

TK.Group

TKKable | 

ESG Report

2023



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1.

Letter from CEO



[GRI 2-22]

Ladies and Gentlemen,

I am truly proud to present our 2023 ESG Report, which testifies to our efforts in the area of sustainable development and the commitment by TFKable and JDR to creating a future that is based on the potential of renewable energy. Modern cables and wires, which meet the highest parameters both on- and offshore, are an integral part of the energy transformation in Poland and worldwide. Despite our strong market position, we continue to grow. We respond to market needs and expectations with our new, innovative products developed in our laboratories and R&D centres. We have also been increasing manufacturing capacity, and two of our investment projects mentioned in this report are of paramount importance in this context: the new factory in Cambois, near Blyth, UK and the expansion of the facility in Bydgoszcz, Poland. Whilst both investments are several thousand kilometres apart, they share a common vision of increasing the availability of clean energy from offshore and onshore wind farms around the world.

The potential and years of experience of our companies has been appreciated by our customers. In 2023, as TFKable and JDR, we completed a number of contracts that supported the construction of offshore wind farms, as described in the report. The fact that our companies were selected locally for wind farm construction projects in, among others, BALTIC POWER project in Poland, VINEYARD WIND 1 in the US, and HE DREIHT in Germany is particularly worthy of mentioning. Submarine and onshore cables manufactured by our facilities have enabled the safe production and transmission of clean energy powering households around the world. Our offer fits into the global decarbonisation efforts. At the same time, we do not forget care for the environment in the production process as well. This report presents accurate information about the carbon footprint of the Group companies, our care for water resources and support for the circular economy. As regards the latter, I would just like to draw your attention to the activities of our Cable Waste Recycling Plant in Bukowno, Poland. It is a unique facility which specialises

in cable waste recovery, with a recycling capacity of 10,000 tonnes of cable waste per year.

Our sustainability efforts are strongly embedded in our internal procedures. In 2023 we developed new policies and refreshed many of our existing policies, codes and regulations.. We adapted their wording to the changing times, the needs of our companies and regulations. Provisions of documents comply with internationally accepted standards and create a consistent ecosystem of corporate governance that complies with the ESG best practices. I am happy to refer you to the contents of the report for more details on this topic.

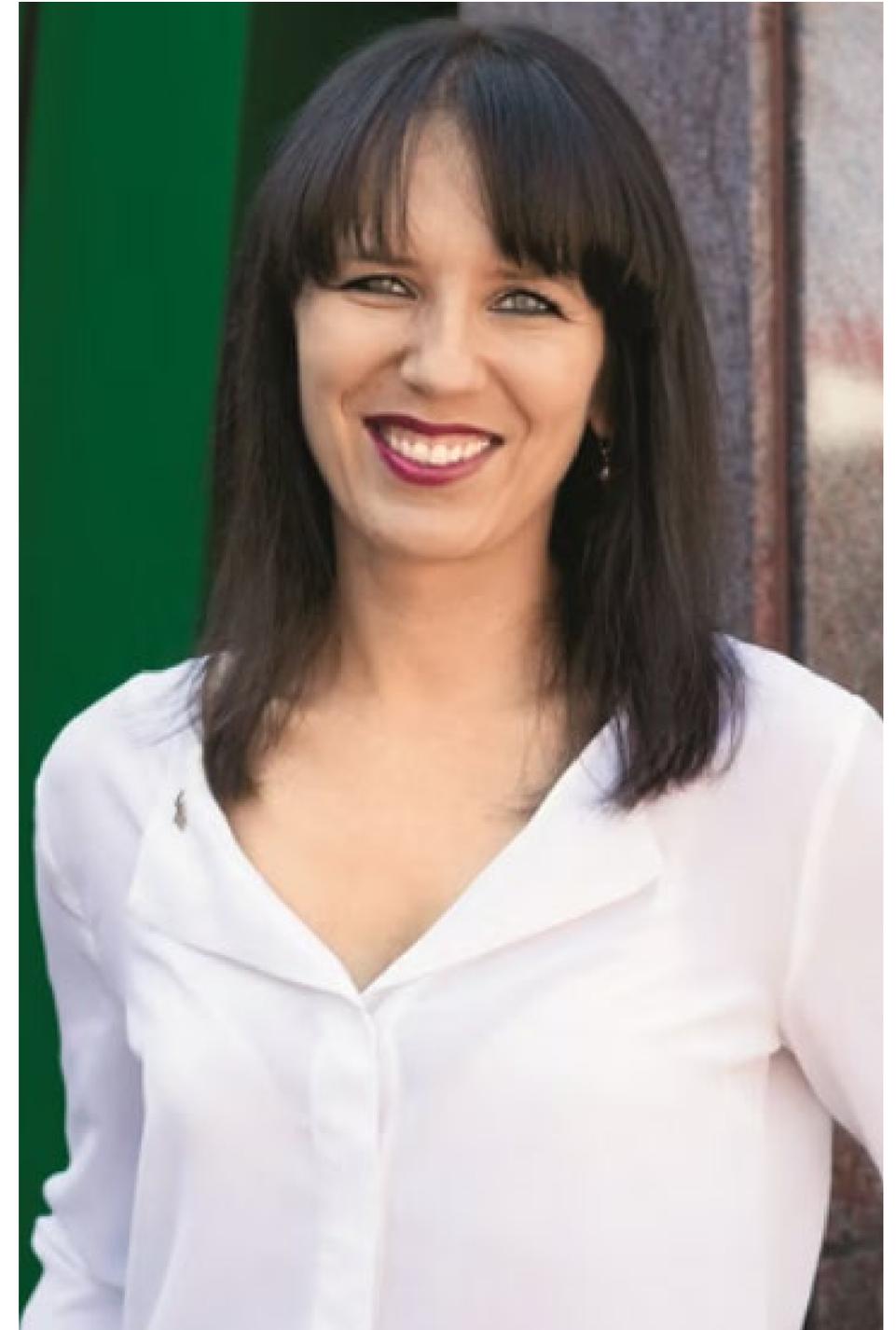
Each success of the TFK.Group is backed up by our people. Our unique team consists of more than two thousand experts in their fields. We consistently take care to expand their professional competences, and we are also increasingly involved in the development of their passions and interests outside of work. For me, the ability of our companies to support many sports activities and voluntary activities of employees, such as the STEM initiative in JDR and the TFKable's co-operation with universities, is a true privilege.

Please read this ESG report from the TFK.Group. I am convinced that sustainable development of our organisation is the best path for development for the entire Group – I believe that we can proudly look at our production and the way it contributes to the changes for the better worldwide.

Yours faithfully,

Monika Cupiat-Zgryzek

Chief Executive Officer
TELE-FONIKA Kable and JDR Cable Systems



2.

TFK Group



2.1. About the Group

[2-1]

TFK.Group is one of the leaders in the global cable market, a provider of specialised and technologically advanced high and extra high voltage cable systems. TFK.Group consists of TELE-FONIKA Kable of Poland (TFKable), one of Europe’s largest cable and wire manufacturers and JDR Cable Systems of UK (JDR), a world-class submarine cable manufacturer and offshore service provider for the global wind energy industry. The Group has its manufacturing facilities in Europe, several sales companies, service units and R&D centres. More than 2,000 customers of TFK.Group are companies from 80 countries in five regions of the world. The companies of the Group employ a total of approximately 2,500 people.

Repair and maintenance services provided by TFK.Group are dedicated to offshore and onshore oil and gas extraction and renewable energy systems. In addition, the extensive infrastructure of R&D centres supports performance of qualification tests, routine tests and process tests, as well as fire tests.

The co-operation between both companies which specialise in the manufacture of submarine and onshore cables resulted in the improvement of the manufacturing processes and the supply chain TFK.Group.



TFKable

- **the leading European manufacturer of copper and aluminium cables and wires**
- **products for key sectors of the economy, including construction, energy, rail and telecommunications**
- **manufacturing plants in Poland and Serbia**
- **extensive infrastructure of R&D centres**
- **€895 million worth of sales in 2023**
- **More information about TELE-FONIKA Kable can be found in Chapter III**



JDR

- **world-class manufacturer of submarine cables for the offshore wind energy and oil and gas industry**
- **offshore service provider for the global wind industry**
- **provider of customer support services in project concept and design selection, installation, and support for the design of onshore and offshore full-cycle solutions**
- **£134 million worth of sales in 2023**
- **More information about JDR Cable Systems can be found in Chapter IV**



2.1. About the Group

The integration of TFKable and JDR strengthened the position of TFK.Group in the submarine cable market and the offshore wind energy sector. Experts within group companies work with each other routinely, sharing experience and knowledge. Both organisations mutually promote their commercial brands and strengthen business relationships. This co-operation has resulted in the development of high voltage cables (HV) and extra high voltage cables (EHV) as well as advanced research and development works. The repair and maintenance services provided by TFK.Group are dedicated to offshore and onshore oil and gas extraction and renewable energy systems. In addition, the extensive infrastructure of research and development centres in Bydgoszcz and Kraków in Poland, Newcastle and Hartlepool in the UK, and Tomball (Houston) in the US, allows the group to conduct qualification tests, routine tests and process tests.

GOOD PRACTICE

The best business and management practices of the companies have been implemented in everyday operations. Examples of this approach include THINK SAFETY, THINK QUALITY and THINK GREEN programmes, which have become the standard across TFK. Group.

The first joint project between **JDR** and **TFKable** in 2008 was the production of 33kV inter-array cables, which were used in wind farms in the United Kingdom, such as Greater Gabbard and London Array. For 15 years, JDR and TFKable have manufactured more than **4,000 km of submarine cables**, which supported transmission of **14 GW of wind energy**, which represents about **36% of the market's capacity** of nearly 40 GW (does not include the Chinese market).



2.1. About the Group

SELECTED TFK.GROUP PRODUCTS:

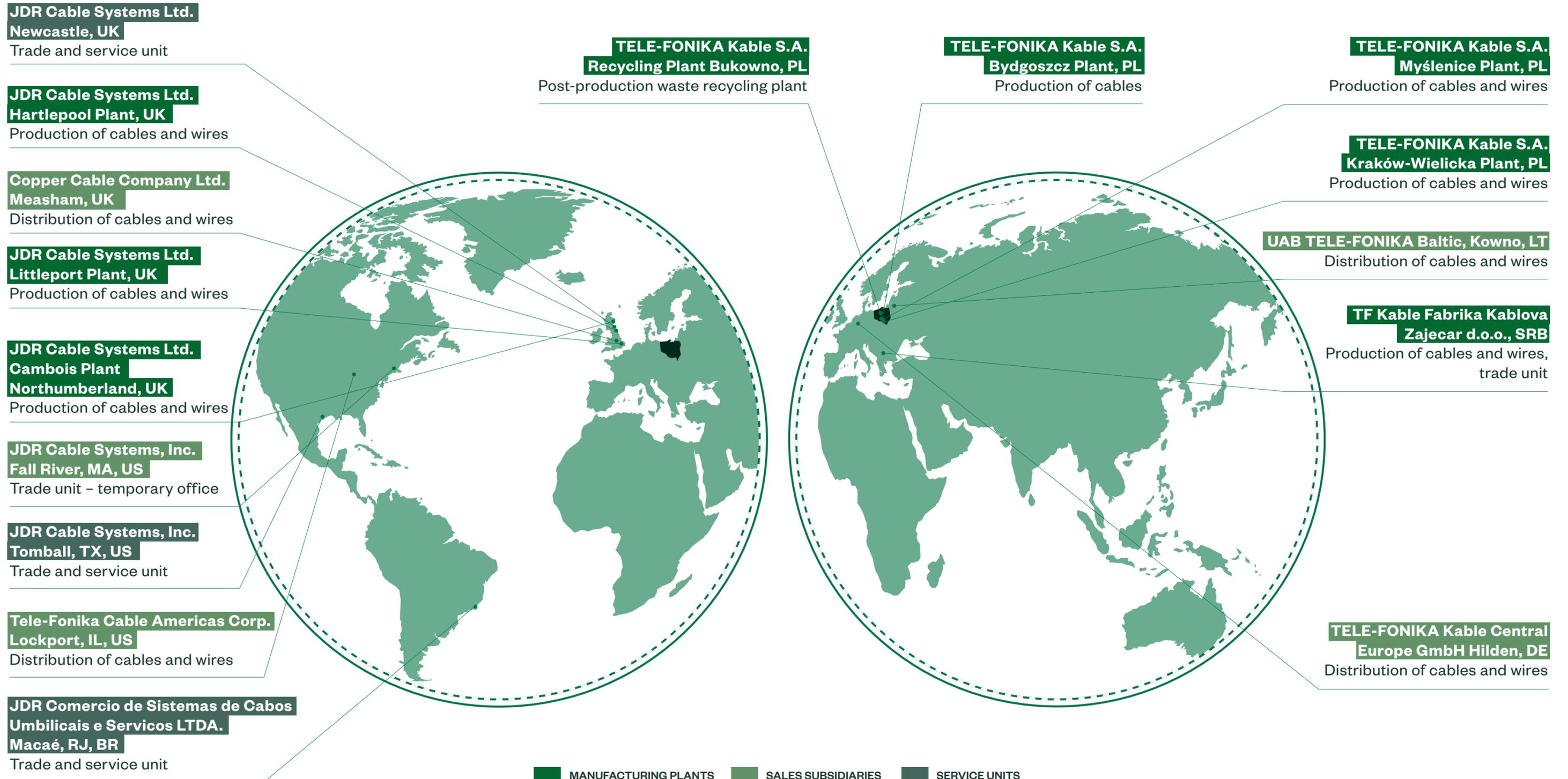


Static Array Cable typical construction

- Low Voltage Cables
- Electrical Installation Wires
- Medium Voltage Cables with XLPE Insulation
- Fibre Optic Wires
- Signalling and Controlling Cables
- Rubber Insulated Cables and Wires
- Cables for the Mining Industry
- Copper Telecommunication Cables
- 1kV Cu and Al Cables
- 36 to 150kV High Voltage Power Cables
- 220 to 400kV Extra-High Voltage Power Cables
- Copper and Fibre Optic Telecommunication Cables
- Rubber Insulated Cables, Including Cables for Mines and Lifts
- Control Cables for Data Transmission and Security
- Inter-Array Cables (33kV, 66kV & 132kV)
- Subsea Power Umbilicals
- Steel Tube Umbilicals, Rental and Oil & Gas Services, which are used for the construction and operation of offshore and onshore wind farms

2.1. About the Group

PRODUKCIJA I DYSTRYBUKCIJA – GLOBALNE LOKALIZACJE



2.2. Supporting a sustainable world

According to data from the International Energy Agency, global energy-related CO₂ emissions amounted to a record 37.4 billion tonnes in 2023 and were 1.1%, or 410 million tonnes, higher than last year. Carbon emissions accounted for over 65% of this increase. At the same time, as the Agency notes, without the increasing the adoption of clean energy technologies, the increase in emissions would have been three times higher (www.iea.org/reports).

TFK.Group has been facilitating further transformation of the energy industry and a shift away from fossil fuel-based energy. Our cables have contributed to the construction and efficient operation of onshore and offshore wind farms worldwide.

TFK.Group and the Renewable Sector:



over
50
cable contracts for wind farms worldwide

the cables transmit
14GW
of wind energy

4,000
of Inter-Array Cables for wind farms



From 2022 over
16,000 km
of cables delivered to the Polish Renewable Sector

innovative cables
which support more efficient energy offtake from multiple wind turbines and transmission of such energy to offshore substations

2.2. Supporting a sustainable world



The Global Offshore Wind Report 2023 prepared by the Global Wind Energy Council (GWEC) forecasts a dynamic growth of the offshore wind industry. Experts predict that the total global power of offshore wind power stations will increase by as much as 380 GW by 2032, reaching 64.3 GW in 2022. Asia-Pacific is expected to see the largest growth in offshore wind generation, with CO₂ emission reductions of 650 million tonnes per year. The European market is also forecast to grow by over 40%.

We are an important part of this change here at TFK.Group. We launched 66kV Inter-Array Cables, including submarine cables for floating offshore wind farms. We have been also working on the construction of 132kV innovative cables that allow more efficient energy collection from remote wind turbines and its transmission to offshore substations. In 2023, we started laboratory testing of prototypes in co-operation with certified research entities, such as Carbon Trust, ORE Catapult.

<https://gwec.net/gwecs-global-offshore-wind-report-2023/>

IN 2023:

- **we delivered submarine cables to the first large commercial wind farm** in the US, for Vineyard Offshore Wind and 66 kV dynamic cables for Equinor's Hywind Tampen project in Norway the largest floating wind project to date,
- **we delivered 139 km of 66kV Array Cables** to connect 60 wind turbines at 882 MW offshore wind farm in Moray West, Scotland,
- **we delivered 100 km of 66kV Array Cables** to connect 64 turbines in EnBW He Dreiht offshore wind farm in Germany,
- **we signed a contract for Baltic Power** wind farm in Poland – we will be responsible for designing, manufacturing and installing onshore and submarine cables, supplying clean electricity to over 1.5 million Polish households.

2.2. Supporting a sustainable world

Our Group’s activities specifically support the six UN Sustainable Development Goals

<p>Goal 3:</p> 	<p>Ensure healthy lives and promote well-being for all at all ages.</p> <p>We strive to ensure a healthy and safe working environment by eliminating the risk of accidents and by offering access to primary health care. We support bottom-up initiatives of our staff to promote healthy and active lifestyles and health-oriented actions and habits.</p>	<p>Goal 11:</p> 	<p>Make cities and human settlements inclusive, safe, resilient, and sustainable.</p> <p>Our fire-resistant cables and wires meet stringent fire protection standards and have been used to build safe, resilient and sustainable buildings, housing estates and cities. Fire-resistant cables increase fire resistance of the infrastructure, which is essential for the safety of urban areas.</p>
<p>Goal 7:</p> 	<p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p> <p>TFK.Group core product offering is designed to increase the availability of clean energy. In addition, we promote RES by educating young people, collaborating with universities and attending industry conferences.</p>	<p>Goal 12:</p> 	<p>Ensure sustainable consumption and production patterns.</p> <p>At the Bukowno Recycling Plant we recover metals from copper and aluminium cables. Recycling of these metals reduces the consumption of natural resources, reduces greenhouse gas emissions associated with metal extraction and production, and reduces waste. This supports sustainable economic circulation and reduces the environmental impact.</p>
<p>Goal 9:</p> 	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.</p> <p>The construction of a modern submarine cable manufacturing plant and high voltage transmission lines for offshore renewable energy contributes to ensuring universal access to clean and safe energy and to promoting sustainable energy development. The extensive research and development that we undertake and our investments in modern laboratories make us pioneers in innovative solutions in cable manufacturing technology.</p>	<p>Goal 13:</p> 	<p>Take urgent action to combat climate change and its impacts.</p> <p>Climate change initiatives have been incorporated into our strategy, plans and policies. We are making efforts to reduce the carbon footprint of the organisation and the carbon footprint of our products. By using raw materials efficiently and increasing the share of renewable energy sources in the energy mix, we aim to minimise the negative impact on climate.</p>

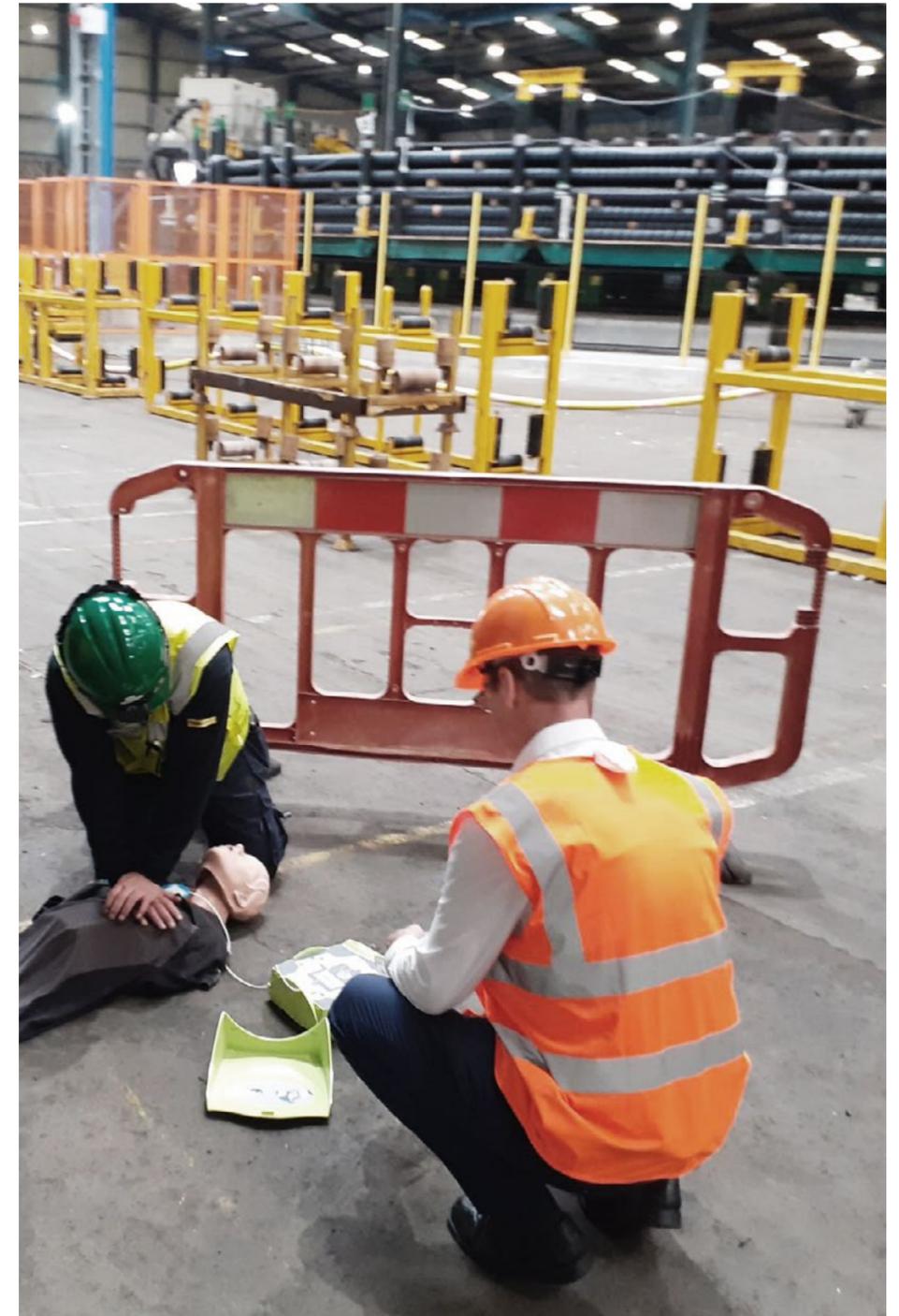
2.2. Supporting a sustainable world

Both member companies of TFK.Group learn from each other, exchange experiences and share best practices. The flagship example of the benefits of such co-operation are TH!NK SAFETY and TH!NK QUALITY programmes, UK initiatives that have been successfully implemented at TFKable. TH!NK SAFETY and TH!NK QUALITY have supported the process of continuous improvement and a culture of concern for quality, safety and elimination of waste in each Company. The involvement of the employees themselves in the development and implementation of improvements in their jobs lies at the heart of the programme. Suggestions and ideas for the TH!NK QUALITY initiative can be made in three ways – on special cards, via the engineering process change form and continuous improvement form. The TH!NK SAFETY programme promotes a sense of responsibility for the safety of employees and encourages them to observe 21 key risk factors and report their insights and actions on special TH!NK SAFETY cards.

