and innovative solutions that make our production processes more efficient and reliable. The amount of energy consumed is directly proportionate to the production volume, which is why we also monitor the energy consumption index.

#### Energy consumption intensity at TFKable:

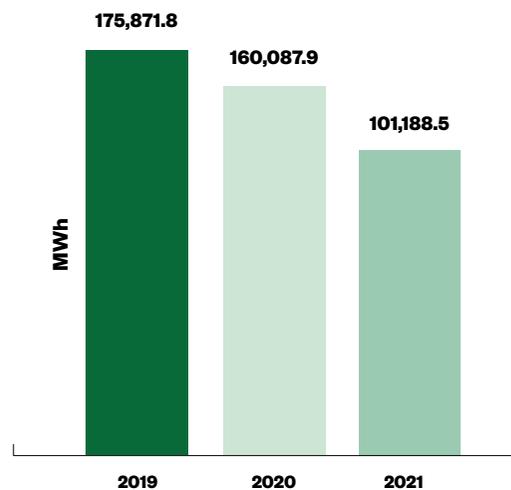


We use the ERCO.Net media management programme at TFKable, which enables us to monitor and manage the use of utilities (electricity and heat or natural gas).

### GOOD PRACTICE

To reduce energy consumption and emissions, we use 80% of waste heat from compressors to heat tap water. We have also introduced single-stage mixtures into the production process, which enabled us to use less fuels and reduce emissions, as well as cut the amount of rubber mixture waste by half.

#### Total energy consumption at TFKable:



The change in the intensity of energy consumption results from the reorganization measures taken. Energy-saving technological devices were relocated to the Kraków and Myślenice plants, and the devices that caused the highest energy consumption were taken out of service.



**GRI 305-1, SDG 12, SDG 13, GPW E-P1**

**Direct greenhouse gas emissions at TFKable [tCO2e]**

Direct emissions	Greenhouse gas emissions 2017	Greenhouse gas emissions 2018	Greenhouse gas emissions 2019	Greenhouse gas emissions 2020	Greenhouse gas emissions 2021
Emissions related to the generation of electricity	0	0	0	0	0
Emissions related to heat generation	5,454.10	4,792.60	4,849.80	192.00	261.00
Emissions from refrigeration and steam generation processes	0	0	0	4,534	4,381
Emissions from physical and chemical processing	0	0	0	0	0
Fluorine hydrocarbon (HFC) emissions	75.40	168.30	4.40	22.80	11.00
Emissions related to the transport of materials, products and waste	n/d	n/d	n/d	1,382.00	1,440.00
<b>Sum of direct emissions</b>	<b>5,529.50</b>	<b>4,960.90</b>	<b>4,854.20</b>	<b>6,130.80</b>	<b>6,093.00</b>
Biogenic carbon dioxide emissions in tonnes of CO2 eq	0	0	0	0	0
Other	0	0	0	0	0
<b>TOTAL</b>	<b>5,529.50*</b>	<b>4,960.90*</b>	<b>4,854.20*</b>	<b>6,130.80</b>	<b>6,093.00</b>

\* emissions from means of transport were not taken into account in the calculations

**GRI 305-2, SDG 12, SDG 13, GPW E-P1**

In 2021, indirect greenhouse gas emissions in scope 2 (indirect emissions from purchased or acquired electricity, steam, heat and cooling) were 91,899 tCO2.



**GRI 302-1, SDG 7, SDG 12, SDG 13**

**Total energy consumption (in MWh) at TFKable**

	2017	2018	2019	2020	2021
<b>electric energy</b>	112,081.00	111,323.00	111,351.00	98,481.00	101,188.53
<b>thermal energy</b>	19,692.50	20,859.70	18,817.80	20,008.60	23,831.10
<b>natural gas</b>	43,491.00	38,553.30	38,946.90	36,164.40	35,829.17
<b>heating oil</b>	1,495.30	1,074.80	623.90	234.40	261.67
<b>TOTAL</b>	176,759.80	171,810.80	169,739.60	154,888.40	161,110.50

**GRI 305-7, SDG 3, SDG 12, SDG 13, SDG 15**

**Data on significant air emissions (in tonnes) at TFKable**

	2017	2018	2019	2020	2021
<b>SOx</b>	0.40	0.50	0.40	0.12	0.12
<b>NOx</b>	5.00	4.50	4.30	4.10	4.03
<b>Persistent organic pollutants</b>	0	0	0	0	0
<b>Volatile organic compounds</b>	35.00	25.80	28.60	23.30	27.76
<b>Harmful air pollutants</b>	0	0	0	0	0
<b>Suspended dust</b>	1.40	1.30	1.10	0.90	0.65
<b>TOTAL</b>	41.80	32.10	34.40	28.42	32.56



**GRI 305-4, SDG 13, GPW E-S1**

The greenhouse gas intensity of emissions for the organization for TFKable in 2021 was 0.043 gCO<sub>2</sub> / mass of cables and wires produced.

## HOW WE MANAGE WASTE

### GRI 103-1, 103-2, 103-3 Aspect: Resources, Waste, GRI 306-2, 301-2, SDG 11, SDG 12, GPWE-S6

If possible, we recover raw materials and support the circular economy. Our waste recycling plant in Bukowno specialises in recovering cable waste generated during the production process, as well as scrapped cables and cables from disassembly at the locations owned by our company. Cable components are mechanically recovered at the plant, as a result of which ferrous metals, non-ferrous metals as well as plastics, and rubber granulates are recovered. Pure copper recovered in the process is smelted and transformed into copper rods, which are used to manufacture new cables. The remaining raw materials, aluminum, plastics, and rubber are shipped to external companies for processing using other methods. 5.64% of the materials used in production in 2021 came from recycling.

### GRI 301-1, SDG 12

#### Percentage of recovered products and packaging at TFKable in 2021

Percentage of reclaimed products for each product category	
Cables	93.48%
Non-ferrous metals	46.49%
Percentage of reclaimed products for each product category	
Wooden packaging	60.55%

The TFKable waste management system in most plants ensures reduced waste production and environmentally safe processing. The following waste treatment methods are used in our production plants:

- Recycling;
- Recovery, including energy recovery (not applicable in the case of hazardous waste);
- Incineration or use as fuel stored on-site in the short-term.

### GRI 306-3, SDG 12

#### Total weight of waste generated by waste categories (in tonnes) at TFKable in 2021

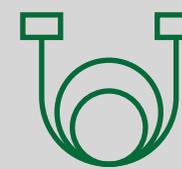
Non-ferrous metals	4,474
Ferrous metals	1,077
Plastics and rubber	4,492
Cable waste	4,810
Waste paper	416
Wooden packaging	1,539
Oils, petroleum-derived waste	315
Other	350
<b>TOTAL</b>	<b>17,473</b>



**1. A mechanical recycling process** resulting in non-ferrous metal pellets, plastic and rubber regranulates.



**2. Processing of copper pellets using a vertical continuous furnace** for casting copper wire.



**3. Manufacturing of value copper cable wire** for new cable constructions.

**GRI 306-4, SDG 12**

**Total weight of waste recovered (tonnes) by waste category at TFKable in 2021**

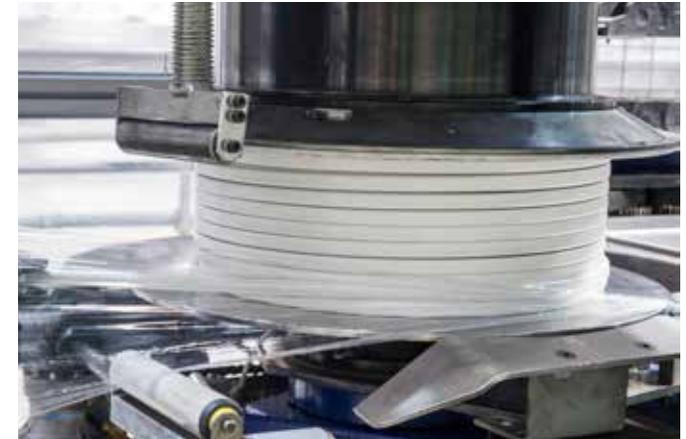
Non-ferrous metals	4,240
Ferrous metals	732
Plastics and rubber	4,330
Cable waste	4,698
Waste paper	420
Wooden packaging	1,541
Oils, petroleum-derived waste	273
Other	492
<b>TOTAL</b>	<b>16,726</b>

**Total weight of hazardous waste recovered by recovery method (tonnes) at TFKable in 2021**

<b>Preparation for reuse</b>	
within the organisation	0
outside the organization	0
<b>Recycling</b>	
within the organisation	0
outside the organization	365
<b>TOTAL</b>	<b>365</b>

**Total weight of non-hazardous waste recovered by recovery method (tonnes) at TFKable in 2021**

<b>Preparation for reuse</b>	
within the organisation	0
outside the organization	0
<b>Recycling</b>	
within the organisation	6,577
outside the organization	9,785
<b>TOTAL</b>	<b>16,362</b>



**GRI 306-4, SDG 12**

**Total weight of waste (in tonnes) sent for disposal by waste category at TFKable in 2021**

Non-ferrous metals	0
Ferrous metals	0
Plastics and rubber	31
Cable waste	39
Waste paper	0
Plastic packaging	0
Wooden packaging	40
Other	192
<b>TOTAL</b>	<b>302</b>



