Corporate Social Responsibility Report

2022

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1.

Letter from CEO

[GRI 2-22]

Ladies and Gentlemen,

Responsibility is a word that captures a concept that is truly essential for the energy industry. As Europe's leading manufacturer of cables and wires and a provider of specialised services related to marine energy, we at TFK.Group are aware that what we do and how we do it impacts the energy security and everyday comfort of millions of people. We support the development of modern economies and societies, and play a major role in facilitating the use of renewable energy sources, which are so important these days. First as TFKable, and since 2017 together with JDR, we have built an organisation with unique resources, production and research facilities, and knowledge of its employees. We want and know how to develop these assets in a sustainable way, having a sense of responsibility not only for the impact of our products, but also how they are produced.

2022 was a special year for our organisation. We started constructing a new production plant in Cambois, near Blyth in Northumberland, UK. We are expanding our production and supply capabilities to the rapidly growing offshore renewable energy market. The plant in Cambois is intended to become a platform for JDR and TFKable to develop the technology for producing subsea and high-voltage cables. This will strengthen our position among producers driving energy transformation and global carbon efficiency.

Our current market position comes as a result of being consistent in making sometimes very difficult business decisions, and being determined in pursuing our goals. We respond to the current challenges not only by adjusting our offer, but also through internal transformation. We implement ESG-compliant solutions, and introduce procedures and policies that support our sustainable development both in terms of social impact, as well as corporate governance and the environment. We are aware of how crucial the responsible use of natural resources is in today's world. At TFKable, we measure climate risks and not only do we comply with all environmental norms and regulations, but we also apply our own, often much stricter environmental standards. We have been supporting the circular economy for many years, and our Bukowno Recycling Plant is a great example. It lets us not only reduce the amount of production waste, but mainly recover and recycle thousands of tonnes of valuable raw materials. You can learn more about all our green initiatives and solutions from this report.

It would not be possible to grow without our own well-developed R&D facilities. It is thanks to them that we are able to implement new, even more effective cable technologies. We also closely cooperate with our partners from universities and research institutes, and we are active in international associations of cable manufacturers.

In 2022, we celebrated TFKable's 30th anniversary. Today, we are a major player in the global cable market, skilfully using our resources, production and research facilities as well as the knowledge of our employees to accomplish our goals and operate in a sustainable manner, taking into account the expectations and opinions of stakeholders.

Yours faithfully

Monika Cupiał-Zgryzek

Chief Executive Officer
TELE-FONIKA Kable & JDR Cable Systems

2.

TFK.Group

2.1. About the TFK.Group

[GRI 2-1] [2-2]

TFK.Group is one of the leaders of the global wires and cable systems market, among a few highly specialised and technologically advanced suppliers of high and very high voltage cable systems. TFK.Group consists of the Polish company, TELE-FONIKA Kable (TFKable), one of the largest European producers of cables and wires, and the British company, JDR Cable Systems (JDR), a world-class producer of subsea cables and provider of offshore services for the global wind energy sector. The group operates production plants in Europe, several subsidiary trading companies as well as maintenance and R&D centres. Over 2,000 of TFK.Group's clients are businesses from 80 countries in 5 regions of the world. The Group's companies employ a total of around 2,500 people.

TFK.Group provides maintenance services of onshore and offshore oil and gas extraction, as well as renewable energy systems. The extensive infrastructure of R&D centres are capable of running qualification tests, routine checks and technological tests, including fire-resistance tests.

[GRI 2-1]

TFK.Group is not separately incorporated. TELE-FONIKA Kable and JDR are separate companies that have shared the same owner since 2017. The two companies initially formed a supply-chain partnership in 2008 and have been developing their markets in close cooperation, manufacturing complementary products.

The integration of the companies created a strong foundation for TFK.Group to strengthen its position in the subsea cable market and develop further in the offshore wind energy sector. The synergy effect created the opportunity for strategic alignment towards expanding the offer of high voltage (HV) and extra high voltage (EHV) products. This integration has enabled the research of prototypes and technological guidelines for the production of HVAC and HVDC cables. Both companies forming the TFK.Group work in close cooperation, mutually promote their commercial brands and strengthen business relations. The group enables TFKable and JDR experts to exchange knowledge on an ongoing basis, which is also facilitated by an internship programme at the British company for TFKable employees. Also, the companies' best business and management practices are implemented by both entities in their everyday operations. Examples of this include Think Safety, Think Quality, and Think Green programmes, which have become a standard across the entire TFK.Group.

TFK.Group produces cables for the energy sector in the following product groups:

- **low voltage power cables up to 1 kV**
- **medium voltage power cables from 3.6/6 kV to 18/30 kV**
- **high voltage power cables from 36 to 150 kV**

- **extra-high voltage power cables from 220 to 400 kV**
- **copper and fibre optic cables**
- **telecommunication cables**
- **rubber-insulated cables, including mining and crane cables**
- **controlling cables used for data transmission and security solutions**
- **inter-array cables (33 kV & 66 kV) and subsea cables, including cables connecting wind towers and export cables and which are used in the construction and operation of offshore and onshore wind farms**
- **Subsea Power Umbilicals**
- **Steel Tube Umbilicals**
- **Rental and oil & gas services.**

The development of TFK.Group has enabled the start of construction in 2022 of a new plant in Cambois, near Blyth in the UK, producing subsea cables. The official ground-breaking ceremony took place on 8 November 2022. The project is an example of how subsea cable production is being developed to facilitate the changes needed in the energy system, enabling governments and society to achieve carbon neutrality by 2050. Greater cable production capacity in Cambois will enable JDR and TFKable to more than triple their current output, an essential move to respond to the needs of the rapidly growing offshore renewables sector. As with many other European coastal countries, the UK government has set very ambitious targets to increase offshore wind capacity from 11.3 GW of installed offshore wind capacity in 2021 to 40 GW by 2030 (with an ambition of reaching 50 GW).
In 2022, TELE-FONIKA Kable also celebrated another ground-breaking event: the 30th anniversary of its establishment. During these 30 years of activity, dating back to 1992 in Myślenice, a modern TFK.Group has been consistently built, focusing on experience and specialist knowledge, highly qualified staff and innovations. The 30 years of activity have also been marked by successful cooperation with partners from universities, research institutes and international associations of cable manufacturers, supporting the development of the company and the industry.

Key numbers

100%

Polish capital

30%*

share in the Polish market

7

production plants

6

distribution subsidiaries

2

service units

Presence in over **80**

countries

Production and distribution – global locations

JDR Newcastle, UK
Trade and service unit

JDR, Hartlepool Plant, UK
Production of cables and wires

Copper Cable Company Ltd Leicestershire, UK
Distribution of cables and wires

JDR Littleport Plant, UK
Production of cables and wires

JDR Tomball, TX, US
Trade and service unit

TF Cable Americas Bolingbrook, IL, US
Distribution of cables and wires

TELE-FONIKA Kable S.A. Cable Waste Recycling Plant Bukowno, PL
Post-production waste recycling plant

TELE-FONIKA Kable S.A. Bydgoszcz Plant, PL
Production of cables and wires

TELE-FONIKA Kable S.A. Myślenice Plant, PL
Production of cables and wires

TELE-FONIKA Kable S.A. Kraków-Wielicka Plant, PL
Production of cables and wires

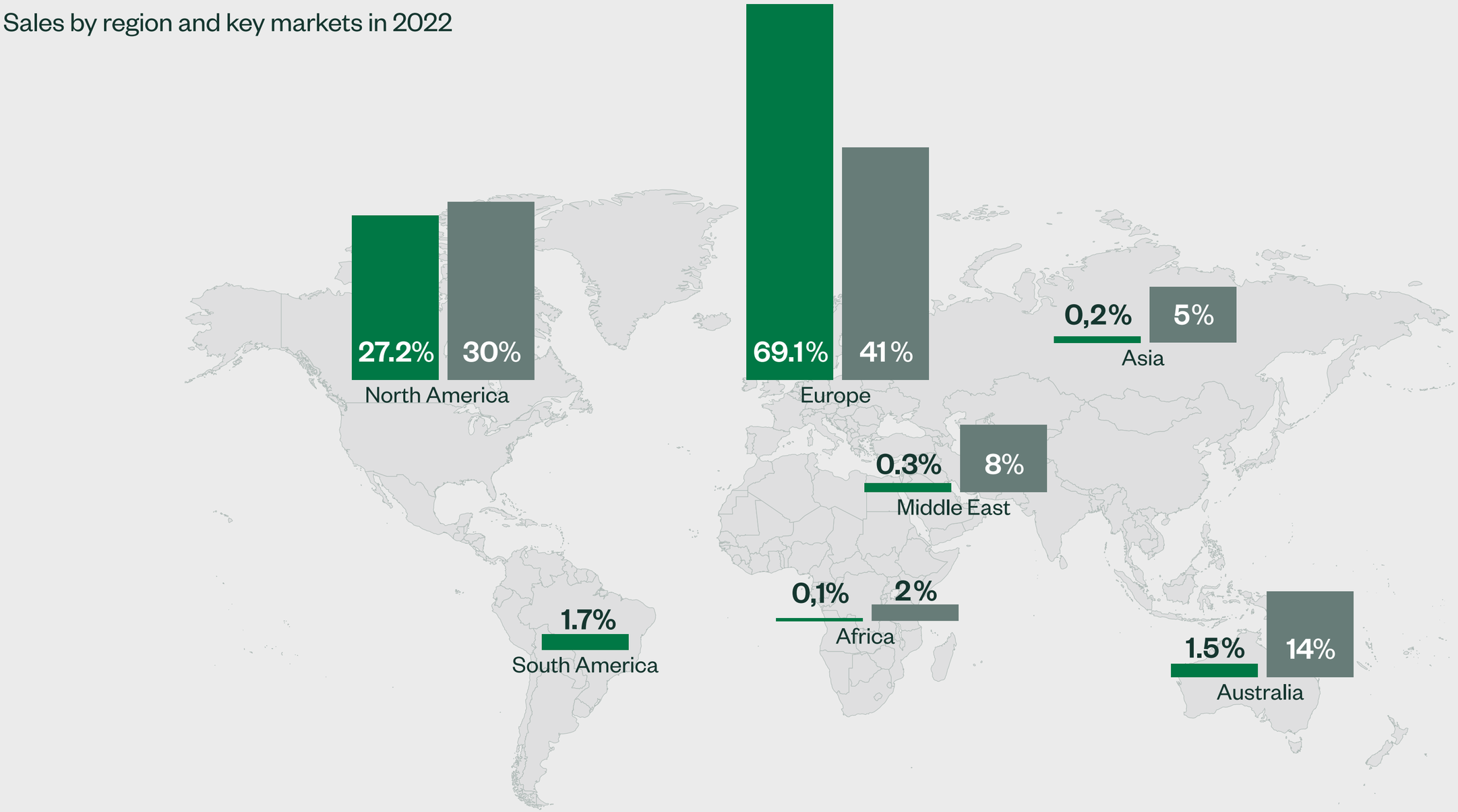
UAB TELE-FONIKA Baltic, Kowno, LT
Distribution of cables and wires

TF KABLE FKZ Zajecar, SRB
Production of cables and wires, trade unit

TELE-FONIKA Kable Central Europe GmbH Hilden, DE
Distribution of cables and wires

MANUFACTURING PLANTS SALES SUBSIDIARIES SERVICE UNITS

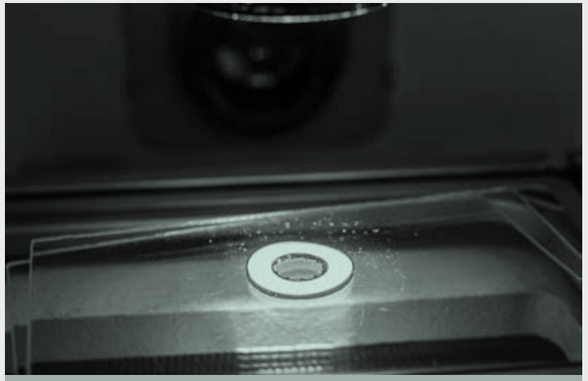
Sales by region and key markets in 2022



2.2. Support for a sustainable world

TFK.Group's offer supports the modern energy sector, as well as the UN Sustainable Development Goals along with the European Climate Policy. We facilitate the construction and operation of onshore and offshore wind farms around the world. These projects use our low, medium and high voltage cables and wires as well as controlling and optical cables used for telecommunications, data transmission and security. JDR and TFKable started the energy transition journey in 2007, venturing into offshore wind with the delivery of 3.5 km of cable solutions for the Beatrice demonstrator project. After delivering early cable technologies, JDR delivered 33 kV inter-array cables to two other pioneering UK projects which, at the time of construction, were the largest wind farms in the world with the highest capacity. For the past 15 years, together with many of our clients, JDR and TFKable have been developing capabilities in supplying inter-array cables: a total length of over 3,000 km has been delivered to collect and transmit over 14 GW of power from offshore wind farms. This power generation accounts for 36% of the total of 38.7 GW of offshore wind energy operational to date. JDR was a leader in increasing the voltage of inter-array cables from 33 kV to 66 kV and in2022, we celebrated the signing of the 50th offshore wind farm cable supply contract. JDR and TFKable have delivered subsea cables to the global market for the first commercial wind farms in the United States and Taiwan, as well as the largest installed wind farm in the world in the United Kingdom. It is important to note that the offshore wind market is growing rapidly and gaining momentum, becoming a viable path to contribute to carbon neutrality by 2050. As a new and innovative industry, it will also offer new development opportunities for all stakeholders, including JDR and TFKable employee's, investors, manufacturers, governments and local communities.

Thanks to the quality of products and services, we have earned the trust of our clients, including customers from the renewable energy sector. The Group applies and develops the most modern technologies in the industry. Prototypes and technological guidelines are developed by our experts at the Fire Test Laboratory in Krakow, the R&D Centre with High and Extra-High Voltage Laboratories in Bydgoszcz, the Extra High Speed Cables Laboratory in Krakow-Bieżanów, the Tomball Service Centre (USA) and the Newcastle Service Centre (UK). Research focuses on, amongst others, high-voltage (HV) and extra-high-voltage (EHV) cables.