The **Total Productive Maintenance** procedure, i.e. the procedure for planning technical inspections of key equipment, is also a way of maintaining the quality and continuity of operation of the TFKable machinery. As a result, the risk of potential defects has been significantly reduced. As part of the Total Productive Maintenance procedure, 174 inspections were conducted in the Kraków and Myślenice plants in 2023.

Examples of TH!NK QUALITY and TH!NK SAFETY actions at TFK.Group in 2023:

- Expensive paper labels for the labelling of reels of reinforced wire were replaced with labels prepared on-site in special labelling machines. In addition, the time-consuming cutting of templates for painting parts requiring marking was abandoned in favour of a portable inkjet printer.
- A new standard for the testing of injection cores was developed. Instead of less efficient high-pressure test equipment, twice as fast low-pressure machines were proposed, fully compliant with ISO standards. As a result, the number of tests was reduced from 40 to 10 and the entire process was shortened by 870 hours.
- In order to prevent the occurrence of situations where production equipment is moved from one place to another without the documentation confirming that the equipment is ready for use, a special transport form certifying the correct operation of the equipment was introduced.
- The portable pump which increases the pressure in the hoses to 70 bar was equipped with special sheet metal guards, thus minimising the risk of an accident caused by the possible release of compressed air or fluid.



TH!NK
QUALITY

TH!NK
SAFETY

TH!NK
GREEN

2.2. Supporting a sustainable world

The first Polish plant covered by all programmes is Bydgoszcz, where employees take part in improvement ideas and take care of the quality, safety and elimination of waste through the so-called Kaizens, i.e. the philosophy of continuous process improvement through relatively small incremental improvements. In 2023, there were:

21

ideas regarding waste elimination

29

ideas regarding work safety improvement

27

ideas regarding quality improvement



2.3. TFK.Group in the market. Market and industry environment

One of the most important industry organisations is Europacable, an association founded in 1991, which brings together the largest European manufacturers of cables and wires. Europacable members employ more than 70,000 people worldwide. Since September 2015, Monika Cupiał-Zgryzek has held the position of Vice President of Europacable.

[\[2-28\]](#) TFKable and JDR are members and active participants of dozens of trade associations and organisations, such as:



2.3. TFK.Group in the market. Market and industry environment

In 2023, TFK.Group and its member companies took part in a number of international and national trade fairs, conventions, exhibitions and symposia. We used our presence, among others, to promote our technological solutions which support the development of renewable energy sources and the effects of our research and development base.

TFKable and JDR experts took part in, among others, in:



TOC Africa23
TOC Singapore23

promotion of TFCrane Cables and Laboratory of Extra High Speed Cables



Energetics
Energetab
EUROPOWER & 8th OZE POWER

promotion of the LV, MV, HV assortment, TFPowerPack, and our research centers, including the High and Extra-High Voltage Laboratory, in the context of renewable energy development



Offshore Wind Poland 2023
Global Transmission Report MIXDES 2023
Offshore Wind Farms Energy & Power Cables
Wind Europe 2023
Baltexpo23
Global Offshore Wind23

promotion of onshore and offshore assortments and solutions for wind energy



ADIPEC23
SPE Offshore Europe23
Floating Offshore Wind
Conference Aberdeen23

promotion of the umbilical and subsea power cables assortment and solutions for the energy sector



Jicable'23
Kabel 23
IEEE Power & Energy Society's Insulated Conductors Committee in Colorado and New Orleans

presentation of expert knowledge and sharing experiences with the industry



European Economic Congress 23 in Katowice

partnership in the British Pavilion and promotion of the construction of a submarine cable plant in Cambois, near Blyth, UK

2.4. Corporate governance and risk management

VALUES AND MISSION

[\[3-3 corporate governance\]](#)

TFK.Group works with customers to create products and provide services that ensure the success of their projects. Our goal is to deliver high value to stakeholders, while building a sense of pride among employees in being part of TFKable and JDR.

TFK.GROUP MISSION

- **Continuous improvement of our competence and practical expertise** confirmed by certification requirements resulting in a strong team of world-class experts
- **Sustainable development** – striving to improve our products and processes with an innovative approach to delivering them in an increasingly clean, smart and sustainable way
- **Design, manufacture and supply of modern innovative technologies** for versatile applications
- **Innovations which increase manufacturing capacity**, including the use of modern technologies and the efficient development of market opportunities which allow us to deliver a wide range of products on time, at a convenient location and at competitive prices, while ensuring stable growth
- **Active involvement and co-operation with local companies and organisations** on initiatives aimed at developing local talent and encouraging development of career paths in the cable manufacturing industry

2.4. Corporate governance and risk management

TFK.GROUP VALUES



Reliability – reliable and efficient products, professional services and expertise



Health, safety and the environment – these are our constant priorities



Integrity – trust and respect for doing the right thing



Leadership – example-based leadership at all levels



Responsibility – respect for human dignity, rights and freedoms



Flexibility – responding to the needs of our customers



Passion – inspiration, creativity, knowledge building and competence building



Customer orientation – working with our customers



Quality – being proud of our products and services



Ethics and integrity – integrity, fair play and respect



Innovations – implementing new ideas, products, and technological processes



Teamwork – promoting accountability, development, leadership and equality

2.4. Corporate governance and risk management

CORPORATE GOVERNANCE

[2-27]

Members of TFKable's Management Board are responsible for individual operating areas of TFK.Group. Key people involved in TFKable's management process also perform significant management functions in all member companies of TFK.Group. In 2023, we recorded zero cases of non-compliance in the operations of member companies of TFK.Group.

TFKABLE

[2-9] [2-10] [2-11] [2-12] [2-13] [2-14] [2-18]

The Supervisory Board is the ultimate supervisory body of TFKable. It is responsible for overseeing the operations of the Company in every area, also in the area of sustainable development. In order to properly assess the Company's situation, the Supervisory Board has the right to request information and documents, appoint experts and hire advisers. In addition, a consent from the Supervisory Board is required for the execution of certain transactions, such as those listed in the Articles of Association of the Company. It also has a supervisory and advisory role in designing, approving and updating sustainability goals, values, strategies and policies. The Management Board, consisting of three members appointed for an indefinite term of office in 2023 is the governing body of TFKable. The procedure for appointment to the Management Board is described in the Articles of Association of the Company; the General Meeting of Shareholders is the body competent for the appointments. When selecting Members of the Management Board the statutory criteria, as laid down in the Code of Commercial Companies and Partnerships, is followed, such as lack of criminal record and full legal capacity, as well as criteria resulting from good practices, such as knowledge, skills, experience and personality traits. When appointing the Management Board, the opinions of stakeholders (including the shareholder), diversity and competences are also taken into



account – decisions in this respect are made by the General Meeting of Shareholders. The Supervisory Board is separate and independent from the Management Board and members of the Supervisory Board cannot be members of the Management Board.

The Management Board of the Company acts as a collective body with no separate committees. There are no committees with management functions separate from the Management Board. The Management Board manages all operating areas of the Company on an ongoing basis, excluding the competences of the Supervisory Board and the General Meeting of Shareholders. Among other things, the Management Board is responsible for making decisions and overseeing the management of the organisation's impact on the economy, the environment and people. In accordance with the Work Rules of the Management Board, the scope of duties of the Management Board also includes reviewing and approving ESG reported data, including relevant topics.

All Members of the Management Board were executive members in 2023.

TFKable's Management Board in 2023:

Monika Cupiał-Zgryzek

President of the Management Board

Bartłomiej Zgryzek

Vice-President of the Management Board

Piotr Mirek

Management Board Member

2.4. Corporate governance and risk management

JDR

[\[2-9\]](#) [\[2-10\]](#) [\[2-11\]](#) [\[2-12\]](#) [\[2-13\]](#) [\[2-14\]](#)

JDR is managed by the Board of Directors, which in 2023 was composed of:

Executive Chairman & Chief Executive Officer (CEO) **Monika Cupiał-Zgryzek**

Chief Financial Officer (CFO) **Tomasz Nowak**

Chief Operating Officer (COO) **Mark Braybrooke**

Chief Strategy & Compliance Officer **James Young**

Non-executive Director **Bartłomiej Zgryzek**

Non-executive Director **Piotr Mirek**

Non-executive Director **Colin McKay**

All members of the Board of Directors are dependent members. Four of them are members with executive status, three are members with non-executive status. The Chairperson also acts as the CEO. Proposals and business decisions are subject to approval by the Board of Directors in accordance with the Articles of Association. The CEO has the deciding vote in case of a deadlock. Conflicts are avoided through individual disclosure of such events. Mitigation measures are carried out with the involvement of other Members of the Management Board before the vote.

The appointment of Board of Directors members takes into account competencies, stakeholder views, diversity and independence. Prospective new members are approved by the Board of Directors, with final and decisive approval by the CEO.

JDR's Executive Management Team, entrusted with relevant roles and responsibilities related to running the Company, reports to the CEO. For selected elements of internal and external social responsibility, Employee Forums have been established at JDR's UK facilities, with one for staff based at Littleport and one combined forum for staff based at the Hartlepool and Newcastle facilities. The purpose of this body is to discuss wider issues concerning the Company and its employees.

JDR's Chief Executive Officer ensures involvement of the management personnel in the organisation's policies, including OHS, environment, quality, ethics, anti-bribery and anti-corruption procedures, and compliance with the privacy policy.

The Chief Strategy & Compliance Officer oversees the review of anti-bribery and anti-corruption procedures, human rights, modern slavery prevention procedures, gifts and hospitality records and channels dedicated to the confidential reporting of breaches.

Data Protection Officer (DPO) – the Data Protection Officer is responsible for ensuring compliance of JDR's data protection policy with the relevant regulations in this field and reports to TFKable's Management Board and JDR's Board of Directors.

[\[2-18\]](#) [\[2-24\]](#)

Some of the sustainability tasks are delegated by the Board of Directors to the heads of the relevant departments. The performance of activities is monitored by monthly reports prepared for the Board of Directors. ESG data reported together with relevant topics are reviewed regularly at Board and Executive Management meetings.

[\[2-17\]](#)

Members of the Board of Directors improved their knowledge on sustainability topics during their carbon emission training courses in 2023. In addition, the Chief Strategy & Compliance Officer conducts quarterly briefings for members of the Board of Directors about the growing requirements on emission reduction and the need to minimize the environmental impact of JDR's operations.

2.4. Corporate governance and risk management

POLICIES AND PROCEDURES

[\[2-23\]](#) [\[2-24\]](#)

We broadly integrate ESG issues into the process of managing TFK.Group member companies. Both companies have implemented procedures, policies and codes to account for environmental and social impacts. In particular, the ESG regulation issue was present in TFKable in 2024 as the Company developed or updated a significant number of documents concerning, among others, anti-corruption, human rights and diversity protection, local community impact management, employee dialogue and stakeholder engagement. The Sustainable Development Strategy and the Climate Strategy were also prepared.

SELECTED SUSTAINABLE DEVELOPMENT POLICIES			
TFKable		JDR	
Environmental Policy	updated	Code of Ethics	
Modern Slavery and Human Trafficking Policy	updated	Anti-Corruption Policy	
Responsible Minerals Sourcing Policy	updated	Quality, Health and Safety, and Environmental Policies	
Anti-Corruption Policy	new	CSR Policy	
Human Rights and Diversity Policy	new	Code of Responsible Sourcing	
Managing Impact on the Local Community Policy	new	External Complaints Policy	
Employee Dialogue Policy	new	Conflict Minerals and Human Trafficking Policies	
Sustainable Development Strategy	new		
Corporate Code	new		
Code of Compliance	new		
Climate Strategy	new		
Code of Conduct and Ethical Standards	new		
Stakeholder Engagement Plan	new		
Suppliers Code of Conduct	new		

2.4. Corporate governance and risk management

ESG RISK AND CLIMATE RISK MANAGEMENT

[2-25]

ESG risk map for TFK.Group presents risks in three categories – operational, financial and global.

GLOBAL	
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.
Climate change and low-carbon strategy	Risk related to more regulation, and pressure to improve products and processes
FINANCIAL	
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 requirement
OPERATIONAL	
Obsolete technologies	The growing need to create modern technologies and solutions
Quality	Risk of product defects
Suppliers	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.

2.4. Corporate governance and risk management

ESG RISK AND CLIMATE RISK MANAGEMENT

In 2023, two categories of climate risks and opportunities for TFKable were additionally identified and assessed:

- physical risks related to physical climate change factors (e.g. extreme weather events),
- transition risks arising out of the transformation to a low carbon economy.

The risks were assessed taking into account the short and medium term horizon (2023-2030) and long horizon (2030-2050) with respect to two climate scenarios presented by the Intergovernmental Panel on Climate Change:

- RPC 4.5 – a scenario which assumes introduction of new technologies to achieve higher greenhouse gas emission reductions
- RPC 8.5 – a scenario which assumes that the current rate of growth of greenhouse gas emissions will be maintained, in the “business as usual” formula.

Legend

R1 - R6 risk **physical** - as a result from the physical impacts of climate change
S1 - S7 opportunity **transition** - as a result from transition to a lowcarbon and climate-resilient economy

Colours indicating timeframes:

-  Risk/opportunity relevant in the 8.5 scenario
-  Risk/opportunity relevant in the 4.5 scenario
-  Risk/opportunity relevant in both scenarios

No.	Name	P (physical) T (transition)	IPCC Scenario		Timeframe	
			4.5	8.5	Short- and medium-term	Long-term
R1	The risk of rising costs of heating/cooling buildings and rooms	P				
S1	Risk/opportunity associated with the need to adapt the offered products or services to the changing climate	P				
R3	Risk of flood/infrastructure flooding as a result of rising water levels	P				
S3	Risk/opportunity associated with the need to adapt products to high temperatures	T				
R4	Risk of fires/more frequent fires	P				
S4	Risk/opportunity associated with the need to adapt products to low temperatures	T				
S5	Risk of damage to infrastructure and/or products caused by cyclones/hurricanes	P				
R6	Risk of damage to equipment and/or infrastructure not resistant to high temperatures (heat waves)	P				
S6	Risk of damage to infrastructure, equipment and/or products caused by violent storms	P				
S7	Risk of damage to infrastructure and/or products caused by tornadoes	P				

2.4. Corporate governance and risk management

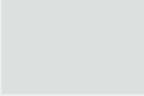
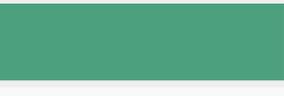
ESG RISK AND CLIMATE RISK MANAGEMENT

Legend

R9 - R18 risk **physical** - as a result from the physical impacts of climate change
S8 - S10 opportunity **transition** - as a result from transition to a lowcarbon and climate-resilient economy

Colours indicating timeframes:

-  Risk/opportunity relevant in the 8.5 scenario
-  Risk/opportunity relevant in the 4.5 scenario
-  Risk/opportunity relevant in both scenarios

No.	Name	P (physical) T (transition)	IPCC Scenario		Timeframe	
			4.5	8.5	Short- and medium-term	Long-term
S8	Opportunities associated with the standardisation of the regulators' approach to climate issues (e.g. the same requirements and standards, availability of comparable data)	T				
R9	Risk of damage to equipment and/or infrastructure not resistant to low temperatures (cold spells/frost)	P				
S9	Risk associated with changing climate regulations and stricter requirements for specific products and/or services	T				
R10	The risk of costs associated with the temporary suspension of the Company's operations and/or the need to cover and repair damage caused by fire	P				
S10	Opportunity for new products/technological solutions that help counteract climate change	T				
R11	Risk of damage to infrastructure and/or products caused by cyclones/hurricanes	T				
R12	Risk of damage to infrastructure, equipment and/or products caused by violent storms	P				
R13	Risk of damage to infrastructure and/or products caused by tornadoes	P				
R15	Risk of delays in deliveries: logistic/transport difficulties caused by severe weather phenomena	P				
R16	The risk of energy supply disruptions caused by severe weather phenomena	T				
R17	The risk of increasing costs caused by the need to better protect equipment and/or products against precipitation	T				
R18	Infrastructure flooding risk	P				

Identification of physical risks is based on the lists of risks included in the Annex A to EU Regulation 2021/2139

2.4. Corporate governance and risk management

ESG RISK AND CLIMATE RISK MANAGEMENT

Legend

R19 - R32 risk

physical - as a result from the physical impacts of climate change

transition - as a result from transition to a lowcarbon and climate-resilient economy

Colours indicating timeframes:

-  Risk/opportunity relevant in the 8.5 scenario
-  Risk/opportunity relevant in the 4.5 scenario
-  Risk/opportunity relevant in both scenarios

No.	Name	P (physical) T (transition)	IPCC Scenario		Timeframe	
			4.5	8.5	Short- and medium-term	Long-term
R19	Risk of increased costs associated with water (e.g. drawing water, sewage disposal)	T				
R20	Risk of inability to keep installations that use large amounts of water operational	T				
R21	Risk of temporary or permanent limitation in availability of water, or of good quality water – energy-related risk	P				
R22	The risk of increasing costs and availability of raw materials which require significant amounts of water to be created/produced	T				
R23	Risk of damage to infrastructure/equipment or products caused by heavy rainfall	T				
R25	Risk of higher operating costs due to climate regulations (e.g. taxes or other fees associated with greenhouse gas emissions, audits, standards, product passports, EPD, the need to develop applications, etc.), increasing capital expenditures caused by the need to adapt	T				
R26	Risk associated with changing climate regulations and stricter requirements for specific products and/or services	T				
R27	Risk associated with stricter regulatory requirements, including reporting obligations	T				
R28	Risk of higher operating costs due to high energy prices	T				
R29	Risk of greater competition from non-EU products that are not subject to these costs	T				
R32	Risk of damage to reputation and the resulting loss of customers caused by failure to take action to reduce the negative impact on the climate, greenwashing or failure to meet climate-related commitments	T				

2.5. Ethics and Anti-corruption

ETHICS

[3-3 corporate governance]

We require every TFKable and JDR employee to act ethically. Ethical issues are regulated in detail at the level of each TFK.Group member Company.

GOOD PRACTICE

[2-25] [2-26]

At TFKable and JDR, we have implemented procedures that allow the employees to report any irregularities and seek advice on ethical issues. These regulations allow reporting by name or anonymously, and whistleblowers are afforded full protection against possible retaliation.

At TFKable, reporting is possible, among others, via a special telephone number, email, Web form or by post. All reports are reviewed by a dedicated TFKCompliance team. In 2023, no information about irregularities was sent to TFKCompliance.

JDR has a Whistleblowing Policy in place. Employees can report ethical misconduct via a telephone line operated by a third party independent organisation using Ethicspoint software. Suppliers and other third party stakeholders may send their comments to the following email address:

JDRcompliance.officer@jdrables.com.

The Company has also implemented a policy and procedure for handling complaints. Employees may submit written complaints to their immediate superior or, if the superior is involved, directly to the HR department. Depending on the nature of the information, an appropriate procedure is initiated and the matter is investigated without undue delay.

MANAGEMENT OF ETHICAL ISSUES IN TFK.GROUP

TFKable



In 2023, we developed and adopted a new **Code of Conduct and Ethical Standards** in TELE-FONIKA Kable. The document is a set of rules and standards applicable in TFKable and is an integral part of the organisational culture. It aims to promote integrity, respect and ethical conduct, thus creating a workplace based on values and mutual trust. The Code applies both to employees and associates of the organisation as well as all the counterparties who wish to co-operate with the Company.

The areas regulated by the Code include, but are not limited to:

- prevention of corruption;
- prevention of conflicts of interest;
- prevention of money laundering;
- prevention of unfair competition;
- responsible information management;
- export control;
- environmental issues;
- human rights.

In 2023, we also established a **Compliance Code** at TFKable, which represents the Company's commitment to operating in a responsible manner and in compliance with legal and ethical standards. The Code:

- prohibits corruption, prevents conflicts of interest and money laundering and anti-competitive practices;
- requires fair co-operation with the customers and suppliers;
- protects human rights;
- defines labour, occupational health and safety and environmental standards;
- prohibits child labour, forced labour and discrimination.