**Total weight of hazardous waste sent for disposal at TFKable in 2021**

<b>Incineration (with energy recovery)</b>	
within the organisation	0
outside the organization	0
<b>Incineration (without energy recovery)</b>	
within the organisation	0
outside the organization	0
<b>Landfilling</b>	
within the organisation	0
outside the organization	0
<b>Other disposal operations</b>	
within the organisation	0
outside the organization	140
<b>TOTAL</b>	<b>140</b>

**GRI 301-1, SDG 12**

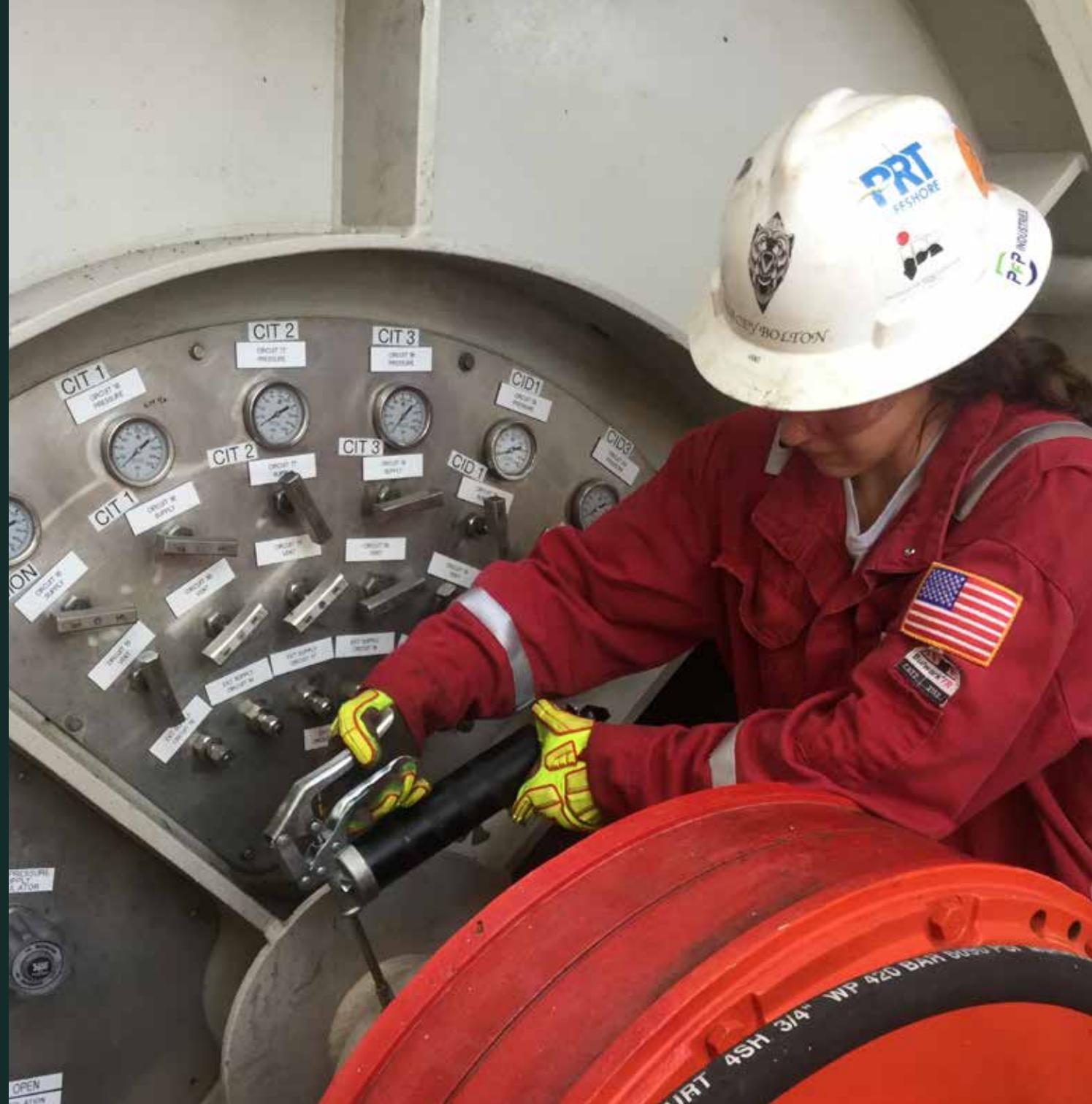
**Total weight of materials (in tonnes) that are used to produce and package the organization's primary products and services during the reporting period, by:**

<b>Non-renewable materials used, including:</b>	
Raw materials	147,941
Materials that are needed for the manufacturing process but are not part of the final product	169
Semi-manufactured goods or parts	6,151
Packaging	1,894
<b>TOTAL</b>	<b>156,155</b>

**Total weight of non-hazardous waste submitted for disposal (in tonnes) at TFKable in 2021**

<b>Incineration (with energy recovery)</b>	
within the organisation	0
outside the organization	0
<b>Incineration (without energy recovery)</b>	
within the organisation	0
outside the organization	141
<b>Landfilling</b>	
within the organisation	0
outside the organization	0
<b>Other disposal operations</b>	
within the organisation	0
outside the organization	21
<b>TOTAL</b>	<b>162</b>

# JDR CABLE SYSTEMS LTD



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## KEY FACTS AND FIGURES

50

OFFSHORE WIND FARM  
PROJECTS IN THE LAST  
15 YEARS

Over 450

EMPLOYEES

2

PRODUCTION PLANTS IN  
THE UK

3

FACILITIES IN THE  
UK WITH ISO 9001  
CERTIFICATION

INVESTMENT OF

£ 130

MILLION

IN A BRAND NEW FACILITY  
IN BLYTH

0.17

THE RATE OF WORK-  
RELATED ACCIDENTS\*\*

OVER

60%

SHARE IN THE  
COMPANY'S INCOME  
FROM SERVICES AND  
PRODUCTS USED BY  
OFFSHORE WIND SECTOR

\*Based on own data

\*\*The result is calculated in accordance with GRI Standards guidelines for the index 403-9. A detailed description on page 69

# ABOUT JDR

## OUR PRODUCTS

JDR Cable Systems is a global manufacturer of high-performance technologically advanced subsea systems for the renewable energy and oil and gas sectors. We operate in difficult and dynamic subsea environments, and we are pioneers in the development of state-of-the-art inter-array cables for offshore wind energy projects, and leaders in the production of umbilicals, subsea power cables and intervention workover control systems (IWOCs) for the oil and gas industry. We provide support services that are highly valued in the market in the area of designing/design concept selection, installation, commissioning and provision of services across the entire cycle of designing on- and offshore solutions.

At JDR we offer:

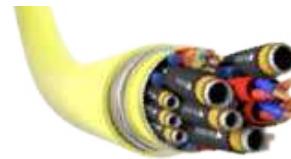
- Subsea MV/HV power cables (static/dynamic);
- Subsea control and power umbilicals;
- IWOC Systems;
- Flying leads & topside cables;
- Product and installation support;
- Engineering services.



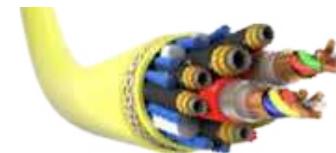
### JDR'S CABLE PRODUCTION COVERS:



**Inter-array cables for offshore wind farms  
(33kV & 66kV)**



**Subsea Power Umbilicals  
Steel Tube Umbilicals**



**IWOCs rental and oil & gas services**



## OFFSHORE WIND ENERGY

JDR is a leader in developing next-generation subsea MV/HV power cables (static/dynamic) for offshore renewable energy projects. The solutions offered by the company ensure high performance in the most demanding conditions, and comprehensive solutions are used in the largest offshore wind energy projects, from Taiwan to the US. JDR products perform well at, among others, London Array, East Anglia One and Hornsea 1 offshore wind farms. Our export cables and subsea equipment are also used at WaveHub, the largest and most technologically advanced facility for testing and developing marine renewable energy technology.

Our team has a thorough knowledge of inter-array cable design and accessories, including pulling grips, hang-offs, connectors, and fibre optic splice boxes.

JDR engineers work with our customers during the installation design phase to create the most reliable solutions in the industry. We offer specialised project management services and ensure timely execution.

We also offer a comprehensive range of services for wind farms: from designing subsea cable systems to on-site production and maintenance support.

## OIL AND GAS INDUSTRY

We manufacture world-class umbilicals, subsea power cables and IWOCS for the oil & gas sector. Our offshore products and services are essential components of offshore infrastructure, which enables energy to be transmitted in a cost-effective, safe and environmentally friendly manner.

The offered subsea umbilicals include steel pipes and thermoplastic hoses for hydraulic fluids and chemicals, fibre optic cables and power cables. JDR cables transmit electricity and enable communication in any gas or oil field. Our products are used on both fixed and floating platforms. We also offer Subsea Isolation Valve umbilicals (SSIV), Hydraulic Flying Leads and Electrical Flying Leads. The company also offers seabed stability survey services to its clients.

The IWOCS are used for transferring data, monitoring and remote control. They are available in a variety of configurations, which allows for flexible adaptation to the requirements of a specific platform at the optimal cost of deployment.