TFK.Group holds

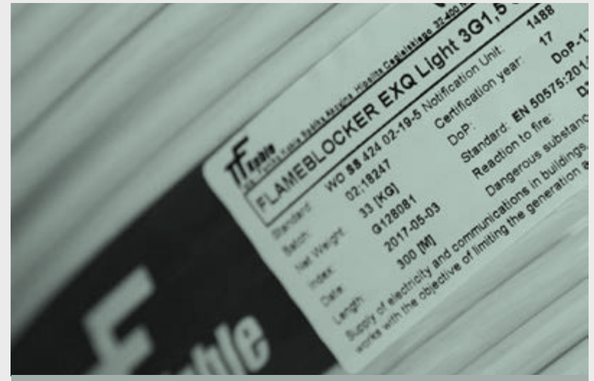
330

quality certificates granted by 39 certification centres from around the world

In 2022 we completed

48

development projects associated with new product groups



We have created

1,500

product codes and conducted 1,000 technological tests

2.3. Market environment

[GRI 2-28]

TFK.Group is a member of several dozen of the most important industry associations, including renewable energy organisations. Group experts share their knowledge and promote our best business practices, supporting the sustainable development of the entire cable sector. The organisations we are active in include:

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

Europacable, established in 1991, is one of the most important industry associations, which brings together the largest European producers of cables and wires. Europacable members employ over 70,000 people all over the world. Monika Cupiał-Zgryzek has been the vice-president of Europacable since September 2015. TFKable representatives work in seven Europacable task or working groups: TF Taxonomy, WG Material Compliance, WG Sustainable Products, WG Sustainable Trainings, TF PEF (Product Environmental Footprint), TASK FORCE CARBON FOOTPRINT, and TASK FORCE PVC. The issues the groups worked on included:

- **Reducing the carbon footprint of transmission networks**
- **Increasing the production capacity of green energy in the EU**
- **Sustainable development of the industry**
- **Characterising products using environmental criteria**
- **Parameters and requirements of the industry's sustainable products**
- **Environmental criteria for cables in the Ecodesign for Sustainable Products Regulation.**

In 2022, in response to the European Commission's climate agenda, Europacable compiled guidelines for the qualification of cable products with climate change mitigation in mind, also providing detailed guidance for reporting.

GOOD PRACTICE

Representatives of TFK.Group, both from TFKable and JDR, participated in Wind Energy Hamburg 2022, a prestigious meeting of over 1,400 key companies from the global onshore and offshore renewable energy sector. Apart from presenting the latest solutions offered by JDR and TFKable, representatives of the companies celebrated five years of cooperation as part of the TFK.Group. During this time, both companies focused on innovation and were very successful, and their accomplishments are worth boasting about. These include the delivery of subsea cables for the first commercial wind farms in the US and Taiwan (Vineyard Wind and Formosa 1, respectively) and for the world's largest installed wind farm, Hornsea 2 in the UK. In the following years of joint efforts, TFK.Group intends to continue to leverage the shared energy sector experience of over 25 years, exchange expert knowledge and invest in innovative solutions.

2.4. Social engagement

At TFK.Group, we are proud of our contribution to initiating positive change and supporting local communities. We initiate and take part in various programmes, initiatives and ventures. We support local events, social campaigns and charity programmes. We also encourage employees to do volunteering work. Wherever TFKable and JDR operate, our goal is to build lasting relationships and have a positive impact on the lives of our neighbours. We believe that through our actions we can strengthen local communities and help them grow, creating a more sustainable and balanced place to live in for everyone.

An excellent example of our commitment is the Company Volunteer Fire Brigade at the TELE-FONIKA Kable plant in Bydgoszcz. For years, our firefighters have been helping organise important events for local residents. In 2022, the unit ensured fire safety at the 21st Mystery of the Lord's Passion event and organised the 8th edition of the Indoor Competition of Youth Firefighting Teams.

At TFKable, we also organised another art competition for our employees' children. The aim was to involve children to show how their parents working in the production plant can help build a safe future. The competition was entered by 78 participants who created 85 pieces of work, the youngest child being 2 years old and the oldest 15 years old.

For many years, JDR has organised a summer charity ball, a charity walk, a picnic and a kart race every year. In 2022, over £21,000 was raised during these events for Mesothelioma UK and ReadLey. For its commitment, the company received the Corporate Fundraiser of the Year award from Mesothelioma UK.

2.5. Corporate governance and risk management

[GRI 2-23] [SDG 16] [GPW G-P2]

With our efforts we ensure TFK.Group is a coherent organization in terms of its values and ethical principles. Work on unifying all TFKable and JDR codes and policies is in progress with both companies adopting similar international standards and approaches to doing business on a day-to-day basis.

Risk management is the foundation of TFKable's corporate governance. At the core of our risk management process is the precautionary principle, which means we do not make any decisions or take action without first assessing the risk. By risk, we mean not only the risk to the organisation and its subsidiaries but also to the communities in which we operate, and to the natural environment. That's why we make sure that the precautionary principle remains our beacon in every single decision-making processes. The risk management process is supported by internal rules of conduct in all areas of our business. We comply with the industry rules and standards of management, which are regulated by relevant certificates and permits. We also comply with national and international standards and regulations.

TFK.GROUP VALUES

TFKable	JDR
Reliability – reliable and efficient products, professional services and expert knowledge	**Health, safety and the environment** – these are always our priority
Integrity – trust and respect for acting in the right way	**Leadership** – leading by example at all levels
Responsibility – respecting human dignity, rights and freedoms	**Flexibility** – responding to the needs of our customers
Passion – inspiration, creativity, broadening knowledge and building competence	**Customer Centricity** – cooperation with our clients
Quality – pride in our products and services	**Ethics and integrity** – integrity, fair play and respect
Innovations – cooperation within a safe, communicative and transparent organisation	**Responsibility** – care for our employees and the communities in which we operate
Teamwork – supporting accountability, development, leadership and equality	**Teamwork** – finding better ways to get things done every day

TFK.GROUP MISSION:

- **Continuous improvement** of our competences and practical expertise, confirmed by meeting certification requirements, resulting in a strong team of world-class experts
- **Sustainability –** striving to improve our products and processes with innovation to be able to delivering them in an increasingly clean, smart and sustainable way
- Design, production and delivery of **modern innovative technologies** with versatile applications
- **Innovations increasing production capacity,** including the use of modern technologies and effective use of market opportunities, enabling us to deliver a wide range of products on time, in a convenient place and at competitive prices, while ensuring stable growth
- Active engagement of and cooperation with local companies and organisations in initiatives aimed at developing local talents and encouraging the choice of the cable manufacturing industry to build a career.

[GRI 2-23] [205-3] [3-3] [SDG 16] [GPW G-P2] [GWP G-P3]

Wherever we operate, TFK.Group has a strict no tolerance policy for any form of corruption or bribery, and the Group's employees are trained in recognising, understanding and counteracting corruption. At JDR, these issues are regulated by the JDR Anti-bribery and Corruption Policy, and in TFKable – in the Anti-Corruption Policy. In 2022, TFKable recorded one case of corruption involving reclassification of waste. We terminated cooperation with the responsible entity, and an official investigation was initiated, which as of the date of drawing up this report has not yet been completed. No corruption-related incidents were recorded at JDR.

[GRI 2-15] [SDG 16]

We also counteract conflicts of interest. At TFKable, these issues are regulated in the Company's Articles of Association and the Work Regulations of the Management Board, and the Code of Commercial Companies. At JDR, this area is subject to reporting by members of the Board of Directors every year in the company's financial statements.

[GRI 205-1] [3-3] [SDG 16]

TFKable manages corruption risk in a systemic manner. The company has defined five main associated risks:

- **Selection of an unfavourable offer in the process of selecting offers for supplies and works**
- **Lowering criteria for selecting suppliers and offers (risk of hidden costs or inferior quality)**
- **Giving preference to sub-suppliers or paying excessive freight rates in road transport**
- **Understating the cost of waste or classifying it incorrectly**
- **Risk of exporting overstated quantities from plants, forging export documentation, control of passenger traffic.**

In 2022, TELE-FONIKA Kable analysed 4 operations for corruption risks. At JDR, all operations were reviewed for corruption and 100% of employees completed anti-bribery and anti-corruption training.

[GRI 2-26] [SDG 16] [GPW G-P4]

Within the Group, we also enable employees to report information about all irregularities, not only corruption, and to receive advice on ethical issues. Our procedures enable reporting with and without disclosing identity, and whistle-blowers will receive full protection against any potential retaliation. At TFKable, the irregularity reporting system is based on:

- **Internal reporting regulations identifying secure communication channels;**
- **Reporting procedures ensuring anonymity of the reporters;**
- **Follow-up actions taken by the dedicated Compliance team to review information on illegal actions, and to introduce solutions and identify possible actions that may be taken if law has in fact been violated.**

The TFK Compliance team has been created as the internal entity that handles incidents reported at TELE-FONIKA Kable. Safe communication channels for reporting irregularities are: TFK Compliance contact telephone number, compliance@tfkable.com e-mail address, the contact form on the website, and the option to report an incident directly to the TFK Compliance team.

A Whistle-blowing Policy is in place at JDR, and irregularities can be reported by calling a hotline operated by an external independent organisation using Ethicspoint software. The British company has also introduced a Grievance Policy and Procedure. Employees can submit written grievances to their line manager or, if the matter concerns the manager, directly to the HR department. Depending on the nature of the information, appropriate steps are taken and the matter is investigated without undue delay. JDR also operate an External Grievance Policy, wherein suppliers and other 3rd parties can raise a concern to JDRcompliance.officer@jdrcables.com.

[GRI 2-6] [2-23] [2-24] [SDG 16] [GPW G-P2]

TFKable and JDR also maintain Anti-Modern Slavery and Human Trafficking Policies. All over the world, when signing contracts, we only choose to work with companies that we are certain do not practice slavery or human trafficking. We regularly conduct due diligence processes at our vendors every year. As part of the process, we ask vendors to complete questionnaires in which they report on their approach to human rights, child and forced labour, anti-discrimination and employee rights. The policy is consistent with the Integrated Management System based on ISO standards.

Organising the network of our suppliers, we want to have a positive impact on the economies and communities close to our plants. That is why we give priority to local suppliers, then look for contractors in the European Union, and only then on the global market.

Supply chain building principles:

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

Due to the nature of our business, the Conflict Minerals Policy is of particular importance to TFK.Group. Tin is one of the key intermediates in the production of cables. In 2022, we used 94 tonnes of tin in our plants. The Group never buys tin from regions of armed conflicts. We strictly require all our tin suppliers to declare the origin of their tin down to the refinery. We only work with companies that are able to confirm the legality and sustainable origin of the tin they offer.

2.5.1. Corporate governance

Effective management of our impact requires meeting the highest standards of corporate governance in our activities and incorporating ESG factors into the management process. We ensure full compliance of internal policies with local and international law, as well as regulations related to ESG and commercial companies in individual countries. We guarantee the transparency of the management process and regularly report financial and non-financial information.

[GRI 2-27]

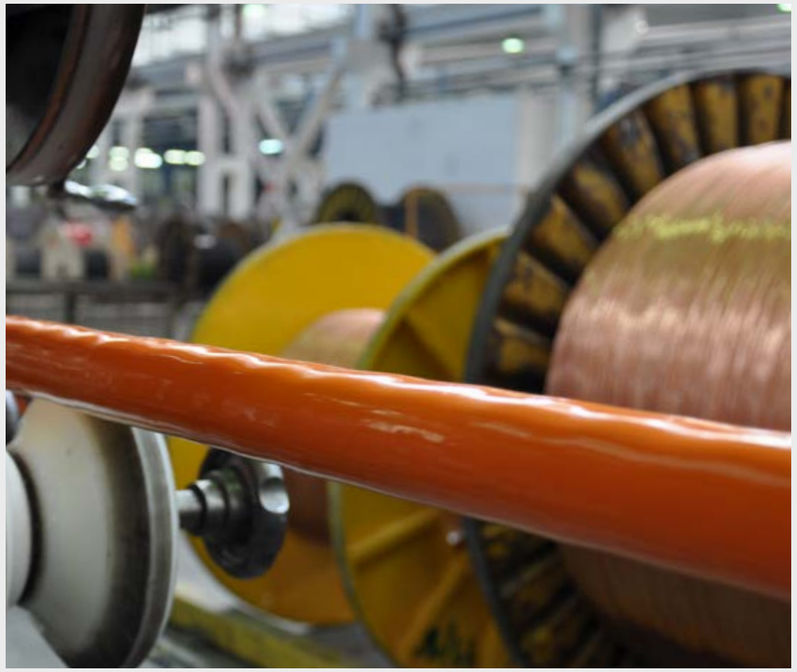
In 2022, we recorded one case of non-compliance in our operations at TFKable, which involved failure to register a shipment in the Electronic Transport Supervision System (SENT). No cases of non-compliance have been reported at JDR in 2022, and the company increased our supply-chain surveillance and internal anti-bribery and corruption training.

2.5.1.1. TELE-FONIKA Kable

[GRI 2-9] [2-10] [2-11] [GPW G-P1]

The procedure for appointing Management Board members is provided in the Company's Articles of Association. The General Meeting of Shareholders selects members from among the submitted candidates. Members are selected based on statutory criteria as well as considerations derived from good practices, such as experience, competence, and opinions of stakeholders. The Supervisory Board exercises constant supervision over TFKable in all areas of its activity. The Audit Committee is a permanent body appointed in the Supervisory Board. Aspects of the functioning of the Supervisory Board that are not regulated in the Code of Commercial Companies, are regulated in TFKable's Code of the Supervisory Board.

Members of the Management Board of TFKable are responsible for the individual areas of TFK.Group's operations. Key persons involved in managing TFKable also have important managerial roles in all TFK.Group entities. As at 31 December 2022, the Management Board consisted of three persons – one woman and two men.



These persons are:

- **Chief Executive Officer – Monika Cupiał-Zgryzek**
- **Vice President of the Management Board – Bartłomiej Zgryzek**
- **Member of the Management Board – Piotr Mirek**

Biographies of Management Board members are available on the company's website.

[GRI 2-12] [2-13] [2-14] [2-17]

All key decisions affecting TFKable's sustainable development are consulted with the company's Management Board. Members of the Management Board broaden their impact management knowledge by attending industry conferences and through training. The Management Board makes strategic decisions, approves strategic liabilities and decides on the extent and scope of disclosures in sustainable development reporting. No persons or committees responsible for impact management have been appointed within the company. Work is underway on defining roles and responsibilities in this area.

[GRI 2-16] [2-18]

TELE-FONIKA Kable does not have a procedure for communicating critical issues or evaluating the performance of top management. The company was in the process of defining these processes in 2022.

2.5.1.2. JDR

[GRI 2-9] [2-10] [2-11] [GPW G-P1]

JDR Cable System Limited and its subsidiaries are governed by the Board of Directors of JDR Cable Systems Ltd, which consists of several management teams and is constituted by: the Chief Executive Officer (CEO), Chief Strategy & Compliance Officer (CSCO) and Chief Operating Officer (COO). In 2022, the Board of Directors consisted of six men and one woman. The criteria for appointing members of the Board of Directors include competencies and stakeholder opinions, as well as diversity considerations and independence.

JDR's Executive Management Team, assigned the appropriate roles and responsibilities of running the company, report to JDR's CEO.

Employee Forums have been established for JDR Hartlepool, Newcastle and Littleport plants, which cover certain aspects of internal and external social responsibility – one for the joint Hartlepool and Newcastle facilities, and one for Littleport. The purpose of the forum is to discuss more general issues that concern the company and its employees.

JDR's Chief Executive Officer (CEO) ensures that the management is involved in the organization's policies, including health and safety, environment, quality, ethics, anti-bribery and corruption, as well as privacy policy.

The Chief Strategy & Compliance Officer (CSCO) oversees the review of anti-bribery and anti-corruption procedures, anti-modern slavery procedures, gift and hospitality records, and dedicated channels for confidential reporting of irregularities.

The Data Protection Officer (DPO) is responsible for ensuring compliance of JDR's data protection policy with the applicable regulations and submits reports to the management board of TFKable and the Board of Directors.