JDR



The Ethical Code in JDR applies to all the employees and associates of the Company. The document governs labour relations, OHS rules and human rights relating to the respect for the environment and the community, engaging and supporting political actions, as well as information and ownership management.

2.5. Ethics and Anti-corruption

ANTI-CORRUPTION

We do not tolerate corruption in any way at TFK.Group. Our position in this respect is clear and known to employees and contractors.

[205-3]

At TFKable, the anti-corruption principles described in the Code of Conduct and Ethical Standards and the Code of Compliance are further detailed in a separate Anti-Corruption Policy developed in 2023. The document lays down the rules of conduct of employees and business partners in order to prevent corruption and breaches of law. In line with the Policy, employees and business partners of TFKable undertake to act honestly and ethically and comply with applicable laws and regulations. It is prohibited to grant or receive gains intended to influence the actions or decisions of persons performing public functions or decisions of other entities.

The Anti-Corruption Policy also sets out rules regarding gifts, entertainment expenses and other gains offered or received by employees and business partners. The value of gifts and expenses for entertainment purposes must comply with the principles and requirements of the policy and granting and acceptance thereof must be transparent. For gifts exceeding certain amounts, an approval from the Compliance Officer is required. The document also contains information on reporting violations of the Anti-Corruption Policy. Any employee who becomes aware of an event that is non-compliant with the Policy is obliged to report it to the Compliance Officer. This can be done in writing and by phone, either by name or anonymously.

[205-3]

0

We did not record any cases of corruption in the TFK.Group in 2023

[205-1] [206-1]

0

the number of corruption events analysed in TFKable in 2023

0

cases of identified anti-competitive activities

2.5. Ethics and Anti-corruption

The issues related to prevention of conflicts of interest are regulated at TFKable in, among others:

- Code of Conduct and Ethical Standards;
- Code of Compliance;
- Articles of Association;
- Work Rules of the Management Board.

[2-15]

These documents contain definitions of conflicts of interest and describe the procedure for dealing with conflicts of interest or potential conflicts of interest at different organisational levels. In the event of a conflict of interest affecting a Member of the Management Board, it is the primary duty of that Member of the Management Board to promptly inform the Management Board about the conflict (or potential conflict) and refrain from handling the case.

[2-16] In 2023 TFKable did not implement a formal procedure for communicating critical issues to the top management body. At JDR, critical issues are escalated to the Chairman of the Board of Directors, who communicates them to other members of the Board. No such situations were identified in 2023.

[205-1] [205-2] [206-1]

At JDR, anti-corruption issues are regulated by the Anti-Bribery and Anti-Corruption Policy. Conflict of interest is reported annually by members of the Board of Directors in the Company's financial statements.

100% employees

(502 people), including executives, were informed and trained on anti-corruption rules

- 10** persons – top management body
- 35** persons – senior management
- 60** persons – middle management
- 40** persons – specialists
- 376** persons – other employees

35

business partners were notified of anti-corruption rules in effect at the Company

100% operations

in JDR were assessed for risk of corruption in 2023. No significant risks were identified, however, some jobs, for example, in Sales and Procurement, were found to be more vulnerable to corruptive practices. The Company has provided additional, customized compliance training to employees of such departments.

0

cases of identified anti-competitive activities

2.6. Tax strategy

[207-1]

All TFK.Group companies settle their tax liabilities in a timely manner and in accordance with local laws. TFKable has a Tax Strategy in place, namely the set of principles followed by the Company in the context of correct performance of its tax obligations and minimizing risks in the area of tax settlements. The strategy allows for effective management of, among others, tax governance, tax risk, human resources and organisation with respect to the tax function. TFKable is a Polish tax resident and has not implemented measures that meet the criteria of the so-called tax optimization. The priority for TFKable's tax settlements is tax security understood as minimizing the risk of tax arrears and the risk of sanctions imposed under special regulations.

The procedures and policies relating to the performance of obligations under tax law include, but are not limited to:

- Procedure defining the scope of responsibility for performing tasks related to settlements of tax liabilities;
- Framework procedure for counteracting the failure to fulfil the obligation to disclose tax scheme information;
- Procedure of supplier verification for potential VAT frauds;
- Car policy;
- Procedure for recording Company car mileage;
- Requisition and procurement procedure;
- Procedure of verification of bank accounts.



Pursuant to the regulations, every year, TFKable publishes information about the implementation of its tax strategy. Such information must be published by the end of the twelfth month following the end of the tax year – as at the date of preparing this ESG report, information on the implementation of the tax strategy for 2023 was not yet available.

JDR does not have a formal tax strategy – UK law requires such a document to be prepared by entities with a turnover exceeding £200 million. The Company strictly complies with all tax laws and requirements in the jurisdictions in which it operates. In accordance with the law, JDR benefits from tax reliefs, including for research and development in the United Kingdom. The Company works with tax advisers to calculate its tax receivables.

2.7. Stakeholder relationships and management of the environmental impact of the business

[\[2-29\]](#) [\[3-1\]](#) [\[3-2\]](#)

We want to build fair, respectful and dialogue-based relationships with every group of stakeholders that is important to our organisation. We provide complete and reliable information on our strategies, performance, actions and plans. At TFKable, we identified our stakeholders during special workshops on stakeholder identification and assessment attended by representatives of the Bydgoszcz Plant. In preparing our 2023 ESG Report, we validated the list of key topics for 2022. Project team members supported by an independent ESG advisor participated in the process.

List of key topics in 2023:

- **use of resources and water;**
- **energy consumption;**
- **climate change, including carbon footprint;**
- **responsible waste management, recycling;**
- **employment and development of staff;**
- **responsibility and employees in the value chain;**
- **health, safety, well-being and other rights of workers;**
- **product quality, responsible customer relations;**
- **corporate governance;**
- **innovation.**

Our communication activities at TFKable, JDR and TFK.Group are tailored to specific stakeholder groups. The stakeholder map created in the Group makes it possible to categorize individual groups depending on the degree of relationship and level of impact. This lets us tailor the set of tools and measures to meet the needs and expectations of stakeholders. The means and methods of communication with stakeholders are defined in the Information Policy.

GOOD PRACTICE

[\[2-25\]](#) [\[2-26\]](#)

In connection with the expansion of the Bydgoszcz Plant, a Stakeholder Engagement Plan for the manufacturing plant was developed in TFKable in 2023. In preparing the document, workshops were held to identify and evaluate the plant's stakeholders and a map of stakeholders of the Bydgoszcz Plant was prepared. The impact of the project on stakeholders during the construction phase and the later operating phase was also assessed. An action plan was also developed for each of the key stakeholder groups and key principles were defined in the approach to stakeholder engagement:

- openness and transparency to stakeholders, engaging in an open process and providing information on relevant aspects
- responsibility and readiness to account for the impact associated with project activities
- relationships with stakeholders based on trust and mutual commitment to act in good faith
- respect for stakeholders' interests, opinions and aspirations
- responsiveness and consistency of responses to stakeholders.

According to the plan, our activities include, among others, development of a web page with a set of relevant project and contact details, implementing a feedback mechanism and organizing field visits for the media and local entrepreneurs and the scientific community.



Visualization of the new investment in the Bydgoszcz Plant

2.7. Stakeholder relationships and management of the environmental impact of the business

SOCIAL ENGAGEMENT

The social engagement of our Group companies is a specific form of building relationships with stakeholders. In 2023, TFKable organised another edition of the children’s competition called “Mum, Dad, work safely” in the Bydgoszcz plant. We received 32 pieces of artwork from children aged between 5 and 16, presenting OHS rules related to the organisation of manufacturing processes, laboratory procedures and conduct at the workplace. Once again, children actively participated in our THINK SAFETY programme, which aims to raise awareness and promote our commitment to creating a safe working environment.

In the UK, a team of JDR employees at Hartlepool took part in a special charity walk to support a boy struggling with bone cancer. The funds raised were partly donated to the medical centre for specialist treatment and partly to cover the costs related to the purchase of leg prosthesis. In 2023 JDR employees also took part in Christmas Jumper Day, raising funds for Save the Children, a British charity.

 <p>Shareholders:</p> <ul style="list-style-type: none"> – Reporting – Direct communication – meetings, phones – Marketing communication 	 <p>Public administration/EU:</p> <ul style="list-style-type: none"> – Reporting – Consultations – Working groups
 <p>Employees:</p> <ul style="list-style-type: none"> – Direct communication – meetings, phones – Online communication/Intranet – Employee evaluation – Consultations – Provision of information 	 <p>Customers:</p> <ul style="list-style-type: none"> – Product information – Visits from sales representatives – Product training – Satisfaction surveys and interviews – Marketing communication – Online audits
 <p>Competition:</p> <ul style="list-style-type: none"> – Meetings – Fairs and conferences – Online communications – Monitoring 	 <p>Suppliers:</p> <ul style="list-style-type: none"> – Direct communication – meetings, phones – Marketing communication – Safety days
 <p>Local communities:</p> <ul style="list-style-type: none"> – Meetings – Charity and sporting activities – Visits to manufacturing plants 	 <p>Certification bodies:</p> <ul style="list-style-type: none"> – Meetings – Audits – Reporting
 <p>Financial institutions:</p> <ul style="list-style-type: none"> – Meetings – Reporting 	 <p>Local authorities:</p> <ul style="list-style-type: none"> – Meetings – Reporting

3.

**TELE-FONIKA
Kable S.A.**



3.1. Overview and facts about TFKable

[2-6]

TFKable is one of the global leaders in the production of high and extra high voltage cables (HV and EHV) for the renewable energy sector, with a strong focus on the wind energy sector. We are one of the few technologically advanced suppliers offering medium, high and extra high voltage cable systems. Our product portfolio also includes low voltage cables in halogen-free insulation and coatings, including fire resistant cables, and telecommunications and fibre optic cables. TFKable's R&D centres are equipped with equipment for running qualification, routine and process tests, including fire tests. Our experience is confirmed not only by continuous deliveries to electricity distribution network operators or as part of ongoing investment projects, such as the conventional, wind and photovoltaic power stations, but also by positive results of audits of manufacturing processes carried out by the most renowned certification bodies.

In 2023, TFKable employed approximately 2,000 people. The Company is present in over 80 countries and has a share of approximately 30% in the Polish market. In 2022-2023 TFKable delivered more than 16,000 km of cables to the RES sector.

In 2023, TFKable won the Investor Without Borders competition, which has been held during the European Economic Congress events for years. The aim of the competition is to promote exemplary relationships between the investor, the market and the administration, namely partnership relations based on trust and responsibility, accompanied by economic effectiveness in implementing the investment strategy. Prizes are awarded to the most effective Polish investors who carry on international expansion.



3.1. Overview and facts about TFKable

WHAT DO WE MANUFACTURE?

- Extra High Voltage Cables
- High Voltage Cables
- Medium Voltage Cables
- Low Voltage Cables
- Low Voltage Cables for the Photovoltaic Industry
- Construction Cables
- Mining Cables
- Wires for Overhead Contact Systems
- Overhead Lines
- Specialty Cables and Wires
- Telecommunication Cables
- TFPowerPack Energy Storage Solutions
- TFEasyline MVC Medium Voltage Service Line



Cables and wires for use in onshore and offshore power engineering

3.1. Overview and facts about TFKable

WHERE DO WE MANUFACTURE AND FOR WHOM?



A

KRAKÓW-WIELICKA PLANT

One of the largest cable factories in Europe. The plant manufactures power cables and wires, including rubber insulated cables and wires, used in the mining industry and wind farms, both onshore and offshore. As one of the few European manufacturers, the plant supplies mines in the United States, Canada, South America and Africa. It also offers specialised cables for railway and shipbuilding applications.

- Mixers of gmm01 and gmm02 rubber mixes
- Rubber Cable Insulation Lines

C

MYŚLENICE PLANT

Manufacture of telecommunication and fibre optic cables and computer cables.

- 432 fibres in fibre optic cables that we manufacture
- Classes 1, 2, 5, 6

B

BYDGOSZCZ PLANT

The oldest cable and wire factory in Poland and the largest medium, high and extra high voltage cable manufacturing centre in Europe.

Along with the JDR plants in Hartlepool and Littleport, it is one of the elite direct providers of offshore electricity transmission solutions. The plant hosts specialised research facilities, including the Extra High Voltage Laboratory, which develops prototypes and process guidelines for the production of HVAC and HVDC cables.

- 10-500kV – voltage range
- CCV lines for XLPE insulation application (including high voltage cable production lines)

D

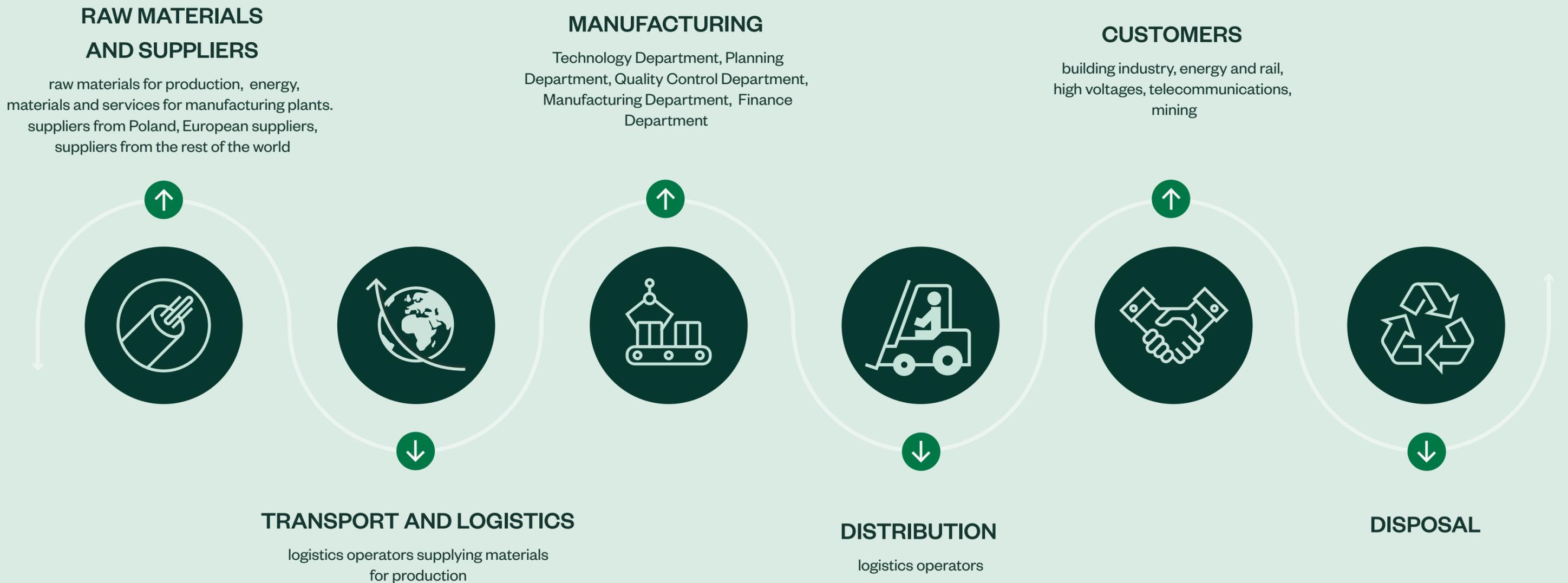
ZAJECAR PLANT (SERBIA)

Manufacture of copper and aluminium wires, low and medium voltage cables, signalling and controlling cables, telecommunication cables, halogen-free wires and cables.

- Up to 35kV – voltage range

3.1. Overview and facts about TFKable

OUR VALUE CHAIN



Our value chain begins with sourcing high-quality raw materials from trusted suppliers (Raw Materials and Suppliers), ensuring the excellence of our products. Efficient transport and logistics systems (Transport and Logistics) enable the swift and safe movement of materials and products. In our modern production facilities (Production), we manufacture products to the highest standards. An extensive distribution network (Distribution) ensures our products reach customers quickly and in perfect condition. Our customers (Customers) are at the centre of everything we do, and we strive to meet or exceed their expectations. We are also committed to sustainable practices, ensuring that disposal processes (Disposal) minimise environmental impact.

3.1. Overview and facts about TFKable

CASE STUDY

OFFSHORE WIND ENERGY

Since 2008, together with JDR, we have been leaders in the manufacture and supply of products to the renewable energy sector. Our first joint project was the production of 33kV inter-array cables used for wind farm construction in the UK. Throughout 15 years of cooperation, TFKable and JDR have manufactured more than 4,000 km of submarine cables, which supported transmission of 14 GW of wind energy, representing about 36% of the total market capacity of nearly 40 GW. Together, we launched 66kV inter-array cables on the offshore wind energy market, including submarine export cables for floating offshore wind farms. In 2022, both companies signed the fiftieth contract for further supplies of submarine cables, which are part of the global wind farm projects worldwide, including in the US, Taiwan, the UK and Europe.

In 2023, together with JDR we were selected by Baltic Power, a special purpose vehicle of the Orlen Group and Northland Power of Canada, for the Baltic Power wind farm project in Poland. Together with NKT and DEME Offshore partners, we will design, manufacture and install 340 km of onshore and submarine cables. All submarine cables will be manufactured and delivered at the end of 2025. The Baltic Power farm is located 23 km north of the Polish coast. 76 wind turbines will be installed in the area of approximately 130 square kilometres, each with a capacity of 15 MW. The Baltic Power farm is scheduled for launch in 2026, with the estimated total capacity of 1.2 GW, which will allow the farm to supply more than 1.5 million households with clean energy.



GOOD PRACTICE

In 2023, our Bydgoszcz Plant modernized its machine park, significantly increasing its manufacturing capacity, which allowed the Plant to manufacture longer onshore and subsea isolated working wires. The changes made it possible to manufacture single conductor sections approximately 15 km long, with a weight of nearly 90 tonnes, which were transported to the JDR plant in Hartlepool. They were used to connect offshore substations at one of the UK wind farms.

TFKable will manufacture and install 230kV onshore export cables and manufacture inter-array cable centres in the Bydgoszcz manufacturing plant. TFKable will also manage transport and installation of an onshore cable section within Baltic Power wind farm.

The project to expand our Bydgoszcz Plant is also associated with offshore wind energy. The project – expected to be completed by 2025 – involves the construction of five new facilities, which will mainly manufacture long

sections of high voltage submarine cables, adapted to wind farms. The most important of the new elements will be a production hall with a total floorspace of over 17,000 sq.m. with a special process tower, more than 50 metres high. The expansion is scheduled for completion by the end of 2025. Additionally, TFKable plans a second stage of development in 2026-2028, which involves further investments in the machine park of the Bydgoszcz Plant.

3.1. Overview and facts about TFKable

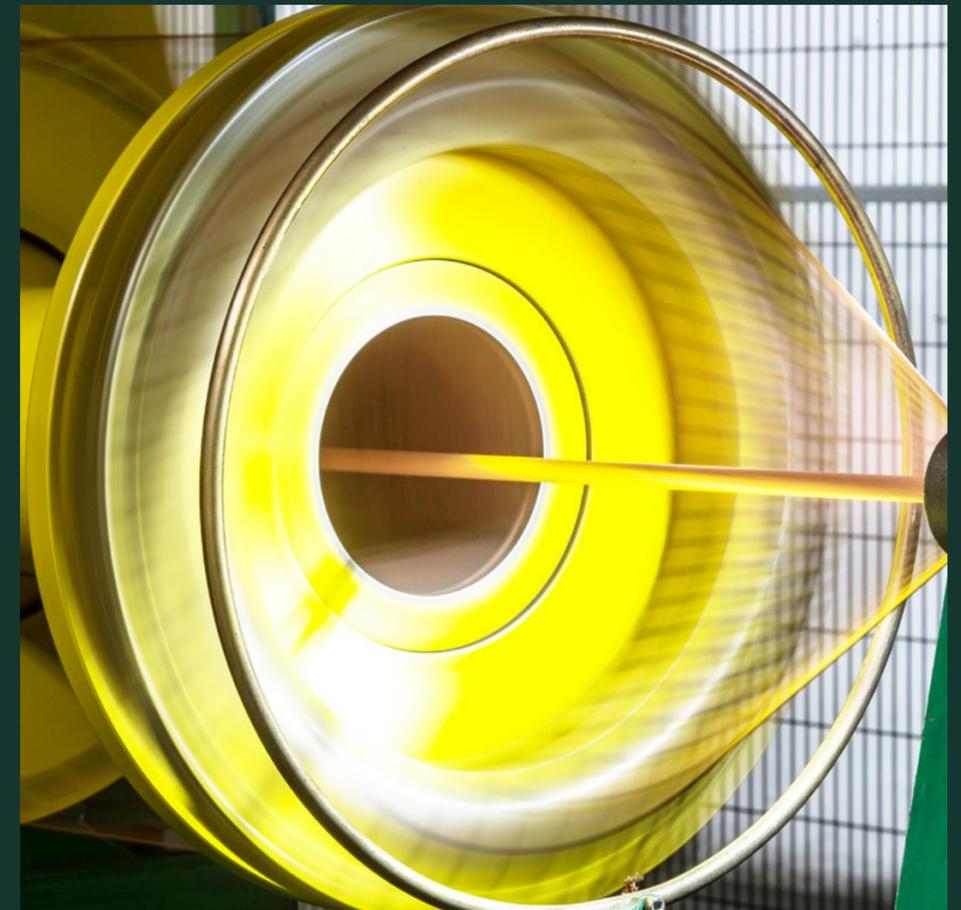
SUSTAINABLE DEVELOPMENT PRIORITIES

In 2023, we developed sustainable development strategy of TFKable S.A., which describes our commitment and approach to the ESG. In line with our strategic approach, the Company's main goal is to achieve stable growth and a sustainable market advantage, based on the principle of sustainable development. The strategy focuses on the three pillars of the ESG – environment, social responsibility and corporate governance. As regards the environment, the Company aims to limit the negative impact on the climate by reducing greenhouse gas emissions and searching for adaptation solutions. In the area of communities, we declare our concern for human rights, equality and diversity. As regards the area of corporate governance, TFKable complies with regulations, acts against corruption and unfair competition.