## COMPREHENSIVE SERVICES FOR THE MARITIME INDUSTRY

JDR supports clients at every stage of the project: from installation, through commissioning, to operation. The company has a network of experienced technicians and a 24/7 maintenance team. We provide on- and offshore services for the oil and gas, and renewable energy sectors. Our technicians and engineers can be deployed quickly and are available 365 days a year. We offer specialised offshore support, installation, repair (including emergency response) and maintenance services. Specialised JDR equipment and spare parts are also at the ready for customers. JDR technicians are comprehensively trained in risk assessment and the fundamentals of operating high voltage power systems safely. They are also certified to have access to wind turbines and are trained in energy safety at sea. Their expertise is attested by the right certificates, and the safety management system is verified by Lloyds Register Quality Assurance.



JDR's largest facility is **Hartlepool, Victoria Dock**, which has expert design teams and is strategically located on the quay next to the North Sea port. The 20,000 m<sup>2</sup> plant was commissioned in 2009, and manufactures and supplies subsea production umbilicals, subsea power cables and inter-array cables. The modern infrastructure of the machine park makes the manufacturing of large cables a flexible process.

Our second plant in the United Kingdom is the **Littleport Plant**, which offers design and engineering services and manufactures IWOCs, subsea production umbilicals and power cables up to 100 tonnes. The plant also has specialised research facilities.

JDR structure also includes:

- **Service Support Centre in Newcastle (UK)**, which also serves as a hub for JDR's services in Europe and the Asia-Pacific region.
- **Tomball Service Centre (USA)**, carrying out assembly, integration and testing of umbilicals, reelers and associated packages. The facility provides technical support in projects executed mainly in the Gulf of Mexico, and carries out offshore commissioning, testing and repair works at sea. In 2021, the Tomball Centre moved to a new larger headquarters, bringing together the operations of the three existing JDR facilities under one roof (photo, right). The opening ceremony of the new building was attended, among all, by clients, suppliers and representatives of local authorities.



In September 2021, we presented our plan of strategic investments to open a new subsea cable manufacturing facility in **Cambois, near Blyth, Northumberland, UK**. Construction is expected to commence in 2022 and completion is scheduled for 2024. The project will cost £130m and will be co-financed from the BEIS Offshore Wind Manufacturing Investment Support (OWMIS) programme. The plant will initially employ 171 people.



*The energy transition is gaining momentum and the offshore wind energy sector in the UK is growing rapidly. The number and capacity of wind turbines is increasing. This obviously also poses challenges for subsea cables, given the need to transmit increasingly higher voltages. JDR's new factory responds to the market's growing needs and offers new jobs in Cambois. The strategic coastal location of the project will ensure it efficiently meets the needs of the biggest maritime renewable energy market in Europe.*

Tomasz Nowak, Chief Executive Officer, JDR

The Cambois plant may ultimately employ up to 400 people. The plant will offer catenary continuous vulcanisation (CCV) technology and will become the only facility in the UK with comprehensive manufacturing capacity of high voltage subsea cables for offshore wind farms. It appears symbolic that the facility which supports renewable energy transition will be constructed on the site of the former coal-fired power plant. The project is located in north-eastern England, a region where unemployment is relatively high, and fits in the British programme of equalizing living standards across the different regions of the country.



The new facility is the first stage of the planned expansion of the JDR product portfolio. The plant will also become a resilient platform which JDR and TFKable will take advantage of to connect and develop products and services. This way both companies will become manufacturers specialising in low-emission solutions.

### GOOD PRACTICE

Opening of the plant in Cambois is key to accomplishing the goals set by the UK government, namely increasing the amount of offshore wind energy from 11.3 GW in 2021 to 40 GW by 2030. It will also support the UK and many other countries in achieving the net-zero emissions target by 2050.

### GREEN LOAN

JDR and TFKable, together with a consortium of banks, finalized the first ever Green Loan made available under the UK Export Finance's Export Development Guarantee. The loan beneficiary is JDR Cable Systems. The loan, of £ 103.7m over seven years, will support the construction of a modern submarine cable factory near Blyth in Northumberland, England.

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## KEY PROJECTS IN 2021

### DANTYSK 2, GERMANY

Supplying a 30 km 33 kV array cable for the DanTysk 2 offshore wind farm project located west of the island of Sylt near the border with Denmark. The farm is one of the first large offshore wind farms constructed in the North Sea.



### HORNSEA TWO, UK

Supplying a 110 km 66 kV array cable for the Hornsea Two offshore wind farm project located approximately 90 km off the Yorkshire coast in the North Sea near Hornsea One.



### VINEYARD WIND 1, USA

Delivery of 130 miles of inter-array cable 66 kV. Vineyard Wind 1 is the US's first industrial-scale offshore wind project located more than 15 miles off the Massachusetts coast. It will consist of 62 wind turbines that will generate 800 MW of electricity per year and power over 400,000 homes.



### LEUCATE-LE BARCARÈS, FRANCE

Contract for the supply of 66kV dynamic cables for the Leucate-Le Barcarès floating wind farm. Once commissioned, it will be one of the largest floating offshore wind farms in France.



### OIL & GAS INDUSTRY

Supply of over 80 km of subsea production umbilicals and subsea power cables for oil and gas extraction projects. The cables were delivered to customers in the Netherlands, United Kingdom, Equatorial Guinea, the United Arab Emirates, Myanmar and Azerbaijan.

### KRIEGER'S FLAK, DENMARK

170 km of cables with an aluminium core and JDR accessories were produced and supplied to the Kriegers Flak wind farm project in early 2021. TELE-FONIKA Kable supplied the cable conductors manufactured in the Bydgoszcz plant.



### ARCADIS OST 1, GERMANY

Contract for the supply of 33kV subsea cables for the Arcadis Ost 1 offshore wind farm, an offshore wind farm with a capacity of 257 MW, located in the German territorial waters of the Baltic Sea, northeast of the island of Rügen.



## GOOD PRACTICE

Particularly important for wind farm operators are reliable installation tests and being able to detect potential failures leading to very costly repairs. The Offshore Renewable Energy Catapult research shows that 75-80% of insurance claims concern failures of subsea power cable systems, even though they only account for around 9% of the total cost of a wind farm.

In response to this, in 2021 JDR, together with the German company HIGHVOLT, offered customers the modern Resonant Test System (RTS) for testing 66 kV offshore inter-array cables according to the IEC 63026 international standard. The system enables testing cables of various lengths and types used in offshore wind farms, and its modular design is well suited for the demanding logistics of offshore operations. The innovative resonance solutions used by the RTS enable checking whether the cables and accessories are defect-free. JDR is the first company in the industry to offer this solution to customers.

## OUR CLIENTS

We handle the world's largest maritime projects. Our clients are global energy companies that extract oil and gas. We also provide key products that are necessary to operate modern wind farms. We have extensive experience in the sector. Our global offshore installation and maintenance services support customers at every stage of planning the project.

JDR has implemented the ISO:9001 standard, one of the most widely recognised quality management standards in the world. The Littleport plant was ISO:9001 certified in 2000, and the Hartlepool plant in 2009.

The standard attests to, among all, efficient business processes, consistency of company operations, and robust foundations for continuous improvement of the organisation. ISO:9001 is also important for JDR customers, as it allows the company to manage customer relationships better. The standard is also required in some tender procedures.

## GOOD PRACTICE

Our plants regularly renew their ISO:9001 certificates. In 2021, the certification process was completed by our Littleport, Hartlepool, and Newcastle facilities.



## ATTENDING INDUSTRY MEETINGS

At JDR, we share our knowledge and experience, and we present the company's offer at numerous industry meetings:

- We took part in the **Offshore Wind North East** offshore energy industry meeting. It is one of the most important meetings of experts in the UK, attended by over 130 exhibitors and 800 participants. JDR's Chief Technology Officer took part in a session on innovation and the future of offshore wind farms. We also presented to the conference audience the best practices related to supplying 66kV cables from our Hartlepool plant, and shared the details of the new plant in Cambois;
- We also took part in the three-day **WindEurope Electric City 2021** conference in Copenhagen devoted to electrification based on renewable energy sources. During the meeting attended by representatives of over 300 companies from around the world, the future of the RES sector was discussed by ministers, decision-makers, CEOs and representatives of non-governmental organizations, the world of finance and experts from academic centres;
- Attendance and stand at **Global Offshore Wind 2021**, the largest offshore wind energy event in the United Kingdom. The meeting is organized by RenewableUK, the British trade association for wind, wave and tidal power. RenewableUK has over 660 members;
- Participation together with the RenewableUK association in the International Offshore Wind Partnering Forum (IPF), a conference on offshore wind energy in North America. IPF is attended by the largest global companies associated with renewable energy sources, and the event is an attractive networking and new business opportunity. We attended the conference to explore the business opportunities of entering the American wind energy sector.



# SUSTAINABLE DEVELOPMENT PRIORITIES

JDR's development is sustainable. Similarly to TELE-FONIKA Kable, when compiling the report for 2021, JDR conducted a survey among the stakeholders of our organisation using an online questionnaire.

The survey was completed by 113 stakeholders, most of whom were employees.