JDR's Board of Directors in 2022:

- **Executive Chairman – Monika Cupiał-Zgryzek**
- **Chief Executive Officer (CEO) – Tomasz Nowak**
- **Chief Financial Officer (CFO) – Bartłomiej Zgryzek**
- **Chief Operating Officer (COO) – Mark Braybrooke**
- **Chief Strategy & Compliance Officer – James Young**
- **Non-executive Director – Piotr Mirek**
- **Non-executive Director – Colin McKay**

[GRI 2-16]

In 2022, JDR recognized the war in Ukraine as a critical global economic and continuity of business issue. The Chief Executive Officer initiated JDR's Business Continuity Procedure, and an interdisciplinary working group headed by a Senior Manager with the objective of managing the impact of the conflict on JDR's global business operations.

[GRI 2-12] [2-14] [2-17]

The Board of Directors is involved in developing and revising JDR's goals, values, missions, strategies, policies and goals related to sustainable development, and important matters are discussed during its meetings. On a quarterly basis, the Chief Strategy and Compliance Officer reports compliance and ESG information, including the company's environmental impact. The Management Team uses the output produced by tools such as the Materiality Matrix or Customer Mood Monitors to make adjustments to the offer and minimise the negative impact on stakeholders. In 2022, members of the Board of Directors completed the Carbon Literacy training, which concerned the sustainable development of the company.

The Board was also briefed by the Chief Strategy and Compliance Officer on JDR's increasing requirements for reducing emissions and enhancing sustainability initiatives to reduce environmental impact.

[GRI 2-13] [2-18] Some tasks related to sustainable development are delegated by the Board of Directors to the heads of the relevant departments. Execution of the activities is monitored through monthly reports created for the Board of Directors.

2.5.2. Th!nk Safety and Th!nk Quality

At TFK.Group, we take advantage of the best solutions from both companies and implement them as standards throughout the Group. Examples include the unique TH!NK SAFETY and TH!NK QUAL!TY programmes that were very successful at JDR, and have been implemented in the entire TFK. Group. Their broad scope supports the continuous improvement of the organisation and fosters building a culture of caring about quality, safety, and elimination of waste. Results are achieved thanks to a number of tools and methodologies, and the key to success is to ensure space and offer employees real opportunities to contribute to introducing improvements within their area of competence and in their workplace. The first Polish facility where the programmes have been implemented in full is the plant in Bydgoszcz.

- **Thanks to the KAIZEN methodology, in 2022, employees in Bydgoszcz submitted 101 ideas: 27 concerning eliminating waste, 32 related to safety, and 42 for improving quality.**
- **Thanks to the Total Productive Maintenance procedure, we plan regular inspections of key production equipment and reduce the number of potential malfunctions. As a result we are able to meet our commitments to customers on time. In 2022, the TPM covered 35 of the most important production line machines at the plants in Bydgoszcz and Kraków-Wielicka, and 57 inspections were carried out according to a precisely defined schedule.**

We encourage employees to submit their ideas for improvements, and initiatives can be suggested in three ways: through the Th!nk Quality cards, the engineering process change form or the continuous improvement form. The TH!NK SAFETY programme instils a sense of responsibility in our employees for safety in the work environment. The programme encourages employees to monitor 21 key risk factors, and report their observations and the actions that have been taken through the dedicated TH!NK SAFETY cards.
At JDR, we received 3,194 TH!NK SAFETY cards and 1,142 TH!NK QUALITY cards in 2022. We have implemented 145 safety and quality improvements. Examples include replacement of wedges under cable reels, improvement of visibility for forklift drivers, installation of quick couplings and replacement of pressure gauges on regulators with digital ones.

2.5.3. ESG risk management

[GRI 2-25]

At TFK.Group, we treat sustainable development not only as a business commitment and challenge, but above all as an opportunity to increase our competitive advantage on the market. We are aware of the growing importance of ESG not only for institutional stakeholders, but also for customers and employees of both companies in the Group. We respond to these expectations with a responsible social and environmental policy that makes us even more credible and trustworthy. We monitor the impact of our activities and products on the environment and surroundings. We mitigate risks through policies and procedures that regulate our activities: from sourcing raw materials, through production, sales, and relationships with business partners, to employee management.

In 2022, we started working on defining our strategic priorities and ESG commitments. We identified key areas based on the requirements of the most important global ESG ratings for industries considered relevant for TFKable, SASB indicators and material issues suggested by stakeholders, in accordance with the materiality matrix prepared with the sustainability report in mind. We also identified the Sustainable Development Goals and matters that competitive companies consider important.

Ultimately, we want our commitments and strategic ESG priorities to cover climate, the circular economy, employees, communities and stakeholders, as well as the supply chain.

In 2022, we also continued working on TFKable joining Science Based Targets (SBTi), an initiative that defines and promotes best practices in setting greenhouse gas emission reduction targets based on the latest scientific knowledge. It also independently verifies reported emission reduction targets.

[GRI 2-23] [GPW G-P2]

Selected sustainable development policies:

TFKable:

- Conflict Minerals Policy
- Health and Safety Policy
- Quality Policy
- Environmental Policy
- Anti-Modern Slavery and Human Trafficking Policy
- CSR Policy
- Code of Professional and Ethical Conduct

Selected sustainable development policies:

JDR

- Code of Ethics
- CSR Policy
- Quality, Health and Safety and Environment Policy (QHSE)
- CSR Policy
- Responsible Sourcing Code
- External Grievances Policy
- Conflict Minerals and Human Trafficking Policies

GOOD PRACTICE

We have introduced the Corporate Social Responsibility Policy at TELE-FONIKA Kable, which identifies the company's goals. These are:

- **Investing in work safety and comfort**
- **Introducing the Code of Professional and Ethical Conduct**
- **Supporting employee development**
- **Protecting the natural environment through sustainable management**
- **Raw materials and energy carriers, launching environmentally friendly products, rational management of the generated waste, and implementation of the circular economy model**
- **Introducing the corporate social responsibility principles into the supply chain – defining standards for contractors pertaining to human rights, labour law and environmental protection.**

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

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.

Climate-related risks and opportunities for TELE-FONIKA Kable were identified in 2023. Involved in the process were representatives of individual TFKable units. Two categories of climate-related risks and opportunities were identified and assessed: physical, concerning the physical aspects of climate change (e.g. extreme weather), and transition – resulting from the need to transition to a low-carbon economy.

A risk assessment was performed for two timeframes, namely 2023–2030 (short and medium) and 2030–2050 (long), along with two climate scenarios presented by the IPCC:

- **RPC 4.5: a scenario assuming the introduction of new technologies in order to drive greater reduction of greenhouse gas emissions than at present**
- **RPC 8.5: a scenario assuming the current growth rate of greenhouse gas emissions, in the 'business as usual' model.**

Legend

R1 - R6 risk
S1 - S7 opportunity

physical - as a result from the physical impacts of climate change
transition - as a result from transition to a low-carbon 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

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

Based on the assessment, the following climate-related risks and opportunities for TFK have been identified:

Nr	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				

Nr	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				

Legend

R1 - R6 risk
S1 - S7 opportunity

physical - as a result from the physical impacts of climate change
transition - as a result from transition to a low-carbon 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

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

Nr	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				

Legend

R1 - R6 risk
S1 - S7 opportunity

physical - as a result from the physical impacts of climate change
transition - as a result from transition to a low-carbon 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

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

2.6. Tax strategy

[GRI 207-1] [3-3]

TFKable meets the legal obligation to draw up and publish information about its tax strategy. The strategy adopted by the company ensures effective and consistent management of tax governance, tax risk, human resources and organisation of the tax function. When trading and conducting business on local or foreign markets, TELE-FONIKA Kable remains transparent and diligent, including our approach to taxation. The company is a Polish tax resident and meets the tax obligations as legally required, both in terms of taxes and other levies.

The implemented mechanisms ensure the proper discharge of tax obligations and timely payment of public liabilities. The company does not practice any form of tax optimisation or avoidance, and does not choose to increase its tax risk which could in any way lower the proceeds to the central or local government budget. As regards tax settlements, TFKable's priority is tax security interpreted as mitigating the risk of tax arrears and the risk of sanctions under specific regulations.

The procedures and policies that concern the performance of obligations under the tax law include:

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

The company has also introduced additional internal regulations. They contain a list of good practices and procedures that have an indirect impact on meeting tax law obligations. Examples of such regulations include procedures for internal audits, product benchmarking rules, executing investment projects or instructions on how to deal with complaints and grievances, as well as ordering external services.

UK law does not require JDR to have a formal tax strategy. In all its activities, the Company complies with the tax laws and requirements of the jurisdictions in which it operates. JDR also cooperates with tax advisors on certain aspects of legislation to ensure compliance and at the same time take advantage of the relevant reliefs permitted under law.

2.7. Managing relationships with stakeholders

[GRI 2-29]

At TFK.Group we build relationships with stakeholders based on dialogue. We inform about our strategies, performance and current activities. We consider dialogue with our stakeholders to be an opportunity to pursue a long term strategy and a way for our organisation to develop in a sustainable way.

[GRI 3-1]

As a result of this dialogue, in 2022 we compiled a list of important matters for 2021. As this report was being drawn up, the list was validated by a project team supported by an independent ESG consultant. The most important issues were also verified at TFKable and JDR through an internal survey.

[GRI 3-2]

List of the most important issues for TFKable in 2022:

- **Employee health and safety**
- **Employees in the value chain (new in 2022)**
- **Recycling**
- **Employee well-being**
- **Employee education and development**
- **Employees in the organisation: equal opportunities (new in 2022)**
- **Waste and waste management**
- **Use of raw materials (new in 2022)**
- **Energy and energy consumption**
- **Employment and job creation.**

List of the most important issues for JDR in 2022:

- **Product quality**
- **Employee health and safety**
- **Clients and users: responsible marketing and sales, customer service quality (new in 2022)**
- **Supply chain responsibility**
- **Diversity and equal opportunity**
- **Employee rights (new in 2022)**
- **Employee education and development**
- **Recycling**
- **Salaries**
- **Climate change (new in 2022).**

In this report, we present the following important issues for the TFK Group:

- **Health, safety and welfare, and other employee rights**
- **Diversity, equal opportunity and salaries**
- **Employee education and development**
- **Employment and job creation**
- **Responsibility and employees in the value chain**
- **Product quality, responsible marketing and customer relations**
- **Climate changes**
- **Energy and energy consumption**
- **Use of raw material**
- **Waste, waste management and recycling.**

We have identified key stakeholder groups and adjust the frequency and tools of communication to their needs. We have created a map of stakeholders, and classified them into groups by the strength of the relationship and the level of impact. We build relationships with each of the groups based on different measures and tools, so as to align the dialogue methods to the needs and expectations of stakeholders. The ways and methods of communication with stakeholders are described in the Information Policy.

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

Public administration/EU:
- Reporting
- Consultations
- Working groups

Employees:
- Direct communication – meetings, phone calls
- Online communication/intranet
- Performance review
- Consultations
- Providing information

Clients:
- Product information
- Visits of sales representatives
- Product training
- Satisfaction surveys and interviews
- Marketing communication
- Online audits

Competition:
- Meetings
- Fairs and conferences
- Online communication
- Monitoring

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

Local communities:
- Meetings
- Charity and sports activities
- Factory visits

Certification bodies:
- Meetings
- Audits
- Reports

Financial institutions:
- Meetings
- Reporting

Local authorities:
- Meetings
- Reporting

2.8. Human rights and employees rights

[GRI 406-1] [3-3] [SDG 8]

At TFK.Group, there is no place for discrimination in any form, and our stance on this matter is known to all employees. It is made clear in the internal regulations of each of the companies in the Group. TFKable's internal anti-mobbing policy clearly prohibits violence and discrimination in the daily conduct of all employees in the company. At JDR, this area is regulated by the Code of Ethics. In 2022, no cases of discrimination were recorded in any of the Group companies. Essential in employment relationships are our basic principles:

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

[GRI 2-30]

There are no collective labour agreements at any of the TFK.Group companies. Equality is the fundamental principle at TFK.Group. We guarantee everyone equal opportunities for building a career and professional development, fair treatment, respect and attention. We also want to offer equal pay to men and women for the same work.

[GRI 405-1] [3-3] [GWP S-P1]

Diversity of governance bodies and employees

TFKable:

Percentage of individuals within the organization's governance bodies in each of the following diversity categories:	
Gender	
Women	33%
Men	67%
Age	
Under 30	-
30–50	67%
50+	33%

Percentage of employees in the following diversity categories:	
Gender	
Women	
Senior management	28%
Middle management	14%
Specialists	35%
Production workers	5%
Production support workers	5%
Other employees	74%
Men	
Senior management	72%
Middle management	86%
Specialists	65%
Production workers	95%
Production support workers	95%
Other employees	26%

Percentage of employees in the following diversity categories:	
Age	
Under 30	
Senior management	-
Middle management	3%
Specialists	14%
Production workers	12%
Production support workers	12%
Other employees	-
30-50	
Senior management	58%
Middle management	61%
Specialists	62%
Production workers	52%
Production support workers	45%
Other employees	43%

Percentage of employees in the following diversity categories:	
Age	
50+	
Senior management	42%
Middle management	36%
Specialists	24%
Production workers	36%
Production support workers	43%
Other employees	57%

[GRI 405-1] [3-3] [GWP S-P1]

Diversity of governance bodies and employees

JDR:

Percentage of individuals within the organization's governance bodies in each of the following diversity categories:	
Gender	
Women	25%
Men	75%
Age	
Under 30	-
30–50	75%
50+	25%

Percentage of individuals within the organization's governance bodies in each of the following diversity categories:	
Age	
Under 30	
Senior Management	-
Middle Management	6%
Specialists	6%
Other employees	19%
30-50	
Senior Management	75%
Middle Management	56%
Specialists	68%
Other employees	52%

Percentage of individuals within the organization's governance bodies in each of the following diversity categories:	
Age	
50+	
Senior Management	25%
Middle Management	38%
Specialists	26%
Other employees	29%

[GRI 2-19] [2-20]

The remuneration policy for all employees takes into consideration the duties and responsibilities for a given position, as well as market rates. Remuneration calculation is supervised by the JDR Executive Management Team with the support of the HR department. Remuneration of members of the most senior governance body consists of fixed and variable pay. All additional benefits, such as bonuses or severance pay for terminated employees, which constitute the variable part of remuneration, are considered individually depending on the current market situation and business logic.

TFKable complies with the Remuneration Policy, which sets the terms of remuneration for work and granting other benefits. The Policy applies to all employees of the company, except for members of the Management Board and the Chief Accountant. The terms of the Remuneration Policy are set in consideration of the type of work performed, its amount, quality, difficulty, physical and mental effort, responsibility related to the position held and qualifications required to perform the work. Also considered are the performance and employee reviews.