The sustainable development of our Group will be facilitated by the Sustainability Linked Loan (SLL) received in 2023. The financing granted by a consortium of bank lenders and the European Bank for Reconstruction and Development will support TFKable's strategic expansion in the renewable energy sector.

In 2023, our Climate Strategy was also established to present TFKable's ambitions and commitments to mitigate climate change and its plan to adapt to climate changes, through effective climate risk management and utilising climate change opportunities. The document presents extensively the climate change risk assessments in two time horizons: short- and medium-term (2023-2030) and long-term (2031-2050). Physical and transition risks are assessed for two climate scenarios provided by the IPCC:

- RCP 4.5 – a scenario which assumes introduction of new technologies to achieve higher reductions in greenhouse gas emissions.
- RCP 8.5 – a scenario which assumes that the current rate of growth of greenhouse gas emissions will be maintained, in the “business as usual” formula. This scenario is 95% likely to result in irreversible destabilisation of the Earth's climate.



3.1. Overview and facts about TFKable

SUSTAINABLE DEVELOPMENT PRIORITIES

As a result of the analysis conducted, 32 risks and 10 opportunities were identified for TFKable and 8 risks/opportunities were considered irrelevant in the evaluation process for TFKable. Precise risk and opportunity matrices were also developed for two climate scenarios and two time horizons.

Key identified climate-related opportunities pertain to the product and are related to:

- increased demand for the product,
- product development opportunity – marketing of products that are more resistant to high or low temperatures or innovative process solutions that support the fight against climate change.

Key risks include:

- Increased business costs as a result of higher energy or water costs
- Increased costs of doing business due to climate requirements and regulations, loss of competitiveness with non-EU entities that are not bound by such obligations, but, on the other hand, damage to reputation if no climate action is taken
- Destruction of infrastructure as a result of floods, fires or extreme weather events and consequently the need to reduce or partially halt the production
- Costs related to the interruption of supply chains or the interruption of energy supplies

Climate risk has been identified and assessed across the organisation. Due to similar climate conditions, scale and scope of operations of the plants and lack of factors that could significantly change, no separate climate risk analysis was conducted for individual plants.

Since no critical risks were identified in the short and medium term in both scenarios, and only opportunities were identified, it was assumed that TFKable's operations would be divided into two stages:

- 2023-2030 continuation of mitigation measures carried out by TFKable and adaptation activities in accordance with the climate strategy; revision of the climate strategy, including risk assessment, in 2026
- 2030+ mitigation and adaptation measures carried out in accordance with the new strategy, depending on the climate scenario to materialize.



3.2. Innovations and R&D

OUR APPROACH

[3-3 Innovation]

Innovations are part of our corporate Mission and Goals. We have defined “innovations designed in the cable industry” as one of the most important elements of our mission, and our Company’s goals include “striving to develop unique and innovative solutions”. Our research and development work is carried out at the following facilities:

- Fire Test Laboratory in Kraków-Wielicka;
- Extra High Speed Cable Laboratory in Kraków-Bieżanów;
- High and Extra-High Voltage Laboratory in Bydgoszcz.

We use state-of-the-art technologies available in the industry and the advanced instrumentation allows us to conduct extensive specialised research. TFKable laboratories carry out, qualification tests, routine tests and process tests which also include fire tests. The research covers, among others, high voltage cables (HV) and extra high voltage cables (EHV).

Modern R&D facilities allow us to optimize projects for difficult environmental

conditions. Among others, we operate equipment for testing the density of emissions of smoke and the level of corrosive gas emissions. We check the continuity of cores and the absence of punctures on a special non-combustible mechanical plate subjected to mechanical impact, with cables exposed to direct fire for a specified period of time. We carry out several hundred flammability tests each year. Equipment of TFKable’s research centres includes:

- cable torsional testing equipment to evaluate the resistance of products to repeated stresses due to rotational movements;
- cable coating abrasion test machine;
- climatic test chamber for testing the resistance of materials at different temperatures;
- accelerated ageing chambers to evaluate resistance to bending, winding, pressure, prolonged elongation, pressure and exposure to ozone;
- drying and heating chambers to simulate ageing of cables, plastics and elastomers;
- the Weather-Ometer chamber to test the resistance of cables to UV radiation;
- a water penetration testing device used to assess the capability of water-resistant cables;
- a tear strength testing machine five Faraday chambers to test high voltage cables.

GOOD PRACTICE

Our investment project in Bydgoszcz is not only about the expansion of the manufacturing plant, but also the implementation of modern technologies and innovative production solutions. The expansion of the Research and Technology Centre to include a new tower with the cable gantry suitable for the manufacture of long sections of high and extra high voltage cables will accelerate the next phase of the R&D project involving the development of innovative high voltage submarine cables intended for wind farms. Inter-array and export submarine cables play a key role in ensuring the reliability of offshore wind farms. Thanks to innovative modifiers which increase resistance to the “water ageing” of insulation, TFKable solutions will be suitable for applications in the transmission and distribution of energy, significantly reducing the negative effects of “water ageing”. This will ensure long-term and trouble-free operation of cables, creating reliable connections between the grid and the offshore wind farm.



TFCrane cables: Power and control for high-speed mobility in material handling machines used in ports and other specialised industries

3.2. Innovations and R&D

OUR ACTIONS

- co-operation of Bydgoszcz and Kraków laboratories with VDE (VDE Testing and Certification Institute), KEMA (Keuring van Elektrotechnische Materialen te Arnhem), DEKRA (DEKRA Certification S.A.), CESI (Centro Elettrotecnico Sperimentale Italiano) and STRI (Swedish National Testing and Research Institute).
- 12 research projects completed in 2023
- over 285 new products, including:
 - ruggedized cables and wires for use primarily on naval vessels to withstand, among others, environmental conditions, abrasion, winding and unwinding, salt water and chemicals;
 - certified (SWIMMING POOL, LPCB), fire resistant low voltage cables for use in fire safety systems;
 - low voltage thermosetting cables for the U.S. market. Cables designed to operate at 90°C near the conductor. They are also resistant to temperatures as low as -40°C;
 - development of waterproof high voltage cables with smooth welded aluminium screen as an alternative to lead coated cables.
- establishment of partnerships with Krakow University of Technology, in the areas of research and development and innovation among others. Together with scientists from Krakow University of Technology, we will jointly conduct scientific research, prepare specialist publications and implement projects in the field of new product technology.

GOOD PRACTICE

At TFKable, over recent years, we have developed TFPowerPack, an innovative mobile energy storage solution that allows customers to achieve complete energy independence. The solution allows customers to reduce their energy costs and effectively protects them against power outages. In addition, TFPowerPack facilitates deployment of solutions based on renewable energy sources, while contributing to effective reduction of CO₂ emissions. We offer our customers a full range of services, starting with the analysis of grid needs, through designing the right solution, manufacturing, assembling and installation on site, to employees training and supply of repair and maintenance services and long-term service.

TFPowerPack's power and energy flow management module optimizes the use of renewable energy sources and provides management of the electric vehicle charging stations. The solution also supports integration with PV farms and minimizes electricity losses, eliminating the need to switch off electricity in the event of a sudden increase in grid voltage.

The project, launched at the end of 2021, was carried out at the TFKable Research and Development Centre, Kraków-Bieżanów and at the Research Laboratory of the Lublin University of Technology. The initiative is the result of co-operation between TFKable, the Municipal Transport Company in Lublin and the Lublin University of Technology.



3.2. Innovations and R&D

OUR RESULTS

5.9% share of sales of flame resistant cables [internal indicator]

GOOD PRACTICE

The implementation of the Regulation of the European Parliament, the so-called CPR, has resulted in the necessary systematisation and improvement of fire safety standards in buildings. However, it is still difficult to interpret these requirements in the domestic market, especially in the absence of official regulations on the level of fire resistance of cables and wires. Therefore, in 2023 we launched an improved 750V halogen-free flat cable, which meets all classes proposed by the Association of Polish Electrical Engineers and the Building Research Institute, ITB. When chosen by the designer or inspector, the FLAMEBLOCKER HDHp 90°C 750V B2ca cable eliminates the need for a complex analysis of the CPR class requirements. The product meets the criteria for any installation site in the building and all possible flammability classes, in accordance with N SEP-E-007:2017-09 standard and ITB instruction No 501/2020, resulting in compliance with the highest (and each lower) B2ca-s1a, d1, a1 class. The FLAMEBLOCKER HDHp 90°C 750V B2ca cable is designed to meet current market requirements while maintaining the highest standards of quality, fire safety and performance. It is an improved version of its predecessor – a complete and universal product, an excellent proposal being a versatile element that facilitates the complex process of selecting cables for installation in buildings, as well as the process of their installation and operation.

FLAMEBLOCKER HDHp 90°C 750V B2ca



3.3. Sustainable supply chain

OUR APPROACH

[3-3 Responsibility and employees in the value chain] [2-6]

Our suppliers must respect the principles of social and environmental responsibility. Each year we require our counterparties to provide information about their ethical policies, and we verify compliance with these policies during audits. The issues of the sustainable supply chain are governed by internal procedures and policies that have been implemented and which are strictly adhered to. In 2023, we were working on new regulations in this area and some of the existing documents were amended in the Suppliers Code.



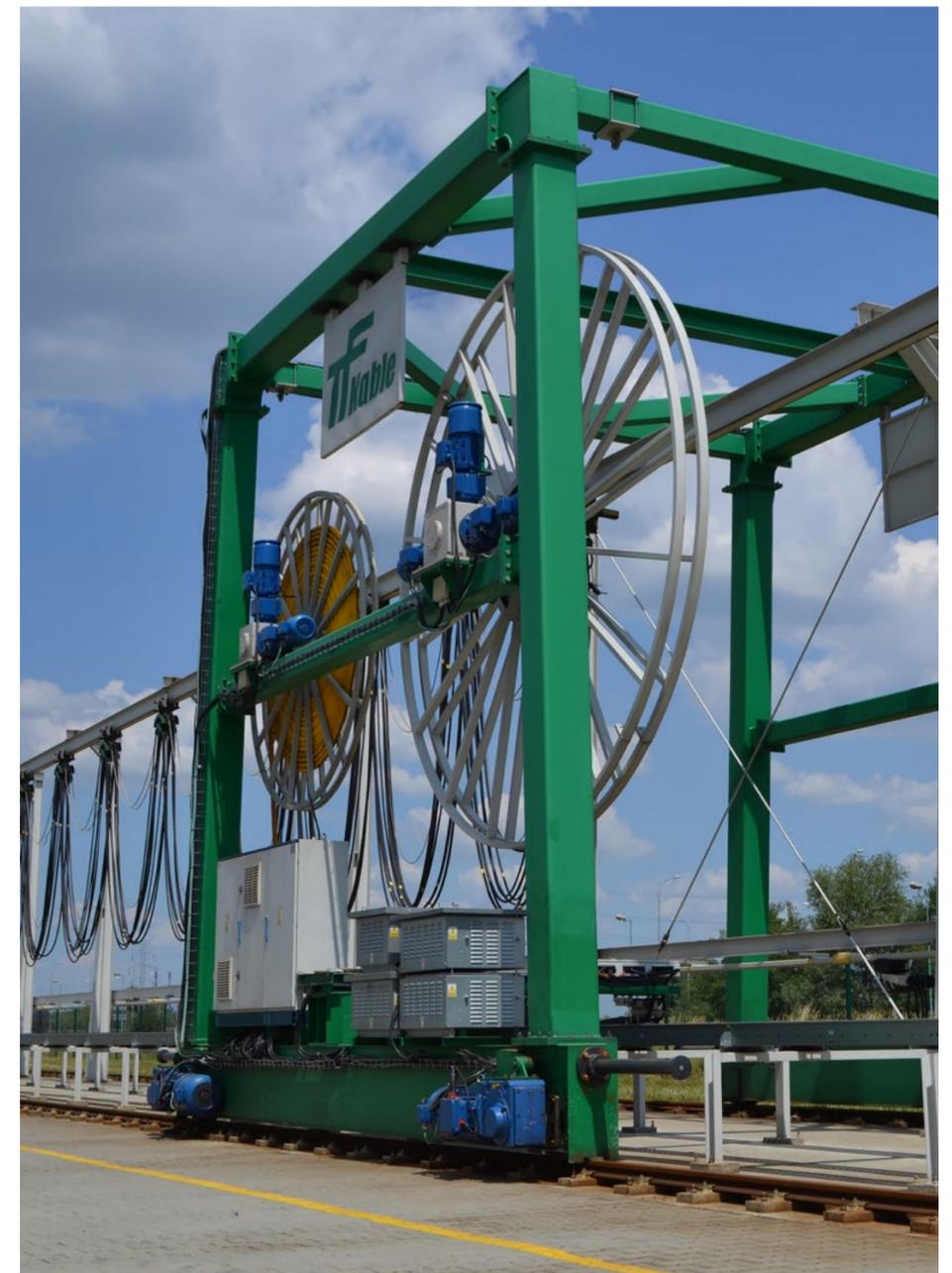
GOOD PRACTICE

TFKable's good practice of collaboration aligns with the principles of a sustainable supply chain.

TFKable has been implementing a number of best practices in co-operation with its partners to meet CBAM regulations and promote sustainable development:

- Sustainable materials: Co-operation with DMB (Ducab Metals Business) on low-emission aluminum rods that emit significantly less CO₂ than traditional materials;
- Transparency of the carbon footprint: Monitoring and reporting of CO₂ emissions across the supply chain;
- Innovative technologies: Investing in new technologies and manufacturing processes which minimize the environmental impact;
- Environmental education: Educational programs for employees and partners to promote environmental awareness;
- Long-term partnerships: Building relationships with partners who share TFKable's sustainability values;

These practices enable TFKable to create a sustainable supply chain and actively contribute to global environmental protection efforts.



3.3. Sustainable supply chain

 <p>Supplier Code</p>	<p>The document sets out ethical principles and sustainability guidelines for suppliers and their employees. It stresses lawfulness, social responsibility, environmental protection, respect for human rights, verification of compliance with the code, consequences of breaches of the code, maintenance of a responsible supply chain and suppliers' obligations. The Code ensures that suppliers comply with values such as integrity, accountability and innovation. The Code also requires compliance with a variety of global standards and practices for ethical conduct and sustainability.</p>	 <p>Modern Slavery and Human Trafficking Policy</p>	<p>In line with the Policy, we do not engage in any activities which have the hallmarks of slavery and human trafficking. We do not transact with entities which knowingly engage in slavery and human trafficking. We monitor the geopolitical situation around the world and other factors affecting the supply chains on an ongoing basis. We are particularly vigilant and assess potential threats in the area of slavery and human trafficking and take immediate actions where necessary. There has not been any contemporary slavery or human trafficking identified in any area of our business.</p>
 <p>Responsible Minerals Sourcing Policy</p>	<p>In some manufacturing processes, we use tin and mica, which are high-risk minerals. Although we do not purchase them directly from mines, smelters or refineries, we feel responsible for the way these raw materials are sourced in our supply chain. Therefore, according to the Policy, we do not knowingly use tin and mica sourced from conflict-affected regions.</p> <p>We communicate our Responsible Sourcing Policy to suppliers and expect them to comply with it. Suppliers are required to submit a minerals origin declaration based on templates drawn up by the Responsible Minerals Initiative.</p>	 <p>Anti-Corruption Policy</p>	<p>In line with the Policy, TFKable Group's business partners undertake to act in an honest and ethical manner and comply with the applicable laws. It is prohibited to grant or receive gains intended to influence the actions or decisions of persons performing public functions or decisions of other entities.</p>
 <p>General Terms and Conditions of Purchase</p>	<p>The document defines, among others, the key terms, the scope of application of the terms and conditions, information on the conclusion of contracts, as well as rules on liability for defects and warranties. This regulation also contains provisions on suppliers' obligations to submit to an audit or inspection and to comply with the provisions of the Suppliers Code.</p>	 <p>Code of Conduct and Ethical Standards</p>	<p>The document sets out ethical principles and standards of conduct for employees and business partners. It provides guidance on business ethics, including anti-corruption, fair competition and responsible information management. It emphasises respect for human rights, employee rights, environmental protection, export control and trade restrictions. The Code emphasizes the importance of transparency, integrity and accountability in the Company's operations and sets out whistleblowing procedures and sanctions for violations.</p>

3.3. Sustainable supply chain

OUR ACTIONS

→

72%

of suppliers informed about internal regulations

→

we keep the Register of Approved Suppliers listing

153 entities as at 31 December 2023

GOOD PRACTICE

In 2023, we conducted a pilot supplier survey at TFKable to analyse ESG regulatory requirements issues. We examined:

- Good practices in the field of product quality and manufacturing process;
- Good practices and results in the field of ESG, including:
 - Environmental impact measures;
 - Social impact activities (including impact on employees in the workplace);
 - Corporate governance activities;
- Declaration of acknowledgement of the TFKable's Supplier Code.

We conducted our audit among 218 business partners. We received 153 completed questionnaires (72%). We treat the results as a guide in the classification of the assessment of raw material suppliers. In addition, we have also prepared an audit plan for 2024, which will verify the compliance of suppliers' activities with the ESG principles. The audit reports will be used as the documentation to evaluate suppliers and calculate the percentage of target suppliers who have completed on-site ESG audits by the end of 2024.

GOOD PRACTICE

Since we comply with the ISO 14001 environmental management system, we expect our suppliers to comply with environmental regulations. In accordance with the REACH Regulation, we require information about the properties of the chemicals supplied and the related risks to human health and the environment. Such information supports our effective risk management and measures intended to minimise the adverse effects of those substances. In addition, following the RoHS Directive, we expect our suppliers to provide information on the concentration of such substances in the raw materials and minerals we use in our manufacturing processes.



3.3. Sustainable supply chain

OUR RESULTS

[308-1] [414-1]



100%

of new suppliers were analysed in terms of social criteria.



100%

of new suppliers were analysed in terms of environmental criteria



98%

of copper purchased in 2023 came from European locations that passed independent assessments and earned the prestigious Copper Mark.



we receive CMRT or EMRT declarations from suppliers of tin, i.e. information on supplier due diligence, based on the template developed by the Responsible Minerals Initiative

GOOD PRACTICE

We expect our new suppliers to:

- fill out a self-assessment survey that includes good practices in the field of product quality and manufacturing and good ESG practices and Company results;
- present a REACH declaration related to protection of human life and the environment against chemicals;
- present a RoHS declaration on restrictions on electrical and electronic equipment;
- present a DZ-02 declaration – a subcontractor survey related to employee policies (Human Resources Policies Questionnaire for Subcontractors);
- confirmation of compliance with the environmental requirements described in the ISO 14001 standard.*

* if applicable

3.4. Employee hiring and development

OUR APPROACH

[\[3-3 Employee hiring and development\] \[2-30\]](#)

Two thousand TFKable employees can expect clear rules of hiring and career development in our Company that are based on transparent procedures. There is no collective bargaining agreement at the Company, and the issues of employee hiring and development are governed by:

 <p>Workplace Rules</p>	<p>The main internal labour law document that defines the organisation and order of the work process and the related rights and obligations of the employer and employees. Provisions of the Workplace Rules define and reaffirm the fundamental rights of employees, including the voluntary nature of the employment relationship and the freedom of association of workers. Any amendment to provisions of the Workplace Rules must be agreed with the employees' representatives.</p> <p>In accordance with the Workplace Rules, we are obliged to, among others:</p> <ul style="list-style-type: none"> • support the implementation of the principle of equal opportunities for persons with disabilities; • support employees in their endeavours to develop their occupational qualifications; • prevent any discrimination in hiring, including on grounds of gender.
 <p>Employee Dialogue Policy</p>	<p>According to the Policy, we communicate bilaterally with employees and engage the staff in the decision-making processes. The dialogue is conducted through employee representatives and its frequency and forms are tailored to the needs of the organisation and employees.</p>
 <p>Human Rights and Diversity Policy</p>	<p>This policy promotes a working environment in which everyone respects human rights and is treated equally. We clearly oppose all forms of forced labour, human trafficking and slavery.</p>

3.4. Employee hiring and development

OUR ACTIONS

- zero identified cases of non-compliance with Workplace Rules;
- zero identified cases of non-compliance with the Human Rights Policy;
- regular meetings with employee representatives;
- TFPortal internal information website, which integrates the entire internal communications and training resources;
- [\[404-2\]](#) regular training and courses for employees;
- [\[404-2\]](#) knowledge development through participation in trade fairs;
- [\[404-2\]](#) co-financing of university education;
- [\[401-2\]](#) non-salary benefits for employees:
 - life insurance;
 - health care;
 - permanent injury insurance;
 - retirement severance pay;
 - sports cards.



GOOD PRACTICE

We take care of the development of the future workforce by inviting trainees and apprentices each year. In 2023 TFKable accepted, among others: 10 students for holiday internships and 7 full-time trainees who study automation, mechanical engineering and electrical engineering at a secondary school. In the academic year of 2023/2024, we also sponsored engineering studies in the field of energy at the Bydgoszcz University of Science and Technology.

In the winter semester, students attend our factory, where practising lecturers, our engineers, talk about manufacturing processes, materials science, standardization and certification of products or teach English for the industry. In addition, as part of the trilateral co-operation with the Electrical Schools in Bydgoszcz and the Bydgoszcz University of Science and Technology, in September 2024 a new course will be launched at the technical secondary

school, a polytechnic class. As a Company, we will support the school in organizing student apprenticeships.