## NUMBER OF STAKEHOLDERS WHO COMPLETED THE JDR SUSTAINABLE DEVELOPMENT SURVEY

88  
EMPLOYEES

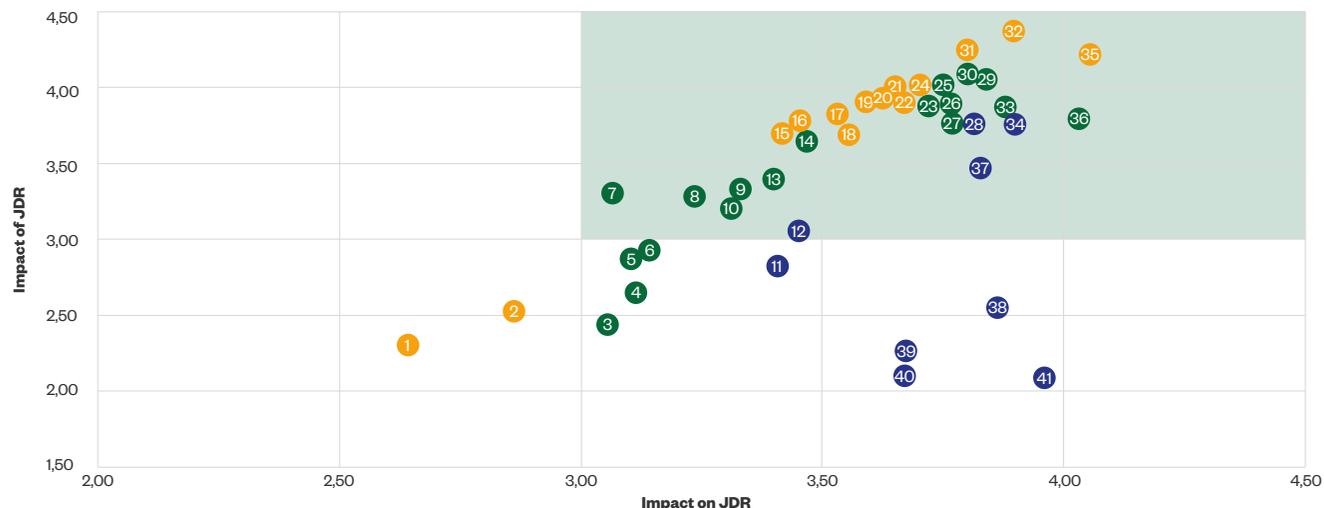
19  
SUPPLIERS

5  
CLIENTS

1  
MEDIA

We analysed the responses and plotted significance matrices for issues reported to us by the stakeholders:

We used the significance matrix to compile a list of the most important sustainability issues for JDR, which we present in Chapter 2. We cover all relevant issues in this report.



### ● environmental aspects

- 3 Violent weather phenomena
- 4 Water / Water Resource Availability
- 5 Sustainable cities
- 6 Increase in the average temperature in the world
- 7 Biodiversity (variety of ecosystems, species of living organisms and their genes)
- 8 Air pollution
- 9 Marine pollution
- 10 Water pollution
- 13 Sustainable packaging
- 14 Environmental awareness of the society
- 23 Green logistics (e.g. low-emission fleet, energy-saving warehouse facilities)
- 25 Green /low-emission infrastructure (e.g. low-emission buildings, including those using new technologies)
- 26 Carbon footprint
- 27 Renewable energy from the sun, wind and water
- 28 Recycling
- 30 Waste / waste management

### ● social aspects

- 1 Migration crisis
- 2 Aging society in Europe
- 15 Corruption / anti-corruption
- 16 Relations with local communities
- 17 New forms of work (remote work, etc.)
- 18 Human rights
- 19 Employee education and development
- 20 Living wages
- 21 Treating our supply chain fairly/ Responsible purchasing practices e.g. payment on time, fair price etc.
- 22 Discrimination / anti-discrimination
- 24 Diversity and equal treatment
- 31 Employee well-being
- 32 Employee health and safety
- 35 Ensuring product quality

### ● economical aspects

- 11 The Sars-Cov2 pandemic
- 12 Digitization/ automation
- 29 Employment and job creation
- 34 Sustainable supply chains (social and environmental responsibility of suppliers)
- 37 Economic development of the country
- 38 Volatility of raw material prices (e.g. copper, steel, aluminum)
- 39 Instability of media prices (e.g. electricity, gas)
- 40 High inflation
- 41 Global problems in supply chains (limited availability of goo

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## RESEARCH AND DEVELOPMENT

In the search for answers to the expectations of our customers, we carry out research and development work that enables us to develop and market innovative solutions. We focus on products that support the transition to a low-carbon economy while implementing innovative solutions to reduce our environmental impact.

## THINK GREEN

JDR is on course to expand and capitalize on these green energy growth opportunities and the company is proud to be part of the race to net zero, having recently registered with the Science Based Targets Initiative. Whilst the company is a key enabler of low carbon energy use, the company must also seek to reduce its own emissions, own usage of resources and energy to continue to reduce the impact on the environment and society in all we are doing.

The co-location of our new Cambois, Northumberland facility will enable reduced road transportation of the raw materials used in cable manufacture with the company planning to secure deliveries with more transport segments being rail and sea freight directly to the Port of Blyth from Rotterdam. The project will also be powered by renewable energy sources, whether by connecting to local solar and wind power plants. Rainwater capture and usage are possible to reduce water consumption, as well as regenerative energy capture and storage from rotating machinery. All of these initiatives are being planned to reduce emissions once the facility is operational.

### GOOD PRACTICE

#### NEW VERTICAL LAYUP MACHINE UPGRADE

JDR has completed a £3m investment into its existing facility at Hartlepool, with the installation of a new vertical layup machine (VLM). The VLM is nearly double the weight capacity and increases production capacity at Hartlepool by approximately 25 per cent, readying the facility for manufacture of array cables above its current 66 kV product range, with the addition of 132kV and 150kV cabling planned at the facility.

Mark Braybrooke, Chief Operating Officer at JDR, adds: "We're proud to keep investing in people and products at our Hartlepool facility. The high-efficiency VLM machine will last for at least 100 years and no other UK facility can run multiple cable reel ends on a machine of this scale. It puts us ahead of the industry demand curve, continuing to support the need for higher voltage cables to grow the offshore wind market."

### GOOD PRACTICE

#### ACCELERATED DEVELOPMENT OF HIGHER-VOLTAGE EXPORT & ARRAY CABLES FOR DYNAMIC APPLICATIONS (AHEAD)

JDR received a grant of £ 1,606,711 as part of the Accelerated development of Higher-voltage Export & Array cables for Dynamic applications (AHEAD).

The Floating Offshore Wind (FOW) Demonstration Programme is about the 132kV dynamic cable development that follows JDR's matched government funding from the Department of Business, Energy and Industrial Strategy (BEIS) to accelerate innovative floating offshore wind technologies. This project aims to double the voltage of the industry-standard 66kV array cable to allow increased transmission between turbines at higher capacity – one of the vital factors in lowering the cost of offshore wind caused by the requirements for increasing turbine sizes, distances from shore, and water depths.

Alex MacPhie, Chief Technology Officer at JDR, comments: "We pride ourselves on providing solutions to the energy sector ahead of time and with our 132kV technology, we will do exactly that. This technology is paramount for driving the offshore wind sector forward and allowing the acceleration of floating offshore wind. It's an exciting time for the industry and we are right at the forefront!"

# HIRING AND EMPLOYEE DEVELOPMENT

## GRI 103-1, 103-2, 103-3 Aspect: Employment

We employ over 450 people at JDR, the vast majority of whom are employed under full-time and permanent employment contracts that comply with British law. Due to the specific character of our industry and the need to perform work that requires physical strength, the majority of employees are men.

We offer a variety of career opportunities across our global operations, from engineering, trading, maintenance and manufacturing support to project management, installation and administration.

## GRI 102-8

### Data on JDR employees in 2021

#### Number of employees according to the form of employment

##### Fixed-term employment contract

Women	1
Men	13
Total	14

##### Permanent employment contract

Women	61
Men	381
Total	442

<b>TOTAL</b>	<b>456</b>
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#### Number of employees by type of employment

##### Full-time contract

Women	53
Men	388
Total	441

##### Part-time (1/2 FTE)

Women	9
Men	6
Total	15

##### Different FTE proportion

Women	0
Men	0
Total	0

<b>TOTAL</b>	<b>452</b>
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Our key guiding principles in relations with our employees are:

- Equal opportunities and diversity of employees;
- Personal dignity and right to privacy;
- Zero tolerance for harassment, intimidation, bullying, discrimination, coercion, threats, insults, and exploitation;
- Complying with general working time regulations;
- Proper working conditions that meet OHS requirements.

All our employees are offered attractive packages of benefits. They include childcare subsidies, seniority rewards, partial reimbursement of medical care costs, gym passes, life insurance, and a pension scheme.

Our information policy is reliable, honest and transparent. Every year, we organise the Global Business Update Meeting, which involves a review of the performance so far and a presentation of plans for the future. Employees also take part in regular monthly briefings covering JDR's performance against our key performance indicators (KPIs), and presenting monthly business updates. Important information from the CEO is also communicated throughout the year by e-mail and on notice boards.

The Littleport and Hartlepool facilities have employee forums that review policies and performance.

We treat the development of our employees as a growth opportunity for the entire company. All employees undergo mandatory training in environmental requirements, QHSE and technical competencies. Each employee is also offered the opportunity to complete external and internal training to raise competencies. The annual development plans take into account, among all, career aspirations and needs of employees.