[GRI 405-2] [3-3] [GWP S-P2]

TFKable:

The ratio of basic salary of women to men:	
Senior management	97%
Middle management	131%
Specialists	88%
Production workers	97%
Production support workers	93%
Other employees	81%

The ratio of remuneration of women to men:	
Senior management	97%
Middle management	123%
Specialists	86%
Production workers	97%
Other employees	86%

JDR:

The ratio of basic salary of women to men:	
Senior management	90%
Middle management	36%
Specialists	62%
Other employees	95%

The ratio of remuneration of women to men:	
Senior management	86%
Middle management	69%
Specialists	60%
Other employees	79%

JDR has a Human Rights Policy, which is in line with the UN Principles and Guidelines for Multinational Enterprises. The policy regulates relations with employees, contractors, suppliers and partners, as well as communities affected by the company's business operations. The company undertakes to:

- **Treat employees and those affected by the company's activity fairly and without discrimination;**
- **Ensure safe working conditions;**
- **Oppose any form of human trafficking, forced labour and illegal child labour;**
- **Respect human rights in communities affected by JDR operations, including but not limited to rights to property, livelihood and land use, natural resources, safety, health, and access to water and sanitation.**

[GRI 2-25]

JDR has introduced policies and processes to identify and prevent or mitigate threats to human rights and remedy any negative impacts that may have been caused by the company's global operations. The company's policy is that where national and international human rights laws differ, stricter standards are applied.
The Policy is publicly available on the company's website.

3.

TELE-FONIKA Kable S.A.

3.1. About TFKable

TELE-FONIKA Kable is one of the largest European producers of cables and wires. The products of our company enable the execution of the most demanding industrial and infrastructural projects and are used in virtually all of the important sectors of the economy. We supply copper and aluminium cables and wires as well as optical fibre cables used by large domestic and foreign partners in the energy, telecommunications, electronic, shipbuilding and mining sectors.

[GRI 2-6]

At TFKable, we produce:

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

The success of TFKable has been made possible thanks to its experienced and qualified staff. The company and its employees have all the necessary qualifications, and high technological standards are confirmed by 330 quality certificates obtained from the most reputable certification bodies.

Extra High Voltage Cables
High Voltage Cables
Medium Voltage Cables
Low Voltage Cables
Cables for Photovoltaic
Building Wires
Mining Cables
Trolley wires and traction cables
Overhead Cables
Cables and Wires for special applications
Telecommunication Cables
Energy Storage Units
Medium Voltage TF Easyline MVC service line

TFKable products are manufactured in one Serbian and three Polish production plants.

A

KRAKÓW-WIELICKA PLANT

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

- **100 productions lines**
- **GMM01 and GMM02 rubber compound mixers**

B

BYDGOSZCZ PLANT

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

- **50 productions lines**
- **10-500kV – voltage range**
- **CCV lines for applying XLPE insulation (including lines for the production of high voltage cables)**

GOOD PRACTICE

A Stakeholder Engagement Plan has been introduced in 2023 in connection with the planned expansion of the TFKable plant in Bydgoszcz. A detailed list of stakeholder groups was developed along with an assessment of impact and interest in expanding the plant, both at the construction stage and in subsequent operation. Also defined were the key principles of engaging stakeholders in the project:

- **Openness and transparency towards stakeholders, engaging in an open process and providing information on relevant aspects;**
- **Responsibility and openness to accountability for the impact of activities under the project;**
- **Relations with stakeholders based on trust and mutual agreement to act in good faith;**
- **Respect for the interests, opinions and aspirations of stakeholders;**
- **Responsiveness and consistency of responses to stakeholders.**

A stakeholder engagement plan was prepared based on the stakeholder map, impact assessment and the relevant rules. Planned activities include creating an online page with comprehensive information on the project and contact details, implementing a system for submitting comments and organising field visits for the media and local entrepreneurs as well as the scientific community.

TFKable products are manufactured in one Serbian and three Polish production plants.

C

MYŚLENICE PLANT

The plant in Myślenice manufactures telecommunication and fibre optic cables, computer and automotive cables.

- **69 production lines**
- **432 fibres in the produced fibre optic cables**
- **Classes 1, 2, 5 and 6 produced by the plant**

TELE-FONIKA Kable was established on 7 April 1992 at Drogowców Street in Myślenice. The Myślenice plant was our first factory and started production in June 1994. The most modern machinery in the world was installed at the plant, integrated into a coherent and highly automated production line. These included foam-skin and skin-foam-skin insulation tandem lines, integrated with a reel storage robot and SZ stranding machines. Specialist cable machinery was purchased from renowned companies, including Nokia-Maillefer (Switzerland), Robotech (Austria), Frisch (Austria), and Ceeco (Canada).

Over the past 30 years, we have built a modern TFKable Group with skilled teams of professionals; a family business that undertakes challenges in various areas and sectors of modern power engineering, industry and the international supply chain. Our business is equally committed to manufacturing and supplying cables for the Polish energy sector and the operators of various sea and ocean deposits. We are actively engaged in the green revolution which involves the development of offshore wind energy.

Monika Cupiał-Zgryzek
Chief Executive Officer of TELE-FONIKA Kable S.A.

D

ZAJECAR PLANT (SERBIA)

The plant at Zajecar produces copper and aluminium wires, low and medium voltage cables, signalling and controlling cables, telecommunication cables, halogen-free wires and cables, and automotive cables.

- **57 production lines**
- **300/300–20/35 kV – voltage range**

Overview of TFKABLE cables and wires by sector:

HIGH VOLTAGE

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

CONSTRUCTION

- Flexible
- Not spreading flames, gases, and fumes
- Excellent identifiability (structural and visual marking)
- Easy to handle – separating thread
- Durable – high-quality insulation
- Anti-rodent barrier
- Torsion-resistant and work in low temperatures

POWER GENERATION AND RAIL

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

TELECOMMUNICATION

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

MINING

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

Key projects in 2022:

- **Contract for the supply of low-voltage multicore cables to the new Czechnica CHP plant in Siechnice near Wrocław, being developed by PGE. The heat and power plant will be an important source of energy for the inhabitants of the southern part of Wrocław and the commune of Siechnice. The plant is expected to start operating in 2024, and the gas-steam CHP unit will enable the transition from coal to environmentally-friendly solutions, and will improve energy security.**
- **Contract with SachsenEnergie AG, Germany for the supply and installation of 12.5 km of 110 kV XLPE cables of the latest design with integrated fibre optic modules and high voltage cable accessories. To ensure efficient utilisation of the cables, they will be installed using a technically sophisticated cross-bonding technique.**
- **Delivery of over 16 km of 220 kV cable for the redevelopment of the Mraclin power substation in in Velica Gorica, Croatia.**

We share our knowledge, experience and achievements with the industry. In October, we attended the PES-ICC Fall 2022 fair in Orlando, USA, an event which brings together representatives of the most innovative companies in the cable industry. Our representatives participated in the Transnational Luncheon panel, during which they presented the details of the project near Lima, Peru, and the challenges associated with laying cables in urbanised areas.

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

We have been conducting a customer satisfaction survey at TFKable every year since 2018. In 2022, we conducted an online survey in three languages: Polish, German and English. We sent the survey to 4,859 customers who bought at least one TFKable product in the past 12 months. The key part of the questionnaire involves 12 questions about the most important processes in our company, namely:

- **Product offer**
- **Product ordering process**
- **Complaint handling**
- **Managing relationships with stakeholders.**

Selected results of the customer satisfaction survey in 2022:

91% of customers are satisfied with their collaboration with TFKable

74% positively assess completeness of technical parameters included in product cards

71% customers have a positive opinion about our certificates

70% of customers have a positive opinion about packaging and product safety during transport

3.2. Sustainable supply chain

[GRI 2-6]

We have built a responsible supply chain at TFKable, where ethical issues are as important as economic considerations. To cooperate with our company, any potential business partner needs to be socially and environmentally responsible. All companies that cooperate with us and want to continue this cooperation are required to provide information on their ethical principles through the use of a questionnaire every year, and their compliance is verified during supplier audits. In 2022, our internal team started working on the Supplier Code.. The team have analysed the best industry practices for suppliers, solutions already in place at the company and the latest ESG requirements that TFKable need to comply with in the area of supply chain management. Our Supplier Code is planned for formal implementation during 2023.

In a sustainable supply chain, we see an opportunity to make our Group more competitive. When organising deliveries, we follow clearly defined goals and principles. What matters is:

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

GOOD PRACTICE

Several departments are involved in the development and operation of the supply chain at TFKable, including: Technology, Planning, Quality Control, Production and Finance, as well as warehouses. The Company keeps the Register of Approved Suppliers, with 158 entries as at 31 December 2022. Suppliers are evaluated twice a year, and the evaluation criteria are provided in the Supplier Selection and Evaluation Instruction.

TFKable suppliers:

53.5% Poland

40.3% Europe

6.2% rest of the world

[GRI 308-1] [414-1] [3-3] [SDG 8]

In 2022, TFKable commenced collaboration with 15 new suppliers. Before engaging in any collaboration, we require every contractor to provide product samples, which we carefully evaluate along with the provided documentation. From suppliers we expect:

- **• Completing the self-evaluation survey, which in its new version as of 2023 will cover: good practices in product quality and production process, and good practices and performance in ESG;**
- **• REACH compliance statement concerning the protection of human life and the environment from chemicals;**
- **• RoHS compliance statement on reducing the amount of hazardous substances released into the environment;**
- **• DZ-02 statements – Human Resources Policies Questionnaire for Subcontractors;**
- **• Confirmation of meeting the environmental requirements of the ISO 14001 standard[1].**

Consistent with our approach to sourcing and thorough development, as more than 90% of in-house provenance is independently assessed and awarded the prestigious Copper Mark.

[1] if applicable

3.3. Research and development activity

The development of TFKable is based on innovation and technological advantage. Thanks to the company's modern research facilities and the work of outstanding specialists, we are able to develop cables that meet the highest standards enabling safe, hassle-free and economical operation, especially when it comes to submarine cables and high and extra-high voltage cables.

We do research and perform hundreds of tests and trials in the Fire Test Laboratory at the Kraków-Wielicka Plant and the High and Extremely High Voltage Laboratory in Bydgoszcz. We have top-class measuring instruments and laboratory equipment and our scientists cooperate with renowned domestic and international academic institutions and certification bodies.

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

The High and Extremely High Voltage Laboratory in Bydgoszcz is equipped with Faraday chambers for routine and type tests of cables, as well as cable systems with a surge generator with its own test field for qualification tests with a 500kV test system and 5000 A heating transformer sets. Using a surge generator, we locate potential damage to the cables and wires. The laboratory also researches prototypes of HVDC DC cables and EHVAC alternating current cables for higher rated voltages, and technological guidelines for their production.

SELECTED RESEARCH PROJECTS IN 2022

Mobile modular energy storage

One of the key research projects is the design of an industrial, mobile and modular electricity storage system. TFKabke formed a consortium together with the Lublin University of Technology and MPK Lublin in 2021, and we started working on modern energy storage technologies and prototypes that will revolutionise the energy market in the coming years. These systems, which are the foundation of 'green energy', will be produced and further developed by TFKable engineers during 2023.

The energy storage systems will be arranged in a container structure with the possibility of parallel connection, so as to increase the total power or capacity, depending on the user's needs. The solution is intended to support businesses and is a response to the need to reduce power consumption. Importantly, the energy storage systems will be able to be connected to a photovoltaic farm, which will increase renewable energy use, reduce energy losses, and eliminate the need of disconnection due to, for example, during voltage spikes in the electricity grid.

In 2022, we started the first stage of construction of the three warehouse prototypes at the Kraków-Bieżanów plant. We adapted the infrastructure to the needs of the newly created production division, purchased the necessary equipment and machinery, and employed highly qualified staff.

The project receives co-finance from the National Centre for Research and Development.

A new range of rubber cables

We have been developing innovative rubber cables with enhanced elastic properties for powering mining and lifting equipment. In 2022, as part of the project co-financed by the National Centre for Research and Development (Narodowe Centrum Badań i Rozwoju, NCBiR), a 16-wire drawing line and 3 twisters were purchased and installed. We have also started the assembly of a continuous vulcanisation line. The goal of the project is to eliminate steam transmission losses in the cables, which will support meeting the increased demand for process steam.

Extra High Speed Cable Laboratory

The growing need for accelerating container handling prompts the use of ultra-fast handling equipment. To respond to the market needs, the Extra High Speed Cable Laboratory was created in 2022 as part of the "Support for investments in R&D infrastructure of enterprises" measure of the Smart Growth Operational Programme 2014–2020. The Laboratory conducts research on cable structures with rubber insulation and sheath for high-speed mobile applications, and for use in handling and transport equipment. Specialised equipment has been prepared – a test crane, which simulates the actual operation of controlling and power cables on a 1:1 scale. In addition to the laboratory crane, there are also devices for testing the bending resistance at ultra-low temperatures, even down to -50°C. The research will let us optimise the structures of high-speed cables in conditions as close to the real world as possible. The goal of the research is to achieve a structure of cables that will enable them to work at a speed as high as 320 m/min.

3.4. Hiring and employee development

[GRI 2-8]

TFKable employs 2,200 people, the vast majority under a permanent contract of employment and full-time. Most of the employees are men, which is mainly due to having to perform work that requires physical strength. In 2022, the personnel working for us also included 104 people employed by temporary employment agencies, 13 people working under a Civil Law contract and 11 people on B2B contracts.

[GRI 2-7]

Total number of employees by gender	
Women	313
Men	1,916
TOTAL	**2,229**

Total number of employees by form of employment	
Permanent employees	
Women	251
Men	1,601
TOTAL	**1,852**
Temporary employees	
Women	62
Men	315
TOTAL	**377**

Total number of employees by form of employment	
Full-time employees	
Women	306
Men	1,902
TOTAL	**2,208**
Part-time employees	
Women	7
Men	14
TOTAL	**21**

[GRI 2-30] [SDG 8]

We offer employees modern workstations, transparent rules and principles, a strong foundation of values and ethics, respect and an inclusive work environment. We appreciate the commitment and ensure a friendly atmosphere every day. There are four independent trade union organisations in the company. All changes to our internal regulations, such as the Work Regulations or Remuneration Regulations, are consulted with the trade unions, in accordance with the Labour Code and the Trade Union Act.

[GRI 404-1] [404-2] [3-3] [SDG 8]

We value the ambitions of employees and help in professional development, treating it as necessary for the development of the entire company. TFPortal, our internal information website integrates our entire internal communication and training resources, including our biggest project, the TFKable Academy. The Academy comprises lectures and seminars conducted by several internal and external trainers. It is a valuable knowledge base for new employees. We also improve the competencies of employees by enabling them to attend training, courses, webinars and trade fairs. We also offer co-financing of studies. On average, each of our employees spent 4.7 hours on training in 2022.

Average hours of training that the organization's employees have undertaken in 2022, by gender:	
Women	2.6
Men	5.1

Average hours of training that the organization's employees have undertaken in 2022, by employee category:	
Senior staff	2.1
Mid-level staff	2.4
Specialists	1.8
Production workers	6.0
Production support workers	6.0
Other employees	2.9

GOOD PRACTICE

We engage interns and apprentices every year. In 2022, there were 21 such people at the Bydgoszcz plant: 15 trainee university students over the holiday period and 6 secondary school trainees. University students come from schools we routinely cooperate with, technology universities in Bydgoszcz, Gdańsk and Poznań, and the Kazimierz Wielki University. Apprentices are students of classes specialising in automatics, mechanics and electrics.