Students from five secondary schools from the Kujawsko-Pomorskie Voivodship visited us during the year. During study visits, we presented the students with job opportunities that they may expect after completing their studies in the field of Power Engineering at the Bydgoszcz University of Science and Technology.

We continue to co-operate with the Krakow University of Technology, which covers the implementation of joint scientific and R&D projects, conducting scientific research, conducting teaching sessions for students, as well as organisation of student internships. As regards student internships, five students decided to work for us after completing the internships. In the south of Poland, we also co-operate with other universities – a total of 31 students participated in internships throughout the year.

3.4. Employee hiring and development

OUR RESULTS

[\[2-7\]](#) TFKable employees in 2023

Number of employees by:	
TOTAL	1,986
Women	289
Men	1,697

Employees by the form of employment	
permanent period	
TOTAL	1,778
Women	254
Men	1,524

Employees by the type of employment	
full-time contract	
TOTAL	1,963
Women	280
Men	1,683

Employees by the form of employment	
fixed term	
TOTAL	208
Women	35
Men	173

Employees by the type of employment	
part-time contract	
TOTAL	23
Women	9
Men	14

Employees with non-guaranteed working time	0
---	----------

3.4. Employee hiring and development

OUR RESULTS

[\[401-1\]](#) New employee hires and employee turnover in the reporting period

Total number of new employees hired by the organisation in the reporting period, as broken down by:		Ratio of new employees hired by the organisation in the reporting period, as broken down by:		Total number of employees who left the organisation in the reporting period, as broken down by:	
132				374	
Gender		Gender		Gender	
Women	24	Women	1%	Women	52
Men	108	Men	5%	Men	322
Age		Age		Age	
under 30 years of age	47	under 30 years of age	2%	under 30 years of age	75
30-50 years of age	57	30-50 years of age	2%	30-50 years of age	168
over 50 years of age	28	over 50 years of age	1%	over 50 years of age	131

3.4. Employee hiring and development

OUR RESULTS

[401-1] New employee hires and employee turnover in the reporting period

Employee turnover rate in the reporting period, including by:	
Gender	
Women	2%
Men	14%
Age	
under 30 years of age	3%
30-50 years of age	7%
over 50 years of age	6%

[2-8] Total number of associates who are not employees and whose work is controlled by the organisation

Number of all associates who are not employees and whose work is controlled by the organisation.	43*
17 persons who performed direct production work based on lease – employees hired by third parties	
11 persons working under mandate contracts	
15 B2B persons	

* IT experts were the largest group of associates in 2023.

[404-1] Average number of training hours in 2023

Average number of training hours by gender	
Women	2,9
Men	5,7
Average number of training hours by employee pay grade category	
senior management	7
mid-level managers	9,2
specialists	3,9
other employees	5,3

3.5. Health and safety of employees and associates

OUR APPROACH

[\[3-3 Health, safety, welfare and other employee rights\]](#)[\[403-8\]](#)

We have implemented a management and safety system based on the ISO 45001 international standard at the Bydgoszcz plant. In other plants, employee supervision is based on procedures and instructions compliant with ISO 45001. All employees of our plants are subject to these procedures.

[\[403-2\]](#)

Occupational health and safety policy

This policy is designed to reduce workplace hazards and risks, organize workplaces in a way that ensures health and safety at work, prevent occupational accidents and diseases, and raise employees' qualifications and awareness of the responsibility for the safety. The Management Board of the Company undertakes to implement the policy, comply with legal requirements, monitor working conditions and continuously improve the OHS management system.

“Planning, conducting and evaluating the training effectiveness” procedure

This procedure sets out the rules of training at TFKable.

OUR ACTIONS

• [\[403-3\]](#) [\[403-4\]](#)

We employ OHS staff who hold appropriate skills. OHS employees are in direct contact with the employees during OHS training, and day-to-day contacts are also possible directly on the production floors.

- we communicate job related risks to our employees during OHS training and in the instructions and procedures handed out. In addition, we inform employees about the results of work environment measurements – the results are made available on the notice boards on the production floors.
- we have appointed the OHS Commission that performs the role of an advisory and opinion-forming body. It is mainly responsible for reviewing working conditions, periodic OHS assessment, providing opinions on projects to prevent accidents at work and occupational diseases and formulating proposals to improve OHS conditions. The Commission is composed, among others, of employee representatives appointed by employee representatives.
- [\[403-5\]](#) We regularly train employees on the principles of safe work. Training is conducted on the basis of the “Planning, conducting and evaluating the training effectiveness” procedure: szkolenie wstępne – przy przyjęciu do pracy
 - initial training – during onboarding;
 - periodic training – every three years at manual workstations and every five years at office and managerial positions;
 - on-site hazard training for third party employees – before they commence their work at the plant;
 - training of the Company fire brigade – once a year.
- [\[403-1\]](#) We train third party employees who carry out manufacturing tasks. They are obliged to comply with the standards of safe work that are the same as those which apply to our own employees.
- [\[403-6\]](#) All employees undergo initial and periodic occupational medicine checks and examinations.
- we offer access to private healthcare
- [\[403-7\]](#) We provide regular medical prevention for our employees.
- We conduct workplace inspections and audits, which involves tests of the work environment. If any irregularities are found, we take immediate

corrective actions. In 2023, a total of 86 inspections and audits were carried out, with the working environment measurements taken at 285 workstations.

GOOD PRACTICE

We are happy to support sports interests of our employees. In 2023:

- TFKable's 10-athlete running team was among nine thousand people who took part in the Poland Business Run in Kraków in September. The goal of the sporting event was to provide support to people with mobility disabilities and mastectomy patients. Each runner took the challenge of completing a 3.6 km long route.
- Four cyclists of the TFKable cycling team took part in the 6th edition of Tour de Wind, organised by Windhunter Academy under the slogan “Jazda z wiatrem” (Ride with the Wind). The cycle-route, nearly 60 km long, crossed the poviats of Koszalin. Tour de Wind is one of the few sports events that offer active networking for professionals working in the wind energy sector.
- TFKable Bydgoszcz employees participated in several canoeing events and cycling trips organized by the Company.
- TFKable Bydgoszcz team participated in the “Ster na Bydgoszcz” (Head to Bydgoszcz) festival again. In the Grand Bottle Race our team sailed a unique boat designed from recycled materials, and we used the event to present our THINK GREEN programme.

3.5. Health and safety of employees and associates

OUR RESULTS

[\[403-9\]](#) Occupational injury incidence ratio

Number of occupational fatalities		Applies to non-employees whose work and/or workplace is controlled by the organisation		Work hazards that present a risk of serious injury	
Number of occupational fatalities	1	Number of occupational fatalities	0	How these risks have been identified	workplace risk assessment
Occupational fatality rate	0.27	Work-related injury mortality rate	0	Threats that caused or contributed to causing serious injuries to employees in the reported period	list of particularly dangerous works
Number of serious occupational injuries (excluding fatalities)	1	Number of serious occupational injuries (excluding fatalities)	0	Measures taken to eliminate or mitigate these risks, using a hierarchy of controls	analysis, audits, corrective actions
Serious occupational injury incidence rate (excluding fatalities)	0.27	Serious occupational injury incidence rate (excluding fatalities)	0	Measures taken to eliminate other work-related hazards and mitigate these risks using a hierarchy of controls.	training, corrective actions
Number of occupational injuries	43	Number of occupational injuries	2	Method of calculating ratios	
Occupational injury incidence rate	11.63	Occupational injury incidence rate	n.a.	e. g. based on 200,000 or 1,000,000 hours worked.	1,000,000
Main types of work-related injuries	wounds and superficial injuries to fingers, fractures	Main types of work-related injuries	bruises, fractures, superficial finger injuries		
Number of hours worked	3,698,222	Number of hours worked	n.a.		

3.5. Health and safety of employees and associates

OUR RESULTS

[403-10] Work-related ill health

Applies to employees	
Number of persons who died as a result of an occupational disease	0
Number of identified cases of occupational diseases	0
Main types of occupational diseases	0
Applies to non-employees whose work and/or workplace is controlled by the organisation	
Number of persons who died as a result of an occupational disease	n.a.
Number of identified cases of occupational diseases	n.a.
Main types of occupational diseases	n.a.

Work hazards that pose a health risk	
How these risks have been identified	workplace risk assessment
Risks that contributed to or caused occupational diseases that occurred in the reported period	None
Measures taken to eliminate or mitigate these risks, using a hierarchy of controls	training, corrective actions

[401-3] Parental leave

Parental leave	
Total number of employees entitled to parental leave in the reporting period	82
Clarification of whether the data pertains to maternity leave or parental leave	
Women	9
Men	73

Parental leave	
Total number of persons who took parental leave during the reporting period	10
Women	9
Men	1
Total number of employees who returned to work after parental leave in the reporting period	7
Women	6
Men	1
Total number of employees who returned to work after parental leave and continued to be employed in the organisation upon the lapse of 12 months from such return	1
Women	1
Men	0
Return ratio for workers who took parental leave	
Women	100
Men	100
Retention rate for employees who took parental leave	
Women	16.67
Men	none

3.6. Rules of remuneration and equality of employees

OUR APPROACH

[\[2-19\]](#) [\[2-20\]](#)

Equality is the fundamental principle in our Company. We guarantee equal career and development prospects, fair treatment, respect and attention for everyone. We also want to pay women and men equally for the same work. The procedures in place to regulate equality and remuneration are:



Remuneration Regulations

These Regulations lay down the conditions for the remuneration for work and award of other benefits. The provisions of the Regulations apply to all employees of the Company, except Members of the Management Board and the Chief Accountant. The Remuneration Regulations are determined taking into account, in particular, the type of the work performed, its quantity, quality, difficulties and physical and psychological effort, responsibilities related to the position held and qualifications required to perform the work. Results achieved and employee appraisals are also taken into account.



Human Rights and Diversity Policy

We are guided by the principles of the Universal Declaration of Human Rights, the International Bill of Rights, the 10 UN Global Compact principles, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

As part of our Human Rights and Diversity Policy, we are committed to respecting human rights, including the right of workers to associate and form trade unions. As a Company, we also ensure equal opportunities in the areas of recruitment, training, job appraisal, promotion and remuneration. Taking into account the views of internal and external stakeholders and engaging in dialogue with their representatives is an important element of the Policy.



Anti-Mobbing Policy

In line with the Policy, employees are obliged to follow the rules of social conduct in their mutual relations, be kind and courteous to ensure order and maintain well-being and mental health. The employees are obliged not to take actions that have the characteristics of mobbing and should discourage others from engaging in such behaviour.

Creation of situations which give rise to mobbing or the exercise of mobbing practices may be regarded as a breach of fundamental employee duties and may give rise to the employer imposing sanctions provided for by the labour law, in particular disciplinary measures or termination of the employment contract.

An employee who considers that they have been subjected to mobbing may report this fact to the Director of Human Resources or to another person designated by the Management Board or, if the matter concerns that person, to the Management Board directly. The complaint is examined by the Anti-Mobbing Committee.

3.6. Rules of remuneration and equality of employees

OUR ACTIVITIES AND RESULTS

- [\[406-1\]](#) 0 cases of discrimination in 2023.
- [\[405-1\]](#) Diversity of governance bodies and employees by employee category of gender, age, minority membership and other diversity indicators.

Percentage of persons in management bodies by the following dimensions of diversity	
Gender	
Women	33%
Men	67%
Age	
up to 30 years of age	0
30-50 years of age	67%
over 50 years of age	33%

Percentage of employees by the following dimensions of diversity	
Gender	
Women	14.5%
Management Board	33.3%
executives	31.1%
mid-level managers	17.2%
specialists	34.4%
production-related employees	4.4%
production employees	4.6%
other employees	74.1%
Men	
Management Board	66.7%
executives	68.9%
mid-level managers	82.8%
specialists	65.6%
production-related employees	95.6%
production employees	95.4%
other employees	25.9%

Percentage of employees by the following dimensions of diversity	
Age	
up to 30 years of age	9.6%
Management Board	0%
executives	0%
mid-level managers	0.1%
specialists	3.8%
production-related employees	1.9%
production employees	4.5%
other employees	0.1%
30-50 years of age	
Management Board	0.1%
executives	1.8%
mid-level managers	3.1%
specialists	13.2%
production-related employees	7.5%
production employees	25.4%
other employees	1.2%

Percentage of employees by the following dimensions of diversity	
Age	
over 50 years of age	38.2%
Management Board	0.1%
executives	1.3%
mid-level managers	2.6%
specialists	5.6%
production-related employees	7.7%
production employees	19.4%
other employees	1.5%

3.6. Rules of remuneration and equality of employees

OUR ACTIVITIES AND RESULTS

[\[405-2\]](#) Ratio of basic salary and total remuneration of women to men by position.

	Ratio of basic salary of men and women broken down by:		Ratio of total salary of men and women broken down by:	
executives		96%	executives	95%
mid-level managers		153%	mid-level managers	142%
specialists		86%	specialists	84%
production-related employees		94%	production-related employees	92%
production employees		97%	production employees	89%
other employees		81%	other employees	86%

3.7. Environmental impact

OUR APPROACH

[3-3 Climate change, including carbon footprint]

TFKable’s environmental impact is primarily governed in the Environmental Policy. This Policy describes our approach to issues such as:

- **preventing emissions of pollutants into the environment;**
- **containment and reduction of greenhouse gas emissions;**
- **striving for climate neutrality by 2050 through the implementation of the climate strategy.**

The policy also governs the issues of efficient and cost-effective use of natural resources, optimisation of the use of raw materials and consumables, as well as management of energy utilities and improvement of energy efficiency.

In the Policy, TFKable undertakes to minimise the amount of waste generated and to manage it responsibly, and to implement the circular economy. The Policy also focuses on the use of modern technologies, the introduction of new materials and innovative solutions aimed at manufacture of products that are safe for human beings and the environment.

The Policy is part of an environmental management system compliant with ISO 14001:2015 implemented throughout the organisation.

In 2023 we started work on preparing Environmental Product Declarations (EPD) for two product families – copper contact wires and multi-strand copper conductors. In this field we have co-operated with the Building Research Institute, a certified body for the EPD. The collected data were transferred to the Institute in February 2024. Once the data are verified, a Life Cycle Analysis (LCA) will be conducted for the designated cables. The environmental declarations prepared by the ITB will be reviewed by an independent expert and, after approval, published on the ecoplatform website. Next, we want to start the EPD procedure for MV and HV cables.



At the beginning of 2024, TFKable joined STBi (Sustainable Technology and Business Initiative) and the UN Global Compact. STBi supports companies in implementing sustainable technologies and business practices. The UN Global Compact encourages companies to adopt responsible policies in human rights, labour, the environment, and anti-corruption.



TFKable was awarded the Eco Vadis Bronze Medal by the renowned international platform which evaluates the sustainability practices of companies around the world. The medals awarded recognise companies’ efforts in the areas of business integrity, environmental protection, social and practices and procurement. In 2023, the Company was ranked “C” in the area of Climate Change.



3.7. Environmental impact

OUR ACTIVITIES AND RESULTS

Biodiversity

[304-1] [304-2] Our plants do not operate in the field or near protected areas and high biodiversity areas. We have not identified any major direct impact on biodiversity within the Company.

Water

[303-1] The water used in TFKable’s plants for welfare and process purposes comes from third party water companies. A small amount of water is taken from the surface intakes of the Brda River and is used to water vegetation. All cooling waters used for processes are within closed circuits. Spent cooling water is discharged if the cooling circuits must be cleaned. Stormwater, thaw water and periodically spent cooling water is discharged into surface waters directly or through urban sewer systems. Blackwater is discharged into urban sewer systems.

[303-2] There is a factory blackwater and industrial water treatment plant sanitary in the Bydgoszcz Plant. Treated wastewater is discharged into surface waters. The standards and quality of discharged wastewater is consistent with TFKable’s water permits for the discharge of wastewater into surface waters. The quality of process wastewater and blackwater discharged from its own treatment plant is tested every 2 months by a third party accredited laboratory. The tests analyse 12 parameters. The quality of discharged rainwater and thaw water is tested twice a year for the content of suspended solids and hydrocarbons.

[303-3] Water withdrawal

Total water withdrawal by the organisation at all locations, by source (in megalitres):	
Surface water	2,22
Groundwater	0,02
Sea water	0
Production water (obtained as a result of extraction, processing or use of any other raw material)	0
Water obtained from an indirect source (e.g. local water supply network)	226,29



3.7. Environmental impact

[303-4] Water discharge

Total water discharged in megalitres, at all locations, by discharge destination:	
Sum of wastewater, water consumed and unused.	516.44
Surface water	264.12
Groundwater	3.83
Sea water	0.00
Water obtained from an indirect source (e.g. local water supply network) and identification of the amount passed on to other organisations (if applicable)	248.49
Sum of wastewater, water consumed and unused (in megalitres)	
<1000 mg/L of total dissolved solids (TDS)	354.25
Surface water	242.93
Groundwater	3.83
Sea water	0,00
Water obtained from an indirect source (e.g. local water supply network)	107.49

Other sum of wastewater, water consumed and unused (in megalitres)	
>1000 mg/L of total dissolved solids (TDS)	162.18
Surface water	21,19
Groundwater	0,00
Sea water	0,00
Water obtained from an indirect source (e.g. local water supply network)	140.99
Total water discharged in megalitres at locations with water shortage, by discharge destination	
Sum of wastewater, water consumed and unused	0

3.7. Environmental impact

ENERGY AND EMISSIONS

[3-3 energy consumption] [302-4] Climate change initiatives have been incorporated into our strategy, plans and policies. We are trying to use raw materials more efficiently and increase the share of renewable energy sources in the energy mix used. Our plants in Bydgoszcz and Myślenice run PV installations with a capacity of 950 KWP and 49.5 KWP respectively. In 2023, we also modernised outdoor and indoor lighting at our Bukowno Plant. New lighting was installed in July 2023 and the electricity consumption was reduced by the end of the year to 149.6 GJ.

In 2023, we started working with a third party consulting firm to prepare calculations of our carbon footprint in Scope 3. We are developing a calculation and evaluation methodology – six key emission categories were initially identified in accordance with the GHG Protocol.

[302-1] Energy consumption within the organisation

Total consumption of energy from non-renewable sources, in joules or multiple thereof, by fuel		494,006 GJ	Total consumption of energy from renewable sources, in joules or multiple thereof, by generation source		184 GJ
electricity		300,488 GJ	PV plant 49.5 PV		184 GJ
thermal energy (purchased)		65,331 GJ	Total consumption within the organisation		
natural gas		105,026 GJ	electricity		300,672 GJ
fuel oil		2,673 GJ	thermal energy		65,331 GJ
transportation fuels		20,045 GJ	natural gas		105,026 GJ
LPG		443 GJ	fuel oil		2,673 GJ
			transportation fuels		20,045 GJ
			LPG		443 GJ
			Volume of total energy sold		0 GJ
[302-3] Energy intensity at TFKable					
TFKable's electricity consumption intensity (MWh/ton)		0.79			
TFKable's energy consumption intensity (GJ/ton)		4.72			

3.7. Environmental impact

[305-1] Direct (Scope 1) GHG emissions

TFKable's gross GHG direct emissions (Scope 1) in tons (t) of CO₂ equivalent in Poland	7774.23
Combustion in stationary sources	6,360.84
Combustion in mobile sources	1,386.1
Process	0
Volatile (refrigerant leakage)	27.29
Gross GHG emissions in tons (t) of CO₂ equivalent	
CO ₂	7746.94
HFC	27.29
TFKable's carbon footprint in Scope 1* in tons (t) of CO₂ equivalent	
2020	9,098.52
2021	9,086.2
2022	9,115.85
2023	7,774.23

* Correction for the 2020-2022 emission factor due to a change in the source of GHG emission data in Scope 1

[305-2] Energy indirect (Scope 2) GHG emissions

TFKable's gross GHG indirect emissions (Scope 2) in tons (t) of CO₂ equivalent in Poland	63,742.07
electrical	57,176.186
thermal	6,565.87
cooling	0
steam	0
Gross GHG emissions in tons (t) of CO₂ equivalent	
CO ₂	63,742.07
TFKable's carbon footprint in Scope 2* in tons (t) of CO₂ equivalent	
2020	77,758.83
2021	79,088.69
2022	80,206.59
2023	63,742.07

[305-4] Organisation GHG emission intensity index (Scope 1 and 2 GHG emissions per production volume).*

	2020	2021	2022	2023
	0,63	0,62	0,63	0,68

* Correction for the 2020-2022 emission factor due to a change in the source of GHG emission data in Scope 1

[305-7] Emisje NOx, SOx oraz innych istotnych emisji do powietrza

Details of significant emissions into the atmosphere (tons):				
	2023	2022	2021	2020
SOx	300.08	183.71	141.40	137.12
NOx	4,471.58	5,182.03	5,443.8	5,483.12
Persistent organic pollutants	0	0	0	0
Volatile organic compounds	20,738.18	22,654.86	27,759.44	23,272.13
Harmful air pollutants	0	0	0	0
Suspended particulate matter	348.57	787.46	677.97	905.05

SOx and NOx emission factors are derived from data provided by KOBIZE. Emissions of other pollutants were calculated on the basis of the operation time of process equipment and hourly emission factors typical for each location or the amount of raw material consumed. Data for the years 2020-2022 were adjusted after the data source was changed.

3.7. Environmental impact

[305-3] Calculations of other indirect greenhouse gas emissions for TFKable concern emissions resulting from the delivery of materials and raw materials such as copper, aluminium, and plastic from suppliers to manufacturing plants. During production, cables are manufactured, which are then transported by third-party companies to distribution points or end customers. Production also generates waste, which is disposed of by external companies. The usage phase of the cables, which is also included in the Scope 3 GHG Protocol calculations, follows. The operational control method was used for the consolidation of the calculations. The calculations pertain to the year 2023, which is the first year for which calculations were made and will serve as the baseline year for calculations in subsequent years.