## GOOD PRACTICE

At JDR, we know how important specialist staff are for our business. That is why we have been organising internship programmes for many years. JDR interns are offered the opportunity to learn what working in our industry in various positions is like, from design, through production to deploying the final product. We also offer opportunities to gain experience in support services, for example in IT, finance or supply chain management. Interns at JDR have regular coaching meetings and an individual training plan aligned to their degree programme.

Our company also takes part in career fairs and organises tours around our plants and workshops for people interested in working in our organisation.

### GRI 401-1, GPW S-P3

The total number and percentage of new employees hired, and the total number of departures during the reporting period in JDR.

#### Total number of new employees hired by the organization by gender and age at JDR in 2021

Gender	
Women	7
Men	55
Age	
Under 30	18
30-50	34
50 and above	10

#### The rate of new employees hired in the organization by gender and age in JDR in 2021

Gender	
Women	12.73%
Men	16.22%
Age	
Under 30	32.14%
30-50	15.11%
50 and above	8.85%

#### Total number of employees who left the organization by gender and age at JDR in 2021

Gender	
Women	9
Men	52
Age	
Under 30	11
30-50	32
50 and above	18

#### Employee turnover rate by gender and age in JDR in 2021

Gender	
Women	16.98%
Men	15.20%
Age	
Under 30	17.46%
30-50	14.10%
50 and above	17.14%

### GRI 401-3

#### Data on parental leave in JDR in 2021

Total number of employees entitled to parental leave in the reporting period	
Women	62
Men	361
Total number of people who took parental leave in the reporting period	
Women	3
Men	10
Total number of employees who returned to work after parental leave in the reporting period	
Women	3
Men	10
Total number of employees who returned to work after parental leave and 12 months after returning to work continue to be employed in the organisation	
Women	3
Men	10
Rate of return to work of employees who took parental leave	
Women	100%
Men	100%
Retention rate among employees who took parental leave	
Women	100%
Men	100%



**GRI 405-1, GPW S-P1**

**Number of employees by gender, age in JDR in 2021**

Gender	
Women	62
Men	394
Age	
Under 30	74
30-50	259
50 and above	123

**Number of employees by gender, age in employment categories in JDR in 2021**

Gender	
Women	
Senior management	0
Middle management	1
Specialists	7
Other employees	54
Men	
Senior management	7
Middle management	23
Specialists	77
Other employees	287



Age	
Under 30	
Senior management	0
Middle management	0
Specialists	8
Other employees	66
30-50	
Senior management	6
Middle management	17
Specialists	47
Other employees	189

50 and above	
Senior management	1
Middle management	7
Specialists	29
Other employees	86



## EQUAL PAY AT JDR

### GRI 103-1, 103-2, 103-3 Aspect: Diversity and Equal Opportunity

The remuneration at JDR depends on seniority, experience and history of positions held. The gender of our employees does not have the slightest impact on remuneration. However, the industry we operate in, for historical reasons, has been dominated by men – underrepresentation of women is the only reason why men’s salaries are higher in our company.

### GOOD PRACTICE

Since 2020, JDR has been publishing every 12 months a Gender Pay Gap report on the remuneration of women and men in our organisation. We disclose information regarding the pay gap accurately. We also publish data on the granted bonuses – 98.6% of women and 98.4% of men received them in 2021. The document is publicly available on the JDR website:



At JDR, we strive to remove barriers that may discourage women from seeking employment with our organisation. Many responsible roles at the company are occupied by women, and the company supports diversity in the workplace.

*\*data for 12 months ended on 5th April 2021*

### GRI 405-2, GPW S-P2

#### The ratio of basic salary of women to men in JDR in 2021

<b>Managers</b>	-
<b>Middle management</b>	15:14
<b>Specialists</b>	04:05
<b>Other employees</b>	01:01



# HEALTH AND SAFETY OF EMPLOYEES

## **GRI 103-1, 103-2, 103-3 Aspect: Occupational Health and Safety, GPW S-S1**

Work safety, life and health of JDR employees are absolute priorities for our organisation. In all our plants and locations, we have introduced safety procedures which all employees are obliged to strictly observe. JDR has an internal Health and Safety Policy that is regularly updated, and safety issues are managed in accordance with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 standards.

## **GRI 403-5, 403-7**

The frequency of health and safety training at JDR depends on the position and work performed. We have prepared specialist training courses for employees related to, among others, work at height, rescue, electricians and emergency procedures. Whenever required by the specificity of the work performed, employees have access to personal protective equipment and appropriate devices and machines ensuring the possibility of safe work. The company monitors noise levels, air quality and - in the case of working with machines - the level of vibrations.

## **GRI 403-2, 403-4**

### **GOOD PRACTICE**

Risk assessment for individual workplaces at JDR is prepared in the process of consultation with employees and - if necessary - with external specialists. Managers in the company receive special training on the proper conduct of the assessment process.

The JDR procedure related to accident situations is verified on an ongoing basis by the OHS team, and people in managerial positions are required to regularly refresh their knowledge in this area. Each accident at work at JDR is carefully analyzed. Post-accident activities include gathering all information about the circumstances of the incident (photos, CCTV recordings, testimonies of witnesses) and verification of people involved in the incident. If the situation allows it, preventive actions are taken to minimize the risk of a similar event in the future. Following the accident, JDR also issues a special Safety Alert for employees. Changes in the risk assessment, including additional checks, are communicated to employees during Tool Box interviews.

JDR has implemented a Stop Work policy and a THINK SAFETY observation system that allows all employees to report unsafe activities and conditions. You can also submit these comments anonymously.

Representatives of the company's staff participate in the risk assessment and accident investigation. Employees also take part in tests of personal protective equipment and equipment, and are also involved in noise level and air quality tests.



How we communicate OHS issues:

- Daily HUB meetings covering health and safety, quality, production and maintenance;
- Monthly occupational health and safety forums that are on top of the agenda;
- Monthly management reports recognising THINKERS of the Month – employees with outstanding achievements in health and safety;
- Managers and senior managers regularly conduct Safety Walk&Talks;
- Information boards;
- Company intranet site.

In everything we do, we stay committed to:

- Introducing safe work systems to prevent injuries and diseases, minimise pollution and environmental impact caused by our operations, in line with our pledge to comply with regulations and best practices in OHS;
- Providing the relevant information, workplace instructions, monitoring and delivering appropriate health and safety training for employees so that they perform their work safely, and without making products defective or endangering the environment;
- Monitoring health and safety through regular audits and inspections, and determining key performance indicators (KPIs);
- Reviewing OHS objectives and tasks both locally at the plant level as well as annually by the Management Team.

Safety is supervised by the Executive Management Team, who annually review and approve the organisation's health and safety policy.

**GRI 403-3, 403-6**

**GOOD PRACTICE**

All medical service providers for JDR are regulated by the company and one of the key criteria for extending the relationship is employee feedback. In 2021, people employed at JDR had access to private healthcare provided by Healthshield. The package includes dental consultations, optics, gym, pedicure, specialist consultations (ECG, X-ray, pathology and MRI), and online health screening and health risk assessment. Employees also have access to physiotherapy, osteopathic, acupuncture and homeopathy classes and a 24/7 legal and advisory hotline.

The company also trains employees in the principles of providing first aid, and there is also a person available to provide employees with counselling advice in the field of mental health.

**GRI 403-8**

**Employees covered by the occupational safety management system at JDR in 2021**

Percentage of employees who are subject to a system that has been audited or certified by an external entity	100%
Percentage of employees who are not employees but whose work and / or workplace is controlled by the organization and who are subject to a system that has been audited or certified by a third party	100%
Employees / groups of employees that have been excluded from this indicator	0



**GRI 403-9**

**Work-related injuries**

Applies to JDR employees	
The number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
The number of high-consequence work-related injuries (excluding fatalities)	1
Rate of high-consequence work-related injuries (excluding fatalities)*	0.17
The number of recordable work-related injuries	1
Rate of recordable work-related injuries	0.17
The main types of work-related injury	Hand
The number of hours worked	1,114,404
Applies to the employees whose work and/or workplace is controlled by the organization but are not employed in JDR itself:	
The number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
The number of high-consequence work-related injuries (excluding fatalities)	1
Rate of high-consequence work-related injuries (excluding fatalities)	-
The number of recordable work-related injuries	1
Rate of recordable work-related injuries	-
The main types of work-related injury	Hand/ finger
The number of hours worked	-

\*The indicator is calculated on the basis of the formula:  
 (Number of work-related injuries / number of hours worked) \* 200,000

The work-related hazards that pose a risk of high-consequence injury, including:	
How these hazards have been determined	Risk assessment
Actions taken or underway to eliminate these hazards and minimize risks using the hierarchy of controls	Retraining, introduction of additional equipment, review and update of risk assessments. Safety Stand Down and Tool Box Talks.
Any actions taken or underway to eliminate other work-related hazards and minimize risks using the hierarchy of controls	Actions have been undertaken and completed, identified during internal and 3rd party inspections and audits. Also from submitted THINK SAFETY observation cards. Plus from other accident investigations and against business objectives and targets.
The method of calculating the rates	200,000 hours worked.
Whether and, if so, why any workers have been excluded from this disclosure, including the types of worker excluded	All workers included.