In the 2022/2023 academic year, the Bydgoszcz University of Technology launched the first edition of engineering studies in Power Engineering. Our company has been involved in creating the curriculum and our specialists are among the lecturers. During their studies, fifth semester students will complete a six-month hands-on training at the Bydgoszcz plant under the supervision of specialists from the factory. To promote the new major, we organised a series of meetings with high school students from the Kuyavian-Pomeranian Voivodeship. We invited students to our factory and presented post-graduation employment and development opportunities. We were visited by students from seven schools in 2022. We also conducted separate meetings for students from the Association of Polish Electrical Engineers at the Bydgoszcz University of Technology and the Poznań University of Technology.

[GRI 401-2] [3-3] [SDG 3] [SDG 8]

All employees of our company are offered attractive non-wage benefits. These include, for example, shopping vouchers, additional life insurance, hardship benefits for employees covering against accident or illness and medical care. We also offer rewards and preferential working conditions to employees with a long employment history.

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

[GRI 401-3] [3-3]

Total number of employees that took parental leave in the reporting period	8
Women	8
Men	0
Total number of employees that returned to work in the reporting period after parental leave ended	2
Women	2
Men	0
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	10
Women	9
Men	1

Return to work rates of employees that took parental leave	
Women	40%
Men	-
Retention rates of employees that took parental leave	
Women	82%
Men	100%

[GRI 401-1] [3-3] [GWP S-P3]

Total number of new employee hires during the reporting period, by	393
Gender	
Women	56
Men	337
Age	
Under 30	145
30-50	191
50+	57

Rate of new employee hires during the reporting period, by	1.6%
Gender	
Women	2.2%
Men	13.4%
Age	
Under 30	5.8%
30-50	7.6%
50+	2.3%

Total number of employee turnover during the reporting period, by	304
Gender	
Women	41
Men	263
Age	
Under 30	78
30-50	141
50+	85

Rate of employee turnover during the reporting period, by	12.1%
Gender	
Women	1.6%
Men	10.5%
Age	
Under 30	3.1%
30-50	5.6%
50+	3.4%

3.5. Health and safety of employees

[GRI 403-1] [403-3] [403-6] [403-7] [403-8] [3-3] [SDG 3] [SDG 8] [GWP S-S1]

We create a safe working environment for thousands of employees. We have introduced a management and work safety system at the plant in Bydgoszcz that meets the requirements of the international ISO 45001 standard. In the remaining facilities, supervision over employees is based on procedures and instructions aligned with the ISO 45001 standard. All employees of our plants are subject to these procedures.

The Health and Safety Department is responsible for work safety at TFKable. Its specialists are responsible for such things as developing and implementing health and safety instructions, monitoring that the instructions are being followed, setting goals and tasks associated with safety, and organising employee health and safety training. All employees have access to preventive healthcare pursuant to an agreement with an occupational medicine clinic and undergo periodic preventive examinations.

[GRI 403-5] [3-3]

Occupational Health and Safety (OHS) trainings are planned and conducted as required by law and as per the needs of TFKable. Employees are provided with:

- **Onboarding training (general)**
- **Periodic training**
- **Training of in-company firefighting teams.**

GOOD PRACTICE

We also conduct trainings on the risks occurring on-premises for employees of external companies working in our plants.

[GRI 403-4] [3-3] [SDG 8] [SDG 16]

OHS employees interact with employees directly during occupational health and safety training, and on an ongoing basis in the plants. Each employee is informed about the hazards at the workplace and is required to read the instructions and procedures associated with the given position. We also inform employees about the results of measurements performed in the work environment by making this information available on notice boards.

TFKable also has a Health and Safety Committee, an advisory and consultative body. Its main tasks include reviewing working conditions, periodic assessment of health and safety conditions, giving opinions on actions taken to prevent accidents at work and occupational diseases, and making suggestions for improving health and safety conditions.

[GRI 403-2] [3-3] [SDG 8]

At TFKable, we have put in place processes that allow us to identify and assess the risks associated with working in our plants. The quality and consistency of this process is ensured by a risk assessment manual along with training provided to employees who participate in the assessments. Risk is analysed periodically and after each event of a negative impact.

All employees have the opportunity to report work-related risks and dangerous situations directly to the OHS employees or their superiors. The laws that the company complies with, the Work Regulations and other procedures fully protect persons reporting risks against any form of retaliation.

Causes are being investigated following every accident or near miss event. It serves to make decisions on what corrective actions can be taken.

Each employee is also required to read the Occupational Risk Assessment Sheet. Each change that increases the risk prompts re-identification of hazards, reassessment of risk and drawing up a new Risk Assessment Sheet.

In 2022, we recorded one case of occupational illness.

Number of accidents at work/1,000 employees	28
Number of near misses/1,000 employees	5
Number of days of sickness absenteeism caused by accidents at work/1,000 employees	3,155

[GRI 403-9] [3-3] [GWP S-S1]

Employees	
The number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
The number of high-consequence work-related injuries (excluding fatalities)	0
Rate of high-consequence work-related injuries (excluding fatalities)	-
The number of recordable work-related injuries	63
Rate of recordable work-related injuries	16.2
The main types of work-related injury	Wounds and superficial injuries to the fingers
The number of hours worked	3,878,366

For all workers who are not employees but whose work and/or workplace is controlled by the organization	
The number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
The number of high-consequence work-related injuries (excluding fatalities)	0
The number of recordable work-related injuries	2
Rate of recordable work-related injuries	7.04
The main types of work-related injury	Contusion, fracture, finger wound
The number of hours worked	-

Every employee is obliged to:

- Immediately report to the superior any information related to the workplace that may have a negative impact on health or is life-threatening
- Report any near-miss events to the Health and Safety Specialist, or to the shift manager at the time
- Comply with the corrective actions that follow the investigation of the near-miss event

3.6. Impact on the environment

The impact of TFKable on the natural environment is regulated by: the environmental management system, the Environmental Policy, and responsible environmental risk management along with other internal company procedures. The implemented best production practices allow us to make effective use of resources and raw materials. No significant financial penalties or non-financial sanctions were imposed on TFKable in 2022 for non-compliance with environmental law or regulations.

[GRI 304-1] [304-2] [304-3] [3-3]

Our company does not record any significant negative impact on biodiversity. Our facilities are not adjacent to areas categorised as environmentally valuable or to habitats of protected species of animals and plants.

3.6.1 Water resources

[GRI 303-1] [3-3] [SDG 6] [GPW E-S4]

TFKable uses water for production and people-related purposes. Water for people-related and technological purposes is purchased mainly from external suppliers (water companies). A small amount drawn from our own underground water sources can be used for people-related purposes and surface water is used for watering plants.

Cooling water used in technological processes is in a closed loop system. They are discharged when the systems need to be cleaned. We discharge rainwater and meltwater as well as, from time to time, post-cooling water to surface waters through our own sewage systems along with our own sewage treatment plant, or through the municipal sewage systems. The Bydgoszcz plant has an on-site industrial wastewater treatment plant, and the treated wastewater is discharged to surface waters. The quality of the discharged wastewater is tested every 2 months by an external accredited laboratory, with 12 parameters being analysed.

[GRI 303-3] [3-3] [GPW E-S3]

Total water withdrawal from all areas in megalitres, and a breakdown of this total by the following sources

	2017	2018	2019	2020	2021	2022
Surface waters	2.0	3.7	5.8	4.1	4.1	4.6
Groundwater	30.1	25.0	29.0	27.8	21.5	13.3
Seawater	0.0	0.0	0.0	0.0	0.0	0.0
Produced water (obtained as a result of the extraction, processing or use of any other raw material)	-	-	-	-	0.0	0.0
Water obtained indirectly (e.g., from the local water supply network)	290.2	269.8	301.8	279.4	258.3	241.3

[GRI 303-4] [3-3] [GPW E-S3]

Total water discharge to all areas in megalitres, and a breakdown of this total by the following types of destination

	2017	2018	2019	2020	2021	2022
Surface waters	24.3	22.6	22.1	26.4	23.1	45.7
Groundwater	0.0	0.0	0.0	0.0	0.0	0.0
Seawater	0.0	0.0	0.0	0.0	0.0	0.0
Water obtained from an indirect source (e.g. local water supply) with information on how much of its volume has been transferred to other organisations (if applicable)	-	-	-	-	175.8	195.5

3.6.2. Energy and emissions

At TFKable, we reduce energy consumption and greenhouse gas emissions by consistently modernising technology and equipment, and increasing production efficiency through the implemented innovations. We use the ERCO.Net utilities management programme at TFKable, which enables us to monitor and manage the use of utilities (electricity, heat and natural gas). In 2022:

- **We installed a second flammability chamber for testing together with a flue gas treatment plant for the new and the existing chamber. Thanks to making this investment, we can conduct precise preliminary tests of all cables and wires subject to the CPR independently of the emission limits. LSOH mixtures optimisation in another benefit, which ensures harmful gases are absent during combustion.**
- **We modernised the lighting of the external plant in Myślenice and installed a 49.5 kWp photovoltaic installation on the roof of the production hall. The installation provides over 80% of the annual electricity needed for the new outdoor lighting system.**
- **We replaced the thermal insulation of the steam pipeline in Myślenice, generating over 41,692 toe in annual thermal energy savings.**
- **We have installed special insulating covers on the steam systems at the Kraków-Wielicka plant, which increase the efficiency of the steam fittings and reduce energy losses. This investment helped us generate annual savings of around 6 200 GJ, which is over PLN 156 500 Nm3 of natural gas.**
- **We installed a system of recovering heat from the compressor room and modernised the hot water unit at the plant in Bydgoszcz in such a way that the residual heat from the compressors can be used to additionally heat the hall.**
- **We have started works at the plant in Bydgoszcz on fitting an up to 1MWp photovoltaic installation. The project execution conditions agreed in 2022 are due to be completed in 2023/2024. All the generated energy will be used by the Bydgoszcz plant.**

[GRI 302-4] [3-3] [SDG 7] [SDG 12] [SDG 13]

Modernisations completed in 2022 in all TFKable plants enabled us to reduce energy consumption by

13,667 GJ

Total energy consumption at TFKable:	
2019	175,871.8
2020	160,087.9
2021	161,110.5
2022	164,978.6

[GRI 302-3] [3-3]

Energy consumption intensity at TFKable (MWh/tonne)*:	
2020	1.1
2021	0.7
2022	0.7

*Calculated based on electricity consumption only.

Energy consumption intensity at TFKable (GJ/tonne)*:	
2020	4.2
2021	4.2
2022	4.2

*Calculated on the basis of total energy consumption (electricity, heat, natural gas, fuel oil, transport fuels, LPG).

[GRI 302-1] [3-3] [GPW E-P2]

Total fuel consumption within the organization from non-renewable sources, in joules or multiples, by type used	
Electrical energy	374,529.0 GJ
Thermal energy	70,153.0 GJ
Natural gas	125,514.0 GJ
Heating oil	1 031.0 GJ
Transport fuels	22,490.0 GJ
LPG	184.7 GJ
Total fuel consumption within the organization from renewable sources, in joules or multiples, by type used	
Photovoltaics – 49.5 kWp	21.2 GJ

Total consumption (in MWh)						
	2017	2018	2019	2020	2021	2022
Electrical energy	112,081.0	111,323.0	11,351.0	98,481.0	101,188.5	104,041.7
Thermal energy	19,692.5	20,859.7	18,817.8	20,008.6	23,831.1	19,486.9
Natural gas	43,491.0	38,553.3	38,946.9	36,164.4	35,829.2	34,865.0
Heating oil	1,495.3	1,074.8	623.9	234.4	261.7	286.4
Transport fuels	-	-	-	-	-	6,247.2
LPG	-	-	-	-	-	51.3
Total energy consumption within the organisation, in joules or multiples:	183,959.8	178,482.9	175,871.8	160,087.9	161,110.5	164,978.5

[GRI 302-4] [3-3]

Amount of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, in joules or multiples	13,667.0 GJ

Types of energy the reduction concerns:	
Electricity	115.2 GJ
Heating	2,400.0 GJ
Natural gas	11,151.8 GJ
Total	13,667.0 GJ

[GRI 305-1] [3-3] [GPW E-P1]

Gross direct (Scope 1) GHG emissions [tCO_2e]

Source of the emission factors	2017	2018	2019	2020	2021*	2022
Emissions related to the generation of electricity	0.0	0.0	0.0	0.0	0.0	0.0
Emissions related to the generation of heat	5,454.1	4,792.6	4,849.8	192.0	260.9	204.4
Emissions from refrigeration and steam generation processes	0.0	0.0	0.0	4,534.0	4,370.1	4,179.9
Emissions from physical and chemical processing	0.0	0.0	0.0	0.0	0.0	0.0
Fluorine hydrocarbon (HFC) emissions	75.4	168.3	4.4	22.8	10.7	103.5
Emissions related to the transport of materials, products and waste	0.0	0.0	0.0	1,382.0	1,439.6	1,572.6
Total of direct emissions	5,529.6	4,960.8	4,854.3	6,131.0	6,081.3	6,060.4
Biogenic carbon dioxide emissions in tonnes of CO2 eq	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	5,529.6	4,960.8	4,854.3	6,131.0	6,081.3	6,060.4

* Scope 1 total emissions in 2021 presented in our previous report contained an error due to double counting of hydrofluorocarbon (HFC) emissions. We present the corrected data in the table above.

[GRI 305-2] [3-3] [GPW E-P1]

Gross indirect (Scope 2) GHG emissions [tCO_2e]*		
Type of energy	2021*	2022
Electricity	70,629.6	73,320.35
Heating	8,459.091	6,886.243
TOTAL	79,088.7	80,206.6

[GRI 305-4] [3-3] [GPW E-S1]

GHG emissions intensity ratio for the organization	0.61
Type of emission source	
Combustion in stationary sources (a)	4,384.3
Combustion in mobile sources (c)	1,572.6
Process (b)	0.0
Volatile (d)	103.5

[GRI 305-7] [3-3]

Significant air emissions (in tonnes):						
	2017	2018	2019	2020	2021	2022
SOx	0.4	0.5	0.1	0.1	0.1	0.2
NOx	5	4.5	4.3	4.1	4.0	3.1
Persistent organic pollutants, POP	0.0	0.0	0.0	0.0	0.0	0.0
Volatile organic compounds, VOC	35.0	25.8	28.6	23.3	27.8	22.7
Hazardous air pollutants, HAP	0.0	0.0	0.0	0.0	0.0	0.0
Suspended dust	1.4	1.3	1.1	0.9	0.7	0.8
Other organic compounds	-	-	-	-	-	2.4
Other non-organic compounds	-	-	-	-	-	3.5

Types of GHG emissions included in the intensity ratio	
Scope 1	6,060.4
Scope 2	80,206.6

Gases included in the calculation	
CO_2	86,163.5
HFC	103.5

* The 2021 Scope 2 emissions data presented in our previous report was incorrect due to a calculation error. We present the corrected data in the table above.