Data concerning Category 1 (Purchased goods and services) within the Scope 3 GHG Protocol was directly obtained for 90% of the materials. The emissions for the remaining 10% were estimated and included in the calculations. For Category 4 (Transportation and distribution), the data is primarily based on information from the 10 largest suppliers, who account for 67% of all transport activities for TFKable. The remaining 33% of activities, due to the lack of reliable data, were not included in the greenhouse gas emission calculations. Data included in Category 5 (Waste generated in operations) corresponds to 100% of emissions, calculated using the waste-type-specific method. In the case of Category 6 (Business travel), 71% of all business travel data for 2023 was collected, as the remaining 29% was unobtainable. The calculations for Category 6 were conducted using the distance-based method. Emissions in Category 11 were calculated based on losses in cables related to transmission throughout the cables' entire usage period.

Due to assumptions made in the calculations for some categories within the Scope 3 GHG Protocol, in subsequent years, the information on greenhouse gas emissions will progressively encompass a greater amount of data and be characterised by less estimation.

Other indirect emissions (Scope 3) of greenhouse gases by TFKable gross in tonnes (t) of CO ₂ equivalent in Poland		32,590,849	
Upstream		Downstream	
Category 1: Purchased Goods and Services	170,028	Category 9: Transportation and Distribution	-
Category 2: Capital Goods	-	Category 10: Processing of sold products during the year	-
Category 3: Fuel- and Energy-Related Activities, which are not included in Scope 1 and 2	-	Category 11: Use of Sold Products	32,301,800
Category 4: Transportation and Distribution	117,436	Category 12: End-of-Life Treatment of Sold Products	-
Category 5: Waste Generated in Operations	502	Category 13: Leased Assets	-
Category 6: Business Travel	454	Category 14: Franchises	-
Category 7: Employee Commuting	630	Category 15: Investments	-
Category 8: Leased Assets by the company	-	Other	-
Other	-		

3.7. Environmental impact

WASTE

[3-3 Responsible waste management, recycling] [306-1]

Waste related to our production is primarily waste of raw materials, semi-finished products, non-compliant products and packaging waste. They mainly consist of non-ferrous metals, plastics, rubber, cables and waste packaging made of wood and plastics.

[306-2] We have implemented and are developing measures to reduce the amount of waste. We run responsible material and warehouse management processes and “recycle” some raw materials into the production process, e.g. we re-granulate plastics and use them in production. There are also two carpenter’s shops at our plants that repair wooden packaging so that we can re-use them. We are also developing co-operation with suppliers of raw materials (mainly copper wire rod) who declare a significant and increasing share of recycled raw material in products delivered to TFKable.

The Cable Waste Recycling Plant in Bukowno plays a particular role in our waste management process and support for the circular economy. The Plant specialises in recovery of cable waste generated during production, retired cables and dismantled cables. Recovered non-ferrous metals are transferred to the mills for remelting. Copper is melted within the organisation – as a result of this process, copper wire rod is produced, which is reused in the cable manufacturing process. A large proportion of plastic and rubber waste is recycled and used by companies that manufacture non-cable products.

The recyclability potential of the Plant is approximately 10,000 tons of cable waste per year, and fractions recovered from individual materials have a purity of over 99.5%.

**[301-2]
9.13% – percentage of recycled materials used to manufacture our products in 2023**

[301-1] Materials by weight and volume:

Total weight (in tons) of materials used to manufacture and package key products and provide key services during the reporting period, as broken down by:	
non-renewable materials, of which:	104,899
raw materials	103,111
materials used in the production process but not part of the final product	111
packaging materials	1,677
renewable materials, of which:	11,309
packaging materials	11,309

Waste

[306-3] Waste generated

Total weight of waste generated (in tons)	24,970
Of which hazardous waste	546
Of which non-hazardous waste	24,424
Total weight of generated waste by waste category (in tons)	24,969
metals	5,908
plastics and rubber	4,127
cables	5,063
packaging waste	9,191
other	680

3.7. Environmental impact

[306-4] Waste diverted from disposal

Total weight of waste recovered (in tons)	22,880.16	Total weight of hazardous waste recovered (in tons)	274.59	Total weight of non-hazardous waste recovered (in tons)	22,605.57
of which hazardous	274.59	Total weight of hazardous waste recovered by method of recovery		Total weight of non-hazardous waste recovered by recovery method (in tons)	
non-hazardous	22,606.57	Preparation for re-use		Preparation for re-use	
Total weight of recovered waste by waste category (in tons)		within the organisation	0	within the organisation	0
metals	5,540.45	outside the organisation	110.89	outside the organisation	1,973.41
plastics and rubber	4,100.40	Recycling		Recycling	
cables	5,125.24	within the organisation	0	within the organisation	5,792.61
packaging waste	7,813.62	outside the organisation	104.15	outside the organisation	7,588.31
other	300.45	Other methods of waste recovery		Other methods of waste recovery	
		within the organisation	0	within the organisation	0
		outside the organisation	59.55	outside the organisation	7,251.24

3.7. Environmental impact

[306-5] Waste directed to disposal

Total weight of waste directed to disposal (in tons)	406,23	Total weight of hazardous waste directed to disposal (in tons)	357,30	Total weight of non-hazardous waste directed to disposal (in tons)	48,93
of which hazardous	357,30	Total weight of hazardous waste recovered that is directed to disposal by treatment		Total weight of non-hazardous waste recovered that is directed to disposal by treatment	
non-hazardous	48,93	Combustion (with energy recovery)	1,29	Combustion (with energy recovery)	15,37
Total weight of waste directed to disposal by waste category (in tons)		within the organisation	0	within the organisation	0
metals	0	outside the organisation	1,29	outside the organisation	15,37
plastics and rubber	15,37	Combustion (without energy recovery)	8,34	Combustion (without energy recovery)	8,02
cables	0	within the organisation	0	within the organisation	0
packaging waste	11,06	outside the organisation	8,34	outside the organisation	8,02
other	379,80	Landfill	0	Landfill	0
		within the organisation	0	within the organisation	0
		outside the organisation	0	outside the organisation	0
		Other methods of disposal	347,67	Other methods of disposal	25,54
		within the organisation	0	within the organisation	0
		outside the organisation	347,67	outside the organisation	25,54

3.8. Product quality, responsible marketing and customer relations

OUR APPROACH

[3-3 Product quality, responsible marketing and customer relations]

“Quality – pride in our products and services” is one of TFKable’s corporate values. We are uncompromising when it comes to sustaining the highest quality of our products, seeing it as a way to retain our leading position in the market. TFKable has deployed the Quality Policy which describes our approach to product quality, meeting specific customer requirements and complying with the laws. In line with the Policy, we strive to strengthen our image as a reliable supplier, explore state-of-the-art technologies and materials, work with suppliers of raw materials who meet high requirements and improve the qualifications of our employees. The Company’s Management Board is committed to implementing the Quality Policy, meeting the requirements, and providing support in quality management.



OUR ACTIVITIES AND RESULTS:

- we have implemented ISO 9001 quality management system and rigorous testing is carried out by third party certification bodies and national and international academic institutions. We have also invested in our laboratory equipment to test, among others, the flame spread rate, smoke and gas emissions and insulation integrity in cables.
- our products meet national and international standards, including but not limited to:
 - IEC, or the International Electrotechnical Commission standards, such as IEC 60331, IEC 60332, IEC 61034, IEC 60754, IEC 60502-1, IEC 60502-2;
 - EN, the standards applicable in all the Member States of the European Union. They are usually developed at the initiative of the EU by the European standardisation organisations, CEN and CENELEC. CEN and CENELEC coordinate standardization activities in the EU and collaborate with all national standardization organisations in Europe;
 - BS, or UK standards to be met by cables and wires marketed in the UK;
 - DIN, standards developed by the German Institute for Standardization (DIN), which is responsible for the publication of standards for electronic and electro-technical equipment used in Germany;
 - UL, or North American standards such as: UL62, UL 44, UL1650, UL1580;
 - AS/NZS, a common Australian and New Zealand standard that includes cable requirements for these markets;
 - SANS, or South African National Standards such as SANS 1520-1 and 1520-2.
- we comply with quality control procedures both at the manufacturing stage and end product stage
- At Kraków-Wielicka plant, we launched an automated internal LSOH mixing machine to significantly reduce waste generation and become independent from our suppliers.
- We keep records of the impacts of our products, including hazardous substances and materials. These parameters are communicated to our customers in the technical specifications and declarations.
- Since 2018, we have been conducting customer satisfaction surveys as part of the ISO IJ-O-33 procedure. In 2023, the survey took place from 16 October to 3 November through online surveys available in Polish, English and German. The processes of product offering, ordering, complaints and customer relationship management were evaluated. In total, we collected answers from 318 customers. The survey shows that 73% of customers are satisfied with their co-operation with TFKable.
- **[417-2]** In 2023 we did not identify any cases of non-compliance with regulations and non-compulsory codes concerning product and service information and labelling.

In 2023, TFKable proudly received the **'Best in Safety'** award from the Central Institute for Labour Protection - National Research Institute, which serves as a strong integrated indicator of TFKable's occupational health and safety management processes, and received the **'Inwestor bez Granic'** award from the Chapter of the European Economic Congress for investments of a significant scale in the UK, providing a development impulse to the entire Polish economy, adding new value, and building a network of cooperation.

4.

JDR Cable Systems Ltd.



4.1. Overview and facts about JDR

[2-6]

JDR Cable Systems is a global leader in the production of offshore and onshore power transmission solutions. The Company has over 30 years of experience and specialises in the design, manufacture, assembly and servicing of subsea power cables and umbilical systems. These solutions are a key component of submarine infrastructure and support the economic, safe and environmentally friendly distribution of energy.

JDR is a pioneer in supply of inter-array cables for offshore wind farms, wave and tidal energy. The Company stands out in the market with its advanced technologies and customer-oriented services. Production takes place at modern manufacturing plants in Hartlepool (UK), Houston (US), Littleport (UK) and Bydgoszcz (Poland). For the projects it pursues, the Company provides products, services and access to a network of qualified technicians who offer installation, maintenance and engineering support worldwide on a 24/7 basis.

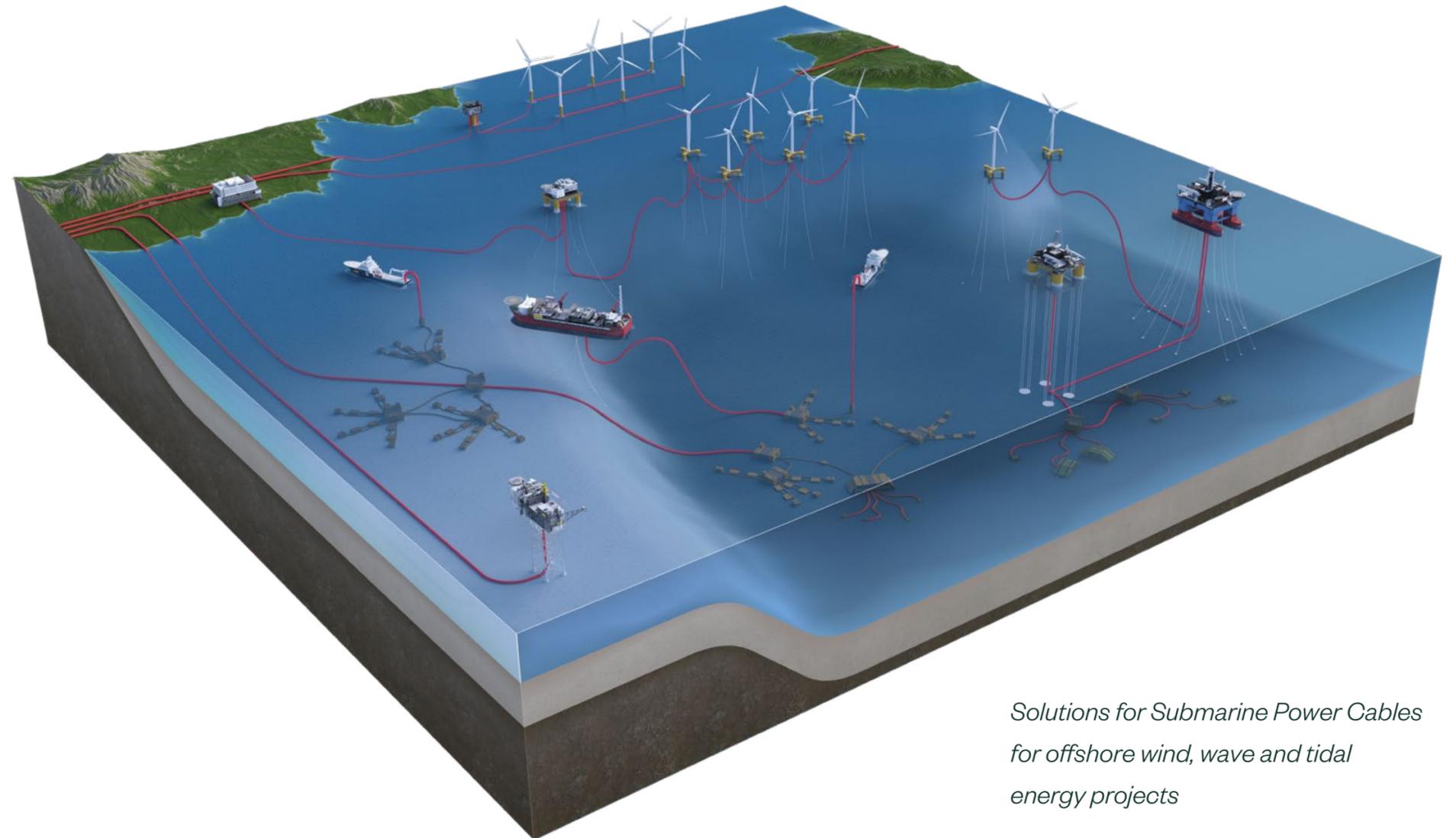
With over 30 years of experience in the energy sector, JDR continues to strengthen its position by extending its business to include subsea cables, umbilicals, high voltage cables and advanced onshore cable systems.



4.1. Overview and facts about JDR

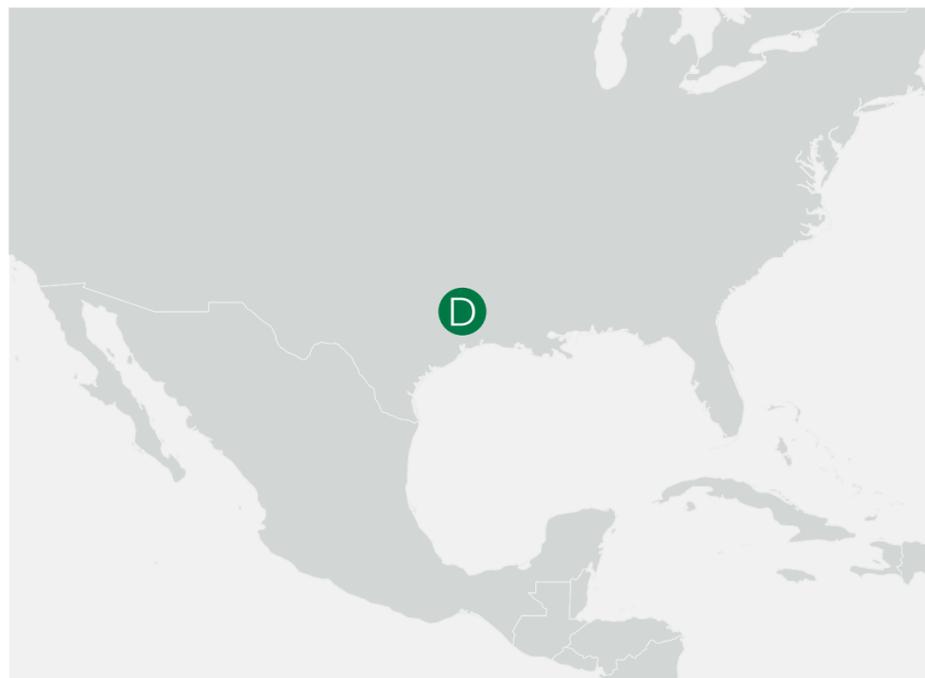
JDR OFFERS:

- Conventional IWOCS Umbilical and Reeler
- Self-supporting Open-water IWOCS Umbilical and Winch
- Dynamic Subsea Production Umbilical (SPU)
- Dynamic Subsea Power Cable (SPC)
- Shore-to-platform Subsea Power Cable (SPC)
- Thermoplastic Hydraulic Flying Lead (HFL)
- Steel Tube Flying Lead (STFL)
- Static Array Cable
- Dynamic Export Cable
- Dynamic Array Cable
- Static Export Cable
- Interconnector Cable
- Shore to Subsea Umbilical / Power Cable
- Infield Umbilical / Power Cable
- Floating Turbines to O&G Platform / Vessel
- Product and Installation Support
- Engineering Services
- SSIV (Subsea Isolation Valve) Umbilicals



*Solutions for Submarine Power Cables
for offshore wind, wave and tidal
energy projects*

4.1. Overview and facts about JDR



A

HARTLEPOOL PLANT, VICTORIA DOCK

Hartlepool is a world-class manufacturing plant strategically located on the North Sea coast. With its flexible configuration of the manufacturing process, the plant specialises in production of long sections of cables and umbilicals. Recently, JDR has invested in a upgrade to vertical lay-up machine (VLM), which almost doubles the loading capacity of the products at the plant. This upgrade increases the cable section manufacturing capacity, which allows the plant to manufacture longer single length cables for offshore wind farms, both floating and stationary. With these investments and long-term contracts, the Company is able to develop not only the current range of 66kV products, but also 132kV and 150kV cables.

The plant specialises in:

- Subsea Production Umbilicals
- Subsea Power Cables
- Inter-Array Cables.

B

LITTLEPORT PLANT

Engineering design, design management, research and development, IWOC production and production of specialised components and subsea production umbilicals, as well as power cables up to 100 tons. The plant operates its own specialised research facilities.

The plant specialises in:

- Design Services
- Engineering Works
- IWOCs
- SSIV (Subsea Isolation Valve) Umbilicals
- Subsea Production Umbilicals
- Power Cables up to 100 tonnes.

C

NEWCASTLE SERVICE CENTER

A service unit serving as JDR's operational base for Europe and the Asia-Pacific region, ensuring 24/7/365 mobilization.

The plant specialises in:

- Installation and commissioning
- Umbilical and cable fault identification and repair
- Full field maintenance and inspection services
- Mobilisation and training facilities.

D

TOMBALL SERVICE CENTRE

Leading industry supplier of high-quality IWOCs products (Installation and Workover Control Systems) such as HPUs (Hydraulic Power Units), LARS (Launch and Recovery Systems), and Flying Leads. The centre also provides offshore and onshore support services.

The plant specialises in:

- Topside and Subsea Umbilicals, Power Cables, Jumpers, Reelers, UTA, HPU
- Repair and Maintenance Services (Pressure testing and rinsing, Electrical and hydraulic umbilical termination)
- Rental of IWOCs systems (EH Umbilicals, Reelers, HPU, UTA, LARS Deployment Packages, Custom Engineered Subsea Solutions).

4.1. Overview and facts about JDR



E

CAMBOIS PLANT NEAR BLYTH, NORTHUMBERLAND (UNDER CONSTRUCTION)

In 2022, JDR began the construction of another submarine cable manufacturing plant in Cambois, near Blyth, Northumberland, UK. The £150 million project will be a key UK manufacturing plant capable of manufacturing inter-array, subsea power and medium and high voltage onshore cables. The new production facility, located on the site of a former coal-fired power station, offers:

- manufacturing capacity increased several times;
- manufacture of longer sections of high voltage submarine cables for the next generation wind turbines;
- manufacture of onshore HV and EHV cables used for onshore power transmission, including advanced grid connections.

The plant will employ more than 171 people and the project supports implementation of sustainable solutions. Among other things, road transport of raw materials used to manufacture cables will be reduced through the significant use of deliveries by rail and sea from the port of Blyth. By connecting the grid to local solar and wind power stations, the manufacturing facility will gain additional power from renewable energy sources. There are also plans to use rainwater to reduce water consumption and to store waste energy from the manufacturing process.

The investment by TFK.Group is critical to the energy transition process announced in the UK and is led with the support of His Majesty's Government and Secretary of State under the DESNZ Offshore Wind Manufacturing Investment Support Scheme. At the same time, the new plant will support the development and increase in the scale of project support for the development of energy, including offshore wind farms. Because of the co-operation within TFK.Group it is possible to increase the production of inter-array cable centres in Poland and export them to the UK. Cable production technology at the new JDR plant will support the supply of submarine cable systems which will enable increased transmission of connections among turbines, with the potential to generate higher energy output, which will, as a result, directly contribute to lowering the costs of installing the turbines and to indirectly lowering the cost of generating energy from renewable sources.

At Blyth, a 45 m high tower to house the OCV line and a 47 m tower to house the VLM will be built to meet the growing demand for longer and higher voltage cables for marine renewable energy sources. The expansion will increase the manufacturing output of JDR and TFKable. The JDR development map covers the future manufacture of 275kV cables with future support for 525kV production.