**GRI 403-10**

No occupational disease was found at JDR Cable Systems LTD.

JDR runs THINK SAFETY and THINK QUALITY programmes (more information about them can be found in Chapter 2). Their launch in 2021 helped the company introduce several minor and major improvements, including the following solutions:

**GOOD PRACTICE**

- Replacing the degreasing installation, and switching from a solvent-based cleaning solution to an environmentally friendly water-based one;
- Introducing special cloths for cleaning oily parts to replace paper towels;
- Removal of pins for fixing cable motors to the floor at Littleport, which posed a trip hazard. They were replaced with special plates permanently mounted to the floor.
- Modification of the cooling equipment used to manufacture cables at the Littleport plant. After the changes, the operators now have greater visibility into the cooling process, and the new installation enables handling cables that are larger in diameter.
- Replacing wooden wedges, that required frequent replacement, which are used to stabilise cable reels. New polymer wedges are more environmentally friendly and resistant to damage (hence do not require frequent replacement).

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## OUR IMPACT ON THE NATURAL ENVIRONMENT

### **GRI 103-1, 103-2, 103-3, Aspect: Biodiversity, Materials, Waste, Water, Energy, and Emissions**

At JDR, we are aware of our environmental impact and we want to reduce it across all our operations. We are aware that the development of services and products supporting renewable energy must go hand in hand with more environmentally friendly changes within the organisation. Below we present our activities in the individual areas concerned, among all biodiversity, waste, emissions, resource use and energy.

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## OUR IMPACT ON BIODIVERSITY

### **GRI 304-1, 304-2, 304-3, GPW E-S5**

JDR's operations have no significant impact on areas of high biodiversity value. We have not identified habitats of protected species in our locations.

Our Hartlepool plant is located a distance of 595 metres from a protected site, and our Littleport facility is 1.6 kilometres away from the Ouse river, which flows into the Nordelph sluice. The Newcastle Service Support Centre (office and warehouse) is located in an elevated area, 240 metres away from the Tyne river.

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## HOW WE MANAGE RESOURCE CONSUMPTION

### **GRI 103-1, 103-2, 103-3 Aspect: Environmental Compliance, 307-1**

At JDR, we responsibly manage resources that we source only from proven and reliable suppliers. In our manufacturing process, we optimise the amount of resources that are consumed and introduce solutions that minimise our impact on the natural environment. In 2021, no sanctions were imposed on our company in connection with any improper or illegal impact on the natural environment.

Our business mainly uses wood and plastic, oil for generating power and for heating, wooden crates and pallets, steel pipes and copper, as well as flushing fluids used in SIT and FAT.





### GRI 301-1

**Total weight (tonnes) of materials used to manufacture and package key products and services in JDR in 2021**

Non-renewable materials used, including (tonnes):	
Raw materials (wood and plastic)	482,232
Materials that are needed for the manufacturing process but are not part of the final product	-
Semi-manufactured goods or parts	-
Packaging	-
<b>TOTAL</b>	<b>482,232</b>

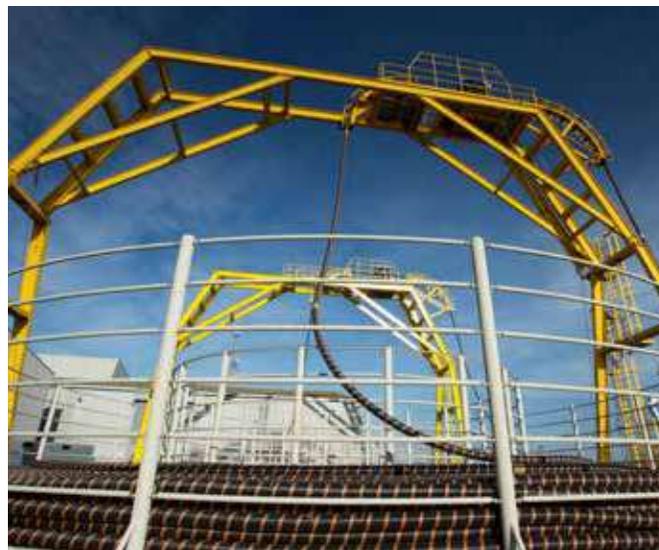
Renewable materials, including (tonnes):	
Raw materials	-
Materials that are needed for the manufacturing process but are not part of the final product (steel pipe, copper)	32,000
Flushing fluids used in SIT and FAT (in litres)	177,000
<b>TOTAL</b>	<b>209,000</b>

## HOW WE MANAGE WASTE

JDR generated 894.77 tonnes of waste in 2021. Over 65.5 tonnes of waste were classified as hazardous. Depending on the type of waste and handling standard, the waste was recycled or sent to waste incineration plants.

### GRI 306-1

The waste generated at JDR during production includes cable cores, ropes, armoured wire, kevlar and other cable consumables. Additional waste is generated during cutting at the customers' sites.



### GRI 306-3

**Total weight of hazardous waste (kilograms) generated and submitted for disposal by waste category in JDR in 2021**

Waste category	Waste weight	Disposal method
Polymer (EWC: 12.01.05)	17,360	Recycling/
Wastewater/glycol (EWC: 16.01.14)	31,400	Incineration
Hazardous (EWC: 15.01.06)	500	Incineration
Oil (full) (EWC: 13.03.10)	800	Incineration
Oil Empty (EWC: 15.01.10)	40	Reuse
Plastic (EWC: 20.01.39)	3,571	Recycling
Glue cans (EWC: 08.04.09)	300	Incineration
Interceptor Oil (EWC 1305.08)	9,260	Treatment
Aerosols (EWC: 16.05.04)	100	Recycling
Fluorescent lamps (EWC: 20.01.21)	100	Recycling
Batteries (EWC: 16.06.04)	90	Recycling
Empty paint cans (EWC 08 01 11)	160	Energy recovery
Oil-soaked materials (EWC: 15.01.10)	800	Energy recovery
Kevlar - dirty (EWC: 08.02.01)	1,065	Recycling
<b>TOTAL</b>	<b>65,546</b>	

**Total weight of non-hazardous waste (in tonnes) generated and sent for disposal by waste category in JDR in 2021**

Waste category	Waste weight	Disposal method
General (EWC: 20.03.07)	1,538.98Kg	Landfill
Kevlar – clean (08.02.01)	643 kg	Reuse
Copper (EWC: 17.04.01)	188,403 kg	Recycling
Scrap Cable (EWC: 17.04.11)	48,128 kg	Recycling
Armoured wire (EWC: 20.01.40)	451,640 kg	Recycling
Wood waste (EWC: 15.01.03)	118,127 kg	Recycling
Cardboard/paper (EWC: 03.03.08)	2,544 kg	Recycling
Ropes (EWC: 16.01.09)	1,200 kg	Recycling
Tin cans (EWC: 20.01.40)	0.90 kg	Recycling
TOTAL	812,224.88	



## HOW WE PROTECT WATER RESOURCES

### GRI 303-1

We have not identified any negative impacts of JDR's operations on water resources, and the company does not consume significant amounts of water during manufacturing. Most of the water is used by the organisation for the living needs of the staff, including consumption and sanitation. Water resources are also used at the Hartlepool and Littleport plants by the extrusion line. We hold the relevant approvals concerning water discharges for both plants, and the discharged process has a pre-defined speed and volume. Correct operation is verified during regular inspections which are carried out by representatives of authorised institutions.

The Littleport plant draws some of its water from an area classified in 2021 by the British Environmental Agency as a water stress area.

### GRI 303-3

#### Organization's total water abstraction at all locations by source (megalitres) at JDR in 2021

Total water withdrawal by the organisation at all locations, by source (In megalitres)	
Surface waters	0
Groundwater	0
Seawater	0
Produced water (obtained from extraction, processing or use of any other raw material)	0
Water obtained indirectly (e.g., from the local water supply network)	5.53

### GOOD PRACTICE

Currently, JDR discharges rainwater through gutters directly to the sewage system. To reduce water consumption, the company is exploring the possibility of recovering rainwater for flushing toilets.



Total water withdrawal by the organisation at all locations in areas with water stress, by source (in megalitres)	
Surface waters	0
Groundwater	0
Seawater	0
Produced water (obtained from extraction, processing or use of any other raw material)	0
Water obtained indirectly (e.g., from the local water supply network)	2.53

## HOW WE REDUCE OUR EMISSIONS AND ENERGY CONSUMPTION

At JDR, we have implemented an energy consumption monitoring system. We optimise our production processes, ensuring rational use of resources.

### GOOD PRACTICE

We have reduced electricity consumption at the Hartlepool and Littleport plants by installing modern LED lighting. In 2021, we used 7% (250.3 MWh) less energy in JDR than in 2020.

### GRI 302-1, GPW E-P2

#### Total energy consumption (in MWh) in JDR in 2021

Electrical energy	3,378 kWh
Natural gas	1,830.47 kWh
TOTAL	5,208.47 kWh





**GRI 302-3**

**ORGANISATION'S ENERGY INTENSITY INDICATOR**

The types of energy included in the energy efficiency rating	
Fuels	0
Electricity	4,629 kWh per hour
Thermal energy	2,520 kWh per hour
Cool	0
Steam	0
All	7,149 kWh per hour

At JDR, we support transformation of the global energy mix and the production of green wind energy by offshore farms, indirectly contributing to reducing global emissions. Since 2006 we have been consistently increasing the production of cables for the wind energy sector, and the share of the company's revenue from services and products used in connection with renewable energy sources is now over 60%.