3.6.3. Waste management

[GRI 306-1] [306-2] [3-3] [SDG 12]

A significant amount of waste is generated during production of cables. The main categories of waste are raw materials, semi-finished products, products that do not meet the requirements, as well as packaging waste, including non-ferrous metals, plastics, rubber and cables. Hazardous waste accounts for around 3% of all generated waste.

We minimise the amount of generated waste by properly managing materials and storage, recycling some raw materials by feeding them back to production process (e.g. regranulation of plastics), and re-using packaging. TFKable operates carpentry workshops where wooden packaging is repaired for further use. We are also expanding our cooperation with suppliers of raw materials (mainly copper wire rods), whose declarations include a major and growing share of recycled raw material in the products supplied to TFKable.

[GRI 306-3] [3-3] [SDG 12]

Total weight of waste generated (in metric tons)	**28,276**
The total weight of waste generated a breakdown by the composition of the waste	
Non-ferrous metals	7,011
Ferrous metals	557
Plastics and rubber	6,537
Cable waste	8,923
Waste paper	467
Wooden packaging	3,828
Oils, petroleum-derived waste	411
Other	542

We systemically support the circular economy. We use waste that is generated naturally in the production process as secondary raw materials, reducing both the amount of raw materials necessary for production as well as the amount of waste generated. For years our waste recycling plant in Bukowno has specialised in recovering not only cable waste generated during the production process, but also scrapped cables and cables from disassembly at the locations owned by our company. Thanks to specialist mechanical processes of recovering resources, we are able to recover ferrous and non-ferrous metals, as well as plastic and rubber regranulate. The plant has a recycling capacity of around 10,000 tonnes of cable waste per year, and the purity of fractions recovered from the individual materials is over 99.5%. Pure copper we recover is smelted and transformed into copper rods, which are used to manufacture new cables. The remaining raw materials, namely aluminium, plastics and rubber are shipped to external companies for processing with other methods.

[GRI 306-4] [3-3] [SDG 12] [GPW E-S6]

Total weight of waste recovered (in metric tonnes)	27,187
Total weight of waste recovered by waste category	
Metals	7,233
Plastics and rubber	5,761
Cables	8,968
Packaging waste	4,335
Other	890

Total weight of hazardous waste recovered (in metric tonnes)	644
Total weight of recovered hazardous waste by recovery method (in metric tonnes)	
Preparation for reuse	
Within the organisation	0
Outside the organisation	0
Recycling	
Within the organisation	0
Outside the organisation	22
Other recovery operations	
Within the organisation	0
Outside the organisation	622

Total weight of non-hazardous waste recovered (in metric tonnes)	26,542
Total weight of recovered non-hazardous waste by recovery method (in metric tonnes)	
Preparation for reuse	
Within the organisation	-
Outside the organisation	-
Recycling	
Within the organisation	10,955
Outside the organisation	10,377
Other recovery operations	
Within the organisation	-
Outside the organisation	5,210

The TFKable waste management system in most plants ensures reduced waste production and environmentally safe processing. Waste generated in our production facilities is subject to the following treatment methods:

- **Recycling**
- **Recovery, including energy recovery (not applicable in the case of hazardous waste)**
- **Incineration or use as fuel.**

We strive to ensure that our production waste is not discarded in landfills.

[GRI 301-2] [3-3] [SDG 12]

8.48%

of the materials used in the production of TFKable cables come from recycling

[GRI 301-1] [3-3] [SDG 12]

Total weight or volume of materials that are used to produce and package the organization's primary products and services during the reporting period, by:	
Non-renewable materials used	
Raw materials	154,404
Materials that are needed for the manufacturing process but are not part of the final product	252
Packaging	2,230
Renewable materials	
Packaging	19,700

[GRI 306-5] [3-3] [GPW E-S6]

Total weight of waste sent for disposal (in metric tonnes)	331

Total weight of hazardous waste sent for disposal (in metric tonnes)	183
Total weight of recovered hazardous waste sent for disposal by treatment method	
Incineration (with energy recovery)	
Within the organisation	0
Outside the organisation	0
Incineration (without energy recovery)	
Within the organisation	0
Outside the organisation	0
Landfilling	
Within the organisation	0
Outside the organisation	2
Other disposal operations	
Within the organisation	0
Outside the organisation	181

Total weight of non-hazardous waste sent for disposal (in metric tonnes)	147
Total weight of recovered non-hazardous waste sent for disposal by treatment method	
Incineration (with energy recovery)	
Within the organisation	0
Outside the organisation	75
Incineration (without energy recovery)	
Within the organisation	0
Outside the organisation	0
Landfilling	
Within the organisation	0
Outside the organisation	20
Other disposal operations	
Within the organisation	0
Outside the organisation	52

4.

JDR Cable Systems

4.1. About JDR Cable Systems

JDR Cable Systems offers advanced subsea products and services for the renewable energy and oil and gas industries. The company is a pioneer in developing inter-array cables and exporting MV/HV power cables for offshore wind energy projects, and leaders in the production of umbilicals, subsea power cables and intervention workover control systems (IWOCS) for the oil and gas industry. Customers are offered a full range of onshore and offshore solutions, from design and selection of power and control lines for the project concept through to technical support during installation, commissioning and maintenance.

JDR actively pursues pioneering innovations that are necessary to deliver higher voltage power transmission, thus supporting the development of the offshore sector.

In September 2022, JDR celebrated its fifth anniversary of being a part of TFK.Group. Together with TFKable, the company meets the demand for innovative products that help develop renewable and more sustainable energy technologies.

JDR also provide:

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

For the offshore wind energy sector, JDR provide:

- **Subsea MV/HV power cables (Static/ Dynamic)**
- **Design of inter-array cables and accessories, including pulling grips, hang-offs, connectors, and fibre optic splice boxes**
- **A comprehensive package of services: design, production and technical support**

For the oil and gas industry, JDR provide:

- **Umblicals, subsea power cables**
- **Subsea Isolation Valve umbilicals (SSIV), Hydraulic Flying Leads and Electrical Flying Leads**
- **IWOCS cables for transferring data, monitoring and remote control**

Maintenance services:

- **24/7 technical support team for onshore and offshore projects, both wind farms as well as the oil and gas sector**
- **Ability to quickly call in certified technicians and engineers, 365 days a year**
- **Offshore support**
- **Installation and repair services**
- **Quick response in crisis situations**

A

HARTLEPOOL PLANT, VICTORIA DOCK

JDR's current largest facility is strategically located next to Hartlepool's North Sea port. The plant's modern machinery supports the production of large-size cables.

Area: 20 000 m²

Year of construction: 2009

Specialisation:

- **subsea production umbilicals**
- **subsea power cables**
- **inter-array cables.**

D

CAMBOIS PLANT, NEAR BLYTH, NORTHUMBERLAND (UNDER CONSTRUCTION)

In November 2022, JDR started construction of a new subsea cable production facility in Cambois, near Blyth, Northumberland. Construction will be completed in 2024 and the total project investment is £130 million. The plant will include a high-voltage subsea cable production line and will be the first of its kind in the UK. The construction of the plant provides over 171 jobs and the project is supported by the UK government under BEIS' Offshore Wind Manufacturing Investment Support Scheme.

Area: 69 000 m²

Year of construction: 2024

Specialisation:

- **subsea high-voltage cables.**

B

LITTLEPORT PLANT

specialist research facilities in addition to the production lines.

Specialisation:

- **Design services**
- **Engineering works**
- **IWOCS**
- **Subsea Production Umbilicals**
- **Power cables up to 100 tonnes**

C

NEWCASTLE SERVICE CENTRE

Specialisation

- **Hub for JDR's services in Europe and the Asia-Pacific region.**

GOOD PRACTICE

The purpose of JDR's project is to support the implementation of the energy system change needed for governments and society to achieve carbon neutrality by 2050. Increasing production capacity in Cambois will enable JDR and TFKable to more than triple their current output, which is essential to respond to the needs of the rapidly growing offshore renewables sector. JDR is on track to develop and embrace these green energy growth opportunities. We are proud to have joined the carbon neutrality race, which is confirmed by our recent registration with the Science-Based Targets Initiative and the achievement of another project milestone with the installation of a new cable winding machine (VLM) at the Hartlepool facility.

JDR also operates a Service Centre in Tomball, Texas, USA, carrying out assembly, integration and testing of umbilicals, reelers and associated packages. The facility provides technical support in projects executed mainly in the Gulf of Mexico, and carries out offshore commissioning, testing and repair works at sea.

Key projects in 2022:

- **A contract for the supply of 139 km of 66kV array cables that will connect 60 wind turbines at the 882 MW Moray West offshore wind farm in Scotland**
- **A contract for the supply of 100 km of 66kV array cables connecting 64 turbines at the EnBW He Dreiht offshore wind farm in Germany**
- **A contract for the supply of four subsea umbilicals ranging in length from 400 metres to 4,300 metres for the natural gas production system in the Otway basin off the coast of Australia**
- **A contract for the supply of 68.5 km of specialised JDR hoses for powering and controlling the gas extraction platform under expansion owned by Petrogas Transportation B.V and located 250 km off the coast of the Netherlands**
- **A contract for the production of 13.5 km of specialised JDR hoses for the Angola Block 15 oil production platform**
- **Two contracts in the Persian Gulf for the production of a total of nearly 9 km of specialised JDR hoses as part of the Zuluf AH Crude Increment programme**

GOOD PRACTICE

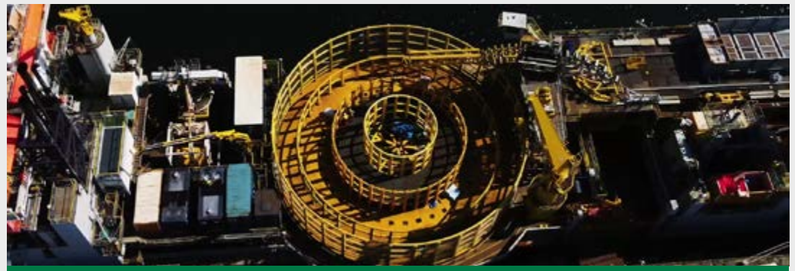
JDR was selected as the supplier and cable installer for the Vineyard Wind 1 project, the first in its scale offshore wind farm project in the United States. Covering a distance of 130 miles, these 66 kV cables will connect 62 GE Haliade-X turbines to the offshore substation, allowing power to be transmitted into the grid. This ground-breaking project will generate enough electricity to meet the needs of more than 400,000 homes and businesses in Massachusetts while creating more than 3,600 full-time jobs.

GOOD PRACTICE

In 2022, after 15 years of operation, JDR celebrated its 50th offshore wind energy project. The company created a short video presenting the scale of its operations and global reach, which is available to view on the YouTube social media platform.

JDR and TFKable are investing in new high and extra high voltage cable technologies to be produced at the new subsea cable plant in Cambois, near Blyth, Northumberland. The project is part of the long-term strategy of TFK.Group.

A CCV line will be installed at the new subsea cable plant, which will be the only high-voltage cable production line located at a quayside in the UK. This will enable JDR to concentrate the entire production process in a single location: from the purchase of raw materials to the production and delivery of ready, tested products. The line will also enable the production of longer cables to meet the increasing requirements associated with supplying cables to larger turbines located much further offshore. The location of the project will help revitalise the local economy and help to regenerate the former industrial site. It is the first production facility for subsea cables of this type in the UK.



DID YOU KNOW THAT...

JDR's first project in the offshore wind sector was supplying cables for the Beatrice Demonstrator Project; a breakthrough project to connect 5 MW turbines with the Beatrice wind energy platform. In this project, JDR supplied two short 33 kV internal cables and, at the time of delivery, these were the deepest waters for a wind farm project in the world. Subsequently, JDR supplied 33 kV cables for two other projects in the UK, which were the largest wind farms in terms of capacity at the time of their construction: the Greater Gabbard and London Array projects. JDR then supplied cables to the Meerwind, Sandbank, Veja Mate and Hohe See projects. Until 2021, subsequent wind farms such as Dudgeon, Galloper and Hornsea 1 were the largest operating wind farms in the world. During this period, JDR also delivered the first aluminium core designs for the Nordsee One wind farm in Germany and the Rampion wind farm in the UK. With the development of the technology towards 66 kV, JDR supplied the cables to the first large-scale commercial wind farms, such as East Anglia 1 and Moray East. JDR continued developing the 66kV technology, supplying dynamic cables for the Windfloat floating wind farm, followed by many other projects such as Golfe de Lion and Hywind Tampen.

[GRI 417-2] [3-3] [SDG 16]

In 2022, not a single case of non-compliance with regulations or voluntary codes concerning labelling and information about products and services was identified.

JDR experts share their knowledge and experience with the market by participating in high-profile industry meetings. In 2022, the company attended, amongst others, Offshore Wind North East (OWNE) at the Beacon of Light facility in Sunderland, North East England. Over 800 participants at the meeting discussed the prospects of the offshore wind energy sector and its role for the energy future of Europe and the world. JDR's Renewables Sales Manager participated in the Q&A session; some of the topics discussed were floating offshore wind farms and the technology needed to meet the challenges they pose.

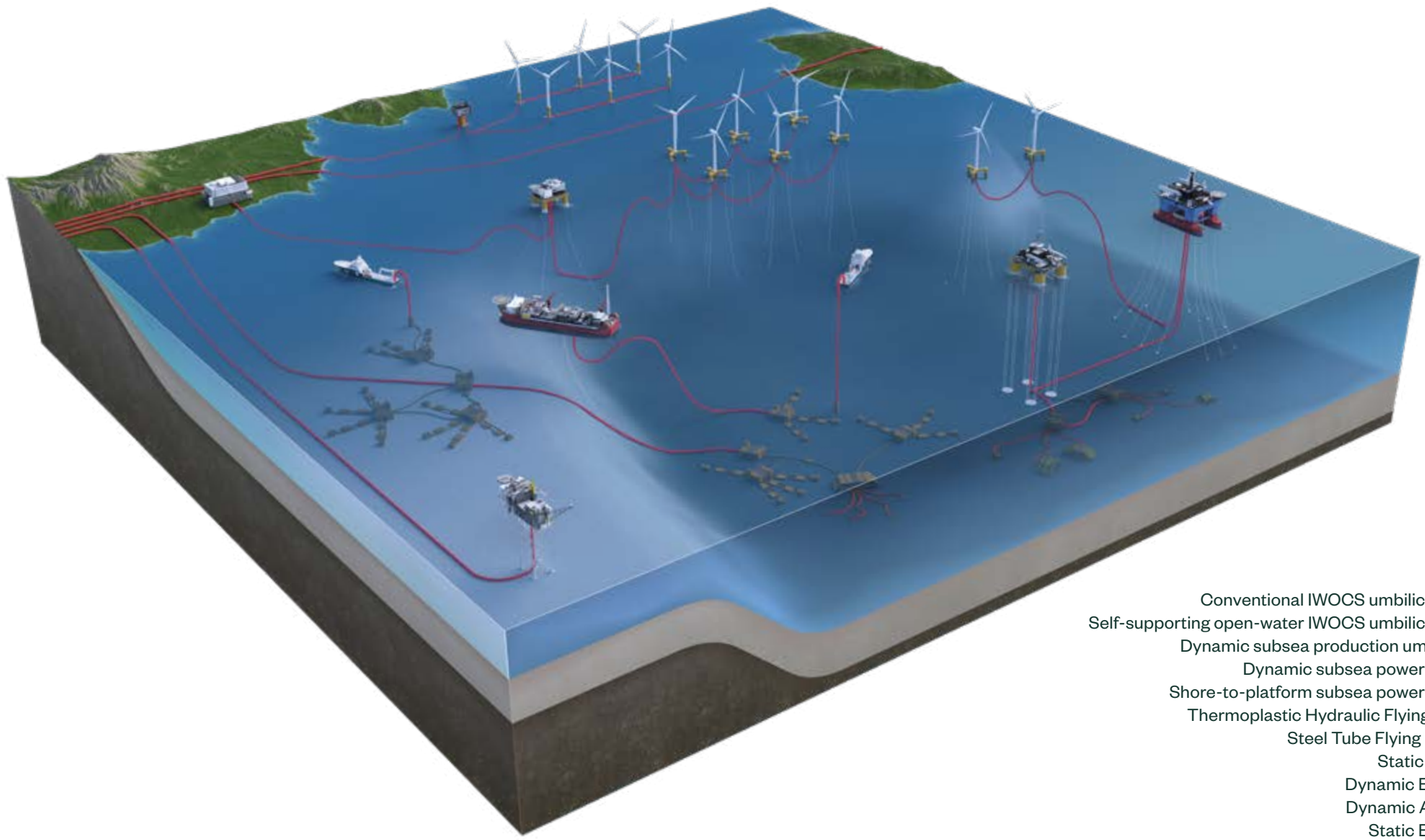
JDR attended Global Offshore Wind 2022 in Manchester, the largest offshore wind energy event in the United Kingdom. It was organised by RenewableUK, the British association promoting wind, wave and tidal power. RenewableUK has over 660 members.