4.1. Overview and facts about JDR

SELECTED JDR PROJECTS IN 2023:

- supply of 139 km of 66kV subsea inter-array cable for Moray West offshore wind farm. For the purposes of the project, JDR manufactured its longest continuous length of a 66kv 800 mm² at 14.5 km. The manufactured cables support connection of 60 wind turbines with subsea transformer stations and the effective transmission of 882 MW of energy.
- the supply of Vineyard Wind 1 inter-array cables, the first commercial offshore wind farm project in the US. Located along a section of 130 miles, 66kV inter-array cables will connect 62 GE Haliade-X turbines with a subsea transformer station, facilitating power transmission to the grid. The project will generate sufficient electricity to meet the needs of more than 400,000 homes and companies in Massachusetts.
- JDR was selected as the supplier of 66kV inter-array cables, which will connect 64 wind turbines on the 900 MW He Dreiht offshore wind farm located in the German exclusive economic zone in the North Sea. When launched in 2025, it will be the first project to use 15 MW turbines.
- delivery of subsea dynamic cables for Hywind Tampen, the world's largest floating wind farm. Each cable was terminated with large end terminations prior to loading. JDR provides support for post installation testing.
- JDR won a contract for the supply of steel umbilicals for the Hail and Ghasha project in Abu Dhabi. It will be the world's first net zero gas project, capturing 1.5 million tonnes of CO₂ annually, storing CO₂ underground and producing low-carbon hydrogen. The project will use low-carbon energy from nuclear and renewable energy sources to support the UAE's gas self-sufficiency. JDR will design and manufacture



four subsea umbilicals, ranging from 7 km to 48 km in length, connecting steel pipes, medium voltage electrical cores and fibre optic cables. The cables will be manufactured at the JDR plant in Hartlepool, UK. Once completed, umbilicals will be loaded onto a vessel and shipped to Abu Dhabi to the offshore facility.

- Completion of the Dai Hung project – phase 3 in Unit O5-1(a) near the Vietnam coast. Phase 3 consists of 3 km of the dynamic submarine

power system connecting the production unit (FPU) to the drilling rig (WHP-D1). Dynamic subsea power cables with optical fibres and accessories were manufactured at the JDR plant in Hartlepool, loaded and shipped by sea on 9.2 m wide drums.

4.2. Innovation and R&D

JDR's research and development activities focus on the development of high voltage cable systems for offshore power transmission at 66kV and 132kV cable systems. These solutions will support the development of the next generation of 10 to 20 MW wind turbines and the collection of energy at greater distances further from the coast and at deeper waters. The increase in voltage capacity from 66kV to 132kV supports better transmission between higher-capacity turbines, which is a key factor in reducing the cost of offshore wind energy production.

In 2023, the first tests of 132kV cables were conducted. Ultimately, they are to be manufactured in the plant that is being built in Cambois near Blyth.

The Company also runs development programs for the oil and gas extraction sector. They include but are not limited to the following:

- Water-blocked Low Voltage Cable project, which focuses on improving the capacity to block water to increase the durability and reliability of products in subsea environments;
- the HCR 1" 10k PSI hose project will offer a crush-resistant hose capable of withstanding pressure up to 10,000 PSI, designed for extreme subsea conditions and high pressure fluid transfer;
- static Deepwater Steel Tube Umbilical projects involving cables laid at the depths of 1,500 metres and 3,000 metres will provide the necessary plumbing, electrical and communication services for the equipment.



Dynamic SPC typical construction

4.3. Sustainable supply chain

OUR APPROACH

[3-3 Responsibility and employees in the value chain] [2-6] JDR has defined a precise set of requirements to be respected by all suppliers. The Responsible Sourcing Code applicable to JDR business partners specifies standards in the following fields:

- human rights – the Company expects suppliers to implement the international principles contained in the UN Guiding Principles on Business and Human Rights, the International Bill of Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises by deploying appropriate policies, procedures and secure and confidential complaint mechanisms appropriate to their sector and size;
- child labour and forced labour – JDR refuses to work with companies which use child labour or forced labour;
- anti-discrimination – JDR suppliers must treat employees fairly and provide a workplace that supports diversity and is non-discriminatory;
- safe working – suppliers should comply with all applicable local laws and regulations to prevent accidents and injuries;
- no harassment and violence – JDR expects suppliers to ban physical punishment and physical, sexual, psychological, verbal or any other form of harassment or coercion;
- remuneration – companies willing to co-operate with JDR should pay remuneration to employees on a regular and timely basis, in a transparent process, taking into account all hours worked;
- environmental protection – JDR requires suppliers to conduct their business with care for the environment, comply with environmental protection regulations and hold all relevant licenses, registrations or permits.

OUR ACTIONS

Each JDR supplier must certify in writing that they have read the Code and the obligation to comply with the Code is treated as part of the agreement with the Company. In addition, if counterparties are unable to provide documentation which attests to the compliance with the requirements, they undertake to begin the process of documenting activities which prove that all principles of the Code are complied with.

OUR RESULTS

[308-1] [414-1]

- **JDR require all of our supply-chain to sign our Responsible Sourcing Code. None of our suppliers has rejected signing-up to our code. In 2024, we are extending our supplier audit programme to report on compliance with our Ethics, Responsible Sourcing Codes and Social policies.**
- **JDR have conducted a calendar of compliance HSEQ audits against our Supply Chain in line with ISO 9001, 14001 & 45001**

JDR's suppliers provide raw materials such as polymers metals, fibres, as well as some finished components and assemblies that are integrated into products. If the Company's suppliers operate in conflict-affected areas or source raw materials from them, the Code requires them to demonstrate due diligence to ensure that they are not associated with financing or supporting the parties to the conflict. In addition, the Company expects suppliers to declare that their products do not contain minerals from mines that support or fund conflicts.



JDR and TFKable also joined Copper Mark, an initiative of the copper industry aimed at ensuring responsible copper production and trade. Copper Mark is a certification system that helps identify copper mining operations that meet certain sustainability criteria. The Copper Mark certificate covers environmental, social and management aspects, and the participating enterprises must undergo strict evaluation and audits to prove their commitment to responsible practices. This initiative aims at promoting transparency and accountability in the copper supply chain, which contributes to improving environmental and social practices in the industry.

4.4. Hiring and Employee Development

OUR APPROACH

[3-3 Hiring and employee development] JDR follows clear corporate principles described, among others, in the Code of Ethics, these are communicated to all employees.

- equal opportunities and diversity of employees;
- personal dignity and right to privacy;
- zero tolerance for harassment, intimidation, bullying, discrimination, coercion, threats, insults, and exploitation;
- statutory minimum wage;
- complying with general working time regulations;
- ban on child labour;
- appropriate working conditions that meet OHS requirements.

[2-8] [401-2] JDR employs over 500 people, with the vast majority employed on a full-time and permanent basis. 95 new employees joined the JDR team in 2023. We provide our employees with a wide range of benefits including discretionary bonus schemes, cycle to work scheme, reimbursement of medical care costs up to an annual coverage level, gym memberships, life insurance, and a contributory pension scheme. All temporary workers work across our two manufacturing facilities in Hartlepool and Littleport as interim Production Operatives. Contractors provided services not directly related to production, such as project management.

GOOD PRACTICE

[404-2]

An individual development plan is agreed with each JDR employee and reviewed annually. This is a process where skills gaps are identified and training interventions are put in place to close the skills gap. JDR employees spent 10 hours on average on training in 2023. These training interventions include mandatory and compliance training such as first aid, forklift truck operation and offshore working certification. In addition, employees have the opportunity to apply for external and internal training, with other opportunities including secondments and temporary moves to other roles or locations to gain new skills.

GOOD PRACTICE

For several years JDR employees have been participating in initiatives preparing young people to enter the labour market, especially with regard to jobs related to science, technology, engineering and mathematics (STEM). JDR employees volunteer their time as STEM Ambassadors attending schools and colleges supporting STEM activities including Career Fairs, interviewing technique and CV writing workshops and mentoring activities for students. Alongside external STEM initiatives JDR is committed to the next generation of talent by supporting work experience placements and internships. In parallel to STEM activities, the Company conducts its own employer branding activities by meeting with students, showcasing career opportunities in the cable industry and offering internships at the Littleport and Hartlepool plants.

Support for young careers in 2023:

- participation in STEMFest, a three-day inspiring exhibition for students from the north-east region of the United Kingdom;
- exhibition stand at King's College in Ely during career fairs, with presentation of internship options at JDR;
- visit of Galliford Try Youth Group members to the Hartlepool plant;
- presentation of JDR activities for 100 students at Hartlepool College of Further Education;
- participation in career fairs at Witchford Village College.

4.4. Hiring and Employee Development

OUR RESULTS

[2-7] Number of JDR employees in 2023

Number of employees by:	
Total	502
Women	79
Men	423

Employees by the form of employment	
Permanent period	
Total	477
Women	73
Men	404

Employees by the form of employment	
fixed term	
Total	25
Women	6
Men	19

Employees by the type of employment	
full-time	
Total	480
Women	68
Men	412

Employees by the type of employment	
part-time	
Total	22
Women	11
Men	11

Employees with unguaranteed hours	0
-----------------------------------	---

4.4. Hiring and Employee Development

[401-1] New employee hires and employee turnover in the reporting period

Total number of new employees hired by the organisation in the reporting period, as broken down by		Ratio of new employees hired by the organisation in the reporting period, as broken down by		Total number of employees who left the organisation in the reporting period, as broken down by	
95				65	
Gender		Gender		Gender	
Women	17	Women	21.5%	Women	7
Men	78	Men	18.4%	Men	58
Age		Age		Age	
under 30 years of age	29	under 30 years of age	3.5%	under 30 years of age	12
30-50 years of age	50	30-50 years of age	18.3%	30-50 years of age	35
over 50 years of age	16	over 50 years of age	11%	over 50 years of age	131

4.4. Hiring and Employee Development

[401-1] New employee hires and employee turnover in the reporting period

Employee turnover rate in the reporting period, including by:	
Gender	
Women	8.9%
Men	13.22%
Age	
under 30 years of age	14.5%
30-50 years of age	12.8%
over 50 years of age	11%

[404-1] Average number of training hours in 2023

Average number of training hours by gender	
Gender	
Women	62.31
Men	11.63
Average number of training hours by employee pay grade category	
Board & Executive Team – High-level employees	140.65
Senior Managers & Line Managers – mid level employees	64.77
Subject Matter Experts – Specialists Employees	123
Other employees	14.02



4.5. Health and safety of employees and associates

OUR APPROACH

[\[3-3 Health, safety, well-being and other rights of workers\]](#) [\[403-1\]](#)

[\[403-8\]](#) All JDR employees are covered by the Occupational Health & Safety system, which has been implemented voluntarily by the Companies. This complies with ISO 45001:2018 and the HSE management is based on UK regulations and internal procedures. They include but are not limited to the following:

- Internal OHS Policy;
- Health and Safety at Work etc. Act;
- Occupational health and safety management regulations;
- Regulations concerning workplace control of, among others:
 - noise;
 - vibrations;
 - work at heights;
 - electrical installations;
 - personal protective equipment;
- medical questionnaires;
- occupational risk assessment;
- substance safety assessment;
- noise mapping;
- assessment of air quality by an independent body;
- respiratory mask fitting tests.



[\[403-3\]](#) The Competent Contractor for Occupational Health is the unit responsible for OHS matters. All personal medical data is safely stored by the HR Department.

The Company has also implemented a Well-Being Policy that describes the Company's commitment to the mental health and well-being of its

employees. The policy describes responsibilities of managers in supporting employees' mental health, initiatives to promote health, communication and training on health issues, and the scope of available forms of support in maintaining mental health.

4.5. Health and safety of employees and associates

OUR ACTIVITIES:

- **[403-6]** Healthshield individual health plan for each employee.
- Employee health insurance during business trips.
- All Offshore Technicians are subject to either a Renewable Energy UK (RUK) or Offshore Energies UK (OEUK) medical.
- Introduction of flexible working time options.
- Stress management, disability awareness and anti-abuse and harassment programmes.
- Incentives for employees to establish clubs and groups supporting the development of well-being.
- Implementation of the Policy and Procedure on Drug and Alcohol Prevention to support persons who face problems with addictive substances.
- Purchase and training in the use of defibrillators for all employees.
- Organisation of a mental health awareness week from 15 to 21 May 2023.
- **[403-5]** Regular, external and internal safety training, the frequency of which is adapted to the job and nature of the work performed (1-3 years). All persons who are not employees but are present at the plant are also familiarized with the OHS rules.
- **[403-4]** Employee engagement in safety issues. Employees are involved in risk assessments and participate in accident investigations. During monthly meetings with employee representatives, health and safety issues are discussed first. Additionally, monthly safety reports are published on the notice boards at JDR plants.
- Education campaigns for employees on OHS rules, including posters reminding them of the most important principles of safe work.
- Permanent presence of OHS experts at the plant.

[403-2] [403-7]

A 5x5 evaluation matrix analysing the potential and severity of job risks is in effect at JDR. Risk assessments are based on the ALARP (As Low As Reasonably Practicable) principle, which means reducing the risk to the lowest reasonably achievable level. Heads of departments, supervisors, employees and the OHS team jointly develop risk assessments and, if necessary, the teams are supported by safety experts. JDR uses a risk assessment template approved by the HSE and Quality Departments, prepared by NEBOSH and IOSH qualified specialists. In addition, an analysis of the Company's internal procedures and systems is regularly conducted. All risk assessments are reviewed and approved and employees are informed of the risk assessment through training and competence assessments. Risk assessments are internally inspected and independently audited by our 45001 certifying body.

For some jobs and types of work, a work permit is required each time before work can be started. The permit to work provides safety from the system introducing additional checks and controls, which is signed by the issuer and task supervisor/acceptor. The Company has also deployed the STOP Work policy supported by the management team that promotes THINK AGAIN approach to workplace activities. This allows the employees to refrain from action if they consider it dangerous. Employees report such a situation to their superior and additional security measures are implemented after the analysis.

Managers document and report near misses in a special system. The causes of accidents are investigated in post-accident proceedings and technical solutions and employee behaviour is taken into

account. Corrective and preventive actions are also agreed along with implementation schedules. All conclusions from accidents are made available to other JDR business units.

GOOD PRACTICE

During 2023 particular focus was paid on mental health awareness of employees at JDR – this way, with the Company responding to the national initiatives to provide better support for mental health issues in the workplace and greater awareness amongst staff. The Company implemented, among others, the employee mental health first aid programme launched by MHFA England, mental health awareness campaigns and its own group of Well-Being Champions.

The Well-Being Champions programme was also launched, with 18 persons trained in mental health first aid. Among others, the programme encompassed identification of early signs of deteriorating mental health and ways of encouraging people to seek help from professionals. In addition, programme participants are involved in raising awareness of mental health at the workplace and preventing stigmatisation and discrimination.

4.5. Health and safety of employees and associates

OUR RESULTS

[403-10] In 2023, not one accident at work or an occupational disease was recorded at JDR, neither among employees nor associates. Identified health hazards include dust, smoke, vapours, noise, vibrations and exposure to hazardous substances. The Company mitigates risks by replacing certain chemicals and substances, which are used in production or our service base facilities, with a safer alternative and operating effective ventilation system to remove and filter any gases, such as welding vapour. Appropriate levels of personal protective equipment are determined for each workstation.

GOOD PRACTICE

In 2023, JDR Houston recorded 3,000 days without an accident involving a loss of working time.



4.5. Health and safety of employees and associates

[403-9]

Work-related injury rate		Applies to non-employees whose work and/or workplace is controlled by the organisation	
Number of occupational fatalities	0	Number of occupational fatalities	0
Occupational fatality rate	0	Work-related injury mortality rate	0
Number of serious occupational injuries (excluding fatalities)	0	Number of serious occupational injuries (excluding fatalities)	0
Serious occupational injury incidence rate (excluding fatalities)	0	Serious occupational injury incidence rate (excluding fatalities)	0
Number of recordable occupational injuries	5	Number of recordable occupational injuries	1
Occupational injury incidence rate	0.99	Occupational injury incidence rate	7.01
Main types of work-related injuries	Hand injury	Main types of work-related injuries	Hand injury
Number of hours worked	1,009,167	Number of hours worked	28,533

Work hazards that present a risk of serious injury

How these risks have been identified	Identification takes place during risk assessment and occupational accident investigation
Threats that caused or contributed to causing serious injuries to employees in the reported period	Line of fire and energy stored
Measures taken to eliminate or mitigate these risks, using a hierarchy of controls	Introduction of additional machinery shields that prevent insertion of hands and stop work in the machine compartment if the shield is removed
Measures taken to eliminate other work-related hazards and mitigate these risks using a hierarchy of controls.	In 2023, we ran an information campaign on key risk factors and, above all, focused on hand safety. In addition, the glove supplier provided a report on the level of hand protection with gloves. During teamwork briefings and preparation for work, we pay more attention to hand safety and body posture of employees.

Method of calculating ratios

Based on 200,000 hours worked

4.6. Remuneration of Employees

OUR APPROACH

[\[2-19\]](#) [\[2-20\]](#) [\[2-30\]](#) Remuneration policies are constructed in line with the scope and responsibilities of the role and aligned with external benchmarking for similar roles. Discretionary bonus schemes and/or payments may be adjusted in line with JDR's overall performance against KPI's related to the environment, impacts to economy and people. As part of JDR's Employee Forum, Employee Representatives are encouraged to feedback on behalf of the employees on issues and potential improvements to working conditions at JDR. The Forums are used to brief Employee Groups on changes being made in the business, any upcoming events or progress in the business and any proposals requiring consultations or feedback from staff.

Bonuses, if any, for starting work at JDR are determined on a case-by-case basis, depending on the situation on the labour market and the candidate's remuneration package.

JDR aims to maintain a competent, flexible and qualityconscious workforce. We select the best available perso for every vacancy, regardless of gender, colour, ethnic origin, religion, marital status, age, disability or sexual orientation. At the same time, we provide all employees with the opportunity to develop long-term careers appropriate to their abilities and ambitions.

The Code of Ethics clearly defines the zero-tolerance of any form of harassment, intimidation or discrimination. As a business JDR have an internal Grievance Policy and Procedure and 'Speak up' hotline for the reporting of such incidents.



4.6. Remuneration of Employees

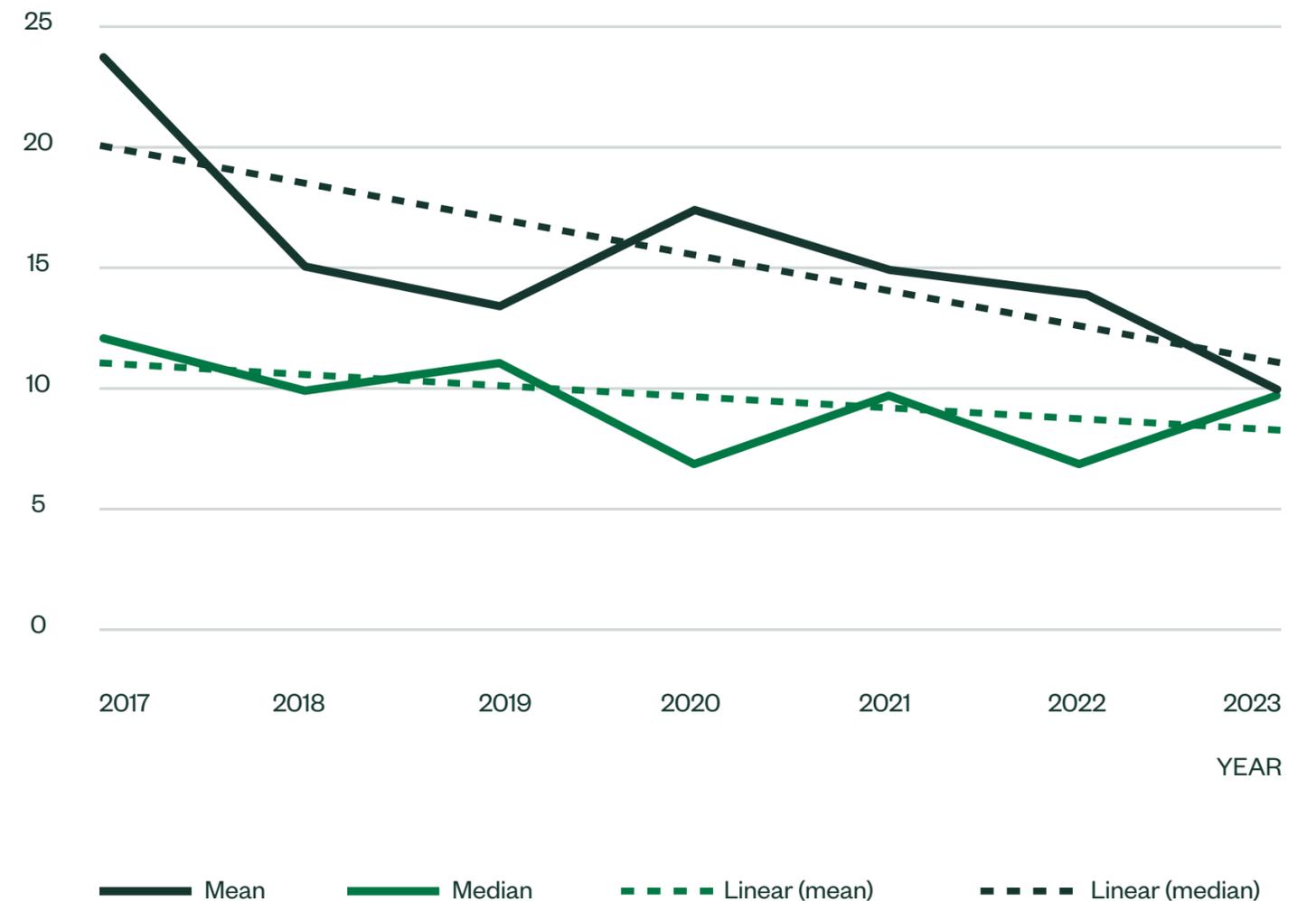
OUR ACTIVITIES AND RESULTS

JDR consistently removes barriers that discourage women from seeking employment in our industry. The main factor contributing to the pay gap at JDR is the under-representation of women in managerial positions. Every year, and measured from April to April, JDR publishes its Gender Pay Gap report on the remuneration of women and men in the organisation. Information is disclosed regarding differences in remuneration and bonus awards.