We also strive to reduce our own emissions and energy consumption. JDR was working in 2021 on joining Science Based Targets (SBTi), an initiative that establishes and promotes best practices for setting science-based targets for reduction of greenhouse gas emissions. The company also independently audits the reported emission reduction targets. In 2022 we plan to join the initiative and work on setting emission reduction targets for our organisation.

**GRI 305-7**

Significant emissions discharged into the air (in kg or multiples):	
SOx	A small number of diesel-powered forklifts are in use at the Hartlepool and Littleport plants. We started recording the kilometres travelled, which we report monthly per FLT. The data will serve as a basis for calculating emissions.
NOx	
Persistent organic pollutants	0
Volatile organic compounds	0
Harmful air pollutants	0
Suspended dust	0
Other standard categories of emissions into the air, as defined in the relevant legislation	n/a



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## ABOUT THE REPORT



**GRI 102-50, 102-51, 102-52**

This report is the fifth corporate social responsibility report of our organization. Contains data for the period from January 1, 2021 to December 31, 2021, unless the text indicates otherwise. TFK.Group reports on an annual basis. The data presented in the report was prepared as at December 31, 2021, unless the text indicates otherwise. The last report was released in 2021 and included data for 2020.

**GRI 102-49**

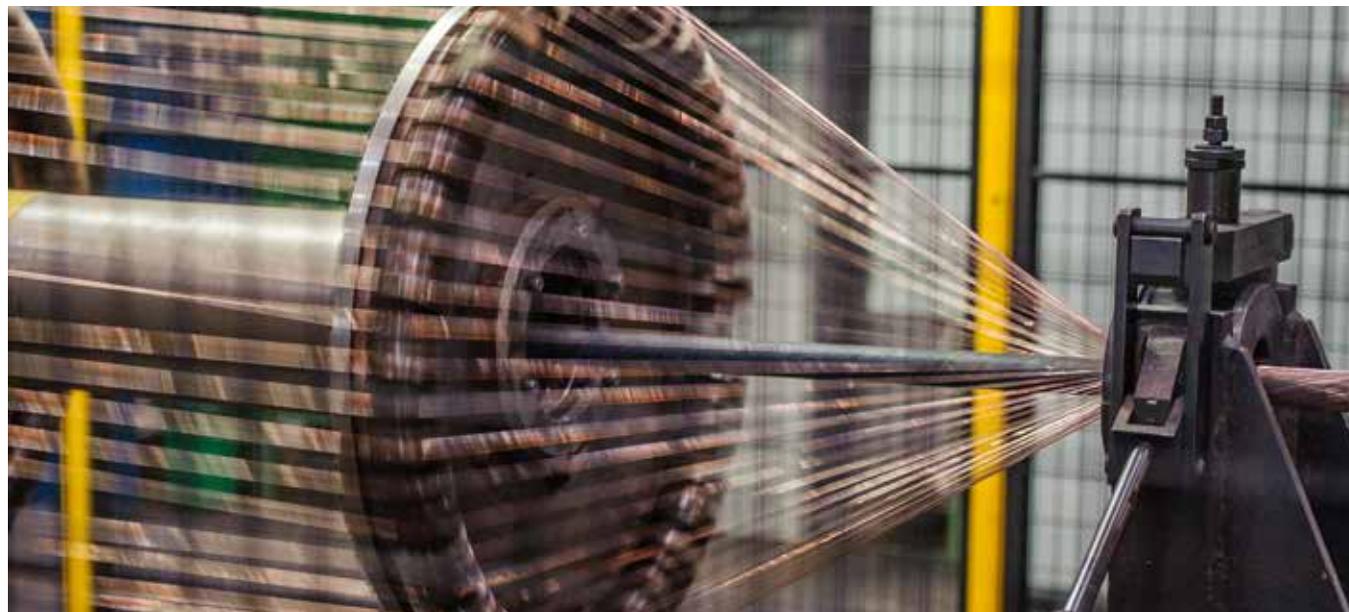
Compared to the previous report, no significant changes have been made to the scope, coverage or measurement methods used in the report.

**GRI 102-45,102-54, 102-56**

Information presented in Chapter I applies to TFK.Group, unless the text indicates that it relates to one of the companies. The information presented in Chapter II relates to TELE-FONIKA.Kable S.A, and the data from Chapter III - to JDR Cable Systems Ltd. This report has been prepared in accordance with the GRI Guidelines (compliance level "Core"). GRI indicators were also assigned to the relevant Sustainable Development Goals (SDGs) based on the document, Linking the SDGs, and the GRI Standards published by the Global Reporting Initiative and updated in May 2022 and to the ESG indicators included in the ESG Reporting Guidelines issued in 2021 by the Stock Exchange and the European Bank for Reconstruction and Development. The report has not been subject to external verification.

**GRI 102-53**

Questions, comments and suggestions related to this year's report should be sent to Magdalena Kardela, Head of Marketing at TFKable, at the e-mail address [magdalena.kardela@tfkable.com](mailto:magdalena.kardela@tfkable.com).



**GRI 102-55**

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
102-1	Name of the organization	2016			7
102-2	Activities, brands, products, and services	2016			7
102-3	Location of headquarters	2016			12
102-4	Location of operations	2016			12
102-5	Ownership and legal form	2016			12
102-6	Markets served	2016			7
102-7	Scale of the organization	2016			6
102-8	Information on employees and other workers	2016			39, 62
102-9	Supply chain	2016			18
102-10	Significant changes to the organization and its supply chain	2016			There have been no significant changes
102-11	Precautionary Principle or approach	2016		GPW E-P3	22
102-12	External initiatives	2016			16, 17
102-13	Membership of associations	2016			15

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Strategy</b>					
102-14	Statement from senior decision-maker	2016			4
<b>Ethics and integrity</b>					
102-16	Values, principles, standards, and norms of behavior	2016		GPW G-P2	17
102-17	Mechanisms for advice and concerns about ethics	2016		GPW G-P4	18
<b>Governance</b>					
102-18	Governance structure	2016			14
<b>Stakeholder engagement</b>					
102-40	List of stakeholder groups	2016			23
102-41	Collective bargaining agreements	2016		GPW S-P4	27
102-42	Identifying and selecting stakeholders	2016			23
102-43	Approach to stakeholder engagement	2016			23
102-44	Key topics and concerns raised	2016			25

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Reporting practice</b>					
102-45	Entities included in the consolidated financial statements	2016			76
102-46	Defining report content and topic Boundaries	2016			24
102-47	List of material topics	2016			25
102-48	Restatements of information	2016			No corrections implemented
102-49	Changes in reporting	2016			76
102-50	Reporting period	2016			76
102-51	Date of most recent report	2016			76
102-52	Reporting cycle	2016			76
102-53	Contact point for questions regarding the report	2016			76
102-54	Claims of reporting in accordance with the GRI Standards	2016			76
102-55	GRI content index	2016			77
102-56	External assurance	2016			76

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Anti-corruption</b>					
103-1	Explanation of the material topic and its Boundary	2016			17
103-2	The management approach and its components	2016			17
103-3	Evaluation of the management approach	2016			17
205-1	Operations assessed for risks related to corruption	2016	SDG 16	GPW G-P3	18
205-3	Confirmed incidents of corruption and actions taken	2016	SDG 16	GPW G-P3	18
<b>Tax</b>					
103-1	Explanation of the material topic and its Boundary	2016			26
103-2	The management approach and its components	2016			26
103-3	Evaluation of the management approach	2016			26
207-1	Approach to tax	2019	SDG 1 SDG 10 SDG 17		26
<b>Materials and Waste</b>					
103-1	Explanation of the material topic and its Boundary	2016			49
103-2	The management approach and its components	2016			49
103-3	Evaluation of the management approach	2016			49
301-1	Materials used by weight or volume	2016	SDG 8 SDG 12		51, 71

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
301-2	Recycled input materials used	2016	SDG 8 SDG 12		49
301-3	Reclaimed products and their packaging materials	2016	SDG 8 SDG 12		49
306-1	Waste generation and significant waste-related impacts	2020			71
306-2	Management of significant waste-related impacts	2020	SDG 3 SDG 6 SDG 11 SDG 12	GPW E-S6	49
306-3	Waste generated	2020	SDG 3 SDG 6 SDG 11 SDG 12 SDG 15		49, 71
306-4	Waste diverted from disposal	2020	SDG 3 SDG 6 SDG 11 SDG 12		50
306-5	Waste directed to disposal	2020	SDG 3 SDG 6 SDG 11 SDG 12 SDG 15		51

#### Water and Effluents

103-1	Explanation of the material topic and its Boundary	2016			46
103-2	The management approach and its components	2016			46
103-3	Evaluation of the management approach	2016			46

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
303-1	Interactions with water as a shared resource	2018	SDG 6 SDG 12		72
303-2	Management of water discharge-related impacts	2018	SDG 6	GPW E-S4	46
303-3	Water withdrawal	2018	SDG 6	GPW E-S3	46, 72
303-4	Water discharge	2018	SDG 6		46