GOOD PRACTICE

In 2022, JDR's Technical Sales Manager for Renewables took part in the one-day Floating Offshore Workshop organised by the Global Underwater Hub. The JDR spokesperson presented current and future JDR technologies, and talked about how they can be used in planned projects, e.g. in the Celtic Sea.

[GRI 417-1] [3-3] [SDG 12]

JDR complies with all regulations in keeping a record of the impact of its products, including in terms of hazardous substances and materials. Customers are informed about all these parameters in the technical specifications.



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 Cables
Static Export Cable
Interconnector Cable
Shore to Subsea Umbilical/Power Cable
Infield Umbilical / Power Cable
Floating Turbines to O&G Platform/Vessel

4.2. Sustainable supply chain

[GRI 2-6]

JDR ‘s supply-chain include suppliers of raw materials, such as polymers, metals, fibres, as well as some ready-made components and assemblies integrated into products. The company's clients are typically offshore wind energy developers, offshore cable and wire installation companies and offshore oil and gas operators.

JDR products and services are usually delivered on a project-by-project basis, with occasional multi-project framework agreements. The company usually manufactures its products specifically for individual orders, using pre-designed components in cables and cable systems, where possible.

JDR upholds a responsible supply chain. The company has a Responsible Sourcing Code in place, which regulates in detail the company’s requirements from suppliers, mandating business partners to implement mechanisms to prevent child and forced labour, any form of discrimination, harassment and intimidation of employees. The company’s suppliers are also expected to guarantee regular working hours, adequate remuneration, and respect for the natural environment. Each potential business partner of the British company also completes a Supplier Declaration, which is consistent with the companies Code of Ethics. The declaration is prepared in keeping with the UN principles on business and human rights.

[GRI 308-1] [414-1] [3-3] [SDG 8] [SDG 16]

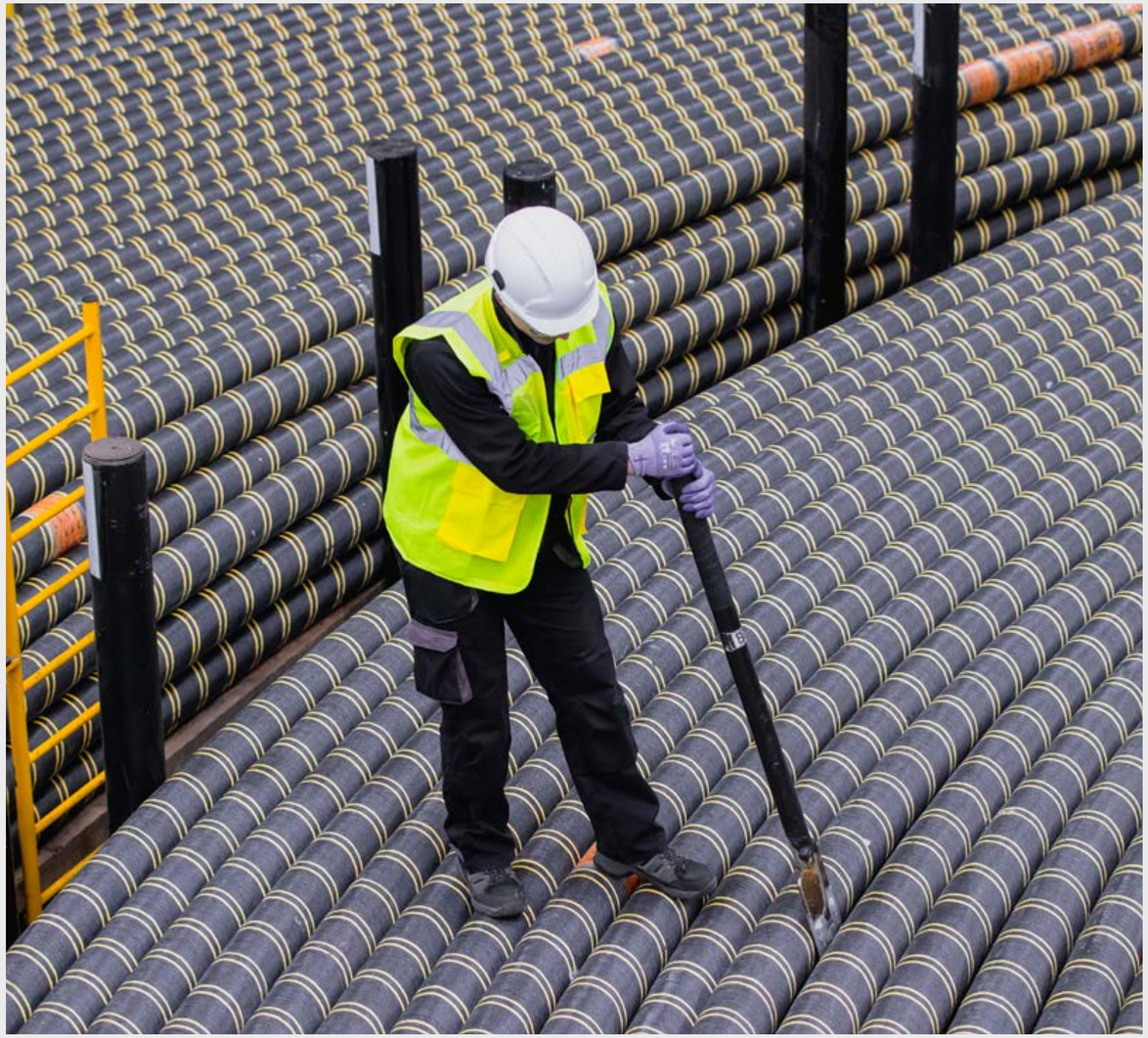
All new JDR suppliers in 2022 were investigated by the company in terms of both social and environmental criteria.

JDR suppliers:

30.7%
Great Britain

69.1%
EU

0.2%
other countries



4.3. Hiring and employee development

JDR employs over 470 people. More than 95% of them work in the company on a full-time and permanent basis. Most of the employees are men which is a common situation inherent of historical male dominance in the industry. However, the company continues to actively advertise roles internally, as well as externally, encouraging all staff to put themselves forward for new challenges to learn new skills or promotion opportunities.

In continuing to advance the organisational culture at JDR, we are guided by the principles that are shared with all our employee's:

- **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.**

[GRI 401-2] [3-3] [SDG 3] [SDG 8]

In addition to remuneration, regardless of they are full or part time, we provide our employees with a wide range of benefits. These include 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.

GOOD PRACTICE

JDR routinely organise a Global Business Update Meeting for employees, which is a review of company performance combined with a presentation of plans for the future. Each month, the company also provides briefings to employees where key performance indicators (KPI's) are discussed and performance is communicated. Important business updates from the CEO, the Executive Management Team and Senior Managers are also communicated throughout the year via internal communications on email and on notice board and screens in communal areas. There are also Employee Forums across the facilities that review policies and procedures from an employee perspective.

[GRI 2-7]

Total number of employees by gender	
Women	69
Men	403
TOTAL	**472**

Total number of employees by form of employment	
Permanent employees	
Women	65
Men	387
TOTAL	**452**
Temporary employees	
Women	4
Men	16
TOTAL	**20**

[GRI 2-8]

In 2022, JDR also employed 20 temporary employees and 5 contractors. All temporary employees worked out of our Hartlepool production facility, as interim Production Operatives. Contractors provided services not directly related to production, such as project management.

Number of employees by type of employment	
Full-time employees	
Women	59
Men	396
TOTAL	**455**
Part-time employees	
Women	10
Men	7
TOTAL	**17**

Total number and rate of new employee hires and total number of employee turnover during the reporting period

Total number of employee turnover during the reporting period, by	
Gender	
Women	10
Men	60
Age	
Under 30	9
30-50	52
50+	9

Total number of new employee hires during the reporting period, by	
Gender	
Women	15
Men	73
Age	
Under 30	25
30-50	47
50+	16

Rate of new employee hires during the reporting period, by	
Gender	
Women	28%
Men	23%
Age	
Under 30	51%
30-50	22%
50+	14%

Rate of employee turnover during the reporting period, by	
Gender	
Women	17%
Men	18%
Age	
Under 30	14%
30-50	25%
50+	7%

[GRI 401-3] [3-3]

All JDR employees are entitled to parental leave, regardless of gender, two men requested this type of leave in 2022.

Total number of employees that took parental leave in the reporting period	2
Women	0
Men	2
Total number of employees that returned to work in the reporting period after parental leave ended	2
Women	-
Men	2
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	2
Women	-
Men	2

[GRI 404-2] [3-3] [SDG 8]

At JDR, a personal development plan is set on an annual basis with every employee, and progress is evaluated every year. 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. The company also regularly conducts mandatory refresher training, e.g. first aid and forklift operation.

GOOD PRACTICE

We organise internships between TFKable and JDR to share and exchange knowledge improving the competencies of both JDR and TFKable employees. In 2022, 6 TFKable employees visited JDR facilities to understand our processes and procedures.

GOOD PRACTICE

JDR supports young people in entering the labour market. The company is heavily involved in science, technology, engineering and mathematics (STEM) initiatives, forging relationships with local schools to inspire the next generation of talent. Many JDR employees have become STEM ambassadors and/or mentors, attending career fairs, school and regional events, job interviews and workshops. In addition, we have opened our facilities to schools to show hands on what our company does.

In 2022, as part of the STEM programme, JDR employees organised a number of events with children at the St Theresa's Catholic Primary School in Hartlepool. The topics included everyday safety, the best methods of remembering facts, motivation and self-confidence. Together, the STEM ambassadors and school students also conducted small chemical experiments.

JDR representatives also participated in career fairs and discussed what it is like to work at the company:

- **At Macmillan Academy in Middlesbrough, JDR organised a meeting to present future career opportunities at the company for UK year 4 and 5 students (9 and 10 year olds)**
- **The company regularly attends career fairs in local secondary schools in the Cambridgeshire area, as well as Cramlington and The Big Apprenticeship job fairs in the North East.**
- **During the Blyth Valley Jobs Fair, JDR presented employment opportunities to the local community.**

In March, the company organised training for Energy Academy students on 66KV subsea cables and optical fibre cable fusion splicing. In April 2022, JDR accepted two electrical engineering students from Middleborough College for a five-day work experience placement at the Hartlepool facility, as well as six secondary school Work Experience placements in our Littleport facility in July 2022. These students rotated through multiple areas of the business throughout their placements gaining knowledge and experience of our industry.

[GRI 404-1] [3-3] [SDG 8]

In 2022, the average number of training hours per individual employee was 7.4 hours.

The amount of remuneration at JDR is independent of the gender. In response to the historical majority of men in the industry the company operates in, 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. The company has a long-term commitment to remedy this. Every year, and measured from April to April, JDR has published their Gender Pay Gap report on the remuneration of women and men in the organisation. Information is disclosed regarding differences in remuneration and bonus awards.

13.7%

is the mean gender pay gap which shows the difference in the average hourly rate of remuneration between men and women

7.2%

is the median gender pay gap which shows the difference in the middle ranked pay between men and women

98.2%

of women received a bonus

94.4%

of men received a bonus

4.4. Employee health and safety

[GRI 403-1] [403-8] [3-3] [SDG 16] [GWP S-S1]

All JDR employees are covered by the occupational safety system compliant with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 . The management of health and safety issues is subject to British regulations and internal procedures. These include.:

- **Internal health and safety policy**
- **Occupational Health and Safety Act**
- **Occupational health and safety management regulations**
- **Workplace inspection regulations concerning:**
  - Noise
  - Vibration
  - Use of asbestos
  - Working at heights
  - Electrical installations
  - Personal protective equipment.

[GRI 403-2] [3-3] [SDG 8]

Workplaces at JDR are assessed in terms of risk and the company has also implemented a system that enables revising this assessment whenever needed. The assessments take into account the feedback from employees and experts, and the company's managers also received the relevant training.

All health and safety procedures are periodically reviewed to ensure they are up-to-date and comply with the law. The company has introduced the TH!NK Again work interruption policy, which senior management supports.

In the event of an accident, an investigation is launched, which includes collecting evidence (photographs, video surveillance footage, and witness statements), assessing the risks and procedures for the given activity, as well as documenting the training and competence of the people involved.

Each accident also involves following the '5 Whys' process, which serves to evaluate human factors and identify direct and indirect causes of the event. Corrective and preventive actions are also agreed along with the implementation schedule. All lessons learned from any accident are shared with other JDR business units.

[GRI 403-3] [403-6] [3-3] [SDG 3] [SDG 8]

Health and safety issues are handled by the Competent Contractor for Occupational Health. The company offers employees a Healthshield healthcare plan and trains selected employees as first responders. One person in the company is also competent to provide mental health first aid. Medical care offered by Healthshield includes dental and optical services, gym, pedicure and specialist consultations (ECG, x-rays, MRI) and physiotherapy, osteopathy, acupuncture and homeopathy, as well as a 24-hour legal and advisory hotline. Occupational health companies are evaluated by employees and assessed by JDR on an annual basis.

[GRI 403-4] [3-3] [SDG 8] [SDG 16]

There is an Employee Forum at each of the JDR plants which meets to discuss current business topics, including health and safety issues. Minutes of meetings are sent to employees and posted on notice boards. Staff representatives also participate in safety rounds (SQWAT) at JDR facilities, and health and safety information is made available to all employees on the company intranet.