	April 2017	April 2018	April 2019	April 2020	April 2021	April 2022	April 2023
Average gender pay gap	23.4	15.2	13.4	17.5	14.7	13.7	10.1
Median of gender pay gap	11.8	10.1	11	7	9.5	7.2	10
Average difference in bonuses	56.8	52.4	-25.9	45.9	49.8	31.2	17.05
Median of difference in bonuses	5.8	0	0	0	42.77	0	0

AVERAGE AND MEDIAN PAY GAP IN JDR IN THE YEARS 2017-2023

THE VALUE OF THE PAY DIFFERENCE



4.6. Remuneration of Employees

- [\[406-1\]](#) 0 cases of discrimination in 2023
- [\[405-1\]](#) Diversity of governance bodies and employees by employee category of gender, age, minority membership and other diversity indicators

Percentage of persons in management bodies by the following dimensions of diversity	
Gender	
Women	20%
Men	80%
Age	
up to 30 years of age	0%
30-50 years of age	70%
over 50 years of age	30%

- [\[2-21\]](#) Total annual compensation ratio in JDR

Ratio of total annual remuneration of the highest-paid individual in the organisation to the average total annual remuneration for all employees (excluding the highest-paid person)	5.22 to 1
Ratio of the percentage increase in the total annual remuneration of the highest-paid individual in the organisation to the median percentage increase in the total annual remuneration for all employees (excluding the highest-paid person)	-2.43%

Percentage of employees by the following dimensions of diversity	
Gender	
Women	
Board & Executive Team – High-level employees	20%
Senior Managers & Line Managers – mid level employees	4,2%
Subject Matter Experts – Specialists Employees	17,2%
other employees	15,8%
Men	
Board & Executive Team – High-level employees	80%
Senior Managers & Line Managers – mid level employees	95,8%
Subject Matter Experts – Specialists Employees	82,8%
other employees	84,2%

Percentage of employees by the following dimensions of diversity	
Age	
up to 30 years of age	
Board & Executive Team – High-level employees	0%
Senior Managers & Line Managers – mid level employees	0%
Subject Matter Experts – Specialists Employees	4,4%
other employees	12%
30-50 years of age	
Board & Executive Team – High-level employees	0,6%
Senior Managers & Line Managers – mid level employees	1,6%
Subject Matter Experts – Specialists Employees	9,4%
other employees	18,9%
over 50 years of age	
Board & Executive Team – High-level employees	1,4%
Senior Managers & Line Managers – mid level employees	3,2%
Subject Matter Experts – Specialists Employees	17,5%
other employees	31,1%

- [\[405-2\]](#) Ratio of basic salary and remuneration of women to men by position

Ratio of basic salary of men and women broken down by:	
Board & Executive Team – High-level employees	83%
Senior Managers & Line Managers – mid level employees	95%
Subject Matter Experts – Specialists Employees	127%
other employees	106%
Ratio of total salary of men and women broken down by:	
Board & Executive Team – High-level employees	90%
Senior Managers & Line Managers – mid level employees	94%
Subject Matter Experts – Specialists Employees	134%
other employees	133%

4.7. Environmental impact

OUR APPROACH

[3-3 Use of resources and water] JDR does not have a significant negative impact on biodiversity, uses waste recycling as widely as possible and manages water resources in a controlled and compliant manner. In the Company, environmental protection is regulated in the HSE framework management system (Health, Safety, Environment, and Quality). In line with the system, JDR, among others:

- identifies, measures and controls risks related to, among others, energy consumption, water consumption and discharge, use of chemicals and waste generation.
- optimizes energy consumption,
- strives to reduce the environmental impact in the supply chain.

OUR ACTIVITIES AND RESULTS:

Water:

[303-1] Water is used in JDR plants:

- for domestic use by the employees;
- for production purposes – to run the extrusion line at Hartlepool and Littleport plants.

All JDR water-related activities comply with the UK regulations, including the Water Management Act, the Environmental Protection Act and the Pollution Prevention and Control Act. The Company holds the necessary permits for water discharges which are regularly inspected by local authorities. In 2023, local authorities did not identify any irregularities. The Company has not recorded any negative impact of its operations on water resources.

The JDR manufacturing plant in Littleport is located in an area classified as vulnerable to water stress by the UK Environment Agency. Based on a decision issued by the UK Environment Agency in 2021, water from local water utilities qualifies as water sourced from water-scarce areas.



The JDR Management Team is responsible for the implementation of HSE provisions



D- D C- C B- B- A- A-



0-44

Bronze
45-53

Silver
54-65

Gold
66-72

Platinum
73-100

[303-3] Water withdrawal

Total water withdrawal by the organisation at all locations, by source (in megalitres):

Surface water	0
Groundwater	0
Seawater	0
Production water (derived from the extraction, processing or use of another raw material)	0
Water obtained from an indirect source (e.g. local water supply network)	7

[303-3] Water withdrawal

Total water withdrawal from all areas with water stress (in megalitres):

Surface water	0
Groundwater	0
Seawater	0
Production water (derived from the extraction, processing or use of another raw material)	0
Water obtained from an indirect source (e.g. local water supply network)	2

4.7. Environmental impact

Biodiversity

[304-1] [304-2] [304-3] The JDR plants in the UK are not adjacent to protected areas or areas with high biodiversity. There are also no habitats of protected species near the plants. The Hartlepool plant is located 595 metres from The Headland protected area on the other side of the water body. The Littleport plant is 1.6 km away from the River Ouse, which enters the lock in Nordelph. The JDR service unit in Newcastle is located at an elevation of 240 metres from the River Tyne. In 2023, JDR did not have a negative impact on biodiversity.

Emissions and energy

[3-3 energy consumption] [305-1] [305-2] At JDR, work has started on measuring the carbon footprint of Scopes 1, 2 and 3 in 2023, with the support of independent experts from a renowned UK consulting firm. The Company's ambition is to set reduction targets for all three scopes and to have them reviewed and approved by the Science Based Targets (SBTi) international initiative. The financial year 2022 (from 1 January to 31 December 2022) was adopted as the base year, where Scope 1 GHG emissions amounted to 202.14 tCO₂e, and Scope 2 emissions totalled 787.37 tCO₂e. Total emissions for Scopes 1 and 2 amounted to 989.51 tCO₂e. The base year data was used to create emission reduction scenarios assuming net zero emissions for Scopes 1 and 2 by 2030.

In 2023, the carbon footprint for Scope 1, i.e. as a result of the organisation's fuel combustion, was 178.036 tCO₂e. Emissions were primarily from gas combustion at the Hartlepool and Littleport sites for heating purposes. Due to the lack of detailed information on the type of car, the calculation of emissions related to the combustion of fuels in cars is based on the classification of 'Average car', 'Unknown' fuel source and 'Miles' as the unit of measurement.

As regards Scope 2 indirect emissions generated as a result of electricity and heat generation, JDR's carbon footprint was 782 tCO₂e: 432 tons for

the Hartlepool plant, 333 tons for Littleport and 18 tons for Newcastle Service Centre.

As for Scope 3 calculations for 2023 concerning the goodwill chain, JDR included only business car trips. In 2023 the related emissions amounted to 21.7 tCO₂e. In 2023, the Company, together with independent consultants, worked on criteria for measuring the carbon footprint more broadly.

JDR joined the Science Based Targets (SBTi), an initiative that helps companies set decarbonisation targets that are in line with the current scientific knowledge on climate change. The Company will publish its SBTi Net-Zero targets in 2024. The Company also plans to reduce transport emissions by increasing the use of maritime transport to collect bulk materials.

At the beginning of 2024, JDR joined the UN Global Compact. This initiative encourages companies to adopt responsible policies in human rights, labor, the environment, and anti-corruption.



GOOD PRACTICE

A small number of diesel forklift trucks are used at the Hartlepool and Littleport plants. In 2023, JDR started recording the monthly mileage of each forklift, and the data will be included in emission calculations.

[302-4] In 2023, energy consumption was reduced by 573 kWh due to savings in heating in the Hartlepool plant

[302-1] Energy consumption within the organisation

Total consumption of energy from non-renewable sources, in joules or multiple thereof, by generation source

Electricity from the grid	3,023,476 kWh 10,884.51 GJ
Gas	854,961 kWh 3,077.86 GJ
Total energy consumption within the organisation	3,878,437 kWh 13,962.37 GJ

[302-3] Energy intensity at JDR

Total consumption of energy from non-renewable sources, in joules or multiples thereof, broken down by the raw materials from which it was produced

Energy intensity index for electricity	3,451 kWh/hour of operation
Energy intensity index for thermal energy	976 kWh/hour of operation
Energy intensity ratio	4,427 kWh/working hour

4.7. Environmental impact

Waste

[3-3 Responsible waste management, recycling] [306-1] The most common waste generated by JDR is cable cores, ropes, armoured wire and kevlar. Additional waste is generated when cables are cut to desired length during installation at the customers'. In 2023, the Company generated 1,517.5 tons of waste. Depending on the type of waste and the standards of conduct, the waste was recycled or directed to disposal.

Waste

[301-1] Materials by weight and volume

Total weight (in tons) of materials used to manufacture and package key products and provide key services during the reporting period, as broken down by:	
non-renewable materials, of which:	14,443.92
Galvanized steel wire	6,212.8
Polymer	235.4
Fillers	7,726.9
Bitumen	108.7
Oceanic HW540 Macdermid fluid	6,915 l (5.5 t)
Q8 HAYDN 68 fluid	4,000 l (3.2 t)
TRANSAQUA HT2 CASTROL fluid	10,756 l (8.6 t)
Certified deionized water	6,000 l (4.8 t)
Oceanic 50/50 Macdermid fluid	4,300 l (3.4 t)
Oceanic 80/20 Macdermid fluid	5,220 l (4.2 t)
Bituminous tape	125.8
ARMOUR RP3 tape (234m)	4.62 (254 rolls of tape)
materials used in the production process but not part of the final product:	
Semi-finished products	4,872.3
power core	4,827.6
optical cables	44.7

GOOD PRACTICE

The excess polymer from the extrusion process is used in JDR for the production of safety wedges used for stable positioning of drums.



4.7. Environmental impact

[306-3] Waste generated

Total weight of waste generated (in tons)	1,517.49
Total weight of waste broken down to:	
Hazardous	51.21
Degreasing waste containing hazardous substances	5.21
Other degreasing waste	2.72
Other engine, gear and lubricating oils	10.32
Oily water from oil/water separators	22.70
Plastic packaging	1.18
Packaging containing residue or hazardous substances	3.48
Absorbents, filling materials (including oil filters not elsewhere specified) wiping cloths, protective clothing soiled with hazardous substances	0.4
Other absorbent and filling materials, wipes and protective clothing	0.2
Non-freezing liquids containing hazardous substances	4
Hazardous components removed from used equipment	0.00045
Inorganic waste containing hazardous substances	1

Total weight of waste generated (in tons)	1,517.49
Total weight of waste broken down to:	
Non-hazardous	1,466.28
Waste not otherwise specified	0.057
Plastic packaging	20
Wooden packaging	49.66
Other aqueous liquid waste	3
Aluminium	20.52
Cables	656.44
Paper and cardboard	0.00328
Timber	26.83
Plastics	5.35
Metals	538.34
Mixed municipal waste	146.08

4.7. Environmental impact

[306-4] Waste diverted from disposal

Total weight of waste recovered (in tons)	1,344.44	Total weight of hazardous waste recovered (in tons)	5.44	Total weight of non-hazardous waste recovered (in tons)	1,339
of which hazardous	5.44	Total weight of hazardous waste recovered by method of recovery (in tons)		Total weight of non-hazardous waste recovered by recovery method (in tons)	
non-hazardous	1339	Preparation for re-use	0	Preparation for re-use	4.24
Total weight of recovered waste by waste category (in tons)		within the organisation	0	within the organisation	0
metals	538.34	outside the organisation	0	outside the organisation	4.24
plastics and rubber	25.35	Recycling	5.44	Recycling	1,325.3
cables	656.442	within the organisation	0	within the organisation	0
other	124.31	outside the organisation	5.44	outside the organisation	1,325.3
		Other methods of waste recovery	0	Other methods of waste recovery	9.525
		within the organisation	0	within the organisation	0
		outside the organisation	0	outside the organisation	9.525

4.7. Environmental impact

[306-5] Waste directed to disposal

Total weight of waste directed to disposal (in tons)	1,499.715	Total weight of hazardous waste directed to disposal (in tons)	41.975	Total weight of non-hazardous waste directed to disposal (in tons)	1,457.94
of which hazardous	41.975	Combustion (with energy recovery)	9.525	Total weight of non-hazardous waste recovered that is directed to disposal by treatment	
non-hazardous	1,457.94	within the organisation	0	Combustion (with energy recovery)	0
Total weight of waste directed to disposal by waste category (in tons)		outside the organisation	9.525	within the organisation	0
metals	558.86	Combustion (without energy recovery)	0.45	outside the organisation	0
plastics and rubber	25.35	within the organisation	0	Combustion (without energy recovery)	0
cables	656.442	outside the organisation	0.45	within the organisation	0
packaging waste	49.66	Landfill	0	outside the organisation	0
packaging containing residues of or contaminated with dangerous substances	3.475	within the organisation	0	Landfill	0
waste not otherwise specified	206.13	outside the organisation	0	within the organisation	0
		Other methods of disposal	32	outside the organisation	136.4
		within the organisation	0	Other methods of disposal	
		outside the organisation	32	within the organisation	0
				outside the organisation	1,321.54

4.8. Product quality, responsible marketing and customer relations

OUR APPROACH

To respond to customer expectations, JDR conducts research work that drives development. The Company focuses on products that support a low-carbon economy, while reducing its environmental impact. This is exemplified by the plant being built in Cambois near Blyth, whose location makes it possible to shorten the routes for road transport of raw materials. The environmental impact will also be minimised by using energy from local solar and wind power stations, stormwater collection systems and regenerative energy storage.

OUR ACTIVITIES AND RESULTS

In addition, in 2023, JDR joined the Chartered Quality Institute (CQI) initiative, which brings together professionals responsible for production quality. CQI facilitates the exchange of knowledge and best practices on maintaining excellence in industry.



The quality of JDR's products and services has been appreciated by independent experts. The Company was awarded a prestigious Global Export Award at the Subsea Expo Awards Gala organized by the Global Underwater Hub. JDR also received the Export Award presented during the Made in the North East Awards Gala.

5.

About the Report

[\[2-1\]](#) [\[2-2\]](#) [\[2-3\]](#) [\[2-4\]](#) [\[2-5\]](#)

ESG Report 2023 is our seventh sustainability report, which is prepared on annual basis. The document covers two member companies of our Group: TELE-FONIKA Kable Spółka Akcyjna (Joint-Stock Company) with its registered office at ul. Hipolita Cegielskiego 1, (32-400) Myślenice, Poland and JDR Cable Systems Ltd. with its registered office at Mazars, Capital Square, 58 Morrison Street, Edinburgh, UK, and presents data covering the period from 1 January to 31 December 2023, unless otherwise stated. The report published in July 2024 was not subject to external verification. Corrections of details presented in the publication concern TFKable data and are related to Indicator 305-2 and Scope 2 of GHG emissions – the numerical data related to their calculation were replaced with data sourced from invoices issued by energy suppliers.

[3-1] The process of the ESG topic materiality analysis is described in the chapter on TFK.Group (sub-chapter Stakeholder relationships and management of the environmental impact of the business) of this report.

In 2023, we hired an external expert to review significant topics, analyse the market benchmark and, due to small differences and transparency of reporting, consolidated lists of material topics for both companies.

[3-2] Topics material for TFK.Group included the use of resources and water; energy consumption; responsible waste management, recycling; accountability and employees in the value chain; health, safety, well-being and other rights of workers; employment and development of employees; product quality, responsible customer relations; climate change, including carbon footprint; corporate governance; innovation.

[2-3] Please send any questions, comments and suggestions related to the report to Magdalena Kardela, Marketing Director, TELE-FONIKA Kable S.A.: magdalena.kardela@tfkable.com.



6.

GRI Table



APPENDIX 1: GRI TABLE

Statement of use	TFK.Group submitted its report in accordance with the GRI standards for the period from 1 January 2023 to 31 December 2023
Use of GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
	2-1 Organisational details	6, 94			
	2-2 Entities included in the organisation's sustainability reporting	6,94			
	2-3 Reporting period, frequency and contact point	6,94			
	2-4 Restatements of information	6,94			
	2-5 External assurance	6,94			
	2-6 Activities, value chain and other business relationships	33, 43, 69, 75			
	2-7 Employees	49, 77			
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	51, 76			
	2-9 Governance structure and composition	19, 20			
	2-10 Nomination and selection of the highest governance body	19, 20			
	2-11 Chair of the highest governance body	19, 20			
	2-12 Role of the highest governance body in overseeing the management of impacts	19, 20			
	2-13 Delegation of responsibility for managing impacts	19, 20			
	2-14 Role of the highest governance body in sustainability reporting	19, 20			
	2-15 Conflicts of interest	28			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	28			
	2-17 Collective knowledge of the highest governance body	20			
	2-18 Evaluation of the performance of the highest governance body	19, 20			
	2-19 Remuneration policies	55, 84			
	2-20 Process to determine remuneration	55, 84			
	2-21 Annual total compensation ratio	88	The TFKable data required in the indicator were not disclosed	TFK's business secret	TFKable considers the data confidential and does not make it publicly
	2-22 Statement on sustainable development strategy	4			
	2-23 Policy commitments	21			
	2-24 Embedding policy commitments	10, 21			
	2-25 Processes to remediate negative impacts	22, 26, 30			
	2-26 Mechanisms for seeking advice and raising concerns	26, 30			
	2-27 Compliance with laws and regulations	19			
	2-28 Membership of associations	15			
	2-29 Approach to stakeholder engagement	30			
2-30 Collective bargaining agreements	47, 84				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	30, 94			
	3-2 List of material topics	30, 94			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
health, safety, well-being and other rights of workers;					
GRI 3: Material topics 2021	3-3 Management of material topics	52, 80			
	403-1 Occupational health and safety management system	52, 80			
	403-2 Hazard identification, risk assessment, and incident investigation	52, 80			
	403-3 Occupational health services	52, 80			
	403-4 Worker participation, consultation, and communication on occupational health and safety	52, 80			
	403-5 Worker training on occupational health and safety	52, 80			
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	52, 80			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	52, 80			
	403-8 Workers covered by an occupational health and safety management system	52, 80			
	403-9 Work-related injuries	52, 80			
	403-10 Work-related ill health	54, 82	Identified occupational diseases for non-employees whose work and/or workplace is controlled by TFKable were not disclosed	No data available	TFKable does not keep a register of occupational diseases among persons whose work or workplace is controlled by the organisation, but who are not TFKable employees.
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	56, 86			
	405-2 Ratio of basic salary and remuneration of women to men	57, 86			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	56, 86			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
Employee hiring and development					
GRI 3: Material topics 2021	3-3 Management of material topics	47, 76			
	401-1 New employee hires and employee turnover	50, 51, 78, 79			
GRI 308: Supplier Environmental Assessment 2016	GRI 414: Supplier Social Assessment 2016	48, 76			
	401-3 Parental leave	54			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	51, 79			
	404-2 Programs for upgrading employee skills and transition assistance programs	48, 76			
Responsibility and employees in the value chain					
GRI 3: Material topics 2021	3-3 Management of material topics	43, 75			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	46, 75			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	46, 75			
Product quality, responsible marketing and customer relations					
GRI 3: Material topics 2021	3-3 Management of material topics	67			
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	67			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
Climate change, including carbon footprint					
GRI 3: Material topics 2021	3-3 Management of material topics	58			
	305-1 Direct (Scope 1) GHG emissions	62, 88			
	305-2 Energy indirect (Scope 2) GHG emissions	62, 88			
GRI 305: Emissions 2016	305-3 Other indirect emissions (Scope 3)	63			
	305-4 GHG emissions intensity	62			
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	62			
Energy consumption					
GRI 3: Material topics 2021	3-3 Management of material topics	61, 88			
	302-1 Energy consumption within the organisation	61, 88			
GRI 302: Energy 2016	302-3 Energy intensity	62, 88			
	302-4 Reduction of energy consumption	61, 88			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
Use of resources and water					
GRI 3: Material topics 2021	303-1 Interactions with water as a shared resource	87			
GRI 301: Materials 2016	303-2 Management of water discharge-related impacts	64, 89			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	59, 87			
	303-4 Water discharge	59			
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	59, 87			
	304-2 Significant impacts of activities, products, and services on biodiversity	60			
	304-3 Habitats protected or restored	59, 88			
GRI 304: Biodiversity 2016	304-2 Istotny wpływ działań, produktów, usług na bioróżnorodność	59, 88			
	304-3 Chronione lub przywrócone siedliska	88			
	Responsible waste management, recycling				
GRI 3: Material topics 2021	3-3 Management of material topics	64, 89			
GRI 301: Materials 2016	301-2 Recycled input materials used	64			
	306-1 Waste generation and significant waste-related impacts	64, 89			
	306-2 Management of significant waste-related impacts	64			
	GRI 306: Waste 2020	306-3 Waste generated	64, 90		
306-4 Waste diverted from disposal		65, 91			
306-5 Waste directed to disposal		66, 92			

GRI STANDARD/OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			REQUIREMENTS (OMITTED)	REASONS	EXPLANATION
Corporate governance					
GRI 3: Material topics 2021	3-3 Management of material topics	17, 26			
	205-1 Operations assessed for risks related to corruption	27, 28			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	28			
	205-3 Confirmed incidents of corruption and actions taken	27			
GRI 206: Anti - competitive Behaviour 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	27, 28			
GRI 207: Tax 2019	207-1 Approach to tax	29			
Innovation					
GRI 3: Material topics 2021	3-3 Management of material topics	40			
Own indicator	share in sales of flame resistant cables	42			