#### Biodiversity

103-1	Explanation of the material topic and its Boundary	2016			72
103-2	The management approach and its components	2016			46
103-3	Evaluation of the management approach	2016			46, 72
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	2016			46
304-2	Habitats protected or restored	2016		GPW E-S5	70
304-3	Habitats protected or restored	2016			70

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Energy and emissions</b>					
103-1	Explanation of the material topic and its Boundary	2016			46
103-2	The management approach and its components	2016			46
103-3	The management approach and its components	2016			46
302-1	Energy consumption within the organization	2016	SDG 7 SDG 8 SDG 12 SDG 13	GPW E-P2	48, 73
302-3	Energy intensity	2016	SDG 7 SDG 8 SDG 12 SDG 13		74
302-4	Reduction of energy consumption	2016	SDG 7 SDG 8 SDG 12 SDG 13		44
305-1	Direct (Scope 1) GHG emissions	2016	SDG 3 SDG 12 SDG 13 SDG 14 SDG 15	GPW E-P1	47
305-2	Energy indirect (Scope 2) GHG emissions	2016	SDG 3 SDG 12 SDG 13 SDG 14 SDG 15	GPW E-P1	47
305-4	GHG emissions intensity	2016	SDG 13 SDG 14 SDG 15	GPW E-S1	48
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	2016	SDG 3 SDG 12 SDG 14 SDG 15		48, 74

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Environmental Compliance</b>					
103-1	Explanation of the material topic and its Boundary	2016			44, 70
103-2	The management approach and its components	2016			44, 71
103-3	Evaluation of the management approach	2016			44, 72
307-1	Non-compliance with environmental laws and regulations	2016	SDG 16		44, 73
<b>Environmental and social assessment of suppliers</b>					
103-1	Explanation of the material topic and its Boundary	2016			19
103-2	The management approach and its components	2016			19
103-3	Evaluation of the management approach	2016			19
308-1	New suppliers that were screened using environmental criteria	2016			19
414-1	New suppliers that were screened using social criteria	2016	SDG 5 SDG 8 SDG 16	GPW S-P6	19
<b>Employment</b>					
103-1	Explanation of the material topic and its Boundary	2016			39, 62
103-2	The management approach and its components	2016			39, 63
103-3	Evaluation of the management approach	2016			39, 64
401-1	New employee hires and employee turnover	2016		GPW S-P3	40, 63
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	2016	SDG 3 SDG 5 SDG 8		40
401-3	Parental leave	2016			41, 64

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
<b>Occupational Health and Safety</b>					
103-1	Explanation of the material topic and its Boundary	2016			42, 67
103-2	The management approach and its components	2016			42, 68
103-3	Evaluation of the management approach	2016			42, 69
403-1	Occupational health and safety management system	2018		GPW S-S1	
403-2	Hazard identification, risk assessment, and incident investigation	2018	SDG 8	GPW S-S1	42, 67
403-3	Occupational health services	2018	SDG 8	GPW S-S1	42, 68
403-4	Worker participation, consultation, and communication on occupational health and safety	2018	SDG 8 SDG 16	GPW S-S1	42
403-5	Worker training on occupational health and safety	2018	SDG 8	GPW S-S1	42, 67
403-6	Promotion of worker health	2018	SDG 3	GPW S-S1	42, 68
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2018	SDG 8	GPW S-S1	42
403-8	Workers covered by an occupational health and safety management system	2018	SDG 8	GPW S-S1	42, 68

Indicator number	Indicator name	GRI Standard	SDG's	GPW	Place in report
403-9	Work-related injuries	2018	SDG 3 SDG 8 SDG 16	GPW S-S1	42, 69
403-10	Work-related ill health	2018	SDG 3 SDG 8 SDG 16	GPW S-S1	42
<b>Diversity and Equal Opportunity</b>					
103-1	Explanation of the material topic and its Boundary	2016			66
103-2	The management approach and its components	2016			66
103-3	Evaluation of the management approach	2016			66
405-1	Diversity of governance bodies and employees	2016		GPW S-P1	65
405-2	Ratio of basic salary and remuneration of women to men	2016	SDG 5	GPW S-P2	40, 66

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## GLOSSARY



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**CSR, Corporate Social Responsibility** – this is a concept according to which companies at the stage of strategy building consider social interests, environmental protection and relations with various stakeholder groups.

**Declaration of performance** – the document required for selling a construction product covered by a harmonised standard or the European Technical Assessment issued for it. The purpose of placing the declaration on a product is to provide the user with information about the function of the product and its conformity. This way, the manufacturer assumes responsibility for the product's conformity with the declared performance.

**EHV, Extra-High Voltage** – any voltage above 150 kV – in accordance with the IEC standard.

**HSE** – the goal of implementing HSE (Health, Safety and Environment) systems is to reduce the impact of the company's activities on the environment, to save natural resources and to strive to ensure that the company's business activities are conducted in a way that protects the health and ensures the safety of employees and the community.

**ISO 45001** – an ISO standard for management systems of occupational health and safety (OH&S), published in March 2018. The goal of ISO 45001 is the reduction of occupational injuries and diseases, including promoting and protecting physical and mental health.

**MV, Medium Voltage** – any voltage from 6 kV up to 30 kV – in accordance with the IEC standard

**HV, High Voltage** – any voltage above 30 kV up to 150 kV – in accordance with the IEC standard

**ISO, International Organization for Standardization** – ISO is an independent, non-governmental international organization with a membership of 161 national standards bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges. At our facilities we have implemented: ISO 9001 that sets out the criteria for a quality management system, ISO 14001 that sets out the criteria for an environmental management system, as well as ISO 45001 occupational health and safety management system. All standards can be certified to.

**KAIZEN, KAIZEN BHP** – a business philosophy centred around the processes, which continuously improves operations and involves all employees. Kaizen sees improvement in productivity as a gradual and methodical process based on employee ideas. They must improve the process, reduce losses (e.g. in the form of time, materials), improve the quality of products or improve the health and safety at the workplace – eliminate the threat.

**Offshore industry** – this is an economic activity carried out in the territorial sea of a given country or in its economic zone. Most often it refers to the extraction of oil and gas, in some cases also the extraction of fossil raw materials and the production of wind renewable energy.

**Onshore industry** – this is an economic activity carried out in the land of a given countries.

**REACH Environmental declarations** – EU regulation regarding Registration, Evaluation, Authorisation and Restriction of Chemicals. It is the EU regulation adopted to protect the human health and environment from risks posed by chemicals. In line with the REACH regulation TFKable requires its suppliers to provide information on the properties of supplied chemicals and the risks associated with human health and the environment. This information enables effective risk management and minimization of the negative impact of these substances.

**RoHS (EU Restriction of Hazardous Substances directive)** – Its purpose is to reduce the volume of hazardous substances from electrical and electronic waste permeating into the environment. We require that our suppliers present information regarding the concentration of these substances in their raw materials and minerals.

**Smart grids** – an electricity network based on digital technology that is used to supply electricity to consumers via two-way digital communication. This system allows for monitoring, analysis, control and communication within the supply chain to help improve efficiency, reduce energy consumption and cost, and maximize the transparency and reliability of the energy supply chain.

**SMART urban infrastructure** – use of sensing technologies that are placed in infrastructure and the equipment it interacts with. Special sensors are connected to a communication backbone which allows real-time data acquisition and analysis.

**SMED (Single Minute Exchange of Die)** – a set of techniques and tools that enable shortening the changeover times of machines, equipment and production processes. It provides a rapid and efficient way of converting a manufacturing process from running the current product to running the next product. This rapid changeover is key to reducing production lot sizes and thereby improving flow, reducing production loss and output variability. The main purpose of the method is to carry out each conversion in a unit number of minutes (up to 10 minutes) through such a division and simplification of the whole process, so that changeovers are made using the least amount of tools.

**5s (6s)** – a set of techniques and methods to establish and maintain high-quality workplaces. It is directly related to the proper organization of the work environment, improvement of the company's organizational culture and it allows to increase the stability of processes. The 5S system consists of 5 consecutive steps: "Sort", "Set In order", "Shine", "Standardize" and "Sustain".

The list describes how to organize a work space for efficiency and effectiveness by identifying and storing the items used, maintaining the area and items, and sustaining the new order. At TFKable 5S has become 6S, the sixth element being safety.

**Stakeholders** – A person, group or organizations that have interest or concern in a company. Stakeholders can affect or be affected by the organization's activities, objectives and policies.

**Supply chain** – a network between a company and its suppliers to produce and distribute a specific product to the final buyer. This network includes different activities, people, entities, information, and resources.

**TPM (Total Productive Maintenance)** – a method used for ensuring maximum machine and equipment effectiveness. Effectiveness is understood as maximum usage of available machine time available for manufacturing good quality products. The main goal, above all, is to ensure availability of critical equipment and reaching the level of: zero accidents at work, zero rejects and zero failure.

**Value chain** – a business model that describes the full range of activities needed to create a product or service. For companies that produce goods, a value chain comprises the steps that involve bringing a product from conception to distribution, and everything in between—such as procuring raw materials, manufacturing functions, and marketing activities.

**White certificates** – documents certifying that a certain reduction of energy consumption has been attained.

**XLPE** – cables with polyethylene insulation. In the TFK.Group, it is used for medium and high voltage cables.



***TF***.Group