[GRI 403-5] [3-3] [SDG 16]

All JDR employees receive health and safety training, the scope of which depends upon the nature of the individual's work. For example, topics of training include working at height, working with electricity, first aid, fire safety and appropriate emergency response.

[GRI 403-7] [3-3] [SDG 8]

Examples of Occupational Health & Safety activities are:

	Annual noise and air quality assessments
	Replacing substances used in the production process that are hazardous to health with safe substitutes. If this is not possible, the company organises special training for people working with substances hazardous to health
	Sourcing low noise and vibration power tools
	Special training for fitting masks for relevant employees e.g. those doing welding works

[GRI 403-9] [403-10] [3-3] [SDG 3] [SDG 8] [GWP S-S1]

In 2022, no fatal accident or cases of occupational diseases were recorded in JDR. No serious accidents were recorded. The most common injuries include hand injuries and the most common causes are slips, trips and falls. In 2022, the company completed an initiative to minimise the causes of slips by employees.

For all employees	
Number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
Number of high-consequence work-related injuries (excluding fatalities)	0
Rate of high-consequence work-related injuries (excluding fatalities)	0
Number of recordable work-related injuries	5
Rate of recordable work-related injuries	1,1
The main types of work-related injury	Hands
The number of hours worked	910,000

Employees whose work and/or workplace is controlled by the organisation but are not employed by it	
Number of fatalities as a result of work-related injury	0
Rate of fatalities as a result of work-related injury	0
Number of high-consequence work-related injuries (excluding fatalities)	0
Number of recordable work-related injuries	0
The number of hours worked	-

4.5. Impact on the natural environment

JDR manages its environmental impact responsibly. The company does not have a significant negative impact on biodiversity, it recycles waste to the maximum extent possible and manages water resources in a controlled and compliant way. In 2022, no sanctions were imposed on JDR due to its environmental impact.

4.5.1. Waste management

Resources used by JDR are sourced only from proven and reliable suppliers. Materials used in the production process are mainly wood and plastic, oil for generating power and for heating, wooden crates and pallets, steel pipes and copper, as well as flushing fluids used in SIT and FAT.

[GRI 306-1] [3-3]

The most common types of waste are cable cores, ropes, armoured cable and kevlar. Additional waste is generated during the cutting of cables at the facilities of the company's customers.

[GRI 306-3] [3-3] [SDG 12]

In 2022, JDR generated 1,067 tonnes of waste. Depending on the type of waste and handling standard, the waste was recycled or sent for disposal.

Hazardous waste		
Name	**Total weight (kg)**	**Disposal method**
Polymer (EWC: 12.01.05)	56,580	Recycling
Waste water/glycol (EWC: 16.01.14)	28,600	Incineration
Hazardous (EWC: 15.01.06)	500	Incineration
Oil (full) (EWC: 13.03.10)	665	Incineration
Oil Empty (EWC: 15.01.10)	200	Reuse
Plastic (EWC: 20.01.39)	376	Recycling
Interceptor Oil (EWC 1305.08)	5,800	Treatment
Aerosols (EWC: 16.05.04)	780	Recycling
Kevlar Dirty (EWC: 08.02.01)	1,410	Recycling
Non-hazardous waste		
General (EWC: 20.03.07)	96,558	Landfilling
Kevlar – clean (08.02.01)	1,290	Reuse
Copper (EWC: 17.04.01)	273,860	Recycling
Scrap Cable (EWC: 17.04.11)	35,700	Recycling
Armoured cable (EWC: 20.01.40)	191,780	Recycling
Metal (EWC: 20.01.40)	241,870	Recycling
Wood waste (EWC: 15.01.03)	131,350	Recycling
Cardboard/paper (EWC: 03.03.08)	460	Recycling

[GRI 306-4] [3-3]

Total weight of waste diverted from disposal (metric tonnes)	996.20

Total weight of hazardous waste diverted from disposal (metric tonnes)	0.81
Total weight of hazardous waste diverted from disposal, by recovery operation	
Preparation for reuse	
Within the organisation	0.00
Outside the organisation	0.06
Recycling	
Within the organisation	0.00
Outside the organisation	0.75
Other recycling operations	
Within the organisation	0.00
Outside the organisation	0.00

Total weight of non-hazardous waste diverted from disposal (in metric tonnes)	995.89
Total weight of non-hazardous waste diverted from disposal, by recovery operation (in metric tonnes)	
Preparation for reuse	
Within the organisation	0.00
Outside the organisation	1.39
Recycling	
Within the organisation	0.00
Outside the organisation	994.50
Other recycling operations	
Within the organisation	0.00
Outside the organisation	0.00

[GRI 306-5] [3-3]

Total weight of waste sent for disposal (in metric tonnes)	**1,039.20**
Total weight of hazardous waste sent for disposal (in tonnes)	**65.80**

Total weight of non-hazardous waste sent for disposal (in tonnes)	**973.50**
Total weight of non-hazardous waste sent for disposal, by disposal operation	
Incineration (with energy recovery)	
Within the organisation	0.00
Outside the organisation	0.00
Incineration (without energy recovery)	
Within the organisation	0.00
Outside the organisation	0.00
Landfilling	
Within the organisation	0.00
Outside the organisation	96.60
Other disposal operations	
Within the organisation	0.00
Outside the organisation	876.90

[GRI 301-1] [3-3] [SDG 12]

Total volume or weight of materials (in tonnes) that are used to produce and package the organization's primary products and services in the reporting period, by	
non-renewable materials	
Raw materials	4,565.1
Materials that are needed for the manufacturing process but are not part of the final product	-
Packaging	-
Semi-manufactured goods or parts	5,189.5

[GRI 301-2] [3-3] [SDG 12]

10.60%

of the materials used in the production of JDR's cables come from recycling

4.5.2. Water

[GRI 303-1] [303-2] [3-3] [SDG 6] [SDG 12] [GPW E-S4]

Water in the JDR plants is used for people-related purposes and for production – to run the extrusion line at both Hartlepool and Littleport plants. Both factories hold appropriate permits for water discharges and the frequency and intensity of discharges are controlled by the local authorities. The inspections carried out in 2022 did not reveal any irregularities. The company has also not recorded a negative impact of its operations on water resources and all JDR activities affecting this resource comply with British regulations, including the Water Management Act, the Environmental Protection Act and the Pollution Prevention and Control Act.

[GRI 303-3] [3-3]

Total water withdrawal from all areas in megalitres, and a breakdown of this total by the following sources	
Surface waters	0.0
Groundwater	0.0
Seawater	0.0
Production water (obtained from extraction, processing or use of any other raw material)	0.0
Water obtained indirectly (e.g., from the local water supply network)	7.5

Total water withdrawal from all areas with water stress in megalitres, and a breakdown of this total by the following sources	
Surface waters	0.0
Groundwater	0.0
Seawater	0.0
Production water (obtained from extraction, processing or use of any other raw material)	0.0
Water obtained indirectly (e.g., from the local water supply network)	2.2

Sourcing water from water-stressed areas applies only to the Littleport plant, which uses water supplied by the local water company. Under a 2021 decision by the UK Environment Agency, this water is categorised as coming from water-stressed areas.

4.5.3. Biodiversity

[GRI 304-1] [304-2] [304-3] [3-3]

JDR plants in the UK are not adjacent to protected areas or areas of high biodiversity. There are also no habitats of protected species that have been identified in our locations. The Hartlepool plant is 595 metres away from The Headland Conservation Area, across a body of water. The Littleport plant is located 1.6 km away from the Ouse river, which flows into the Nordelph sluice. JDR's European Services Support Centre in Newcastle is located on an elevation, 240 metres from the River Tyne. No negative impact of JDR's operations on biodiversity was recorded in 2022.

4.5.4. Emissions and energy consumption

JDR has an energy consumption monitoring system in place. Production processes are continuously optimised in terms of energy. In 2022, the company used over a thousand kWh less energy than in 2021, which marks another year of lowering energy consumption at JDR.
In 2022, JDR joined the Science Based Targets (SBTi) initiative and set emission reduction targets.

The science-based SBTi targets aim to keep the global temperature increase under 2°C compared to the 1850–1900 levels (the so-called pre-industrial era). The initiative is backed by a methodology that provides support to ambitious companies in setting reduction targets and transforming their business operations to fit the future low-carbon economy. Greenhouse gas reduction targets are considered 'science-based' if they are in line with what the latest climate research finds is necessary to achieve the Paris Agreement goals. SBTi is a collaboration between CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), and is one of the commitments of the We Mean Business coalition.

[GRI 302-1] [3-3] [GPW E-P2]

Total consumption (in KWh)	
Electricity	3,016,753
Heating	1,107,345
Cooling	0
Steam	0
Total energy consumption within the organisation in joules or multiples	**4,124,098**

[GRI 302-3] [3-3]

The types of energy included in the energy efficiency rating (in KWh)	
Fuels	0
Electricity	4,131
Heating	1,549
Cooling	0
Steam	0
Total	**5,680**

GOOD PRACTICE

[GRI 305-7] [3-3] [SDG 12] [SDG 13]

Few diesel forklifts are used at the Hartlepool and Littleport facilities. We have started recording their mileage in order to report their emissions in the future.

5.

About the report

[GRI 2-3] [2-4] [2-5]

This report is the sixth corporate social responsibility report of our organisation. The document presents data for the period from 1 January 2022 until 31 December 2022, unless indicated otherwise. TFK.Group reports on an annual basis. The previous report was released in 2022 and presented data for 2021. The report will not be subject to external verification. In the 2022 report, we present corrected data on TFKable's greenhouse gas emissions - the changes apply to 2021 data in indicators 305-1 and 305-2 presented in the previous report.

Materiality assessment and a list of important topics have been presented in Chapter 2. TFK Group subchapter 2.7 Managing relationships with stakeholders.

Questions, comments and suggestions related to this year's report can be submitted to Magdalena Kardela, Head of Marketing at TELE-FONIKA Kable S.A., e-mail: magdalena.kardela@tfkable.com

6.

GRI Index

Appendix 2: GRI Content Index

Statement of use	TFK.Group has reported in accordance with the GRI Standards for the period 01.01.2022 – 31.12.2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 2: General Disclosures 2021	2-1 Organizational details	6			
	2-2 Entities included in the organization's sustainability reporting	6			
	2-3 Reporting period, frequency and contact point	74			
	2-4 Restatements of information	74			
	2-5 External assurance	74			
	2-6 Activities, value chain and other business relationships	17, 34, 39, 62			
	2-7 Employees	41, 63			
	2-8 Workers who are not employees	41, 63			
	2-9 Governance structure and composition	18, 19			
	2-10 Nomination and selection of the highest governance body	18, 19			
	2-11 Chair of the highest governance body	18, 19			
	2-12 Role of the highest governance body in overseeing the management of impacts	18, 19			
	2-13 Delegation of responsibility for managing impacts	18, 19			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 2: General Disclosures 2021 – continuation	2-14 Role of the highest governance body in sustainability reporting	18, 19			
	2-15 Conflicts of interest	16			
	2-16 Communication of critical concerns	18, 19			
	2-17 Collective knowledge of the highest governance body	18, 19			
	2-18 Evaluation of the performance of the highest governance body	18, 19			
	2-19 Remuneration policies	31			
	2-20 Process to determine remuneration	31			
	2-21 Annual total compensation ratio	-	The data required in the disclosure was not disclosed	Confidentiality constraints	The organization considers the data confidential and does not make it publicly available.
	2-22 Statement on sustainable development	4			
	2-23 Policy commitments	15-17, 21			
	2-24 Embedding policy commitments	17			
	2-25 Processes to remediate negative impacts	21, 32			
	2-26 Mechanisms for seeking advice and raising concerns	16			
	2-27 Compliance with laws and regulations	18			
	2-28 Membership associations	13			
	2-29 Approach to stakeholder engagement	27			
	2-30 Collective bargaining agreements	29, 42			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 3: Material Topics 2021	3-1 Process to determine material topics	27			
	3-2 List of material topics	27			
Health, safety and welfare, and other employee rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	45, 46, 67, 68			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	45, 67			
	403-2 Hazard identification, risk assessment, and incident investigation	45, 67			
	403-3 Occupational health services	45, 67			
	403-4 Worker participation, consultation, and communication on occupational health and safety	45, 67			
	403-5 Worker training on occupational health and safety	45, 67			
	403-6 Promotion of worker health	45, 67			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	45, 67			
	403-8 Workers covered by an occupational health and safety management system	45, 67			
	403-9 Work-related injuries	46, 68			
	403-10 Work-related ill health	68			
Diversity, equal opportunity and salaries					
GRI 3: Material Topics 2021	3-3 Management of material topics	29-32			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	30, 31			
	405-2 Ratio of basic salary and remuneration of women to men	32			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	29			
Employee education and development					
GRI 3: Material topics 2021	3-3 Management of material topics	42, 65, 66			
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	42, 66	For JDR Cable Systems, partial data was disclosed without the gender and employee category breakdown required in the disclosure.	The company does not collect data in the required breakdown.	In 2023, the company will consider the possibility of collecting data in the required breakdown.
	404-2 Programs for upgrading employee skills and transition assistance programs	42, 65			
Employment and job creation					
GRI 3: Material topics 2021	3-3 Management of material topics	26, 43, 44, 63, 65			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	44			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	43, 63			
	401-3 Parental leave	43, 65			
GRI 207: Tax 2019	207-1 Approach to tax	26			
Responsibility and employees in the value chain					
GRI 3: Material topics 2021	3-3 Management of material topics	39, 62			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	39, 62			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	39, 62			
Product quality, responsible marketing and customer relations					
GRI 3: Material topics 2021	3-3 Management of material topics	16, 61			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	61			
	417-2 Incidents of non-compliance concerning product and service information and labeling	61			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	16			
	205-3 Confirmed incidents of corruption and actions taken	16			
Climate change					
GRI 3: Material topics 2021	3-3 Management of material topics	47, 51, 52, 72			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	47, 72			
	304-2 Significant impacts of activities, products, and services on biodiversity	47, 72			
	304-3 Habitats protected or restored	47, 72			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	51			
	305-2 Energy indirect (Scope 2) GHG emissions	52			
	305-4 GHG emissions intensity	52			
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	52			
Energy and energy consumption					
GRI 3: Material topics 2021	3-3 Management of material topics	49-51, 73			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	50, 73			
	302-3 Energy intensity	49, 73			
	302-4 Reduction of energy consumption	49, 51			
Use of raw material					
GRI 3: Material topics 2021	3-3 Management of material topics	47, 48, 55, 71, 72			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	55, 71			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	47, 72			
	303-2 Management of water discharge-related impacts	72			
	303-3 Water withdrawal	47, 72			
	303-4 Water discharge	48			

Appendix 2: GRI Content Index

GRI Standard/ Other source	Disclosure	Location	Omission		
			Requirements (omitted)	Reason	Explanation
Waste, waste management and recycling					
GRI 3: Material topics 2021	3-3 Management of material topics	53 - 55, 69 - 71			
GRI 301: Materials 2016	301-2 Recycled input materials used	55, 71			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	53, 69			
	306-2 Management of significant waste-related impacts	53			
	306-3 Waste generated	53, 69			
	306-4 Waste diverted from disposal	54, 70			
	306-5 Waste directed to disposal	56, 71			

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